

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

2. Name of Operator

OXY USA Inc.

16696

16696

3a. Address

P.O. Box 50250 Midland, TX 79710

3b. Phone No. (include area code)

432-685-5717

4. Location of Well (Footage, Sec., T, R., M., or Survey Description)

1980 FSL 1980 FWL NESW(K) Sec 33 T23S R31E

5. Lease Serial No.

NM45236

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No

Sterling Silver #9

33 Federal

9. API Well No.

30-015-33975

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

☐ Deepen

☐ Production (Start/Resume)

☐ Water Shut-Off

☐ Alter Casing

☒ Fracture Treat

☐ Reclamation

☐ Well Integrity

☐ Casing Repair

☐ New Construction

☐ Recomplete

☐ Other

☐ Change Plans

☐ Plug and Abandon

☐ Temporarily Abandon

☐ Convert to Injection

☒ Plug Back

☐ 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

After DEC 1 2011 the well must be online
or plans to P & A must be submitted.

Accepted for record - NMOCD

9-7-11



14. I hereby certify that the foregoing is true and correct

Name (Printed/Typed)

David Stewart

Title

Regulatory Advisor

Date

6/6/11

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Title

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.

Office

APPROVED

SEP 1 2011

/s/ Chris Walls

BUREAU OF LAND MANAGEMENT

CARLSBAD FIELD OFFICE

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.

Sterling Silver 33 Federal #9
API No: 30-015-33975

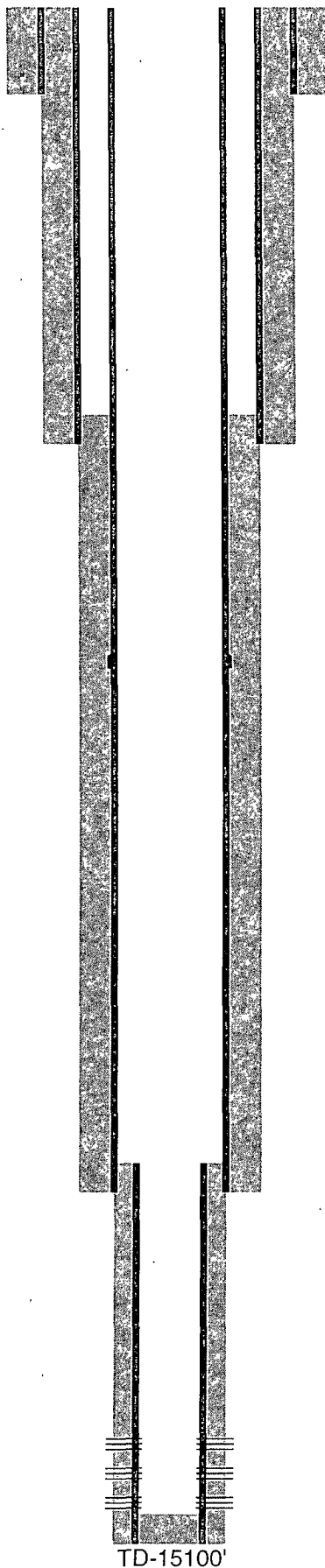
TD-15100' PBTD-15045' Perfs-14409-14843'

13-3/8" 54.5# @ 690' w/ 700sx, 17-1/2" hole, TOC-Surface-Circ
9-5/8" 40# @ 4175' w/ 1700sx, 12-1/4" hole, TOC-Surface-Circ
7" 29# @ 11720' DVT @ 6560' w/ 2325sx, 8-1/2" hole, TOC-4000'-CBL
5" 18# liner @ 11489-15100' w/ 300sx, 6-1/2" hole, TOC-11489'-Circ

Procedure:

- 1) CLEAN LOCATION & SET ANCHORS
- 2) RU DDPU. ND WH and NU BOP.
- 3) POOH w/ Tbg and stand back in derrick.
- 4) RIH and set CIBP @ 14360 w/ 25sx cmt to 12360' WOC-Tag - This should cover the Morrow, Atoka, Strawn
- 5) Pump 45sx @ 11540-11325' WOC-Tag - This should cover the liner top and Wolfcamp
- 6) POOH w/ tbg
- 7) PU CIBP and RIH and set at 8100'
- 8) Displace hole w/ 2% KCL. Test csg to 4250psi. POOH w/ Tbg & LD Tbg and BHA.
- 9) ND BOP and NU Frac Valve. RD DDPU.
- 10) RU WLU and perforate @ 7998-7762, 7626-7142, 6710-6700' w/ 4" HSD Power Jet Omega 4005 Charge w/EHD of .48" and penetration of 51.7" RD WLU.
- 11) Frac well down casing at first available date per Halliburton frac procedure.
- 12) RU WLU and set Composite BP between stages.
- 13) Shut well in overnight and RD Frac equipment and WLU.
- 14) MI and RU DDPU. ND Frac valve and NU BOP.
- 15) RIH w/ bit and clean out to PBTD.
- 16) POOH & RIH w/ production BHA as required.
- 17) Test well into battery and report results to engineer.

