Form 3160-5
(June 2015)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

Carlsbad Field Office
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.
NMNM19848

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.
NMNM135945

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

8. Well Name and No.
CYPRESS 33 FEDERAL 3H

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

9. API Well No.
30-015-36987-00-S1

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
CEDAR CANYON

4. Location of Well *(Footage, Sec., T., R., M., or Survey Description)*
Sec 33 T23S R29E NESE 1650FSL 400FEL
32.258593 N Lat, 103.982334 W Lon

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 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.

Well Prep Procedure:
1. MIRU PU and rig equipment
2. Ensure well is dead
3. MU tubing equipment and POOH w/2-7/8" tubing and rod pump
4. RIH with cleanout BHA
5. RU power swivel if needed and cleanout to PBTD
6. POOH with cleanout BHA and work string
7. RIH with work string to top of KOP and set RBP. Test casing to 6200# or max treating pressure, whichever is lower.
8. Bleed off pressure and RBIH to latch on RBP, release RBP and begin POOH. LD w/ RBP
9. Perform drift run with Mohawk BHA
10. RIH w/ 4.25" 13.1# P110 R2M expandable liner set @ approximately from

GC 6-28-18
Accepted for record - NMOCD

NM OIL CONSERVATION
ARTESIA DISTRICT
JUN 27 2018

RECEIVED

14. I hereby certify that the foregoing is true and correct.
Electronic Submission #424084 verified by the BLM Well Information System
For OXY USA INCORPORATED, sent to the Carlsbad
Committed to AFMSS for processing by PRISCILLA PEREZ on 06/18/2018 (18PP2010SE)

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

Signature (Electronic Submission) — Date 06/14/2018

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By /s/ Jonathon Shepard — Title Petroleum Engineer — Date JUN 21 2018

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 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)

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

Additional data for EC transaction #424084 that would not fit on the form

32. Additional remarks, continued

7923-11850'
11. Expand the liner using Mohawk procedures

Plug & Perf stimulation operation:
1. Conduct pre-job safety meeting, discuss scope of work and hazard
2. Check wellhead pressure and bleed off pressure if any to grounded flowback tank
3. MIRU Cameron WH Company and equipment.
4. Install 10M frac stack on wellhead
5. MIRU frac and WL equipment
6. RIH with WL and plug and perf for stage 1 with 4 clusters (7934-11826') per attached perf design.
7. Spot 7.5% HCl acid and breakdown stage 1
8. Frac stage 1 per the pump schedule below
9. RIH with WL and plug & perf for stage 2 and frac afterwards
10. Repeat process for the remaining stages (estimated 20 total stages)
11. RDMO frac and WL company

Wellbore Clean out and Flowback Procedure:
1. Hold Pre-job safety meeting, discuss scope of work and hazards
2. Check well head pressure, bleed off pressure if any to grounded flowback tank
3. MIRU 2-3/8" CT unit, PU 4.13" JZ bit, (Mohawk liner is 4.158" ID drift) RIH and DO plugs and CO to PBTD
4. Circulate hole clean and pump gel sweeps
5. RDMO CT unit and turn the well over to production
6. Open to Flowback
7. An artificial lift procedure will be provided once flowback operations completed.

OXY USA Inc.- Cypress 33 Federal 3H – 30-015-36987 – Cedar Canyon Bone Spring

Well Prep Procedure:

1. MIRU PU and rig equipment
2. Ensure well is dead
3. MU tubing equipment and POOH w/2-7/8" tubing and rod pump with HEEL system. Send to the yard for inspection
4. RIH with cleanout BHA
5. RU power swivel if needed and cleanout to PBTD
6. POOH with cleanout BHA and work string
7. RIH with work string to top of KOP and set RBP. Test casing to 6200 psi or max treating pressure, whichever is lower.
8. Bleed off pressure and RBIH to latch on RBP, release RBP and begin POOH. LD w/ RBP
9. Perform drift run with Mohawk BHA
10. RIH w/ 4.25" 13.1# P110 R2M expandable liner set @ approximately from 7923 –11850'.
11. Expand the liner using Mohawk procedures

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2. Check wellhead pressure and bleed off pressure if any to grounded flowback tank
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OXY USA Inc.- Cypress 33 Federal 3H – 30-015-36987 – Cedar Canyon Bone Spring

PLUGS AND PERFORATIONS INTERVALS		Cluster 1	Cluster 2	Cluster 3	Cluster 4	Plug
	Gun Length	2	2	2	2	
	Number of Shots	6	6	6	6	
Stage 1 Perfs: 6 shots loaded @ 60 degree phasing	Top	11677	11726	11775	11824	11850
	Bottom	11679	11728	11777	11826	
Stage 2 Perfs: 6 shots loaded @ 60 degree phasing	Top	11480	11529	11578	11627	11653
	Bottom	11482	11531	11580	11629	
Stage 3 Perfs: 6 shots loaded @ 60 degree phasing	Top	11283	11332	11381	11430	11456
	Bottom	11285	11334	11383	11432	
Stage 4 Perfs: 6 shots loaded @ 60 degree phasing	Top	11086	11135	11184	11233	11259
	Bottom	11088	11137	11186	11235	
Stage 5 Perfs: 6 shots loaded @ 60 degree phasing	Top	10889	10938	10987	11036	11062
	Bottom	10891	10940	10989	11038	
Stage 6 Perfs: 6 shots loaded @ 60 degree phasing	Top	10692	10741	10790	10839	10865
	Bottom	10694	10743	10792	10841	
Stage 7 Perfs: 6 shots loaded @ 60 degree phasing	Top	10495	10544	10593	10642	10668
	Bottom	10497	10546	10595	10644	
Stage 8 Perfs: 6 shots loaded @ 60 degree phasing	Top	10298	10347	10396	10445	10471
	Bottom	10300	10349	10398	10447	
Stage 9 Perfs: 6 shots loaded @ 60 degree phasing	Top	10101	10150	10199	10248	10274
	Bottom	10103	10152	10201	10250	
Stage 10 Perfs: 6 shots loaded @ 60 degree phasing	Top	9904	9953	10002	10051	10077
	Bottom	9906	9955	10004	10053	
Stage 11 Perfs: 6 shots loaded @ 60 degree phasing	Top	9707	9756	9805	9854	9880
	Bottom	9709	9758	9807	9856	
Stage 12 Perfs: 6 shots loaded @ 60 degree phasing	Top	9510	9559	9608	9657	9683
	Bottom	9512	9561	9610	9659	
Stage 13 Perfs: 6 shots loaded @ 60 degree phasing	Top	9313	9362	9411	9460	9486
	Bottom	9315	9364	9413	9462	
Stage 14 Perfs: 6 shots loaded @ 60 degree phasing	Top	9116	9165	9214	9263	9289
	Bottom	9118	9167	9216	9265	
Stage 15 Perfs: 6 shots loaded @ 60 degree phasing	Top	8919	8968	9017	9066	9092
	Bottom	8921	8970	9019	9068	
Stage 16 Perfs: 6 shots loaded @ 60 degree phasing	Top	8722	8771	8820	8869	8895
	Bottom	8724	8773	8822	8871	
Stage 17 Perfs: 6 shots loaded @ 60 degree phasing	Top	8525	8574	8623	8672	8698
	Bottom	8527	8576	8625	8674	
Stage 18 Perfs: 6 shots loaded @ 60 degree phasing	Top	8328	8377	8426	8475	8501
	Bottom	8330	8379	8428	8477	
Stage 19 Perfs: 6 shots loaded @ 60 degree phasing	Top	8131	8180	8229	8278	8304
	Bottom	8133	8182	8231	8280	
Stage 20 Perfs: 6 shots loaded @ 60 degree phasing	Top	7934	7983	8032	8081	8107
	Bottom	7936	7985	8034	8083	

Propose Pump schedule

Slickwater 2 (5,000 ft)			1500 #/ft, 50 ft x 4 Clusters, Slickwater, Reduced Fluid								
			Fluid Information					Proppant Information			
#	Time (min)	Type	Rate (bpm)	Clean (gals)	Dirty (gals)	Cum. Dirty (gals)	Description	Prop. Conc. (PPA)	Description	Stage Sand (lbs)	Cum. Sand (lbs)
1	0.79	Acid	10	1000	1,000	1,000	7.5% HCl				
2	6.08	Pad	90	15000	20,000	21,000	Slick Water				
3	9.61	Sand Laden	90	10000	13,635	34,634	Slick Water	0.50	100 Mesh	5,000	5,000
4	13.84	Sand Laden	90	12000	16,543	51,177	Slick Water	0.75	100 Mesh	9,000	14,000
5	19.14	Sand Laden	90	15000	20,904	72,081	Slick Water	1.00	100 Mesh	15,000	29,000
6	26.19	Sand-Laden	90	20000	28,174	100,255	Slick Water	1.25	100 Mesh	25,000	54,000
7	36.42	Sand-Laden	90	29000	41,290	141,545	Slick Water	1.50	100 Mesh	43,500	97,500
8	47.00	Sand Laden	90	29000	43,166	184,711	Slick Water	1.75	100 Mesh	52,500	150,000
9	52.29	Sweep	90	15000	20,904	205,616	Slick Water	1.00	[redacted]	15,000	165,000
10	57.58	Sand Laden	90	15000	21,131	226,746	Slick Water	1.25	[redacted]	18,750	183,750
11	64.64	Sand Laden	90	20000	28,476	255,222	Slick Water	1.50	[redacted]	30,000	213,750
12	72.75	Sand Laden	90	23000	33,094	288,316	Slick Water	1.75	[redacted]	40,250	254,000
13	80.89	Sand Laden	90	23000	33,441	321,757	Slick Water	2.00	[redacted]	46,000	300,000
14	0.00	Flush	90				Slick Water		(Flush to Top Perf)		300,000

MOHAWK ENERGY EXPANDABLE LINER SPECIFICATIONS

4.25 inch, 0.31 wall x 5.5 inch, 17 lb/ft
FracPatch Specifications

Expandable Pipe Body

Pre-Expansion			Post Expansion		
OD	4.250	*inches*	OD	4.805	*inches*
ID	3.630	*inches*	ID	4.218	*inches*
Wall Thickness	0.310	*inches*	Wall Thickness	0.293	*inches*
Weight	13.100	*lb/ft*	Drift	4.158	*inches*
Drift	3.505	*inches*	Internal Yield	9,895	*psi*
Seal Joint OD	4.490	*inches*	Collapse	5,600	*psi*
Seal Thickness	0.120	*inches*	Expansion Ratio	16.207	%

Expandable Connection

Pre-Expansion			Post Expansion		
Connection OD	4.310	*inches*	Connection OD	4.865	*inches*
Connection ID	3.600	*inches*	Connection ID	4.218	*inches*
Drift	3.505	*inches*	Drift	4.158	*inches*
Tensile Rating	142,286	*lbs*	Internal Yield	9,895	*psi*
Compressive Rating	142,286	*lbs*	Collapse	5,600	*psi*
Max DLS	36.01	*°/100ft*	Tensile Rating	154,125	*lbs*
Optimum Torque	1,360	*ft-lbs*	Compressive Rating	138,713	*lbs*
Max Torque	1,496	*ft-lbs*	Yield Torque	1,700	*ft-lbs*

Mohawk Energy Setting Tool:

