

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTNMOCD
ArtesiaFORM APPROVED
OMB NO. 1004-0137
Expires: January 31, 2018**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 page 2**

| | | |
|---|--|--|
| 1. Type of Well <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other | | 5. Lease Serial No. NNNM57273 |
| 2. Name of Operator OXY USA INC. | | 6. If Indian, Allottee or Tribe Name |
| 3a. Address P.O. BOX 50250 MIDLAND, TX 79710 | | 7. If Unit or CA/Agreement, Name and/or No. |
| 3b. Phone No. (include area code) Ph: 432-699-4318 | | 8. Well Name and No. PALLADIUM MDP1 7-6 FEDERAL COM 5H |
| 4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 7 T24S R31E Mer NMP SESE 293FSL 592FEL 32.225398 N Lat, 103.810304 W Lon | | 9. API Well No. 30-015-44294 |
| | | 10. Field and Pool or Exploratory Area COTTON DRAW; BONE SPRING |
| | | 11. County or Parish, State EDDY COUNTY, NM |

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

| TYPE OF SUBMISSION | TYPE OF ACTION |
|---|---|
| <input type="checkbox"/> Notice of Intent | <input type="checkbox"/> Acidize |
| <input checked="" type="checkbox"/> Subsequent Report | <input type="checkbox"/> Deepen |
| <input type="checkbox"/> Final Abandonment Notice | <input type="checkbox"/> Hydraulic Fracturing |
| | <input type="checkbox"/> Production (Start/Resume) |
| | <input type="checkbox"/> Alter Casing |
| | <input type="checkbox"/> Reclamation |
| | <input type="checkbox"/> Casing Repair |
| | <input type="checkbox"/> New Construction |
| | <input type="checkbox"/> Recomplete |
| | <input type="checkbox"/> Change Plans |
| | <input type="checkbox"/> Plug and Abandon |
| | <input type="checkbox"/> Temporarily Abandon |
| | <input type="checkbox"/> Convert to Injection |
| | <input type="checkbox"/> Plug Back |
| | <input type="checkbox"/> Water Disposal |
| | <input type="checkbox"/> Water Shut-Off |
| | <input type="checkbox"/> Well Integrity |
| | <input checked="" type="checkbox"/> Other Drilling Operations |

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 must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection.

8/25/17 NU BOP, test @ 250 psi low, 5000 psi high. Test csg to 1500 psi for 30 min., good test. RIH & tag cmt @ 625', drill new formation to 702', perform FIT test to EMW= 18.5 PPG. Drill 12" hole to 4381' (8/30/17). RIH & set 9-5/8" 36# J-55 BTC csg @ 4372', pump 20 BBLs gel spacer w/ red dye then cmt w/ 1170 sxs (389 BBLs) PPC w/ additives, 12.9 PPG, 1.87 yield followed by 160 sxs (37 BBLs) PPC w/ additives, 14.8 PPG, 1.33 yield, circ. 80 BBLs (8/31/17). Test csg to 2250 psi for 30 minutes. Install night cap.

NM-OIL CONSERVATION

ARTESIA DISTRICT

SEP 26 2017

9-27-17
Accepted for record - NMOCD

RECEIVED

| | |
|--|---|
| 14. I hereby certify that the foregoing is true and correct. Electronic Submission #387137 verified by the BLM Well Information System For OXY USA INC., sent to the Carlsbad Committed to AFMSS for processing by JENNIFER SANCHEZ on 09/18/2017 () | |
| Name (Printed/Typed) DAVID STEWART | Title SR. REGULATORY ADVISOR |
| Signature (Electronic Submission) | Date 09/30/2017 |
| THIS SPACE FOR FEDERAL OR STATE OFFICE USE | |
| Approved By | Title SEP 30 2017 |
| 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 BUREAU OF LAND MANAGEMENT CARLSBAD FIELD OFFICE |
| 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. | |

(Instructions on page 2)

** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED **