

District I - (575) 393-6111

District II - (575) 748-1283

District III - (505) 334-6178

District IV - (505) 476-3460

1625 N. French Dr., Hobbs, NM 88241

811 S. First St., Artesia, NM 88210

1000 Rio Brazos Rd., Aztec, NM 87410

1220 S. St. Francis Dr., Santa Fe, NM 87505

NM OIL CONSERVATION

SEP 28 2015 OIL CONSERVATION DIVISION

RECEIVED

1220 South St. Francis Dr. Santa Fe, NM 87505

WELL API NO. 30-015-42061
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. VA-836
7. Lease Name or Unit Agreement Name Cedar Canyon 16 State
8. Well Number 9H
9. OGRID Number 16696
10. Pool name or Wildcat Pierce Crossing Base Springs, E.
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 2927'

SUNDRY NOTICES AND REPORTS ON WELLS
(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)

1. Type of Well: Oil Well Gas Well Other

2. Name of Operator
OXY USA Inc.

3. Address of Operator
P.O. Box 50250 Midland, TX 79710

4. Well Location
Unit Letter D : 224 feet from the North line and 350 feet from the West line
Section 16 Township 24S Range 29E NMPM County Eddy

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:

- PERFORM REMEDIAL WORK
- TEMPORARILY ABANDON
- PULL OR ALTER CASING
- DOWNHOLE COMMINGLE
- CLOSED-LOOP SYSTEM
- OTHER: Annulus Monitoring

SUBSEQUENT REPORT OF:

- REMEDIAL WORK
- COMMENCE DRILLING OPNS.
- CASING/CEMENT JOB
- ALTERING CASING
- P AND A
- OTHER:

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 19.15. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

OXY USA Inc. respectfully proposes the following:

- Cement did not circulate to surface on the Cedar Canyon 16 State #9H production casing. TOC on 8-5/8" 32# J-55 x 5-1/2" 20# P-110 UltraSF production casing annulus @ 2650' per CBL
- Install a SCADA pressure monitoring system on the annulus
- The 8-5/8" x 5-1/2" annulus will be monitored via a pressure transducer and a gauge on the wellhead. The pressure transducer will be used for continuous monitoring via the PLC with an alarm set up to provide early warning of any potential pressure events. The pressure gauge will be monitored and recorded by OXY field personnel on a weekly basis with all data being recorded with the production / operations well management data system.

Spud Date:

7/11/15

Rig Release Date:

8/5/15

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE David Stewart TITLE Sr. Regulatory Advisor DATE 9/25/15

Type or print name David Stewart E-mail address: david_stewart@oxy.com PHONE: 432-685-5717

For State Use Only

APPROVED BY: David Stewart TITLE District III Supervisor DATE 9/29/2015

Conditions of Approval (if any):