Form 3560-5 (June 2015)

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

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

NMNM0330449

	EPARTMENT OF THE IN	NTERIOR	USEA PAGE		OMB NO	O. 1004-0137 anuary 31, 2018		
BINDDA	UREAU OF LAND MANA	GEMENT DIS ON WE	00 7 9 Augusti	D Artesi 2019	5. Lease Serial No. NMNM0330449	·····		
Do not use the	NOTICES AND REPORTS form for proposals to II. Use form 3160-3 (API	drill or to re-e			6 If Indian Allottee o			
abandoned we	II. OSE IOIIII 3160-3 (AFI	o) for such pr	oposals. STRICTILAR	TESIAO.C	j.l.).	,		
SUBMIT IN TRIPLICATE - Other instructions on page 2					7. If Unit or CA/Agree 8910085010	7. If Unit or CA/Agreement, Name and/or No. 8910085010		
Type of Well Oil Well					8. Well Name and No. INDIAN HILLS UN	8. Well Name and No. INDIAN HILLS UNIT GAS COM 47		
Name of Operator Contact: DAVID STEWART OXY USA WTP LIMITED PTNRSHIP E-Mail: david_stewart@oxy.com					9. API Well No. 30-015-32536-0	9. API Well No. 30-015-32536-00-S1		
3a. Address HOUSTON, TX 77210			(include area code) -5717	10. Field and Pool or Exploratory Area INDIAN BASIN-UPPER PENN ASSOC				
4. Location of Well (Footage, Sec., T., R., M., or Survey Description)			11. County or Paris			h, State		
Sec 29 T21S R24E NWSE 23				EDDY COUNTY, NM				
12. CHECK THE AJ	PPROPRIATE BOX(ES)	TO INDICAT	E NATURE O	F NOTIC	E, REPORT, OR OTH			
TYPE OF SUBMISSION	TYPE OF ACTION							
	Acidize		eepen		ction (Start/Resume)	☐ Water Shut-Off		
□ Notice of Intent	☐ Alter Casing	☐ Hydr	aulic Fracturing	☐ Recla	mation	■ Well Integrity		
Subsequent Report	☐ Casing Repair ☐		Construction	Recor	☐ Recomplete			
☐ Final Abandonment Notice	☐ Change Plans		and Abandon	□ Temp	orarily Abandon			
	Convert to Injection				· Disposal			
13. Describe Proposed or Completed Op If the proposal is to deepen direction: Attach the Bond under which the wor following completion of the involved testing has been completed. Final Al determined that the site is ready for f	ally or recomplete horizontally, rk will be performed or provide d operations. If the operation res bandonment Notices must be file	give subsurface lot the Bond No. on sults in a multiple	ocations and measu file with BLM/BIA completion or reco	red and true A. Required : ompletion in	vertical depths of all perting subsequent reports must be a new interval, a Form 316	ent markers and filed within 30 d 0-4 must be filed	zones. lays l once	
5/23/19 - MIRU PU, NDWH, N	NU BOP				RECLAM	ATION PROC	EDURE	
5/28/19 - Start to POH, Scan that hadn't been previously re	& LD tbg. WOC found that ported. Notified BLM and	at there were a rec appr to se	dditional perfs et CIBP @ 7592	@ <u>7642-78</u> <u>'</u> '.	360',	ATTACHED		
5/29/19 - Continue to POOH, attempt to test to 500#, lost 18	scan & LD tbg. RIH w/ CI 80# <u>in 3</u> 0min.	BP & pkr, set	CIBP @ 7592'.	set pk <u>r @</u>	- KEI	CLAMA	TION	
5/30/19 - Rel pkr, PUH & test	csg /CIBP to 500#, held g	ood. RIH & ta	g CIBP @ 75 <u>9</u>	2', PUH.	DUI	E 12-6-1	9	
6/3/19 - M&P 60sx CI H cmt w	// 1% CaCl2, PUH, WOC.	RIH & tag cm	it @ 7301', circ	hole w/ 10	#MLF.			
14. I hereby certify that the foregoing is	Electronic Submission #	DIIMITED DTM	JRSHIP cont to	the Carleh	hed			
Committed to AFMSS for processing by DEBOName (Printed/Typed) DAVID STEWART			RAH MCKINNEY Title SR. RE	on 06/17/2 GULATOF	ACCEPTED'FO	R RECOR	D	
	121-1-1-1-1-1-1-1-1-1-1-1-1-1-1-1-1-1-1							
Signature (Electronic S	Submission)		Date 06/14/2	019	JUN 17	2019		
	THIS SPACE FO	R FEDERAI	OR STATE	OFFICE	USE			
Approved By			Title		BUREAU OF LAND N CARLSBAD FIEL			
Conditions of approval, if any, are attache certify that the applicant holds legal or equivalent would entitle the applicant to conduct the conductive transfer of the conductive transfer or the conductive trans	uitable title to those rights in the	not warrant or subject lease	Office					
Title 18 U.S.C. Section 1001 and Title 43 States any false, fictitious or fraudulent	U.S.C. Section 1212, make it a		son knowingly and		make to any department or	agency of the Ui	nited	

Additional data for EC transaction #469231 that would not fit on the form

32. Additional remarks, continued

6/4/19 - PUH to 7003', M&P 60sx CI H cmt w/ 1% CaCl2, PUH, WOC. RIH & tag cmt @ 6656', notified BLM. PUH to 5219', M&P 45sx CI C cmt w/ 1% CaCl2, PUH, WOC. RIH & tag cmt @ 4964', notified BLM, PUH, SION.

