

OCD-ARTESIA  
UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENTFORM APPROVED  
OMB No. 1004-0137  
Expires: March 31, 2007

## 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 WTP Limited Partnership 192463

3a. Address  
P.O. Box 50250 Midland, TX 797103b. Phone No. (include area code)  
432-685-5717

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

SL - 330 FNL 230 FEL NENE(A) Sec 10 T20S R28E  
BHL - 772 FNL 660 FEL NENE(A) Sec 10 T20S R28E

5. Lease Serial No.

NM15003

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.

Government AB #9

9. API Well No.

30-015-27964

10. Field and Pool, or Exploratory Area

Old Millman Ranch Bone Springs

11. County or Parish, State

Eddy NM

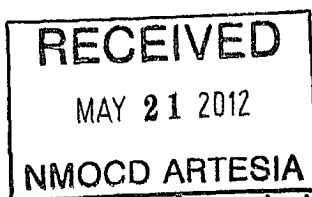
## 12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

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>Return to Injection</u>
	<input type="checkbox"/> Change Plans	<input 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 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 site is ready for final inspection.)

Pressure Maintenance Project - Case No. 14790 - Order No. R-11328-B

See Attached

Accepted for record  
NMOC D RI  
5/29/12SEE ATTACHED FOR  
CONDITIONS OF APPROVAL14. I hereby certify that the foregoing is true and correct  
Name (Printed/Typed)

David Stewart

Title Regulatory Advisor

Signature

Date

4/4/12

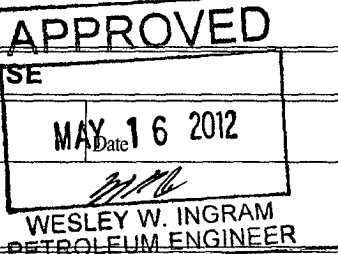
THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Title

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, 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)

Proposed Well Work:

1. MIRU, RIH & drill out CIBP @ 6314', clean out to PBTD.
2. Acidize
3. RIH w/ 2-7/8" 6.5# N80 polylined tbg & Baker Loc-Set pkr & set @ 6320'.
4. Notify BLM/NMOCD of mechanical integrity test 24hrs in advance.
5. RU pump truck, circulate well with treated water, pressure test casing to 500# for 30 min.

Proposed Surface Work:

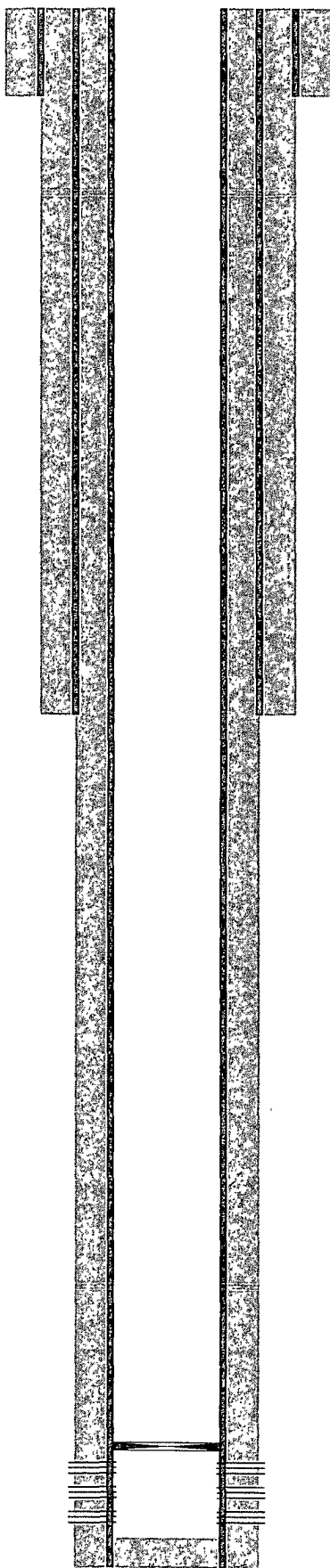
1. The proposed facility will contain 4 tanks, 1 gun barrel, 1 oil tank, and 2 water tanks. The original pump is still on location and still has electricity connected. No additional surface disturbance is expected.
2. Pump, electrical components, and injection line should be inspected and ready for service by the end of May, 2012.
3. Tanks will be ordered as soon as the Capital project is approved. Delivery date will be known once provider confirms. Tanks expected to be set and tied in by the end of September 2012. Once tanks are set up, injection will commence.

