

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCD Artesia

FORM APPROVED
OMB No. 1004-0137
Expires: March 31, 2007

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.

5. Lease Serial No.

S-DMM162590 B-DMM162589

6. If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE- Other instructions on reverse side.

1. Type of Well



Oil Well



Gas Well



Other Shut-In

2. Name of Operator

OXY USA Inc.

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)

S-590 FNL 1955 FNL NENW(C) Sec 26 T22S R31E

B-346 FNL 2065 FNL WENW(C) Sec 23 T22S R31E

8. Well Name and No.

Federal 23#7H

9. APT Well No.

30-015-39434

10. Field and Pool, or Exploratory Area

Livingston Ridge Delaware

11. County or Parish, State

Eddy NM

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

TYPE OF ACTION

☒ Notice of Intent☐ Subsequent Report☐ Final Abandonment Notice☐ 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

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 site is ready for final inspection.)

TD-12245'M 7010'V PBD-11926'M 7016'V Perfs-7824-11875'

Accepted for record
NMOCD

JCS 5/31/2013

OXY USA INC. respectfully requests to temporarily abandon this well. It is currently being evaluated for possible uphole completion and/or conversion to a SWD well.

SEE ATTACHED FOR
CONDITIONS OF APPROVAL

1. RIH & set CIBP @ +/-7300' M&P 25sx CL C cmt to +/- 7125'
2. Notify BLM/NMOCD of casing integrity test 24hrs in advance.
3. RU pump truck, circulate well with treated water, pressure test casing to 500# for 30 min.

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

David Stewart

Title Regulatory Advisor

Signature

Date

5/14/13

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

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

SEAS

Date

5-25-13

Office

OFC

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.

(Instructions on page 2)

OXY USA Inc. - Proposed
Federal 23 #7H
API No. 30-015-39436

17-1/2" hole @ 890'
13-3/8" csg @ 890'
w/ 1010sx-TOC-Surf-Circ

12-1/4" hole @ 4446'
9-5/8" csg @ 4446'
w/ 1570sx-TOC-Surf-Circ

8-3/4" hole @ 12245'
5-1/2" csg @ 12238'
DVT @ 5954' POST @ 4588'
w/ 2780sx-TOC-Surf-Circ

CIBP @ 7300' w/ 25sx cmt

2-3/8" tbg Stuck @ +/- 7340-7600'
2" coil tbg stuck @ +/- 7600-8080'

Composite Plugs @ 9100' & 10600'

Perfs @ 7824-11875'

TD - 12245'M 7010'V

OXY USA Inc. - Current
Federal 23 #7H
API No. 30-015-39436

17-1/2" hole @ 890'
13-3/8" csg @ 890'
w/ 1010sx-TOC-Surf-Circ

12-1/4" hole @ 4446'
9-5/8" csg @ 4446'
w/ 1570sx-TOC-Surf-Circ

8-3/4" hole @ 12245'
5-1/2" csg @ 12238'
DVT @ 5954' POST @ 4588'
w/ 2780sx-TOC-Surf-Circ

Composite Plugs @ 9100' & 10600'

2-3/8" tbg Stuck @ +/- 7340-7600'
2" coil tbg stuck @ +/- 7600-8080'

Perfs @ 7824-11875'

TD - 12245'M 7010'V

BUREAU OF LAND MANAGEMENT
Carlsbad Field Office
620 East Greene Street
Carlsbad, New Mexico 88220
575-234-5972

Temporary Abandonment of Wells on Federal Lands
Conditions of Approval

A temporarily abandoned well is defined as a completion that is not capable of production in paying quantities but which may have value as a service well. Pursuant to 43 CFR 3162.3-4 (c), no well may be temporarily abandoned for more than 30 days without the prior approval of the authorized officer.

Temporary Abandonment (TA) status approval requires a successful mechanical or casing integrity test as follows:

1. A Notice of Intent (NOI) Sundry Notice (Form 3160-5) requesting approval to run a mechanical integrity test (MIT) or casing integrity test (CIT).
2. A description of the temporary abandonment procedure.
 - a. A bridge plug or packer must be installed as close to 50 feet above any open perforations or open hole as possible. If a cement plug is used, the top of the cement must be verified by tagging.
 - b. The wellbore must be filled with corrosion inhibited fluid and pressure tested to 500 psi. The casing shall be capable of holding this pressure for at least 30 minutes with less than 10% (50 psi) bleed off for oil and gas wells. For injection wells maximum bleed off is 5% (25 psi) within 30 minutes, outside Potash area. For all injection wells within the Potash area, any bleed off will require further review.
 - c. All downhole production/injection equipment (tubing, rods, etc.) shall be removed from the casing if they are not isolated by a packer.
 - d. A bradenhead test must be conducted. If the test indicates a problem exists, a remedial plan and time frame for remediation shall be submitted within ninety (90) days of the test.
 - e. Contact the appropriate BLM office at least 24 hours prior to the scheduled Casing Integrity Test. For wells in Eddy County, 575-361-2822; Lea County 575-393-3612.
3. **Provides justification why the well should be temporarily abandoned rather than permanently plugged and abandoned and an estimated date that the well will be returned to beneficial use or plugged and abandoned.**

Wells that successfully pass the casing integrity test may be approved for Temporary Abandonment (TA) status provided that the operator:

1. **Submits a subsequent Sundry Notice (Form 3160-5) requesting TA approval with well bore diagram with all perforations and CIBP's and tops of cement on CIBP's**
2. Describes the temporary abandonment procedure.
3. Attaches a clear copy or the original of the pressure test chart.
4. **Give justification to allow well to be placed in TA status and plan for future use of well with time frame that well will be placed back on line or plans to P&A well will be submitted**

If the well does not pass the casing integrity test, then the operator shall within 30 days submit to BLM for approval one of the following:

1. A procedure to repair the casing so that a TA approval can be granted.
2. A procedure to plug and abandon the well.

Well Name: Federal 23 #7H Submit Subsequent Report and well bore diagram with all Perforations and CIBP with tops of cement. Well may be approved to be TA for a period of six (6) months after successful MIT and subsequent report is