

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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NOV 12 2013

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.

5. Lease Serial No.
NMNM25365

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.
NEFF 25 FEDERAL 5H

9. API Well No.
30-015-41031-00-X1

10. Field and Pool, or Exploratory
LIVINGSTON RIDGE

11. County or Parish, and State
EDDY COUNTY, NM

SUBMIT IN TRIPLICATE - Other instructions on reverse side.

1. Type of Well

☒ Oil Well ☐ Gas Well ☐ Other

2. Name of Operator

OXY USA INCORPORATED

Contact: DAVID R STEWART

E-Mail: david_stewart@oxy.com

3a. Address

5 GREENWAY PLAZA STE 110
HOUSTON, TX 77046-0521

3b. Phone No. (include area code)

Ph: 432-685-5717
Fx: 432-685-5742

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

Sec 25 T22S R31E NENW 634FNL 2218FWL

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

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 Inc. requests to repair the leaking casing collar on the Neff 25 FED #5H with ?Well-Lock?, a particle free liquid resin polymer product from Halliburton that has adequate compressive strength and ductile qualities which we are confident will seal the casing collar leak and withstand the pressure of a fracture treatment and the subsequent production of hydrocarbons. Documentation of Well-Lock has been submitted previously and the CBL-VDL is attached for review. Hard copies of the CBL will be submitted with completion report. A notice of intent has been requested to review the plan for this well's remediation. Additional safety margins have been considered and included in this proposed plan to provide reasonable assurance that well stimulation activities are conducted as designed, and stimulation fluids are going to the formation for which they were intended.

OBJECTIVE: Repair the leaking casing collar and pressure test casing as per BLM requirements.

**SEE ATTACHED FOR
CONDITIONS OF APPROVAL**

Accepted for record
NMOCB
APPROVED
NOV 6 2013
BUREAU OF LAND MANAGEMENT
CARLSBAD FIELD OFFICE

I hereby certify that the foregoing is true and correct.

Electronic Submission #221268 verified by the BLM Well Information System

For OXY USA INCORPORATED, sent to the Carlsbad

Committed to AFMSS for processing by JOHNNY DICKERSON on 10/21/2013 (14JLD1442SE)

Name (Printed/Typed) MIKE FISHER

Title SR. COMPLETIONS ENGINEER

Signature (Electronic Submission)

Date 09/26/2013

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By EDWARD FERNANDEZ

Title PETROLEUM ENGINEER

Date 11/06/2013

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 ****

**SEE ATTACHED FOR
CONDITIONS OF APPROVAL**

Additional data for EC transaction #221268 that would not fit on the form

32. Additional remarks, continued

PROPOSED OPERATIONS:

1. RBP set @ 4889? w/ 2sx sand (left following leak identification)
2. MIRU Pulling Unit;
3. Mix 10 bbls of Well-Lock in batch mixer on location;
4. PU 2?7/8? 6.5# work string;
5. Balance Spot 10bbls Well-Lock across the leak (4689?) through tubing utilizing a gel spacer ahead and behind WellLock to reduce contamination risk;
6. Pull up 1,000 ft above Balance Pill and pressure up to required pressure(based on lab testing) squeezing resin into the collar leak;
7. Bleed down pressure to 500 psi and shut-in well for time required to establish the required compressive strength;
8. Drill-out resin with mill and clean out down to top of RBP;
9. Pressure test casing to 7000 psi for 30 min (500psi higher than max anticipated treatment pressure);
10. RIH with mill assembly to ensure wellbore is full ID across leak zone. POOH LD mill BHA;
11. RIH, circulate clean, wash over RBP to remove sand cap, latch RBP and POOH. LD RBP and work string.

See COA

CONDITIONS OF APPROVAL

Sundry dated 9/26/2013

Repair leaking casing collar

OPERATOR'S NAME:	OXY USA INC
LEASE NO.:	NM25365
WELL NAME & NO.:	5H-NEFF 25 FEDERAL
SURFACE HOLE FOOTAGE:	634'/N. & 2218'/W.
BOTTOM HOLE FOOTAGE:	380'/S. & 2176'/W.
LOCATION:	Section 25, T. 22 S., R. 31 E., NMPM
COUNTY:	Eddy County, New Mexico

1. Surface disturbance beyond the existing pad shall have prior approval.
2. Functional H₂S monitoring equipment shall be on location.
3. 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.
4. Notify BLM 575-200-7902, if there is no response, 575-361-2822 as work begins and provide sufficient time to allow BLM to witness casing integrity test. If no answer, leave a voice mail or email with the API#, workover purpose, and a call back phone number. Note the contact, time, & date in your subsequent report.
5. **Operator's procedure Step 9: perform a BLM PET witnessed (charted) casing integrity test. Pressure leakoff may require remediation prior to continuing the frac. Include a copy of the chart in the subsequent sundry for this work.**

Reminder

6. Due to being within the Lesser Prairie Chicken habitat, this workover activity will be restricted to the hours of 9:00am through 3:00am for the period of March 1 through June 15. Exceptions to these restrictions may be granted by BLM's Johnny Chopp <jchopp@blm.gov> 575.234.2227 or Bob Ballard <bballard@blm.gov> 575.234.5973.

EGF 110613

*Work To be Completed
Within 90 days*