

Submit 1 Copy To Appropriate District Office
 District I - (575) 393-6161
 1625 N. French Dr., Hobbs, NM 88240
 District II - (575) 748-1283
 811 S. First St., Artesia, NM 88210
 District III - (505) 334-6178
 1000 Rio Brazos Rd., Aztec, NM 87410
 District IV - (505) 476-3460
 1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
 Energy, Minerals and Natural Resources

Form C-103
 Revised August 1, 2011

OIL CONSERVATION DIVISION
 1220 South St. Francis Dr.
 Santa Fe, NM 87505

WELL API NO.
 30-015-29443

5. Indicate Type of Lease
 STATE FEE

6. State Oil & Gas Lease No.

7. Lease Name or Unit Agreement Name
 Martin

8. Well Number 2

9. OGRID Number 16696

10. Pool name or Wildcat
 Atoka Glorieta Yeso

11. Elevation (Show whether DR, RKB, RT, GR, etc.)
 3308'

SUNDRY NOTICES AND REPORTS ON WELLS
 (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)

1. Type of Well: Oil Well Gas Well Other

2. Name of Operator
 OXY USA Inc.

3. Address of Operator
 P.O. Box 50250 Midland, TX 79710

4. Well Location
 Unit Letter N : 330 feet from the south line and 2310 feet from the west line
 Section 23 Township 18S Range 26E NMPM County Eddy

12. Check Appropriate Box to Indicate Nature of Notice, Report or www.emnrd.state.nm.us

NOTICE OF INTENTION TO:

- PERFORM REMEDIAL WORK PLUG AND ABANDON
 TEMPORARILY ABANDON CHANGE PLANS
 PULL OR ALTER CASING MULTIPLE COMPL
 DOWNHOLE COMMINGLE

REMEDIAL WORK NG
 COMMINGLE
 CASING

OTHER: OTHER:

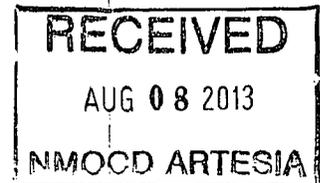
13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 19.15.7.14 NMAC. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

TD-3616' PBD-3604' Perfs-2810-3374'

8-5/8" 24# csg @ 999' w/ 700sx, 12-1/4" hole, TOC-Surf-Circ
 4-1/2" 11.6# csg @ 3616' w/ 875sx, 7-7/8" hole, TOC-Surf-Circ

1. RIH & set CIBP @ 2760', M&P 25sx cmt to 2510'
2. M&P 25sx cmt @ 1125-875' WOC-Tag
3. M&P 25sx @ 250' to surface
 10# MLF between plugs

Approved for plugging of well bore only.
 Liability under bond is retained pending receipt of C-103 (Subsequent Report of Well Plugging) which may be found at OCD Web Page under Forms, www.emnrd.state.nm.us/oed.



CONDITIONS OF APPROVAL ATTACHED

Spud Date: Rig Release Date: Approval Granted providing work is Completed by Aug 22, 2014

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE [Signature] TITLE Regulatory Advisor DATE 8/5/13

Type or print name David Stewart E-mail address: david.stewart@oxy.com PHONE: 432-685-5717
For State Use Only

APPROVED BY: [Signature] TITLE Dist # Supervisor DATE Aug 22, 2013

Conditions of Approval (if any):

