

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

OCD-ARTESIA

FORM APPROVED  
OMB NO. 1004-0135  
Expires: November 30, 2000

## 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 reverse side

## 1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

JUN 20 2007

## 2. Name of Operator

OXY USA WTP Limited Partnership

OCD-AR192863

## 3a. Address

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

## 3b. Phone No. (include area code)

432-685-5717

## 4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

760 FSL 1980 FEL SWSE(19) Sec 4 T18S R27E

## 5. Lease Serial No.

LC-061783-A

## 6. If Indian, Allottee or Tribe Name

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

## 8. Well Name and No

OXY Wild Burro #1  
Federal

## 9. API Well No.

30-015-34916

## 10. Field and Pool, or Exploratory Area

Scoggin Draw Morrow

## 11. County or Parish, State

Eddy NM

## 12. CHECK 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"/> Fracture Treat	<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 checked="" type="checkbox"/> Other <u>Request</u>
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	<u>1 year extension</u>
	<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 shall 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 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the final site is ready for final inspection.)

OXY USA WTP LP respectfully requests that the APD for the OXY Wild Burro Federal #1, API No. 30-015-34916 be granted a one year extension, this permit is due to expire 6/2/07. Please see attached for a copy of the 3160-3.

SEE ATTACHED FOR  
CONDITIONS OF APPROVAL

APPROVED FOR 24 MONTH PERIOD  
ENDING 6-2-2009

## 14. I hereby certify that the foregoing is true and correct

Name (Printed/Typed)

David Stewart

Title

Sr. Regulatory Analyst

Date

5/21/07

## THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

/s/ James Stovall

Title

FIELD MANAGER

Date

JUN 15 2007

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, makes 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.

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

**OPERATOR'S COPY**

FORM APPROVED  
OMB NO. 1004-0136  
Expires: November 30, 2000

**APPLICATION FOR PERMIT TO DRILL OR REENTER**

1a. Type of Work <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		5. Lease Serial No. LC-061783-A
1b. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input checked="" type="checkbox"/> Single Zone <input type="checkbox"/> Multiple Zone		6. If Indian, Allottee or Tribe Name
2. Name of Operator OXY USA WTP Limited Partnership		7. Unit or CA Agreement Name and No.
3a. Address P.O. Box 50250 Midland, TX 79710-0250		8. Lease Name and Well No. OXY Wild Burro Federal #1
3b. Phone No. (include area code) 432-685-5717		9. API Well No. 30-015-34916
4. Location of Well (Report location clearly and in accordance with any State requirements)* At surface 760 FSL 1980 FEL SWSE(19) At proposed prod. zone <b>ROSWELL CONTROLLED WATER BASIN</b>		10. Field and Pool, or Exploratory Scoggin Draw Morrow
14. Distance in miles and direction from nearest town or post office* 6 miles southeast from Artesia, NM		11. Sec., T, R, M., or Blk. and Survey or Area Sec 4 T18S R27E
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drg. unit line, if any) 660'	16. No. of Acres in lease 320	12. County or Parish Eddy
17. Spacing Unit dedicated to this well 320	13. State NM	
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. N/A	19. Proposed Depth 9850'	20. BLM/BIA Bond No on file E50136
21. Elevations (Show whether DF, KDB, RT, GL, etc.) 3566'	22. Approximate date work will start* 9/1/06	23. Estimated duration 30 days

**24. Attachments**

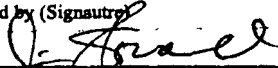
The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1, shall be attached to this form:

- |   |  |
|---|--|
| 1. Well plat certified by a registered surveyor.  | 4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).    |
| 2. A Drilling Plan  | 5. Operator certification.   |
| 3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office). | 6. Such other site specific information and/or plans as may be required by the authorized officer. |

25. Signature 	Name (Printed/Typed) David Stewart	Date 4/28/06
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Title

Sr. Regulatory Analyst

Approved by (Signature) 	Name (Printed/Typed) Jim Howell	Date 6/2/2006
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Title

FIELD MANAGER

Office

CARLSBAD FIELD OFFICE

Application approval 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.  
Conditions of approval, if any, are attached.

