OCD-ARTESIA UNITED STATES Form 3160-5 FORM APPROVED (August 1999) OMB NO. 1004-0135 DEPARTMENT OF THE INTERIOR Expires: November 30, 2000 **BUREAU OF LAND MANAGEMENT** 5. Lease Serial No. SUNDRY NOTICES AND REPORTS ON WELLS NM-53219 Dogot use this form for proposals to drill or to re-enter an 6. If Indian, Allottee or Tribe Name abandoned well. Use Form 3160-3 (APD) for such proposals. SUPLENT IN TRIPLICATE - Other instructions on reverse side 7. If Unit or CA/Agreement, Name and/or No. 1. Type of Well 8. Well Name and No. Oil Well X Gas Well #1 McKittrick 10 2. Name of Operator Federal OXY USA WTP Limited Partnership 192463 9. API Well No. 3a. Address 3b. Phone No. (include area code) 30-015-35231 432-685-5717 P.O. Box 50250. Midland. TX 79710-0250 10. Field and Pool, or Exploratory Area 4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Indian Basin Up Penn Assoc SL - 2647 FSL 660 FWL NWSW(L) Sec 10 T22S R24E BHL - 1980 FSL 660 FWL NWSW(L) Sec 10 T22S R24E 11. County or Parish, State 12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA TYPE OF SUBMISSION TYPE OF ACTION Notice of Intent Acidize Deepen Production (Start/Resume) Water Shut-Off Alter Casing Fracture Treat Reclamation Well Integrity Subsequent Report Casing Repair New Construction Recomplete Other Spud. Set Change Plans Plug and Abandon Temporarily Abandon Casing & Cement Final Abandonment Notice Convert to Injection Plug Back Water Disposal 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 recomplete 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 recompletion 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 final site is ready for final inspection.) See other side/attached I hereby certify that the foregoing is true and correct Name (Printed/Typed) Title Sr. Regulatory Analyst David Stewar Date **5**107 THIS SPACE FOR FEDERAL OR STATE OFFICE USE

1/21/07

Title

Title 18 U.S.C. Section 1001, and Title 43 U.S.C. Section 1212, makes it a crime for any person knowingly and willfully to make to any person the title 43 U.S.C. Section 1212, makes it a crime for any person knowingly and willfully to make to any person knowingly and will any person know any person known and any person known and any person known and any person known and any

Approved by

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

States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

which would entitle the applicant to conduct operations thereon.

MCKITTRICK 10 FED #1

Date: 12/07/2006

DRILL AND SET 40' OF 20" CONDUCTOR W/ BUTCHS RATHOLE WAIT ON DIRT CONTRACTOR TO FINISH DIGGING BLAST CUTTING FROM PIT AND BUILD ROAD INTO LOCATION, CALICHE IS HAULED ON LOCATION BUT NOT ON NEW ROAD EST COMPLETION DATE IS SATURDAY 12/9/06

Date: 12/08/2006

WAIT ON DIRT CONTRACTOR TO FINISH DIGGING PITS AND BUILDING ROAD TO LOCATION

Date: 12/09/2006

FINISH DIGGING BLAST FROM PITS, STILL WORKING ON ACCESS ROAD TO LOCATION, ROAD SHOULD BE FINISHED LATE PM SATURDAY OR EARLY AM SUNDAY, TRUCKS SET UP TO MOVE RIG FOR TUESDAY AND WEDNESDAY

Date: 12/10/2006

WAIT ON DIRT CONTRACTOR TO FINISH ROAD TO LOCATION, ROAD WILL BE FINISHED 12-10-06, WILL MOVE RIG 12-12-06 DUE TO TRUCK AVAILABILITY

