

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SEP 26 2008
OCD-ARTESIA

FORM APPROVED
OMB NO. 1004-0135
Expires: November 30, 2000

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 reverse side

1. Type of Well

☒ Oil Well ☐ Gas Well ☐ Other

2. Name of Operator

OXY USA Inc.

16696

3a. Address

P.O. Box 50250, Midland, TX 79710-0250

3b. Phone No. (include area code)

432-685-5717

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

S - 2460 FSL 1330 FWL NESW(K) Sec 27 T23S R29E
BH - 1980 FSL 330 FEL NESE(I) Sec 27 T23S R27E

5. Lease Serial No.

NM105557

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.

Goodnight 27 #2H

Federal

9. API Well No.

30-015-36137

10. Field and Pool, or Exploratory Area

Laguna Bone Spring, South

11. County or Parish, State

Eddy NM

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

☐ Notice of Intent

☒ Subsequent Report

☐ Final Abandonment Notice

TYPE OF ACTION

☐ Acidize

☐ Alter Casing

☐ Casing Repair

☐ Change Plans

☐ Convert to Injection

☐ Deepen

☐ Fracture Treat

☐ New Construction

☐ Plug and Abandon

☐ Plug Back

☐ Production (Start/Resume)

☐ Reclamation

☐ Recomplete

☐ Temporarily Abandon

☐ Water Disposal

☐ Water Shut-Off

☐ Well Integrity

☒ Other Spud. Set

Casing & Cement

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 shall 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 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the final site is ready for final inspection.)

ACCEPTED FOR RECORD

SEP 29 2008

See Attached

Gerry Guye, Deputy Field Inspector
NMOCD-District II ARTESIA

14. I hereby certify that the foregoing is true and correct
Name (Printed/Typed)

David Stewart

Title

Sr. Regulatory Analyst

Date

9/23/08

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Title

Date

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

Title 18 U.S.C. Section 1001, and Title 43 U.S.C. Section 1212, makes 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.

GOODNIGHT 27 FEDERAL #2H

SPUD WELL AT 14.00 08/19/2008. DRILL 17-1/2" SURFACE HOLE TO 550'
8/20/08 - RIH W/ 13-3/8" H-40 48# STC CASING AND LANDED AT 550' AS FOLLOWS.
1 CASING GUIDE SHOE 550.00' TO 549.33' - 1 SHOE JOINT, 549.33' TO 502.53'
1 FLOAT COLLAR, 502.53' TO 501.43' - 12 JOINTS CASING 501.43' TO 25'
RAN 6 STANDARD BOW SPRINGS.

CEMENT 13.375" CASING WITH HALLIBURTON
PUMP 20 BBLs FRESH WATER AHEAD

450 SACKS HALLIBURTON PREMIUM PLUS (13.5 PPG, 1.75 YIELD) LEAD, AT 4 BPM WITH 50 PSI, 200 SACKS HALLIBURTON PREMIUM PLUS (14.8 PPG, 1.35 YIELD) TAIL, AT 3 BPM WITH 75 PSI DROP TOP PLUG, WASHED UP ON TOP OF PLUG
DISPLACE CEMENT WITH 80 BBLs FRESH WATER AT 3 BPM WITH 75 PSI FINAL DISPLACEMENT PRESSURE. BUMPED PLUG WITH 575 PSI. HELD PRESSURE 5 MINUTES. BLEED OFF 1.00 BBLs, FLOAT EQUIPMENT HOLDING. NEVER HAD RETURNS WHILE CEMENTING 13 3/8" SURFACE CASING.

WOC, RIG UP AND RUN TEMPERATURE SURVEY. TOP OF CEMENT AT 304'.

PICK UP 1 1/4" GROUT STRING FROM SURFACE TO 290'.

CEMENT TOP OFF JOB WITH 400 SACKS OF PREMIUM PLUS, 2%.

14.8 PPG AND 1.35 YIELD. 880 PSI AT A RATE OF 2 BBL/MIN. HAD A CONTINUOUS CIRCULATION BUT NEVER CIRCULATED CEMENT TO

PULL 1 1/4" GROUT STRING AND LAY DOWN SAME. WOC

PICK UP 1 1/4" GROUT STRING FROM SURFACE TO 260'.

CEMENT SECOND TOP OFF JOB WITH 300 SACKS OF PREMIUM PLUS, 2%, CALCIUM CHLORIDE.

