Form 3160-5 (August 1999)

UNITED STATES-DEPARTMENT OF THE INTERIOR **BUREAU OF LAND MANAGEMENT**

OCD Artesia

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

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| INIM | 110011121 | /hUh |
| | | |

| SUNDRY NOTICES | NMNM0417696 | | | | | |
|---|--|---|-----------------------------|---|----------------------------|---------------|
| Do not use this form for abandoned well. Use For | 6. If Indian, Allottee or Tribe Name | | | | | |
| SUBMIT IN TRIPLICATE - | Other instructions | on reverse side | | 7. If Unit or CA/ | Agreement, Name and | d/or No |
| 1. Type of Well | <u></u> | | | i | | |
| X Oil Well Gas Well Other | | | | 8. Well Name an | d No. | _ |
| 2. Name of Operator | | | | Lost lank, 4 | Federal #1 | 3 |
| OXY USA Inc. | | 16696 | | 9. API Well No. | | |
| 3a. Address | | 3b. Phone No. (include a | rea code) | 30-015- 37° | 156 | |
| P.O. Box 50250, Midland, TX 79710- | | 432-685-5717 | | 10. Field and Poo | ol, or Exploratory Are | a |
| 4. Location of Well (Footage, Sec., T., R., M., or Survey) | | 11 Tana 0 | | Lost Tank:De | laware, West | |
| 2150 FSL 2260 FWL N | IEZM (K) ZE | e4 1225 R | 3(E | 11. County or Pa | rich State | |
| | | | | Eddy : | NM | • |
| 10 OUTOK ADDDODDIATE | DOV(CO) TO INC | NOATE NATURE OF | NOTICE DED | | | |
| 12. CHECK APPROPRIATE | BOX(ES) TO INL | | | JRT, OR OTHE | H DATA | |
| TYPE OF SUBMISSION | | 1) | PE OF ACTION | | | |
| X Notice of Intent | Acidize | Deepen | Production | (Start/Resume) | Water Shut-Off | |
| | Alter Casing | Fracture Treat | Reclamatio | [_ | Well Integrity | |
| Subsequent Report | Casing Repair | New Construction | Recomplet | , i | Other Ameno | ц |
| | X Change Plans | Plug and Abandon | | | | |
| Final Abandonment Notice | | = - | | · | <u>ntermediate/Pr</u> | _ |
| | Convert to Injection | on Plug Back | Water Disp | oosalC | <u>Casing & Cement</u> | <u>ting</u> |
| following completion of the involved operations. Itesting has been completed. Final Abandonment I determined that the final site is ready for final inspection. SEE ATTACHED FOR | Notices shall be filed on ection.) . See attacl | ly after all requirements, i | CEIVED OV 0 9 2010 CD ARTES | PPROVEI | Deted, and the operat | tor has |
| 14. I hereby certify that the foregoing is true and correct Name (Printed/Typed) | | Title | BUREAU CARL | gn D. Ha OF LAND MANAG SBAD FIELD OFF | EMENT CE | = |
| David Stewart | | Sr. F | Regulatory An | alyst ; | | |
| Va. Stat | | Date | 10/26/10 | <u></u> | | |
| THIS | S SPACE FOR FED | ERAL OR STATE O | FFICE USE | | | |
| Approved by | | Title | | Date | ; | |
| Conditions of approval, if any, are attached. Approval of certify that the applicant holds legal or equitable title to which would entitle the applicant to conduct operations to | those rights in the subj | arrant or Office ect lease | | | | |
| Title 18 U.S.C. Section 1001, and Title 43 U.S.C. Sectio States any false, fictitious or fraudulent statements or rep | on 1212, makes it a crime presentations as to any m | e for any person knowingly atter within its jurisdiction | y and willfully to m | ake to any departn | ent or agency of the I | United |

OXY USA Inc Lost Tank 4 Federal #13

API No. 30-015-37956

STATE: NM

COUNTY: Eddy

SURFACE LOCATION:

2150 FSL 2260 FWL NESW(K) Sec 4 T22S R31E

SL: LAT: 32.4191018° LONG: 103.7835943°

X: 669637.6 Y: 516619.7

NAD:27

1. CEMENT PROGRAM (Changes form Original APD): :

Intermediate Interval

| Interval | Amount sx | Ft of Fill | Туре | Gal/Sk | PPG | Ft ³ /sk | 24 Hr Comp |
|---|--------------|---------------|--|--------|-------|---------------------|---------------|
| Intermediate (| ГОС: 0' –39 | 900') | | | | | |
| Lead: 0' - 3416 (150 % Excess) | 860 | 3416 | Light Premium Plus Cement, with 5% Salt, 5 lb/sk Gilsonite, & 0.125 lb/sk Poly-E-Flake, 1% Halad-344, 2%Calcium Chloride | 9.63 | 12.9 | 1.91 | 851 psi |
| Tail: 3416 ' –3900' (150 % Excess) | 200 | 484' | Premium Plus cement with 1% WellLife 734 | 6.38 | 14.80 | 1.34 | . 1343 psi |

