

Submit 3 Copies To Appropriate District

Office

District I

1625 N. French Dr., Hobbs, NM 87240

District II

1301 W. Grand Ave., Artesia, NM 88210

District III

1000 Rio Brazos Rd., Aztec, NM 87410

District IV

1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-103

May 27, 2004

WELL API NO. 30-015-33852
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name: Second Chance Federal Com
8. Well Number 1
9. OGRID Number 192463
10. Pool name or Wildcat Wildcat Morrow

SUNDRY NOTICES AND REPORTS ON WELLS
(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)

1. Type of Well:

Oil Well ☐ Gas Well ☒ Other

2. Name of Operator

OXY USA WTP Limited Partnership

3. Address of Operator

P.O. Box 50250 Midland, TX 79710-0250

4. Well Location

Unit Letter P : 700 feet from the south line and 700 feet from the east line

Section 29 Township 24S Range 28E NMPM County Eddy

11. Elevation (Show whether DR, RKB, RT, GR, etc.)
2978'

Pit or Below-grade Tank Application ☐ or Closure ☐

Pit type _____ Depth to Groundwater _____ Distance from nearest fresh water well _____ Distance from nearest surface water _____

Pit Liner Thickness: _____ mil Below-Grade Tank: Volume _____ bbls; Construction Material _____

12. Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐

TEMPORARILY ABANDON ☐ CHANGE PLANS ☐

PULL OR ALTER CASING ☐ MULTIPLE COMPLETION ☐

OTHER: ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐

COMMENCE DRILLING OPNS. ☐ PLUG AND ABANDONMENT ☐

CASING TEST AND CEMENT JOB ☒

OTHER: ☐

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

See Attachment

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines ☐ , a general permit ☐ or an (attached) alternative OCD-approved plan ☐

SIGNATURE David Stewart TITLE Sr. Regulatory Analyst DATE 6/13/06

Type or print name David Stewart

E-mail address: david_stewart@oxy.com

Telephone No. 432-685-5717

For State Use Only

FOR RECORDS ONLY

APPROVED BY _____ TITLE _____ DATE _____

Conditions of Approval, if any:

JUN 20 2006

OGX Second Chance Federal #1

04/18/2006	WLS @ 2837' - 1*; DRLG. FROM 2888' TO 2995'; DRLG. FROM 2995' TO 3110'; WLS. @ 3061' - 1* & RIG SERVICE; DRLG. FROM 3110' TO 3398'; WLS @ 3349' - 3/4*; DRLG. FROM 3398' TO 3699'; WLS @ 3600' - 1/4*;
04/19/2006	DRLG. FROM 3699' TO 3895'; DRLG. FROM 3875' TO 4034'; WLS @ 3985' - 1/4*; SERVICE RIG; DRLG. FROM 4034' TO 4446'; WLS @ 4397' - 3*4*; DRLG. FROM 4446' TO 4750';
04/20/2006	DRLG. FROM 4750' TO 4830'; WLS'S @ 4781' - 1/2*; DRLG. FROM 4830' TO 5295'; WLS - MISS-RUN; DRLG. FROM 5246' TO 5255'; WLS @ 5197' - 1*; DRLG. FROM 5255' TO 5430';
04/21/2006	DRLG. FROM 5430' TO 5662'; WLS @ 5613' - 3/4*; DRLG. FROM 5662' TO 5990';
04/22/2006	DRLG. FROM 5990' TO 6078'; WLS @ 6029' - 1*; DRLG. FROM 6078' TO 6299'; WLS @ 6250' - 1*; DRLG. FROM 6299' TO 6556';
04/23/2006	WLS @ 6507' - MISS-RUN; DRLG. FROM 6556' TO 6560'; DRLG. FROM 6560' TO 6588'; WLS @ 6539' - 2*; DRLG. FROM 6588' TO 6715'; WLS @ 6666' - 2 1/4*; DRLG. FROM 6715' TO 6843'; WLS @ 6794' - 2*;
04/24/2006	DRLG. FROM 6843' TO 6966'; DRLG. FROM 6966' TO 7002'; WLS @ 6953' - 2*; DRLG. FROM 7002' TO 7250';
04/25/2006	DRLG. FROM 7250' TO 7254'; WLS @ 7205' - 2 1/4*; DRLG. FROM 7250' TO 7317'; SERVICE RIG; DRLG. FROM 7317' TO 7409'; WLS @ 7360' - 2*; DRLG. FROM 7409' TO 7534';
04/26/2006	DRLG. FROM 7534' - 7535'; WLS @ 7485' - 2*; DRLG. FROM 7585' TO 7566'; SERVICE RIG; DRLG. FROM 7566' TO 7631'; RIG REPAIR - REPAIR ROTARY CHAIN; DRLG. FROM 7531' TO 7660'; WLS @ 7611' - 2*;

