

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCD Hobbs
HOBBS OCD
FEB 12 2013
RECEIVED

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

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.

SUBMIT IN TRIPLICATE- Other instructions on reverse side.

1. Type of Well
 Oil Well Gas Well Other

2. Name of Operator **OXY USA Inc.** 16696

3a. Address **P.O. Box 50250 Midland, TX 79710** 3b. Phone No. (include area code) **432-685-5717**

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
S - 1800 FSL 330 FWL NWSW(L) Sec 1 T22S R32E
BH - 1650 FSL 330 FEL NESE(I)

5. Lease Serial No.
NMNM106695

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No. **#7 H**
Speakeasy Unit
Bootleg Gin Federal Com #11

9. API Well No.
30-045-40306

10. Field and Pool, or Exploratory Area
Red Tank Bone Spring

11. County or Parish, State
Lea NM

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

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other Proposed
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	Completion
	<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 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 site is ready for final inspection.)

See attached

**SEE ATTACHED FOR
CONDITIONS OF APPROVAL**



14. I hereby certify that the foregoing is true and correct
 Name (Printed/Typed) **David Stewart** Title **Regulatory Advisor**
 Signature *[Signature]* Date **12/12/12**

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by _____ Title **Petroleum Engineer** Date **FEB 18 2013**
 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 **K2**

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.

Attachment 3160-5
OXY USA Inc.
Bootleg Gin Federal Com #1H
API No. 30-025-40306

OXY USA Inc. respectfully requests to complete the Bootleg Gin Fed Com #1H as outlined below. DV-Tool remediation has been completed and CBL-VDL has been submitted for review. A notice of intent has been requested to review the plan forward for this well's completion. Additional safety factors have been considered and included in this proposed plan to provide reasonable assurance that well stimulation activities are conducted as designed, and stimulation fluids are going to the formation for which they were intended.

OBJECTIVE: After prior approval of CBL-VDL by BLM, if required, pressure test casing as per BLM requirements. Proceed to stimulate and complete horizontal Brush Canyon well in 6 stages w/ 4 entry points per stage. Frac method will be Plug & Perf.

JOB NOTES ON EXECUTION:

- Operator will continuously monitor and record the pressure(s) during the well stimulation operations
 - Pressure will be contained in the string through which the stimulation is being pumped (5-1/2", 17#, L-80 casing)
 - Annulus pressure will be monitored throughout job
 - If during the stimulation operation the annulus pressure increases by more than 500 psi over the annulus pressure immediately preceding the stimulation, the job will be shut-down and the BLM notified as soon as possible
- Anticipated Treating Rate: 40-45 BPM
- Anticipated WHTP: 4500 psi
- Anticipated Maximum Pressure: 5800 psi
 - If during the stimulation operation, the WHTP should exceed 5800 psi, all pumps will be shut-down so as not to apply greater than 6192 psi on the casing (or no greater than 80% of burst at ANY TIME) and will move on to the next stage.
- Treat via: 5-1/2", 17#, L-80 casing (7740 psi Internal Yield Pressure)

See
COA

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PROPOSED OPERATIONS:

1. Clear location.
2. MIRU 2" Coiled Tubing Unit – RIH & tag PBSD (CIBP @ 12,632', float collar @ ± 12,645') – Report tag depth.
3. If required, pressure test casing.
4. PU TCP guns on 2" CT & TIH to perforate the toe – fire guns hydraulically. Guns are 3.125" SDP-3375-311NT, 21.5 gm chg, 0.39" EHD, and 35.6" penetration w/ 6 JSPF on 60 degree phasing. Perforate first stage as per design w/ 38 holes. POOH w/ CT. RDMO CT Unit.
5. Set and load frac tanks.
6. RU Frac Unit & WL. Frac stage 1 down casing as per service company frac procedure.
 - Proposed Stage Volumes
 - 4,000 gals 15% HCl Acid
 - 210,000 gals gel
 - 225,000 lbs of 20/40 proppant
 - Proposed Total Job Volumes (6 stages)
 - 24,000 gals 15% HCl Acid
 - 1,260,000 gals gel
 - 1,300,000 lbs 20/40 proppant
 - 50,000 lbs 16/30 Proppant
7. RU WLU and set CBP between stages. Perf the next stage as per design w/ 3.125" Titan EXP-3319-322T charge, 0.39" EHD, and 40.56" penetration w/ 6 JSPF on 60 degree phasing, 38 holes total. We will pump down plugs & guns. Guns are 3.125" Titan EXP-3319-322T charge, 0.39" EHD, and 40.56" penetration w/ 6 JSPF on 60 degree phasing. Plugs are Magnum Rapid Mill 10K Composite Ball Drop Plugs. An Owen, or Titan "Shorty Compact" setting tool will be required.
8. RD WLU. RU Frac Unit. Frac stage 2 down casing as per service company frac procedure.
9. Repeat steps for stages 3-6.
10. Shut-in well overnight and RD Frac equipment and WLU.

