

RECEIVED

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT JUN 25 2019

FORM APPROVED OMB NO. 1004-0137 Expires: January 31, 2018

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

5. Lease Serial No. NMLC064391B

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No. 8910085010

8. Well Name and No. INDIAN HILLS UNIT 38

9. API Well No. 30-015-32770-00-S1

10. Field and Pool or Exploratory Area INDIAN BASIN-UPPER PENN ASSOC

11. County or Parish, State EDDY COUNTY, NM

SUBMIT IN TRIPLICATE - Other instructions on page 2

1. Type of Well Oil Well Gas Well Other

2. Name of Operator OXY USA WTP LIMITED PTNRSHIP Contact: DAVID STEWART E-Mail: david_stewart@oxy.com

3a. Address HOUSTON, TX 77210 3b. Phone No. (include area code) Ph: 432-685-5717

4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 29 T21S R24E NWSE 2333FSL 2020FEL

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

Table with columns TYPE OF SUBMISSION and TYPE OF ACTION. Includes checkboxes for Notice of Intent, Subsequent Report, Final Abandonment Notice, Acidize, Deepen, Production (Start/Resume), Water Shut-Off, etc.

13. Describe Proposed or Completed Operation: Clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA.

TD-8425' Perfs-7690-8064'

GC 6/26/19 Accepted for record - NMOCD

- 1. CIBP @ 7640' w/ 50sx cmt to 7400'
2. 50sx cmt @ 6790-6550' WOC-Tag
3. 35sx cmt @ 4900-4750' WOC-Tag
4. 40sx cmt @ 2475-2300' WOC-Tag
5. 25sx cmt @ 1270-1150' WOC-Tag
6. 160sx cmt @ 800' to surface
10# MLF between plugs ? Above ground steel tanks will be utilized

OCD-ARTESIA

14. I hereby certify that the foregoing is true and correct. Electronic Submission #462441 verified by the BLM Well Information System For OXY USA WTP LIMITED PTNRSHIP, sent to the Carlsbad Committed to AFMSS for processing by PRISCILLA PEREZ on 04/23/2019 (19PP1767SE) Name (Printed/Typed) DAVID STEWART Title SR. REGULATORY ADVISOR Signature (Electronic Submission) Date 04/23/2019

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By NDUNGU KAMAU Title PETROLEUM ENGINEER Date 05/23/2019

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.

(Instructions on page 2)

** BLM REVISED **

Revisions to Operator-Submitted EC Data for Sundry Notice #462441

	Operator Submitted	BLM Revised (AFMSS)
Sundry Type:	ABD NOI	ABD NOI
Lease:	NMLC064391B	NMLC064391B
Agreement:		8910085010 (NMNM70964A)
Operator:	OXY USA WTP LP P.O. BOX 50250 MIDLAND, TX 79710 Ph: 432-685-5717	OXY USA WTP LIMITED PTNRSHIP HOUSTON, TX 77210 Ph: 713.366.5360
Admin Contact:	DAVID STEWART SR. REGULATORY ADVISOR E-Mail: david_stewart@oxy.com Cell: 432-634-5688 Ph: 432-685-5717	DAVID STEWART SR. REGULATORY ADVISOR E-Mail: david_stewart@oxy.com Ph: 432-685-5717
Tech Contact:	DAVID STEWART SR. REGULATORY ADVISOR E-Mail: david_stewart@oxy.com Cell: 432-634-5688 Ph: 432-685-5717	DAVID STEWART SR. REGULATORY ADVISOR E-Mail: david_stewart@oxy.com Ph: 432-685-5717
Location:		
State:	NM	NM
County:	EDDY	EDDY
Field/Pool:	INDIAN BASIN UP PENN	INDIAN BASIN-UPPER PENN ASSOC
Well/Facility:	INDIAN HILLS UNIT GAS COM 38 Sec 29 T21S R24E NWSE 2333FSL 2020FEL 32.449230 N Lat, 104.518463 W Lon	INDIAN HILLS UNIT 38 Sec 29 T21S R24E NWSE 2333FSL 2020FEL

