Form 3160-5 (April 2004)

# UNITED STATES DEPARTMENT OF THE INTERIO**COCD-ARTESIA**BUREAU OF LAND MANAGEMENT

### SUNDRY NOTICES AND REPORTS ON WELLS

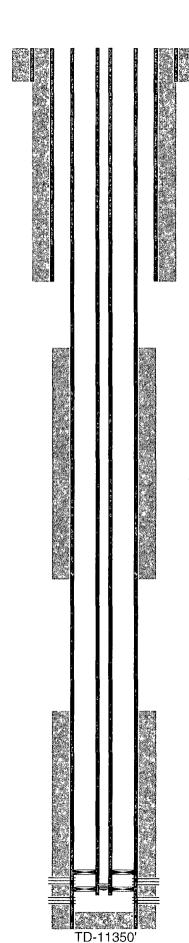
FORM APPROVED OM B No. 1004-0137 Expires: March 31, 2007

5. Lease Senal No.

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Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160 - 3 (APD) for such proposals.			6. If Indian, Allottee or Tribe Name	
SUBMIT IN TRI	7. If Unit or CA/Agreement, Name and/or No.			
1. Type of Well Oil Well.	Gas Well¹ ☐ Other		8. Well Name and No.	
2. Name of Operator OXY USA WTP LP		192463	Government S #9 9. API Well No.	
		o. (include area code) 717	30-015-2859.6  10. Field and Pool, or Exploratory Area	
4. Location of Well (Footage, Sec,			Winchester Morrow	
	FEL NEWE (A) Sec 3 T	705 R2SE	11. County or Parish, State	
12. CHECK A	PPROPRIATE BOX(ES) TO INDICATE	NATURE OF NOTICE, I	REPORT, OR OTHER DATA	
TYPE OF SUBMISSION	,			
Notice of Intent  Subsequent Report	Acidize Deepen  Alter Casing Fracture To  Casing Repair New Cons	[]	tart/Resume) Water Shut-Off Well Integrity Other	
Final Abandonment Notice	Change Plans Plug and A Convert to Injection Plug Back	,	Abandon	
TD-11350' PBTD-11250' DXY USA Inc respectfully r Wolfcamp recompletion.	Perfs-11046-11232' requests to temporarily abandon t		S OF APPROVAL ly being evaluated for possible	
	s & POOH. RIH & set CIBP @ 1100 @ 10400-10025', WOC-Tag <i>c /</i>			
	@ 9850-9650', WOC-Tag <i>C/a</i>		16.4# RECEIVE	
	ng integrity test 24hrs in advance		1	
	ate well with treated water, press		0# for 30 min	
14. I hereby certify that the fore Name (Printed/Typed)  David Stewart	egoing is true and correct	Title Degulet	Accepted for record	
	1. 1	Title Regulatory Advisor	3/21/12	
Signature U. S	Tel	Date 2/8/13	L	
	THIS SPACE FOR FEDERAL	OR STATE OFFICE	EUSE	
Approved by	/s/ JD Whitlock Jr	Title LPET	Date 3/18/12	
certify that the applicant holds lega which would entitle the applicant to		ase Office (FO	,	
Title 18 U.S.C. Section 1001 and Title States any false, fictitious or fraudul	e 43 U.S.C. Section 1212, make it a crime for any	person knowingly and willfully within its jurisdiction.	y to make to any department or agency of the United	

OXY USA WTP LP - Current Government S #9 API No. 30-015-28996



17-1/2" hole @ 400' 13-3/8" csg @ 400' w/ 420sx-TOC-Surf-Circ

11" hole @ 3000' 8-5/8" csg @ 3000' w/ 1200sx-TOC-Surf-Circ

Csg Lk @ 6647-6771'sqz w/ 600sx-TOC-4100'CBL

7-7/8" hole @ 11350' 4-1/2" csg @ 11350' w/ 425sx-TOC-8920'-CBL

Perfs @ 11046-11094' Perfs @ 11200-11232'

2-3/8" tbg @ 11232' w/ Pkr's @ 11139' w/ Blk plg & pkr @ 10995'