Proposed Injection Surveillance Plan:

1. The pressure maintenance project permit was approved for a maximum injection rate of 1,000 BWPD and a maximum surface injection pressure of 1,276 psi. After technical evaluation of the historical voidage replacement ratio in the pattern, the initial expected injection rates will be between 50–100 BWPD and 100–200 psi surface injection pressures.
2. The surveillance plan contemplates continuous surface pressure readings, potential falloff tests and injection profiles to optimize conformance of the flood. Injection rates will be adjusted per the pattern response and other technical requirements.

Attachments: Proposed Wellbore Diagram, Facility/Wellsite Layout

OXY USA WTP LP - Current  
Government AB #9  
API No. 30-015-27964



17-1/2" hole @ 400'  
13-3/8" csg @ 400'  
w/ 614sx-TOC-Surf-Circ

11" hole @ 3005'  
8-5/8" csg @ 3005'  
w/ 1400sx-TOC-Surf-Circ

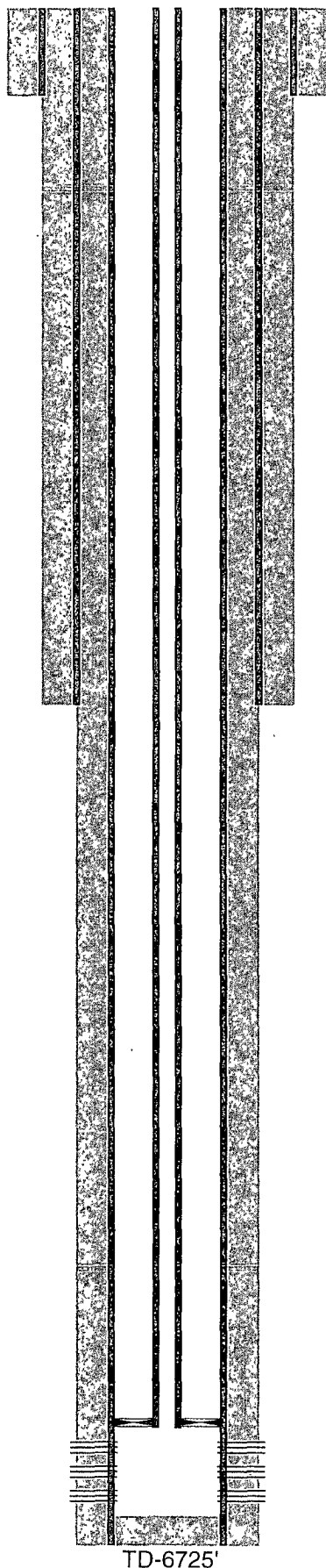
7-7/8" hole @ 6725'  
5-1/2" csg @ 6718'  
w/ 910sx-TOC-Surf-Circ

12/05-CIBP @ 6314'

Perfs @ 6378-6619'

TD-6725'

OXY USA WTP LP - Proposed  
Government AB #9  
API No. 30-015-27964



17-1/2" hole @ 400'  
13-3/8" csg @ 400'  
w/ 614sx-TOC-Surf-Circ

11" hole @ 3005'  
8-5/8" csg @ 3005'  
w/ 1400sx-TOC-Surf-Circ

7-7/8" hole @ 6725'  
5-1/2" csg @ 6718'  
w/ 910sx-TOC-Surf-Circ

2-7/8" 6.5# N80 PL tbg & Baker LS @ 6320'

Perfs @ 6378-6619'

TD-6725'

## **Conditions of Approval**

### **Oxy USA WTP Limited Partnership**

#### **Government AB #9**

**API 3001527964**

May 16, 2012

1. Surface disturbance beyond the existing pad shall have prior approval.
2. A closed loop system is required. The operator shall properly dispose of drilling/circulating contents at an authorized disposal site. Tanks are required for all operations, no excavated pits.
3. Functional H<sub>2</sub>S monitoring equipment shall be on location.
4. A 2000 (2M) BOPE shall be used. All blowout preventer (BOP) and related equipment (BOPE) shall comply with reasonable well control requirements. A two ram system with a blind ram and a pipe ram designed for the work string shall be adequate. Tapered work strings will require an additional pipe ram. The manifold shall comply with Onshore Oil and Gas Order #2 (attachment 1, 2M diagrams of choke manifold equipment). The accumulator system shall have an immediately available power source to close the rams and retain 200 psi above pre-charge. The pre-charge test shall follow requirements in Onshore Order #2.
5. All waste (i.e. trash, salts, chemicals, sewage, gray water, etc.) created as a result of work over operations shall be safely contained and disposed of properly at a waste disposal facility. No waste material or fluid shall be disposed of on the well location or surrounding area. Porto-johns and trash containers will be on-location during fracturing operations or any other crew-intensive operations.
6. Workover approval is good for 90 days (completion to be within 90 days of approval). A legitimate request is necessary for extension of that date.

