UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

OCD Artesia

FORM APPROVED OMB NO. 1004-0137 Expires: January 31, 2018

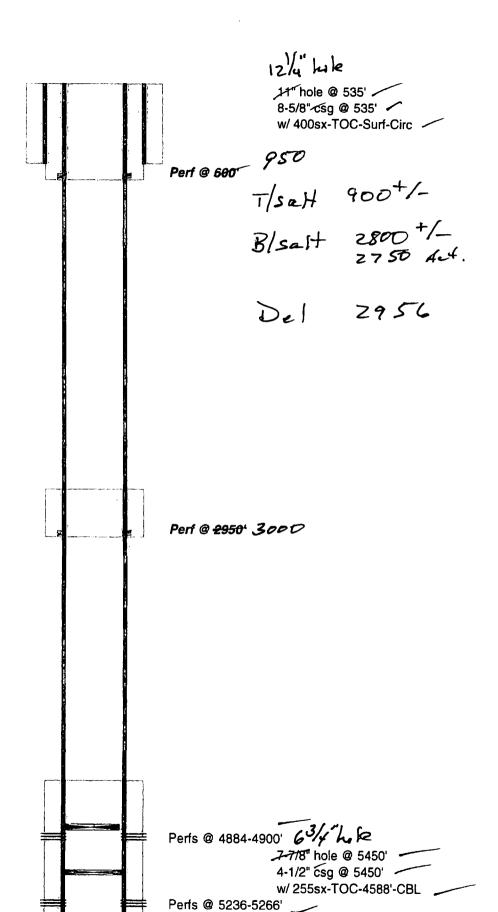
SUNDRY NOTICES AND REPORTS ON WELLS

5. Lease Serial No. NMNM86908

Do not use th		6. If Indian, Allottee or Tribe Name			
abandoned we	6. If Indian, Allottee				
SUBMIT IN	7. If Unit or CA/Agn	eement, Name and/or No.			
Type of Well		8. Well Name and No. MITCHELL 21 FED 3			
2. Name of Operator Contact: DAVID STEWART OXY USA INCORPORATED E-Mail: david_stewart@oxy.com			9. API Well No. 30-015-28715-	9. API Well No. 30-015-28715-00-S1	
3a. Address 5 GREENWAY PLAZA SUITE HOUSTON, TX 77046-0521	3b. Pr	Phone No. (include area code) 1: 432.685.5717		10. Field and Pool or Exploratory Area CEDAR CANYON	
4. Location of Well (Footage, Sec., T., R., M., or Survey Description)			11. County or Parish	11. County or Parish, State	
Sec 21 T24S R29E NESE	EDDY COUNT	EDDY COUNTY, NM			
12. CHECK THE AI	PPROPRIATE BOX(ES) TO	INDICATE NATURE OF	NOTICE, REPORT, OR OT	HER DATA	
TYPE OF SUBMISSION		TYPE OF ACTION			
Notice of Intent ■	☐ Acidize	□ Deepen	☐ Production (Start/Resume)	☐ Water Shut-Off	
	☐ Alter Casing	☐ Hydraulic Fracturing	□ Reclamation	■ Well Integrity	
☐ Subsequent Report	Casing Repair	■ New Construction	☐ Recomplete	Other	
☐ Final Abandonment Notice	☐ Change Plans	☑ Plug and Abandon	□ Temporarily Abandon		
13. Describe Proposed or Completed Op-	Convert to Injection	☐ Plug Back	☐ Water Disposal		
8-5/8" 24# csg @ 535' w/ 400: 4-1/2" 11.6# csg @ 5450' w/ 2 1. RIH & set CIBP @ 4834' w 2. Perf @ 2050 ' sqz 80sx cmt 3. Perf @ 600 ' sqz 200sx cmt 10# MLF between plugs - Abo	pandoment Notices must be filed on inal inspection. erfs-4884-4900' CIBP-5100' Sx, 14" hole, TOC-Surf-Circ 155sx, 7-78" hole, TOC-4588' 125sx cmt to 4585' 150 2700' WOC-Tag 3000' 150 Surface 150 Su	SEP-CBL DISTRICT II	O 6 2018 ACCEPTED TO	and the operator has 9-7-18 NMOCD record - NMOCD Comf to Sourt OR	
14. I hereby certify that the foregoing is Commi Name (Printed/Typed) DAVID ST	Electronic Submission #4317 For OXY USA INC Itted to AFMSS for processing	ORPORATED, sent to the 6 by DEBORAH MCKINNEY o	Carlsbad		
Signature (Electronic S	Submission)	Date 08/17/20	18		
	THIS SPACE FOR F	EDERAL OR STATE O	OFFICE USE	 	
Approved By James a. Comes		Title	Title Supr. AET Bate		
Conditions of approval, if any, are attached certify that the applicant holds legal or equivalent would entitle the applicant to condu	varrant or ect lease Office	actsbad 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 w	willfully to make to any department o	r agency of the United	

