

U.S. Department of the Interior
BUREAU OF LAND MANAGEMENT

Well Name: FEDERAL 1

Well Location: T22S / R31E / SEC 1 /
NWSW /

County or Parish/State: EDDY /
NM

Well Number: 4

Type of Well: OIL WELL

Allottee or Tribe Name:

Lease Number: NMNM12845

Unit or CA Name:

Unit or CA Number:

US Well Number: 3001526843

Well Status: Oil Well Shut In

Operator: OXY USA
INCORPORATED

Accepted for record -NMOCD gc9/15/2023

Notice of Intent

Sundry ID: 2744745

Type of Submission: Notice of Intent

Type of Action: Plug and Abandonment

Date Sundry Submitted: 08/07/2023

Time Sundry Submitted: 11:10

Date proposed operation will begin: 09/07/2023

Procedure Description: THE CURRENT WELLBORE, PROPOSED WELLBORE, AND PA PROCEDURE ARE ATTACHED.

Surface Disturbance

Is any additional surface disturbance proposed?: No

NOI Attachments

Procedure Description

Fed_1_004_PA_NOI_SUB_8.7.23_20230807110940.pdf

Well Name: FEDERAL 1

Well Location: T22S / R31E / SEC 1 / NWSW /

County or Parish/State: EDDY / NM

Well Number: 4

Type of Well: OIL WELL

Allottee or Tribe Name:

Lease Number: NMNM12845

Unit or CA Name:

Unit or CA Number:

US Well Number: 3001526843

Well Status: Oil Well Shut In

Operator: OXY USA INCORPORATED

Conditions of Approval

Specialist Review

Federal_1__4__2744745_COA_and_Procedure_20230901112348.pdf

Operator

I certify that the foregoing is true and correct. Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make 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. Electronic submission of Sundry Notices through this system satisfies regulations requiring a

Operator Electronic Signature: STEPHEN JANACEK

Signed on: AUG 07, 2023 11:09 AM

Name: OXY USA INCORPORATED

Title: Regulatory Engineer

Street Address: 5 Greenway Plaza, Suite 110

City: Houston

State: TX

Phone: (713) 497-2417

Email address: stephen_janacek@oxy.com

Field

Representative Name:

Street Address:

City:

State:

Zip:

Phone:

Email address:

BLM Point of Contact

BLM POC Name: JULIO A SANCHEZ

BLM POC Title: ENGINEER

BLM POC Phone: 5752342240

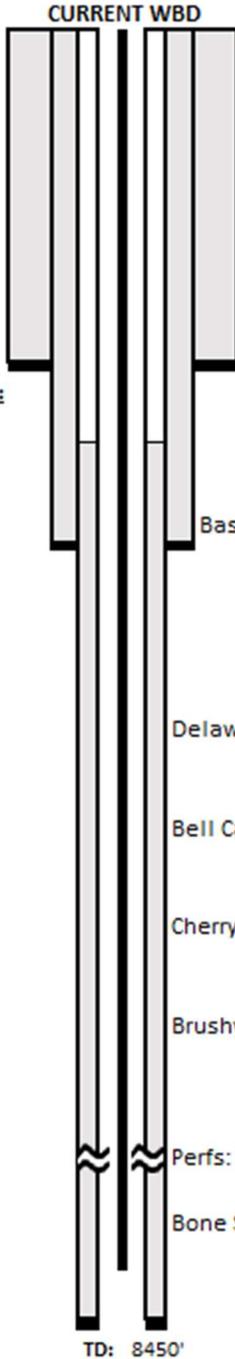
BLM POC Email Address: JULIOSANCHEZ@BLM.GOV

Disposition: Approved

Disposition Date: 09/01/2023

Signature: Julio Sanchez W-Keith Immatty

Well Name: Federal 1 #4
 API 14: 30-015-26843-0000
 PE: Michael Heinz
 Date: 8/1/2023



Surface Casing:
 Hole Size: 17.5 in. @ 818'
 Casing Size: 13.375 in. @ 818'
 Casing Weight: 54.5 #/ft.
 Cement Details: 55 sax to 0

Intermediate Casing:
 Hole Size: 11 in. @ 4258'
 Casing Size: 8.625 in. @ 4258'
 Casing Weight: 32 #/ft.
 Cement Details: 1775 sax to 0

Production Casing:
 Hole Size: 7.875 in. @ 8450'
 Casing Size: 5.5 in. @ 8450'
 Casing Weight: 15.5 #/ft.
 Cement Details: 1405 sax to 2738'.

