

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

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

**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.  
NMMN82896

6. If Indian, Allottee or Tribe Name

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

**NM OIL CONSERVATION**  
**ARTESIA DISTRICT**

JAN 31 2019

8. Well Name and No.  
NIMITZ MDP1 12 FEDERAL COM 8H

9. API Well No.  
30-015-44527-00-X1

10. Field and Pool or Exploratory Area  
COTTONWOOD DRAW-BONE SPRING

11. County or Parish, State  
EDDY COUNTY, NM

1. Type of Well  
 Oil Well  Gas Well  Other

2. Name of Operator  
OXY USA INCORPORATED  
Contact: DAVID STEWART  
E-Mail: david.stewart@oxy.com

3a. Address  
5 GREENWAY PLAZA SUITE 110  
HOUSTON, TX 77046-0521

3b. Phone No. (include area code)  
Ph: 432.685.5717

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
Sec 13 T24S R30E NENW 228FNL 2405FWL  
32.224522 N Lat, 103.835136 W Lon

RECEIVED  
Oil Field Office  
OCD Artesia

12. CHECK THE 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"/> Hydraulic Fracturing	<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	Change to Original A PD
	<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 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 must 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 must be filed once testing has been completed. Final Abandonment Notices must 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 requests a variance to the 90 day requirement in the approved APD's COA's to complete drilling after the spudder rig has moved off the well. The surface hole was drilled, cased and cemented 3/26/18, see attached for sundry notice.

OXY is currently analyzing the current production from the offset wells and currently plans to fully develop and complete drilling of this well by the 4th quarter 2019. Please see attached for additional information.

Accepted For Record  
NMOCD  
1-31-19

All previous COAs still apply.

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

Electronic Submission #443339 verified by the BLM Well Information System  
For OXY USA INCORPORATED, sent to the Carlsbad  
Committed to AFMSS for processing by PRISCILLA PEREZ on 11/09/2018 (19PP0352SE)

Name (Printed/Typed) DAVID STEWART Title REGULATORY ADVISOR

Signature (Electronic Submission) Date 11/08/2018

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By ZQTA STEVENS Title PETROLEUM ENGINEER Date 01/22/2019

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.



Occidental Oil and Gas Corporation  
ATTN: Kacie Cruz  
5 Greenway Plaza, Suite 110  
Houston, TX 77046  
713-350-4889  
kacie\_cruz@oxy.com

November 8, 2018

Mr. Michael Balliett  
Bureau of Land Management  
620 E Greene Street  
Carlsbad, New Mexico 88220

RE: Nimitz BLM Non-Compliance Notification—Justification  
OXY USA Inc.  
Nimitz MDP1 13 Fed Com 1H and Nimitz MDP1 12 Fed Com 8H  
INC\_19MB014i and 19MB015i  
Section 13, 12, 1, T24S-R30E, Eddy County

Dear Mr. Balliett:

Oxy USA Inc. respectfully seeks approval to postpone drilling operations on the Nimitz MDP1 13 Fed Com 1H and Nimitz MDP1 12 Fed Com 8H till no later than Q4 2019. These two Nimitz wells in question were initiated with a spudder rig but have not been drilled to the final proposed TD.

Development of the remaining 2 Nimitz wells - Nimitz MDP1 13 Fed Com 1H and Nimitz MDP1 12 Fed Com 8H are pending well performance of the 2018 drills in the Nimitz 13 and 12 sections. It is Oxy's responsibility as a prudent operator to optimize well spacing for horizontal development and minimize reserves left in the ground. With this time extension to analyze production results, Oxy will optimize recoverable reserves.

Oxy currently plans to fully develop and to complete the drilling of the two wellbores by Q4 2019.

Sincerely,

A handwritten signature in black ink, appearing to read "Kacie Cruz", written in a cursive style.

Kacie Cruz  
Development Production Engineer  
Oxy USA Inc.

**Stewart, David R**

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**From:** Wilson, Robert K  
**Sent:** Thursday, November 08, 2018 1:43 PM  
**To:** Balliett, Michael  
**Cc:** Musallam, Sandra C; Cruz, Kacie; Morris, Justin C  
**Subject:** REPLY\_INC\_19MB015i\_NIMITZ MDP1 12 FED 8H  
**Attachments:** INC\_19MB015i\_REPLY\_NIMITZ MDP1 12-8H.pdf; BLM REPLY LETTER\_11-8-2018.pdf

Michael,

Attached please find the response to the above referenced INC concerning the completion of drilling activities on the NIMITZ MDP1 12 Federal Com # 8H wellbore located in Eddy county New Mexico on Lease NMNM82896. The subject well was initiated with a spudder rig and due to planning issues, we have not been able to move in a rig to drill the well out to the final proposed depth at this time. It is requested that the wellbore remain shut-in at this time until the resumption of drilling activities that are scheduled to be completed by the fourth quarter of 2019. Please see the attached letter from the Development Engineer, Ms. Kacie Cruz, with the projected time line.

In addition, a copy of the information above will be sent to your attention via U.S. Mail at your Carlsbad Office.

Thank you,

Robert K Wilson  
Regulatory Engineer  
Office: 713-985-6991 || 29.125 || Cell: 281-731-8091

# I & E CFO

Form 3160-9  
(December 1989)

Number 19MB0151  
Page 1 of 2

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

NOTICE OF INCIDENTS OF NONCOMPLIANCE

Certified Mail - Return Receipt Requested  
7018 (1300001) 32511295

Hand Delivered Received by

Identification	
TID	
Lease	NMNM82696
CA	
Unit	
PA	

Bureau of Land Management Office <b>CARLSBAD FIELD OFFICE</b>	Operator <b>OXY USA INCORPORATED</b>
Address <b>620 E GREENE STREET CARLSBAD NM 88220</b>	Address <b>5 GREENWAY PLAZA SUITE 110 HOUSTON TX 77046-0521</b>
Telephone <b>575.234.5972</b>	Attention
Inspector <b>BALLIETT</b>	Attn Addr

Site Name <b>NIMITZ MDP1 12 FEDERAL COM</b>	Well/Facility/FMP <b>8H</b>	1/4 1/4 Section <b>NENW 13</b>	Township <b>24S</b>	Range <b>30E</b>	Meridian <b>NMP</b>	County <b>EDDY</b>	State <b>NM</b>
Site Name	Well/Facility/FMP	1/4 1/4 Section	Township	Range	Meridian	County	State

THE FOLLOWING VIOLATION WAS FOUND BY BUREAU OF LAND MANAGEMENT INSPECTORS ON THE DATE AND AT THE SITE LISTED ABOVE

Date	Time (24 - hour clock)	Violation	Gravity of Violation
10/05/2018	08:30	43 CFR 3162.1(a)	MINOR
Corrective Action To Be Completed By	Date Corrected	Assessment for Noncompliance	Assessment Reference
11/15/2018			43 CFR 3163.1()

Remarks

Per the attached Sundry Notice, Oxy drilled the surface hole and moved the spudder rig off on 3/26/18. No further drilling has been done on this well. You were required by the COA's to start drilling again within 90 days after the rig moved off the hole. Perform one of the following actions:  
(Remarks continued on following page(s).)

When violation is corrected, sign this notice and return to above address

Company Representative Title REGULATORY ENGINEER Signature [Signature] Date 11/8/2018  
Company Comments Please find attached a letter of explanation for the referenced well and request to leave shut-in and to complete drilling operations by the fourth quarter of 2019, in one year.

