

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB NO. 1004-0137
Expires: January 31, 2018

SUNDRY NOTICES AND REPORTS ON WELLS
Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals.

5. Lease Serial No.
NMNM21640

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

SUBMIT IN TRIPLICATE - Other instructions on page 2

1. Type of Well <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other		8. Well Name and No. PRECIOUS 30-18 FEDERAL COM 1H
2. Name of Operator OXY USA INCORPORATED		9. API Well No. 30-015-46373-00-X1
3a. Address 5 GREENWAY PLAZA SUITE 110 HOUSTON, TX 77046-0521		10. Field and Pool or Exploratory Area WILDCAT
3b. Phone No. (include area code) Ph: 713-497-2492		11. County or Parish, State EDDY COUNTY, NM
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 31 T23S R31E NWNW 570FNL 550FWL 32.266605 N Lat, 103.823860 W Lon		

12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Hydraulic Fracturing	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other Drilling Operations
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation: Clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection.

OXY USA INC. respectfully requests approval to temporarily suspend drilling operations for 6 months from rig down date of 1/20/20 due to current economic conditions related to the low price of oil for the below well.

See attached WBD and details.

PRECIOUS 30-18 FEDERAL COM 1H - 30-015-46373

gc 6/18/2020

Accepted for record – NMOCD

14. I hereby certify that the foregoing is true and correct.

**Electronic Submission #508522 verified by the BLM Well Information System
For OXY USA INCORPORATED, sent to the Carlsbad
Committed to AFMSS for processing by PRISCILLA PEREZ on 03/26/2020 (20PP1787SE)**

Name (Printed/Typed) LESLIE REEVES	Title REGULATORY ADVISOR
Signature (Electronic Submission)	Date 03/26/2020

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By <u>NDUNGU KAMAU</u>	Title <u>PETROLEUM ENGINEER</u>	Date <u>06/09/2020</u>
Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.		Office <u>Carlsbad</u>

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.

(Instructions on page 2)

**** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ****

Revisions to Operator-Submitted EC Data for Sundry Notice #508522

	Operator Submitted	BLM Revised (AFMSS)
Sundry Type:	DRG NOI	DRG NOI
Lease:	NMNM21640	NMNM21640
Agreement:		
Operator:	OXY USA INC PO 4294 HOUSTON, TX 77210 Ph: 713-497-2492	OXY USA INCORPORATED 5 GREENWAY PLAZA SUITE 110 HOUSTON, TX 77046-0521 Ph: 713.350.4816
Admin Contact:	LESLIE REEVES REGULATORY ADVISOR E-Mail: LESLIE_REEVES@OXY.COM Cell: 281-733-0824 Ph: 713-497-2492	LESLIE REEVES REGULATORY ADVISOR E-Mail: LESLIE_REEVES@OXY.COM Cell: 281-733-0824 Ph: 713-497-2492
Tech Contact:	LESLIE REEVES REGULATORY ADVISOR E-Mail: LESLIE_REEVES@OXY.COM Cell: 281-733-0824 Ph: 713-497-2492	LESLIE REEVES REGULATORY ADVISOR E-Mail: LESLIE_REEVES@OXY.COM Cell: 281-733-0824 Ph: 713-497-2492
Location:		
State:	NM	NM
County:	EDDY	EDDY
Field/Pool:	INGLE WELLS; BONE SPRING	WILDCAT
Well/Facility:	PRECIOUS 30-18 FEDERAL COM 1H Sec 31 T23S R31E Mer NMP NWNW 570FNL 550FWL 32.266070 N Lat, 103.823862 W Lon	PRECIOUS 30-18 FEDERAL COM 1H Sec 31 T23S R31E NWNW 570FNL 550FWL 32.266605 N Lat, 103.823860 W Lon

Reeves, Leslie T

From: nkamau@blm.gov
Sent: Tuesday, June 9, 2020 5:05 PM
To: Reeves, Leslie T
Subject: [EXTERNAL] Well PRECIOUS 30-18 FEDERAL COM 1H
Attachments: EC508522.pdf

Follow Up Flag: Flag for follow up
Flag Status: Completed

The sundry for Drilling Operations you submitted has been approved by the BLM. Your original Electronic Commerce (EC) transmission was assigned ID 508522. Please be sure to open and save all attachments to this message, since they contain important information.

Approved by N. Mandela Kamau on 6/9/2020. Expires on 12/9/2020. All previous COAs still apply.

OXY USA Inc. – Precious 30-18 Fed Com 1H

This is a sundry request for:

API#	Well Name	Lease Serial #
30-015-46373	Precious 30-18 Fed Com 1H	NMNM021640

Oxy respectfully requests approval to temporarily suspend drilling operations for 6 months from the rig down date of 1/20/20 due to current economic conditions related to the low price of oil.

