Form 3160-5
(June 2015)

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.

SUBMIT IN TRIPLICATE - Other instructions on page 2

5. Lease Serial No.
NMNM0545035

6. If Indian, Allottee or Tribe Name

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

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

8. Well Name and No.
PURE GOLD MDP1 29-17 FED COM 171H

2. Name of Operator
OXY USA INCORPORATED
Contact: SARAH CHAPMAN
E-Mail: SARAH_CHAPMAN@OXY.COM

9. API Well No.
30-015-45716-00-X1

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

3b. Phone No. (include area code)
Ph: 713-350-4997

10. Field and Pool or Exploratory Area
WILDCAT-WOLFCAMP

4. Location of Well *(Footage, Sec., T., R., M., or Survey Description)*
Sec 29 T23S R31E SWSW 690FSL 955FWL
32.270073 N Lat, 103.805267 W Lon

11. County or Parish, State
EDDY COUNTY, NM

12. CHECK THE 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	☐ Hydraulic Fracturing	☐ Reclamation	☐ Well Integrity
☐ Final Abandonment Notice	☐ Casing Repair	☐ New Construction	☐ Recomplete	☒ Other Change to Original A PD
	☐ 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 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 to amend the approved drill plans with the following changes:
1. Changing 9-5/8?? casing weight from 43.5ppf to 40ppf ?h
2. Changing Deep intermediate hole size from 8.5?? to 8.75?? ?h
3. Changed 7-5/8?? SF from 4000?? to 6000?? ?h
4. Updated cement calculations based on new casing and hole sizes
5. Option to run production casing with DQW TORQ connections to accommodate hole conditions
6. Option to cement 9-5/8" and/or 7-5/8" intermediate strings offline (now in drill plan)

The wells in which we are requesting these changes are listed below:
30-015-45716 Pure Gold MDP1 29-17 Federal Com 171H NMNM0545035
30-015-45717 Pure Gold MDP1 29-17 Federal Com 172H NMNM0545035
30-015-45718 Pure Gold MDP1 29-17 Federal Com 173H NMNM0545035

Carlsbad Field Office
OCD Artesia

ABL PREVIOUS COAs STILL APPLY.

NM OIL CONSERVATION
ARTESIA DISTRICT
OCT 02 2019
RECEIVED

14. I hereby certify that the foregoing is true and correct.
Electronic Submission #481269 verified by the BLM Well Information System
For OXY USA INCORPORATED, sent to the Carlsbad
Committed to AFMSS for processing by PRISCILLA PEREZ on 09/03/2019 (19PP3136SE)

Name *(Printed/Typed)* SARAH CHAPMAN — Title REGULATORY SPECIALIST

Signature (Electronic Submission) — Date 08/30/2019

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By NDUNGU KAMAU — Title PETROLEUM ENGINEER — Date 09/23/2019

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.

(Instructions on page 2)

**** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ****

Accept. KwP 10-9-19.

Additional data for EC transaction #481269 that would not fit on the form

32. Additional remarks, continued

30-015-45740 Pure Gold MDP1 29-17 Federal Com 174H NMNM0545035
30-015-45780 Pure Gold MDP1 29-17 Federal Com 175H NMNM0545035

Please find attachments for further information.

Revisions to Operator-Submitted EC Data for Sundry Notice #481269

	Operator Submitted	BLM Revised (AFMSS)
Sundry Type:	APDCH NOI	APDCH NOI
Lease:	NMNM0545035	NMNM0545035
Agreement:		
Operator:	OXY USA INC. P.O. BOX 50250 MIDLAND, TX 79710 Ph: 432-685-5717	OXY USA INCORPORATED 5 GREENWAY PLAZA SUITE 110 HOUSTON, TX 77046-0521 Ph: 713.350.4816
Admin Contact:	SARAH CHAPMAN REGULATORY SPECIALIST E-Mail: SARAH_CHAPMAN@OXY.COM Cell: 281-642-5503 Ph: 713-350-4997	SARAH CHAPMAN REGULATORY SPECIALIST E-Mail: SARAH_CHAPMAN@OXY.COM Cell: 281-642-5503 Ph: 713-350-4997
Tech Contact:	SARAH CHAPMAN REGULATORY SPECIALIST E-Mail: SARAH_CHAPMAN@OXY.COM Cell: 281-642-5503 Ph: 713-350-4997	SARAH CHAPMAN REGULATORY SPECIALIST E-Mail: SARAH_CHAPMAN@OXY.COM Cell: 281-642-5503 Ph: 713-350-4997
Location: State: County:	 NM EDDY COUNTY	 NM EDDY
Field/Pool:	WILDCAT WOLFCAMP	WILDCAT-WOLFCAMP
Well/Facility:	PURE GOLD MDP1 29-17 FED COM 171H Sec 29 T23S R31E Mer NMP SWSW 690FSL 955FWL 32.270073 N Lat, 103.805260 W Lon	PURE GOLD MDP1 29-17 FED COM 171H Sec 29 T23S R31E SWSW 690FSL 955FWL 32.270073 N Lat, 103.805267 W Lon