Proposed Perfs:

38 holes @ 12600-12174'
38 holes @ 12032-11606'
38 holes @ 11464-11038'
38 holes @ 10896-10470'
38 holes @ 10328-9902'
38 holes @ 9760-9334'



Oper.: OXY OPL

Well: Bootleg Gin Fed Com #1H

API # 30-025-40306

Loc: 1800 FSL 330 FWL Sec 1 T22S R32E

County/State: Lea, NM

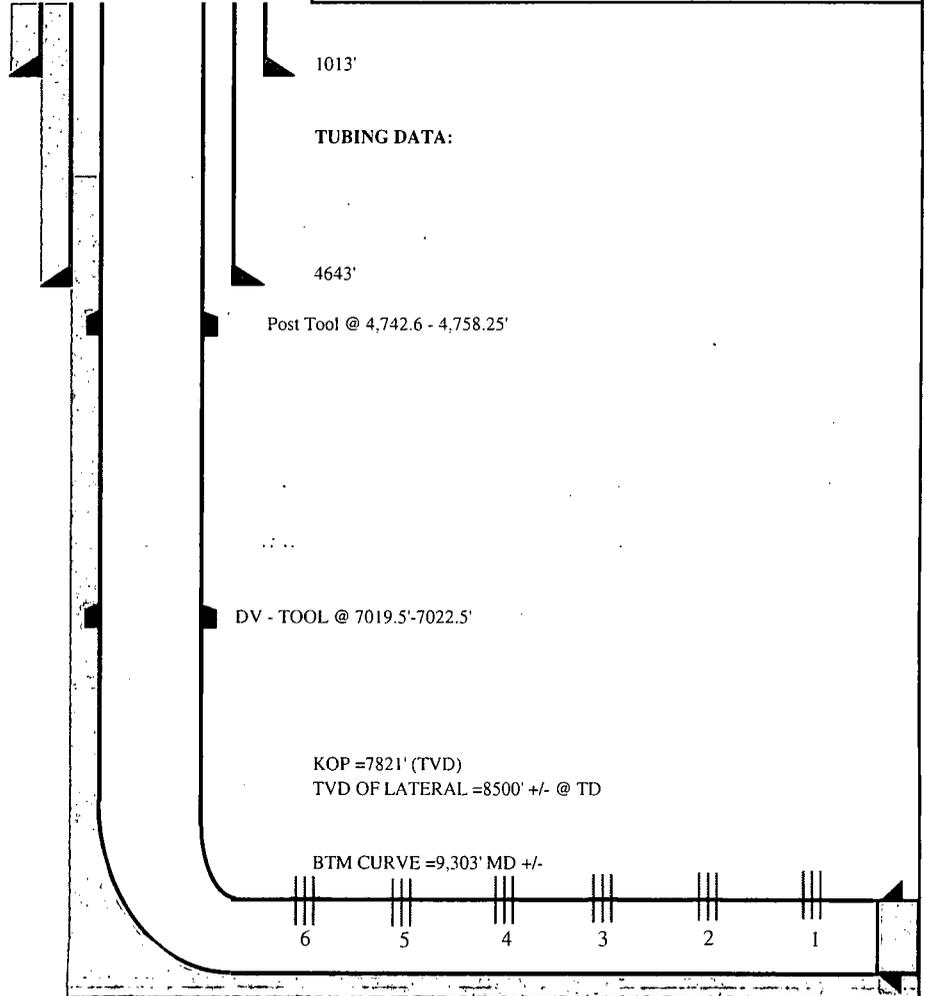
Spud Date: 8/7/2012

GL: 3643.5' KB = 3668.5'

13.375" 48# H-40 STC CSG @ 1013' W/ CMT CIRC TO SFC
(17.5" HOLE SIZE)

9.625" 40# J-55 LTC CSG @ 4643' W/ CMT CIRC TO SFC
(12.25" HOLE SIZE)