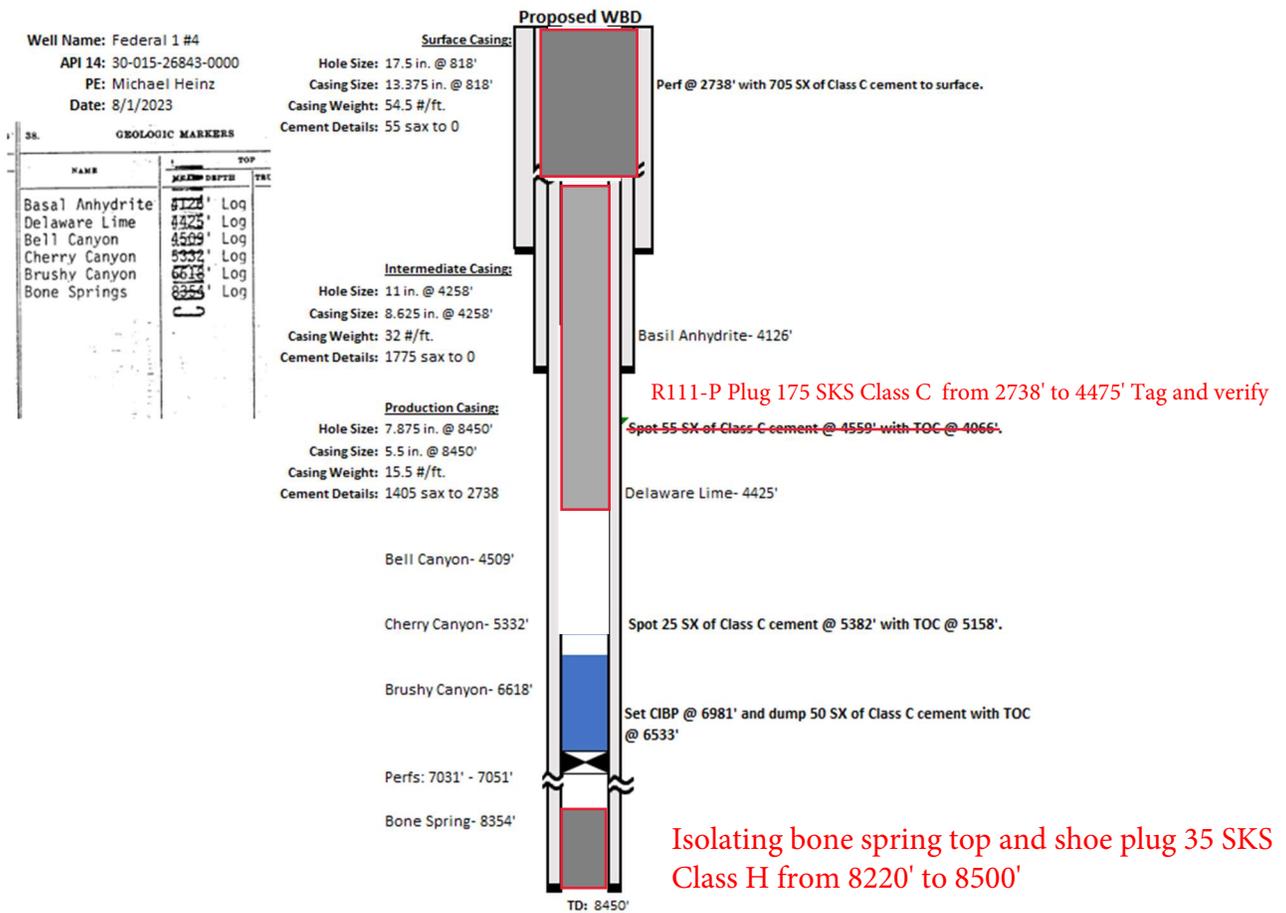
Tubing:
 Tubing Size: 2.875 in.
 Tubing Depth: 7098'

Basal Anhydrite- 4126'
 Delaware Lime- 4425'
 Bell Canyon- 4509'
 Cherry Canyon- 5332'
 Brushy Canyon- 6618'
 Perfs: 7031' - 7051'
 Bone Spring- 8354'

38. GEOLOGIC MARKERS

NAME	TOP	
	MEAS DEPTH	TRC
Basal Anhydrite	4126'	Log
Delaware Lime	4425'	Log
Bell Canyon	4509'	Log
Cherry Canyon	5332'	Log
Brushy Canyon	6618'	Log
Bone Springs	8354'	Log