04/27/2006	DRLG. FROM 7660' TO 7809'; DRLG. FROM 7809' TO 7824'; DROP TOTCO; TOOH FOR BIT; CHANGE BIT, TIH WITH BIT; WASH & REAM 40' TO BOTTOM; DRLG. FROM 7824' TO 8041';
04/28/2006	WLS @ 7992' - 1 3/4"; DRLG. FROM 8041' TO 8030'; DRLG. FROM 8080' TO 8199'; WLS @ 8150' - 1 1/2"; DRLG. FROM 8199' TO 8452';
04/29/2006	WLS @ 8403' - 1 3/4"; DRLG FROM 8452' TO 8509'; DRLG. FROM 8509' TO 8702'; WLS @ 8653' - 3"; DRLG. FROM 8702' TO 8861'; WLS @ 8812' - 2 1/2";
04/30/2006	DRLG. FROM 8861' TO 8953'; DRLG. FROM 8953' TO 9018'; INSTALL ROTATING HEAD & TEST SEPERATOR; DRLG. FROM 9018' TO 9049'; SERVICE RIG; DRLG. FROM 9049' TO 9113'; WLS @ 9064' - 2 1/2"; REPLACE ROTATING HEAD ASSY. GASKET; DRLG. FROM 9113' TO 9286';
05/01/2006	DRILL FROM 9,286' TO 9,399' SERVICE RIG DRILL FROM 9,399' TO 9,431' WLS @ 9,382' = 2.25 DEG.
05/02/2006	DRILL FROM 9,431' TO 9,602' DRILL FROM 9,602' TO 9,712' WLS @ 9,663' = 2.00 DEG.
05/03/2006	DRILL FROM 9,712' TO 9,882' DRILL FROM 9,882' TO 9,959' SERVICE RIG & JET SAND TRAP DRILL FROM 9,959' TO 10,022' WLS @ 9,973' = 1.50 DEG.
05/04/2006	DRILL FROM 10,022' TO 10,170' DRILL FROM 10,170' TO 10,205' SERVICE RIG
05/05/2006	DRILL FROM 10,205' TO 10,394' TD OF 8 3/4" HOLE - STARTED ADDING STARCH TO MUD SYSTEM 2 1/2 HRS. BEFORE TD CIRCULATE SAMPLES UP FOR MUD LOGGER 20 STAND SHORT TRIP OUT - NO PROBLEMS CUT DRILLING LINE & MONITOR WELL FOR FLOW - NO FLOW TIH - NO PROBLEMS - NO FILL CIRCULATE & CONDITION HOLE FOR OPEN HOLE LOGS CIRCULATE & CONDITION MUD FOR OPEN HOLE LOGS DROP TOTCO @ 10,394' = 1.75 DEG. TOH (SLM) FOR OPEN HOLE LOGS - SLM = 10,400.03' WAITING ON BAKER ATLAS LOGGING LUBRICATOR RU BAKER ATLAS & RUN OPEN HOLE LOGS IN ONE RUN - LOGGER'S TD = 10,387' - RD BAKER ATLAS
05/06/2006	TIH W/ 8 3/4" BIT, BIT SUB, 6" DC'S & 4 1/2" DP TIH W/ BIT, BIT SUB, 6" DC'S & 4 1/2" DP WASH 40' TO BOTTOM - NO FILL CIRCULATE & CONDITION MUD PRIOR TO POOH - RU LD MACHINE - SAFETY POOH LD DP & DC'S - BREAK KELLY

