

Submit 1 Copy To Appropriate District Office
District I - (575) 393-6161
1625 N. French Dr., Hobbs, NM 88240
District II - (575) 748-1283
811 S. First St., Artesia, NM 88210
District III - (505) 334-6178
1000 Rio Brazos Rd., Aztec, NM 87410
District IV - (505) 476-3460
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources

Form C-103
Revised August 1, 2011

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

SUNDRY NOTICES AND REPORTS ON WELLS (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)		WELL API NO. 30- <u>015-33622</u>
1. Type of Well: Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/>		5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
2. Name of Operator OXY USA Inc.		6. State Oil & Gas Lease No.
3. Address of Operator P.O. Box 50250 Midland, TX 79710		7. Lease Name or Unit Agreement Name <u>Two Marks 36 State</u>
4. Well Location Unit Letter <u>M</u> : <u>660</u> feet from the <u>south</u> line and <u>760</u> feet from the <u>west</u> line Section <u>36</u> Township <u>21S</u> Range <u>24E</u> NMPM County <u>Eddy</u>		8. Well Number <u>1</u>
11. Elevation (Show whether DR, RKB, RT, GR, etc.) <u>3825'</u>		9. OGRID Number <u>16696</u>
		10. Pool name or Wildcat <u>Indian Basin Up Penn Assoc</u>

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☒
TEMPORARILY ABANDON ☐ CHANGE PLANS ☐
PULL OR ALTER CASING ☐ MULTIPLE COMPL ☐
DOWNHOLE COMMINGLE ☐

OTHER: ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING OPNS. ☐ P AND A ☐
CASING/CEMENT JOB ☐

OTHER: ☐

13. Describe proposed or completed operations: (Clearly state all pertinent details, and give pertinent dates including estimated date of starting any proposed work). SEE RULE 19.15.7.14 NMAC. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

TD-8700' PBTB-8517' Perfs-7902-7952'
9-5/8" 36# csg @ 1640' w/ 940sx, 12-1/4" hole, TOC-Surf-Circ
7" 26# csg @ 8670' w/ 1600sx, DVT @ 5968', 8-3/4" hole TOC-Surf-Circ
1. RIH & set CIBP @ 7850', M&P 25sx cmt to 7750'
2. M&P 25sx cmt @ 7400-7300' WOC-Tag
3. M&P 25sx cmt @ 6018-5918' WOC-Tag
4. M&P 25sx cmt @ 3100-3000' WOC-Tag
5. M&P 25sx cmt @ 1690-1590' WOC-Tag
6. M&P 50sx cmt @ 200' to Surface
Circ 10# MLF between plugs

Spud Date:

Rig Release Date:

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

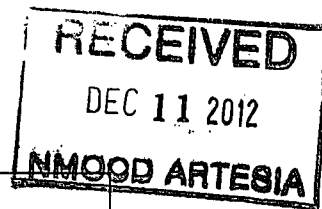
SIGNATURE David Stewart TITLE Regulatory Advisor DATE 12/6/12

Type or print name David Stewart E-mail address: david.stewart@oxy.com PHONE: 432-685-5717
For State Use Only

APPROVED BY: David Stewart TITLE Regulatory Advisor DATE 12/11/2012
Conditions of Approval (if any):

Approval Granted providing work
is complete by 3/11/2013

Notify OOD 24 hrs. prior
to any work done.



QXY USA Inc. - Proposed
Two Marks 36 State #1
API No. 30-015-33622

50sx @ 200' - Surface

25sx @ 1690-1590' WOC-Tag

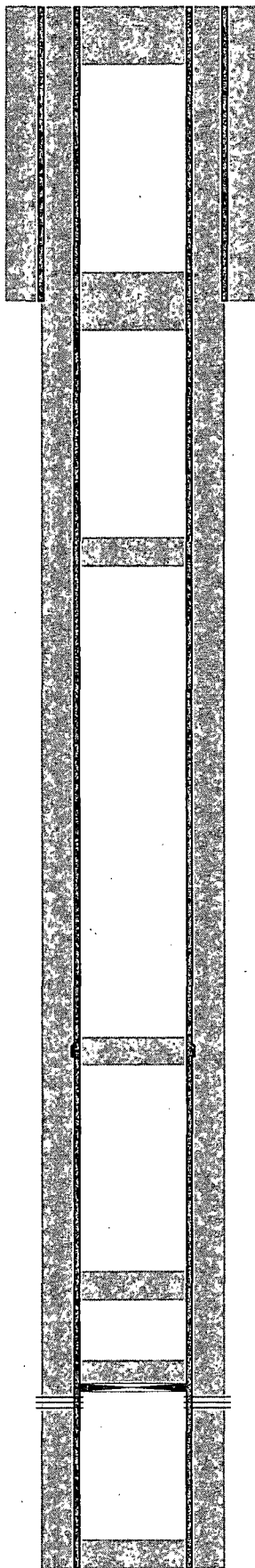
25sx @ 3100-3000' WOC-Tag

25sx @ 6018-5918' WOC-Tag

25sx @ 7400-7300' WOC-Tag

CIBP @ 7850' w/ 25sx

PB-8517'



