

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

ARTESIA DISTRICT

AUG 21 2015

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.*5. Lease Serial No.
NMNM86024

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

SUBMIT IN TRIPLICATE - Other instructions on reverse side.

1. Type of Well

☒ Oil Well ☐ Gas Well ☐ Other

8. Well Name and No.

CYPRESS 34 FEDERAL 10H

2. Name of Operator
OXY USA INCORPORATED

Contact: DAVID STEWART

9. API Well No.

30-015-43076-00-X1

3a. Address
5 GREENWAY PLAZA STE 110
HOUSTON, TX 77046-05213b. Phone No. (include area code)
Ph: 432.685.571710. Field and Pool, or Exploratory
CEDAR CANYON

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

Sec 34 T23S R29E NWNW 210FNL 330FWL
32.267892 N Lat, 103.979625 W Lon

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 A
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	PD

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 approval for the following changes to the drilling plan:

Pending NMOCD approval of a C-144 permit application and BLM approval, OXY plans to change from a closed-loop/haul-off protocol for drilling waste management (solids and liquids) to a temporary pit with on-site burial of dry waste solids. The location of the proposed pit lies within the permitted location footprint. OXY understands the COA's associated with the use of drilling pits and on-site burial on Federal wells.

If OXY cannot gain BLM/NMOCD approval for the temporary pit, drilling of this well will proceed as currently approved for closed-loop/haul-off.

R.T Hick Consultants (Randall Hicks, 505-266-5004) will provide a copy of the C-144 permit

*OK CAL 08/11/15 see existing Coa's**NMOCD Approval for
Dry waste solids only**RED 9/2/15
Approved for record
NMOCD*

14. I hereby certify that the foregoing is true and correct.

Electronic Submission #308022 verified by the BLM Well Information System
For OXY USA INCORPORATED, sent to the Carlsbad
Committed to AFMSS for processing by CHRISTOPHER WALLS on 08/10/2015 (15CRW0103SE)

Name (Printed/Typed) LINDSAY EARLE

Title DRILLING ENGINEER

Signature (Electronic Submission)

Date 07/06/2015

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By

Cody R. Langley

Title

M.A.S

Date

08/11/15

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

CFO

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 ****

Additional data for EC transaction #308022 that would not fit on the form

32. Additional remarks, continued

application and additional information that might be required.



Walls, Christopher <cwalls@blm.gov>

FW: Oxy - Solids Disposal Pits Cypress 34 Federal 10 H - NEED BLM OK TO PROCEED

1 message

Chan_Tysor@oxy.com <Chan_Tysor@oxy.com>
To: cwalls@blm.gov

Mon, Aug 10, 2015 at 4:46 PM

R. Chan Tysor

Drilling Engineer – Oxy Permian Primary

Office: 713-513-6668

Cell: 832-564-6454

Chan_Tysor@Oxy.com

From: Earle, Linsay L
Sent: Tuesday, July 21, 2015 2:12 PM
To: Wilson, Jim B (RWI Construction Inc); Weaver, Calvin C.(Dusty); Holcomb, Robert C; Samford, Travis A
Cc: Tellez, Diego; Mejia, Juan P
Subject: Fwd: Oxy - Solids Disposal Pits Cypress 34 Federal 10 H - NEED BLM OK TO PROCEED

FYI - approval from BLM (via email).

Sent from my iPhone

Begin forwarded message:

From: Randall Hicks <r@rthicksconsult.com>
Date: July 21, 2015 at 2:09:35 PM CDT
To: "Layton, Cody" <clayton@blm.gov>
Cc: <Linsay_Earle@oxy.com>
Subject: RE: Oxy - Solids Disposal Pits Cypress 34 Federal 10 H - NEED BLM OK TO PROCEED

Thanks Cody

Randall Hicks

R.T. Hicks Consultants

Cell: 505-238-9515

Office: 505-266-5004

From: Layton, Cody [mailto:clayton@blm.gov]
Sent: Tuesday, July 21, 2015 12:55 PM
To: Randall Hicks
Subject: Re: Oxy - Solids Disposal Pits Cypress 34 Federal 10 H - NEED BLM OK TO PROCEED

Randall,

We are ok with you proceeding on the cuttings pit. The reason that we are is because it is located within the well pad that has already been disturbed. This does not necessarily mean that we would be ok with every project. For example if we are in a high cave/karst area we might not allow the pits. This is just an example. Regardless you are ok to proceed with construction of the pit.