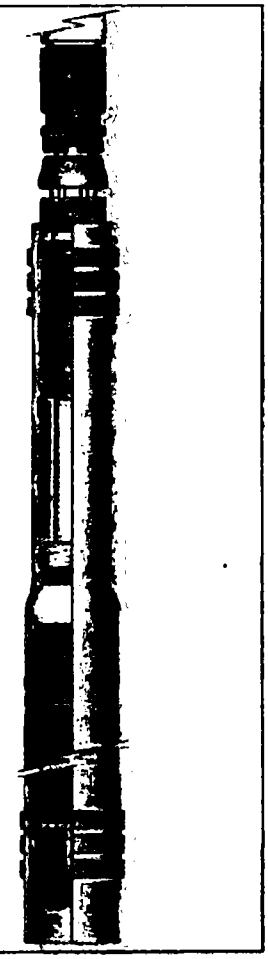
Appendix A1: Setting Tool

Table 4. 4.25 Setting Tool Specifications

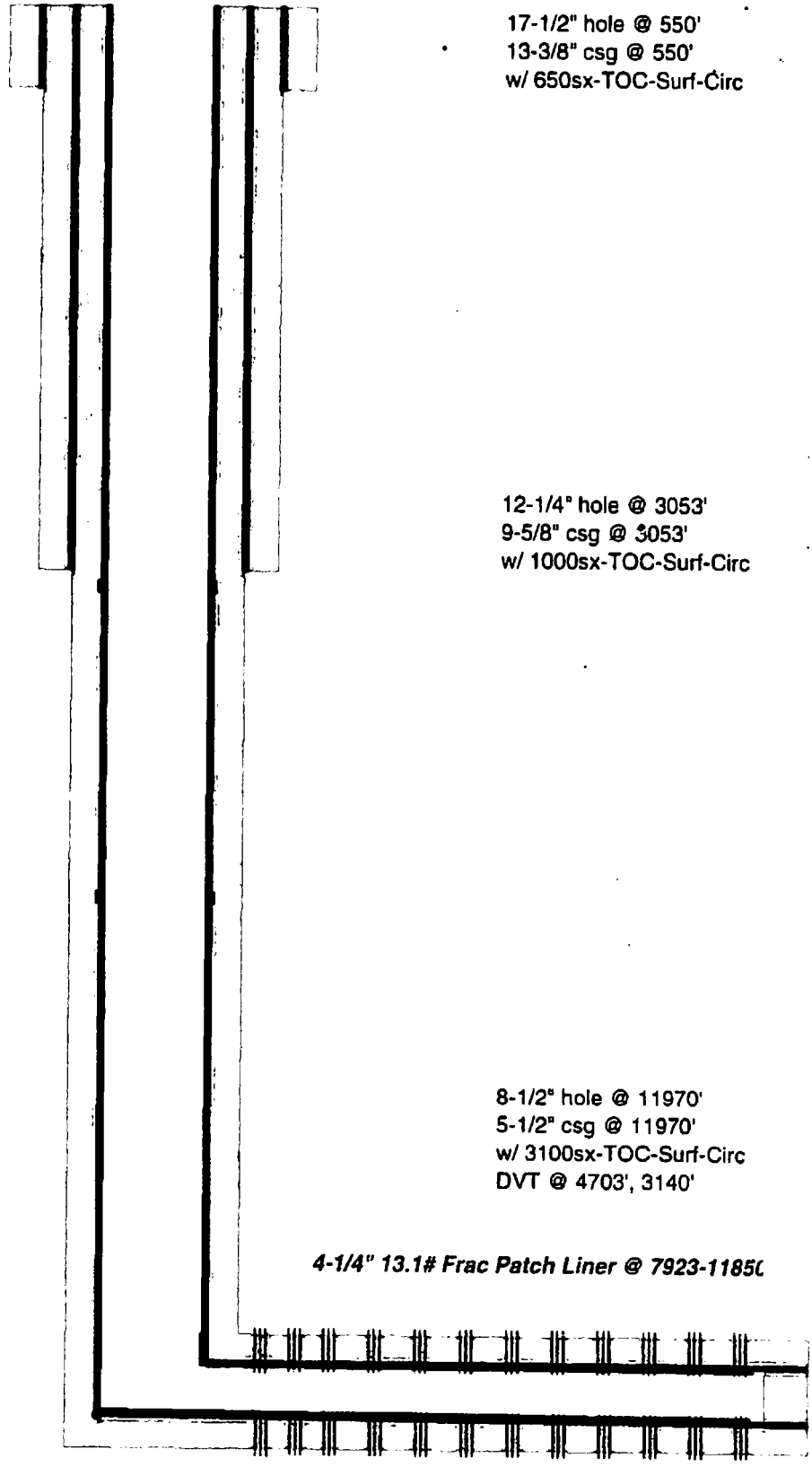
Tool connection up	2-7/8", 7.9# PH-6 Box
Tool weight	900 lbs
Tool length	40.0 ft
Expansion stroke	2.80 ft
Max. dog-leg severity	25 °/100ft
Axial load rating	200,000 lbs
Max. pressure	4,500 psi
Max. temperature	400 °F
Circulation flow rate	30 gpm
Valve shut off flow rate	46 gpm
Pressure/force conversion	44 lbs/psi

Table 5. 3.50 Tool Running Parameters

Event	Pressure or Force
Stabbing sub latching load	500 lbs
Max. slack off during deployment	15,000 lbs
Max. overpull during deployment	25,000 lbs
Drive unit shear disk	1,750 psi
Tool reset	3,000-5,000 lbs
Safety burst disk relief	5,000 psi