TD-8700'

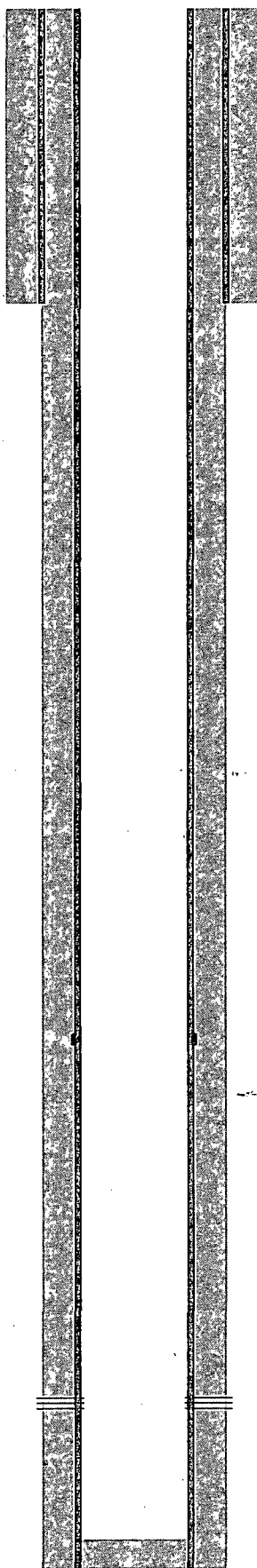
12-1/4" hole @ 1640'
9-5/8" csg @ 1640'
w/ 940sx-TOC-Surf-Circ

Perfs @ 7902-7952'

8-3/4" hole @ 8700'
7" csg @ 8670'
DVT @ 5968'
w/ 1600sx-TOC-Surf-Circ

QXY USA Inc. - Current
Two Marks 36 State #1
API No. 30-015-33622

12-1/4" hole @ 1640'
9-5/8" csg @ 1640'
w/ 940sx-TOC-Surf-Circ



Perfs @ 7902-7952'

8-3/4" hole @ 8700'
7" csg @ 8670'
DVT @ 5968'
w/ 1600sx-TOC-Surf-Circ

PB-8517'

TD-8700'

NEW MEXICO OIL CONSERVATION DIVISION
DISTRICT 2 OFFICE
811 S. FIRST STREET
ARTESIA, NM 88210
(575)748-1283

CONDITIONS OF APPROVAL FOR PLUGGING & ABANDONMENT

Operator: OXY USA Inc.

Well Name & Number: TWO MARKS 36 ST. #1

API #: 30-015-33622

1. Produced water **will not** be used during any part of the plugging & abandonment operation.
2. Notify NMOCD Dist. 2 office at least 24 hrs before beginning work.
3. Closed Loop System is to be used for entire plugging operation. Upon completion, contents of steel pit are to be hauled to a permitted disposal location.
4. Trucking companies being used to haul oilfield waste fluids to a disposal – commercial or private – shall have an approved NMOCD C-133 permit. A copy of this permit shall be available in each truck used to haul waste products. It is the responsibility of the operator, as well as the contractor, to verify that this permit is in place prior to performing work. Drivers shall produce a copy upon request of NMOCD Field Inspectors.
5. A subsequent C-103 will serve as notification that the well bore has been plugged ONLY. A C-103 FINAL shall be filed before any bonding can be released on the well. Upon receipt of the Final, an inspection will be performed to verify that the location has been satisfactorily cleaned to NMOCD standards.
6. If work has not begun within 90 days of the approval of this procedure, an extension request must be filed, stating reason that well has not been plugged.
7. Every attempt must be made to clean the well bore out to below the perfs, before any plugs can be set, by whatever means possible.

8. Cement Retainers may not be used.

9. Squeeze pressures not to exceed 500 psi., unless approval is given by NMOCD Plugging Supervisor.

10. Plugs may be combined after consulting with NMOCD P & A Supervisor.

11. Minimum WOC time for tag plugs will be 4 hrs.

DG

Date: 12/11/2012