

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCD Artesia

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.***SUBMIT IN TRIPLICATE - Other instructions on reverse side.**

1. Type of Well <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. NMNM0531277A
2. Name of Operator OXY USA INCORPORATED		6. If Indian, Allottee or Tribe Name
3a. Address 5 GREENWAY PLAZA STE 110 HOUSTON, TX 77046-0521		7. If Unit or CA/Agreement, Name and/or No.
3b. Phone No. (include area code) Ph: 432-685-5717 Fx: 432-685-5742		8. Well Name and No. FNR 26 FEDERAL 2H
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 26 T23S R30E NWSW 2060FSL 330FWL 32.274201 N Lat, 103.858722 W Lon		9. API Well No. 30-015-41647-00-X1
		10. Field and Pool, or Exploratory FORTY NINER RIDGE
		11. County or Parish, and State EDDY COUNTY, NM

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

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	Change to Original APD
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> 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 site is ready for final inspection.)

OXY USA Inc. respectfully requests to amend the 7" casing and cementing program to include a DVT @ 3980' for contingency reasons.

OXY will run 7" 26# L-80 BTC casing to TD and circulate the 1st stage cement as per originally approved Permit. If cement circulates to surface from the 1st stage, the DV cancellation cone will be dropped and 2nd stage cancelled. If no cement to surface from the 1st stage, the DV tool will be opened and 2nd stage cement will be pumped as per the information below:

2nd Stage Lead - Cement w/ 320sx HES light PPC w/ 3#/sx Salt, 12.4ppg 2.05 yield 450# 24hr CS (500#-29hrs) 10% Excess (0-3480') followed by 100sx PPC cmt w/ 1% CaCl₂, 14.8ppg 1.34 yield 1767# 24hr CS 50% Excess (3480-3980').

**SEE ATTACHED FOR
CONDITIONS OF APPROVAL**

14. I hereby certify that the foregoing is true and correct.	
Electronic Submission #247098 verified by the BLM Well Information System For OXY USA INCORPORATED, sent to the Carlsbad Committed to AFMSS for processing by ED FERNANDEZ on 05/28/2014 (14EF0057SE)	
Name (Printed/Typed) DAVID STEWART	Title SR. REGULATORY ADVISOR
Signature (Electronic Submission)	Date 05/27/2014

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By <u>EDWARD FERNANDEZ</u>	Title <u>PETROLEUM ENGINEER</u>
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 <u>Carlsbad</u>

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.

**** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ******NM OIL CONSERVATION
ARTESIA DISTRICT
JUN 02 2014****RECEIVED
Accepted for record
NMOC
109
6-3-2014****APPROVED
MAY 28 2014
BUREAU OF LAND MANAGEMENT
CARLSBAD FIELD OFFICE**

Additional data for EC transaction #247098 that would not fit on the form

32. Additional remarks, continued

Description of Cement Additives: CaCl₂, Salt (Accelerator)

OXY received verbal approval from Ed Fernandez on 5/27/14.

CONDITIONS OF APPROVAL

Sundry (email) dated 5/27/14

OPERATOR'S NAME:	OXY USA Inc.
LEASE NO.:	NMNM-0531277A
WELL NAME & NO.:	FNR 26 Federal 2H
LOCATION:	Section 26, T. 23 S., R 30 E., NMPM
COUNTY:	Eddy County, New Mexico
API:	30-015-41647

The original COAs still stand with the following drilling modifications:

1. The minimum required fill of cement behind the 7 inch production casing is:

a. First stage:

☒ Cement to circulate.

Operator has proposed a contingency DV tool at 3980'. If operator circulates cement to surface on the first stage, operator is approved to run the DV tool cancellation plug and cancel the second stage of the proposed cement plan. If cement does not circulate, operator will proceed with the second stage.

b. Second stage above DV tool:

☒ Cement to surface. If cement does not circulate, contact the appropriate BLM office.

2. Cement not required on the 4-1/2" casing. **Packer system being used.**

EGF 052714