

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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.

5. Lease Serial No.
NMNM45236

6. If Indian, Allottee or Tribe Name

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

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		8. Well Name and No. STERLING SILVER MDP1 33-4 FD C 4H
2. Name of Operator OXY USA INCORPORATED Contact: SARAH CHAPMAN E-Mail: SARAH_CHAPMAN@OXY.COM		9. API Well No. 30-015-45392-00-X1
3a. Address 5 GREENWAY PLAZA SUITE 110 HOUSTON, TX 77046-0521	3b. Phone No. (include area code) Ph: 713-350-4997	10. Field and Pool or Exploratory Area INGLE WELLS
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 33 T23S R31E NENW 69FNL 2474FWL 32.267994 N Lat, 103.783287 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
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize <input type="checkbox"/> Deepen <input type="checkbox"/> Production (Start/Resume) <input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing <input type="checkbox"/> Hydraulic Fracturing <input type="checkbox"/> Reclamation <input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair <input type="checkbox"/> New Construction <input type="checkbox"/> Recomplete <input type="checkbox"/> Other
	<input type="checkbox"/> Change Plans <input checked="" 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

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 recompleat 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 P&A the Sterling Silver MDP1 33-4 Federal Com 4H well (30-015-45392) according to the attached procedure.

*GC 10/1/19
Accepted for record - NMOCD*

On July 8th, OXY staff spoke with Chris Walls and Mandela Kamau at the BLM on moving forward with the proposed plan.

On January 21st, OXY filed a sundry with our Temporary Abandonment procedure that has been approved (EC Tran 451207).

Please find our proposed abandonment plan for your use. Please advise if you have any questions.

Thank you.

See Attached COAs

**Carlsbad Field Office
Operator Copy**

NM OIL CONSERVATION

14. I hereby certify that the foregoing is true and correct.		ARTESIA DISTRICT
Electronic Submission #482590 verified by the BLM Well Information System For OXY USA INCORPORATED, sent to the Carlsbad Committed to AFMSS for processing by PRISCILLA PEREZ on 09/10/2019 (19PP3296SE)		OCT 1 2019
Name (Printed/Typed) SARAH CHAPMAN	Title REGULATORY SPECIALIST	RECEIVED
Signature (Electronic Submission)	Date 09/10/2019	

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By <u>NDUNGU KAMAU</u>	Title <u>PETROLEUM ENGINEER</u>	Date <u>09/16/2019</u>
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 <u>Carlsbad</u>

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 #482590 that would not fit on the form

32. Additional remarks, continued

Revisions to Operator-Submitted EC Data for Sundry Notice #482590

	Operator Submitted	BLM Revised (AFMSS)
Sundry Type:	ABD NOI	ABD NOI
Lease:	NMNM45236	NMNM45236
Agreement:		
Operator:	OXY USA INC. P.O. BOX 50250 MIDLAND, TX 79710 Ph: 713-350-4997	OXY USA INCORPORATED 5 GREENWAY PLAZA SUITE 110 HOUSTON, TX 77046-0521 Ph: 713.350.4816
Admin Contact:	SARAH CHAPMAN REGULATORY SPECIALIST E-Mail: SARAH_CHAPMAN@OXY.COM Cell: 281-642-5503 Ph: 713-350-4997	SARAH CHAPMAN REGULATORY SPECIALIST E-Mail: SARAH_CHAPMAN@OXY.COM Cell: 281-642-5503 Ph: 713-350-4997
Tech Contact:	SARAH CHAPMAN REGULATORY SPECIALIST E-Mail: SARAH_CHAPMAN@OXY.COM Cell: 281-642-5503 Ph: 713-350-4997	SARAH CHAPMAN REGULATORY SPECIALIST E-Mail: SARAH_CHAPMAN@OXY.COM Cell: 281-642-5503 Ph: 713-350-4997
Location:		
State:	NM	NM
County:	EDDY	EDDY
Field/Pool:	INGLE WELLS	INGLE WELLS
Well/Facility:	STERLING SILVER MDP1 33-4 FEDE 4H Sec 33 T23S R31E NENW 69FNL 2474FWL 32.267994 N Lat, 103.783287 W Lon	STERLING SILVER MDP1 33-4 FD C 4H Sec 33 T23S R31E NENW 69FNL 2474FWL 32.267994 N Lat, 103.783287 W Lon

Sterling Silver MDP1 33-4 Fed Com 4H – Transcend 2

Abandonment Plan – Rev4

Note: WOC time to be communicated based on pilot tests.

