

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCD Hobbs

FORM APPROVED
OMB NO. 1004-0135
Expires: July 31, 2010

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.

5. Lease Serial No.
NMNM86149

6. If Indian, Allottee or Tribe Name

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

SUBMIT IN TRIPLICATE - Other instructions on reverse side.

8. Well Name and No.
RED TANK 26 FEDERAL 10H

9. API Well No.
30-025-41127-00-X1

10. Field and Pool, or Exploratory
RED TANK

11. County or Parish, and State
LEA COUNTY, NM

1. Type of Well
 Oil Well Gas Well Other

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

3a. Address
HOUSTON, TX 77210-4294

3b. Phone No. (include area code)
Ph: 432.685.5747
Fx: 432.685.5742

4. Location of Well (Footage, Sec. T., R., M., or Survey Description)
Sec 26 T22S R32E NENW 350FNL 2195FWL
32.368916 N Lat, 103.646405 W Lon

HOBBS OCD
SEP 12 2014

RECEIVED

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
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	Change to Original A PD
	<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.)

OXY USA Inc. respectfully requests approval for the following changes to the drilling plan:

Add DV tool and ACP at 4990', 150' below intermediate casing shoe for contingency second stage cement job. If cement comes to surface during first stage cement job we will inflate the ACP and then drop the cancellation cone for the DV tool. Add second stage contingency cement in the event we do not circulate cement to surface during the first stage.

Production Casing
5-1/2" 17# P-110 BT&C new csg @ 0-14246', 7-7/8" hole w/ 9.2# mud

Coll Rating (psi)-7460 Burst Rating (psi)-10640
SF Coll-1.56 SF Burst-1.48 SF Ten-2.24

**SEE ATTACHED FOR
CONDITIONS OF APPROVAL**

APPROVED
SEP 8 2014
Edward Fernandez
BUREAU OF LAND MANAGEMENT
CARLSBAD FIELD OFFICE

14. I hereby certify that the foregoing is true and correct.

**Electronic Submission #261810 verified by the BLM Well Information System
For OXY USA INCORPORATED, sent to the Hobbs
Committed to AFMSS for processing by ED FERNANDEZ on 09/08/2014 (14EF0092SE)**

Name (Printed/Typed) DAVID STEWART Title SR. REGULATORY ADVISOR

Signature (Electronic Submission) Date 09/08/2014

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By EDWARD FERNANDEZ Title PETROLEUM ENGINEER Date 09/08/2014

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 Hobbs *[Signature]*

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.

**** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ****

SEP 18 2014

[Handwritten Signature]

Additional data for EC transaction #261810 that would not fit on the form

32. Additional remarks, continued

Production - Circulate cement to surface w/ 650sx Tuned Light cmt w/ .125#/sx Poly-E-Flake + .65% SCR-100 + 3#/sx Kol-Seal, 9.86ppg (10.2ppg downhole) 3.662 yield 788# 24hr CS 100% Excess followed by 780sx Super H cmt w/ 3#/sx salt + .3% CFR-3 + .5% Halad-344 + 2#/sx Kol-Seal, 13.2ppg 1.652 yield 1462# 24hr CS 40% Excess.

Contingency 2nd Stage - Cement w/ 430sx Econocement, 12.4ppg 2.069 yield 500# 27hr CS 10% Excess followed by 100sx PP cmt w/ 1% CaCl₂, 14.8ppg 1.326 yield 1462# 24hr CS 200# excess.

Description of Cement Additives: Calcium Chloride, Salt (Accelerator); CFR-3 (Dispersant); Kol-Seal, Poly-E-Flake (Lost Circulation Additive); Halad-344 (Low Fluid Loss Control); SCR-100 (Retarder)

The above cement volumes could be revised pending the caliper measurement.

Conditions of Approval

SUNDRY dated 09/8/2014

OXY USA Inc.

Red Tank 26 Federal 10H

30-025-41127

Sec. 26 – T22S – R32E

Lea County, NM

Original COA still stands with the following drilling modifications:

1. The minimum required fill of cement behind the 5-1/2 inch production casing, is:

- Cement to surface. If cement does not circulate, contact the appropriate BLM office.

Operator has proposed a contingency DV tool at 4990'. If operator circulates cement on the first stage, operator is approved to run the DV tool cancellation plug and cancel the second stage of the proposed cement plan. If cement does not circulate, operator will proceed with the second stage.

a. Second stage above DV tool:

- Cement to reach approximately 900 feet from surface or should tie-back at least 3900 feet into previous casing string. Operator shall provide method of verification.

EGF 090814