OXY USA Inc. - Current
Sterling Silver 33 Federal Deep #9
API No. 30-015-33975



17-1/2" hole @ 690'
13-3/8" csg @ 690'
w/ 700sx-TOC-Surf-Circ

12-1/4" hole @ 4175'
9-5/8" csg @ 4175'
w/ 1700sx-TOC-Surf-Circ

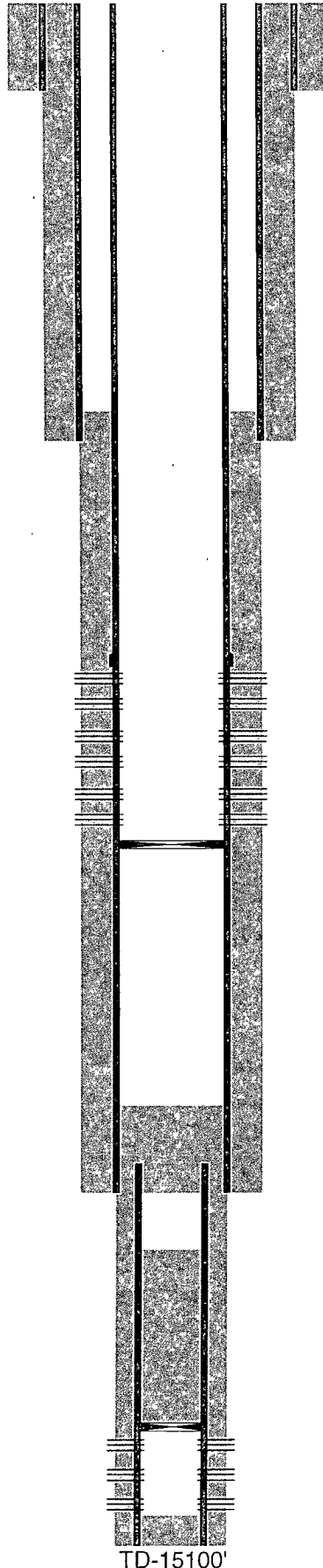
8-1/2" hole @ 11720'
7" csg @ 11720'
DVT @ 6560'
1st w/ 1320sx-TOC-6555'-Circ
2nd w/ 1005sx-TOC-*4000'-CBL
*CBL ran from 15040-4000',cmt above

6-1/2" hole @ 15100'
5" liner @ 11489-15100'
w/ 300sx-TOC-11489'-Circ

Perfs @ 14409-14843'

TD-15100'

OXY USA Inc. - Proposed
Sterling Silver 33 Federal Deep #9
API No. 30-015-33975



17-1/2" hole @ 690'
13-3/8" csg @ 690'
w/ 700sx-TOC-Surf-Circ

12-1/4" hole @ 4175'
9-5/8" csg @ 4175'
w/ 1700sx-TOC-Surf-Circ

Perf @ 6700-7998'

CIBP @ 8100'

45sx @ 11540-11325' WOC-Tag

8-1/2" hole @ 11720'
7" csg @ 11720'
DVT @ 6560'
1st w/ 1320sx-TOC-6555'-Circ
2nd w/ 1005sx-TOC-*4000'-CBL
*CBL ran from 15040-4000',cmt above

25sx cmt @ 14360-12360' WOC-Tag
CIBP @ 14360'

6-1/2" hole @ 15100'
5" liner @ 11489-15100'
w/ 300sx-TOC-11489'-Circ

Perfs @ 14409-14843'

TD-15100'

Sterling Silver 33 Federal 9
30-015-33975
OXY USA Inc.
September 1, 2011
Conditions of Approval

1. **Contact BLM 575-361-2822 a minimum of 24 hours prior to performing operations.**
2. **Plug from 14,360-12,360 will require more than 25 sxs, otherwise, ok. WOC and Tag**
3. **The Liner stub plug must extend 50 feet below the 7" casing shoe from 11,770-11,325'. WOC and tag.**
4. **Move the CIBP to 8325' and dump bail 35' of cement on top to satisfy maximum spacing from previous plug. Cement can be used to get TD to 8100 feet, but a plug will be required across the top of the Bone Springs (8033') at final plugging.**
5. Surface disturbance beyond the originally approved pad must have prior approval.
6. Closed loop system required.
7. **5000 (5M) BOP to be used. All blowout preventer (BOP) and related equipment (BOPE) shall comply with reasonable well control requirements. A two ram system with a blind ram and a pipe ram designed for the size of the work string shall be adequate. Tapered work strings will require an additional pipe ram. The manifold shall comply with Onshore Oil and Gas Order #2 Attachment I (2M Diagrams of Choke Manifold Equipment). The accumulator system shall have an immediately available power source to close the rams and retain 200 psi above pre-charge. The pre-charge test shall follow requirements in Onshore Order #2.**

5M systems shall require two independent power sources, one of which may be nitrogen bottles (three minimum) maintaining a charge equal to the manufacturer's recommendations.
8. Completion report and subsequent sundry with well test and wellbore schematic required.

CRW 090111