

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 type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. NMNM15003
2. Name of Operator OXY USA WTP LIMITED PTNRSHIP E-Mail: JENNIFER_DUARTE@OXY.COM		6. If Indian, Allottee or Tribe Name
3a. Address MIDLAND, TX 79710-0250	3b. Phone No. (include area code) Ph: 713-513-6640	7. If Unit or CA/Agreement, Name and/or No.
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 17 T20S R28E NWSE 1650FSL 1980FEL		8. Well Name and No. GOVERNMENT AG 1
		9. API Well No. 30-015-23254-00-S1
		10. Field and Pool, or Exploratory BURTON FLAT
		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 type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input checked="" 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 recompleate 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 recompleation 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.)

PROCEDURE

1. MIRU PU, ND X-Mas Tree. NU BOP.
2. POH rod pump.
3. POH production string.
4. RIH and set CIBP at 8922? *see cert*
5. Dump 35? of cement on top.
6. Remedial cementing job for 5-1/2? casing
7. RU Wireline unit with full lubricator.
8. Perforate 7800?-7801? (total 4 holes) with 3-1/8" Titan guns with EXP-3323-301T charges (0.43" EH, 23.54" Pen) at 4 SPF and 60 degree phasing. RD wireline unit.
9. RIH 5-1/2? packer and set at 7750?

SEE ATTACHED FOR
CONDITIONS OF APPROVAL

NM OIL CONSERVATION

ARTESIA DISTRICT

FEB 06 2015

Accepted for record

LRD NMOSD 2/16/15

RECEIVED

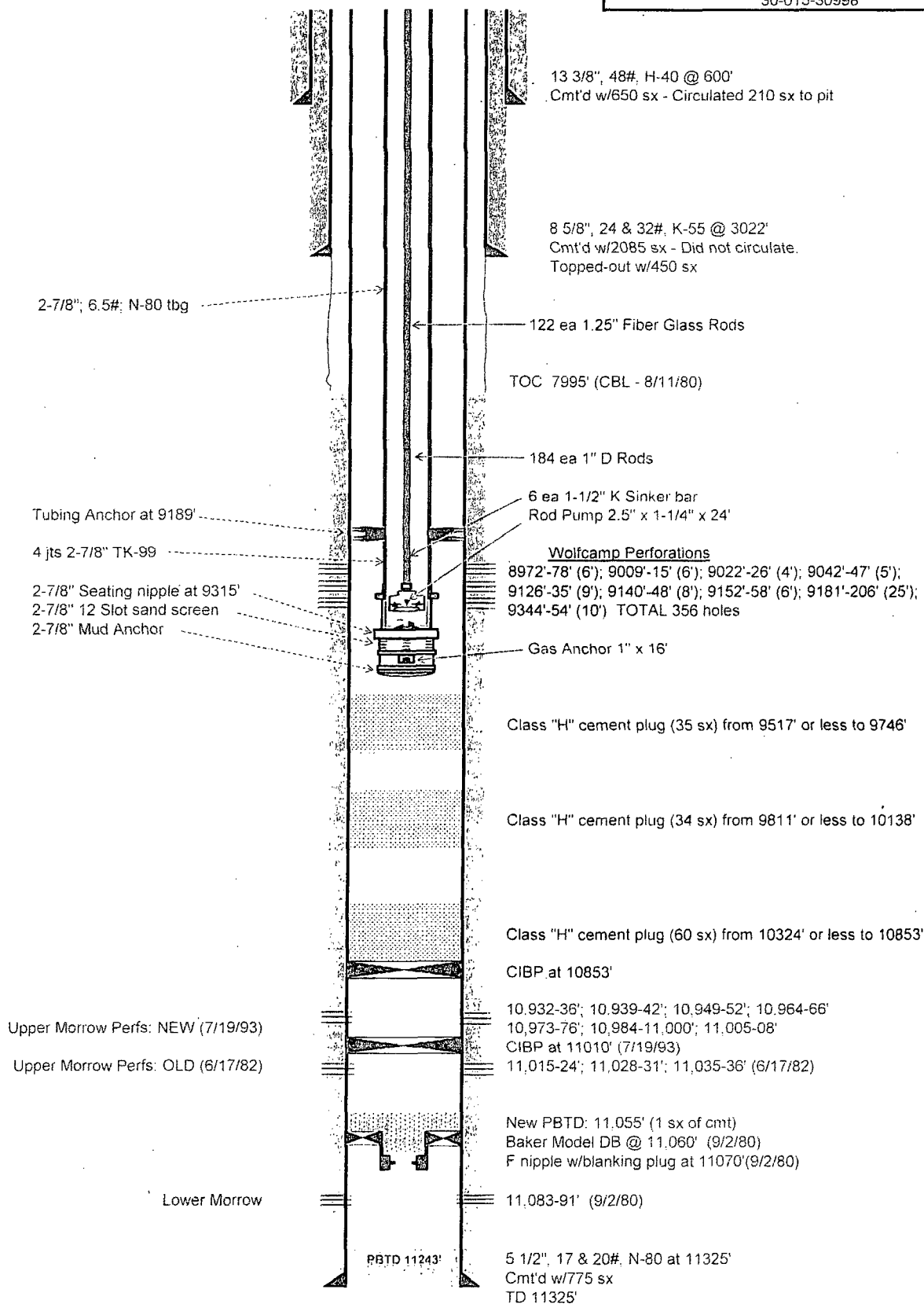
14. I hereby certify that the foregoing is true and correct. Electronic Submission #258118 verified by the BLM Well Information System For OXY USA WTP LIMITED PTNRSHIP, sent to the Carlsbad Committed to AFMSS for processing by CHRISTOPHER WALLS on 02/02/2015 (15CRW0052SE)			
Name (Printed/Typed) JENNIFER A DUARTE	Title REGULATORY SPECIALIST		
Signature (Electronic Submission)	Date 08/25/2014	APPROVED	
Provide C-102 to NMOCD to compliment proposed recompleation <i>LRD</i>		FEB 2 2015	
		Date	
Title		/s/ Chris Walls	
Office		BUREAU OF LAND MANAGEMENT CARLSBAD FIELD OFFICE	

