

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.

SUBMIT IN TRIPLICATE - Other instructions on reverse side

1 Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		5 Lease Serial No LC029395B
2 Name of Operator OXY USA WTP LIMITED PARTNERSHIP		6 If Indian Allottee or Tribe Name
3a Address P.O. BOX 4294, HOUSTON, TX. 77210	3b Phone No. (include area code) 713.366.5360	7 If Unit or CA/Agreement Name and/or No
4 Location of Well (Footage Sec T R M or Survey Description) 1550 FSL 977 FWL NWSW(L) Sec 20 T17S R31E		8 Well Name and No OXY Chocolate 1Y
		9 API Well No 30-015-32263
		10 Field and Pool, or Exploratory Area Cedar Lake Morrow, N.
		11 County or Parish State EDDY NM

12 CHECK 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"/> Fracture Treat	<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 type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input checked="" type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> 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 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.)

See Attached

**SEE ATTACHED FOR
CONDITIONS OF APPROVAL**

**RECLAMATION PROCEDURE
ATTACHED**

14 I hereby certify that the foregoing is true and correct Name (Printed/Typed) Jereme W. Robinson		Title Regulatory Analyst
		Date 06/10/2010
THIS SPACE FOR FEDERAL OR STATE OFFICE USE		
Approved by 	Title Office	Date
<div style="border: 2px solid black; padding: 5px; text-align: center;"> APPROVED JUN 28 2010 /s/ Dustin Winkler BUREAU OF LAND MANAGEMENT CARLSBAD FIELD OFFICE </div>		
<p>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.</p> <p>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 any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.</p>		

OXY USA WTP Limited Partnership

OXY Chocolate Moose Federal #1Y

API: 3001532263

Eddy County, New Mexico

TD: 11736' PBTD: 11655'

Casing Record:

Conductor: 20" @ 40' cmt w/ ready mix.

Surface: 13-3/8" @ 440' w/ 700sx, TOC- surface, 17-1/2" hole.

Intermediate: 9-5/8" @ 4535' w/ 2175sx, TOC- surface, 12-1/4" hole

Production: 5-1/2" @ 11736' w/1050sx, TOC-6842'(CBL), 8-3/4" hole.

Tubing: 2-7/8" 3300' - 11242'

5-1/2" csg and tbg milled to 3300'

Proposed Plugging Procedure

Contact BLM and NMOCD at least 48 hours before operations.

MIRU Workover unit.

Cut tbg @ top of fill 11213', POOH.

Wash-over and pull down to On-Off tool.

Set tbg plug in Profile Nipple @ 11231'.

Release On-Off tool (do not unset pkr), POOH.

Unable to retrieve Paker @ 11215'

Dump 8sx cmt @ 35' plug on PKR and TBG, WOC-TAG

30sx/100' plug @ 10534-10434', WOC-TAG

30sx/100' plug @ 8208-8108', WOC-TAG

Perf @ 6842 sqz 55sx/100' plug @ 6842-6742'

Perf @ 4585 sqz 100sx/100' plug @ 4585-4485', WOC-TAG

45sx plug @ 2539-2439'

45sx plug @ 1408-1308'

405sx plug from 490-Surface

RDMO

Reclaim location in accordance to BLM standards.

Use 10# mud between plugs.

See attached Wellbore Diagrams

All correspondence in regards to the above procedure should be sent to Jereme Robinson at PO BOX 4294, Houston, Texas 77210, or 713.366.5360 office, 832.518.0108 cell, Jereme_Robinson@oxy.com



OXY USA WTP LP

Chocolate Moose Federal 1-Y

API#: 3001532263

Proposed Plugging

Conductor Casing:

Ran 40' of 20" conductor pipe
Cmt'd w/Ready-mix

Surface Casing:

Drld 17-1/2" hole
13-3/8" 48# H-40 LTC csg set at 440'
Cmt'd w/700 sx, circulated 100 sx to the surface

Intermediate Casing:

Drld 12-1/4" hole w/seepage then 28-50 BPH flow
9-5/8" 36# K-55 LTC (59 jts, 2439') 0' - 2439'
9-5/8" 40# N-80 LTC (49 jts, 2101') 2439' - 4535'
Cmt'd w/2175 sx, circulated 282 sx to the surface

Production Casing:

Drld 8-3/4" hole
5-1/2" 20# L-80 csg 0' - 8743'
5-1/2" 17# P-110 csg 8743' - 11,736'
Cmt'd w/1050 sx, cmt did not circulate