**APPROVAL FOR FIVE YEAR**

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 Reverse)

**APPROVAL SUBJECT TO  
GENERAL REQUIREMENTS  
AND SPECIAL STIPULATIONS  
ATTACHED**

RECEIVED  
MAY 24 PM 2:14  
BUREAU OF LAND MANAGEMENT  
CARLSBAD FIELD OFFICE

## CONDITIONS OF APPROVAL - DRILLING

Operator's Name: Oxy USA WTP LP  
Well Name & No. 1-OXY Wild Burro Federal  
Location: 0760FSL, 1980FEL, SEC 4, T18S, R27E, Eddy County, NM  
Lease: LC-061783-A

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### I. DRILLING OPERATIONS REQUIREMENTS:

- A. The Bureau of Land Management (BLM) is to be notified a minimum of 4 hours in advance for a representative to witness:
1. Spudding well
  2. Setting and/or Cementing of all casing strings
  3. BOPE tests
- Eddy County call the Carlsbad Field Office, 620 East Greene St., Carlsbad, NM 88220, (505) 361-2822
- B. A Hydrogen Sulfide (H<sub>2</sub>S) Drilling Plan should be activated 500 feet prior to drilling into the Yeso formation.
- C. Unless the production casing has been run and cemented or the well has been properly plugged, the drilling rig shall not be removed from over the hole without prior approval.
- D. If floor controls are required, (3M or Greater) controls will be on the rig floor, unobstructed, readily accessible to the driller and will be operational at all times during drilling and/or completion activities. Rig floor is defined as the area immediately around the rotary table; the area immediately above the substructure on which the draw works are located, this does not include the dog house or stairway area.

### II. CASING:

- A. The 13/3/8 inch surface casing shall be set at 400 feet and cemented to the surface.
1. If cement does not circulate to the surface, the appropriate BLM office shall be notified and a temperature survey utilizing an electronic type temperature survey with a surface log readout will be used or a cement bond log shall be run to verify the top of the cement.
  2. Wait on cement (WOC) time for a primary cement job will be a minimum of 12 hours for a non-water basin, 18 hours for a water basin, 24 hours in the potash area, or 500 pounds compression strength, whichever is greater. (This is to include the lead cement)
  3. Wait on cement (WOC) time for a remedial job will be a minimum of 4 hours after bringing cement to surface or 500 pounds compression strength, whichever is greater.
  4. If cement falls back, remedial action will be done prior to drilling out that string.

#### **Possible lost circulation in the Grayburg and San Andres formations.**

- B. The minimum required fill of cement behind the 9-5/8 inch intermediate casing is **cement to circulate to surface**. If cement does not circulate see A.1 thru 4.

- C. The minimum required fill of cement behind the 5-1/2 inch second intermediate casing is **cement shall extend a minimum of 200' inside the 9-5/8 inch casing.**
- D. If hardband drill pipe is rotated inside casing; returns will be monitored for metal. If metal is found in samples, drill pipe will be pulled and rubber protectors which have a larger diameter than the tool joints of the drill pipe will be installed prior to continuing drilling operations.

### **III. PRESSURE CONTROL:**

- A. All blowout preventer (BOP) and related equipment (BOPE) shall comply with well control requirements as described in Onshore Oil and Gas Order No. 2 and API RP 53.
- B. Minimum working pressure of the blowout preventer (BOP) and related equipment (BOPE) required for drilling below the surface casing shoe shall be **2000 (2M) PSI.**
- C. Minimum working pressure of the blowout preventer (BOP) and related equipment (BOPE) required for drilling below the 9-5/8" intermediate casing shoe shall be **3000 (3M) PSI.**
- D. The appropriate BLM office shall be notified a minimum of 4 hours in advance for a representative to witness the tests.
1. The tests shall be done by an independent service company.
  2. The results of the test shall be reported to the appropriate BLM office.
  3. All tests are required to be recorded on a calibrated test chart. A copy of the BOP/BOPE test chart and a copy of independent service company test will be submitted to the appropriate BLM office.
  4. The BOP/BOPE test shall include a low pressure test from 250 to 300 psi in accordance with API RP 53. The test will be held for a minimum of 10 minutes if test is done with a test plug and 30 minutes without a test plug.
  5. BOP/BOPE must be tested by an independent service company within 500 feet of the top of the Wolfcamp formation. This test does not exclude the test prior to drilling out the casing shoe as per Onshore Order No. 2.
  6. A variance to test the surface casing and BOP/BOPE to the reduced pressure of 1000 psi with the rig pumps is approved.

### **IV. DRILLING MUD:**

Mud system monitoring equipment, with derrick floor indicators and visual and audio alarms, shall be operating before drilling into the Wolfcamp formation, and shall be used until production casing is run and cemented.

1. Recording pit level indicator to indicate volume gains and losses.
2. Mud measuring device for accurately determining the mud volumes necessary to fill the hole during trips.
3. Flow-sensor on the flow line to warn of abnormal mud returns from the well

**Engineer on call phone: 505-706-2779**  
**WWI 052907**