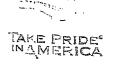
6/5/19 - RIH to 2377', M&P 75sx CL C cmt w/ 2% Cacl2, PUH, WOC...RIH & tag cmt @ 2013'__notified BLM__PUH to 1275', M&P 35sx Cl C cmt w/ 2% CaCl2, PUH, WOC.

6/6/19 RIH & tag cmt @ 1030', PUH to 825', M&P 141sx CL C cmt, circ cmt to surface. ND BOP, top off csg w/ cmt. Notified BLM, appr to RD. NU WH flange, RDPU.



BUREAU OF LAND MANAGEMENT

Carlsbad Field Office 620 E. Greene St. Carlsbad, New Mexico 88220-6292 www.blm.gov/nm



In Reply Refer To: 1310

Reclamation Objectives and Procedures

Reclamation Objective: Oil and gas development is one of many uses of the public lands and resources. While development may have a short- or long-term effect on the land, successful reclamation can ensure the effect is not permanent. During the life of the development, all disturbed areas not needed for active support of production operations should undergo "interim" reclamation in order to minimize the environmental impacts of development on other resources and uses. At final abandonment, well locations, production facilities, and access roads must undergo "final" reclamation so that the character and productivity of the land and water are restored.

The long-term objective of final reclamation is to set the course for eventual ecosystem restoration, including the restoration of the natural vegetation community, hydrology, and wildlife habitats. In most cases this means returning the land to a condition approximating or equal to that which existed prior to the disturbance. The final goal of reclamation is to restore the character of the land and water to its predisturbance condition. The operator is generally not responsible for achieving full ecological restoration of the site. Instead, the operator must achieve the short-term stability, visual, hydrological, and productivity objectives of the surface management agency and take steps necessary to ensure that long-term objectives will be reached through natural processes.

To achieve these objectives, remove any and all contaminants, scrap/trash, equipment, pipelines and powerlines (Contact service companies, allowing pienty of time to have the risers and power lines and poles removed prior to reclamation, don't wait till the last day and try to get them to remove infrastructure). Strip and remove caliche, contour the location to blend with the surrounding landscape, re-distribute the native soils, provide erosion control as needed, rip and seed as specified in the original APD COA. This will apply to well pads, facilities, and access roads. Barricade access road at the starting point. If reserve pits have not reclaimed due to salts or other contaminants, submit a plan for approval, as to how you propose to provide adequate restoration of the pit area.

- 1 The Application for Permit to Drill or Reenter (APD, Form 3160-3), Surface Use Plan of Operations must include adequate measures for stabilization and reclamation of disturbed lands. Oil and Gas operators must plan for reclamation, both interim and final, up front in the APD process as per Onshore Oil and Gas Order No. 1
- 2. For wells and/or access roads not having an approved plan, or an inadequate plan for surface reclamation (either interim or final reclamation), the operator must submit a proposal describing the procedures for reclamation. For interim reclamation, the appropriate time for submittal would be when filing the Well Completion or Recompletion Report and Log (Form 3160-4). For final reclamation, the appropriate time for submittal would be when filing the Notice of Intent, or the Subsequent Report of Abandonment, Sundry Notices and Reports on Wells (Form 3160-5). Interim reclamation is to be completed within 6 months of well completion, and final reclamation is to be completed within 6 months of well abandonment.
- 3. The operator must file a Subsequent Report Plug and Abandonment (Form 3160-5) following the plugging of a well.
- 4. Previous instruction had you waiting for a BLM specialist to inspect the location and provide you with reclamation requirements. If you have an approved Surface Use Plan of Operation and/or an approved Sundry Notice, you are free to proceed with reclamation as per approved APD. If you

have issues or concerns, contact a BLM specialist to assist you. It would be in your interest to have a BLM specialist look at the location and access road prior to the removal of reclamation equipment to ensure that it meets BLM objectives. Upon conclusion submit a Form 3160-5, Subsequent Report of Reclamation. This will prompt a specialist to inspect the location to verify work was completed as per approved plans.

- 5. The approved Subsequent Report of Reclamation will be your notice that the native soils, contour and seedbed have been reestablished. If the BLM objectives have not been met the operator will be notified and corrective actions may be required.
- 6. It is the responsibility of the operator to monitor these locations and/or access roads until such time as the operator feels that the BLM objective has been met. If after two growing seasons the location and/or access roads are not showing the potential for successful revegetation, additional actions may be needed. When you feel the BLM objectives have been met submit a Final Abandonment Notice (FAN), Form 3160-5, stating that all reclamation requirements have been achieved and the location and/or access road is ready for a final abandonment inspection.
- At this time the BLM specialist will inspect the location and/or access road. If the native soils and contour have been restored, and the revegetation is successful, the FAN will be approved, releasing the operator of any further liability of the location and/or access road. If the location and/or access road have not achieved the objective, you will be notified as to additional work needed or additional time being needed to achieve the objective.

If there are any questions, please feel free to contact any of the following specialists:

Jim Amos Supervisory Petroleum Engineering Tech 575-234-5909, 575-361-2648 (Cell)

Arthur Arias Environmental Protection Specialist 575-234-6230

Crystal Weaver Environmental Protection Specialist 575-234-5943

Melissa Horn Environmental Protection Specialist 575-234-5951

Kelsey Wadê Evnironmental Protection Specialist 575-234-5996

Trishia Bad Bear, Hobbs Field Station Natural Resource Specialist 575-393-3612