05/07/2006 RU CASING CREW, SAFETY MEETING & RUN 7" 26# HCP-110 8RD LT&C CASING SET @ 10,394' W/ DV TOOL @ 5,010' TO 5,012' - RD CASING CREW & LD MACHINE
RU HALLIBURTON, SAFETY MEETING & CIRCULATE TO CLEAR CASING
HALLIBURTON CEMENTED 7" CASING 1ST STAGE - PUMPED 1,000 GALS. SUPER FLUSH 102 - (LEAD) 500 SX INTERFILL "H" + 0.2% HR-7 - (TAIL) 165 SX SUPER "H" + 0.35% HR-7 + 0.5% HALAD-344 + 0.4% CFR-3 + 1# SALT + 5# GILSONITE PER SX - DROP BOMB, OPEN DV TOOL & CIRCULATED 41 SX CEMENT TO PIT FROM 1ST STAGE. HALLIBURTON CEMENTED 2ND STAGE - PUMPED 1,000 GALS. SUPER FLUSH 102 - (LEAD) 410 SX INTERFILL "C" CEMENT - (TAIL) 150 SX PREMIUM PLUS NEAT CEMENT - CLOSED DV TOOL - NO CEMENT CIRCULATED TO SURFACE - CEMENT WAS CALCULATED TO COME 2,100' FROM SURFACE (CEMENT CALCULATIONS WERE BASED ON 25% EXCESS OF OPEN HOLE LOG CALIPER ON THE COMPENSATED Z-DENSILOG DATED 5/5/06) PRO WIRELINE RAN TEMPERATURE SURVEY - TOC AT 1,230' FROM DF. NMOCD WAS NOTIFIED TWICE OF CEMENTING 7" CASING - LEFT MESSAGE TWICE ON ANSWERING MACHINE AT 13:55 (MDT) 5/6/06 & 18:25 (MDT) 5/6/06 - NO RETURN CALL - NMOCD DID NOT WITNESS THE CEMENT JOB.

ND BOP, SET 7" SLIPS, CUT OFF 7" CASING, NU & TEST 7 1/16" 10M X 11" 5M TUBING HEAD TO 4,900#

NU BOP & CHOKE MANIFOLD - PRO WIRELINE RAN TEMPERATURE SURVEY - TOC @ 1,230' FROM DF

MAN WELDING TESTING BOP & ASSOCIATED EQUIP. TO 5,000# - CHANGED OUT STEM IN ONE VALVE ON CHOKE MANIFOLD, CHANGED OUT BAD HOSE TO SUPER CHOKE & REPAIRING OIL LEAK IN RAM SHAFT IN BOP

05/08/2006 TEST BOP'S, CHOKE MANIFOLD & ASSOCIATED EQUIP. W/ MAN WELDING TESTER TO 5,000# - REPLACED PIPE RAM SHAFT, SEALS & PACKING IN BOP - TIGHTENED & WELDED MUD LINES - TESTED OK

PU & MU KELLY, RU LD MACHINE, SAFETY MEETING, PU BHA, 4 3/4" DC'S & 3 1/2" DP - TIH TO 5,009'

DRILL DV TOOL FROM 5,009' TO 5,012'

TEST 7" CASING & DV TOOL TO 2,200# W/ RIG PUMP - OK

PU & TIH W/ 3 1/2" DP TO 10,345'

05/09/2006 DRILL PLUG, FC, CEMENT & FS FROM 10,345' TO 10,394'

DRILL FORMATION FROM 10,394' TO 10,404'

