Form 3160-5 (August 2007)

UNITED STATES DEPARTMENT OF THE INTERIOR

OCD Artesla

FORM APPROVED OMB NO. 1004-0135 Expires: July 31, 2010

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.				Lease Serial No. NMLC064391B If Indian, Allottee or Tribe Name	
SUBMIT IN TRIPLICATE - Other instructions on reverse side.				A/Agreement, Name and/or No.	
Type of Well Oil Well Gas Well Otl Otl	her		8. Well Name ar INDIAN HIL	8. Well Name and No. INDIAN HILLS UNIT 27	
Name of Operator OXY USA WTP LIMITED PTN	9. API Well No 30-015-31				
3a. Address MIDLAND, TX 79710-0250		3b. Phone No. (include area code Ph: 432-685-5717 Fx: 432-685-5742	10. Field and Pool, or Exploratory INDIAN BASIN-UPPER PENN ASSOC		
4. Location of Well (Footage, Sec., 7 Sec 29 T21S R24E NENW 50	•		11. County or P EDDY CO		
12. CHECK APPI	ROPRIATE BOX(ES) TO	O INDICATE NATURE OF I	NOTICE, REPORT, OR O	THER DATA	
TYPE OF SUBMISSION	,	ТҮРЕ О	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/Resum☐ Reclamation☐ Recomplete☐ Temporarily Abandon☐ Water Disposal	water Shut-Off Well Integrity Other	
13. Describe Proposed or Completed Op If the proposal is to deepen direction. Attach the Bond under which the wo following completion of the involvectesting has been completed. Final Addetermined that the site is ready for fTD-8525'M PBTD-8479' OXY USA WTP LP respectful	eration (clearly state all pertine ally or recomplete horizontally, rk will be performed or provide loperations. If the operation repandonment Notices shall be fil inal inspection.) Perfs-77616-8046'	nt details, including estimated startin give subsurface locations and measu the Bond No. on file with BLM/BI/ sults in a multiple completion or reco ed only after all requirements, includ	g date of any proposed work and a tred and true vertical depths of all A. Required subsequent reports shompletion in a new interval, a Forling reclamation, have been completed.	I pertinent markers and zones. hall be filed within 30 days m 3160-4 shall be filed once	
evaluated for possible Yeso re 1. RIH & set CIBP @ +/-7566' 2. Notify BLM/NMOCD of casi 3. RU pump truck, circulate w Above ground steel tanks will	ing integrity test 24hrs in a	advance.		JAN 17 2014 MOCD ARTESIA	

Accepted for record

SUBJECT TO LIKE APPROVAL BY STATE **CONDITIONS OF APPROVAL**

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14. I hereby certify	that the foregoing is true and correct. Electronic Submission #229168 verifie For OXY USA WTP LIMITED P Committed to AFMSS for processing by JOHN	d by the BLM Well Information System NRSHIP, sent to the Carlsbad NY DICKERSON on 12/11/2013 (14JLD1689SE)	
Name(Printed/T	yped) DAVID STEWART	Title SR. REGULATORY ADVISOR	
Signature	(Electronic Submission)	Date 12/10/2013	
	THIS SPACE FOR FEDERA	AL OR STATE OFFICE USE	
<u></u>			
Approved By JERRY BLAKLEY		TitleLEAD PET	Date 01/14/2014
certify that the applica	al, if any, are attached. Approval of this notice does not warrant or ant holds legal or equitable title to those rights in the subject lease he applicant to conduct operations thereon.	Office Carlsbad	

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.

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. CIBP must be capped with minimum 25 sacks cement, **placed with tubing**.
 - 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. Any leak-off will be evaluated.
 - 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. 43 CFR 3162.3-4 (a) The operator shall promptly plug and abandon...wells in which oil or gas is not encountered in paying quantities...

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 <u>with well bore diagram</u> 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 place in TA status and plan for future use of well with time frame that well will be place 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.