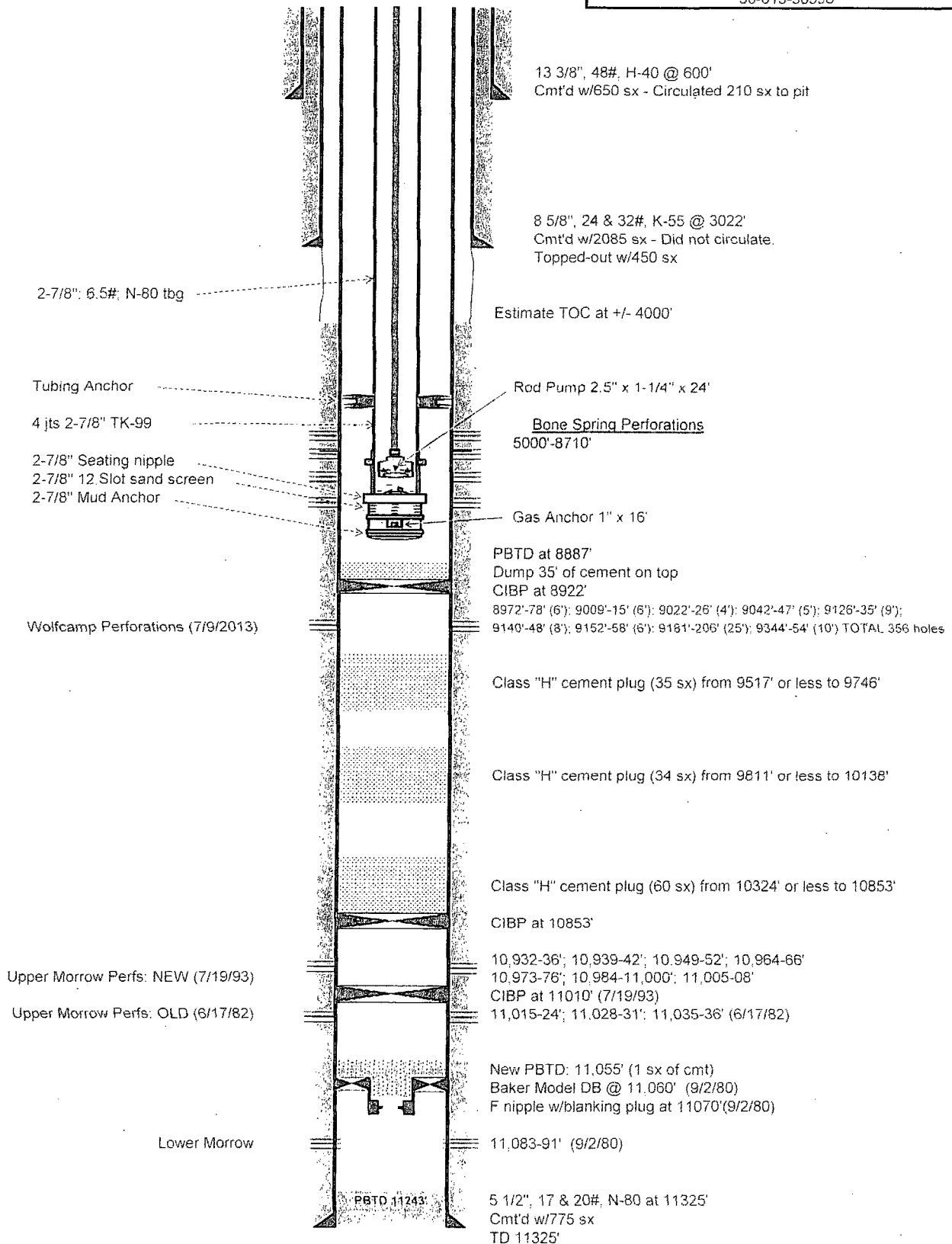
Title 18
States

Additional data for EC transaction #258118 that would not fit on the form

32. Additional remarks, continued

9. Pressure up tubing and see if get returns up 8-5/8"-5-1/2" annulus. POH.
10. RIH cement retainer on 2-7/8" tubing and set at 7750'. Test casing to 500 psi.
11. Sting out and circulate. Sting into retainer and circulation through perforations and out the braden head (with the tubing/casing annulus closed, but monitoring pressure).
12. RU cementing company.
13. Establish circulation.
14. Pump Lead of 290 sx Class C Light cement (~2.0 cu ft/sx, 12.8 ppg).
15. Pump Tail of 200 sx Class C with 2% CaCl cement (1.32 cu ft/sx, 14.8 ppg).
16. Flush the tubing.
17. Sting out.
18. POOH with 2 stands.
19. Reverse circulate the tubing clean.
20. POOH with the tubing and stinger.
21. WOC. In the mean time run temperature survey to find the top of cement behind 5-1/2" casing. Drill out and Test
22. RIH bit and clean to 8887' (PBTD).
23. Close the tubing/casing annulus and pressure test the casing to 250 psi for 10 minutes, if good test to 500 psi for 30 minutes.
24. If 500 psi test is definitely good, contact BLM field representative to schedule official MIT.
25. Run MIT test with chart recorder (test to 500 psi for 30 minutes).
26. POOH and lay down the work string.
27. ND BOP. NU WH. RD PU.
- Perforating and frac Bone Spring
28. RU Wireline unit with full lubricator.
29. Perforate Bone Spring formation in the interval 5000'-8710'
30. Frac Bone Spring formation with 1,000 Bbls of X-Link gel with 135,000 lbs of 20/40 white sand. Clean the well and run permanent completion
31. MIRU PU. ND X-Mas Tree. NU BOP.
32. RIH bit and clean out the well to PBTD at 8887'. POH.
33. RIH production string with seating nipple and tubing anchor.
34. Set tubing hanger. ND BOP. NU Rod BOP and well head.
35. RIH rod pump. Space out. Install polished rod. Test pump function.
36. RD Well Service Rig.
37. Put the well on production.





Government AG 1
30-015-23254
OXY USA WTP Limited Partnership
Conditions of Approval

Notify BLM at 575-361-2822 a minimum of 24 hours prior to commencing work.