FIT W/ RIG PUMP W/ 9.45# MW W/ 2,180# SURFACE PRESSURE TO EMW OF 13.5 #/GAL. FROM 10,394' TO 10,404' - OK

JET PITS & FILL STEEL PITS W/ 10# BRINE WATER

DRILL FROM 10,404' TO 10,419' - DISPLACED WELL W/ 10# BRINE WATER

INSTALL ROTATING HEAD

DRILL FROM 10,419' TO 10,451'

SERVICE RIG

05/10/2006 DRILL FROM 10,451' TO 10,613'

DRILL FROM 10,613' TO 10,634'

SERVICE RIG

05/11/2006 DRILL FROM 10,634' TO 10,673'

WLS @ 10,623' = 1.25 DEG.

DRILL FROM 10,673' TO 10,677'

DRLG 6 1/8" HOLE FROM 10677 TO 10681

TOH W/ BIT - ALL CONES GONE

WAIT ON MAGNET MAKE TWO RUNS CLEANING ALL JUNK OUT OF HOLE

05/12/2006 TH W/ BIT #6

DRLG 6 1/8" HOLE

05/13/2006 DRLG 6 1/8" HOLE FROM 10743' TO 10766'

TOOH DUE TO EXCESSIVE TORQUE AND DRAG AFTER CONNECTION

TIH W/ MAGNET WORK MAGNET, TOOH RECOVER 3 PIECES OF METAL ONE 5 X 2, ONE 3 X 1.5 ONE 3 X 1 W/ RED PAINT, APPEARS TO BE PIECES OF CASING SHOE, BREAK MAGNETD JUNK BASKET

05/14/2006 FINISH TIH

DRLG 6 1/8" HOLE

05/15/2006 DRLG 6 1/8" HOLE

05/16/2006	DRLG 6 1/8" HOLE FROM 10899 TO 10926 WLS @ 10876' (.75°)
05/17/2006	DRLG 6 1/8" HOLE FROM 10926' TO 10945' TOOH FOR BIT, TIH W/ BIT # 7 DRLG 6 1/8" HOLE FROM 10945' TO 10955' SERVICE RIG
05/18/2006	DRLG 6 1/8" HOLE FROM 10955' TO 11029' DRILL FROM 11,029' TO 11,053' SERVICE RIG DRILL FROM 11,053' TO 11,102' CHECK FOR FLOW - BOP DRILL DRILL FROM 11,102' TO 11,156'
05/19/2006	DRILL FROM 11,156' TO 11,180' SERVICE RIG DRILL FROM 11,180' TO 11,211' WLS @ 11,161' = 1.00 DEG.
05/20/2006	DRILL FROM 11,211' TO 11,283' DRILL FROM 11,283' TO 11,306' SERVICE RIG DRILL FROM 11,306' TO 11,505' - STARTED MUD UP AT 11,338' - MUD UP COMPLETE AT 11,360'
05/21/2006	DRILL FROM 11,505' TO 11,528' SERVICE RIG DRILL FROM 11,528' TO 11,546' DROP TOTCO @ 11,546' = 0.75 DEG. & TRIP OUT FOR NEW BIT TIH W/ BIT # 8 HANG BLOCKS & REMOVE BACK LASH ON DRILLING LINE FROM DRUM TIH W/ BIT # 8 WASH & REAM 70' TO BOTTOM DRILL FROM 11,546' TO 11,594'
05/22/2006	DRILL FROM 11,594' TO 11,600' SERVICE RIG DRILL FROM 11,600' TO 11,743'
05/23/2006	DRILL FROM 11,743' TO 11,750' SERVICE RIG DRILL FROM 11,750' TO 11,846' CHECK FOR FLOW - NO FLOW - BOP DRILL DRILL FROM 11,846' TO 11,929'
05/24/2006	DRILL FROM 11,929' TO 11,941' SERVICE RIG DRILL FROM 11,941' TO 12,100'
05/25/2006	WLS @ 12,050' = 0.25 DEG. DRILL FROM 12,100' TO 12,115' DRILL FROM 12,115' TO 12,131' SERVICE RIG DRILL FROM 12,131' TO 12,161' RIG REPAIR DRILL FROM 12,161' TO 12,228'
05/26/2006	DRILL FROM 12,228' TO 12,231' DROP TOTCO @ 12,231' = 0.25 DEG. & TOH FOR BIT TIH W/ BIT # 9 CUT DRILLING LINE CONTINUE TIH W/ BIT # 9 WASH & REAM 30' TO BOTTOM DRILL FROM 12,231' TO 12,306'
05/27/2006	DRILL FROM 12,306' TO 12,322' SERVICE RIG DRILL FROM 12,322' TO 12,378' DROP TOTCO @ 12,333' = 0.75 DEG. & TOH FOR BIT