Cody R. Layton

Bureau of Land Management

Multiple Resource Supervisor

Carlsbad Field Office

620 E. Greene St.

Carlsbad, NM 88220
Office: (575) 234-5959
Fax: (575) 234-5927
clayton@blm.gov

On Tue, Jul 21, 2015 at 10:22 AM, Randall Hicks <r@rthicksconsult.com> wrote:

Cody

Oxy is understandably hesitant about starting construction on the NMOCD-approved burial trench until there is an approval from BLM. Responding to this email with an "OK to proceed" is all we need with the paperwork sundry approval to follow.

I will give you a call later today.

Randall Hicks
R.T. Hicks Consultants
Cell: 505-238-9515
Office: 505-266-5004

From: Amos, James [mailto:jamos@blm.gov]
Sent: Wednesday, June 17, 2015 6:17 AM
To: Randall Hicks
Subject: Re: Oxy - Solids Disposal Pits Cypress 34 Federal 10 and Cedar Canyon 27 Federal 7H, CYPRESS 33 FEDERAL 8H (POTASH) and CYPRESS 28 FEDERAL 7H (POTASH)

Thanks, I did talk to Cody to give him a heads up. He's with me on this. Thanks again.

On Tue, Jun 16, 2015 at 8:29 AM, Randall Hicks <r@rthicksconsult.com> wrote:

So no meeting

Randall Hicks
R.T. Hicks Consultants
Cell: 505-238-9515
Office: 505-266-5004

From: Amos, James [mailto:jamos@blm.gov]
Sent: Tuesday, June 16, 2015 6:26 AM
To: Randall Hicks
Cc: Cody Layton; Linsay_Earle@oxy.com; calvin_weaver@oxy.com; Kristin Pope; Bratcher, Mike, EMNRD; andrew@rthicksconsult.com
Subject: Re: Oxy - Solids Disposal Pits Cypress 34 Federal 10 and Cedar Canyon 27 Federal 7H, CYPRESS 33 FEDERAL 8H (POTASH) and CYPRESS 28 FEDERAL 7H (POTASH)

Randall,

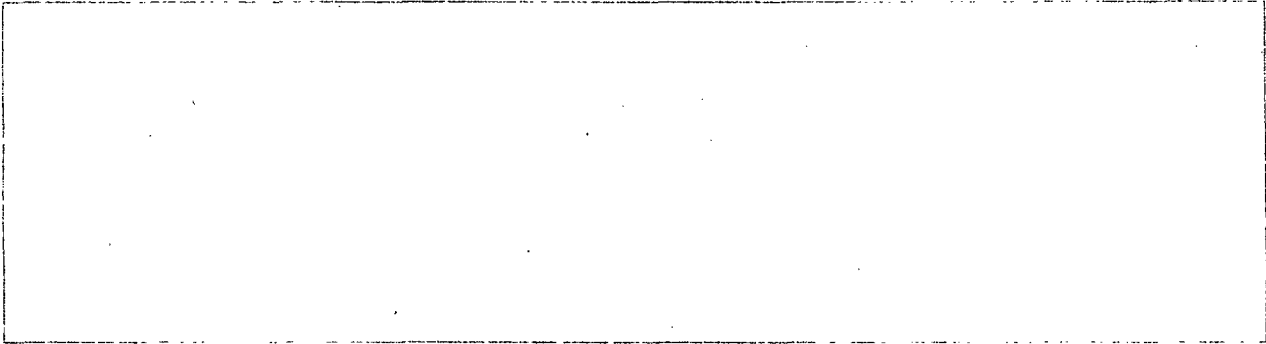
I will be free after 10:00 am. thanks

On Mon, Jun 15, 2015 at 3:44 PM, Randall Hicks <r@rthicksconsult.com> wrote:

Cody

DEPARTMENT OF THE INTERIOR MAIL ROOM
I just spoke with Jim Amos and it appears that a meeting will not be required. Please expect submission of a C-144 pit permit to OCD in support of a sundry notice to switch from closed loop/haul off to on-site burial of drilling solids for the Cypress 34 Federal 10H location. Others on the list below will follow.