- 1. Operator shall set a CIBP at 8922' and pump 150 feet of Class H cement. Tag required. This will still allow approximately 60 ft of hole below the bottom Bone Spring perf.**
- 2. Must conduct a casing integrity test before perforating and fracturing. Submit results to BLM. The CIT is to be performed on the production casing 800 psi. Notify BLM if test fails.**
- 3. Submit results of Temperature Survey to the BLM.**
4. Before casing or a liner is added or replaced, prior BLM approval of the design is required. Use notice of intent Form 3160-5.
5. Surface disturbance beyond the originally approved pad must have prior approval.
6. Closed loop system required.
7. All waste (i.e. drilling fluids, trash, salts, chemicals, sewage, gray water, etc.) created as a result of work over operations shall be safely contained and disposed of properly at a waste disposal facility. No waste material or fluid shall be disposed of on the well location or surrounding area. Porto-johns and trash containers will be on-location during fracturing operations or any other crew-intensive operations.
8. Operator to have H2S monitoring equipment on location.
9. A minimum of a 3000 (3M) BOP to be used. All blowout preventer (BOP) and related equipment (BOPE) shall comply with reasonable well control requirements. A two ram system with a blind ram and a pipe ram designed for the size of the work string shall be adequate. Tapered work strings will require an additional pipe ram. The manifold shall comply with Onshore Oil and Gas Order #2 Attachment I (2M Diagrams of Choke Manifold Equipment). The accumulator system shall have an immediately available power source to close the rams and retain 200 psi above pre-charge. The pre-charge test shall follow requirements in Onshore Order #2.

7

10. Subsequent sundry required detailing work done, a C-102 form, and completion report for the new formations. Operator to include well bore schematic of current well condition when work is complete.

11. See attached Standard Plugback Conditions of Approval

CRW 020215

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

Permanent Abandonment of Production Zone Conditions of Approval

Failure to comply with the following Conditions of Approval may result in a Notice of Incidents of Noncompliance (INC) in accordance with 43 CFR 3163.1.

1. Plugging operations shall commence within ninety (90) days from this approval.

If you are unable to plug back the well by the 90th day provide this office, prior to the 90th day, with the reason for not meeting the deadline and a date when we can expect the well to be plugged back. Failure to do so will result in enforcement action.

2. **Notification:** Contact the appropriate BLM office at least 24 hours prior to the commencing of any plug back operations. For wells in Eddy County, call 575-361-2822. For wells in Lea County, call 575-393-3612

3. **Blowout Preventers:** A blowout preventer (BOP), as appropriate, shall be installed before commencing any plugging operation. The BOP must be installed and maintained as per API and manufacturer recommendations. The minimum BOP requirement is a 2M system for a well not deeper than 9,090 feet; a 3M system for a well not deeper than 13,636 feet; and a 5M system for a well not deeper than 22,727 feet.

4. **Mud Requirement:** Mud shall be placed between all plugs. Minimum consistency of plugging mud shall be obtained by mixing at the rate of 25 sacks (50 pounds each) of gel per 100 barrels of brine water. Minimum nine (9) pounds per gallon.

5. **Cement Requirement:** Sufficient cement shall be used to bring any required plug to the specified depth and length. Any given cement volumes on the proposed plugging procedure are merely estimates and are not final. Unless specific approval is received, no plug except the surface plug shall be less than 25 sacks of cement. Any plug that requires a tag will have a minimum WOC time of 4 hours.

In lieu of a cement plug across perforations in a cased hole (not for any other plugs), a bridge plug set within 50 feet to 100 feet above the perforations shall be capped with 25 sacks of cement.

Before pumping cement on top of CIBP, tag will be required to verify depth. Based on depth, a tag of the cement may be deemed necessary.

Unless otherwise specified in the approved procedure, the cement plug shall consist of either **Neat Class "C"**, for up to 7,500 feet of depth or **Neat Class "H"**, for deeper than 7,500 feet plugs.

6. **Subsequent Plug back Reporting:** Within 30 days after plug back work is completed, file one original and three copies of the Subsequent Report, Form 3160-5 to BLM. The report should give in detail the manner in which the plug back work was carried out, the extent (by depths) of cement plugs placed, and the size and location (by depths) of casing left in the well. **Show date work was completed.**

7. Trash: All trash, junk and other waste material shall be contained in trash cages or bins to prevent scattering and will be removed and deposited in an approved sanitary landfill. Burial on site is not permitted.