05/28/2006 TIH W/ BIT # 10
WASH & REAM 80' TO BOTTOM
DRILL FROM 12,378' TO 12,391'
DRILL FROM 12,391' TO 12,400'
SERVICE RIG
DRILL FROM 12,400' TO 12,466'
TOH FOR BIT

05/29/2006 TIH W/ BIT # 11
WASH & REAM 50' TO BOTTOM
DRILL FROM 12,466' TO 12,475'
DRILL FROM 12,475' TO 12,481'
SERVICE RIG
DRILL FROM 12,481' TO 12,494' - BIT TORQUEING UP
TOH FOR BIT
TIH W/ BIT # 12 - STUCK DP WHEN BIT SET DOWN @ 10,653'
WORKING STUCK DP & WO OIL - BIT @ 10,653' - TOP IBS @ 10,580' - BOTTOM OF 7" CASING @ 10,394' - 21 STANDS & A SINGLE + 31' OF KELLY OUT FROM 12,494' TD - FULL CIRCULATION - NO MOVEMENT OF DP UP NOR DOWN - CAN NOT ROTATE DP

05/30/2006 WORK STUCK DP WO OIL - DECIDED TO RUN FREE POINT
RU ROTARY WIRELINE SERVICE & RAN FREE POINT WITH 3 DIFFERENT TOOLS - 1ST TOOL SHOWED STUCK @ 10,130' - 2ND TOOL SHOWED STUCK @ 9,540' - BOTH TOOLS HAD INCONSISTENT READINGS - 3RD TOOL SHOWED STUCK @ THE BOTTOM IBS @ 10,611' W/ CONSISTENT READINGS - RAN SHOT & BACKED OFF @ 10580' AT THE BOTTOM OF THE TOP IBS - LEAVING A 4-3/4" DC, IBS, 4-3/4" DC, BIT SUB & BIT IN HOLE - TOTAL LENGTH OF FISH = 68.27' - RD ROTARY WLS
TOH CHAINING OUT - LD TOP IBS
TIH W/ SCREW IN SUB, BUMPER SUB, JARS, ACCELERATOR SUB, DC'S & DP CHECKING EACH CONNECTION FOR PROPER TORQUE - TAGGED UP ON FISH @ 10,580'

05/31/2006 SCREWED INTO FISH & JARRED UP ONE TIME & FISH CAME FREE - ATTEMPTED TO GO BACK DOWN & SET DOWN AGAIN - CIRCULATED & ROTATED WITH LIGHT WEIGHT UNTIL FISH WENT FREELY DOWN HOLE
CIRCULATE BOTTOMS UP @ 10,700'
CIRCULATE BOTTOMS UP @ 10,700'
TOH CHAINING OUT - LD FISHING TOOLS - RECOVERED FISH - LD 4 3/4" DC THAT WAS SHOT & THE BOTTOM IBS - CHECKED BIT - OK
TIH W/ BIT # 12 TO 10,300'
CUT DRILLING LINE
CONTINUE TIH TO 12,424' - NO PROBLEMS - PU KELLY & INSTALL NEW ROTATING HEAD RUBBER
WASH & REAM 70' TO BOTTOM - NO TORQUE - NO JUNK ON BOTTOM
DRILL FROM 12,494' TO 12,504'
CHANGE OUT ROTATING HEAD
DRILL FROM 12,504' TO 12,561'