Ensure the following are on location:

1. **5-in NC50 Drill Pipe**
 - a. 1x 10-ft pup of 5-in NC50 Drill Pipe
 - b. 2x joints of 5-in NC50 Drill Pipe
 - c. Casing Tongs for required 5-in NC50 Drill Pipe MUT
2. **1-in CS Tubing**
 - a. 1300-ft of 1" Tubing
 - b. 2x 10-ft pups of 1" Tubing (for spaceout)

Rigless Ops

1. R/U Wireline
2. RIH with Spud Bar & Sinker through fish
 - a. Tag bottom and record depth
 - b. Expected tag depth ~1160'
 - c. **Send results to DE and DS before continuing to Step 3**
3. R/D Wireline

Transcend 2 Ops

3. R/U over the Sterling Silver 4H
4. RIH with DP to ~31-ft below ground level
5. Make up DP to Fish with 28,000 ft-lb torque (5,000 ft-lb over weak point torque)
6. R/U to RIH with 1-in P110 Tubing
 - a. Tag bottom and record depth
 - b. Should match Wireline depth (adjusting for RKB)
 - c. **If does not match, call DE and DS before continuing to Step 7**
7. Stage up to pump 10-bbls of fresh water down tubing to establish circulation, taking returns into cellar
 - a. Ensure two vacuum trucks on location for entire job and ready to clean out CellarTech

Surface Plug #1 from 1166.5' to 472.5' (Estimated TOC)

1. Conduct PJSM with Halliburton and rig crew
2. R/U to pump cement down tubing
3. Pressure test surface lines to 250-psi low / 1000-psi high with fresh water
4. Ensure samples of dry cement, mix water and wet cement are collected throughout the job
5. Pump and displace Plug #1 per pump schedule below
 - a. Take returns into the cellar through casing valves and vacuum out as required
 - b. Add sugar to the cellar if any cement is present
6. POOH with tubing to 10-ft below 5th joint of fish drill pipe (~201 ft below ground level)
7. Wash with 20-bbls of fresh water
8. POOH with tubing to surface, L/D same

Note: Do not pull faster than 30-45 ft/min with tubing inside of cement plug.

Note: Tubing to be washed of residual inside and outside cement.

9. R/D and wash cement lines

Backoff Pipe On Critical Path / Annulus Pressure Test Offline

Offline

10. Conduct PJSM with Halliburton and rig crew
11. R/U cement lines to pressure test 13-3/8" x 9-5/8" annulus down casing valve
12. Pressure test surface lines to 250-psi low / 750-psi high with fresh water
13. Pump fresh water at slowest possible rate with cement unit to maximum 500-psi surface pressure
WARNING: DO NOT EXCEED 600-PSI SURFACE PRESSURE
14. Hold 500-psi for 5 minutes
15. Bleed off pressure

Online

16. WOC until 50-psi compressibility is achieved

Note: Surface plug #1 will contain Calcium Chloride to speed up setting time.

17. R/U wireline
18. RIH with Spud Bar and Sinker through fish
 - a. Tag bottom and record depth
 - b. **Send results to DE and DS before continuing to Step 19**
19. RIH with Backoff Tool and Collar Locator
20. Locate 5th joint of fish drill pipe
21. Back off connection between 5th and 6th joint of fish drill pipe (made up with 23,000 ft-lb torque)
22. POOH with Wireline and R/D same
23. Pick up DP 5-ft above remaining fish and circulate 10-bbls of fresh water

Surface Plug #2 from 229.5' to 0'

1. Conduct PJSM with Halliburton and rig crew
2. R/U to pump cement down DP
3. Ensure samples of dry cement, mix water and wet cement are collected throughout the job
4. Pump and displace Plug #2 per pump schedule below
 - a. Take returns into the cellar through casing valves and vacuum out as required
 - b. Add sugar to the cellar if any cement is present
5. POOH with DP and L/D same

Note: Do not pull faster than 30-45 ft/min with drill pipe inside of cement plug.