**COXY USA WTP LP - Proposed
Indian Hills Unit Gas Com #38
API No. 30-015-32770**

160sx @ 800'-Surface

25sx @ 1270-1150' WOC-Tag

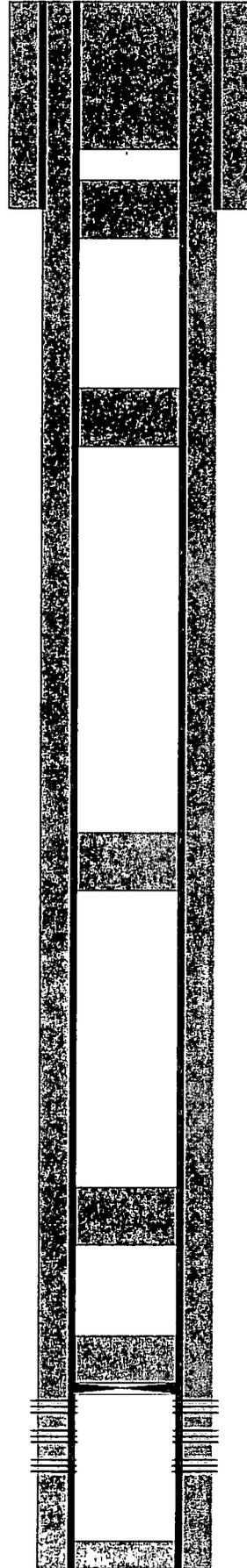
40sx @ 2475-2300' WOC-Tag

35sx @ 4900-4750' WOC-Tag

50sx @ 6790-6550' WOC-Tag

CIBP @ 7640' w/ 50sx to 7400'

PB-8410'



12-1/4" hole @ 1209'
9-5/8" csg @ 1209'
w/ 1400sx-TOC-Surf-Circ

Perfs @ 7690-8064'

8-3/4" hole @ 8425'
7" csg @ 8425'
w/ 800sx-TOC-Surf-Circ

TD-8425'M 8188'V

INDIAN HILLS GAS COM 38
30-015-32770-00-S1
OXY USA WTP LP
Conditions of Approval

If 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.

Well is within Medium/High/Critical Cave/Karst. A cement plug is required from 400 feet (a minimum of 50 feet below cave depth) to surface.

Operator to have H2S monitoring equipment on location as H2S has been reported in the area.

Plugging Procedure:

1. Plug 1 – Spot 50 sxs Class H neat at 7640' on top of CIBP at 7640'
2. Plug 2 – Spot 50 sxs Class C neat at 6790'. WOC and tag plug at 6550' or shallower.
3. Plug 3 – Spot 35 sxs Class C neat at 4900'. WOC tag plug at 4750' or shallower.
4. Plug 3 – Spot 40 sxs Class C neat at 2475'. WOC tag plug at 2300' or shallower.
5. Plug 3 – Spot 25 sxs Class C neat at 1270'. WOC tag plug at 1150' or shallower.
6. Plug 4 – Spot 160 sxs Class C neat at 800'. Witness to surface.

NMK05232019

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

Permanent Abandonment of Federal Wells
Conditions of Approval (LPC Habitat)

Failure to comply with the following Conditions of Approval may result in a Notice of Incidents of Noncompliance (INC) in accordance with 43 CFR 3163.1.

1. Plugging operations shall commence within **ninety (90)** days from the approval date of this Notice of Intent to Abandon.

If you are unable to plug the well by the 90th day provide this office, prior to the 90th day, with the reason for not meeting the deadline and a date when we can expect the well to be plugged. Failure to do so will result in enforcement action.

The rig used for the plugging procedure cannot be released and moved off without the prior approval of the authorized officer. Failure to do so may result in enforcement action.

2. **Notification:** Contact the appropriate BLM office at least 24 hours prior to the commencing of any plugging operations. For wells in Chaves and Roosevelt County, call 575-627-0272; Eddy County, call 575-361-2822; Lea County, call 575-393-3612.

3. **Blowout Preventers:** A blowout preventer (BOP), as appropriate, shall be installed before commencing any plugging operation. The BOP must be installed and maintained as per API and manufacturer recommendations. The minimum BOP requirement is a 2M system for a well not deeper than 9,090 feet; a 3M system for a well not deeper than 13,636 feet; and a 5M system for a well not deeper than 22,727 feet.

4. **Mud Requirement:** Mud shall be placed between all plugs. Minimum consistency of plugging mud shall be obtained by mixing at the rate of 25 sacks (50 pounds each) of gel per 100 barrels of **brine** water. Minimum nine (9) pounds per gallon.

