

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

2. Name of Operator

OXY USA Inc.

16696

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)

2558 FNL 285 FWL SWNW(E)

Sec 3 T22S R31E

5. Lease Serial No.

NMNM0417696

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.

Lost Tank 3 Federal #21
Federal

9. API Well No.

30-015-37920

10. Field and Pool, or Exploratory Area

Lost Tank Delaware, West

11. County or Parish, State

Eddy NM

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

☐ Notice of Intent

☒ Subsequent Report

☐ Final Abandonment Notice

TYPE OF ACTION

☐ Acidize

☐ Alter Casing

☐ Casing Repair

☐ Change Plans

☐ Convert to Injection

☐ Deepen

☐ Fracture Treat

☐ New Construction

☐ Plug and Abandon

☐ Plug Back

☐ Production (Start/Resume)

☐ Reclamation

☐ Recomplete

☐ Temporarily Abandon

☐ Water Disposal

☐ Water Shut-Off

☐ Well Integrity

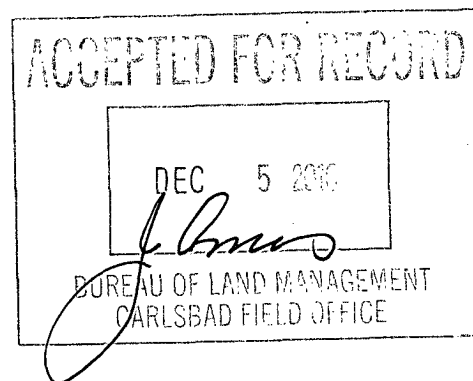
☒ Other Spud, set

casing & cement

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.)



See attached.



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

Name (Printed/Typed)

David Stewart

Title

Sr. Regulatory Analyst

Date

11/23/10

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Title

Date

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

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.

SPUD WELL @ 19:00 HRS. ON 10/25/10 DRILL 14.75" SURFACE HOLE TO 636'.
RUN 11-3/4" 42# H40 STC CSG TO 636' CONSISTING OF
'01 TEXAS GUIDE SHOE (SET @ 636' TO 635.14)
02 SHOE JT 11.75" 42.00 H40 STC CSG THREAD LOCKED
01 FLOAT COLLAR WEATHERFORD, THREAD LOCKED (SET @ 593.46 TO 592.2)
14 JTS 11.75" 42.00 H40 STC CSG
CEMENT 11-3/4" SURFACE CASING WITH 20 BBLS GEL SPACER, 530 SKS (128 BBL SLURRY) OF PREMIUM PLUS + 2% CALCIUM CHLORIDE @
6 BPM. DISPLACE WITH 71 BBLS OF BRINE @ 7 BPM, BUMP PLUG @ 13:20, 500 PSI OVER. CIRC 80 BBLS 330 SKS OF CMT TO SURFACE.

TERRY WILSON WITH BLM WITNESSED CMT JOB

WAIT ON CEMENT, PREPARE FOR NIPPLE UP, PREPARE BHA FOR 10 5/8" INTERMEDIATE HOLE. MAKE FINAL CUT CASING, FMC INSTALL
SECTION A, 11 3/4" 3K X 13 5/8" 3K WELLHEAD AND TEST TO 750 PSI.

N/U BOP STACK AND ALL RELATED EQUIPMENT AS FOLLOWS

13.625" 3K X 11" X 5K DSA 11" X 5K SPACER SPOOL 11" X 5K DOUBLE RAM BOP 11" X 5K HYDRILL 11" X 5K SPACER SPOOL 5K ROTATING
HEAD.

BOP TEST BOP P SAFETY MEETING WITH MONAHANS THIRD PARTY TESTER.

PICK UP TEST CUP, TEST BOPS WITH CLOSED CASING VALVE AGAINST 11.75" CASING.

TEST # 1) BLIND RAM, 11.75" 42# CASING, INSIDE KILL LINE VALVE, CHOKE MANIFOLD VALVES 7,8,9,10, - LOW 250, HIGH 1386.

