Form 3160-5
(June 2015)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

RECEIVED
FEB 05 2020
EMNRD-OCD ARTESIA

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.
NMNM43744

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.
Multiple--See Attached

2. Name of Operator
OXY USA INCORPORATED
Contact: LESLIE REEVES
E-Mail: LESLIE_REEVES@OXY.COM

9. API Well No.
Multiple--See Attached

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

3b. Phone No. (include area code)
Ph: 713-497-2492

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

4. Location of Well *(Footage, Sec., T., R., M., or Survey Description)*
Multiple--See Attached

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 APD
	☐ 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 casing design, cementing and mud programs for the two wells listed below. Also, please note the addition of the BOP Break Testing, offline cementing and Bradenhead CBL variance requests.

Platinum MDP1 34-3 Federal Com 13H - 30-015-46179 (9426'TVD)
Platinum MDP1 34-3 Federal Com 14H - 30-015-46180 (9586'TVD)

Carlsbad Field Office
Operator Copy

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

Electronic Submission #496073 verified by the BLM Well Information System
For OXY USA INCORPORATED, sent to the Carlsbad
Committed to AFMSS for processing by PRISCILLA PEREZ on 12/17/2019 (20PP0681SE)

Name *(Printed/Typed)* LESLIE REEVES — Title REGULATORY ADVISOR

Signature (Electronic Submission) — Date 12/17/2019

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By NDUNGU KAMAU — Title PETROLEUM ENGINEER — Date 01/28/2020

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 ****

RW 2-7-2020

Additional data for EC transaction #496073 that would not fit on the form

Wells/Facilities, continued

Agreement	Lease	Well/Fac Name, Number	API Number	Location
NMNM43744	NMNM43744	PLATINUM MDP1 34-3 FEDERAL COM 546	30-015-46180-00-X1	Sec 34 T23S R31E NWNE 750FNL 1445FEL 32.266125 N Lat, 103.761795 W Lon
NMNM43744	NMNM43744	PLATINUM MDP1 34-3 FEDERAL COM 546	30-015-46179-00-X1	Sec 34 T23S R31E NWNE 750FNL 1480FEL 32.266125 N Lat, 103.761909 W Lon

Revisions to Operator-Submitted EC Data for Sundry Notice #496073

	Operator Submitted	BLM Revised (AFMSS)
Sundry Type:	APDCH NOI	APDCH NOI
Lease:	NMNM80645	NMNM43744
Agreement:		
Operator:	OXY USA INC PO 4294 HOUSTON, TX 77210 Ph: 713-497-2492	OXY USA INCORPORATED 5 GREENWAY PLAZA SUITE 110 HOUSTON, TX 77046-0521 Ph: 713.350.4816
Admin Contact:	LESLIE REEVES REGULATORY ADVISOR E-Mail: LESLIE_REEVES@OXY.COM Cell: 281-733-0824 Ph: 713-497-2492	LESLIE REEVES REGULATORY ADVISOR E-Mail: LESLIE_REEVES@OXY.COM Cell: 281-733-0824 Ph: 713-497-2492
Tech Contact:	LESLIE REEVES REGULATORY ADVISOR E-Mail: LESLIE_REEVES@OXY.COM Cell: 281-733-0824 Ph: 713-497-2492	LESLIE REEVES REGULATORY ADVISOR E-Mail: LESLIE_REEVES@OXY.COM Cell: 281-733-0824 Ph: 713-497-2492
Location: State: County:	 NM EDDY	 NM EDDY
Field/Pool:	COTTON DRAW; BONE SPRING	COTTON DRAW-BONE SPRING COTTONWOOD DRAW-BONE SPRING
Well/Facility:	PLATINUM MDP1 34-3 FEDERAL COM 14H Sec 34 T23S R31E Mer NMP NWNE 750FNL 1445FEL 32.266126 N Lat, 103.761797 W Lon	PLATINUM MDP1 34-3 FEDERAL COM 14H Sec 34 T23S R31E NWNE 750FNL 1445FEL 32.266125 N Lat, 103.761795 W Lon PLATINUM MDP1 34-3 FEDERAL COM 13H Sec 34 T23S R31E NWNE 750FNL 1480FEL 32.266125 N Lat, 103.761909 W Lon

PECOS DISTRICT
DRILLING CONDITIONS OF APPROVAL

OPERATOR'S NAME:	OXY USA Incorporated
LEASE NO.:	NMNM043744
LOCATION:	Section 34, T.23 S., R.31 E., NMPM
COUNTY:	Eddy County, New Mexico

WELL NAME & NO.:	Platinum MDP1 34-3 Federal Com 13H
SURFACE HOLE FOOTAGE:	750'/N & 1445'/E
BOTTOM HOLE FOOTAGE	20'/S & 380'/E

WELL NAME & NO.:	Platinum MDP1 34-3 Federal Com 14H
SURFACE HOLE FOOTAGE:	750'/N & 1445'/E
BOTTOM HOLE FOOTAGE	20'/S & 380'/E

COA

ALL PREVIOUS COAs STILL APPLY.

