

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

Operator

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.
NMNM69375

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.

1. Type of Well

☒ Oil Well ☐ Gas Well ☐ Other

8. Well Name and No.

RED TANK 23 FEDERAL 1

2. Name of Operator

OXY USA INC.

Contact: DAVID STEWART

E-Mail: david_stewart@oxy.com

9. API Well No.

30-025-31695 S3

3a. Address

P.O. BOX 50250
MIDLAND, TX 79710

3b. Phone No. (include area code)

Ph: 432-685-5717

10. Field and Pool, or Exploratory

RED TANK BONE SPRING

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

Sec 23 T22S R32E SESE 360FSL 660FEL
32.370960 N 103.639099 W Lon

11. County or Parish, and State

LEA COUNTY, NM

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

TYPE OF SUBMISSION

TYPE OF ACTION

☒ Notice of Intent☐ Subsequent Report☐ Final Abandonment Notice☐ Acidize☐ Alter Casing☐ Casing Repair☐ Change Plans☐ Convert to Injection☐ Deepen☐ Fracture Treat☐ New Construction☐ Plug and Abandon☐ Plug Back☐ Production (Start/Resume)☐ Reclamation☐ Recomplete☐ Temporarily Abandon☐ Water Disposal☐ Water Shut-Off☐ Well Integrity☒ Other
Workover Operations

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 recompleate 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 recompleation 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.)

1. MIRU PU, POOH w/ pump & rods. NDWH, NUBOP, POOH w/ tubing.

2. PU RBP & packer & isolate each set of perfs & pump sodium silicate per service co. recommendation. POOH w/ pkr & RBP.

3. PU 4-5/8" bit & scraper, CO well to PBTD at 10028', POOH.

4. Load 5 frac tanks w/ FW.

5. MIRU WL unit. RIH & perf 4SPF @ 9860-9870', Total 40 holes, using 3-1/8" guns loaded w/ 23gm charge.

6. RIH w/ 5-1/2" ASIX pkr, on/off tool & 3-1/2" FJ tubing, hydro-testing to 9000psi, set pkr @ +/-9800'.

7. Dump bail acid on new perfs, RDMO PU.

8. MIRU frac co., load annulus w/ FW & keep 500psi on annulus during frac; may have to pump slowly during frac. Frac well w/ 5500g trt wtr + 1000g 15% HCL acid + 86000g XL20 gel w/ 148000# sand.

Rejected
no method of allocation proposed
Resubmit with allocation method

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

Electronic Submission #346913 verified by the BLM Well Information System

For OXY USA INC., sent to the Hobbs

Committed to AFMSS for processing by DEBORAH MCKINNEY on 09/01/2016 ()

Name (Printed/Typed) DAVID STEWART

Title SR. REGULATORY ADVISOR

Signature (Electronic Submission)

Date 08/04/2016

THIS SPACE FOR FEDERAL OR STATE OFFICE USE*Rejected*
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.

**** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ****



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON

Governor

Jennifer A. Salisbury

Cabinet Secretary

Lori Wrotenbery

Director

Oil Conservation Division

ADMINISTRATIVE ORDER DHC-2902

Pogo Producing Company
P.O. Box 10340
Midland, Texas 79702-7340

Attention: Mr. Terry Gant

*Red Tank "23" Federal No. 1
API No. 30-025-31695
Unit P, Section 23, Township 22 South, Range 32 East, NMPM,
Lea County, New Mexico.
West Red Tank-Delaware (Oil - 51689) and
Red Tank-Bone Spring (Oil - 51683) Pools*

Dear Mr. Gant:

Reference is made to your recent application for an exception to Rule 303.A. of the Division Rules and Regulations to permit the above described well to commingle production from the subject pools in the wellbore.

It appearing that the subject well qualifies for approval for such exception pursuant to the provisions of Rule 303.C., and that reservoir damage or waste will not result from such downhole commingling, and correlative rights will not be violated thereby, you are hereby authorized to commingle the production as described above and any Division Order which authorized the dual completion and required separation of the zones is hereby placed in abeyance.

In accordance with the provisions of Rule 303.C.(1), each of the commingled pools shall be allowed to produce up to the top oil allowable and top casinghead gas allowable applicable for that pool.

Assignment of allowable to the well and allocation of production from the well shall be on the following basis:

West Red Tank-Delaware Pool	Oil-25%	Gas-56%
Red Tank-Bone Spring Pool	Oil-75%	Gas-44%

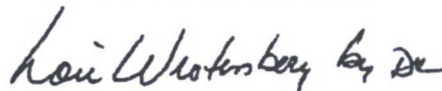
Administrative Order DHC-2902
Pogo Producing Company
May 4, 2001
Page 2

REMARKS: The operator shall notify the Hobbs District Office of the Division upon implementation of the commingling process.

Pursuant to Rule 303.C.(2), the commingling authority granted herein may be rescinded by the Division Director if conservation is not being best served by such commingling.

