

Well Name: CYPRESS 34 FEDERAL	Well Location: T23S / R29E / SEC 34 / NENW / 32.268057 / -103.974224	County or Parish/State: EDDY / NM
Well Number: 11H	Type of Well: OIL WELL	Allottee or Tribe Name:
Lease Number: NMNM86024	Unit or CA Name:	Unit or CA Number:
US Well Number: 3001542920	Well Status: Producing Oil Well	Operator: OXY USA INCORPORATED

Notice of Intent

Sundry ID: 2691500

Type of Submission: Notice of Intent

Type of Action: Casing

Date Sundry Submitted: 09/08/2022

Time Sundry Submitted: 03:26

Date proposed operation will begin: 10/08/2022

Procedure Description: Oxy respectfully requests to rig up on the subject well and repair the production casing. Please see the attached current wellbore, proposed wellbore, and procedure with highlights of the USIT log findings. In January 2022, we rigged up on the well for a heel frac and the pressure test up to 6200 psi failed. The leak was isolated with plug and packer between 3812 ft to 4024 ft. A CIBP was set at 9000 ft. In February 2022, we ran a USIT log from 4600 ft to 3400 ft. The highlights of the USIT log findings can be found in the attached SwellPlug Procedure.

Surface Disturbance

Is any additional surface disturbance proposed?: No

NOI Attachments

Procedure Description

- SwellPlug_Procedure_20220908152618.pdf
- Cypress_34_11_Current_WBD_20220908152618.pdf
- Cypress_34_11_Proposed_WBD_20220908152618.pdf

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Conditions of Approval

Specialist Review

CYPRESS_34_FEDERAL_11H__2691500__COA_20221004104558.pdf

Operator

I certify that the foregoing is true and correct. Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction. Electronic submission of Sundry Notices through this system satisfies regulations requiring a

Operator Electronic Signature: STEPHEN JANACEK

Signed on: SEP 08, 2022 03:19 PM

Name: OXY USA INCORPORATED

Title: Regulatory Engineer

Street Address: 5 Greenway Plaza, Suite 110

City: Houston

State: TX

Phone: (713) 497-2417

Email address: stephen_janacek@oxy.com

Field

Representative Name:

Street Address:

City:

State:

Zip:

Phone:

Email address:

BLM Point of Contact

BLM POC Name: KEITH P IMMATTY

BLM POC Title: ENGINEER

BLM POC Phone: 5759884722

BLM POC Email Address: KIMMATTY@BLM.GOV

Disposition: Approved

Disposition Date: 10/04/2022

Signature: Keith Immatty

PECOS DISTRICT WORKOVER CONDITIONS OF APPROVAL

Well Name: CYPRESS 34 FEDERAL	Well Location: NENW 34 23S 29E	Lease Number: NMNM86024	Allottee or Tribe Name:
Well Number: 11H	Type of Well: OIL WELL	Unit or CA Name:	Unit or CA Number:
US Well Number: 3001542920	County or Parish/State: EDDY / NM	Operator: OXY USA INCORPORATED	Sundry ID: 2691500

COA

A. HYDROGEN SULFIDE

A Hydrogen Sulfide (H2S) Plan shall be activated prior to operations. As a result, the Hydrogen Sulfide area must meet Onshore Order 6 requirements, which includes equipment and personnel/public protection items. If Hydrogen Sulfide is encountered, please provide measured values and formations to the BLM.

B. REPAIR PROCEDURE

Repair procedure with SwellPlug approved as proposed.

C. PRESSURE CONTROL

Minimum working pressure of the blowout preventer (BOP) and related equipment (BOPE) required for workover operations shall be **10,000 (10M) psi**(same as original COA.) The BOP and related equipment shall be tested as required by Onshore Order 2. Variance is approved to use a **5000 (5M) psi** Annular which shall be tested to **3500 (3.5M) psi**. Well must be maintained static and appropriate mud weight should be used to stay overbalanced.

D. SUBSEQUENT REPORTING

Within 30 days of completion of casing repair operations, file a subsequent report with operational details, depths, results, pressure tests and final wellbore diagram. Show date work was completed.

GENERAL REQUIREMENTS

A. Notifications: Contact the appropriate BLM office at least 24 hours prior to the commencing of any operations. For wells in Eddy County, call 575-361-2822. For wells in Lea County, call 575-393-3612.

