Submit 1 Copy To Appropriate District Office <u>District I</u> – (575) 393-6161	State of New Mexico Energy, Minerals and Natural Resources		Form C-103 Revised August 1, 2011 WELL API NO.	
1625 N. French Dr., Hobbs, NM 88240 <u>District II</u> – (575) 748-1283 811 S. First St., Artesia, NM 88210 <u>District III</u> – (505) 334-6178 1000 Rio Brazos Rd., Aztec, NM 87410 <u>District IV</u> – (505) 476-3460 1220 S. St. Francis Dr., Santa Fc, NM 87505	OIL CONSERVATION DIVISION 1220 South St. Francis Dr. Santa Fe, NM 87505		30-015 - 33702 5. Indicate Type of Lease STATE FEE 6. State Oil & Gas Lease No.	
(DO NOT USE THIS FORM FOR PROPO DIFFERENT RESERVOIR. USE "APPL PROPOSALS.) 1. Type of Well: Oil Well	TICES AND REPORTS ON WELLS DSALS TO DRILL OR TO DEEPEN OR PL ICATION FOR PERMIT" (FORM C-101) FO Gas Well D Other	UG BACK TO A	7. Lease Name or Unit Agreement Name Spunck 16 State 8. Well Number 4	
2. Name of Operator OXY U	SA Inc.		9. OGRID Number 16696	
3. Address of Operator	ГХ 79710		10. Pool name or Wildcat Red Lake Shone Glorida (1850	
4. Well Location Unit Letter <u>b</u> :	660 feet from the Nort		330 feet from the west line	
طا Section	Township (75 Ra	Ange 25E	NMPM County FLLY	
	3544	, KKB, KI, GK, elc.		
	CHANGE PLANS		R <u>www.emnro.srate.nm.us</u> rent forms are available on our rent forms are available on our filing regulatory documents.	
OTHER:		OTHER:	· · · · · · · · · · · · · · · · · · ·	
of starting any proposed w of starting any proposed w Appendix and the start of the start of the start of C-103 (Subsequent Report of Well Plugging) which may be found at OCD Web Page under Forms, www.cmnrd.state.nm.us/ocd.	ork). SEE RULE 19.15.7.14 NMA(completion. TD-4050' PBTD-3811' Perfs-33' 8-5/8" 24# csg @ 490' w/ 350sx, 12 5-1/2" 15.5# csg @ 4047' w/ 980sx 1. RIH & set CIBP @ 3328', M&P 25 2. M&P 25sx cmt @ 2760-2610' WC 3. M&P 25sx cmt @ 1200-1050' WC 4. M&P 25sx cmt @ 570-420' WOC 5. M&P 35sx @ 250' to surface 10# MLF between plugs	C. For Multiple Co 78-3600' 2-1/4" hole, TOC-Su , 7-7/8" hole, TOC-S sx cmt to 3178' DC-Tag DC-Tag -Tag		
Spud Date:	Rig Release Da	ate:	Completed by Aug 22, 2014	
I hereby certify that the information	above is true and complete to the be	est of my knowledg	e and belief.	
SIGNATURE	TITLER	egulatory Advisor	DATE 8(5(13	
Type or print name <u><u>DecidSt</u> For State Use Only</u>	<u>هیدمتر</u> E-mail address	: <u>david_stewart@c</u>	oxy.com PHONE: <u>432-685-5717</u>	
APPROVED BY: APPROVED BY: Conditions of Approval (if any):	ade <u>TITLE</u> Dr.S.	- BSpe u	NN DATE Aug 22, 2013	
★ See AttAched	COA's			

