Form 3160-5
(June 2015)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCD Artesia

FORM 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

5. Lease Serial No.
NMNM82896

6. If Indian, Allottee or Tribe Name

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

1. Type of Well
☒ Oil Well ☐ Gas Well ☐ Other

8. Well Name and No.
Multiple--See Attached

2. Name of Operator
OXY USA INCORPORATED
Contact: DAVID STEWART
E-Mail: david_stewart@oxy.com

9. API Well No.
Multiple--See Attached

3a. Address
5 GREENWAY PLAZA SUITE 110
HOUSTON, TX 77046-0521

3b. Phone No. (include area code)
Ph: 432.685.5717

10. Field and Pool or Exploratory Area
Multiple--See Attached

4. Location of Well *(Footage, Sec., T., R., M., or Survey Description)*
Multiple--See Attached

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			
☒ Notice of Intent	☐ Acidize	☐ Deepen	☐ Production (Start/Resume)	☐ Water Shut-Off
☐ Subsequent Report	☐ Alter Casing	☐ Hydraulic Fracturing	☐ Reclamation	☐ Well Integrity
☐ Final Abandonment Notice	☐ Casing Repair	☐ New Construction	☐ Recomplete	☒ Other Change to Original APD
	☐ Change Plans	☐ Plug and Abandon	☐ Temporarily Abandon	
	☐ Convert to Injection	☐ Plug Back	☐ 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 recomplete 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.

OXY USA Inc. respectfully requests to amend the APD for the following wells. The seven wells will have a similar design. The specific details (i.e. depths, cement volumes, etc) attached are for the 6H.

Nimitz MDP1 12 Federal Com #6H - 30-015-44528 - NMNM82896
Nimitz MDP1 12 Federal #1H - 30-015-44526 - NMNM82896
Nimitz MDP1 12 Federal #2H - 30-015-44580 - NMNM82896
Nimitz MDP1 12 Federal #9H - 30-015-44581 - NMNM82896
Nimitz MDP1 12 Federal Com #7H - 30-015-44529 - NMNM82896
Nimitz MDP1 13 Federal Com #2H - 30-015-44498 - NMNM82896
Nimitz MDP1 13 Federal Com #3H - 30-015-44525 - NMNM82896

NM OIL CONSERVATION
ARTESIA DISTRICT
JUN 27 2018
RECEIVED

GC 6-27-18
Accepted for record - NMOCD

14. I hereby certify that the foregoing is true and correct.
Electronic Submission #411294 verified by the BLM Well Information System
For OXY USA INCORPORATED, sent to the Carlsbad
Committed to AFMSS for processing by PRISCILLA PEREZ on 04/12/2018 (18PP1505SE)

Name *(Printed/Typed)* DAVID STEWART — Title REGULATORY ADVISOR

Signature (Electronic Submission) — Date 04/11/2018

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By Jon Walls — Title SPE — Date 6/13/18

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.

(Instructions on page 2)

**** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ****

Additional data for EC transaction #411294 that would not fit on the form

Wells/Facilities, continued

Agreement	Lease	Well/Fac Name, Number	API Number	Location
NMNM82896	NMNM82896	NIMITZ MDP1 12 FEDERAL COM 6H	30-015-44528-00-X1	Sec 12 T24S R30E SESE 379FSL 778FEL 32.226185 N Lat, 103.828178 W Lon
NMNM82896	NMNM82896	NIMITZ MDP1 12 FEDERAL COM 8H	30-015-44526-00-X1	Sec 12 T24S R30E SWSW 275FSL 102FWL 32.225925 N Lat, 103.842583 W Lon
NMNM82896	NMNM82896	NIMITZ MDP1 12 FEDERAL COM 2H	30-015-44580-00-X1	Sec 13 T24S R30E NENW 450FNL 1760FWL 32.223919 N Lat, 103.837227 W Lon
NMNM82896	NMNM82896	NIMITZ MDP1 12 FEDERAL COM 7H	30-015-44529-00-X1	Sec 12 T24S R30E SESE 379FSL 868FEL 32.226185 N Lat, 103.828476 W Lon
NMNM82896	NMNM82896	NIMITZ MDP1 12 FEDERAL COM 9H	30-015-44581-00-X1	Sec 13 T24S R30E NENW 474FNL 2199FWL 32.223850 N Lat, 103.837166 W Lon
NMNM82896	NMNM82896	NIMITZ MDP1 13 FEDERAL COM 2H	30-015-44498-00-X1	Sec 12 T24S R30E SESE 379FSL 838FEL 32.226185 N Lat, 103.828377 W Lon
NMNM82896	NMNM82896	NIMITZ MDP1 13 FEDERAL COM 3H	30-015-44525-00-X1	Sec 12 T24S R30E SESE 379FSL 808FEL 32.226185 N Lat, 103.828278 W Lon