PERFORMANCE DATA

TMK UP TORQ™ DQW **5.500 in** **20.00 lbs/ft** **P110 CY**

Technical Data Sheet

Tubular Parameters

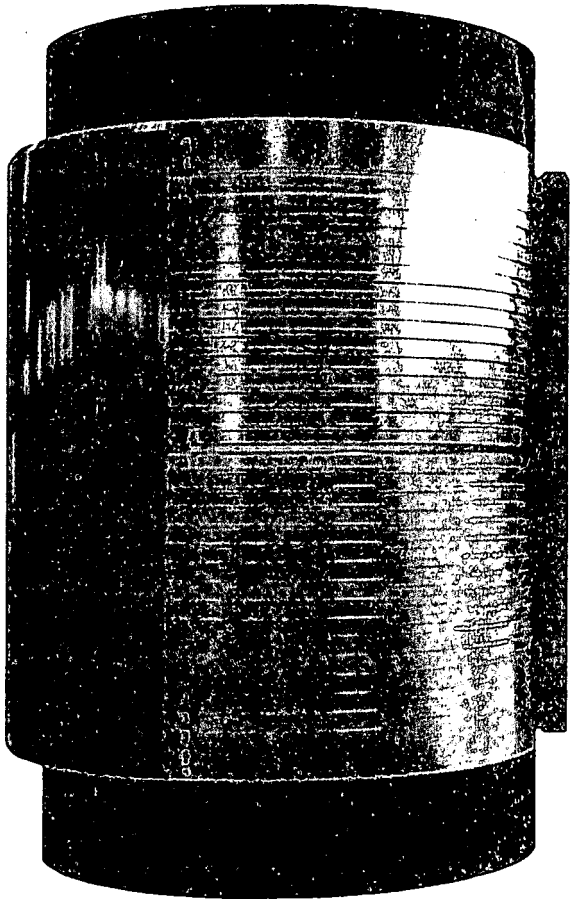
Size	5.500	in	Minimum Yield	110,000	psi
Nominal Weight	20.00	lbs/ft	Minimum Tensile	125,000	psi
Grade	P110 CY		Yield Load	641,000	lbs
PE Weight	19.81	lbs/ft	Tensile Load	729,000	lbs
Wall Thickness	0.361	in	Min. Internal Yield Pressure	12,640	psi
Nominal ID	4.778	in	Collapse Pressure	11,110	psi
Drift Diameter	4.653	in			
Nom. Pipe Body Area	5.828	in²			

Connection Parameters

Connection OD	6.050	in
Connection ID	4.778	in
Make-Up Loss	4.324	in
Critical Section Area	5.828	in²
Tension Efficiency	100.0	%
Compression Efficiency	100.0	%
Yield Load In Tension	641,000	lbs
Min. Internal Yield Pressure	12,640	psi
Collapse Pressure	11,110	psi
Uniaxial Bending	92	°/ 100 ft

Make-Up Torques

Min. Make-Up Torque	14,000	ft-lbs
Opt. Make-Up Torque	16,000	ft-lbs
Max. Make-Up Torque	18,000	ft-lbs
Operating Torque	36,800	ft-lbs
Yield Torque	46,000	ft-lbs



Printed on: March-05-2019

TMK IPSCO

Oxy USA Inc. – Bulk Sundry
PURE GOLD MDP1 29-17 FED COM 171H, 172H, 173H, 174H and 175H