9-5/8" Intermediate Csg set at 4535'

TOC at 6842' (CBL ran 3-20-02)

Packer (retrievable) Model M, 5-1/2" set at 11,215'
*Note Unable to release Packer

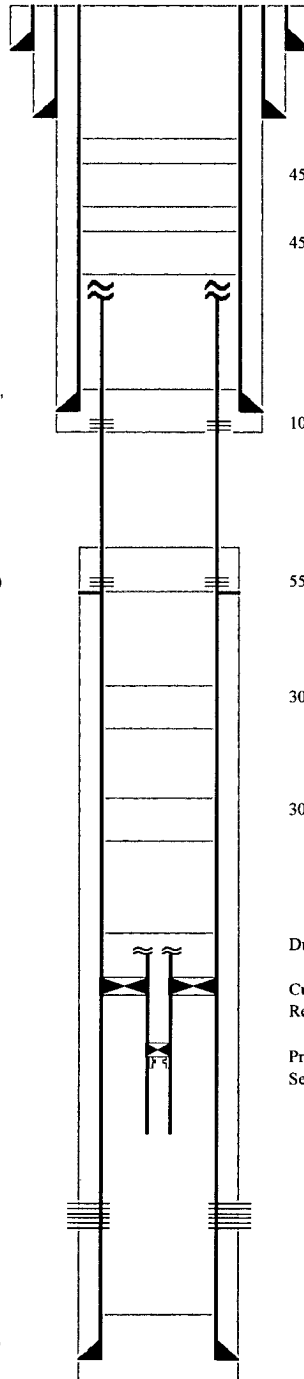
Formation:

Morrow

Perforations:

11,310'-11,330' (20') w/4 spf (Open)

5-1/2" Production Csg set at 11,736'



405sx plug from 490-Surface

45sx plug 1408-1308

45sx plug 2539-2439'

5-1/2" csg milled to 3300' (TOF),

100sx plug Perf/SQZ 4585-4485 TAG

55 sx plug Perf/SQZ 6842-6742'

30 sx plug @ 8208-8108' (Wolfcamp @ 10,484') TAG

30sx plug @ 10534-10434' (Strawn @ 10,484') TAG

Dump 8sx cmt on PKR & fill tbg @ 11,180' TAG

Cut tbg above On-Off tool 11,213'
Release On-Off tool **DO NOT RELEASE PKR**

Profile Nipple 2 25" F Nipple 11,231' - 11,232'
Set tbg plug in profile nipple @ 11,231'

PBTD: 11,655' (cmt)

ELEV. KB: 3651'

ELEV. GL: 3634'

KB to GL: 17'

Spud Date: 01/17/2002

TD: 11,736'



OXY USA WTP LP

Chocolate Moose Federal 1-Y

API#: 3001532263

Current Wellbore

Conductor Casing:

Ran 40' of 20" conductor pipe
Cmt'd w/Ready-mix

Surface Casing:

Drld 17-1/2" hole
13-3/8" 48# H-40 LTC csg set at 440'
Cmt'd w/700 sx,

Intermediate Casing:

Drld 12-1/4" hole w/seepage then 28-50 BPH flow
9-5/8" 36# K-55 LTC (59 jts, 2439') 0' - 2439'
9-5/8" 40# N-80 LTC (49 jts, 2101') 2439' - 4535'
Cmt'd w/2175 sx, circulated 282 sx to the surface
13-3/8" to 9-5/8"

9-5/8" Intermediate Csg set at 4535'

Production Casing:

Drld 8-3/4" hole
5-1/2" 20# L-80 csg 0' - 8743'
5-1/2" 17# P-110 csg 8743' - 11,736'
Cmt'd w/1050 sx

TOC at 6842' (CBL ran 3-20-02)

Packer (retrievable) Model M, 5-1/2" set at 11,215'

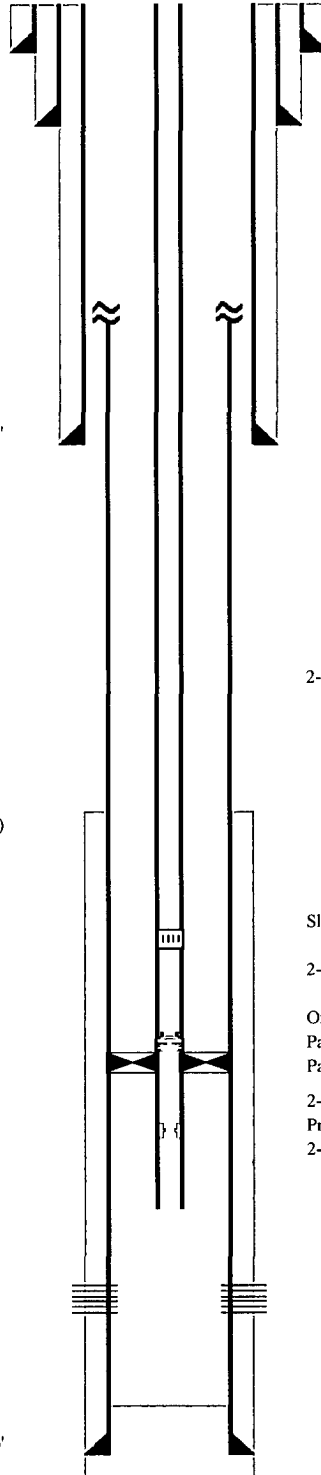
Formation:

Morrow

Perforations:

11,310'-11,330' (20') w/4 spf (Open)

5-1/2" Production Csg set at 11,736'



ELEV. KB: 3651'

ELEV. GL: 3634'

KB to GL: 17'

Spud Date: 01/17/2002

TD: 11,736'

PBTD: 11,655'

MIRU, ran sinker bar 11,235'. Tbg stuck at 3255'.

2-7/8" tbg cut at 3212' and POOH.

5-1/5" csg cut at 3265' and POOH.

5-1/2" csg/tbg milled to 3300' (TOF),

RIH w/4-11/16" overshot, latched on to fish.

2-7/8" tbg backed off blind, screwed back in.

Not able to release packer.

Broached 2-7/8" tubing to 4971'.

2-7/8" 6 5# T&C EUE tubing 20' - 11,177' (11,157')

2-7/8" tubing stuck at ≈ 7800' (based on stretch).

Sliding Sleeve 11,177' - 11,181' (od 3 08", id 2 88")

2-7/8" 6 5# T&C EUE tubing 11,181' - 11,213' (32')

On-Off Tool 11,213' - 11,215' (od 2 88", id 2 44")

Packer Mandrel/Packer (retrievable) Model M 11,215' - 11,221'

Packer Mandrel Model M Pkr 11,215' - 11,221'

2-7/8" 6 5# T&C EUE tubing 11,221' - 11,231' (10')

Profile Nipple 2 25" F Nipple 11,231' - 11,232'

2-7/8" 6 5# T&C EUE tubing 11,232' - 11,242' (10')

PBTD. 11,655' (cmt)

TD: 11,736'

OXY USA, Inc.
NMLC-029395-B: Chocolate Moose Federal #1Y
API: 30-015-32263
Eddy County, New Mexico

RE: Plugging and Abandonment Requirements, Conditions of Approval

H2S Monitoring equipment on location.

- 1-7. Set tubing plug before cutting tubing – Otherwise OK
8. Change: Spot a minimum 25sx on top of packer up to 11040'. WOC and tag.
(Perfs – Morrow)
9. 210' plug minimum. Tag at 10324' or shallower – Otherwise OK (Strawn)
10. Move: Spot plug from 8260'-8080'. 180' plug minimum. Tag at 8020' or shallower –
Otherwise OK (Wolfcamp)
11. 170' minimum. If injection rate cannot be established, spot plug 50' below perfs. Tag at
6672' or shallower – Otherwise OK (Abo)
12. Move: Perf and squeeze from 4650'-4485'. WOC and tag at 4485'. (Glorietta – Casing
shoe)
13. Move: Spot from 3350'-3220'. WOC and tag at 3220' or shallower – Otherwise OK
(Stub plug)
14. Move: Spot from 1516'-1396' – Otherwise OK (Yates – BOS)
15. OK (TOS – Casing shoe – Surface)
16. OK
17. OK
18. OK
19. OK
20. Submit a subsequent report to the BLM.

Ground-level Abandoned Well Marker to avoid raptor perching: Upon the plugging and subsequent abandonment of the well, the well marker will be installed at ground level on a plate containing the pertinent information for the plugged well – Requirements attached.

See attached standard COAs.