OXY USA Inc. - Proposed Mitchell 21 Federal #3 API No. 30-015-28715

200sx @ 600'-Surface



TD-5450'

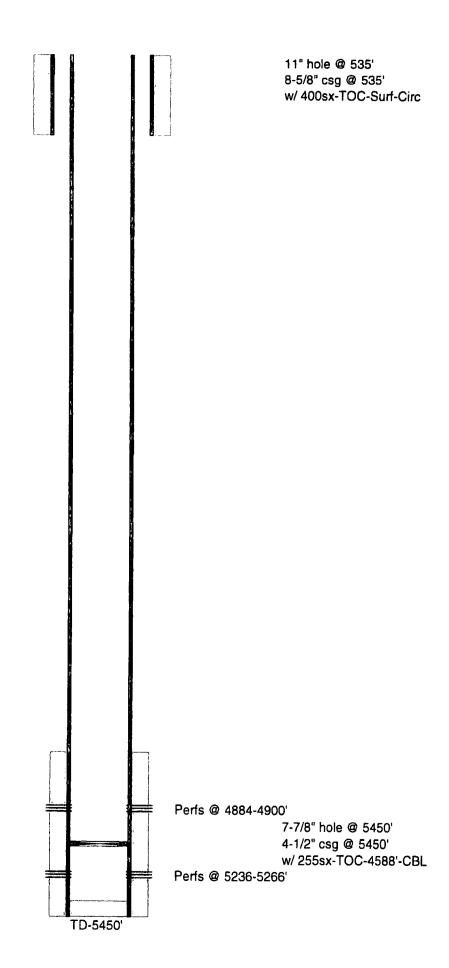
CIBP @ 4834' w/ 25sx to 4585'

3000 80sx @ 2950-2700' WOC-Tag

T/Del & b/sast

6/01-CIBP @ 5100' ~

OXY USA Inc. - Current Mitchell 21 Federal #3 API No. 30-015-28715



6/01-CIBP @ 5100'

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

Permanent Abandonment of Federal Wells 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 <u>ninety (90)</u> days from the approval date of this Notice of Intent to Abandon.

If you are unable to plug 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. Failure to do so will result in enforcement action.

The rig used for the plugging procedure cannot be released and moved off without the prior approval of the authorized officer. Failure to do so may result in enforcement action.

- 2. <u>Notification:</u> Contact the appropriate BLM office at least 24 hours prior to the commencing of any plugging operations. For wells in Chaves and Roosevelt County, call 575-627-0272; Eddy County, call 575-361-2822; Lea County, call 575-393-3612.
- 3. <u>Blowout Preventers</u>: 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. <u>Mud Requirement:</u> 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. <u>Cement Requirement</u>: 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. If a bailer is used to cap this plug, 35 feet of cement shall be sufficient. Before pumping or bailing 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. Dry Hole Marker: All casing shall be cut-off at the base of the cellar or 3 feet below final restored ground level (whichever is deeper). The BLM is to be notified a minimum of 4 hours prior to the wellhead being cut off to verify that cement is to surface in the casing and all annuluses. Wellhead cut off shall commence within ten (10) calendar days of the well being plugged. If the cut off cannot be done by the 10th day, the BLM is to be contacted with justification to receive an extension for completing the cut off.

The well bore shall then be capped with a 4-inch pipe, 10-feet in length, 4 feet above ground and embedded in cement, unless otherwise noted in COA (requirements will be attached). The following information shall be permanently inscribed on the dry hole marker: well name and number, name of the operator, lease serial number, surveyed location (quarter-quarter section, section, township and range or other authorized survey designation acceptable to the authorized officer such as metes and bounds).

- 7. <u>Subsequent Plugging Reporting:</u> Within 30 days after plugging work is completed, file one original and three copies of the Subsequent Report of Abandonment, Form 3160-5 to BLM. The report should give in detail the manner in which the plugging 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. <u>Show date well was plugged.</u>
- 8. <u>Trash:</u> 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.

Following the submission and approval of the Subsequent Report of Abandonment, surface restoration will be required. See attached reclamation objectives.