PB-11250'

OXY USA WTP LP - Proposed Government S #9 API No. 30-015-28996

> 17-1/2" hole @ 400' 13-3/8" csg @ 400' w/ 420sx-TOC-Surf-Circ 11" hole @ 3000' 8-5/8" csg @ 3000' w/ 1200sx-TOC-Surf-Circ Csg Lk @ 6647-6771'sqz w/ 600sx-TOC-4100'CBL 7-7/8" hole @ 11350' 4-1/2" csg @ 11350' w/ 425sx-TOC-8920'-CBL Perfs @ 11046-11094' Perfs @ 11200-11232'

25sx @ 9850-9650' WOC-Tag

40sx @ 10400-10025' WOC-Tag

CIBP @ 11000' w/ 25sx

PB-11250'

### BUREAU OF LAND MANAGEMENT Carlsbad Field Office 620 East Greene Street Carlsbad, New Mexico 88220 575-234-5972

# Temporary Abandonment of Wells on Federal Lands Conditions of Approval

A temporarily abandoned well is defined as a completion that is not capable of production in paying quantities but which may have value as a service well. Pursuant to 43 CFR 3162.3-4 (c), no well may be temporarily abandoned for more than 30 days without the prior approval of the authorized officer.

Temporary Abandonment (TA) status approval requires a successful mechanical or casing integrity test as follows:

- 1. A Notice of Intent (NOI) Sundry Notice (Form 3160-5) requesting approval to run a mechanical integrity test (MIT) or casing integrity test (CIT).
- 2. A description of the temporary abandonment procedure.
  - a. A bridge plug or packer must be installed as close to 50 feet above any open perforations or open hole as possible. If a cement plug is used, the top of the cement must be verified by tagging. CIBP must be capped with minimum 25 sacks cement, placed with tubing.
  - b. The wellbore must be filled with corrosion inhibited fluid and pressure tested to 500 psi. The casing shall be capable of holding this pressure for at least 30 minutes. Any leak-off will be evaluated.
  - c. All downhole production/injection equipment (tubing, rods, etc.) shall be removed from the casing if they are not isolated by a packer.
  - d. A bradenhead test must be conducted. If the test indicates a problem exists, a remedial plan and time frame for remediation shall be submitted within ninety (90) days of the test.
  - e. Contact the appropriate BLM office at least 24 hours prior to the scheduled Casing Integrity Test. For wells in Eddy County, 575-361-2822; Lea County 575-393-3612.
- 3. Provides justification why the well should be temporarily abandoned rather than permanently plugged and abandoned and an estimated date that the well will be returned to beneficial use or plugged and abandoned. 43 CFR 3162.3-4 (a) The operator shall promptly plug and abandon...wells in which oil or gas is not encountered in paying quantities...

Wells that successfully pass the casing integrity test **may** be approved for Temporary Abandonment (TA) status provided that the operator:

- 1. Submits a subsequent Sundry Notice (Form 3160-5) requesting TA approval with well bore diagram with all perforations and CIBP's and tops of cement on CIBP's.
- 2. Describes the temporary abandonment procedure.
- 3. Attaches a clear copy or the original of the pressure test chart.
- 4. Give justification to allow well to be place in TA status and plan for future use of well with time frame that well will be place back on line or plans to P&A well will be submitted.

If the well does not pass the casing integrity test, then the operator shall within 30 days submit to BLM for approval one of the following:

- 1. A procedure to repair the casing so that a TA approval can be granted.
- 2. A procedure to plug and abandon the well.

### Government S #9

- 1. See Permanent Abandonment COAs attached, for plug back operations.
- 2. Well may be approved to be TA/SI for a period of 90 days or until 6/19/2012 after successful MIT and subsequent report is submitted.
- 3. This will be the last TA approval for this well.
- 4. Must submit NOI to recomplete or a NOI to P&A. Must be submitted by June 19, 2012.