TEST # 2) BLIND RAM, 11.75" 42# CASING ,OUTSIDE 2" POWER CHOKE VALVE , OUTSIDE MANUAL CHOKE,, OUTSIDE KILL LINE VALVE.
VALVE- LOW 250 , HIGH 1386.

TEST # 3) PIPE RAMS , INSIDE CHOKE LINE VALVE, TIW VALVE - LOW 250 , HIGH 1386.

TEST # 4) ANNULAR , MANUAL IBOP ON TOP DRIVE, HCR - 250 LOW 1368 HIGH.

30 MINUTES OF REQUIRED PRESSURE ON ALL. ALL TESTS ARE DOCUMENTED AS PER OXY AND BLM REQUIREMENTS.

CONTINUE TESTING B.O.P. PER PROGRAM TESTT GOOD, FINISH TESTING BOP'S

PICK UP BHA AS FOLLOWS:

10 5/8" BIT, 8" MOTOR (.16), 8" SHOCK SUB, CROSS OVER, 8" STAB, 8" NM, DRILL COLLAR , 8" NM PULSER, 8" NM PONY, CROSS OVER, 2 X 8",
DRILL COLLAR, CROSS OVER, 7 EACH 6.50 DRILL COLLAR, 14 HWDP. Rih & TAG CMT @ 580'

LAY DOWN 1 JT. SPACE OUT TOOL JOINT, CIRCULATE THROUGH GAS BUSTER PREPARE TO PERFORM CASING TEST PERFORM CHOKE
DRILL

TEST CASING TO 1386 PSI FOR 30 MIN. OK INSTALL ROTATING HEAD INSERT. PERFORM CHOKE DRILL.

INSTALL ROTATING HEAD. DRILL SHOE TRACK FROM 580 FT. TO 646 FT. RPM 40,MM RPM 56, TOTAL RPM 96 WOB 10/15, GPM 35. I
CIRCULATE MW IN BALANCE 9.9 IN / OUT, PERFORM FIT TEST TO EMW 13 PPG 105 PSI

10/28/10, DRILL 10-5/8" INTERMEDIATE HOLE TO 4097'

RIH WITH 8 5/8" 32# J55 CASING

SHOE @4097- 4095.50 FT.

TWO JOINTS OF 8 5/8" CASING 32# J55 4095.50 - 4010.02 FT.

FLOAT COLLAR 4010.02 - 4008.82

96 JOINTS 8 5/8" CASING 32# J55 4008.82 TO SURFACE

CEMENT WITH 20 BBL GEL SPACER, - 305 BBLS 910 SKS 12.9 PPG 1.88 CU FT. SK, 9.35 GAL SK, PUMP AT 8 BPM LEAD CEMENT FOLLOWED
BY - 48 BBLS 200 SKS 14.8 PPG 1.34 CU FT. SK, 6.38 GAL SK, PUMP AT 8 BPM TAIL CEMENT

CIRCULATE 84 BBLS (251 SKS) TO PITS, BUMP PLUGS, 500 PSI OVER (1700 PSI) HELD PRESSURE FOR 10 MIN., BLED BACK 2 BBLS, FLOATS
HELD

CEMENT JOB WITNESSED BY BLM REPRESENTATIVE BOB HOGKINSON.

BLED ON PRESSURE ON BACKSIDE, OPEN ANNULAR, REMOVE FLOWLINE AND TURN BUCKLES, N/D BOP STACK AND P/U SAME. SET SLIPS
AND CUT CSG. L/D CUT CSG. RACK BACK BOP STACK.

REMOVE LOWER SPOOL AND DSA. MAKE FINAL CUT ON CSG. DRESS OUT SAME, SET B SECTION WELL HD

FMC TEST SECTION 'A' AND BETWEEN SECTIONS 'A' AND 'B' TO 1770 PSI FOR 15 MINUTES. TEST GOOD

NIPPLE UP B.O.P. STACK WITH MONAHANS NIPPLE UP SVC.