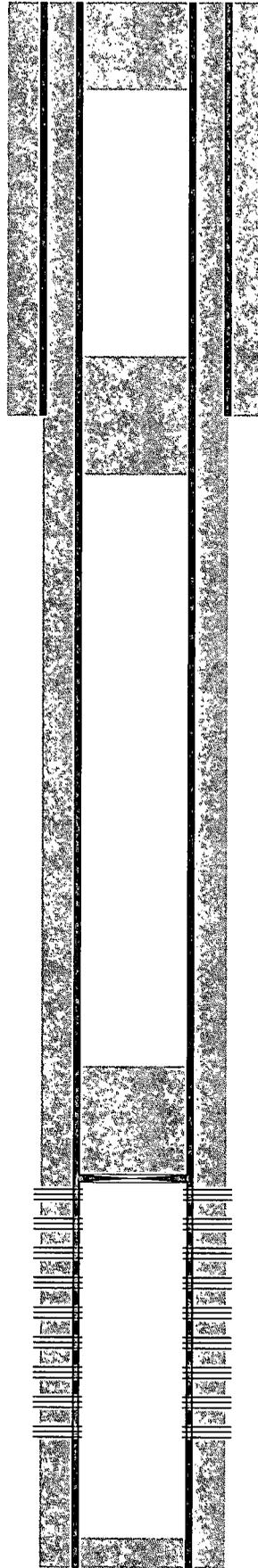
★ See Attached COA's

OXY USA Inc. - Proposed
Martin #2
API No. 30-015-29443

25sx @ 250'-Surface

25sx @ 1125-875' WOC-Tag

CIBP @ 2760' w/ 25sx to 2510'



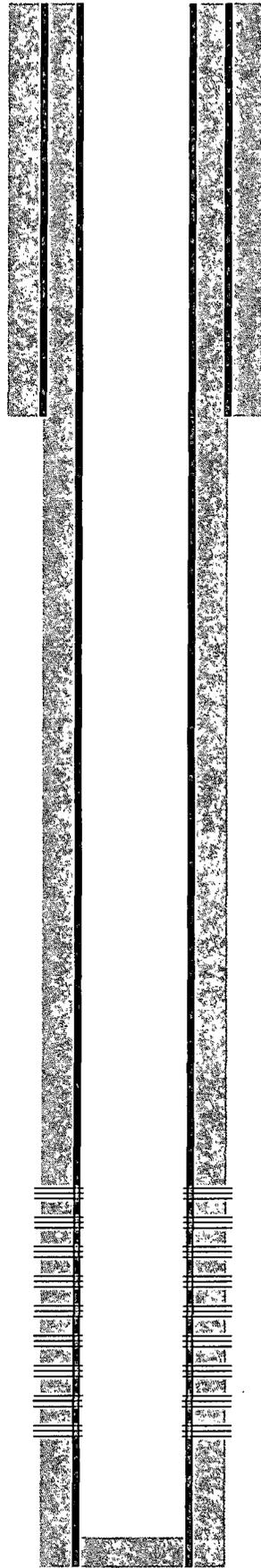
12-1/4" hole @ 999'
8-5/8" csg @ 999'
w/ 700sx-TOC-Surf-Circ

Perfs @ 2810-3374'

7-7/8" hole @ 3616'
4-1/2" csg @ 3616'
w/ 875sx-TOC-Surf-Circ

TD-3616'

OXY USA Inc. - Current
Martin #2
API No. 30-015-29443



12-1/4" hole @ 999'
8-5/8" csg @ 999'
w/ 700sx-TOC-Surf-Circ

Perfs @ 2810-3374'

7-7/8" hole @ 3616'
4-1/2" csg @ 3616'
w/ 875sx-TOC-Surf-Circ

TD-3616'

