Form 3160-5
(April 2004)

UNITED STATES
DEPARTMENT OF ?
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB NO. 1004-0137
Expires March 31, 2007

SUNDRY NOTICES AND REPORTS ON WELLS

OCD Artesia

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

5 Lease Serial No.
NM-0251099A

6 If Indian, Allottee or Tribe Name

7 If Unit or CA/Agreement, Name and/or No
Smith Federal <30654>

1. Type of Well
☐ Oil Well ☒ Gas Well ☐ Other

8 Well Name and No
Smith Federal #4

2 Name of Operator
OXY USA WTP Limited Partnership (attn: Jereme Robinson) <192463>

9. API Well No.
30-015-32957

3a. Address
P.O. Box 27570, Houston, Texas 77227-7570

3b. Phone No. *(include area code)*
713-366-5360

10. Field and Pool, or Exploratory Area
Wildcat-Yeso

4. Location of Well *(Footage, Sec., T, R., M, or Survey Description)*
(H), Sec. 11, T22S, R23E
1511' FNL & 839' FEL

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			
☒ Notice of Intent	☐ Acidize	☐ Deepen	☐ Production (Start/Resume)	☐ Water Shut-Off
☐ Subsequent Report	☐ Alter Casing	☐ Fracture Treat	☐ Reclamation	☐ Well Integrity
☐ Final Abandonment Notice	☐ Casing Repair	☐ New Construction	☒ Recomplete	☐ Other
	☐ Change Plans	☐ Plug and Abandon	☐ Temporarily Abandon	
	☐ Convert to Injection	☒ Plug Back	☐ 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 final site is ready for final inspection.)

OXY USA WTP LP, request to plugback and recomplete this well into the Yeso formation. This well is located within the OXY Yeso Recompletion Project.

Please see attached proposed work procedure, and WBD,

Accepted for record - NMOCD
JUL 20 2011

RECEIVED
JUL 15 2011
NMOCD ARTESIA

ENTERED IN AFMSS

SEE ATTACHED FOR CONDITIONS OF APPROVAL

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

Title Regulatory Analyst

Date 03/09/2011

APPROVED
JUL 12 2011
BUREAU OF LAND MANAGEMENT
CARLSBAD FIELD OFFICE

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Title Petroleum Engineer

Date

Office

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 18 U.S.C. Section 1001, and Title 43 U.S.C Section 1212, makes 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

Smith Federal #4
Oxy USA
30-015-32957
July 12, 2011
Conditions of Approval

Summary of Current Status:

- Directional well drilled 2003. Max inclination 15° at 5093'. 7" Prod Csg.
- PBTD is 7123' per Sundry current wellbore diagram. Next tag is TOC at 8520'.
- Perforations in Cisco from 7576'-8016', squeezed, tested to 520 psi for 30 minutes w/ fresh water. 31 psi bleedoff – ok.
- Well is located in the OXY Yeso Recompletion Project.

Sundry Request:

1. Plug back from Cisco formation, bypassing the Wolfcamp and the Bone Spring formations.
2. Run USIT in cement and corrosion mode, set CIBP at 2700'.
3. Run CBL-VDL-GR-CCL-DSI. Frac in the Yeso. Run rods and pump.
4. Evaluate well as part of the OXY Yeso Project as presented to the BLM on 5/28/2010.

Conditions of Approval:

a) Surface disturbance not to exceed originally approved pad without prior approval.
b) Closed Loop System to be used.
c) In the event that an Annuli Survey is done, the measured pressures (if any) and the observed effluents (if any) of each annulus, should be reported to the BLM, with the amounts of any H2S or CO2 also reported.
d) Wellbore fluid in plugback intervals to be a mud laden fluid with overbalance density in accordance with Onshore Order 2. 25 sx gel / 100 bbls water, minimum density.
e) All cement plug volumes to be in compliance with Onshore Order 2, including 25 sacks minimum and including an additional 10% of slurry per 1000' of depth for pumped slurries.
f) **Plug 1** – Existing bridge plug at 7485' OK. Current PBTD to be verified by tag and witnessed by BLM. The BP will be capped with 50' of cement in accordance with Onshore Order 2. Operator has option to place 35' of cement if done by bailer. (Top Cisco 7573')
g) **Plug 2** – Cement proposed for interval 6781'-6881' OK. Must be 170' slurry volume. (Top Wolfcamp 6831')
h) **Plug 3** – Cement proposed for interval 5400'–5500'. OK. (No formation)
i) **Plug 4** - Cement proposed for interval 3928'-4028' OK. Must be 140' slurry volume. (Top Bone Springs 3978')
j) Operator to provide BLM with copy of logs run including digital if available, subsequent Operations Report, and Completion Report.

TMM 07/12/2011

Smith Federal #4
API#: 30-015-32957
Lease#: NM-0251099A
LOCATION: Sec. 11, T22S-R23E
SHL: 1511' FNL & 839' FEL
EDDY COUNTY, NEW MEXICO

WELL INFORMATION: All Depths Are Measured Depths
Spud Date: Nov 20, 1965
TD: 8570' PBTD: 8526' PLUGBACK: Top of @ CIBP 7485'

PERFORATIONS: 7576-8016' (Squeezed Cisco)
2200-2500' (Proposed Yeso)

CASING DETAIL:

SIZE (IN)	WT (LB/FT)	GRADE	DEPTH (FT)	BIT SIZE (INCH)	CMT (SX)	TOC (FT)	TECHNIQUE
9 5/8"	36#	K-55	1520'	12 3/8 "	1245	0	Circulated
7"	23#	K-55	8570'	8 ¾"	1395	0	Circulated

TUBING DETAIL (current): No tubing in hole.

RECOMMENDED PROCEDURE:
Notify BLM-CFO, 24-hours prior to beginning work or test.

1. MIRU pulling unit. PU and RIH with workstring and bit, and drill out CIBP at 7485'.
2. Set a CIBP @ 7223'. Pressure test the casing to 500 psi for 30min.
3. Spot 35sx "H" cement from ~7223-7123'. WOC-tag.
4. Spot 35sx "C" cement from ~6881-6781'. WOC-tag.
5. Spot 35sx "C" cement from ~5500-5400'.
6. Spot 35sx "C" cement from ~4028-3928'. WOC-tag.
7. RIH with USIT in cement mode and corrosion mode from 3000' to surface to check casing condition. Evaluate log and repair as required.
8. RIH and set CIBP @ 2700'.
9. RIH and log with **CBL-VDL-GR-CCL-DSI** from 2690' to surface (PB @ 2,700')
10. Perforate the Yeso from 2200-2500'.
11. Frac the Yeso with 1,886 bbl of x-link gel w/ 225,000# of 30/50 white sand (last 40% resin coated).
12. Clean out the well.
13. RIH with 2 7/8" tubing, PC pump, and rods to recover the frac load and produce the well.

Proposed PBTD: 2700' Proposed Perf: 2200-2500'

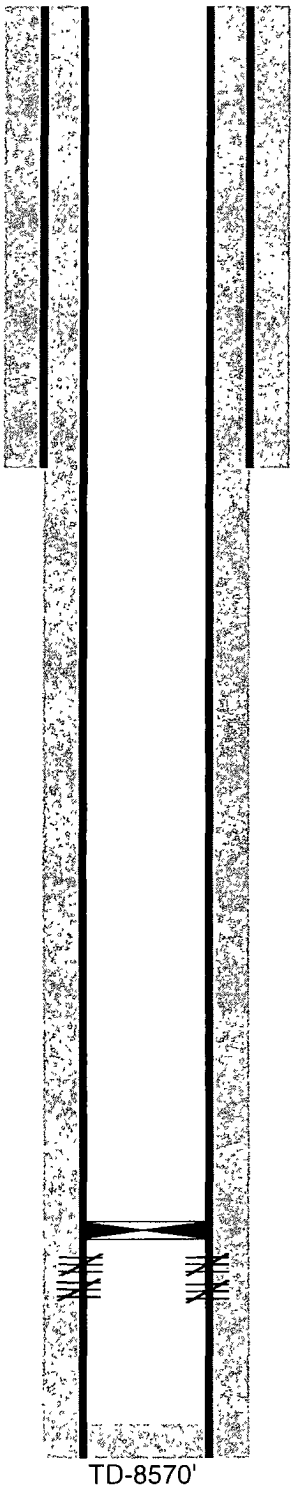
If well is unproductive of Hydrocarbons plans will be submitted to P&A well. This well is in part and consideration of the OXY Yeso Project presented to the BLM on 5/28/2010.