OXY USA Inc - Proposed
Cypress 33 Federal #3H
API No. 30-015-36987



17-1/2" hole @ 550'
13-3/8" csg @ 550'
w/ 650sx-TOC-Surf-Circ

12-1/4" hole @ 3053'
9-5/8" csg @ 3053'
w/ 1000sx-TOC-Surf-Circ

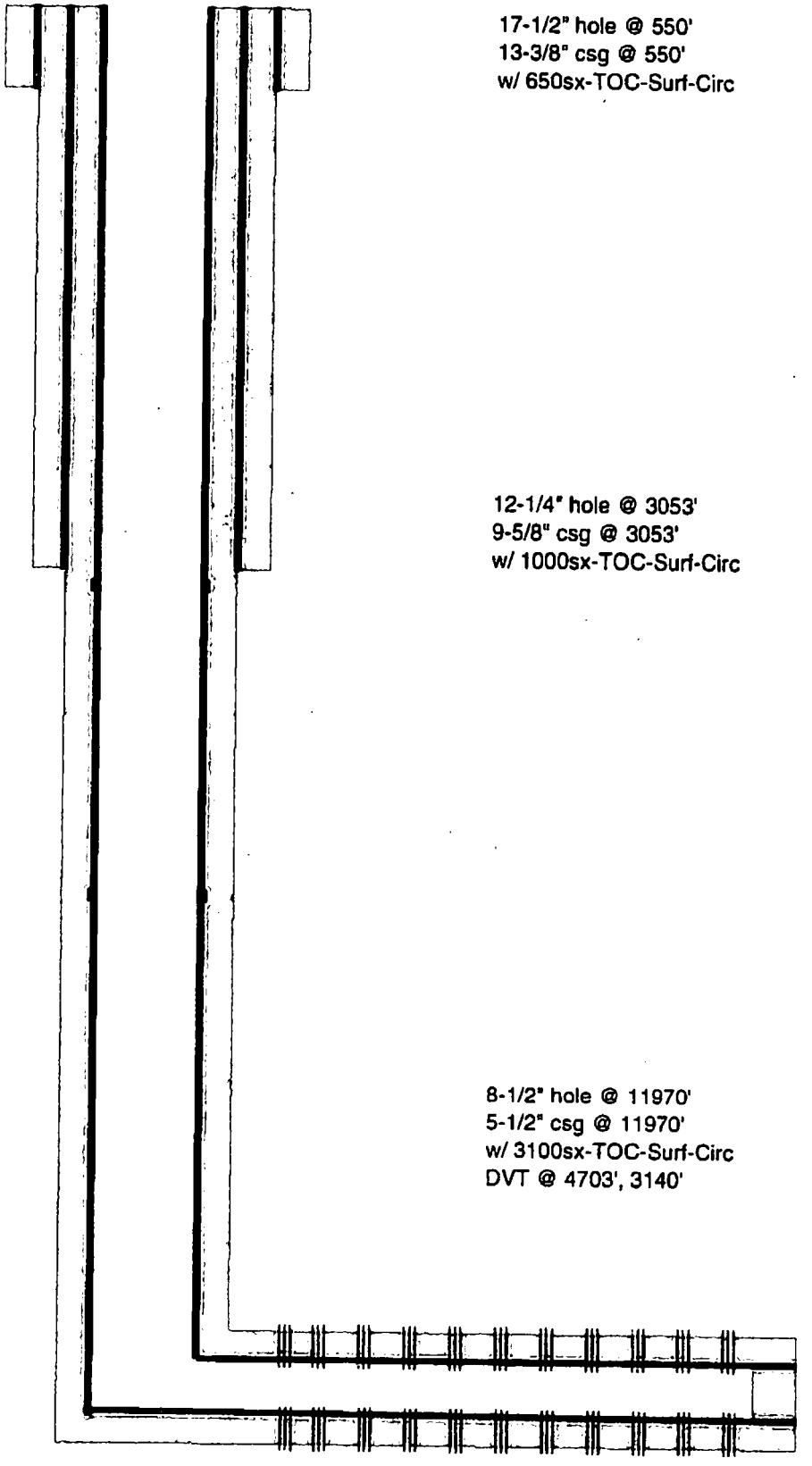
8-1/2" hole @ 11970'
5-1/2" csg @ 11970'
w/ 3100sx-TOC-Surf-Circ
DVT @ 4703', 3140'

4-1/4" 13.1# Frac Patch Liner @ 7923-1185(

Perfs @ 7934-11826'
Original Perfs @ 8025-11850'

TD - 11980'M 7780'V
PB - 11875'M 7745'V

OXY USA Inc - Current
Cypress 33 Federal #3H
API No. 30-015-36987



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DVT @ 4703', 3140'

Perfs @ 8025-11850'

TD - 11980'M 7780'V
PB - 11875'M 7745'V