Note: Pipe to be washed of residual inside and outside cement

6. Wash and R/D cement lines
7. Rig Release
8. WOC until 50 psi compressive strength is achieved to cut casing

Note: Surface plug #2 will contain Calcium Chloride to speed up setting time.

9. Welder to cut the following:
 - a. Casing at base of cellar
 - b. Casing to CellarTech weld (allows for CellarTech to be removed in future)
 - c. Mousehole at base of cellar
10. Weld on surface cap in accordance with BLM requirements.

- a. All casing shall be cut-off at the base of the cellar or 3 feet below final restored ground level (whichever is deeper). The well bore shall then be covered with a metal plate at least ½ inch thick and welded in place. The well location and identity shall be permanently inscribed. A weep hole shall be left if a metal plate is welded in place.
- b. **To Be Completed After CellarTech Removal** - The cellar shall be filled with suitable material as specified by the authorized officer and the surface restored in accordance with the instructions of the authorized officer.

Surface Plug #1

Fluid #	Fluid Type	Fluid Name	Surface Density lbm/gal	Estimated Avg Rate bbl/min	Downhole Volume
1	SPACER	Water Spacer	8.33	2	5 bbl
2	CEMENT	HalCem C	14.8		220 sack
3	MUD	Displacement Fluid	9.5	2	1 bbl

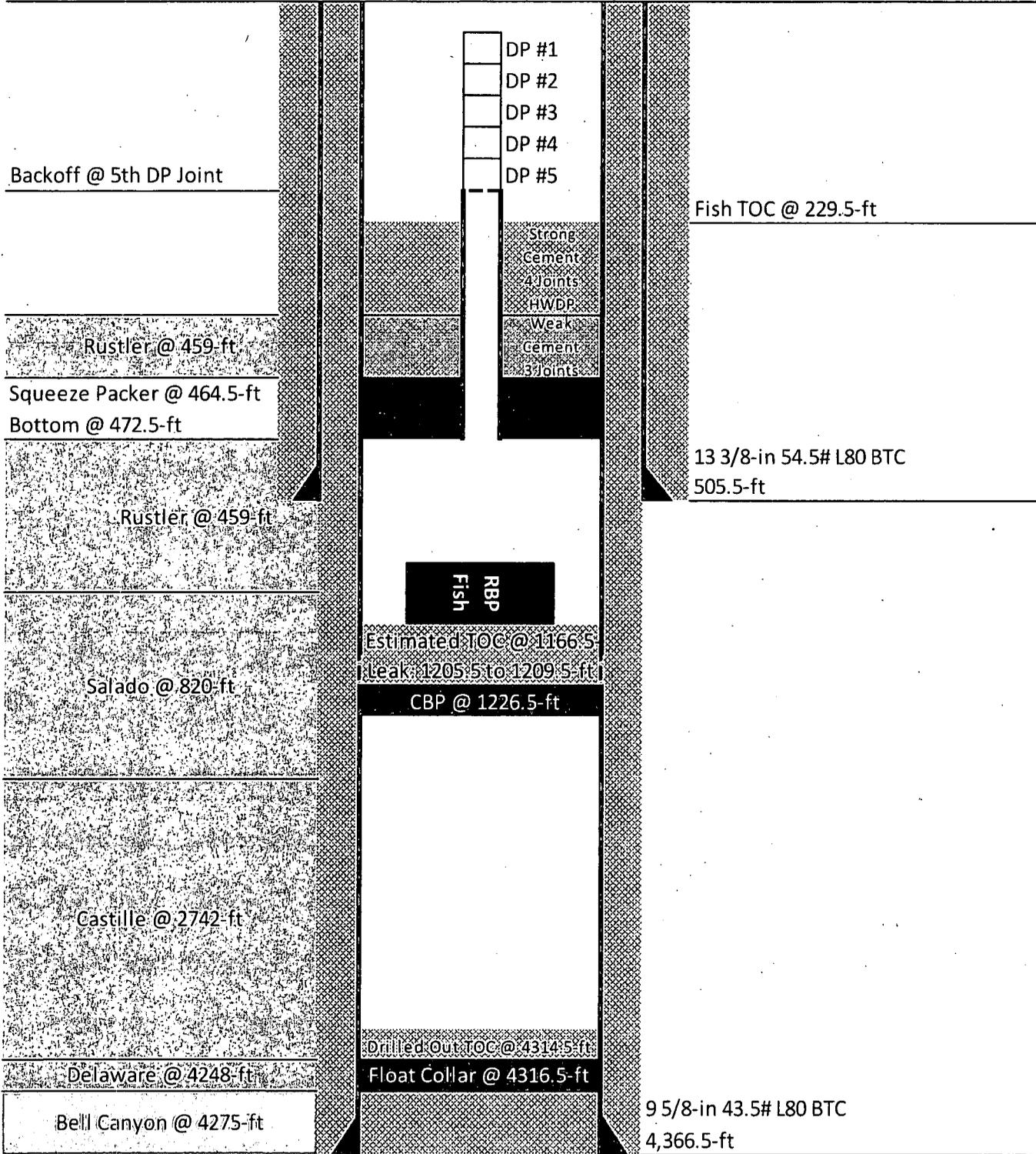
Surface Plug #2

Fluid #	Fluid Type	Fluid Name	Surface Density lbm/gal	Estimated Avg Rate bbl/min	Downhole Volume
4	SPACER	Water Spacer	8.33	2	5 bbl
5	CEMENT	HalCem C	14.8		70 sack
6	MUD	Displacement Fluid	9.5	2	0 bbl

Wellbore Schematic

3K Wellhead

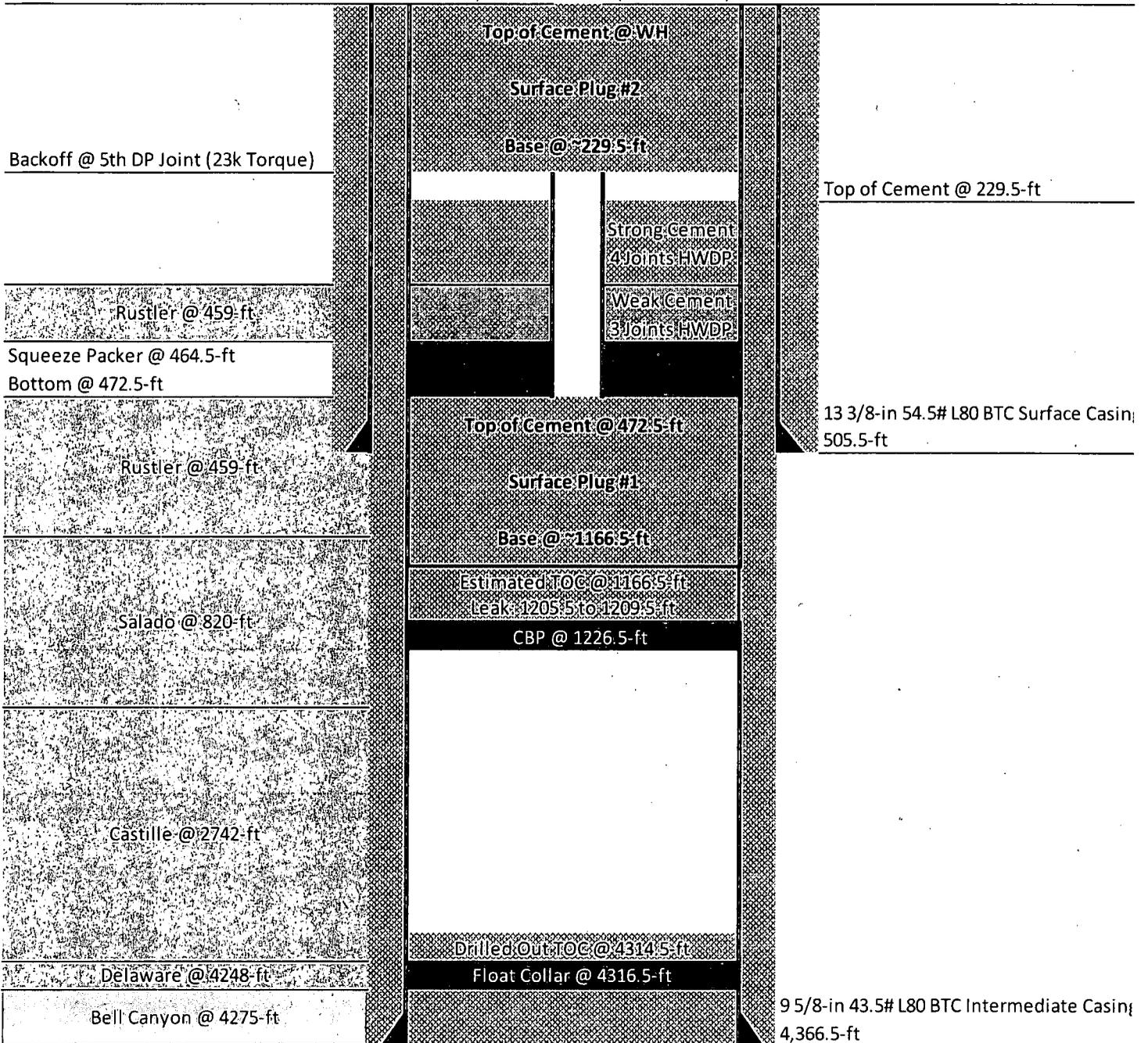
All Depths with 6' RKB (Transcend 1)