See attached Wellbore Diagrams (current/proposed)

OXY USA WTP LP
Smith Federal #4
API No. 30-015-32957

Current

12-3/8" hole @ 1520'
9-5/8" 36#, K-55 csg @ 1520'
w/ 1245sx-TOC-Surf-Circ



8-3/4" hole @ 8570'
7" 23#, K-55 csg @ 8570'
w/ 1395sx-TOC- Surf- Circ

CIBP @ 7485'

Perforations:
7576-8016' (Sqz Cisco)

PBTD: 8526

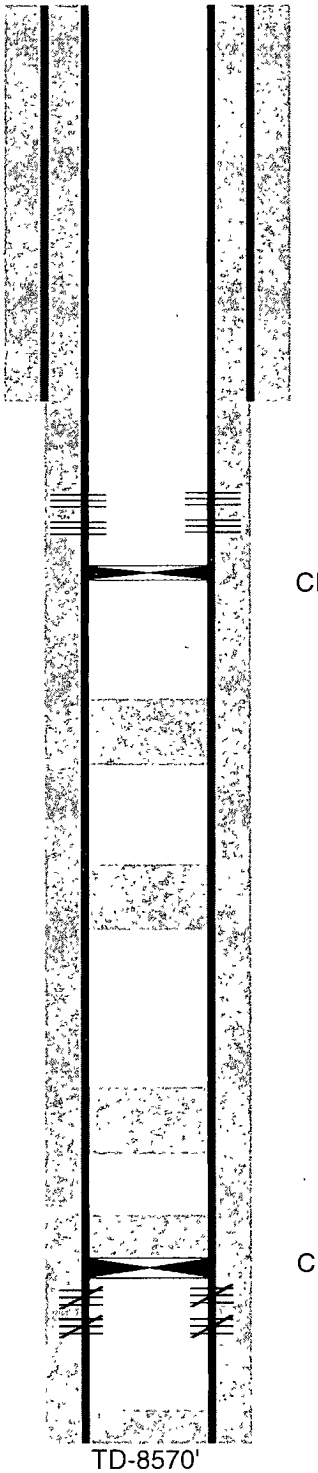
JWR 03/22/2011

TD-8570'

OXY USA WTP LP
Smith Federal #4
API No. 30-015-32957

Proposed

12-3/8" hole @ 1520'
9-5/8" 36#, K-55 csg @ 1520'
w/ 1245sx-TOC-Surf-Circ



Perf @ 2200-2500 (Yeso)

8-3/4" hole @ 8570'
7" 23#, K-55 csg @ 8570'
w/ 1395sx-TOC- Surf- Circ

CIBP @ 2700'

Plug @ 4028-3928' w/ 35sx "C" WOC-TAG

Plug @ 5500-5400 w/ 35sx "C".

Plug @ 6881-6781' w/ 35sx "C" WOC-TAG
(Wolfcamp)

Perforations:
7576-8016' (Sqz Cisco)

(Cisco top and perf)
CIBP @ 7223' w/ 35sx "H" @ 7223-7123' WOC-TAG

PBTD: 8526

JWR 03/22/2011

TD-8570'