5. **Cement Requirement:** Sufficient cement shall be used to bring any required plug to the specified depth and length. Any given cement volumes on the proposed plugging procedure are merely estimates and are not final. Unless specific approval is received, no plug except the surface plug shall be less than 25 sacks of cement. Any plug that requires a tag will have a minimum WOC time of 4 hours:

In lieu of a cement plug across perforations in a cased hole (not for any other plugs), a bridge plug set within 50 feet to 100 feet above the perforations shall be capped with 25 sacks of cement. If a bailer is used to cap this plug, 35 feet of cement shall be sufficient. **Before pumping or bailing cement on top of CIBP, tag will be required to verify depth. Based on**

depth, a tag of the cement may be deemed necessary.

Unless otherwise specified in the approved procedure, the cement plug shall consist of either Neat Class "C", for up to 7,500 feet of depth or Neat Class "H", for deeper than 7,500 feet plugs.

6. Below Ground Level Cap (Lesser Prairie-Chicken Habitat): All casing shall be cut-off at the base of the cellar or 3 feet below final restored ground level (whichever is deeper). **The BLM is to be notified a minimum of 4 hours prior to the wellhead being cut off to verify that cement is to surface in the casing and all annuluses. Wellhead cut off shall commence within ten (10) calendar days of the well being plugged. If the cut off cannot be done by the 10th day, the BLM is to be contacted with justification to receive an extension for completing the cut off.** Upon the plugging and subsequent abandonment of wells that are located in lesser prairie-chicken habitat, the casings shall be cut-off at the base of the cellar or 3 feet below final restored ground level (whichever is deeper). The well bore shall then be covered with a metal plate at least ¼ inch thick and welded in place. A weep hole shall be left in the plate and/or casing.

NMOCD also requires the operator to notify NMOCD when this type of dry hole marker is used. This can be done on the subsequent report of abandonment which is submitted to the BLM after the well is plugged. State that a below ground cap was installed as required in the COA's from the BLM.

7. Subsequent Plugging Reporting: Within 30 days after plugging work is completed, file one original and three copies of the Subsequent Report of Abandonment, Form 3160-5 to BLM. The report should give in detail the manner in which the plugging work was carried out, the extent (by depths) of cement plugs placed, and the size and location (by depths) of casing left in the well. **Show date well was plugged.**

8. Trash: All trash, junk and other waste material shall be contained in trash cages or bins to prevent scattering and will be removed and deposited in an approved sanitary landfill. Burial on site is not permitted.

Following the submission and approval of the Subsequent Report of Abandonment, surface restoration will be required. See attached reclamation objectives.

Timing Limitation Stipulation/ Condition of Approval for Lesser Prairie-Chicken:

From March 1st through June 15th annually, abandonment activities will be allowed except between the hours from 3:00 am and 9:00 am. Normal vehicle use on existing roads will not be restricted

Requirements for ground level dry hole markers

Well Identification Markers

Conditions of Approval (COA)

The BLM Carlsbad Field Office (CFO) Conditions of Approval (COA) Require that ground level dry hole markers be placed on wells within the Lesser Prairie Chicken habitat area. The dry hole markers will be to the following specifications. The operator will construct the markers as follows:

1. An 8 inch X 8 inch steel plate 1/8 to 3/16 of an inch thick is to be placed on the dry hole marker stand pipe 2 inches from ground level, in the Lesser Prairie Chicken habitat area.
2. Steel plate may be welded or bolted approximately 2 inches from ground level on the stand pipes. If plates are bolted to the stand pipe, the person installing the plate will be required to weld a pipe collar on the plate and place a minimum of two set screws/bolts on each collar. Aluminum data plates may be bolted with minimum ¼ inch bolts and locking nuts or self tapping fine threaded screws. A minimum of one in each corner is to be installed on each plate.
3. An 8 inch x 8 inch aluminum plate, which is 12 gauge or .080 sign material (1/8 inch aluminum plate may be used in place of the .080 plate) with the required information for that well stamped or engraved in a minimum 3/8 inch tall letter or number.
4. The following information will be stamped or engraved on the 8 inch X 8 inch aluminum plate in the following order.
 - a. First row: Operator's name
 - b. Second row: Well name and number
 - c. Third row: Legal location to include ¼ ¼, Section, Township, and range. If the legal location cannot be placed on one row it can be split into two rows with the ¼ ¼ (example: 1980 FNL 1980 FWL) being on the top row.
 - d. Fourth row: Lease Number and API number.
 - i. Example marker plate: (attached)

NMOCD Order No. R-12965 also required the operator to notify NMOCD when this type of dry hole marker is used. This can be done on the subsequent report of abandonment which is submitted to the BLM after the well is plugged. State that a ground level dry hole marker was installed as required in the COAs from the BLM.