14.8 PPG AND 1.35 YIELD. 880 PSI AT A RATE OF 2 BBL/MIN. CIRCULATED CEMENT TO SURFACE, 3 BBLs OR 13 SACKS.

PULL 1 1/4" GROUT STRING AND LAY DOWN SAME. WASHED OUT EVERY JOINT WITH FRESH WATER.

RIG DOWN HALLIBURTON CMT EQUIPMENT. FLUSH CONDUCTOR & FLOW LINE.

REMOVE DRESSER SLEEVE AND CUT OFF CONDUCTOR PIPE.

CUT OFF 13.375" SURFACE CSG & DRESS FOR WELLHEAD. PRE-HEAT WELLHEAD & WELD ON 13 5/8" 5000 PSI QDF MULTI BOWL SURFACE FLANGE. TEST FLANGE TO 500 PSI 10 MINUTES, OK.

NIPPLE UP QUICK LATCH DRILLING FLANGE TO DRILLING SPOOL.

NIPPLE UP BOP'S, CHOKE MANIFOLD, KILL LINE, HYDRAULIC LINES AND HOOK UP FLOWLINE.

HAVE SAFETY MEETING WITH CREWS AND MONAHANS NIPPLE UP TESTER, INSTALL TEST PLUG, OPEN BOTH 2" CASING VALVES AND FILL STACK WITH WATER.

TESTED CHOKE MANIFOLD 250/LOW AND 3000/HIGH. TESTED ALL VALVES FOR 10 MINUTES EACH.

TEST UPPER & LOWER PIPE RAMS, BLINDS & HCR, 250/LOW & 3000/HIGH. ANNULAR 250/LOW & 2100/HIGH
TESTED EACH ONE FOR 10 MINUTES.

TEST FROM RIG FLOOR TO PUMP, TIW, DART VALVE, UPPER AND LOWER VALVES ON TDS AND STAND PIPE.
250/LOW & 3000/HIGH. TESTED EACH ONE FOR 10 MINUTES.

INSTALL WEAR BUSHING AND LOCK IN PLACE.

MAKE UP 12 1/4" BIT, 3 PT. REAMER, SHOCK SUB, TELEDRIFT, 3 PT. REAMER, X-O, THREE 8" DC'S, X-O, SIX 6 1/2" DC'S, X-O, 6 HWDP. TAG TOP OF CEMENT @ 492'.

BREAK CIRCULATION AND TEST CASING TO 1375 PSI FOR 30 MIN. WITH NO LOSSES.

DRILLING PLUG, FLOAT COLLAR, CEMENT AND SHOE WITH 10-12K ON BIT, 455 GPM, 775 PSI AND ROTARY AT 50 RPM. GOOD FIRM CEMENT.

DRILLING 12 1/4" INTERMEDIATE HOLE FROM 550' TO 593' WITH 35-40K WOB, 50 RPM'S, TORQUE 2K, 120 SPM, 455 GPM AND 1300 PSI. AVG. ROP= 86' HR. DRILLED INTO AN AIR POCKET AT 593'.

OPENED UP HCR VALVE, LINED UP CHOKE VALVES TO RESERVE AND CLOSED HYDRIL. TRY TO CIRCULATE AIR POCKET OUT WITH 100 SPM
REMOVE TRIP NIPPLE AND INSTALL ROTATING HEAD.

OPEN HYDRIL, CLOSE HCR VALVE AND CONTINUE TO CIRCULATE OUT AIR POCKET WITH 140 SPM AND 850 PSI.

CIRCULATE AND BLEED DOWN AIR POCKET AT 593' WITH 140 SPM, 531 GPM, 850 PSI.

8/23/08 - DRILL 12 1/4" INTERMEDIATE HOLE TO 3055'

8/26/08 - RIH W/ 9-5/8" 36# J-55 STC CASING TO 3039.70' AS FOLLOWS:

1 (GUIDE) SHOE (3039.70' TO 3038.30') THRD LKD - 1 SHOE JOINT CSG (3038.30' TO 2991.58) THRD LKD - 1 SHOE JOINT CSG (2991.58' TO 2944.96)
THRD LKD - 1 FLOAT COLLAR (2944.96' TO 2943.78') THRD LKD - 63 JOINTS CSG. (2943.78 TO 25') 18 CENTRALIZER FROM 25.00' TO 3045.00'.