06/01/2006 DRILL FROM 12,561' TO 12,595'
DROP TOTCO @ 12,595' = 0.25 DEG. & TOH FOR BIT
TIH W/ BIT # 13

06/02/2006 DRILL FROM 12,595' TO 12,611'
DRILL FROM 12,611' TO 12,630'
SERVICE RIG
DRILL FROM 12,630' TO 12,734'

06/03/2006 DRILL FROM 12,734' TO 12,756'
SERVICE RIG
DRILL FROM 12,756' TO 12,866'

06/04/2006 DRILL FROM 12,866' TO 12,885' TD
CIRCULATE UP SAMPLES FOR MUD LOGGER
13 STAND SHORT TRIP OUT
SERVICE RIG - CHANGE SWAB IN # 2 PUMP - CHECK FOR FLOW - NO FLOW

TIH - NO PROBLEMS - NO FILL

PUMP VISCOUS SWEEP & CIRCULATE

DROP TOTCO @ 12,885' = 0.25 DEG., PUMP WEIGHTED SLUG & TOH (SLM)
FOR OPEN HOLE LOGS (CHAINED OUT 1ST 25 STANDS) - SLM = 12,887.73'

RU BAKER ATLAS - SAFETY MEETING - RUN OPEN HOLE LOGS - LOGGER'S
TD = 12,885' - RD BAKER ATLAS

06/05/2006

TIH W/ BIT AFTER RUNNING OPEN HOLE LOGS

TIH W/ BIT # 13

CIRCULATE BOTTOMS UP

DROP RABBIT & TOH STANDING BACK 3 1/2" DP

RU LAY DOWN MACHINE - POOH LD 38 - 4 3/4" DC'S, BIT SUB & BIT

RU CASING CREW, SAFETY MEETING & RUN 73 JTS. 4 1/2" PRODUCTION
LINER & BAKER LINER HANGER (SEE CASING REPORT) - RD CASING CREW

TIH W/ 4 1/2" PRODUCTION LINER ON 3 1/2" DP TO 12,855'

06/06/2006

RU BAKER CEMENT HEAD & CIRCULATE - WASH DOWN TO 12,885' TD - NO
SET BAKER LINER HANGER TOP @ 9,837' (557' OVERLAP) - RU
HALLIBURTON - SAFETY MEETING - BATCH MIX 300 SX CEMENT (SEE
CEMENT REPORT) & CEMENTING 4 1/2" PRODUCTION LINER

HALLIBURTON CEMENT 4 1/2" PRODUCTION LINER (SEE CEMENTING
SET BAKER LINER HANGER PACKER & TOH STANDING BACK 10 STANDS 3
1/2" DP TO 8,856'

HALLIBURTON PUMPED 400 BBLs MUD TO CIRCULATE BOTTOMS UP FROM
8,856' - NO CEMENT TO SURFACE - RD HALLIBURTON

RU LD MACHINE & POOH LD 3 1/2" DP & BAKER LINER HANGER SETTING

TIH W/ 29 STANDS DP OUT OF DERRICK

POOH LD 3 1/2" DP - RD LD MACHINE

ND BOP CHANGE PIPE RAMS FROM 3 1/2" TO 4 1/2"

NU SMITH NUNEZ 5,000# FRAC VALVE ON 7 1/6" 10M TUBING HEAD - CLOSED
VALVE TO SECURE WELL

LOAD OUT ALL SMITH NUNEZ RENTAL ITEMS - 3 1/2" DP & 4 3/4" DC'S

JET & CLEAN STEEL PITS - RELEASED MCVAY RIG # 8 @ 2:00 AM (MDT) TO
GO TO THE OXY BENELLI FEE # 1