

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCD Artesia

FORM APPROVED
OMB No 1004-0137
Expires March 31, 2007

PRIMARY 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.

SUBMIT IN TRIPLICATE- Other instructions on reverse side.

1 Type of Well
☒ Oil Well ☐ Gas Well ☐ Other

2 Name of Operator **Oxy USA Inc.**

3a Address
4008 N. Grimes, PMB 269, Hobbs NM 88240

3b Phone No (include area code)
575-397-8210

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

Sec 33 T23s R29e NESE

5 Lease Serial No
NM19848

6 If Indian, Allottee or Tribe Name

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

8 Well Name and No
Cypress 33 Federal #3H

9 API Well No
30-015-36987

10. Field and Pool, or Exploratory Area

11 County or Parish, State

Eddy

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

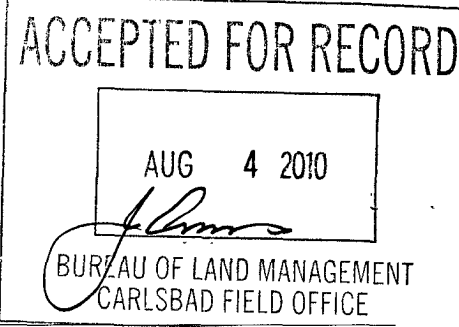
- | | | | |
|---|---|--|---|
| <input type="checkbox"/> Acidize | <input type="checkbox"/> Deepen | <input type="checkbox"/> Production (Start/Resume) | <input type="checkbox"/> Water Shut-Off |
| <input type="checkbox"/> Alter Casing | <input type="checkbox"/> Fracture Treat | <input type="checkbox"/> Reclamation | <input type="checkbox"/> Well Integrity |
| <input type="checkbox"/> Casing Repair | <input type="checkbox"/> New Construction | <input type="checkbox"/> Recomplete | <input type="checkbox"/> Other |
| <input type="checkbox"/> Change Plans | <input type="checkbox"/> Plug and Abandon | <input type="checkbox"/> Temporarily Abandon | |
| <input type="checkbox"/> Convert to Injection | <input type="checkbox"/> Plug Back | <input type="checkbox"/> 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 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.)

All Reclamation activities at this site have been completed as per BLM requirements and NOI#10-JA-085W has been satisfied.

See attached NOI for further.

* future downsizing will require redistribution of stockpiled topsoil. when you have equip. in the area, stockpiled topsoil should be spread over reclaimed area



14 I hereby certify that the foregoing is true and correct
Name (Printed/Typed)

Dusty L. Wilson

Title **HES Specialist**

Signature

Date

7/27/10

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Title

Date

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

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)

Operator

Number 10-JA-085W

Page of

☒ Certified Mail - Return
Receipt Requested
70083230000209874045

☐ Hand Delivered Received
by

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

NOTICE OF INCIDENTS OF NONCOMPLIANCE

Identification
IID
Lease NMNM19848
CA
Unit
PA

Bureau of Land Management Office CARLSBAD FIELD OFFICE				Operator OXY USA INCORPORATED			
Address 620 E GREENE STREET CARLSBAD NM 88220				Address P O BOX 50250 MIDLAND TX 79710			
Telephone 575-234-5909				Attention			
Inspector AMOS				Attn Addr			
Site Name CYPRESS 33 FEDERAL	Well or Facility 3H	1/4 1/4 Section NESE 33	Township 23S	Range 29E	Meridian NMP	County EDDY	State NM
Site Name	Well or Facility	1/4 1/4 Section	Township	Range	Meridian	County	State

THE FOLLOWING VIOLATION WAS FOUND BY BUREAU OF LAND MANAGEMENT INSPECTORS ON THE DATE AND AT THE SITE LISTED ABOVE

Date	Time (24 - hour clock)	Violation	Gravity of Violation
04/13/2010	06:45	43 CFR 3162.1 a, Onshore Order 1.XII.B	MINOR
Corrective Action To Be Completed By	Date Corrected	Assessment for Noncompliance	Assessment Reference
06/13/2010			43 CFR 3163.1()

Remarks

Well was completed for production 5/18/09. Interim Reclamation (IR) required within 6 months of completion. The location is to be downsized to accommodate day-to-day production operations. Stockpiled topsoils are to be utilized for areas reclaimed. Address erosion controls as part of the IR, rip and seed all disturbed surfaces using #3 BLM seed mix. Contact Jim Amos @ 575-234-5909 (Remarks continued on following page(s).)

When violation is corrected, sign this notice and return to above address.

Company Representative Title HES Specialist Signature [Signature] Date 7-27-10

Company Comments Completed + Ready for Inspection. As per discussion + Agreements with Jim Amos.

WARNING

Incidents of Noncompliance correction and reporting timeframes begin upon receipt of this Notice or 7 business days after the date it is mailed, whichever is earlier. Each violation must be corrected within the prescribed time from receipt of this Notice and reported to the Bureau of Land Management office at the address shown above. Please note that you already may have been assessed for noncompliance (see amount under "Assessment for Noncompliance"). If you do not comply as noted above under "Corrective Action To Be Completed By" you may incur an additional assessment under (43 CFR 3163.1) and may also incur Civil Penalties (43 CFR 3163.2). All self-certified corrections must be postmarked no later than the next business day after the prescribed time for correction.

Section 109(d)(1) of the Federal Oil and Gas Royalty Management Act of 1982, as implemented by the applicable provisions of the operating regulations at Title 43 CFR 3163.2(f)(1), provides that any person who "knowingly or willfully" prepares, maintains, or submits, false, inaccurate, or misleading reports, notices, affidavits, record, data, or other written information required by this part shall be liable for a civil penalty of up to \$25,000 per violation for each day such violation continues, not to exceed a maximum of 20 days.

REVIEW AND APPEAL RIGHTS

A person contesting a violation shall request a State Director review of the Incidents of Noncompliance. This request must be filed within 20 working days of receipt of the Incidents of Noncompliance with the appropriate State Director (see 43 CFR 3165.3). The State Director review decision may be appealed to the Interior Board of Lands Appeals, 801 North Quincy Street, Suite 300, Arlington VA 22203 (see 43 CFR 3165.4). Contact the above listed Bureau of Land Management office for further information

Signature of Bureau of Land Management Authorized Officer <u>[Signature]</u>		Date <u>4-13-10</u>	Time <u>06:45</u>
FOR OFFICE USE ONLY			
Number <u>6</u>	Date	Assessment	Penalty
Type of Inspection <u>ES</u>			Termination

BLM Remarks, continued

prior to start and if any questions. Submit a Sundry Notice (Form 3160-5) Subsequent Report, one original and 2 copies when completed.