WASH TO BOTTOM AND CIRCULATE. PRECAUTIONARY WASH. NO FILL. LOCK CASING MANDREL IN WELL HEAD. RIG DOWN CASING CREW.

WAIT ON HALLIBURTON. ARRIVED ON LOCATION WITH 700 SACKS OF CEMENT, 300 SACKS SHY FOR COMPLETE INTERMEDIATE CEMENT JOB.
DRILL SITE MANAGER DID GIVE HALLIBURTON A 24 HOUR NOTICE ON HAVING CEMENT ON LOCATION.

TESTED CEMENTING LINES TO 3500 HIGH PRESSURE FOR 3 MINUTES.

PUMP 20 BBLs FRESH WATER AHEAD.

M&P 800 SACKS OF LEAD (LIGHT PREMIUM PLUS, CLASS C, 1LBM/SX PHENO SEAL) MIXED TO 12.4 PPG, YIELD 2.13, WATER 11.91 AT 7 BPM WITH 280 PSI AND

200 SACKS OF TAIL (PREMIUM PLUS, 1% CALCIUM CHLORIDE, MIXED TO 14.8 PPG, YIELD 1.34, WATER 6.36 AT 5 BPM WITH 185 PSI. DROPPED TOP PLUG.

DISPLACED CEMENT WITH 228 BBLs (FRESH) USING HALLIBURTON AT 8 BPM WITH 550 PSI FINAL DISPLACEMENT PRESSURE. BUMPED PLUG WITH 1144 PSI. HELD PRESSURE FOR 5 MINUTES, BLEED OFF. GOT 1.0 BBL RETURNS. FLOAT EQUIPMENT HOLDING. HAD FULL CIRCULATION FROM THE START TO THE FINISH OF THE CEMENT JOB. DID NOT CIRCULATE CEMENT TO SURFACE.

PLUG DOWN AT 08:50 HOURS ON 08/26/2008.