1. Summary of Changes

- Changing 9-5/8" casing weight from 43.5ppf to 40ppf
- Changing Deep intermediate hole size from 8.5" to 8.75"
- Changed 7-5/8" SF from 4000' to 6000'
- Updated cement calculations based on new casing and hole sizes

2. Casing Program

Hole Size (in)	Casing Interval From (ft)	Casing Interval To (ft)	Csg. Size (in)	Weight (lbs)	Grade	Conn	SF Collapse	SF Burst	Buoyant Body SF Tension	Buoyant Joint SF Tension
17.5	0	436	13.375	54.5	J-55	BTC	1.125	1.2	1.4	1.4
12.25	0	4145	9.625	40	L-80	BTC	1.125	1.2	1.4	1.4
8.75	0	10805	7.625	26.4	L-80 HC	SF (0 ft to 6000 ft) FJ (6000 ft to 10805 ft)	1.125	1.2	1.4	1.4
6.75	0	24207	5.5	20	P-110	DQX	1.125	1.2	1.4	1.4
							SF Values will meet or Exceed			

All casing strings will be tested in accordance with Onshore Oil and Gas Order #2 III.B.1.h

*Oxy requests the option to set casing shallower yet still below the salts if losses or hole conditions require this. Cement volumes may be adjusted if casing is set shallower and a DV tool may be run in case hole conditions merit pumping a second stage cement job to comply with permitted top of cement. If cement circulated to surface during first stage, we will drop a cancelation cone and not pump the second stage.

*Oxy requests the option to run production casing with DQX, SF TORQ, and/or DQW TORQ connections to accommodate hole conditions or drilling operations.

Annular Clearance Variance Request

As per the agreement reached in the Oxy/BLM face-to-face meeting on Feb 22, 2018, Oxy requests permission to allow deviation from the 0.422" annular clearance requirement from Onshore Order #2 under the following conditions:

1. Annular clearance to meet or exceed 0.422" between intermediate casing ID and production casing coupling only on the first 500' overlap between both casings.
2. Annular clearance less than 0.422" is acceptable for the curve and lateral portions of the production open hole section.

	Y or N
Is casing new? If used, attach certification as required in Onshore Order #1	Y
Does casing meet API specifications? If no, attach casing specification sheet.	Y
Is premium or uncommon casing planned? If yes attach casing specification sheet.	Y
Does the above casing design meet or exceed BLM's minimum standards? If not provide justification (loading assumptions, casing design criteria).	Y
Will the intermediate pipe be kept at a minimum 1/3 fluid filled to avoid approaching the collapse pressure rating of the casing?	Y
Is well located within Capitan Reef?	N
If yes, does production casing cement tie back a minimum of 50' above the Reef?	
Is well within the designated 4 string boundary.	
Is well located in SOPA but not in R-111-P?	N
If yes, are the first 2 strings cemented to surface and 3rd string cement tied back 500' into previous casing?	
Is well located in R-111-P and SOPA?	Y
If yes, are the first three strings cemented to surface?	Y
Is 2nd string set 100' to 600' below the base of salt?	Y
Is well located in high Cave/Karst?	N
If yes, are there two strings cemented to surface?	
(For 2 string wells) If yes, is there a contingency casing if lost circulation occurs?	
Is well located in critical Cave/Karst?	N
If yes, are there three strings cemented to surface?	

3. Cementing Program

Casing String	# Sks	Wt. (lb/gal)	Yld (ft3/sack)	H20 (gal/sk)	500# Comp Strength (hours)	Slurry Description
Surface (Lead)	N/A	N/A	N/A	N/A	N/A	N/A
Surface (Tail)	467	14.8	1.33	6.365	5:26	Class C Cement, Accelerator
Intermediate (Lead)	887	12.9	1.88	10.130	14:22	Pozzolan Cement, Retarder
Intermediate (Tail)	155	14.8	1.33	6.370	12:45	Class C Cement, Accelerator
Intermediate II 1st Stage (Lead)	N/A	N/A	N/A	N/A	N/A	N/A
Intermediate II 1st Stage (Tail)	274	13.2	1.65	8.640	11:54	Class H Cement, Retarder, Dispersant, Salt
Intermediate II 2nd Stage (Tail Slurry) to be pumped as Bradenhead Squeeze from surface, down the Intermediate annulus						
Intermediate II 2nd Stage (Lead)	N/A	N/A	N/A	N/A	N/A	N/A
Intermediate II 2nd Stage (Tail)	397	12.9	1.92	10.410	23:10	Class C Cement, Accelerator
Production (Lead)	N/A	N/A	N/A	N/A	N/A	N/A
Production (Tail)	1018	13.2	1.38	6.686	3:49	Class H Cement, Retarder, Dispersant, Salt