Date: 12/11/2006

FINISH BUILDING ACCESS ROAD TO LOCATION, WAIT ON TRUCKS TO MOVE RIG

Date: 12/14/2000

FINISH MOVING PUTI 508, RU PUTI 508 RU SHOULD BE COMPLETE BY 1500 12/14//2006 AND WELL SPUDDED

Date: 12/15/2006

FINISH RU OF PUTI #508, AND MU BIT AND SHOCK SUB MIX UP SPUD MUD 32 VISC 10 PH 700 TOTAL BBLS

DRLG 14 3/4" HOLE FROM 40' TO 93' W/ 8 K ON BIT 95 RPMS 350 GPMS @ 400 PSI

INSTALL ROTATING HEAD RUBBER TO DRLG THROUGH CLOSED LOOP SYSTEM

DRLG 14 3/4" HOLE FROM 93' TO 120' W/ 8K ON BIT 95 RPMS 350 GPM @ 400 PSI (WILL RUN DIREC SURVEY @ APROX 250')

Date: 12/16/2006

DRLG 14 3/4" HOLE FROM 120' TO 215' W/ 30K ON BIT, 95 RPMS, 350 GPM @ 600 PSI

WHILE MAKING LAST CONNECTION MU CATHEAD HUNG UP, CALLED MECHANIC, ACK BEARING FROZE ON CATHEAD, PULL OFF CATHEAD AND SEND TO ODESSA TEXAS TO BE REPAIRED

Date: 12/17/2006

WAIT IN CATHEAD TO RETURN, ONCE MECHANIC SHOWED UP INSTALLED NEW CATHEAD

DRLG 14 3/4" HOLE FROM 215' TO 245' W/ 35K ON BIT, 95 RPMS, 350 GPM @ 600 PSI

WLS @ 203' (.25*) RAN WITH RIG TOTCO

DRLG 14 3/4" HOLE FROM 245' TO 295' W/ 35K ON BIT 95 RPMS, 350 GPM @ 600 PSI

Date: 12/18/2006

DRLG 14 3/4" HOLE FROM 295' TO 682' W/ 35K ON BIT, 90 RPMS, 350GPM@ 700 PSI

Date: 12/19/2006

DRLG 14 3/4" HOLE FROM 682' TO 744" W/ 35K ON BIT, 90 RPMS 350 GPM @ 700 PSI

WLS @ 699' (.75*) RIG TOTCO

DRLG 14 3/4" HOLE FROM 744' TO 808' W/ 25K ON BIT AVG, 90 RPMS, 350 GPM @ 700 PSI

ROTATING HEAD RUBBER STARTED LEAKING, PULLED UP TO CHANGE OUT RUBBER, DETERMINED RUBBER HAD FELL DOWN HOLE, PULLED 3 STANDS AND FOUND RUBBER ON BOTTOM OF THIRD STAND TOOL JOINT, INSTALLED NEW BEARING AND RUBBER AND TIH THREE STANDS, PU KELLY AND WASHED TO BOTTOM W/ NO FILL. PU JOIUNT OF DRILL PIPE AND MADE CONNECTION TO RETURN TO DRILLING

DRILL 14 3/4" HOLE FROM 808' TO 990' W/ 35K ON BIT AVG, 75 RPMS, 350 GPM @ 700 PSI

Date: 12/20/2006

DRLG 14 3/4" HOLE FROM 990' TO 1251" W/ 40K ON BIT, 75 RPMS 350 GPM @ 700 PSI

WLS @ 1206' (1.75*) RIG TOTCO

DRLG 14 3/4" HOLE FROM 1251' TO 1340'

Date: 12/21/2006

DRLG 14 3/4" HOLE FROM 1340' TO 1399' W/ 40K ON BIT 75 RPMS, 350 GPM @ 700 PSI (ROTARY STARTED TORQUING EXCESSIVELY, DECIDED TO PULL BITX HOLE LOST RETURNS @ 1369' FOR 7 MI9NUTES SLOWLY REGAINED RETURNS MIXED 2 LCM PILLS REGAINED 99% RETURNS LOSING 15 BBLS. HR)

TOH (2CONES LOCKED UP ON BIT, 1 EXTREMELY LOOSE, INSTALL NEW BIT SER# MR9660)

TIH W/ NEW BIT

DRLG 14 3/4" HOLE FROM 1399' TO 1429' W/ 45K ON BIT 75 RPMS, 350 GPM @ 450 PSI (99% RETURNS LOSING 13 BBLS/HR)

WLS @ 1396' (1.75*) RIG TOTCO

DRLG 14 3/4" HOLE FROM 1429' TO 1480' W/ 50K ON BIT, 75 RPMS 350 GPM @ 400 PSI NO FLUID LOSES

Date: 12/22/2006

DRLG 14 3/4" HOLE FROM 1480' TO 1615' W/ 50K ON BIT, 75 RPMS, 350 GPM @ 400 PSI

CIRCULATE HOLE CLEAN W/ 2 SWEEPS AND SPOT LCM PILL ON BOTTOM

TOOH PULL STANDS, LD 23 JTS. DP, NINE 8" DC'S, SHOCK-SUB AND 14 3/4" BIT

Date: 12/23/2006

SAFETY MEETING, RU BULL ROGERS CASING CREW AND LD MACHINE

SAFETY MEETING, DISCUSS PINCH POINTS, AND SAFEY OPERATING PROCEDURES

RAN WEATHERFORD SURE SEAL FLOAT SHOE (BOTTOM @ 1615'), RAN 1 JT(41.83') OF 9 5/8" 36 LB/FT J-55 8RD LT&C CASING, RAN 1 WEATHERFORD SURE SEAL FLOAT COLLAR 1.25' (TOP OF FC @ 1575.4') RAN 26 JTS (954.02') OF 9 5/8" 36 LB/FT J-55 8RD LT&C CASING, RAN WEATHERFORD ECP (18.75'), TOP OF PACKER @ 602.7'), INSTALLED WEATHERFORD ELIMINATOR DV TOOL (2.99') (TOP OF DV TOOL @ 599.7') RAN 16 JTS OF 9 5/8" 36 LB/FT J-55 8RD LT&C CASING, LANDED 5.3' ABOVE FLOOR (*** ALL CONECTIONS TORQUED TO 4800 PSI)

SAFETY MEETING, RD BULL ROGERS CASING CREW AND LD MACHINE, INSTALL CASING SWADGE AND CIRCULATE

SAFETY MEETING, RU HES CEMENTING HEAD AND LINES

PRESSURE TEST LINES TO 3K (NO LEAKS) CEMENT 9 5/8" SURFACE CASING W/ 605 SKS HLP+ @ 12.4 PPG, 2.03 FT3/SK LEAD @ 4 BPM AND 350 SKS P+ @ 14.8 PPG, 1.34 FT3/SK TAIL @ 3.5 BPM, DROP PLUG (WASH UP ON TOP OF PLUG) DISPLACE W/ 112 BBLS FRESH H20 @ 6 BPM, LAND PLUG WITH 660 PSI DIFFERENTIAL PRESSURE, INFLATE ECP TO 2500 PSI SAW GOOD INFLATION ON PACKER, HELD PSI FOR 5 MINUTES. RELEASED PSI AND FLOATS HELD (CIRCULATED 143 SKS OF HLP+ @ 12.4 PPG 2.03 FT3/SK TO PIT) CEMENT JOB WITNESSED BY BOB HOSKINS W/ CARLSBAD DISTRICT BLM OFFICE

SAFETY MEETING, RD HES CEMENTING EQUIPMENT

WOC TO CUT-OFF CONDUTOR PIPE AND WELD ON WELLHEAD

CUT00FF 20" CONDUCTOR PIPE, FLOW LINE AND 9 5/8" SURFACE CASING, INSTALL CAMERON 11" 3K CIW WELLHEAD , TEST WELLHEAD TO 500 PSI NO LEAKS

INSTALL DSA AND NU SHAFFER 11" 5K BOP AND SHAFFER 11" 5K ANNULAR, RU HCR VALVE AND CHOKE MANIFOLD

Date: 12/24/2006

NU SHAFFER 5K LWS BOP AND SHAFFER ANNULAR

TEST BOPE, TEST #1 STARTED TESTING BLIND RAMS, DSA CONNECTIONS OUTSIDE 2" KILL LINE CHECK VALVE, SUPER CHOKE, MANUAL CHOKE VALVE AND OUTSIDE 4" PANIC LINE VALVE, TESTED TO 250 LOW FOR 5 MINS AND 3K HIGH FOR 10 MIN NO LEAKS (WHILE TESTING HEARD FLUID LEAKING THROUGH ACCUM VALVE ON BLINDS WILL RETEST AFTER VALVE IS FIXED)