RIG DOWN HALLIBURTON SURFACE, CEMENT EQUIPMENT.
 BACK OFF LANDING JOINT. PICK UP RUNNING TOOL AND SET PACK OFF IN WELL HEAD. TEST PACK OFF TO 5000 PSI FOR 15 MIN.
 PICK UP RUNNING TOOL AND SET PACK OFF IN WELL HEAD. TEST PACK OFF TO 5000 PSI FOR 15 MIN.
 RIG DOWN CASING BAILS, ELEVATORS AND LOAD OUT. PICK UP RIG'S BAILS AND ELEVATORS.
 INSTALL WEAR BUSHING IN WELLHEAD. WOC
 RIG UP AND RUN TEMPERATURE SURVEY. TOP OF CEMENT AT 595'. WAIT ON ORDERS
 RIG UP HALLIBURTON STEEL LINES TO WELLHEAD.
 HOOKED UP ON BRADEN WELLHEAD CASING VALVE BETWEEN 9 5/8" AND 13 3/8" CASING.
 RUN AN INJECTION RATE OF 3 BPM WITH 363 PSI, INCREASED TO 10 BPM WITH 685 PSI. DID NOT WANT TO EXCEED 1200 PSI. MAX PRESSURE.
 HAVE A SAFETY MEETING WITH HALLIBURTON AND RIG CREW.
 PERFORM A BRADEN WELLHEAD SQUEEZE JOB. CEMENT WITH 350 SACKS OF PREMIUM PLUS 2% CALCIUM CHLORIDE. 14.0 PPG, 1.51 YIELD AND 7.71 WATER. 250 PSI AT A RATE OF 5 BBL/MIN. PUMPED FIRST 40 BBLS AT 5 BPM. PUMPED 30 BBLS AT 3 BPM. HESITATED CEMENT FOR 5 MINS. PUMPED 24 BBLS AT 1 BPM WITH 165 PSI. HESITATED ANOTHER 5 MINS. PUMPED 4 BBLS AT 0.7 BPM WITH 184 PSI BEFORE SHUTTING DOWN. PRESSURE HELD AT 200 PSI. WOC
 RUN CMT BOND LOG FROM 750' TO SURFACE. FOUND GOOD CMT @ 550'. BELOW 550' TO 750' CMT BOND SKETCHY. RUN CMT BOND LOG FROM 750' TO 2338', 100' BELOW GOOD CMT BOND.
 RUN CMT BOND LOG FROM 750' TO 2900', TAG SOLID AT 2900'.
 RIG UP HALLIBURTON LOGGERS. RUN CCL, GR & CBL. RIG DOWN TOOLS.
 CONTINUE TO RUN CCL, GR & CAST-V LOG.
 STRAP AND CALIPER BHA, MAKE UP BHA WITH HUGHES 8.5" HC506-ZX PDC BIT, (6X12 JETS), BAKER 6.5" M1XL/LS MOTOR WITH 1/8" UNDERGAUGE STAB SLEEVE, XO SUB, 3 PT ROLLER REAMER, TELEDRIFT SUB, ONE 6.5" DC, 3 PT ROLLER REAMER & STAND BACK.
 RIG UP LINE TO RUN INJECTION TEST BETWEEN 13 3/8" CSG & 9 5/8".
 RUN AN INJECTION TEST, PRESSURED UP TO 1100 PSI. DID NOT WANT TO EXCEED 1200 PSI MAX PRESSURE.
 TIH FROM 922' TO 2660'.
 WORK TIGHT SPOT @ 2660', WASH & REAM CMT. INSTALL ROTATING HEAD RUBBER.
 TIH, TAG FLOAT COLLAR @ 2924'. BREAK CIRCULATION. TEST CSG TO 2275 PSI FOR 30 MINUTES, OK.
 DRILL PLUG, CEMENT, FLOAT COLLAR AND SHOE FROM 2924' TO 3049'. USING 4-6K WOB, 384 GPM, 100 SPM, 980 PSI. 61 BIT RPM, 20 SURFACE RPM, TOTAL RPM = 81. CEMENT SOFT. DRILL 10' NEW FORMATION.
 CIRCULATE 20 MINUTES. PERFORMED F. I. T. TEST TO 600 PSI AT 3049' USING 8.5 PPG MUD. EQUIVALENT MUD WEIGHT = 12.3 PPG"
 CONTINUE F. I. T. TEST TO 600 PSI AT 3049' USING 8.5 PPG MUD. EQUIVALENT MUD WEIGHT = 12.3 PPG"
 8/30/08 - DRILL 8-1/2" HOLE TO 11160' M 7846' V
 9/16/08 - RIH W/ 5-1/2" 17# N-80 LTC PRODUCTION CASING TO 11150'.
 1 GUIDE SHOE (11150.00 TO 11148.70) THRD LKD. - 2 SHOE JOINT CASING 5 1/2", 17.00#, N-80, LTC (11148.70 TO 11057.64) THRD LKD. - 1 FLOAT COLLAR (11057.64 TO 11056.54) THRD LKD - 146 JOINTS 5 1/2", 17#, N-80, LTC (11056.54 TO 4492.84) - 1 DV TOOL (4492.84 TO 4490.60) - 45 JOINTS 5 1/2", 17#, N-80, LTC (4490.60 TO 2489.54)
 1DV TOOL (2489.54 TO 2487.30) - 55 JOINTS 5 1/2", 17#, N-80, LTC (2487.30 TO 29.45)
 1 LANDING JOINT WITH MANDREL (29.45 TO -5.8) - RAN 2 SPIRAL RIGID, 91 TANDEM RISE BOW SPRING
 TESTED CEMENTING LINES TO 4000 HIGH PRESSURE FOR 3 MINUTES.
 PUMP 20 BBLS FRESH WATER AHEAD.
 M&P 2400 SACKS OF TAIL (POZ PREMIUM 50/50) MIXED TO 14.1 PPG, YIELD 1.31, WATER 6.02 AT 8 BPM WITH 380 PSI. DROPPED TOP PLUG.
 DISPLACED CEMENT WITH 180 BBLS FRESH WATER AND LOST CIRCULATION AROUND 120 BBLS GONE. PUMPED 77 BBLS MUD AND INCREASED RATE FROM 4 TO 8 BBL/MIN TO TRY AND GET RETURNS BACK. PLUG DID NOT BUMP. FLOAT EQUIPMENT HOLDING DROPPED BOMB TO OPEN DV TOOL.
 START CIRCULATING DV TOOL AT 4492' WITH FULL RETURNS AND CIRCULATED 34 BBLS OR 145 SACKS TO SURFACE USING RIG PUMP WITH 65 SPM, 250 GPM AND 190 PSI.
 CIRCULATE DV TOOL AT 4492' WITH 65 SPM, 250 GPM AND 190 PSI.
 TESTED CEMENTING LINES TO 4000 HIGH PRESSURE FOR 3 MINUTES.
 CEMENT 2ND STAGE. PUMP 20 BBLS FRESH WATER AHEAD.
 900 SACKS OF TAIL (POZ PREMIUM 50/50) MIXED TO 14.1 PPG, YIELD 1.31, WATER 6.03 AT 7 BPM WITH 240 PSI. LOST RETURNS 340 BBLS INTO CEMENTING. DROPPED TOP PLUG.
 DISPLACED CEMENT WITH 70 BBLS FRESH WATER AND PUMPED 34 BBLS OF MUD. BUMPED PLUG AT 3 BBLS/MIN WITH 390 PSI AND HELD PRESSURE UP TO 2075 PSI FOR 5 MINUTES, BLEED OFF AND GOT 1.0 BBL RETURNS. FLOAT EQUIPMENT HOLDING. DROP BOMB TO OPEN DV TOOL AT 881 PSI
 START CIRCULATING DV TOOL AT 2489' WITH FULL RETURNS AND DID NOT CIRCULATE ANY CEMENT TO SURFACE. USING RIG PUMP WITH 65 SPM, 250 GPM AND 196 PSI.
 CIRCULATE DV TOOL AT 2489' WITH FULL RETURNS USING RIG PUMP WITH 65 SPM, 250 GPM AND 196 PSI.
 DECISION WAS MADE BY UPPER MANAGEMENT TO CEMENT 3RD STAGE WITH 600 SKS OF LEAD AND 750 SKS OF TAIL.
 CREW CHANGE.
 CONTINUE CIRCULATING DV TOOL AT 2489' AND HAVE SAFETY MEETING WITH HALLIBURTON, WEATHERFORD STAGE TOOL HAND AND RIG