### **Well with a Packer – Operations**

- 1) Conduct a Mechanical Integrity Test of the tubing/casing annulus after a tubing, packer or casing seal is established. Repair that seal any time more than five barrels of packer fluid is replaced within 30 days.
- 2) The minimum test pressure should be 500 psig for 30 minutes or 300 psig for 60 minutes, with 200 psig differentials between tubing and casing pressure (at test time) but no more than 70% of casing burst pressure as described by Onshore Order 2.III.B.1.h. (The tubing or reservoir pressure may need to be reduced). An alternate method for a BLM approved MIT is to have the fluid filled system open to atmospheric pressure and have a loss of less than five barrels in 30 days witnessed by a BLM authorized officer.

- 3) Document the pressure test on a calibrated recorder chart registering within 25 to 85 per cent of its full range. Greater than 10% pressure leakoff will be viewed as a failed MIT. Less than 10% pressure leakoff will be evaluated site specifically and may restrict injection approval.
- 4) At least 24 hours before the test contact 575-361-2822, if there is no response email Paul R. Swartz [pswartz@blm.gov](mailto:pswartz@blm.gov) phone 575-200-7902. Note the contact notification method, time, & date in your subsequent report.
- 5) Submit a subsequent Sundry Form 3160-5 relating the MIT activity. Include a copy of the recorded MIT pressure chart. List the name of the BLM witness, or the notified person and date of notification. NMOCD is to retain the original recorded MIT chart.
- 6) Use of tubing internal protection, tubing on/off equipment just above the packer, a profile nipple, and an in line tubing check valve below the packer or between the on/off tool and packer is a "Best Practice". The setting depths and descriptions of each are to be included in the subsequent sundry. List (by date) descriptions of daily activity of any previously unreported wellbore workover.
- 7) **Submit the original subsequent sundry with three copies to BLM Carlsbad.**
- 8) Compliance with a NMOCD Administrative Order is required, submit documentation of that authorization.
  - a) Approved injection pressure compliance is required.
  - b) If injection pressure exceeds the approved pressure you are required to reduce that pressure and notify the BLM within 24 hours.
  - c) When injection pressure is within 50 psig of the maximum pressure, install automation equipment that will prevent exceeding that maximum. Submit a subsequent report (Sundry Form 3160-5) describing the installed automation equipment within 30 days.
- 9) Unexplained significant variations of rate or pressure to be reported within 5 days of notice.
- 10) The casing/tubing annulus is required to be monitored for communication with injection fluid or loss of casing integrity. A BLM inspector may request verification of the annular fluid level at any time.
- 11) A "Best Practice" is to maintain the annulus full of packer fluid at atmospheric pressure. Equipment that will display on site, continuous open to the air fluid level is necessary to achieve this goal.
- 12) Loss of packer fluid above five barrels per month indicates a developing problem. Notify BLM Carlsbad Field Office, Petroleum Engineering within 5 days.
- 13) A suggested format for monthly records documenting that the casing annulus is fluid filled is available from the BLM Carlsbad Field Office.
- 14) Gain of annular fluid requires notification within 24 hours. Cease injection and maintain a production casing pressure of 0psia. Notify the BLM's authorized officer ("Paul R. Swartz" <[pswartz@blm.gov](mailto:pswartz@blm.gov)>, cell phone 575-200-7902). If there is no response phone 575-361-2822.

15) Submit a (Sundry Form 3160-5) subsequent report (daily reports) describing all wellbore activity and Mechanical Integrity Test as per item 1) above. Include the date(s) of the well work, and the setting depths of equipment: internally corrosive protected tubing, tubing on/off equipment just above the packer, and an in-line tubing check valve below the packer or between the on/off tool and packer. The setting depths and descriptions of each are to be included in the subsequent sundry. List (by date) descriptions of daily activity of any previously unreported wellbore workover.

**NM Fed Regs & Forms - [http://www.blm.gov/nm/st/en/prog/energy/oil\\_and\\_gas.html](http://www.blm.gov/nm/st/en/prog/energy/oil_and_gas.html)**

Use of Form 3160-5 "Sundry Notices and Reports on Wells"

**§ 43 CFR 3162.3-2 Subsequent Well Operations**

**§ 43 CFR 3160.0-9 (c)(1) Information collection.**

**§ 3162.4-1 (c) Well records and reports.**