Form 3160-5 (June 2015)

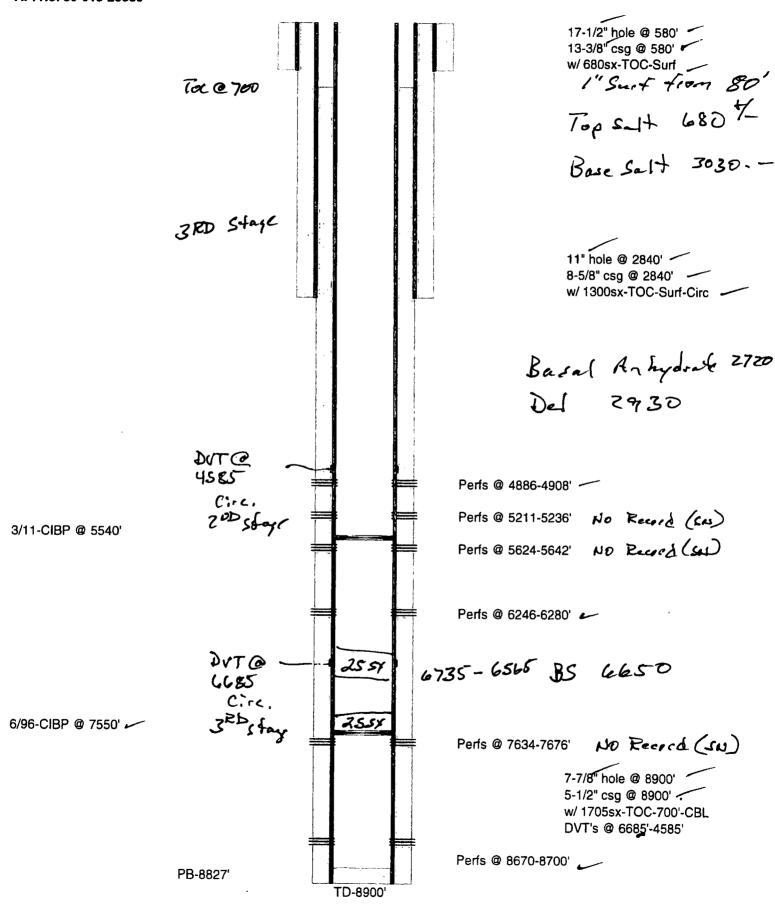
UNITED STATES

FORM APPROVED OMB NO. 1004-0137 Expires: January 31, 2018

(June 2015) DE	DEPARTMENT OF THE INTERIOR				OMB NO. 1004-0137 Expires: January 31, 2018		
BUREAU OF LAND MANAGEMENT SECONOMIA					5. Lease Serial No. NMNM86908		
SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill or to re-enter an ARTESIA O.C.D. abandoned well. Use form 3160-3 (APD) for such states.					6. If Indian, Allottee or Tribe Name		
					6. It indian, Another of Tribe Name		
SUBMIT IN TRIPLICATE - Other instructions on page 2					7. If Unit or CA/Agree	ment, Name and/or No.	
1. Type of Well ☐ Gas Well ☐ Other					8. Well Name and No. MITCHELL 21 FEDERAL 1		
Name of Operator Contact: DAVID STEWART OXY USA INC E-Mail: david_stewart@oxy.com					9. API Well No. 30-015-28559		
3a. Address P.O. BOX 50250 MIDLAND, TX 79710 3b. Phone No. (include area code) Ph: 432-685-5717					10. Field and Pool or Exploratory Area CEDAR CANYON DELAWARE		
4. Location of Well (Footage, Sec., T., R., M., or Survey Description)					11. County or Parish, State		
Sec 21 T24S R29E SWNE 1650FNL 1650FEL 32.205784 N Lat, 103.986221 W Lon					EDDY COUNTY, NM		
12. CHECK THE AI	PPROPRIATE BOX(ES)	TO INDICAT	E NATURE OI	F NOTICE,	REPORT, OR OTH	IER DATA	
TYPE OF SUBMISSION	SION TYPE OF ACTION				·		
Notice of Intent	☐ Acidize	□ Deep	☐ Deepen		ion (Start/Resume)	■ Water Shut-Off	
_	Alter Casing H		raulic Fracturing			☐ Well Integrity	
☐ Subsequent Report	☐ Casing Repair					Other	
☐ Final Abandonment Notice					☐ Temporarily Abandon ☐ Water Disposal		
13. Describe Proposed or Completed Op	Convert to Injection				<u> </u>	vimate duration thereof	
If the proposal is to deepen direction Attach the Bond under which the wo following completion of the involved testing has been completed. Final Aldetermined that the site is ready for f TD-8900' PBTD-5540' PG 13-3/8" 54.5# csg @ 580' W/ 68-5/8" 24-32# csg @ 2840' W/ 5-1/2" 17# csg @ 8900' DVT 1. RIH & set CIBP @ 4836' W 2. M&P 30sx cmt @ 2990-26 3. Perf @ 630' sqz 195sx cm 10# MLF between plugs - About 14. I hereby certify that the foregoing is Name (Printed/Typed) DAVID ST	ork will be performed or provide of operations. If the operation restandonment Notices must be file final inspection. erfs-4886-5236' CIBP-55 