A. SPECIAL REQUIREMENT (S)

BOP Break Testing Variance (Note: For 5M BOP or less)

- While in transfer between wells, the BOPE shall be secured by the hydraulic carrier or cradle.
- Any well control event while drilling require notification to the BLM Petroleum Engineer prior to the commencement of any BOP Break Testing operations.
- A full BOP test is required prior to drilling the first deep intermediate hole section. If any subsequent hole interval is deeper than the first, a full BOP test will be required.

Oxy USA Inc. – Platinum MDP1 34-3 Fed Com 13H & 14H

This is a bulk sundry request for x2 wells in Eddy County, Section 34 T23S R31E. The wells related to this sundry request are:

API #	Well Name
3001546179	Platinum MDP1 34-3 Fed Com 13H
3001546180	Platinum MDP1 34-3 Fed Com 14H

1. Casing Program

Oxy requests to increase the 2nd intermediate hole size to 8.75in and will plan to run x4 casing strings. The updated casing table is shown below:

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	716	13.375	54.5	J-55	BTC	1.125	1.2	1.4	1.4
12.25	0	4404	9.625	40	L-80	BTC	1.125	1.2	1.4	1.4
8.75	0	4300	7.625	26.4	L-80 HC	SF	1.125	1.2	1.4	1.4
	4300	8955	7.625	26.4	L-80 HC	FJ	1.125	1.2	1.4	1.4
6.75	0	19972	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.

*Oxy requests the option to run DQX or SF-Torq connections for the 5.5" 20# P-110 production liner

2. Cementing Program

Oxy requests to change the production cement job, increasing the cement volume to account for the larger intermediate hole size. The tables below highlight the changes.

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)	759	14.8	1.33	6.365	5:26	Class C Cement, Accelerator
Intermediate (Lead)	935	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)	133	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)	424	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)	844	13.2	1.38	6.686	3:49	Class H Cement, Retarder, Dispersant, Salt

Oxy USA Inc. – Platinum MDP1 34-3 Fed Com 13H & 14H

Casing String	Top (ft)	Bottom (ft)	% Excess
Surface (Lead)	N/A	N/A	N/A
Surface (Tail)	0	716	100%
Intermediate (Lead)	0	3904	50%
Intermediate (Tail)	3904	4404	20%
Intermediate II 1st Stage (Lead)	N/A	N/A	N/A
Intermediate II 1st Stage (Tail)	6892	8955	5%
Intermediate II 2nd Stage (Lead)	N/A	N/A	N/A
Intermediate II 2nd Stage (Tail)	0	6892	25%
Production (Lead)	N/A	N/A	N/A
Production (Tail)	8455	19972	20%

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.

Oxy requests permission to adjust the CBL requirement after bradenhead cement jobs, on 7-5/8" intermediate casings, as per the agreement reached in the OXY/BLM meeting on September 5, 2019.
Four string wells:

- CBL is not required
- If the pumped volume of cement is less than permitted in the APD, BLM will be notified and a CBL may be run
- Echometer will be used after bradenhead cement job to determine TOC before pumping top-out cement

3. Pressure Control Equipment

Updated Pressure control equipment table to reflect 8.75in Open Hole Size:

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"	3M	Annular	✓	70% of working pressure
		3M	Blind Ram	✓	250 psi / 3000 psi
			Pipe Ram		
			Double Ram	✓	
			Other*		
6.75" Hole	13-5/8"	3M	Annular	✓	70% of working pressure
		3M	Blind Ram	✓	250 psi / 3000 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.

4. BOP Break Testing Request

Oxy requests permission to adjust the BOP break testing requirements as per the agreement reached in the OXY/BLM meeting on September 5, 2019.

BOP break test under the following conditions:

- After a full BOP test is conducted
- When skidding to drill an intermediate section where ICP is set into the third Bone Spring or shallower.
- When skidding to drill a production section that does not penetrate into the third Bone Spring or deeper.

If the kill line is broken prior to skid, two tests will be performed.

1) Wellhead flange, co-flex hose, kill line connections and upper pipe rams
2) Wellhead flange, HCR valve, check valve, upper pipe rams

If the kill line is not broken prior to skid, only one test will be performed.

1) Wellhead flange, co-flex hose, check valve, upper pipe rams

Well	Hole Size	Casing String	Shoe Depth (TVD)	Formation	Intermediate or Production	Mud Weight	Shell Test
Platinum MDP1 34-3 Fed Com 13H	12.25"	40# - 9.625"	4,404	Lamar	Intermediate	9.8-10.0	Yes
Platinum MDP1 34-3 Fed Com 14H	12.25"	40# - 9.625"	4,404	Lamar	Intermediate	9.8-10.0	Yes
Platinum MDP1 34-3 Fed Com 13H	8.75"	26.4# - 7.625"	8,647	Bone Spring	Intermediate	9.0-9.4	Yes
Platinum MDP1 34-3 Fed Com 14H	8.75"	26.4# - 7.625"	8,905	Bone Spring	Intermediate	9.0-9.4	Yes
Platinum MDP1 34-3 Fed Com 14H	6.75"	20# - 5.5"	9,586	1st Bone Spring	Production	9.0-9.6	Yes
Platinum MDP1 34-3 Fed Com 13H	6.75"	20# - 5.5"	9,426	1st Bone Spring	Production	9.0-9.6	Yes

5. 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: 1576.7 bbls.