

## OCD-ARTESIA

Form 3160-5  
(August 1999)UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENTFORM 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)

SL-350 FSL 250 FEL SESE(P) Sec 3 T22S R31E  
BH-927 FWL 866 FWL NWNW(D) Sec 11 T22S R31E

## 5. Lease Serial No.

SL BH  
NMNM0417696 NMNM0417506

## 6. If Indian, Allottee or Tribe Name

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

## 8. Well Name and No.

Lost Tank 11 #1  
Federal

## 9. API Well No.

30-015-37962

## 10. Field and Pool, or Exploratory Area

Lost Tank Delaware, West

## 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 Amend

Intermediate/Prod

Casing &amp; Cementing

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.)

RECEIVED

JAN 10 2011

NMOCD ARTESIA

See attached.

SEE ATTACHED FOR  
CONDITIONS OF APPROVAL14. I hereby certify that the foregoing is true and correct  
Name (Printed/Typed)

David Stewart

## Title

Sr. Regulatory Analyst

## Date

12/9/10

## THIS SPACE FOR FEDERAL OR STATE OFFICE USE

## Approved by

## Title

## Office

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.

APPROVED

JAN 6 2011

WESLEY W. INGRAM  
PETROLEUM ENGINEER

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.

**OXY USA Inc**  
**Lost Tank 11 Federal #1**  
**API No. 30-015-37962**

**SURFACE LOCATION: 350 FSL 250 FEL SESE(P) Sec 3 T22S R31E**

**BOTTOM HOLE LOCATION: 927 FNL 866 FWL NWNW(D) Sec 11 T22S R31E**

SL: LAT: 32.4141223° LONG: 103.7574915° X: 677702.2 Y: 514850.6 NAD: 27  
BH: LAT: 32.4106157° LONG: 103.7538724° X: 678826.0 Y: 513581.0 NAD: 27

**1. CEMENT PROGRAM:**

**Intermediate Interval**

| Interval  | Amount<br>sx | Ft of<br>Fill | Type  | Gal/Sk | PPG   | Ft <sup>3</sup> /sk | 24 Hr<br>Comp |
|---|--------------|---------------|---|--------|-------|---------------------|---------------|
| <b>Intermediate (TOC: Surface)</b>              |              |               |   |        |       |                     |               |
| <b>Lead:</b><br>0' - 3616<br>(150 % Excess)     | 910          | 3616          | Light Premium Plus Cement, with 5% Salt,<br>5 lb/sk Gilsonite, & 0.125 lb/sk Poly-E-<br>Flake, 1% Halad-344, 2% Calcium<br>Chloride | 9.63   | 12.9  | 1.91                | 851 psi       |
| <b>Tail:</b><br>3616' - 4100'<br>(150 % Excess) | 200          | 484'          | Premium Plus cement with 1% WellLife<br>734   | 6.38   | 14.80 | 1.34                | 1343 psi      |

**Production Interval**

| Interval  | Amount<br>sx | Ft of<br>Fill | Type  | Gal/Sk | PPG   | Ft <sup>3</sup> /sk | 24 Hr<br>Comp |
|---|--------------|---------------|---|--------|-------|---------------------|---------------|
| <b>Production (TOC: 6000') 1<sup>st</sup> Stage</b>                   |              |               |   |        |       |                     |               |
| <b>Lead:</b><br>6000' - 8613'<br>(100 % Excess)                       | 570          | 2613'         | Super H Cement with 0.5% Halad-344<br>(Low Fluid Loss Control), 0.4% CFR-3<br>(Dispersant), 5 lb/sk Gilsonite, 1 lb/sk Salt,<br>0.3% HR-800 (Retarder), 0.125 lb/sk<br>Poly-E-Flake (lost circulation additive)     | 7.87   | 13.20 | 1.62                | 1817 psi      |
| <b>DV Tool @ 6000'</b>  |              |               |   |        |       |                     |               |
| <b>Production (TOC: 4150') 2<sup>nd</sup> Stage</b>                   |              |               |   |        |       |                     |               |
| <b>Lead:</b><br>4150' - 6000'<br>(200% Excess)                        | 600          | 1850'         | Super H Cement with 0.5% Halad-344<br>(Low Fluid Loss Control), 0.125 lb/sk<br>Poly-E-Flake (Lost Circulation Additive),<br>5 lb/sk Gilsonite (lost circulation additive),<br>0.4% CFR-3 (dispersant), 1 lb/sk Salt | 7.86   | 13.20 | 1.61                | 1536 psi      |
| <b>Pack-Off Stage Tool @ 4150'</b>                                    |              |               |   |        |       |                     |               |
| <b>Production (TOC: Surface) 3<sup>rd</sup> Stage</b>                 |              |               |   |        |       |                     |               |
| <b>Lead:</b><br>0' - 3448'<br>( 35 % Excess)                          | 390          | 3448'         | Light Premium Plus with 3 lb/sk Salt  | 11.67  | 12.4  | 2.08                | 560 psi       |
| <b>Tail:</b><br>3448' - 4150'<br>35 % Excess of<br>Annular<br>Volume) | 150          | 702'          | Premium Plus with 5 lb/sk Gilsonite (Low<br>Fluid Loss Control), 0.125 lb/sk Poly-E-<br>Flake (Lost circulation additive)   | 5.81   | 14.80 | 1.33                | 1750 psi      |

**Casing**

8-5/8" 32# J55 LTC  
5-1/2" 17# J-55, LTC

**Hole Size**

10-5/8  
7-7/8"

**Interval**

0-4100'  
0-8613'

**TOC**

Surface  
Surface

DVT @ 6000'

POST @ 4150'

**Lost Tank 11 Federal 1**  
**30-015-37962**  
**OXY USA Inc.**  
**January 6, 2011**  
**Conditions of Approval**

1. The **8-5/8** inch intermediate casing shall be cemented to surface and **shall be set in the Fletcher Anyhydrite or Lamar Limestone, 100 to 600 feet below the base of the salt.**
  - a. If cement does not circulate to the surface, the appropriate BLM office shall be notified and a temperature survey utilizing an electronic type temperature survey with surface log readout will be used or a cement bond log shall be run to verify the top of the cement. Temperature survey will be run a minimum of six hours after pumping cement and ideally between 8-10 hours after completing the cement job.
  - b. **Wait on cement (WOC) time for a primary cement job is to include the lead cement slurry due to potash.**
  - c. Wait on cement (WOC) time for a remedial job will be a minimum of 4 hours after bringing cement to surface or 500 pounds compressive strength, whichever is greater.
  - d. If cement falls back, remedial cementing will be done prior to drilling out that string.

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

**Centralizers required on directional leg, shall be type for directional service and minimum of one every other joint.**

2. The minimum required fill of cement behind the **5-1/2** inch production casing is:
  - 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 shall have plans as to how they will achieve circulation on the next stage.
  - b. Second stage above DV tool, cement shall:
    - ☒ Cement to circulate. If cement does not circulate, contact the appropriate BLM office before proceeding with third stage cement job. Operator shall 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.

**WWI 010611**