680sx, 17-1/2" hole, TOC-5 71300sx, 11" hole, TOC-5 8685', 4585' w/ 1705sx 6685', 4585	the Bond No. on sults in a multiple ed only after all 1 540' Surf-Circ urf-Circ , 7-7/8" hole, -Tag be utilized	file with BLM/BIA completion or reco equirements, includ lean kole	Required sumpletion in a ingreclamation of the plan of	beequent reports must be new interval, a Form 316 in, have been completed a received. Drive a cross of the completed are received a	filed within 30 days 0-4 must be filed once ind the operator has 1) owt CIBP'S IBP W/ 25 sx S+ DV74 Tap 6565, 25 sx	
Signature (Electronic Submission) Date 08/17/2018					<u> </u>		
	THIS SPACE FO	OR FEDERA	L OR STATE	OFFICE U	SE		
Approved By Lame	Title Sup	v. AE	7	8-26-18 Date			
Conditions of approval, if any, are attached certify that the applicant holds legal or eq which would entitle the applicant to conditions.	Office Ca	elska	Field	DH;ce			
Title 18U.S. Section 1001 and Title 43	U.S.C. Section 1212, make it a	crime for any pe	rson knowingly and	willfully to m	ake to any department or	agency of the United	

States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

OXY USA Inc. - Current Mitchell 21 Federal #1 API No. 30-015-28559



OXY USA Inc. - Proposed 'Mitchell 21 Federal #1 API No. 30-015-28559

195sx @ 630'-Surface 17-1/2" hole @ 580' 13-3/8" csg @ 580' w/ 680sx-TOC-Surf Perf @ 630' 2980 - こ676 30sx @ 2930-2796 WOC-Tag 11" hole @ 2840' 8-5/8" csg @ 2840' w/ 1300sx-TOC-Surf-Circ CIBP @ 4836' w/ 40sx to 4535' WOC-Tag DVT Perfs @ 4886-4908' Perfs @ 5211-5236' 3/11-CIBP @ 5540' Del. Perfs @ 5624-5642' Perfs @ 6246-6280' 6735 - 6565 25 SX 7/BS 255X & DUT. 255 6/96-CIBP @ 7550' Perfs @ 7634-7676' 7-7/8" hole @ 8900' 5-1/2" csg @ 8900' w/ 1705sx-TOC-700'-CBL DVT's @ 6685'-4585' Perfs @ 8670-8700' PB-8827' TD-8900'

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>minety (90)</u> days from the approval date of this Notice of Intent to Abandon.

If you are unable to plug the well by the 90th day provide this office, prior to the 90th 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. Notification: 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 10th 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. <u>Show date well was plugged.</u>
- 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 objectives.