NEW MEXICO OIL CONSERVATION DIVISION
DISTRICT 2 OFFICE
811 S. FIRST STREET
ARTESIA, NM 88210
(575)748-1283

CONDITIONS OF APPROVAL FOR PLUGGING & ABANDONMENT

Operator: Oxy USA, Inc

Well Name & Number: Martin #2

API #: 30-015-29443

1. Produced water **will not** be used during any part of the plugging & abandonment operation.
2. Notify NMOCD Dist. 2 office at least 24 hrs before beginning work.
3. Closed Loop System is to be used for entire plugging operation. Upon completion, contents of steel pit are to be hauled to a permitted disposal location.
4. Trucking companies being used to haul oilfield waste fluids to a disposal – commercial or private – shall have an approved NMOCD C-133 permit. A copy of this permit shall be available in each truck used to haul waste products. It is the responsibility of the operator, as well as the contractor, to verify that this permit is place prior to performing work. Drivers shall produce a copy upon request of NMOCD Field Inspectors.
5. A subsequent C-103 will serve as notification that the well bore has been plugged ONLY. A C-103 FINAL shall be filed before any bonding can be released on the well. Upon receipt of the Final, an inspection will be performed to verify that the location has been satisfactorily cleaned to NMOCD standards.
6. If work has not begun within 90 days of the approval of this procedure, an extension request must be filed, stating reason that well has not been plugged.
7. Every attempt must be made to clean the well bore out to below the perms, before any plugs can be set, by whatever means possible.
8. **Cement Retainers may not be used.**

9. Squeeze pressures are not to exceed 500 PSI, unless approval is given by NMOCD.
10. Plugs may be combined after consulting with and getting approval from NMOCD.
11. Minimum WOC time for tag plugs will be 4 Hrs.

DATE: Aug 22, 2013

APPROVED BY: *RDade*

GUIDELINES FOR PLUGGING AND ABANDONMENT

DISTRICT II / ARTESIA

- All cement plugs will be a minimum of 100' in length or a minimum of 25 sacks of cement, whichever is greater.
- Mud laden fluids must be placed between all cement plugs.
- Mud laden fluids must be mixed at 25 sacks of gel per 100 bbls of water.
- A cement plug is required to be set 50' below and 50' above all casing shoes and casing stub plugs. These plugs must be tagged.
- A CIBP with 35' of cement on top may be set in lieu of 100' cement plug.
- A plug as indicated above must be placed within 100' of top perforation. This plug must be tagged.
- Plugs set below and above salt zones must be tagged.
- No more than 2000' is to be allowed between cement plugs in open hole and no more than 3000' in cased hole.
- DV tools are required to have a 100' cement plug set 50' above and below the tool and must be tagged.
- Formations to be isolated with plugs placed at the top of each formation are:
 - Fusselman
 - Devonian
 - Morrow
 - Wolfcamp
 - Bone Spring
 - Delaware
 - Any Salt Section (Plug at top and bottom)
 - Abo
 - Glorieta
 - Yates (this plus is usually at base of salt section)
- If cement does not exist behind casing strings at recommended formation depths, the casing must be cut and pulled with plugs set at these depths or casing must be perforated and cement squeezed behind casing at the formation depths.
- In the R-111-P area (Potash Mine area) a solid cement plug must be set across the salt section. Fluid used to mix the cement shall be saturated with the salts common to the section penetrated and in suitable proportions, but not more than a 3% calcium chloride by weight of cement will be considered the desired mixture whenever possible (50' below and 50' above).

New Pit Rule 19.15.17.9 has been posted and made effective June 28, 2013. In part, the new rule states:

“19.15.17.9 PERMIT APPLICATION AND REGISTRATION:

A. An operator shall use the appropriate form C-144 to apply to the division for a permit to construct or use a pit or proposed alternative method, or to register a below-grade tank. The operator shall submit the form C-144 either separately or as an attachment to a permit application for a facility with which the pit, below-grade tank or proposed alternative method will be associated. An operator shall use a C-101, C-103 or applicable Bureau of Land Management form to notify the appropriate division district office of construction or use of a closed-loop system.”

The documents attached are being returned to you for resubmittal on the appropriate form as stated above. If you have any questions or concerns, please notify Randy Dade, (575) 748-1283 ext 102, or Mike Bratcher, (575) 748-1283 ext 108. Existing permits which were approved prior to 6-28-13 will be closed as outlined under the old rule.

The rule in its entirety may be reviewed on our website www.emnrd.state.nm.us under “RULES”.