TESTED CEMENTING LINES TO 4000 HIGH PRESSURE FOR 3 MINUTES

CEMENT 3RD STAGE. PUMP 20 BBLS FRESH WATER AHEAD.

600 SACKS OF LEAD (HAL- LIGHT PREMIUM PLUS WITH 5% SALT) MIXED TO 12.9 PPG, YIELD 1.97, WATER 9.45 AT 8 BPM WITH 376 PSI AND 750 SACKS OF TAIL (PREMIUM PLUS, 2% CALCIUM CHLORIDE, MIXED TO 14.8 PPG, YIELD 1.35, WATER 6.39 AT 8 BPM WITH 333 PSI. DROPPED TOP PLUG

DISPLACED CEMENT WITH 58 BBLS (FRESH) USING HALLIBURTON AT 3 BPM WITH 578 PSI FINAL DISPLACEMENT PRESSURE. BUMPED PLUG WITH 2130 PSI. HELD PRESSURE FOR 5 MINUTES, BLED OFF. GOT 1 0 BBL RETURNS. FLOAT EQUIPMENT HOLDING.

CIRCULATED 58 SKS CEMENT TO SURFACE. LOST RETURNS WHEN WE DROPPED PLUG. NO CIRCULATION WHILE PUMPING DISPLACEMENT.

NOTE: FESTUS HAGAN RECEIVED PERMISSION BY BLM ENGINEER, JIM AMOS TO MOVE RIG OFF LOCATION AND PERFORM ANY REMEDIAL WORK WITH RIGLESS OR WORKOVER RIG.

RIG DOWN HALLIBURTON SURFACE CEMENTING EQUIPMENT.

BREAK LANDING JOINT FROM MANDREL AND LAY DOWN SAME.

REMOVE CASING ELEVATORS, BAILS AND INSTALL RIG'S BAILS AND ELEVATORS.

RINSE OUT BOP'S, CHOKE MANIFOLD AND NIPPLE DOWN.

NIPPLE DOWN BOP, FLOWLINE AND CHOKE LINE.

INSTALL UPPER PRIMARY SEAL AND TUBING HEAD.

BOTH TESTED GOOD TO 5000 PSI.

LAY DOWN DRILLPIPE FROM DERRICK, 39 STANDS.

RIG RELEASED AT 12:00 PM, 09/19/2008.