

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

RECEIVED

NOV 12 2013

FORM APPROVED  
OMB NO. 1004-0135  
Expires: July 31, 2010**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.  
NMNM25365

6. If Indian, Allottee or Tribe Name

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

**SUBMIT IN TRIPLICATE - Other instructions on reverse side.**

1. Type of Well

☒ Oil Well ☐ Gas Well ☐ Other

2. Name of Operator

OXY USA INCORPORATED

Contact: DAVID R STEWART

E-Mail: david\_stewart@oxy.com

8. Well Name and No.

NEFF 25 FEDERAL 5H

9. API Well No.

30-015-41031-00-X1

3a. Address

5 GREENWAY PLAZA STE 110  
HOUSTON, TX 77046-0521

3b. Phone No. (include area code)

Ph: 432-685-5717

Fx: 432-685-5742

10. Field and Pool, or Exploratory

LIVINGSTON RIDGE

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

Sec 25 T22S R31E NENW 634FNL 2218FWL

11. County or Parish, and State

EDDY COUNTY, 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 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
	<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 recompleate 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 recompleation 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.)

OXY USA Inc respectfully request that pending the successful remediation and pressure test, to complete as outlined below.

OBJECTIVE: Following successful pressure test, proceed to stimulate and complete the horizontal Brushy Canyon well in 15 stages, using the Baker OptiPort stimulation technique

1. MIRU CTU. NU Frac valve.

2. PU CT WS. RH, Drill out DV tool @ 4800?, test above and below DV tool to 500psi and then CO to PBTD. (confirm sleeve ID to ensure correct mill/ reamer size) The clean-out of the sleeves will be performed with coiled tubing clean out run. The following equipment may be used on the clean-out run:

2" Coiled Tubing Connector, 2.88" Motor Head Assembly; 2.88" VIP Mud Motor, and 4.650" OD Opti-Cut

SEE ATTACHED FOR  
CONDITIONS OF APPROVAL

Accepted for record

769 11/21/13 NMOC

APPROVED

NOV 6 2013

BUREAU OF LAND MANAGEMENT  
CARLSBAD FIELD OFFICE

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

Electronic Submission #221271 verified by the BLM Well Information System

For OXY USA INCORPORATED, sent to the Carlsbad

Committed to AFMSS for processing by JOHNNY DICKERSON on 10/21/2013 (14JLD1443SE)

Name (Printed/Typed) MIKE FISHER

Title SR. COMPLETIONS ENGINEER

Signature

(Electronic Submission)

Date 09/26/2013

## THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By EDWARD FERNANDEZ

Title PETROLEUM ENGINEER

Date 11/06/2013

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 Carlsbad

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.

\*\* BLM REVISED \*\* BLM REVISED \*\* BLM REVISED \*\* BLM REVISED \*\* BLM REVISED \*\*

SEE ATTACHED FOR  
CONDITIONS OF APPROVAL

## Additional data for EC transaction #221271 that would not fit on the form

### 32. Additional remarks, continued

Reverse Clutch Mill.

~~3. POOH w/CTU motor head assembly and rig down CT.~~

~~4. RU WLU.~~

5. Run CBL/VDL/Ultrasonic Bond Log from lowest attainable depth to surface.

~~6. Pressure test casing (5.5? 17# P-110 BTC) to 7448psi (70% burst) as per BLM regulations.~~

7. RU frac crew and CTU.

8. PU Optiport BHA w/ CTU and RIH to PBTD. Maintain the minimum attainable pump rate (~0.5 bbl/min) through CT at all times.

9. Pull up and locate short casing joint between sleeve 1 and 2 to confirm BHA location. Run BHA back to PBTD.

10. Pull up at 10 ft/min to locate sleeve.

11. Position BHA in sleeve then set OptiPort packer by applying enough weight to achieve pack-off (J-slot mechanism).

12. Pump treated water @ 3 BPM to pressure up annulus and shift sleeve and/ or achieve breakdown (requires minimum 1700psi over wellbore SIP to open sleeve. More pressure will be required to achieve breakdown, may not see signature of valve opening). Do not exceed 7448 psi. If sleeve fails to shift open, see contingent procedure below.

13. Set maximum pressure at 7,448 psi (70% burst). Frac down CT annulus as per frac schedule.

14. Put weight and then pull up on CT to unset packer. Pull up at 10 ft/min to locate next sleeve.

Confirm casing marker joint between sleeves 1 and 2.

