

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

RECEIVED

FEB 05 2020

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.
NMNM43744

Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE - Other instructions on page 2

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

1. Type of Well

☒ Oil Well ☐ Gas Well ☐ Other8. Well Name and No.
Multiple--See Attached

2. Name of Operator

OXY USA INCORPORATED

Contact: LESLIE REEVES
E-Mail: LESLIE_REEVES@OXY.COM9. API Well No.
Multiple--See Attached

3a. Address

5 GREENWAY PLAZA SUITE 110
HOUSTON, TX 77046-05213b. Phone No. (include area code)
Ph: 713-497-249210. Field and Pool or Exploratory Area
COTTON 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			
<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
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	PD

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 recompleat 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 recompleat 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 25H - 30-015-46558 (8864'TVD)
Platinum MDP1 34-3 Federal Com 26H - 30-015-46559 (8954'TVD)

Carlsbad Field Office
Operator Copy

CoAs Attached. All Previous CoAs still apply.

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

Electronic Submission #497183 verified by the BLM Well Information System

For OXY USA INCORPORATED, sent to the Carlsbad

Committed to AFMSS for processing by PRISCILLA PEREZ on 01/09/2020 (20PP0791SE)

Name (Printed/Typed) LESLIE REEVES

Title REGULATORY ADVISOR

Signature (Electronic Submission)

Date 12/31/2019

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By NDUNGU KAMAU

Title PETROLEUM ENGINEER

Date 01/29/2020

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 **

pwp 2-7-2020

Additional data for EC transaction #497183 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	300126#6559-00-X1	Sec 34 T23S R31E NENE 110FNL 793FEL 32.267887 N Lat, 103.759899 W Lon
NMNM43744	NMNM43744	PLATINUM MDP1 34-3 FEDERAL	300126#6558-00-X1	Sec 34 T23S R31E NENE 110FNL 898FEL 32.267887 N Lat, 103.760025 W Lon

Revisions to Operator-Submitted EC Data for Sundry Notice #497183

Operator Submitted

Sundry Type: APDCH
NOI

Lease: NMNM80645

Agreement:

Operator: OXY USA INC
PO 4294
HOUSTON, TX 77210
Ph: 713-497-2492

Admin Contact: 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

Location:
State: NM
County: EDDY

Field/Pool: COTTON DRAW; BONE SPRING

Well/Facility: PLATINUM MDP1 34-3 FEDERAL COM 26H
Sec 34 T23S R31E Mer NMP NENE 110FNL 793FEL
32.267886 N Lat, 103.759688 W Lon

BLM Revised (AFMSS)

APDCH
NOI

NMNM43744

OXY USA INCORPORATED
5 GREENWAY PLAZA SUITE 110
HOUSTON, TX 77046-0521
Ph: 713.350.4816

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

NM
EDDY

COTTON DRAW-BONE SPRING

PLATINUM MDP1 34-3 FEDERAL COM 26H
Sec 34 T23S R31E NENE 110FNL 793FEL
32.267887 N Lat, 103.759689 W Lon
PLATINUM MDP1 34-3 FEDERAL COM 25H
Sec 34 T23S R31E NENE 110FNL 898FEL
32.267887 N Lat, 103.760025 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 25H
SURFACE HOLE FOOTAGE:	110'/N & 898'/W
BOTTOM HOLE FOOTAGE	20'/S & 1260'/W

WELL NAME & NO.:	Platinum MDP1 34-3 Federal Com 26H
SURFACE HOLE FOOTAGE:	110'/N & 793'/E
BOTTOM HOLE FOOTAGE	20'/S & 440'/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 25H & 26H

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
3001546558	Platinum MDP1 34-3 Fed Com 25H
3001546559	Platinum MDP1 34-3 Fed Com 26H

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		Csg. Size (in)	Weight (lbs)	Grade	Conn.	SF		Buoyant	
	From (ft)	To (ft)					Collapse	Burst	Body SF Tension	Joint SF Tension
17.5	0	722	13.375	54.5	J-55	BTC	1.125	1.2	1.4	1.4
12.25	0	4411	9.625	40	L-80	BTC	1.125	1.2	1.4	1.4
8.75	0	4000	7.625	26.4	L-80 HC	SF	1.125	1.2	1.4	1.4
	4000	8277	7.625	26.4	L-80 HC	FJ	1.125	1.2	1.4	1.4
6.75	0	19221	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 (ft ³ /sack)	H ₂ O (gal/sk)	500# Comp. Strength (hours)	Slurry Description
Surface (Lead)	N/A	N/A	N/A	N/A	N/A	N/A
Surface (Tail)	766	14.8	1.33	6.365	5:26	Class C Cement, Accelerator
Intermediate (Lead)	937	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)	89	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)	442	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)	839	13.2	1.38	6.686	3:49	Class H Cement, Retarder, Dispersant, Salt

Oxy USA Inc. – Platinum MDP1 34-3 Fed Com 25H & 26H

Casing String	Top (ft)	Bottom (ft)	% Excess
Surface (Lead)	N/A	N/A	N/A
Surface (Tail)	0	722	100%
Intermediate (Lead)	0	3911	50%
Intermediate (Tail)	3911	4411	20%
Intermediate II 1st Stage (Lead)	N/A	N/A	N/A
Intermediate II 1st Stage (Tail)	6900	8277	5%
Intermediate II 2nd Stage (Lead)	N/A	N/A	N/A
Intermediate II 2nd Stage (Tail)	0	6900	25%
Production (Lead)	N/A	N/A	N/A
Production (Tail)	7777	19221	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 nipped 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 nipping 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

Oxy USA Inc. – Platinum MDP1 34-3 Fed Com 25H & 26H

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.

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 25H	12.25"	40# - 9.625"	4,465	Lamar	Intermediate	9.8-10.0	Yes
Platinum MDP1 34-3 Fed Com 26H	12.25"	40# - 9.625"	4,465	Lamar	Intermediate	9.8-10.0	Yes

Oxy USA Inc. – Platinum MDP1 34-3 Fed Com 25H & 26H

Platinum MDP1 34-3 Fed Com 25H	8.75"	26.4# - 7.625"	8,167	Brushy	Intermediate	9.0-9.4	Yes
Platinum MDP1 34-3 Fed Com 26H	8.75"	26.4# - 7.625"	8,258	Brushy	Intermediate	9.0-9.4	Yes
Platinum MDP1 34-3 Fed Com 26H	6.75"	20# - 5.5"	8,954	Bone Spring	Production	9.0-9.6	Yes
Platinum MDP1 34-3 Fed Com 25H	6.75"	20# - 5.5"	8,864	Bone Spring	Production	9.0-9.6	Yes

Total estimated cuttings volume: 1524.5 bbls.