## BUREAU OF LAND MANAGEMENT Carlsbad Field Office 620 East Greene Street Carlsbad, New Mexico 88220 575-234-5972

### Permanent Abandonment of Federal Wells Conditions of Approval

Failure to comply with the following Conditions of Approval may result in a Notice of Incidents of Noncompliance (INC) in accordance with 43 CFR 3163.1.

1. Plugging operations shall commence within <u>ninety (90)</u> days from the approval date of this Notice of Intent to Abandon.

If you are unable to plug the well by the 90<sup>th</sup> day provide this office, prior to the 90<sup>th</sup> day, with the reason for not meeting the deadline and a date when we can expect the well to be plugged. Failure to do so will result in enforcement action.

The rig used for the plugging procedure cannot be released and moved off without the prior approval of the authorized officer. Failure to do so may result in enforcement action.

- 2. <u>Notification:</u> Contact the appropriate BLM office at least 24 hours prior to the commencing of any plugging operations. For wells in Chaves and Roosevelt County, call 575-627-0272; Eddy County, call 575-361-2822; Lea County, call 575-393-3612.
- 3. <u>Blowout Preventers</u>: A blowout preventer (BOP), as appropriate, shall be installed before commencing any plugging operation. The BOP must be installed and maintained as per API and manufacturer recommendations. The minimum BOP requirement is a 2M system for a well not deeper than 9,090 feet; a 3M system for a well not deeper than 13,636 feet; and a 5M system for a well not deeper than 22,727 feet.
- 4. <u>Mud Requirement:</u> Mud shall be placed between all plugs. Minimum consistency of plugging mud shall be obtained by mixing at the rate of 25 sacks (50 pounds each) of gel per 100 barrels of **brine** water. Minimum nine (9) pounds per gallon.
- 5. <u>Cement Requirement</u>: Sufficient cement shall be used to bring any required plug to the specified depth and length. Any given cement volumes on the proposed plugging procedure are merely estimates and are not final. Unless specific approval is received, no plug except the surface plug shall be less than 25 sacks of cement. Any plug that requires a tag will have a minimum WOC time of 4 hours.

In lieu of a cement plug across perforations in a cased hole (not for any other plugs), a bridge plug set within 50 feet to 100 feet above the perforations shall be capped with 25 sacks of cement. If a bailer is used to cap this plug, 35 feet of cement shall be sufficient. Before pumping or bailing cement on top of CIBP, tag will be required to verify depth. Based on depth, a tag of the cement may be deemed necessary.

Unless otherwise specified in the approved procedure, the cement plug shall consist of either Neat Class "C", for up to 7,500 feet of depth or Neat Class "H", for deeper than 7,500 feet plugs.

6. Dry Hole Marker: All casing shall be cut-off at the base of the cellar or 3 feet below final restored ground level (whichever is deeper). The BLM is to be notified a minimum of 4 hours prior to the wellhead being cut off to verify that cement is to surface in the casing and all annuluses. Wellhead cut off shall commence within ten (10) calendar days of the well being plugged. If the cut off cannot be done by the 10<sup>th</sup> day, the BLM is to be contacted with justification to receive an extension for completing the cut off.

The well bore shall then be capped with a 4-inch pipe, 10-feet in length, 4 feet above ground and embedded in cement, unless otherwise noted in COA (requirements will be attached). The following information shall be permanently inscribed on the dry hole marker: well name and number, name of the operator, lease serial number, surveyed location (quarter-quarter section, section, township and range or other authorized survey designation acceptable to the authorized officer such as metes and bounds).

- 7. <u>Subsequent Plugging Reporting:</u> Within 30 days after plugging work is completed, file one original and three copies of the Subsequent Report of Abandonment, Form 3160-5 to BLM. The report should give in detail the manner in which the plugging work was carried out, the extent (by depths) of cement plugs placed, and the size and location (by depths) of casing left in the well. **Show date well was plugged.**
- 8. <u>Trash</u>: All trash, junk and other waste material shall be contained in trash cages or bins to prevent scattering and will be removed and deposited in an approved sanitary landfill. Burial on site is not permitted.

Following the submission and approval of the Subsequent Report of Abandonment, surface restoration will be required. See attached reclamation procedure.

J. Amos 3/6/11