10. Field and Pool, continued

COTTONWOOD DRAW-BONE SPRING

32. Additional remarks, continued

1. Amend the surface, intermediate, and production casings1 size, type, and depth, see attached.

2. Amend the surface, intermediate and production casing cementing program, see attached.
OXY proposes a 2-stage production cement job as follows:
Stage 1: Cement TD to Top of Brushy Canyon
Stage 2: Bradenhead squeeze with planned cement column from top of Brushy to surface (SOPA)

3. Amend the pressure control equipment testing changes, see attached.
OXY respectfully requests a variance to allow BOP Break Testing as per the agreement reached in the OXY/BLM meeting on Feb. 22, 2018, under the following conditions:
a. After a full BOP test is conducted on the first well on the pad.
b. When skidding to drill an intermediate section that does not penetrate into the Wolfcamp.
c. Full BOP test will be required prior to drilling any production hole.

4. Amend the mud program, depth and type, see attached.

OXY USA Inc. - Nimitz MDP1 12 Federal Com #6H – Amended Drilling Plan

Bulk Sundry Details

This is a bulk sundry request for seven Nimitz MDP1 Sections 12 and 13 wells which will be drilled on three discrete but closely located pad sites. The wells related to this sundry request are:

API	Well Name	Lease Number	Rig	Pad
30-015-44526	Nimitz MDP1 12 Federal 1H	NMNM82896	H&P 556	SNDDNS 1201
30-015-44580	Nimitz MDP1 12 Federal 2H	NMNM82896	H&P 657	SNDDNS 1302
30-015-44581	Nimitz MDP1 12 Federal 9H	NMNM82896	H&P 657	SNDDNS 1302
30-015-44529	Nimitz MDP1 12 Federal Com 7H	NMNM82896	H&P 656	SNDDNS 1204
30-015-44528	Nimitz MDP1 12 Federal Com 6H	NMNM82896	H&P 656	SNDDNS 1204
30-015-44498	Nimitz MDP1 13 Federal Com 2H	NMNM82896	H&P 656	SNDDNS 1204
30-015-44525	Nimitz MDP1 13 Federal Com 3H	NMNM82896	H&P 656	SNDDNS 1204

All seven wells will be drilled using the same design with one difference. The section 12 wells will have 10,000' laterals, while the section 13 wells will have 5,000' laterals. The specific details (i.e. depths, casing designs, cement volumes, etc...) below are shown for the Nimitz MDP1 12 Federal Com 6H.

TVD of target	10124'	Pilot Hole Depth	N/A
MD at TD:	20247'	Deepest Expected fresh water:	573'

Casing Program

Hole Size (in)	Casing Interval From (ft)	Casing Interval To (ft)	Csg. Size (in)	Weight (lbs)	Grade	Conn.	SF Collapse	SF Burst	Buoyant Body SF Tension	Buoyant Joint SF Tension
17.5	0	623	13.375	54.5	J55	BTC	1.125	1.2	1.4	1.4
12.25	0	4285	9.625	36	J55	BTC	1.125	1.2	1.4	1.4
8.5	0	20247	5.5	20	P-110	DQX	1.125	1.2	1.4	1.4
							SF Values will meet or Exceed			