DHW 062310

Requirements for ground level dry hole markers
Well Identification Markers
Conditions of Approval (COA)

The BLM Carlsbad Field Office (CFO) Conditions of Approval (COA) Requires that ground level dry hole markers be placed on well within the Lesser Prairie Chicken habitat area. The dry hole markers will be to the following specifications. The operator will construct the markers as follows:

1. An 8 inch X 8 inch steel plate 1/8 to 3/16 of an inch thick is to be placed on the old dry hole marker stand pipe 2 inches from ground level, in the Lesser Prairie Chicken habitat area.
2. Steel plate may be welded or bolted approximately 2 inches from ground level on the stand pipes. If plates are bolted to the stand pipe, the person installing the plate will be required to weld a pipe collar on the plate and place a minimum of two set screws/bolt on each collar. Aluminum data plates may be bolted with minimum ¼ inch bolt and locking nuts or self tapping fine threaded screws. A minimum of one in each corner is to be installed on each plate.
3. An 8 inch x 8 inch aluminum plate, which is 12 gauge or .080 sign material (1/8 inch aluminum plate may be used in place of the .080 plate) with the required information for that well stamped or engraved in a minimum 3/8 inch tall letter or number.
4. The following information will be stamped or engraved on the 8 inch X 8 inch aluminum plate in the following order.
 - a. First row: Operators name
 - b. Second row: Well name and number
 - c. Third row: Legal location to include ¼ ¼, Section, Township, and range. If the legal location cannot be placed on one row it can be split into two rows with the ¼ ¼ (example: 1980 FNL 1980 FWL) being on the top row.
 - d. Fourth row: Lease Number and API number.
 - i. Example marker plate: (attached)

NMOCD Order No. R-12965 also required the operator to notify NMOCD when this type of dry hole marker is used. This can be done on the subsequent report of abandonment which is submitted to the BLM after the well is plugged. State that a ground level dry hole marker was installed as required in the COA's from the BLM.

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

Permanent Abandonment of Federal Wells
Conditions of Approval

Failure to comply with the following Conditions of Approval may result in a Notice of Incidents of Noncompliance (INC) in accordance with 43 CFR 3163.1.

1. Plugging operations shall commence within ninety (90) days from the approval date of this Notice of Intent to Abandon.

If you are unable to plug the well by the 90th day provide this office, prior to the 90th day, with the reason for not meeting the deadline and a date when we can expect the well to be plugged. Failure to do so will result in enforcement action.

The rig used for the plugging procedure cannot be released and moved off without the prior approval of the authorized officer. Failure to do so may result in enforcement action.

2. Notification: Contact the appropriate BLM office at least 24 hours prior to the commencing of any plugging operations. For wells in Chaves and Roosevelt County, call 575-627-0272; Eddy County, call 575-361-2822; Lea County, call 575-393-3612.

3. Blowout Preventers: A blowout preventer (BOP), as appropriate, shall be installed before commencing any plugging operation. The BOP must be installed and maintained as per API and manufacturer recommendations. The minimum BOP requirement is a 2M system for a well not deeper than 9,090 feet; a 3M system for a well not deeper than 13,636 feet; and a 5M system for a well not deeper than 22,727 feet.

4. Mud Requirement: Mud shall be placed between all plugs. Minimum consistency of plugging mud shall be obtained by mixing at the rate of 25 sacks (50 pounds each) of gel per 100 barrels of **brine** water. Minimum nine (9) pounds per gallon.

5. Cement Requirement: Sufficient cement shall be used to bring any required plug to the specified depth and length. Any given cement volumes on the proposed plugging procedure are merely estimates and are not final. Unless specific approval is received, no plug except the surface plug shall be less than 25 sacks of cement. In lieu of a cement plug in a cased hole, a bridge plug set within 50 feet to 100 feet above the perforations shall be capped with 25 sacks of cement. If a bailer is used to cap this plug, 35 feet of cement shall be sufficient. Any plug that requires a tag will have a minimum WOC time of 4 hours.

Unless otherwise specified in the approved procedure, the cement plug shall consist of either Neat Class "C", for up to 7,500 feet of depth or Neat Class "H", for deeper than 7,500 feet plugs.

6. Dry Hole Marker: All casing shall be cut-off at the base of the cellar or 3 feet below final restored ground level (whichever is deeper). **The BLM is to be notified when the wellhead is cut off to verify that cement is to surface in the casing and all annuluses.** The well bore shall then be capped with a 4-inch pipe, 10-feet in length, 4 feet above ground and embedded in cement. The following information shall be permanently inscribed on the dry hole marker: well name and number, name of the operator, lease serial number, surveyed location (quarter-quarter section, section, township and range or other authorized survey designation acceptable to the authorized officer such as metes and bounds).