TD: 8450'



NOTICE OF INTENT TO PLUG AND ABANDON

8/1/2023

Federal 1 #4

30-015-26843-0000

PE: Michael Heinz

PLUGGING PROCEDURE:

1. 10# MLF between plugs. Utilize above ground steel tanks.
2. POOH with production equipment.
3. Isolating bone spring top and shoe plug 35 SKS Class H from 8220' to 8500'
4. Set CIBP @ 6981' and dump 50 SX of Class C cement with TOC @ 6533'
5. Spot 25 SX of Class C cement @ 5382' with TOC @ 5158'.
6. R111-P Plug 175 SKS Class C from 2738' to 4475' Tag and verify
7. Perf @ 2738' with 705 SX of Class C cement to surface.
8. Approximate total of 835 SX of cement.

Review all R111-P restriction that apply

|| 4 3 2 1 ||

Sundry ID		2744745				
Plug Type	Top	Bottom	Length	Tag	Sacks	Notes
Surface Plug	0.00	100.00	100.00	Verify circulated to surface	25.00	Perf and Squeeze
Shoe Plug	759.82	2738.00	1978.18	WOC and Tag	460.00	Perf and Squeeze
Top of Salt @ 895	759.00	2738.00	1979.00			
TOC @ 2738 perf and squeeze all plugs above						
Base of Salt @ 4126	2738.00	4475.00	1737.00	WOC and Tag	175.00	R111-P Plug base of salt to top of salt plus delaware and
Shoe Plug	2738.00	4475.00	1737.00			
Delaware @ 4425	2738.00	4475.00	1737.00			
CIBP Plug	6946.00	6981.00	35.00	WOC and Tag	25.00	500psi leak test
Bonesprings @ 8354	8220.46	8500.00	279.54	WOC and Tag	35.00	
Shoe Plug	8220.00	8500.00	280.00			

No more than 2000' is to be allowed between plugs in open hole, and no more than 3000' between plugs in cased hole.

Class H >7500'

Class C <7500'

Fluid used to mix the cement in R111P shall be saturated with the salts common to the section penetrated, and in suitable proportions, but not more than 3% calcium chloride by weight of cement will be considered the desired mixture whenever possible.

Critical, High Cave Karst: Cave Karst depth to surface

R111P: Solid plug in all annuli - 50' from bottom of salt to top of salt with excess.

Class C: 1.32 ft³/sx

Class H: 1.06 ft³/sx

Onshore Order 2.III.G Drilling Abandonment Requirements: "All formations bearing usable-quality water, oil, gas, or geothermal resources, and/or a prospectively valuable deposit of minerals shall be protected.

Cave Karst/Potash Cement	Low	500.00
---------------------------------	------------	--------

Shoe @	818.00
Shoe @	4258.00
Shoe @	8450.00

Perforatons Top @	7031.00	Perforations	7051.00
-------------------	---------	--------------	---------

CIBP @	6981.00
--------	---------

**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 (LPC Habitat)**

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 575-689-5981.

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. Any plug that requires a tag will have a minimum WOC time of 4 hours. Tagging the plug means running in the hole with a string of tubing or drill pipe and placing sufficient weight on the plug to ensure its integrity. Other methods of tagging the plug may be approved by the BLM authorized officer or BLM field representative.

In lieu of a cement plug across perforations in a cased hole (not for any other plugs), 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. **Before pumping or bailing cement on top of CIBP, tag will be required to verify depth. Based on depth, a tag of the cement may be deemed necessary.**

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. Below Ground Level Cap (Lesser Prairie-Chicken Habitat): 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 a minimum of 4 hours prior to the wellhead being cut off to verify that cement is to surface in the casing and all annuluses. Wellhead cut off shall commence within ten (10) calendar days of the well being plugged. If the cut off cannot be done by the 10th day, the BLM is to be contacted with justification to receive an extension for completing the cut off.** Upon the plugging and subsequent abandonment of wells that are located in lesser prairie-chicken habitat, the casings shall be cut-off at the base of the cellar or 3 feet below final restored ground level (whichever is deeper). The well bore shall then be covered with a metal plate at least ¼ inch thick and welded in place. A weep hole shall be left in the plate and/or casing.

NMOCD also requires 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 below ground cap was installed as required in the COA's from the BLM.

7. Subsequent Plugging Reporting: Within 30 days after plugging work is completed, file one original and three 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 objectives.

