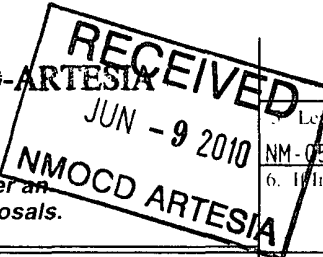


UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCD-ARTESIA

FORM APPROVED
OMB NO 1004-0137
Expires March 31, 2007

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.

Lease Serial No
NM-055510B
6. Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE - Other instructions on reverse side

1 Type of Well

☒ Oil Well ☐ Gas Well ☐ Other

2 Name of Operator

OXY USA WTP LP

attn: Jereme Robinson (15.022)

3a. Address

P.O. Box 4294, Houston, TX 77210-4294

3b. Phone No. (include area code)

(713) 366-3160

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

UL "H" 1980' FSL & 825' FEL

Sec. 11, T-21-S, R-23-E

7 If Unit or CA/Agreement, Name and/or No
North Indian Basin Unit

8 Well Name and No.

North Indian #16
Basin Unit

9 API Well No

30-015-28287

10. Field and Pool, or Exploratory Area

South Dagger Draw/Upper Penn

11 County or Parish, State

Eddy County 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☐ Deepen☐ Production (Start/Resume)☐ Water Shut-Off☐ Alter Casing☐ Fracture Treat☐ Reclamation☐ Well Integrity☐ Casing Repair☐ New Construction☐ Recomplete☐ Other☐ 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 recompletable 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 recompletable 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.)

TD: 8030' PBD: 7935' Upper Perfs: 7556-80', CIBP set @: 7506' w/10' of cmt on top

OXY USA WTP LP request the well be T/A for a period of 4 years with an annual re-up of the T/A status. This well is in a pilot project to recompletable 40+ wells in an upper zone. The time requested will allow OXY to evaluate the zone, recompletable a determined number of wells over the course of 4 years to include this well. If recompletable unsuccessful OXY will P&A well.

OXY personnel will meet with BLM and NMOC D staff in regards to this project on 5/26/2010 at the BLM office in Carlsbad.

Well was T/A'd. MIT. approved by Marathon Oil 6/22/2009. Passed MIT 5/29/2009 see attached chart.

Marathon T/A'd well with no future work plan. OXY has a detailed work plan in place for the referenced.

SUBJECT TO LIKE**APPROVAL BY STATE****SEE ATTACHED FOR****CONDITIONS OF APPROVAL****Accepted for record****NMOC D**
6/10/1014 I hereby certify that the foregoing is true and correct
Name (Printed/Typed)

Jereme Robinson

Title

Regulatory Analyst

Date

05/11/2010

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

/s/ JD Whitlock Jr

Title

LRET

Date

6/7/10

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

CFO

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.

**BUREAU OF LAND MANAGEMENT
Carlsbad Field Office
620 East Greene Street
Carlsbad, New Mexico 88220
575-234-5972**

**Temporary Abandonment of Wells on Federal Lands
Conditions of Approval**

A temporarily abandoned well is defined as a completion that is not capable of production in paying quantities but which may have value as a service well. Pursuant to 43 CFR 3162.3-4 (c), no well may be temporarily abandoned for more than 30 days without the prior approval of the authorized officer.

Temporary Abandonment (TA) status approval requires a successful mechanical or casing integrity test as follows:

1. A Notice of Intent (NOI) Sundry Notice (Form 3160-5) requesting approval to run a mechanical integrity test (MIT) or casing integrity test (CIT).
2. A description of the temporary abandonment procedure.
 - a. A bridge plug or packer must be installed as close to 50 feet above any open perforations or open hole as possible. If a cement plug is used, the top of the cement must be verified by tagging.
 - b. The wellbore must be filled with corrosion inhibited fluid and pressure tested to 500 psi. The casing shall be capable of holding this pressure for at least 30 minutes. Any leakoff will be evaluated.
 - c. All downhole production/injection equipment (tubing, rods, etc.) shall be removed from the casing if they are not isolated by a packer.
 - d. A bradenhead test must be conducted. If the test indicates a problem exists, a remedial plan and time frame for remediation shall be submitted within ninety (90) days of the test.
 - e. Contact the appropriate BLM office at least 24 hours prior to the scheduled Casing Integrity Test. For wells in Eddy County, 575-361-2822; Lea County 575-393-3612.
3. **Provides justification why the well should be temporarily abandoned rather than permanently plugged and abandoned and an estimated date that the well will be returned to beneficial use or plugged and abandoned.**

Wells that successfully pass the casing integrity test may be approved for Temporary Abandonment (TA) status provided that the operator:

1. **Submits a subsequent Sundry Notice** (Form 3160-5) requesting TA approval **with well bore diagram** with all perforations and CIBP's and tops of cement on CIBP's.
2. Describes the temporary abandonment procedure.
3. Attaches a clear copy or the original of the pressure test chart.
4. Give justification to allow well to be place in TA status and plan for future use of well with time frame that well will be place back on line or plans to P&A well will be submitted.

If the well does not pass the casing integrity test, then the operator shall within 30 days submit to BLM for approval one of the following:

1. A procedure to repair the casing so that a TA approval can be granted.
2. A procedure to plug and abandon the well.

NIBU #16. Well is approved to be TA/SI for a period of 1 Year ending 6/7/2011. This will be the last and only TA/SI approval until an approved plan of operations is submitted and approved for wells in Indian Basin. Well must be P&A or plans to return to beneficial use submitted by June 7, 2011. No MIT is required, last performed 5/29/2009 with no bleed off.