CONTINUE TO RIG UP B.O.P. RELATED EQUIPMENT AND HYDRAULIC LINES. FUNCTION TEST B.O.P. TEST GOOD. PICK UP AND SEAT TEST
PLUG

TEST BOP , RELATED EQUIPMENT AND LINES.

TEST #1-BLINDS, 4" MANUAL CHOKE LINE VALVE, 250 PSI LOW, 5000 PSI HIGH OK, 10 MINUTES EACH

TEST #2-PIPE RAMS, INSIDE 2" KILL LINE VALVE, 4" MANUAL CHOKE LINE VALVE 250 PSI LOW, 5000 PSI HIGH OK, 10 MINUTES EACH

MANUEL CHOKE VALVE LEAKED, REPAIR SAME WHILE TESTING OTHER EQUIPMENT.

TEST #3-TIW VALVE 250 PSI LOW, 5000 PSI HIGH OK, 10 MINUTES EACH

TEST #4-DART VALVE 250 PSI LOW 5000 PSI HIGH OK, 10 MINUTES EACH

TEST #5-MANUAL VALVE ON TOP DRIVE, 250 PSI LOW 5000 PSI HIGH OK, 10 MINUTES EACH

ALL TESTS ARE DOCUMENTED AS PER OXY AND BLM REQUIREMENTS. BLM REP RICHARD CARRASCO WAS NOTIFIED OF BOP TEST
CONTINUE B.O.P. AND RELATED EQUIPMENT TESTING.

RETEST MANUEL CHOKE VALVE OK

TEST #6-TEST STANDPIPE AND MUD LINES BACK TO PUMPS 250 PSI LOW AND 3500 PSI HIGH OK FOR 10 MINUTES

TEST #7- ANNULAR 250 PSI LOW, 3100 PSI HIGH.

TEST #8- PIPE RAMS, 2" KILL LINE VALVE #2 & CHOKE VALVES #7,8,9,10 & 11 TO 250 PSI LOW AND 5000 PSI HIGH FOR 10 MINUTES OK

TEST #9- PIPE RAMS, 2" KILL LINE #1 250 PSI LOW AND 5000 PSI HIGH FOR 10 MINUTES OK

TEST #10 CHECK VALVE AND HCR 250 LOW 5000 PSI HIGH FOR 10 MINUTES OK

TEST ON GREY VALVE FAILED, GETTING NEW CERTIFIED AND TESTED VALVE OUT FROM TOWN

LAY OUT TEST PLUG ASSY., INSTALL FLOW LINE, FLOW METER, TIGHTEN TURN BUCKLES TO B.O.P. ASSY., INSTALL WEAR BUSHING. PU MOTOR, SCORPION AND MAKE UP BIT USING SCORPION, PK UP BHA #3, SURFACE TEST MWD, T.I.H. W/DP TAG CMT. AT 3971' PULL BACK TO 3951',

H2S ALARM ACTIVATED. HOLE CASED AND CEMENTED . FALSE ALARM DO TO ALARM MALFUNCTION. RIG CREW SUITED UP WITH BREATHING APARATUS. CHECKED AND FOUND ALARM FAULT, ALARM #10. INDIAN RESPONDED WITHIN 1 HR.

TEST CASING TO 2050 PSI. FOR 30MIN. CSG.TEST GOOD. CHOKE DRILL W/DRILL CREW

INSTALL ROTARY HEAD, CONTINUE TO TRIP IN HOLE, TAG CEMENT AT 3971 FT. PULL BACK 1 JT. BREAK CIRCULATION,

TEST CASING FOR 30 MINUTES TO 2050 PSI, TEST GOOD, PERFORM CHOKE DRILL. SLIP AND CUT DRILLING LINE

INSTALL ROTATING HEAD. TAG CEMENT, DRILL SHOE TRACK AND 10 FT. NEW HOLE TO 4107 FT. CIRCULATE MUD IN BALANCE 8.4 IN/OUT.