OXY USA Inc. - Proposed Spurck 16 State #4 API No. 30-015-33702

35sx @ 250'-surface

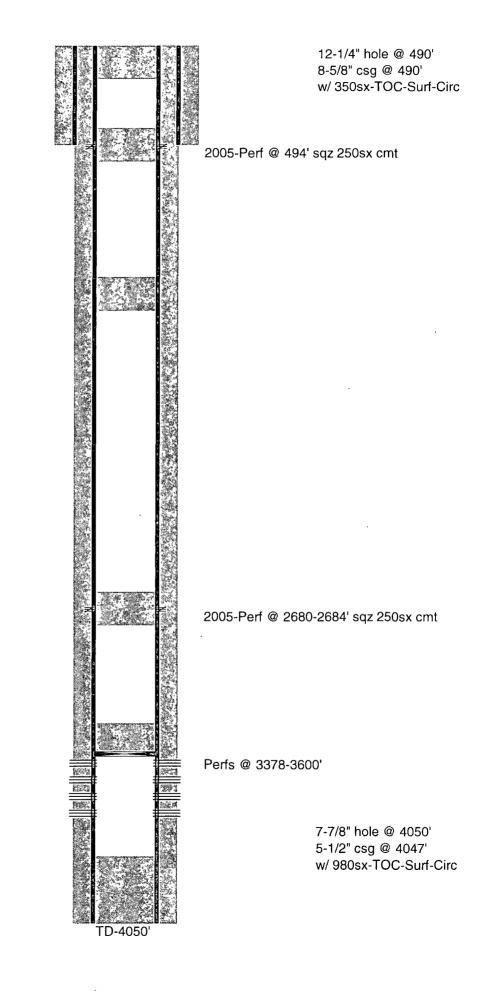
25sx @ 570-420' WOC-Tag

25sx @ 1200-1050' WOC-Tag

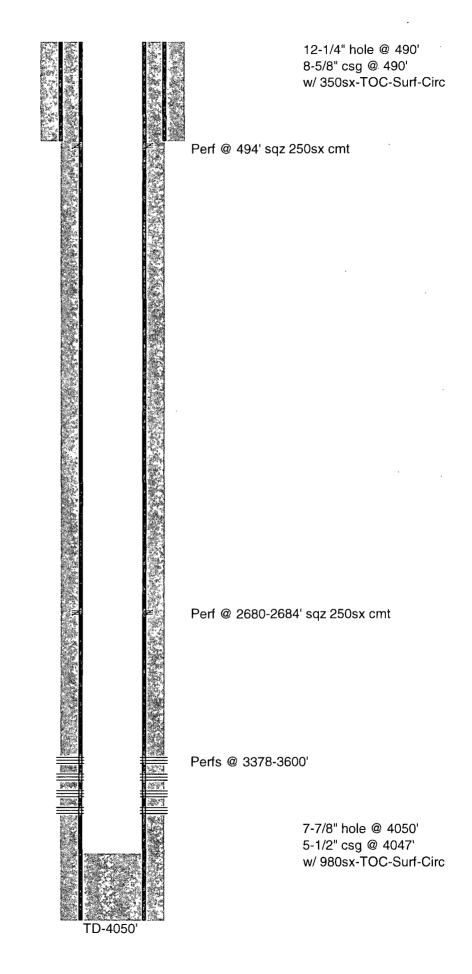
25sx 2760-2610' WOC-Tag

CIBP @ 3328' w/ 25sx to 3178'

PB-3811'



OXY USA Inc. - Current Spurck 16 State #4 API No. 30-015-33702



PB-3811'

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 In	<u>c</u>		_
Well Name & Number: Spunck	16	State	_ 4
API #: 30-015-33707	>		-

1. Produced water <u>will not</u> be used during any part of the plugging & abandonment operation.

and the second second

- 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 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 are not to exceed 500 PSI, unless approval is given by NMOCD.
10. Plugs may be combined after consulting with and getting approval from NMOCD.
11. Minimum WOC time for tag plugs will be 4 Hrs.

DATE: Aug 22, 2013

APPROVED BY: ADade

GUIDELINES FOR PLUGGING AND ABANDONMENT

DISTRICT II / ARTESIA

- All cement plugs will be a minimum of 100' in length or a minimum of 25 sacks of cement, whichever is greater.
- Mud laden fluids must be placed between all cement plugs.
- Mud laden fluids must be mixed at 25 sacks of gel per 100 bbls of water.
- A cement plug is required to be set 50' below and 50' above all casing shoes and casing stub plugs. These plugs must be tagged.
- A CIBP with 35' of cement on top may be set in lieu of 100' cement plug.
- A plug as indicated above must be placed within 100' of top perforation. This plug must be tagged.
- Plugs set below and above salt zones must be tagged.
- No more than 2000' is to be allowed between cement plugs in open hole and no more than 3000' in cased hole.
- DV tools are required to have a 100' cement plug set 50' above and below the tool and must be tagged.
- Formations to be isolated with plugs placed at the top of each formation are:
 - o Fusselman
 - o Devonian
 - · o Morrow
 - o Wolfcamp
 - o Bone Spring
 - o Delaware
 - o . Any Salt Section (Plug at top and bottom)
 - o Abo
 - o Glorieta
 - Yates (this plus is usually at base of salt section)
- If cement does not exist behind casing strings at recommended formation depths, the casing must be cut and pulled with plugs set at these depths or casing must be perforated and cement squeezed behind casing at the formation depths.
- In the R-111-P area (Potash Mine area) a solid cement plug must be set across the salt section.
 Fluid used to mix the cement shall be saturated with the salts common to the section penetrated and in suitable proportions, but not more than a 3% calcium chloride by weight of cement will be considered the desired mixture whenever possible (50' below and 50' above).

New Pit Rule 19.15.17.9 has been posted and made effective June 28, 2013. In part, the new rule states:

"19.15.17.9 PERMIT APPLICATION AND REGISTRATION:

A. An operator shall use the appropriate form C-144 to apply to the division for a permit to construct or use a pit or proposed alternative method, or to register a below-grade tank. The operator shall submit the form C-144 either separately or as an attachment to a permit application for a facility with which the pit, below-grade tank or proposed alternative method will be associated. An operator shall use a C-101, C-103 or applicable Bureau of Land Management form to notify the appropriate division district office of construction or use of a closed-loop system."

The documents attached are being returned to you for resubmittal on the appropriate form as stated above. If you have any questions or concerns, please notify Randy Dade, (575) 748-1283 ext 102, or Mike Bratcher, (575) 748-1283 ext 108. Existing permits which were approved prior to 6-28-13 will be closed as outlined under the old rule.

The rule in its entirety may be reviewed on our website www.emnrd.state.nm.us under "RULES".