P&A Plan Schematic

3K Wellhead

All Depths with 6' RKB (Transcend 1)





Tubing Specification Sheet

1", 2.25#, P110, CS, R2

Tube / Pipe Body	Nominal
OD:	1.315 in
ID:	0.957 in
Weight:	2.25 lbs/ft
Grade:	P110
Tube Wall:	0.179 in
Tubing Length:	R2

Inspection Class: Premium Class 80%

RBW:	0.143 in
Tube Tensile:	54,445 lbs
Tube Collapse:	22,419 psi
Tube Internal Burst:	23,957 psi

Tubing Assembly

Displacement Estimate: (Includes Tool Joints)	0.00082 bbls/ft
Capacity Estimate: (Includes Tool Joints)	0.00088 bbls/ft

Connection / Tool Joint (Upset)	Nominal
Connection:	1" CS
Tool Joint OD:	1.600 in
Tool Joint ID:	0.864 in
Drift:	0.848 in

Connection / Tool Joint Performance

Thread Compound Friction Factor:	1.0
Maximum MUT:	500 ft-lbs
Optimal MUT:	450 ft-lbs
Minimum MUT:	400 ft-lbs

BUREAU OF LAND MANAGEMENT

Carlsbad Field Office
620 East Greene Street
Carlsbad, New Mexico 88220
575-234-5972

Conditions of Approval for Temporary Abandonment of Wells

Definition: A temporarily abandoned well is a completion that is not capable of production in paying quantities but which may have future value. Pursuant to 43 CFR 3162.3-4 (c), no well may be temporarily abandoned for more than 30 days without the prior approval of the authorized officer.

Note: TA status "will be effective for a period up to 1 year from the date of NOI approval and can be renewed annually thereafter" per IM NM-2016-017.

1. A bridge plug (CIBP) must be installed 50 to 100 feet above any open perforations or open hole. The CIBP must be capped with either a minimum of 25 sacks of cement if placed with tubing or 35 feet of cement if placed with a bailer. The top of the cement must be verified by tagging.
2. The wellbore must be filled with corrosion inhibited fluid and pressure tested to 500 psi. The casing shall be capable of holding this pressure for at least 30 minutes. If the well does not pass the casing integrity test, then the operator shall, within 30 days, submit a procedure to either repair the casing or to plug and abandon the well.
3. Contact the appropriate BLM office at least 24 hours prior to the scheduled Casing Integrity Test. For wells in Eddy County, 575-361-2822; Lea County 575-393-3612.
4. All downhole production/injection equipment (tubing, rods, etc.) shall be removed from the casing if it is not isolated by a packer.
5. A Braden-head test must be conducted. If the test indicates a problem, a remedial plan and time frame for remediation shall be submitted within ninety (90) days of the test.
6. Submit a subsequent Sundry Notice (Form 3160-5) with the following information:
 - a. A well bore diagram with all perforations, CIBP's, and tops of cement on CIBP's.
 - b. A description of the temporary abandonment procedure.
 - c. A clear copy or the original of the pressure test chart.