7. Subsequent Plugging Reporting: Within 30 days after plugging work is completed, file one original and five copies of the Subsequent Report of Abandonment, Form 3160-5 to BLM. The report should give in detail the manner in which the plugging work was carried out, the extent (by depths) of cement plugs placed, and the size and location (by depths) of casing left in the well. **Show date well was plugged.**

8. Trash: All trash, junk and other waste material shall be contained in trash cages or bins to prevent scattering and will be removed and deposited in an approved sanitary landfill. Burial on site is not permitted.

Following the submission and approval of the Subsequent Report of Abandonment, surface restoration will be required. See attached reclamation procedure.

DHW 112309



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Carlsbad Field Office
620 E Greene St
Carlsbad, New Mexico 88220-6292
www.blm.gov/nm



In Reply Refer To 1310

Interim Reclamation Procedures

Reclamation Objective: Oil and gas development is one of many uses of the public lands and resources. While development may have a short- or long-term effect on the land, successful reclamation can ensure the effect is not permanent. During the life of the development, all disturbed areas not needed for active support of production operations should undergo “interim” reclamation in order to minimize the environmental impacts of development on other resources and uses.

Interim reclamation consists of minimizing the footprint of disturbance by reclaiming all portions of the well site not needed for production operations. The portions of the cleared well site not needed for operational and safety purposes are recontoured to a final or intermediate contour that blends with the surrounding topography as much as possible. Sufficient level area remains for setup of a workover rig and to park equipment. Topsoil is respread over areas not needed for all-weather operations. Production facilities should be clustered to maximize the opportunity for interim reclamation. In order to inspect and operate the well or complete workover operations, it may be necessary to drive, park, and operate on restored, interim vegetation within the previously disturbed area. This is generally acceptable provided damage is repaired and reclaimed following use.

To reduce final reclamation costs; maintain healthy, biologically active topsoil; and to minimize habitat, visual, and forage loss during the life of the well, all salvaged topsoil should be spread over the area of interim reclamation, rather than stockpiled.

1. The Application for Permit to Drill or Reenter (APD, Form 3160-3), Surface Use Plan of Operations must include adequate measures for stabilization and reclamation of disturbed lands. Oil and Gas operators must plan for reclamation, both interim and final, up front in the APD process as per Onshore Oil and Gas Order No. 1.
2. For wells and/or access roads not having an approved plan, or an inadequate plan for surface reclamation (either interim or final reclamation), the operator must submit a proposal describing the procedures for reclamation. For interim reclamation, the appropriate time for submittal would be when filing the Well Completion or Recompletion Report and Log (Form 3160-4). Interim reclamation is to be completed within 6 months of well completion.

3. If you have an approved Surface Use Plan of Operation and/or an approved Sundry Notice, you are free to proceed with interim reclamation as per approved APD or Sundry Notice. If you have issues or concerns, contact a BLM specialist to assist you. It would be in your interest to have a BLM specialist look at the location and access road prior to the removal of reclamation equipment to ensure that it meets BLM objectives. Upon conclusion submit a Form 3160-5, Subsequent Report of Reclamation. This will prompt a specialist to inspect the location to verify work was completed as per approved plans.
4. The approved Subsequent Report of Reclamation will be your notice that the native soils, contour and seedbed have been reestablished. If the BLM objectives have not been met the operator will be notified and corrective actions may be required.
5. It is the responsibility of the operator to monitor these locations and/or access roads until such time as the operator feels that the BLM objective has been met.

If there are any questions, please feel free to contact any of the following specialists:

Jim Amos
Supervisory Environmental Protection Specialist
575-234-5909, 575-361-2648 (Cell)

Cody Layton
Natural Resource Specialist
575-234-5959

Terry Gregston
Environmental Protection Specialist
575-234-5958

Trishia Bad Bear
Natural Resource Specialist
575-393-3612

Bobby Ballard
Environmental Protection Specialist
575-234-2230

Todd Suter
Surface Protection Specialist
575-234-5987

Randy Rust
Environmental Protection Specialist
575-234-5943

Doug Hoag
Civil Engineering Technician
575-234-5979

Linda Denniston
Environmental Protection Specialist
575-234-5974

Jennifer Van Curen
Environmental Protection Specialist
575-234-5905

Justin Frye
Environmental Protection Specialist
575-234-5922