

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

OCD-ARTESIA

FORM 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 *INS*

SWD

## 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)

680 FNL 458 FWL NWNW(D) Sec 4 T24S R31E

## 5. Lease Serial No

NMNM104730

## 6. If Indian, Allottee or Tribe Name

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

## 8. Well Name and No.

Sundance 4 Federal #32Y

## 9. API Well No.

30-015-38527

## 10. Field and Pool, or Exploratory Area

Sand Dunes 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 Spud. setcasing & cement

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.)

Spud 14-3/4" hole 3/5/11, drill to 509', RIH & set 11-3/4" 42# H40 STC csg @ 509', cmt w/ 410sx (112bb1) PPC w/ additives, circ 165sx (45bb1) cmt to surface. WOC, Test BOP's @ 250# low, 1386# high.

Drill 10-5/8" hole to 4295', RIH w/ 8-5/8 csg 32# J-55 LTC & set @ 4295', cmt w/ 1000sx (335bb1) PPC followed by 200sx (48bb1) PPC all w/ additives, cmt didn't circ to surf, WOC. Contact BLM and rec approval for bradenhead sqz, RIH w/ temp svy, TOC @ 460', sqz w/ 200sx (48bb1), circ cmt to surf, see attached for detail. Test BOP's @ 250# low, 5000# high..

Drill 7-7/8" hole to 6330'V. RIH w/ 5-1/2" 17# J55 LTC csg @ 6316' w/ DVT @ 4107'. Cmt 1st stage w/ 640sx (184bb1) PPC, circ 266sx (77bb1) cmt to surf. Cmt 2nd stage w/ 460sx (162bb1) PPC followed by 100sx (24bb1) PPC all w/ additives, circ 145sx (51bb1) cmt to surf. Rel Rig 3/23/11.

Accepted for record - NMOC

DSS 7-20-11

14. I hereby certify that the foregoing is true and correct  
Name (Printed/Typed)

David Stewart

Title

Sr. Regulatory Analyst

Date

4/11/11

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.

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

Sundance 4#32-Y  
Cement Operations in the Intermediate Interval  
Summary of Operations for Subsequent Report

On 3/18/2011 cementing operations took place. It was pumped 1000 sx of Lead cement and 200 sx of Tail as per APD. Full returns were observed but no cement was circulated to surface. BLM was contacted @ 10:56.

Plan forward was to run temperature survey to determine TOC (showing at 460' with surface casing shoe placed at 495') and evaluate options.

On 3/19/2011 Pressure test was conducted to establish injection rate and successful results were obtained (4.2 BPM with 400 psi). Approval was obtained by BLM to apply braden-head squeeze job and cement gap. Squeeze was performed pumping 200 sx of Cement premium plus (14.8 ppg). Final pressure indicated 160 psi and held for 15 min. as showing below:

Intermediate Section Braden-head Squeeze Procedure

Upon establishing injection rate (4.2 BPM with 400 psi)

- Pressure up inside intermediate casing with 500 psi and hold it through the Braden-head squeeze job to balance out and equalize the hydrostatic columns (Intermediate casing is filled with 8.4 ppg FW, and Annular between surface casing and intermediate casing will be filled with 14.8 ppg cement)
- Perform safety meeting and Rig Up Halliburton to connect casing valve to perform squeeze
- Pump 200 sx of Halliburton Premium Plus (14.8 ppg) with 2% Calcium Chloride at flow rate established with injection rate (4 BPM) monitoring pumping pressure **not to exceed 1500 psi** (80% of Surface casing burst).

*Surface Casing 11 3/4" H-40 42# Burst: 1980 psi*

*Intermediate Casing 8 5/8" J-55 32# Collapse: 2530 psi*

- Report final pressure and total sacks pumped at the end of the job.
- Rig down Halliburton and flush lines
- Pick Up 7 7/8" BHA and TIH
- Wait 8 hrs on squeeze cement, and perform intermediate casing test as per procedure (2050 psi) prior to drill out
- Continue Production section as per plan

Cement Specs:

200 sks of Premium Plus @ 14.8 ppg  
2% CaCl<sub>2</sub>  
Yield = 1.35ft<sup>3</sup>/sk  
Water : 6.5 gal/sk

Reference Test Data

TT: 2:50 min

Compressive Strength

500 psi = 8:20 min

12 hr = 670 psi  
24 hr = 1112 psi  
48 hr = 1490 psi

Results were shared with BLM office and operations continued as scheduled.