Oxy USA Inc. – Bulk Sundry
PURE GOLD MDP1 29-17 FED COM 171H, 172H, 173H, 174H and 175H

Casing String	Top (ft)	Bottom (ft)	% Excess
Surface (Lead)	N/A	N/A	N/A
Surface (Tail)	0	436	100%
Intermediate (Lead)	0	3645	50%
Intermediate (Tail)	3645	4145	20%
Intermediate II 1st Stage (Lead)	N/A	N/A	N/A
Intermediate II 1st Stage (Tail)	6537	10805	5%
Intermediate II 2nd Stage (Lead)	N/A	N/A	N/A
Intermediate II 2nd Stage (Tail)	0	6537	25%
Production (Lead)	N/A	N/A	N/A
Production (Tail)	10305	24207	20%

Offline Cementing
Oxy requests a variance to cement the 9.625" and/or 7.625" intermediate casing strings offline in accordance to the approved variance, EC Tran 461365.

The summarized operational sequence will be as follows:

1. Run casing as per normal operations. While running casing, conduct negative pressure test and confirm integrity of the float equipment (float collar and shoe).
2. Land casing.
3. Fill pipe with kill weight fluid, and confirm well is static.
    a. If well is not static notify BLM and kill well.
    b. Once well is static notify BLM with intent to proceed with nipple down and offline cementing.
4. Set and pressure test annular packoff.
5. After confirmation of both annular barriers and internal barriers, nipple down BOP and install cap flange. If any barrier fails to test, the BOP stack will not be nippled down until after the cement job is completed.
6. Skid rig to next well on pad.
7. Confirm well is static before removing cap flange.
8. If well is not static notify BLM and kill well prior to cementing or nippling up for further remediation.
9. Install offline cement tool.
10. Rig up cement equipment.
    a. Notify BLM prior to cement job.
11. Perform cement job.
12. Confirm well is static and floats are holding after cement job.
13. Remove cement equipment, offline cement tools and install night cap with pressure gauge for monitoring.

4. Pressure Control Equipment

BOP installed and tested before drilling which hole?	Size?	Min. Required WP	Type	✓	Tested to:
12.25" Hole	13-5/8"	3M	Annular	✓	70% of working pressure
		3M	Blind Ram	✓	250 psi / 3000 psi
			Pipe Ram		
			Double Ram	✓	
			Other*		
8.75" Hole	13-5/8"	5M	Annular	✓	70% of working pressure
		5M	Blind Ram	✓	250 psi / 5000 psi
			Pipe Ram		
			Double Ram	✓	
			Other*		
6.75" Hole	13-5/8"	5M	Annular	✓	70% of working pressure
		5M	Blind Ram	✓	250 psi / 5000 psi
			Pipe Ram		
			Double Ram	✓	
			Other*		

*Specify if additional ram is utilized.

Oxy will utilize a 5M annular with a 10M BOPE stack. The BOP/BOPE will be tested by an independent service company to 250 psi low and the high pressure indicated above per Onshore Order 2 requirements. The System may be upgraded to a higher pressure but still tested to the working pressure listed in the table above. If the system is upgraded all the components installed will be functional and tested.

Pipe rams will be operationally checked each 24 hour period. Blind rams will be operationally checked on each trip out of the hole. These checks will be noted on the daily tour sheets. Other accessories to the BOP equipment will include a Kelly cock and floor safety valve (inside BOP) and choke lines and choke manifold. See attached schematics.

	Formation integrity test will be performed per Onshore Order #2. On Exploratory wells or on that portion of any well approved for a 5M BOPE system or greater, a pressure integrity test of each casing shoe shall be performed. Will be tested in accordance with Onshore Oil and Gas Order #2 III.B.1.i.	
	A variance is requested for the use of a flexible choke line from the BOP to Choke Manifold. See attached for specs and hydrostatic test chart.	
	Y	Are anchors required by manufacturer?

