

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCD-ARTESIA

FORM APPROVED
OMB NO. 1004-0135
Expires: July 31, 2010**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 <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. NMNM15003
2. Name of Operator OXY USA WTP LP Contact: JENNIFER DUARTE E-Mail: jennifer_duarte@oxy.com		6. If Indian, Allottee or Tribe Name
3a. Address HOUSTON, TX 77210	3b. Phone No. (include area code) Ph: 713-513-6640	7. If Unit or CA/Agreement, Name and/or No.
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 10 T20S R28E SWNW 1980FNL 660FWL		8. Well Name and No. GOVERNMENT AB FEDERAL 14
		9. API Well No. 30-015-40854-00-X1
		10. Field and Pool, or Exploratory OLD MILLMAN RANCH
		11. County or Parish, and State EDDY COUNTY, 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
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	Change to Original A
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	PD

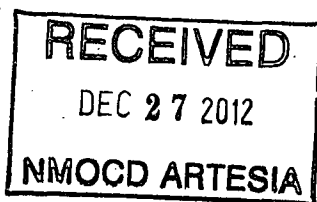
13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths 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.)

OXY USA WTP Limited Partnership request permission to make changes to the proposed total depth. Please see the attached for your use and review. If there are any questions or concerns, please feel free to contact us at any time.

Accepted for record

NMOCD

12/21/2013

SEE ATTACHED FOR
CONDITIONS OF APPROVAL

14. I hereby certify that the foregoing is true and correct.	
Electronic Submission #168443 verified by the BLM Well Information System For OXY USA WTP LP, sent to the Carlsbad Committed to AFMSS for processing by DEBORAH MCKINNEY on 12/21/2012 (13DLM1609SE)	
Name (Printed/Typed) JENNIFER DUARTE	Title REGULATORY ANALYST
Signature (Electronic Submission)	Date 12/21/2012

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By CHRISTOPHER WALLS	Title PETROLEUM ENGINEER	Date 12/21/2012
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

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.

**** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ****

APD DATA – DRILLING PLAN –

OPERATOR NAME / NUMBER: OXY USA Inc

16696

LEASE NAME / NUMBER: Government AB Federal #14

STATE: NM

COUNTY: Eddy

SURFACE LOCATION:

1980' FNL & 660' FWL, Sec 10, T20S, R28E

SL: LAT: 32.5899000 N LONG: 104.1711096 W X: 549963.9' Y: 578355.4'

NAD:27

C-102 PLAT APPROX GR ELEV: 3293.2'

EST KB.ELEV: 3309.7' (16.5' KB)

1. SUMMARY OF CHANGES:

- a. Based on logging information obtained from drilling the Govenement AB 14, we request to change the current TD of 6,700 feet to a new TD of 7,000 feet. This will allow us the flexibility to drill through the entire 1st Bone Spring Sand interval which is our target.
- b. Based on historic wells drilled in high cave/karst area and information gained from the Govenent AB 14, possible lost circulation in the Capitan Reef is expected. To avoid a remedial Surface and Intermediate cement jobs, a 2 Stage job was planned with a DV tool placed at 550'. The volumes will also be adjusted based off the caliper survey from the intermediate wellbore.

2. CEMENT PROGRAM CHANGES:

Surface Interval

Interval	Amount sx	Ft of Fill	Type	Gal/Sk	PPG	Ft ³ /sk	24 Hr Comp
Surface (TOC: 0' –320')							
Lead: 0' – <u>350'</u> (200% Excess)	480'	350'	Premium Plus Cement, with 2% Calcium Chloride.	6.37	14.8	1.35	1326 psi

Intermediate Interval

Interval	Amount sx	Ft of Fill	Type	Gal/Sk	PPG	Ft ³ /sk	24 Hr Comp
Stage 1: Intermediate (TOC: 0' –3050')							
Lead: 0' –2450' (150%Excess)	1070	2450'	Light Premium Plus Cement, with 3 lbm/sk Salt, 3 lbm/sk Kol-Seal, 0.125 lb/sk Poly-E-Flake	9.56	12.9	1.85	500 psi
Tail: 2450' – <u>3050'</u> (105%Excess)	210	600'	Premium Plus cement with 1% Calcium Chloride	6.36	14.8	1.34	1650 psi
DV TOOL @ 550'							
Stage 2: Intermediate (TOC: 0' –1975')							
Lead: 0' – 550' (150%Excess)	400	550'	Light Premium Plus Cement, with 3 lbm/sk Salt, 3 lb/sk Kol-Seal, 0.125 lb/sk Poly-E-Flake	9.56	12.9	1.85	500 psi

Description of Cement Additives: Poly-E-Flake (Lost Circulation Additive), Kol-Seal (Lost Circulation Additive), Calcium Chloride - Flake (Accelerator)

Conditions of Approval

1. The minimum required fill of cement behind the 8-5/8 inch intermediate casing is:

a. First stage to DV tool:

☒ Cement to circulate. If cement does not circulate, contact the appropriate BLM office before proceeding with second stage cement job. Operator should have plans as to how they will achieve circulation on the next stage.

b. Second stage above DV tool:

☒ Cement to surface. If cement does not circulate, contact the appropriate BLM office.