Form 3160-5 (August 2007)

### UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

NMOCD Artesia

FORM APPROVED OMB NO. 1004-0135 Expires: July 31, 2010

	pires: July 31, 201
Lease Serial 1	No.

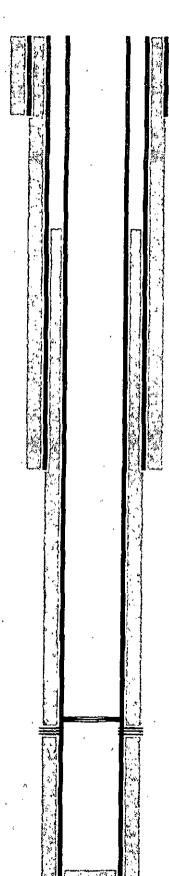
SUNDRY	NOTICES	AND	REPORTS	ON WELLS

Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals.

NMNM12845
6. If Indian, Allottee or Tribe Name

abandoned we	ii. Use form 3160-3 (APD) for s	ucn proposais.				
SUBMIT IN TRI	7. If Unit or CA/Agreement, Name and/or No.					
Type of Well			8. Well Name and No. FEDERAL 1 1			
Name of Operator     OXY USA INCORPORATED	Contact: DAVID E-Mail: david_stewart@ox			9. API Well No. 30-015-26775-00-S1		
3a. Address 5 GREENWAY PLAZA STE 1 HOUSTON, TX 77046-0521	one No. (include area code 32.685.5717	e)	10. Field and Pool, or Exploratory LIVINGSTON RIDGE			
4. Location of Well (Footage, Sec., 7	., R., M., or Survey Description)			11. County or Parish,	and State	
Sec 1 T22S R31E NESW 231		`	EDDY COUNTY, NM			
12. CHECK APPE	ROPRIATE BOX(ES) TO INDIC	CATE NATURE OF	NOTICE, RI	EPORT, OR OTHE	R DATA	
TYPE OF SUBMISSION		ТҮРЕ О	F ACTION			
	☐ Acidize [	☐ Deepen	eepen Produc		■ Water Shut-Off	
M Notice of Intent	Notice of Intent		ture Treat		■ Well Integrity	
☐ Subsequent Report		New Construction	☐ Recomplete		Other	
☐ Final Abandonment Notice	- • •	☐ Plug and Ábandon	•	arily Abandon	,	
	☐ Convert to Injection [	☐ Plug Back	☐ Water Disposal			
testing has been completed. Final At determined that the site is ready for final At the site is ready for final At the site is ready for final	erfs-7051-7106' uests to temporarily abandon this sion to a SWD well. RIH & set CIBP @ +/-7001' ng integrity test 24hrs in advance ell with treated water, pressure te	ther all requirements, includes well. It is currently but it is surrently but it casing to 500# for its casing to	eing SEE AT	n, have been completed, a  • <b>NM OIL C</b> ARTE	CONSERVATION SIA DISTRICT V 2 5 2016	
Accepted for re	1/26/2016					
	true and confect. Electronic Submission #322856 v For OXY USA INCOR litted to AFMSS for processing by	PORATED, sent to the JENNIFER SANCHEZ o	Carlsbad	(16JAS1141SE)		
Name (Printed/Typed) DAVID ST	EVVARI	TIME REGUL	_ATORT AU	/ISOR		
Signature (Electronic S	Date 11/06/2	015	PROVE			
	THIS SPACE FOR FED	ERAL OR STATE	OFFICE US	SE /		
Approved By  Conditions of approval, if any, are attached ertify that the applicant holds legal or equivalent would entitle the applicant to condu	itable title to those rights in the subject le		BURE CA	JAN 19 2016 JUF LAND M HALS RLSBAD FIEL OFFICE	Marghy	
Fitle 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 ma		agency of the United	
States any false, fictitious or fraudulent s	tatements or representations as to any ma	atter within its jurisdiction.			<del></del>	

OXY USA INC. - Proposed Federal 1 #1 API No. 30-015-26775



TD- 8480'

17-1/2" hole @ 800' 13-3/8" csg @ 800' w/ 1025sx-TOC-Surf-Circ

11" hole @ 4250' 8-5/8" csg @ 4250' w/ 1575sx-TOC-75' TS

CIRD @ 7001

Perfs @ 7051-7106'

7-7/8" hole @ 8480' 5-1/2" csg @ 8480' w/ 1335sx-TOC-2170' CBL DVT @ 6192'

PBTD- 8441'

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#### BUREAU OF LAND MANAGEMENT Carlsbad Field Office 620 East Greene Street Carlsbad, New Mexico 88220 575-234-5972

# Approved for a period of 12 months ending 01/19/2017 subject to conditions of approval.

## Temporary Abandonment of Wells on Federal Lands Conditions of Approval

A temporarily abandoned well is defined as a completion that is not capable of production in paying quantities but which may have value as a service well. Pursuant to 43 CFR 3162.3-4 (c), no well may be temporarily abandoned for more than 30 days without the prior approval of the authorized officer.

Temporary Abandonment (TA) status approval requires a successful mechanical or casing integrity test as follows:

- 1. A Notice of Intent (NOI) Sundry Notice (Form 3160-5) requesting approval to run a mechanical integrity test (MIT) or casing integrity test (CIT).
- 2. A description of the temporary abandonment procedure.
  - a. A bridge plug or packer must be installed as close to 50 feet above any open perforations or open hole as possible. If a cement plug is used, the top of the cement must be verified by tagging. CIBP must be capped with minimum 25 sacks cement, placed with tubing, or 35 feet of cement if placed with bailer.
  - b. The wellbore must be filled with corrosion inhibited fluid and pressure tested to 500 psi. The casing shall be capable of holding this pressure for at least 30 minutes. Any leak-off will be evaluated.
  - c. All downhole production/injection equipment (tubing, rods, etc.) shall be removed from the casing if they are not isolated by a packer.
  - d. A bradenhead test must be conducted. If the test indicates a problem exists, a remedial plan and time frame for remediation shall be submitted within ninety (90) days of the test.
  - e. Contact the appropriate BLM office at least 24 hours prior to the scheduled Casing Integrity Test. For wells in Eddy County, 575-361-2822; Lea County 575-393-3612.
- 3. Provides justification why the well should be temporarily abandoned rather than permanently plugged and abandoned and an estimated date that the well will be returned to beneficial use or plugged and abandoned. 43 CFR 3162.3-4 (a) The operator shall promptly plug and abandon...wells in which oil or gas is not encountered in paying quantities...

Wells that successfully pass the casing integrity test **may** be approved for Temporary Abandonment (TA) status provided that the operator:

- 1. Submits a subsequent Sundry Notice (Form 3160-5) requesting TA approval with well bore diagram with all perforations and CIBP's and tops of cement on CIBP's.
- 2. Describes the temporary abandonment procedure.
- 3. Attaches a clear copy or the original of the pressure test chart.
- 4. Give justification to allow well to be place in TA status and plan for future use of well with time frame that well will be place back on line or plans to P&A well will be submitted.

If the well does not pass the casing integrity test, then the operator shall within 30 days submit to BLM for approval one of the following:

- 1. A procedure to repair the casing so that a TA approval can be granted.
- 2. A procedure to plug and abandon the well.

## Federal 1 1

- 1. Well is approved to be TA/SI for a period of 12 months or until 01/19/2017
- 2. This will be the last TA approval for this well.
- 3. Must submit NOI to recomplete or NOI to P&A. Must be submitted by 01/19/2017
- 4. COA's met at this time.