

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
OCD-ARTESIAFORM APPROVED
OMB No. 1004-0137
Expires: March 31, 2007**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.

SUBMIT IN TRIPLICATE- Other instructions on reverse side.1. Type of Well
☒ Oil Well ☐ Gas Well ☐ Other2. Name of Operator **OXY USA Inc.**

16696

3a. Address
P.O. Box 50250 Midland, TX 797103b. Phone No. (include area code)
432-685-5717

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

**SL-1550 FSL 2360 FWL NESW(K) Sec 20 T23S R31E
BHL-541 FSL 792 FWL SWSW(M) " " "**

5. Lease Serial No.

NMNM 38463

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.

PureGold B Federal #13

9. API Well No.

30-015-38542

10. Field and Pool, or Exploratory Area

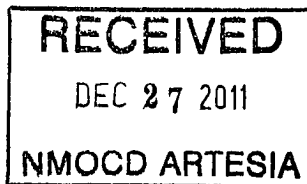
Sand Dunes Delaware, West

11. County or Parish, State

Eddy NM**12. CHECK 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 checked="" type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<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 Amend TO
	<input checked="" type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	Csg & Curt
	<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 shall 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 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)



SEE ATTACHED

*Verbal approval
given 0835 hrs
12/7/2011
for 120' not
150'*

**SUBJECT TO LIKE
APPROVAL BY BLM**

RDade 12/27/2011
**Accepted for record
NMOC D**

14. I hereby certify that the foregoing is true and correct
Name (Printed/Typed)

David Stewart

Title Regulatory Advisor

Signature

Date

12/27/2011**THIS SPACE FOR FEDERAL OR STATE OFFICE USE**

Approved by

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.

Title

Office

DEC 23 2011

Date

**WESLEY W. INGRAM
PETROLEUM ENGINEER**

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)

Notice of Intent to Deepen
Pure Gold B Federal # 13 API: 30-015-38542

38542

Summary of events:

12/6/2011: H&P 345 drilled and slided 7 7/8 production hole from 7165' to 8457'. Driller reached 8457' MD (7917' TVD) at approximately 23:00 hr. Permitted TD is 7927' TVD. Rig began flow check and circulation bottoms up at 23:30. Final mudlog and deviation surveys show that well did not penetrate entire pay zone and reach into the top of Bone Spring formation.

12/07/2011: BLM office was contacted, and Oxy requested to deepen the well 150' and received verbal approval from Wesley Ingram at 09:30 to drill an additional 50 feet of TVD maximum plus 100 feet of MD for rathole. Geologist will be in contact with mudlogger and H&P 345 DSM to confirm top of Bone Spring, expected to be reached at approximately -4593' SS (7948' TVD), based on cuttings and to advise at what depth to finish 100' MD rathole. In addition, a revision of geologic tops and drilling plan for upcoming Pure Gold B15 and Pure Gold B16 wells will be conducted and, if necessary, sundries for these wells will be filed in advance.

Justification for intent to drill deeper: Based on mudlogs, Pure Gold B13 is currently TD'd in Brushy Canyon pay zone and the top of the Bone Spring formation was not penetrated. Correlation with offset mudlogs confirms that PG B13 well is TD'd within the Brushy Canyon pay zone above the top of the Bone Spring.

ProposedTD: 8597' TMD 8041' TVD

Casing Program:

<u>Hole</u> <u>Size</u>	<u>Interval</u>	<u>OD Csg</u>	<u>Weight</u>	<u>Collar</u>	<u>Grade</u>	<u>Condition</u>	<u>Collapse</u> <u>Design</u> <u>Factor</u>	<u>Burst</u> <u>Design</u> <u>Factor</u>	<u>Tension</u> <u>Design</u> <u>Factor</u>
7-7/8"	8597'	5-1/2"	17#	LTC	J55	New	1.34	1.37	1.63
	DVT-5900'								
	POST-4250'								

Cement Program

Cement 1st stage w/ 600 sx Super H w/ .5% Halad R344 + .4% CFR-3 + 3#/sx Kol-Seal + 1#/sx Salt + .2% HR-601, 13.2ppg 1.63 yield 1817# 24hr CS 100% Excess, Calc TOC 5900'

Cement 2nd stage w/ 530sx Super H w/ .5% Halad R-344 + .4% CFR-3 + 3#/sx Kol-Seal + 1#/sx Salt, 13.2ppg 1.62yield 1536# 24hr CS 200% Excess, Calc TOC 4250'

Cement 3rd stage w/ 460sx HES light PP cmt, 12.4ppg 1.98 yield 560# 24hr CS 35% Excess followed by 100sx PP cmt, 14.8ppg 1.33yield 1600# 24gr CS 35% Excess, Calc TOC-Surface