Well history:

The Precious 30-18 Fed Com 1H was planned and permitted as a 4 string 12.5k long lateral targeting the 2 Bone Spring. The surface casing was successfully drilled down to the surface section TD of 490’ MD. Surface casing was set at 480’ MD with 13-5/8” 54.5# J-55 BTC, and cemented to surface per plan, then drilled 12.25” 1st intermediate to 4,081’ MD. 1st intermediate casing set at 4,066’ MD with 9-5/8” 40# HCL-80 BTC, and cemented to surface per plan. 8.75” 2nd intermediate was drilled to 10,285’ MD. 2nd intermediate casing set at 10,274’ MD with 7-5/8” 26.4# HCL-80, and cemented to surface per plan. A 6.75” pilot hole was drilled to 13,490’ MD. The pilot hole was plugged back with cement plugs as shown in the schematic below.

Current status:

The 7-5/8” 26.4# HCL-80 casing has been set and cemented per BLM approved APD. Casing shoes are set at depths depicted in table below. Cement was displaced with 8.9 ppg fluid. The shoe track was drilled out for the pilot hole but cement plugs were set as shown in the schematic. A CIBP was set at 9,498’ MD and tested to 1000 psi for 30 mins. The well is capped and has a pressure gauge on the cap. Well is static.

Plan forward:

Drilling operations will be temporarily suspended and the wellbores will be left as is. Oxy will plan to return to the well in approximately 9 months, pending economic conditions. Oxy will request additional shut-in status extension sundries and an APD extension as needed, once future drilling plans are finalized.

OXY USA Inc. – Precious 30-18 Fed Com 1H

Precious 30-18 Federal Com 1H								Ground Elevation = 3,346.8' Rig RKB = 3,373.3'
DEPTH MD	DEPTH TVD	HOLE SIZE	MUD WEIGHT (ppg)	FLUID TYPE	FLOW RANGE (gpm)	FORMATION TOPS	Wellhead: 13-5/8", 10K MNDS	ADDITIONAL INFO
GROUND LEVEL								
130	130							20" Conductor Pre-installed
		17-1/2"	8.4-9.2	FW				13-3/8" Surface Casing - 54.5#/ft J55 BTC ID/Drift: 12.615" / 12.459" Conn OD: 14.375"
346	346							Cement to Surface TD Criteria: Isolate Fresh Water Zone (above salt)
480	480	17-1/2" 12-1/4"	8.4-9.2 10.0-10.4	Spud Mud Brine				9-5/8" Intermediate Casing - 40#/ft HCL-80 BTC From Surface To ICP1 ID/Special Drift: 8.835" / 8.75" Conn OD: 10.625" Burst: 5750 psi Collapse: 3870 psi Axial Body: 916 klbs Axial Joint: 947 klbs
663	663							Cement: Lead: 12.9ppg Lead 100% Excess Top @ Surface Tail: 14.8ppg 20% Excess Top @ 500' above shoe
2,588	2,588							
4,016	4,016							
4,046	4,046							
4,066	4,066	12-1/4" 8-3/4"	10.0-10.4 8.5-8.8	Brine WBM				TD Criteria: 50' Below Delaware (Base of Salts)
4,951	4,951							7-5/8" Intermediate Casing - 26.4# HCL-80 SF → Surface to 6,000' ID/Drift: 6.969" / 6.844" Conn OD: 7.79" Burst: 6,020 psi Collapse: 3,910 psi
6,244	6,244							7-5/8" Intermediate Casing - 26.4# HCL-80 FJ → 6,000' to ICP2 ID/Drift: 6.969" / 6.844" Conn OD: 7.63" Burst: 6,020 psi Collapse: 3,910 psi
6,560	6,560							
7,922	7,922							
7,963	7,963					Avalon		
8,060	8,043					Hold 15° Tangent		
9,000	8,951							Top CIBP @ ~9,498'
9,271	9,213							
9,267	9,209					Build 1°/100 to Vertical		
9,545	9,508							
9,661	9,593							Cement: 1st Stage 1st Stg Scavenger: 12 ppg - 0% Excess Top @ Surface 1st Stg Tail: 13.2 ppg - 0% Excess 250' below Brushy Top
10,185	10,111							Bradenhead: 12.9ppg = 100% Excess TOC @ Surface *Pump hole volume + 50% xs initially **Use remaining xs as top out cement
10,274	10,234	8-3/4" 6-3/4"	8.5-8.8 11.0-12.0	WBM WBM				PILOT HOLE
10,388	10,016							
10,767	10,691							
10,896	10,821							
11,364	11,289							
12,959	12,885							Cement: 14.4ppg - 10% Excess Plug #1: 600' - 13,500'-12,900' Plug #2: 600' - 12,900'-12,300' Plug #3: 600' - 12,300'-11,700' Plug #4: 600' - 11,700'-11,100' Plug #5: 600' - 11,100'-10,500' Plug #6: 700' - 10,500'-9,800'
13,298	13,223							Top of Cement Plug @ 9,800'
13,490	13,450	6-3/4"	11.0-12.0	WBM				