Form 3160-5 (April 2004)

Approved by

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

OCD Artesia

FORM APPROVED OMB NO. 1004-0137 Expires March 31, 2007

Lease Serial No.

## o. Lease serial No

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to re-enter an

N	<u> </u>
6.	If Indian, Allottee or Tribe Name

abandoned well. Use Form 310		,			
SUBMIT IN TRIPLICATE - Othe	N	7. If Unit or CA/Agreement, Name and/or I NORTH INDIAN BASIN UNIT			
1. Type of Well  X Oil Well Gas Well Other  2. Name of Operator		NM-70998A 8. Well Name and No. NORTH INDIAN BASIN #17			
OXY USA WTP LIMITED PARTNERSHIP		API Well No.			
3a. Address	3b. Phone No. (include area code)			30-015-28386	
P.O.BOX 4294, HOUSTON, TX. 77210	\	713.366.5360		10. Field and Pool, or Exploratory Area	
4. Location of Well (Footage, Sec., T., R., M., or Survey Descri,	ption)			OUTH DAGGER DRAW UPPE SSOCIATED POOL	R PENN
UL "A", 990' FNL & 660' FEL SECTION 11, T-21-S,R-23-E		11. County or Parish, State			
5E0110W 11, 1-21 5,10-25-1				DDY NA	1
12. CHECK APPROPRIATE BOX	K(ES) TO INI	DICATE NATURE OF	NOTICE, REPOR		
TYPE OF SUBMISSION		TY	PE OF ACTION		
X Notice of Intent	Acidize	Deepen	Production (St	art/Resume) Water Shut-C	)ff
Subsequent Report	Alter Casing  Casing Repair	Fracture Treat  New Construction	Reclamation Recomplete	Well Integrity Other	
Final Abandonment Notice	Change Plans Plug and Abandon X Temporarily Abandon			bandon	
	Convert to Injection Plug Back Water Dispo			posal	
13. Describe Proposed or Completed Operation (clearly state If the proposal is to deepen directionally or recomplete h Attach the Bond under which the work will be performe following completion of the involved operations. If the ctesting has been completed. Final Abandonment Notice determined that the final site is ready for final inspection.)  OXY USA WTP LP is requesting a Tempor successful MIT per the YESO Plan of DOXY request to MIT the well and place advance prior to testing. OXY will M request was issued as "last TA for the Development on the Yeso Project. Pleater	orizontally, give so dor provide the operation results is shall be filed on early Abandon evelopment.  e on a 1 years on a 1 years of the well is well".  ease extend	ubsurface locations and mea Bond No. on file with BLM n a multiple completion or r lly after all requirements, in ment extension, ef—  r TA status. OXY to 500psi per reg This was prior to this period per th	sured and true vertice/BIA. Required subsecompletion in a new cluding reclamation,  3-years-with-a will notify the control of	al depths of all pertinent marker, requent reports shall be filed with interval, a Form 3160-4 shall be have been completed, and the can annual renewal and the can be Agency 24 hours in rements. Note previousion and Plan of	s and zone thin 30 da be filed on operator h
Well previously TA'd and already prep	ped for MIT	. Last Production	: 11/2007		
Current Wellbore Status: "CIBP @ 7560' w/ 10'cmt, casing currer	itly loaded	with fresh water,	well head curr	ently bull plugged.	
Accepted for record	SEE ATT	ACHED FOR		RECEIV	/ED
NMOCD (T	CONDITI	ONS OF APPR	COVAL	JAN 07	
14. I hereby certify that the foregoing is true and correct		Title			
Name (Printed/Typed)  Jereme W. Robinson			itory Analyst	NMOCD AR	TESI
G-F/1 =		Date 12/13/2			
		,,, -	•		

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 department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

/s/ JD Whitlock Jr

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.

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

## 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.
  - 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.

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

- 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.
- 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:

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

North Indian Basin Unit #17. Well may be approved to be TA/SI for a period of 1 year or until 12/13/2011 after successful MIT and subsequent report with well bore diagram is submitted. Approval subject to annual Plan of Development review and approval for the Yeso development area.