Please note the spud date for the Cypress Federal is soon.



B

Randall Hicks

R.T. Hicks Consultants

Cell: 505-238-9515

Office: 505-266-5004

From: Randall Hicks [mailto:r@rthicksconsult.com]

Sent: Monday, June 15, 2015 9:09 AM

To: clayton@blm.gov; jamos@blm.gov

Cc: Linsay_Earle@oxy.com; calvin_weaver@oxy.com; 'Kristin Pope'; 'Bratcher, Mike, EMNRD'; andrew@rthicksconsult.com

Subject: RE: Oxy - Solids Disposal Pits Cypress 34 Federal 10 and Cedar Canyon 27 Federal 7H, CYPRESS 33 FEDERAL 8H (POTASH) and CYPRESS 28 FEDERAL 7H (POTASH)

Cody and Jim

On Thursday, I hope to hand deliver a sundry notice to change from closed loop haul off to solids disposal pits for the well listed above. CAN WE MEET FOR 30 MINUTES ON Thursday MORNING?

There is not a lot of time for BLM or OCD review of the Cypress 34 Fed 10H as we would need to begin pit construction on or about July 10. I can walk you through the concept and I will want to sell you on using this type of pit for the Misty and Ivore wells that lie on the border of Moderate and High Karst (see attached locations).

Please let me know if Thursday or Friday morning can work for you.

Thanks

Randall Hicks

R.T. Hicks Consultants

Cell: 505-238-9515

Office: 505-266-5004

From: Randall Hicks [mailto:r@rthicksconsult.com]

Sent: Friday, June 12, 2015 6:23 AM

To: clayton@blm.gov; jamos@blm.gov

Cc: 'Linsay_Earle@oxy.com'; 'calvin_weaver@oxy.com'; 'Kristin Pope'; 'Bratcher, Mike, EMNRD'

Subject: RE: Oxy - Solids Disposal Pits

8/10/2015 DEPARTMENT OF THE INTERIOR Mail File: VV: Oxy - Solids Disposal Pits Cypress 34 Federal 10H - NEED BLM OK TO PROCEED
Jim and Cody

Perhaps as early as July 20, Oxy plans to spud the first of a series of Federal wells in Eddy County. Oxy has asked Hicks Consultants to design and permit a solids disposal pit that will accept the cuttings from a closed loop system. The pit will hold some liquids for short periods (days not weeks).

The schedule for drilling is, more or less, presented below and the attached maps show the locations with the exception of the Peaches wells. We need to know if BLM could act on a Sundry notice to change from closed loop to pits at the Cypress 34 Fed 10H soon enough to allow for the construction of the pit beginning about July 10.



I would like to meet with you next week for about 30 minutes to explain this concept of on-site management of solids and recycling of drilling fluids. Having a karst specialist at this meeting would be good as the Ivore and Misty lie at the edge of high/moderate karst. We might also talk about the Peaches wells at this time.

If we could have this meeting next Thursday at a time of your choice, I can have the permit application and sundry ready to present. A Friday morning meeting can also work.

I will call you both later today to see if we can make this happen.

Randall Hicks

R.T. Hicks Consultants

Cell: 505-238-9515

Office: 505-266-5004

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James A. Amos
Bureau of Land Management
Carlsbad Field Office
Supervisory Environmental Protection Specialist
620 East Greene Street
Carlsbad, NM. 88220
Office: (575) 234-5909
Fax: (575) 234-5927
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