Production Interval

| Production In | ter var | | _ | | | · | |
|---|------------|------------------------|---|--------|-------|---------------------|---------------|
| Interval | Amount | Ft of Fill | Туре | Gal/Sk | PPG | Ft ³ /sk | 24 Hr Comp |
| Production (To | OC: 5900') | 1st Stage | | | I | J1 | |
| Lead: 5900' – 8078' (100 % Excess) | 480 | 2178' | Super H Cement with 0.5% Halad-344 (Low Fluid Loss Control), 0.4% CFR-3 (Dispersant), 5 lb/sk Gilsonite, 1 lb/sk Salt, 0.3% HR-800 (Retarder), 0.125 lb/sk Ploy-E-Flake (lost circulation additive) | 7.87 | 13.20 | 1.62 | 1817 psi |
| | | | <u>DV Tool @ 5900</u> | | | | |
| Production (TO | OC: 3950') | 2nd Stage | 2 | | | - | |
| Lead: 3950' – 5900' (200% Excess) | 630 | 1950' | Super H Cement with 0.5% Halad-344 (Low Fluid Loss Control), 0.125 lb/sk Poly-E-Flake (Lost Circulation Additive), 5 lb/sk Gilsonite (lost circulation additive), 0.4% CFR-3 (dispersant), 1 lb/sk Salt | 7.86 | 13.20 | 1.61 | 1536 psi |
| | | | Pack-Off Stage Tool @ 3950 ' | | | | 1 |
| Production (TC | C: Surface | e) 3 rd Sta | ge | | | | |
| Lead: 0' - 3173' (35 % Excess) | 370 | 3173 ' | Light Premium Plus with 3 lb/sk Salt | 11.67 | 12.4 | 2.08 | 560 psi |
| Tail: 3173 ' - 3950 ' 35 % Excess of Annular Volume) | 150 | 777 ' | Premium Plus with 5 lb/sk Gilsonite (Low Fluid Loss Control), 0.125 lb/sk Poly-E-Flake (Lost circulation additive) | 5.81 | 14.80 | 1.33 | 1750 psi |

| Casing | Hole Size | Interval | TOC |
|----------------------|-------------|--------------|---------|
| 8-5/8" 32# J55 LTC | 10-5/8 | 0-3900' | Surface |
| 5-1/2" 17# J-55, LTC | 7-7/8" | 0-8078 | Surface |
| • | DVT @ 5900' | POST @ 3950' | |

PECOS DISTRICT CONDITIONS OF APPROVAL

OPERATOR'S NAME: OXY USA Inc.

LEASE NO.: | NMNM0417696 (API # 3001537956)

WELL NAME & NO.: Lost Tank 4 Federal #13 SURFACE HOLE FOOTAGE: 2150' FSL & 2260' FWL

BOTTOM HOLE FOOTAGE | Same

LOCATION: | Section 04, T. 22 S., R 31 E., NMPM

COUNTY: Eddy County, New Mexico

B. CASING

1. The minimum required fill of cement behind the 8-5/8 inch intermediate casing is:

The intermediate should be set at approximately 3900 feet in the Fletcher

Anhydrite or Lamar Limestone within 100 to 600 feet below the base of the salt.

□ Cement to surface. If cement does not circulate see B.1.a, c-d above.
 Wait on cement (WOC) time for a primary cement job is to include the lead cement slurry due to potash concerns.

The DV tool should be placed a minimum of 50 feet below the intermediate casing shoe.

- 2. The minimum required fill of cement behind the 5-1/2 inch production casing is: THE MAXIMUM DEPTH OF PENETRATION INTO THE BONE SPRING FORMATION CANNOT EXCEED 100 FEET (8078 feet TVD).
 - a. First stage to DV tool, cement shall:
 - Cement to circulate. If cement does not circulate, contact the appropriate BLM office, before proceeding with second stage cement job. Operator should have plans as to how they will achieve circulation on the next stage.
 - b. Second stage above DV tool, cement shall:
 - Ement to circulate. If cement does not circulate, contact the appropriate BLM office before proceeding with third stage cement job. Operator should have plans as to how they will achieve circulation on the next stage.
 - c. Third stage above DV tool, cement shall:
 - Cement to surface. If cement does not circulate, contact the appropriate BLM office.

RGH 110510