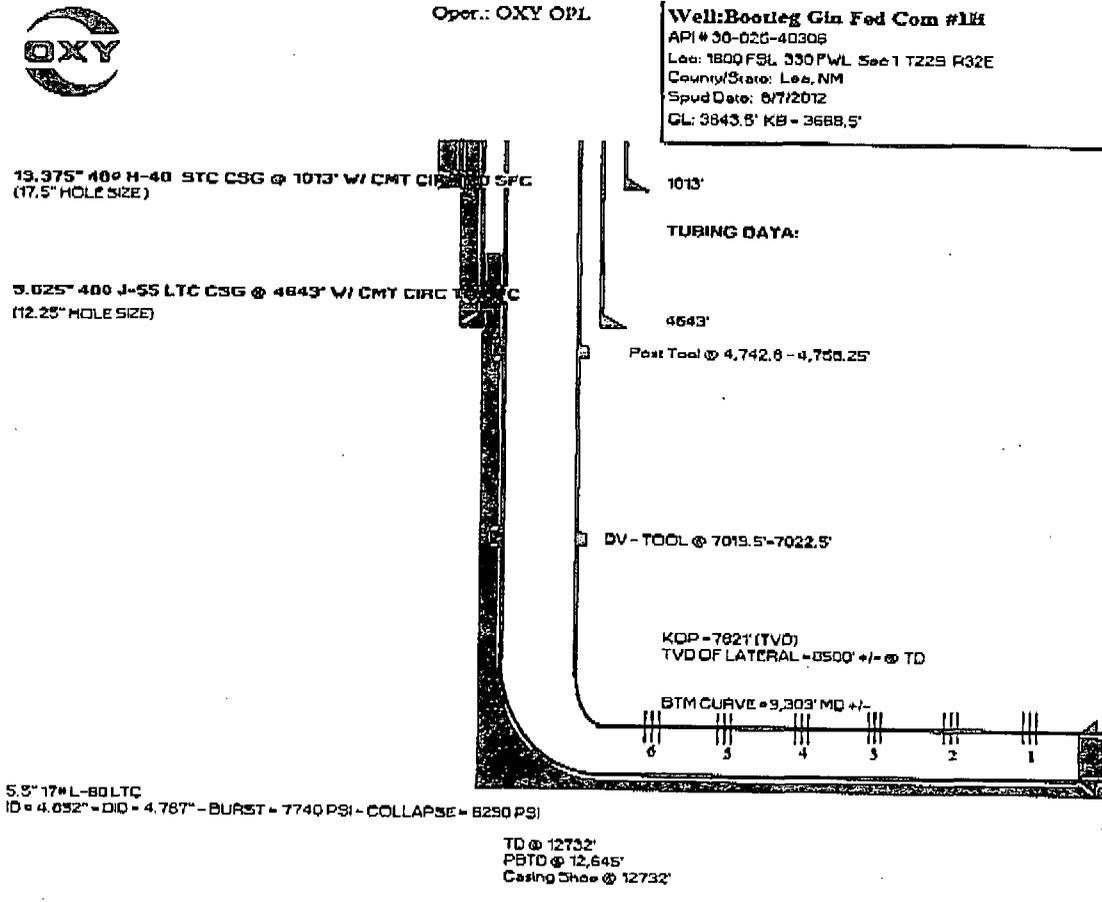
5.5" 17# L-80 LTC
ID = 4.892" - DID = 4.767" - BURST = 7740 PSI - COLLAPSE = 6290 PSI



TD @ 12732'
PBTD @ 12,645'
Casing Shoe @ 12732'

Bootleg Gin Fed Com 1H Cement Log Interpretation:

Current intermediate casing is located at 4,643 ft as shown on graph 1. The top of cement is estimated at 3,966 ft, although indications of ratty cement can be showed at 3,500 ft. First indication of good zone isolation is from 4,590 to 4,615. Subsequently good isolation can be found on these other intervals: 4,680 to 4,697 ft. and 4,716 to 4,788 ft. Below post tool god cement isolation 4,748 to 4,820 ft. , 4,856 to 4,870 , 5,178 to 5,248. From this depth down cement is consider competent cement to the bottom of the log.



Graph 1: Bootleg Gin Fed Com 1H Wellbore schematic

Recommendation:

Base on this cement log interpretation and pressure test conducted 2/1/13 between the intermediate and production casing we would like to follow the job execution describe on the letter of intent submitted on 12/12/12. After the stimulation job is concluded a pressure gauge will be installed to monitor the annuis spacing between intermediate and production casing while the well is produced. If an anomaly is exhibited throughout the well production a cement repair job will be performed to repair wellbore integrity.

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*see
COA*

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Conditions of Approval
Sundry dated December 12, 2012
Bootleg Gin Federal #1 – Now Speak Easy Unit 2H
30-025-40306
OXY USA Inc.

Frac procedure approved as written with the following requirements:

- 1. Annulus pressure monitoring during the frac job shall be documented and a chart shall be provided to the BLM**
- 2. As stated on a follow up memorandum from OXY sent on 02/07/2013, a pressure gauge will be installed to monitor the annulus spacing between the intermediate and production casing while the well is on production. OXY shall record the pressure on a weekly basis and maintain these record.**
- 3. The monitoring records mentioned on item 2 above shall initially be provided to the BLM monthly for up to one year. Thereafter, the records shall be maintain by OXY and only made available when requested.**
- 4. If an anomaly is exhibited throughout the wells production the BLM shall be notify immediately**

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