The BLM is to be notified in advance for a representative to witness:

a. BOPE tests (minimum of 4 hours)

Eddy County

Call the Carlsbad Field Office, 620 East Greene St., Carlsbad, NM 88220,
(575) 361-2822

Lea County

Call the Hobbs Field Station, 414 West Taylor, Hobbs NM 88240, (575)
689-5981

B. PRESSURE CONTROL

1. All blowout preventer (BOP) and related equipment (BOPE) shall comply with well control requirements as described in Onshore Oil and Gas Order No. 2 and API RP 53 Sec. 17.
2. The appropriate BLM office shall be notified a minimum of 4 hours in advance for a representative to witness the tests.
 - a. In a water basin, for all casing strings utilizing slips, these are to be set as soon as the crew and rig are ready and any fallback cement remediation has been done. The casing cut-off and BOP installation can be initiated four hours after installing the slips, which will be approximately six hours after bumping the plug. For those casing strings not using slips, the minimum wait time before cut-off is eight hours after bumping the plug. BOP/BOPE testing can begin after cut-off or once cement reaches 500 psi compressive strength (including lead when specified), whichever is greater. However, if the float does not hold, cut-off cannot be initiated until cement reaches 500 psi compressive strength (including lead when specified).
 - b. In potash areas, for all casing strings utilizing slips, these are to be set as soon as the crew and rig are ready and any fallback cement remediation has been done. For all casing strings, casing cut-off and BOP installation can be initiated at twelve hours after bumping the plug. However, **no tests** shall commence until the cement has had a minimum of 24 hours setup time, except the casing pressure test can be initiated immediately after bumping the plug (only applies to single stage cement jobs).
 - c. The tests shall be done by an independent service company utilizing a test plug not a cup or J-packer. The operator also has the option of utilizing an independent tester to test without a plug (i.e. against the casing) pursuant to

Onshore Order 2 with the pressure not to exceed 70% of the burst rating for the casing. Any test against the casing must meet the WOC time for water basin (8 hours) or potash (24 hours) or 500 pounds compressive strength, whichever is greater, prior to initiating the test (see casing segment as lead cement may be critical item).

- d. The test shall be run on a 5000 psi chart for a 2-3M BOP/BOP, on a 10000 psi chart for a 5M BOP/BOPE and on a 15000 psi chart for a 10M BOP/BOPE. If a linear chart is used, it shall be a one hour chart. A circular chart shall have a maximum 2 hour clock. If a twelve hour or twenty-four hour chart is used, tester shall make a notation that it is run with a two hour clock.
- e. The results of the test shall be reported to the appropriate BLM office.
- f. All tests are required to be recorded on a calibrated test chart. A copy of the BOP/BOPE test chart and a copy of independent service company test will be submitted to the appropriate BLM office.
- g. The BOP/BOPE test shall include a low pressure test from 250 to 300 psi. The test will be held for a minimum of 10 minutes if test is done with a test plug and 30 minutes without a test plug. This test shall be performed prior to the test at full stack pressure.
- h. BOP/BOPE must be tested by an independent service company within 500 feet of the top of the Wolfcamp formation if the time between the setting of the intermediate casing and reaching this depth exceeds 20 days. This test does not exclude the test prior to drilling out the casing shoe as per Onshore Order No. 2.

C. MUD

Appropriate mud monitoring system must be in place and the well should be maintained static and overbalanced.

D. WASTE MATERIAL AND FLUIDS

All waste (i.e. drilling fluids, trash, salts, chemicals, sewage, gray water, etc.) created as a result of drilling operations and completion operations shall be safely contained and disposed of properly at a waste disposal facility. No waste material or fluid shall be disposed of on the well location or surrounding area.

Porto-johns and trash containers will be on-location during fracturing operations or any other crew-intensive operations.

KPI – 10/04/2022

District I
 1625 N. French Dr., Hobbs, NM 88240
 Phone:(575) 393-6161 Fax:(575) 393-0720

District II
 811 S. First St., Artesia, NM 88210
 Phone:(575) 748-1283 Fax:(575) 748-9720

District III
 1000 Rio Brazos Rd., Aztec, NM 87410
 Phone:(505) 334-6178 Fax:(505) 334-6170

District IV
 1220 S. St Francis Dr., Santa Fe, NM 87505
 Phone:(505) 476-3470 Fax:(505) 476-3462

State of New Mexico
Energy, Minerals and Natural Resources
Oil Conservation Division
1220 S. St Francis Dr.
Santa Fe, NM 87505

CONDITIONS

Action 150163

CONDITIONS

Operator: OXY USA INC P.O. Box 4294 Houston, TX 772104294	OGRID: 16696
	Action Number: 150163
	Action Type: [C-103] NOI Workover (C-103G)

CONDITIONS

Created By	Condition	Condition Date
jagarcia	None	5/23/2024