Timing Limitation Stipulation/ Condition of Approval for Lesser Prairie-Chicken:

From March 1st through June 15th annually, abandonment activities will be allowed except between the hours from 3:00 am and 9:00 am. Normal vehicle use on existing roads will not be restricted



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

Reclamation Objectives and 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. At final abandonment, well locations, production facilities, and access roads must undergo “final” reclamation so that the character and productivity of the land and water are restored.

The long-term objective of final reclamation is to set the course for eventual ecosystem restoration, including the restoration of the natural vegetation community, hydrology, and wildlife habitats. In most cases this means returning the land to a condition approximating or equal to that which existed prior to the disturbance. The final goal of reclamation is to restore the character of the land and water to its pre-disturbance condition. The operator is generally not responsible for achieving full ecological restoration of the site. Instead, the operator must achieve the short-term stability, visual, hydrological, and productivity objectives of the surface management agency and take steps necessary to ensure that long-term objectives will be reached through natural processes.

To achieve these objectives, remove any/all contaminants, scrap/trash, equipment, pipelines and powerlines **(Contact service companies, allowing plenty of time to have the risers and power lines and poles removed prior to reclamation, don't wait till the last day and try to get them to remove infrastructure)**. Strip and remove caliche, contour the location to blend with the surrounding landscape, re-distribute the native soils, provide erosion control as needed, rip (across the slope and seed as specified in the original APD COA. **This will apply to well pads, facilities, and access roads.** Barricade access road at the starting point. If reserve pits have not reclaimed due to salts or other contaminants, submit a plan for approval, as to how you propose to provide adequate restoration of the pit area.

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). For final reclamation, the appropriate time for submittal would be when filing the Notice of Intent, or the Subsequent Report of Abandonment, Sundry Notices and Reports on Wells (Form 3160-5). Interim reclamation is to be completed within 6 months of well completion, and final reclamation is to be completed within 6 months of well abandonment.
3. The operator must file a Subsequent Report Plug and Abandonment (Form 3160-5) following the plugging of a well.
4. Previous instruction had you waiting for a BLM specialist to inspect the location and provide you with reclamation requirements. If you have an approved Surface Use Plan of Operation and/or an approved Sundry Notice, you are free to proceed with reclamation as per approved APD. 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.

5. 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.
6. 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 after two growing seasons the location and/or access roads are not showing the potential for successful revegetation, additional actions may be needed. When you feel the BLM objectives have been met submit a Final Abandonment Notice (FAN), Form 3160-5, stating that all reclamation requirements have been achieved and the location and/or access road is ready for a final abandonment inspection.
7. At this time the BLM specialist will inspect the location and/or access road. If the native soils and contour have been restored, and the revegetation is successful, the FAN will be approved, releasing the operator of any further liability of the location and/or access road. If the location and/or access road have not achieved the objective, you will be notified as to additional work needed or additional time being needed to achieve the objective.

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

Jim Amos
Supervisory Petroleum Engineering Tech/Environmental Protection Specialist
575-234-5909 (Office), 575-361-2648 (Cell)

Arthur Arias
Environmental Protection Specialist
575-234-6230

Crisha Morgan
Environmental Protection Specialist
575-234-5987

Jose Martinez-Colon
Environmental Protection Specialist
575-234-5951

Mark Mattozzi
Environmental Protection Specialist
575-234-5713

Robert Duenas
Environmental Protection Specialist
575-234-2229

Doris Lauger Martinez
Environmental Protection Specialist
575-234-5926

Jaden Johnston
Environmental Protection Asst. (Intern)
575-234-6252

District I
 1625 N. French Dr., Hobbs, NM 88240
 Phone:(575) 393-6161 Fax:(575) 393-0720

District II
 811 S. First St., Artesia, NM 88210
 Phone:(575) 748-1283 Fax:(575) 748-9720

District III
 1000 Rio Brazos Rd., Aztec, NM 87410
 Phone:(505) 334-6178 Fax:(505) 334-6170

District IV
 1220 S. St Francis Dr., Santa Fe, NM 87505
 Phone:(505) 476-3470 Fax:(505) 476-3462

State of New Mexico
Energy, Minerals and Natural Resources
Oil Conservation Division
1220 S. St Francis Dr.
Santa Fe, NM 87505

CONDITIONS

Action 261412

CONDITIONS

Operator: OXY USA INC P.O. Box 4294 Houston, TX 772104294	OGRID: 16696
	Action Number: 261412
	Action Type: [C-103] NOI Plug & Abandon (C-103F)

CONDITIONS

Created By	Condition	Condition Date
gcordero	None	9/15/2023