WARNING

Incidents of Noncompliance correction and reporting timeframes begin upon receipt of this Notice or 7 business days after the date it is mailed, whichever is earlier. Each violation must be corrected within the prescribed time from receipt of this Notice and reported to the Bureau of Land Management office at the address shown above. Please note that you already may have been assessed for noncompliance (see amount under "Assessment for Noncompliance"). If you do not comply as noted above under "Corrective Action To Be Completed By" you may incur an additional assessment under (43 CFR 3163.1) and may also incur Civil Penalties (43 CFR 3163.2). All self-certified corrections must be postmarked no later than the next business day after the prescribed time for correction.

Section 109(d)(1) of the Federal Oil and Gas Royalty Management Act of 1982, as implemented by the applicable provisions of the operating regulations at Title 43 CFR 3163.2(f)(1), provides that any person who "knowingly or willfully" prepares, maintains, or submits, false, inaccurate, or misleading reports, notices, affidavits, record, data, or other written information required by this part shall be liable for a civil penalty of up to \$25,000 per violation for each day such violation continues, not to exceed a maximum of 20 days.

REVIEW AND APPEAL RIGHTS

A person contesting a violation shall request a State Director review of the Incidents of Noncompliance. This request must be filed within 20 working days of receipt of the Incidents of Noncompliance with the appropriate State Director (see 43 CFR 3165.3). The State Director review decision may be appealed to the Interior Board of Land Appeals, 801 North Quincy Street, Suite 300, Arlington VA 22203 (see 43 CFR 3165.4). Contact the above listed Bureau of Land Management office for further information.

Signature of Bureau of Land Management Authorized Officer [Signature] Date 10/5/18 Time 8:55

FOR OFFICE USE ONLY

Number <b>51</b>	Date	Assessment	Penalty	Termination
Type of Inspection <b>DW</b>				

BLM Remarks, continued

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1. Finish drilling the well.
2. Submit for review of the authorized officer a request to shut in the well. This request must include justification for not fully drilling the well, but also not plugging the well. And, a time table for when one can expect the well to be fully drilled.
3. Submit a Notice of Intent to Plug and Abandon the well bore.

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

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

<b>SUBMIT IN TRIPLICATE - Other instructions on page 2</b>		5. Lease Serial No. NMNM82896
		6. If Indian, Allottee or Tribe Name
		7. If Unit or CA/Agreement, Name and/or No.
1. Type of Well <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other	8. Well Name and No. NIMITZ MDP1 12 FEDERAL COM 8H	
2. Name of Operator OXY USA INCORPORATED	Contact: JANA MENDIOLA E-Mail: janalyn_mendiola@oxy.com	9. API Well No. 30-015-44527-00-X1
3a. Address 5 GREENWAY PLAZA SUITE 110 HOUSTON, TX 77046-0521	3b. Phone No. (include area code) Ph: 432-685-5936	10. Field and Pool or Exploratory Area COTTONWOOD DRAW-BONE SPRING
4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  Sec 13 T24S R30E NENW 228FNL 2405FWL 32.224522 N Lat, 103.835136 W Lon		11. County or Parish, State  EDDY COUNTY, NM

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<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 Drilling Operations
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Spud 17-1/2" hole 3/26/18, drill to 565' 3/26/18. RIH & set 13-3/8" 54.5# J-55 csg @ 555', pump 20BFW spacer then cmt w/ 730sx (175bbl) Class C cmt w/ additives 14.8ppg 1.35 yield, full returns throughout job, circ 349sx (84bbl) cmt to surface, WOC. Pressure up casing for integrity test to 1500# for 15 min, good test. 3/26/18 RD & release rig.

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

Electronic Submission #410386 verified by the BLM Well Information System  
For OXY USA INCORPORATED, sent to the Carlsbad  
Committed to AFMSS for processing by JENNIFER SANCHEZ on 04/05/2018 (18JAS1006SE)

Name (Printed/Typed) DAVID STEWART	Title SR. REGULATORY ADVISOR
Signature (Electronic Submission)	Date 04/04/2018

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By <b>ACCEPTED</b>	(BLM Approver Not Specified)	Date 04/05/2018
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

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(Instructions on page 2)

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