	A multibowl or a unionized multibowl wellhead system will be employed. The wellhead and connection to the BOPE will meet all API 6A requirements. The BOP will be tested per Onshore Order #2 after installation on the surface casing which will cover testing requirements for a maximum of 30 days. If any seal subject to test pressure is broken the system must be tested. We will test the flange connection of the wellhead with a test port that is directly in the flange. We are proposing that we will run the wellhead through the rotary prior to cementing surface casing as discussed with the BLM on October 8, 2015. See attached schematics.

BOP Break Testing Request

As per the agreement reached in the Oxy/BLM face-to-face meeting on Feb 22, 2018, Oxy requests permission to allow BOP Break Testing under the following conditions:

- After a full BOP test is conducted on the first well on the pad.
- When skidding to drill an intermediate section that the casing point is either shallower than the 3rd Bone Spring or 10000' TVD.
- Full BOP test will be required prior to drilling any production hole.

5. Mud Program

Depth		Type	Weight (ppg)	Viscosity	Water Loss
From (ft)	To (ft)				
0	436	Water-Based Mud	8.6-8.8	40-60	N/C
436	4145	Saturated Brine-Based Mud	9.8-10.0	35-45	N/C
4145	10805	Water-Based or Oil-Based Mud	8.0-9.6	38-50	N/C
10805	24207	Water-Based or Oil-Based Mud	9.5-12.0	38-50	N/C

Sufficient mud materials to maintain mud properties and meet minimum lost circulation and weight increase requirements will be kept on location at all times. The following is a general list of products: Barite, Bentonite, Gypsum, Lime, Soda Ash, Caustic Soda, Nut Plug, Cedar Fiber, Cotton Seed Hulls, Drilling Paper, Salt Water Clay, CACL2. Oxy will use a closed mud system.

What will be used to monitor the loss or gain of fluid?	PVT/MD Totco/Visual Monitoring

7. Drilling Conditions

Condition	Specify what type and where?
BH Pressure at deepest TVD	7416 psi
Abnormal Temperature	No
BH Temperature at deepest TVD	172°F

Pump high viscosity sweeps as needed for hole cleaning. The mud system will be monitored visually/manually as well as with an electronic PVT. The necessary mud products for additional weight and fluid loss control will be on location at all times. Appropriately weighted mud will be used to isolate potential gas, oil, and water zones until such time as casing can be cemented into place for zonal isolation.

Hydrogen Sulfide (H2S) monitors will be installed prior to drilling out the surface shoe. If H2S is detected in concentrations greater than 100 ppm, the operator will comply with the provisions of Onshore Oil and Gas Order #6. If Hydrogen Sulfide is encountered, measured values and formations will be provided to the BLM.	
N	H2S is present
Y	H2S Plan attached

8. Other facets of operation

	Yes/No
Will the well be drilled with a walking/skidding operation? If yes, describe. • We plan to drill the two well pad in batch by section: all surface sections, intermediate sections and production sections. The wellhead will be secured with a night cap whenever the rig is not over the well.	Yes
Will more than one drilling rig be used for drilling operations? If yes, describe. • Oxy requests the option to contract a Surface Rig to drill, set surface casing, and cement for this well. If the timing between rigs is such that Oxy would not be able to preset surface, the Primary Rig will MIRU and drill the well in its entirety per the APD. Please see the attached document for information on the spudder rig.	Yes

Total estimated cuttings volume: 1758.9 bbls.

Attachments
_x__ Directional Plan
_x__ H2S Contingency Plan
_x__ Flex III Attachments
_x__ Spudder Rig Attachment
_x__ Premium Connection Specs

9. Company Personnel

Name	Title	Office Phone	Mobile Phone
Linsay Earle	Drilling Engineer	713-350-4921	832-596-5507
Margaret Giltner	Drilling Engineer Supervisor	713-366-5026	210-683-8480
Simon Benavides	Drilling Superintendent	713-522-8652	281-684-6897
Diego Tellez	Drilling Manager	713-350-4602	713-303-4932