Cementing Program

Casing	Slurry	#Sks	Wt. (Lb/gal)	Yld ft3/sack	H20 gal/sk	500# Comp. Strength	Slurry Description
Surface	Tail	637	14.8	1.33	6.365	5:26	Accelerator
Intermediate	Lead	1,174	12.9	1.88	10.13	7:32	Retarder, Extender, Dispersant
	Tail	141	14.8	1.33	6.42	6:31	Retarder, Dispersant, Salt
1st Stage Production	Lead	248	13.2	1.65	6.686	3:49	Extender, Accelerator, Dispersant
	Tail	1,773	13.2	1.65	6.686	3:49	Extender. Accelerator, Dispersant
2nd Stage Production	Tail	859	12.9	1.88	9.356	9:49	Retarder, Dispersant, Fluid Loss Control, Extender
2nd Stage Production cement will be pumped from surface down the annulus as a bradenhead squeeze							

Casing String	Top of Lead (ft)	Bottom of Lead (ft)	Top of Tail (ft)	Bottom of Tail (ft)	% Excess Lead	% Excess Tail
Surface	N/A	N/A	0	623	N/A	100%
Intermediate	0	3785	3785	4285	100%	20%
1st Stage Production	6382	8081	8081	20246	5%	5%
2nd Stage Production	N/A	N/A	0	6382	N/A	25%

Pressure Control Equipment

BOP installed and tested before drilling which hole?	Size?	Min. Required WP	Type	✓	Tested to:
12.25" Hole	13-5/8"	5M	Annular	✓	70% of working pressure
			Blind Ram	✓	250/5000psi
			Pipe Ram		
			Double Ram	✓	
			Other*		

*Specify if additional ram is utilized.

BOP/BOPE will be tested by an independent service company to 250 psi low and the high pressure indicated above per Onshore Order 2 requirements. The System may be upgraded to a higher pressure but still tested to the working pressure listed in the table above. If the system is upgraded all the components installed will be functional and tested.

Pipe rams will be operationally checked each 24 hour period. Blind rams will be operationally checked on each trip out of the hole. These checks will be noted on the daily tour sheets. Other accessories to the BOP equipment will include a Kelly cock and floor safety valve (inside BOP) and choke lines and choke manifold. See attached schematics.

	Formation integrity test will be performed per Onshore Order #2. On Exploratory wells or on that portion of any well approved for a 5M BOPE system or greater, a pressure integrity test of each casing shoe shall be performed. Will be tested in accordance with Onshore Oil and Gas Order #2 III.B.1.i.	
	A variance is requested for the use of a flexible choke line from the BOP to Choke Manifold. See attached for specs and hydrostatic test chart.	
	Y	Are anchors required by manufacturer?

	A multibowl or a unionized multibowl wellhead system will be employed. The wellhead and connection to the BOPE will meet all API 6A requirements. The BOP will be tested per Onshore Order #2 after installation on the surface casing which will cover testing requirements for a maximum of 30 days. If any seal subject to test pressure is broken the system must be tested. We will test the flange connection of the wellhead with a test port that is directly in the flange. We are proposing that we will run the wellhead through the rotary prior to cementing surface casing as discussed with the BLM on October 8, 2015. See attached schematics.

BOP Break Testing Request

As per the agreement reached in the Oxy/BLM face-to-face meeting on Feb 22, 2018, Oxy requests permission to allow BOP Break Testing under the following conditions:

- After a full BOP test is conducted on the first well on the pad.
- When skidding to drill an intermediate section that does not penetrate into the Wolfcamp.
- Full BOP test will be required prior to drilling any production hole.

Mud Program

Depth		Type	Weight (ppg)	Viscosity	Water Loss
From (ft)	To (ft)				
0	623	Water-Based Mud	8.4-8.8	40-60	N/C
623	4285	Brine	9.8-10.2	35-45	N/C
4285	20247	WBM or OBM	8.0-8.6	38-50	N/C

Sufficient mud materials to maintain mud properties and meet minimum lost circulation and weight increase requirements will be kept on location at all times. The following is a general list of products: Barite, Bentonite, Gypsum, Lime, Soda Ash, Caustic Soda, Nut Plug, Cedar Fiber, Cotton Seed Hulls, Drilling Paper, Salt Water Clay, CACL2. Oxy will use a closed mud system.

What will be used to monitor the loss or gain of fluid?	PVT/MD Totco/Visual Monitoring

Total estimated cuttings volume: 1839.4 bbls.