TEST #2 TEST TIW VALVE TO 250 LOW AND 3K HIGH VALVE LEAKED (FAILED TEST)

TEST #3 TESTED LOWER KELLY VALVE TO 250 LOW 5 MIN AND 3K HIGH 10 MIN (PASSED TEST)

TEST #4 TESTED DART SAFETY VALVE TO 250 LOW 5 MIN AND 3K HIGH 10 MIN (PASSED TEST)

TEST #5 TESTED UPPER KELLY VALVE & KELLY TO 250 LOW 5 MIN 3K HIGH 10 MIN (PASSED TEST)

TEST #6 TESTED MUD LINE TO 250 LOW 5 MIN & 3K HIGH FOR 10 MIN (PASSED TEST)

TEST #7 TESTED PIPE RAMS, FIRST OUTSIDE PANIC LINE VALVE, BOTH, OUTSIDE 4" MANIFOLD VALVES, OUTSIDE 2" TO 250 LOW 5 MIN AND 3K HIGH 10 MIN (PASSED TEST)

TEST #8 TESTED PIPE RAMS, BOTH INSIDE 4" MANIFOLD VALVES, INSIDE 2" KILL LINE VALVE TO 250 LOW 5 MIN AND 3K HIGH 10 MIN (PASSED TEST)

TEST #9 TESTED PIPE RAMS, MAIN CHOKE MANIFOLD VALVE, AND INSIDE 2" KILL LINE VALVE TO 250 LOW5 IN AND 3K HIGH FOR 10 MIN (PASSED TEST)

TEST #10 TESTED PIPE RAMS, HCR VALVE AND INSIDE 2" KILL LINE VALVE TO 250 LOW FOR 5 MIN AND 3K HIGH FOR 10 MIN (PASSED TEST)
TEST #11 TESTED PIPE RAMS, INSIDE 4" VALVE AND INSIDE 2" KILL LINE VALVE TO 250 LOW FOR 5 MIN AND 3K HIGH FOR 10 MIN (PASSED TEST)
TEST #12 FIXED ACCUM, TESTED BLIND RAMS, SUPER CHOKE, OUTSIDE 2" KELLY VALVE AND OUTSIDE 4" MANIFOLD VALVE AND OUTSIDE □

CHOKE LINE VALVE TO 250 LOW 5 MIN AND 3K HIGH 10 MIN (PASSED TEST)

TEST # 13 ACCUM FUNCTION TEST N2 PRECHARGE OF 900 PSI, MANIFOLD PRESSURE TEST OF 2100 PSI AFTER FUNCTION WITH PUMPS

OFF, AND PRESSURED UP IN 53 SECS W/ N2 BOTTLES SHUT-OFF

PU NEW BHA

RU BULL ROGERS LD MACHINE

PU 16 6" DC'S (TAG DV TOOL @ 599')

SET 30K ON DV TOOL TO CLOSE FELT DV TOOL CLOSE PU AND DRLG DV TOOL W/ 3K ON BIT 34 RPMS 350 GPM @ 500 PSI

PRESSURE TEST CASING TO 1900 PSI FOR 30 MINUTES, NO LEAKS

PU 14 6" DC'S

RD BULL ROGERS LD MACHINE

FINISH TIH W/ 6 STANDS DP AND 2 JTS 4 1/2" DP PICKED UP OFF RACK

TAG CEMENT @ 1557' DRLG CEMENT AND FE FROM 1557 TO 1610' W/ 5K ON BIT 34 RPMS 350 GPM @ 970 PSI

Date: 12/25/2006

FINISH DRLG OUT SHOE JOINT

DRLG 8 3/4" HOLE FROM 1615' TO 1625' W/ 25K OIN BIT, 40 RPMS, 350 GPM @ 900 PSI

FIT, TESTED FORMATION TO 12 PPG EQUIV, NO LEAK OFFS

PULL 2 STANDS UP INTO CASING

SHUT WELL IN W/TIW VALVE IN STRING AND PIPE PIPE RAMS CLOSED ON BOP, DRAIN ALL LINES TO PROTECT FROM FREEZING, SHUT DOWN TILL 0600 12/26/2006