15. Repeat steps 10-15 for remaining sleeves.

NOTE: If any overpull is seen while coming up hole to the next sleeve then attempt to circulate the hole clean as per Baker recommended procedure.

16. After the final stage has been fractured and debris has been circulated from the annulus, POOH w/ BHA. RD and release Frac Crew.

17. PU CT WS and RIH PBTD and circulate hole clean.

18. POOH and LD CTU and RD.

19. RU DDP.

20. PU ESP and 2 7/8" production tubing and RIH and land assembly 50' above KOP (7,600?), then POOH.

21. Flow back well at minimum stable pump frequency to limit surging of the formation.

22. Place well on production and report well test results to engineer.

#### Contingent Procedure ? Sleeve fails to shift open

1. If sleeve fails to open, unset packer by putting weight and then letting up on CT. RIH 30 ft (towards toe) and pull up at 10 ft/min. Relocate sliding sleeve and reset packer.

2. Pump treated water @ 3 BPM to pressure up annulus and shift sleeve. Do not exceed max frac pressure of 7448 psi. If sleeve fails to shift open, move on to step 3 below. Otherwise, return to step 13 of the main procedure, above.

3. Unset packer and pull up 10 ft.

4. Set packer in casing.

5. Sand jet perforate 5.5" casing by pumping ~2000 lbs of 20/40 white sand down CT at Baker recommended proppant loading.

6. Set maximum pressure at 7,448 psi (70% burst). Frac down casing annulus per frac schedule.

7. Reverse circulate sand and debris out of casing/CT annulus.

8. Continue with step 15 of the main procedure, above.

#### Extended Shutdown Procedures (e.g. overnight)

1. Following the final frac stage of the session, reverse circulate sand and debris out of the casing/ CT annulus.

2. Unset packer and pull up at 5 ft/min to locate the next sleeve.

3. Set the packer in the sliding sleeve.

4. SD.

5. Upon restarting, return to step 13 of main procedure, above.

See COA

See COA

## CONDITIONS OF APPROVAL

Sundry dated 9/26/2013

Completion procedure

OPERATOR'S NAME:	OXY USA INC
LEASE NO.:	NM25365
WELL NAME & NO.:	5H-NEFF 25 FEDERAL
SURFACE HOLE FOOTAGE:	634'/N. & 2218'/W.
BOTTOM HOLE FOOTAGE:	380'/S. & 2176'/W.
LOCATION:	Section 25, T. 22 S., R. 31 E., NMPM
COUNTY:	Eddy County, New Mexico

1. Surface disturbance beyond the existing pad shall have prior approval.
2. Functional H<sub>2</sub>S monitoring equipment shall be on location.
3. All waste (i.e. trash, salts, chemicals, sewage, gray water, etc.) created as a result of work over operations shall be safely contained and disposed of properly at a waste disposal facility. No waste material or fluid shall be disposed of on the well location or surrounding area. Porto-johns and trash containers will be on-location during fracturing operations or any other crew-intensive operations.
4. Per email Steps 1-6 on completion sundry have been eliminated.
5. **However: Operator shall be required to run CBL/VDL/Ultrasonic Bond Log from lowest attainable depth to surface (this CBL shall be ran after the casing repair). Provide BLM with an electronic copy (Adobe Acrobat Document) of CBL.**
6. **Provide BLM with an electronic copy (Adobe Acrobat Document) cement bond log record ran on September 7, 2013. Also provide an electronic copy of CBL/VDL/Ultrasonic Bond Log to be run on operator's step 5.**
7. Pressure shall be contained in the string through which the stimulation is being pumped (5-1/2" 17# P-110 BTC)
8. Annulus pressure will be monitor between the 5-1/2" by 9-5/8" throughout the job
9. If during the stimulation operation the annulus press increases by more than 500# over the annulus pressure immediately preceding the stimulation, the job will be shut-down and the BLM notified as soon as possible.
10. All pressure testing of casing shall be chart recorded for 30 minutes and submit a copy of the chart in the subsequent sundry for this work.

## Reminder

11. Due to being within the Lesser Prairie Chicken habitat, this workover activity will be restricted to the hours of 9:00am through 3:00am for the period of March 1 through June 15. Exceptions to these restrictions may be granted by BLM's Johnny Chopp <jchopp@blm.gov> 575.234.2227 or Bob Ballard <bballard@blm.gov> 575.234.5973.

EGF 110613

*Work To be completed  
Within 90 days*