PERFORM FIT TEST TO 435 PSI EMW 10.4 FOR 30 MIN., TEST GOOD

11/2/10-DRLG 7.875" PRODUCTION HOLE TO 8143'

LOG WELL WITH SCHLUMBERGER. HNGS / HRLA CNL /LITHO-DEN /CMR

RUN 5-1/2" PRODUCTION CSG 17# J-55 LTC CASING

1 FLOAT SHOE 8143' - 8141.52'

2 JOINTS 5.50" 17# J-55 CASING 8141.52' - 8098.78'

1 FLOAT COLLAR 8056.10 - 8054.59'

50 JOINTS 5.50" 17# J-55 8054.59' - 5917.51'

1 5.50 HYDRAULIC STAGE TOOL 5917.57' - 5915.29

40 JOINTS 5.50" 17# J-55 5915.29' - 4193.81'

1 5.50 DAVIS/LYNCH STAGE TOOL AND PACKER 4193.81' - 4168.51'

93 JOINTS 5.50" 17# J-55 4168.51' TO SURFACE'

CEMENT 1ST STAGE PER PROGRAM. PUMP 20 BBL GEL F/W SPACER, 490 SKS 140 BBL SLURRY, 13.2# LEAD CEMENT PERMIAN BASIN SUPER H + .05% HALAD(R)-344 + .04% CFR-3 + 5 LBM GILSONITE + 1 LBM SALT + 0.3% HR-800 + 0.125 LBM POLY-E-FLAKE @ 8 BPM. YLD-1.61, GPS-7.82, DROP PLUG, WASH UP LINES, DISPLACE WITH 60 BBLS H2O- WITH RED DYE, 127 BBLS MUD @ 10 BPM. BUMP PLUG WITH 500 PSI OVER. CHECK FLOATS OK, OPEN DV TOOL WITH 3250 PSI. CIRCULATE 65 BBLS 140 SKS CEMENT TO SURFACE.

CEMENT 2ND STAGE PER PROGRAM. PUMP 20 BBL F/W GEL SPACER 8.3 PPG @ 7 BPM, 570 SKS 13.2#, 163 BBLS OF SUPER H CEMENT + 0.5% HALAD(R)-344 + 0.4% CFR-3 + 5 LBM/SK GILSONITE + 1 LBM/SK SALT + 0.125 LBM/SK POLY-E-FLAKE @ 8 BPM, YLD-1.61, GPS-7.82, DROP PLUG, WASH UP LINES, DISPLACE WITH 50 BBLS H2O- WITH RED DYE, 87 BBLS B/W @ 8BPM, BUMP PLUG WITH 1500 PSI OVER. CHECK BACK FLOW OK, DROP BOMB WAIT 25 MIN. RESSURE UP TO 650 PSI TO INFLATE POST, CONTINUE TO PRESSURE UP TO 1650 PSI TO OPEN. CIRC TO SURFACE 110 BBLS CEMENT (384SKS) TO SURFACE.

CEMENT 3RD STAGE PER PROGRAM, PUMP 20 BBLS F/W GEL SPACER 8.3 PPG @ 5 BPM, LEAD 390 SKS 142 BBL SLURRY LIGHT PREMIUM PLUS + 3 LBM SALT, 12.4 PPG, YLD-2.05, GPS-11.39 @ 6 BPM, TAIL 150 SKS, 35 BBL SLURRY, PREMIUM PLUS CLASS C + 5 LBM GILSONITE + 0.125 LBM POLY-E-FLAKE @ 6 BPM, YLD-1.33, GPS-5.81, DISPLACE WITH 92 BBL FRESH WATER, BUMP PLUG AND PRESSURE TO 2950 PSI TO CLOSE POST OK. CIRC 30 BBLS (82 SKS) CMT TO SURFACE.

RIG RELEASED AT 18:00 HRS. 11/6/10