Approved at Santa Fe, New Mexico on this 4th day of May, 2001.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION



LORI WROTENBERY
Director

SEAL

LW/DRC

cc: Oil Conservation Division - Hobbs
Bureau of Land Management- Carlsbad

108250401

DHC

4/11/01



POGO PRODUCING COMPANY

March 20, 2001

2002

E C E I

MAR 22 2001

VIA CM RRR 7099 3220 0005 5521 1193
New Mexico Oil Conservation Division
Attn: Mr. David R. Catanach
2040 South Pacheco Street
Santa Fe, New Mexico 87505

Re: RED TANK, SE PROSPECT
Lea County, New Mexico
APPLICATION FOR ADMINISTRATIVE APPROVAL FOR DOWNHOLE COMMINGLING
Red Tank 23 Federal No 1 Well
360' FSL and 660' FEL, Section 23, T-22-S, R-32-E, N.M.P.M.
Federal Oil and Gas Lease NMNM-69375
Pogo Lease L16

Gentlemen:

Pogo Producing Company respectfully submits Form C-107A (in duplicate), along with attachments thereto, in connection with Pogo's request for Administrative Approval to downhole commingle production from the captioned well.

Should you have any questions regarding this matter, please give me a call at (915) 685-8120.

Sincerely,

POGO PRODUCING COMPANY

Terry Gant
Terry Gant
Division Landman

Enclosures

cc (w/enclosure): New Mexico Oil Conservation Division
Attn: District Supervisor
P.O. Box 1980
Hobbs, New Mexico 88240

Bureau of Land Management
P.O. Box 27115
Santa Fe, New Mexico 87502-0115

F:\WorkGroups\Land\Prospects\RedTank, SE\RedTank23Fed#1-OCD.doc

2040 South Pacheco, Santa Fe, NM 87505

APPLICATION FOR DOWNHOLE COMMINGLING

 Establish Pre-Approved Pools
EXISTING WELLBORE
X Yes No

Fee

DATA ELEMENT	UPPER ZONE	INTERMEDIATE ZONE	LOWER ZONE
Pool Name	Red Tank, Delaware, West		Red Tank, Bone Spring
Pool Code	51689		51683
Top and Bottom of Pay Section (Perforated or Open-Hole Interval)	4946' – 8656'		9932' – 9948'
Method of Production (Flowing or Artificial Lift)	Artificial Lift		Artificial Lift
Bottomhole Pressure (Note: Pressure data will not be required if the bottom perforation in the lower zone is within 150% of the depth of the top perforation in the upper zone)	Current: 300 psi Producing (e) Original: 3218 psi Shut-In		Current: 1500 psi Shut-In (e) Original: 3637 psi Shut-In
Oil Gravity or Gas BTU (Degree API or Gas BTU)	41.8 degrees API		42.7 degrees API
Producing, Shut-In or New Zone	Producing		Shut-In
Date and Oil/Gas/Water Rates of Last Production. (Note: For new zones with no production history, applicant shall be required to attach production estimates and supporting data.)	Date: 2-18-01 Rates: 12 BO, 102 BW, 60 MCF	Date: Rates:	Date: 2-21-93 Rates: 36 BO, 14 BW, 47 MCF
Fixed Allocation Percentage (Note: If allocation is based upon something other than current or past production, supporting data or explanation will be required.)	Oil Gas 25 % 56 %	Oil Gas % %	Oil Gas 75 % 44 %

TELEPHONE NO. ()

Submit to Appropriate
District Office
State Lease - 4 copies
Fee Lease - 3 copies

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102
Revised 1-1-81

OIL CONSERVATION DIVISION

P.O. Box 2088
Santa Fe, New Mexico 87504-2088

DISTRICT I

P.O. Box 1980, Hobbs, NM 88240

DISTRICT II

P.O. Drawer 80, Artesia, NM 88210

DISTRICT III

1000 Rio Brazos Rd., Aztec, NM 87410

WELL LOCATION AND ACREAGE DEDICATION PLAT

All Distances must be from the outer boundaries of the section

Operator POGO PRODUCING CO.		Lease RT 23 FEDERAL		Well No. 1
Unit Letter P	Section 23	Township 22 SOUTH	Range 32 EAST NMPN	County LEA
Actual Footage Location of Well:				
360 feet from the SOUTH line and		660 feet from the EAST line		
Ground Level Elev. 3757.6'	Producing Formation Delaware	Pool Red Tank; Delaware, West	Dedicated Acreage: 40 Acres	
<p>1. Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.</p> <p>2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).</p> <p>3. If more than one lease of different ownership is dedicated to the well, have the interest of all owners been consolidated by communitization, unitization, force-pooling, etc.?</p> <p><input type="checkbox"/> Yes <input type="checkbox"/> No If answer is "yes" type of consolidation _____</p> <p>If answer is "no" list of owners and tract descriptions which have actually been consolidated. (Use reverse side of this form necessary.) _____</p> <p>No allowable will be assigned to the well unit all interests have been consolidated (by communitization, unitization, forced-pooling, otherwise) or until a non-standard unit, eliminating such interest, has been approved by the Division.</p>				
			OPERATOR CERTIFICATION	
			<p>I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief.</p> <p><i>Barrett L. Smith</i> Signature Barrett L. Smith Printed Name Sr. Oper. Engineer Position Pogo Producing Company Company April 20, 1993 Date</p>	
			SURVEYOR CERTIFICATION	
			<p>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.</p> <p>Date Surveyed AUGUST 03, 1992 Signature & Seal of Professional Surveyor</p> <p></p>	

Submit to Appropriate
District Office
State Lease - 4 copies
Fee Lease - 3 copies

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102
Revised 1-1-89

OIL CONSERVATION DIVISION

P.O. Box 2088
Santa Fe, New Mexico 87504-2088

DISTRICT I

P.O. Box 1980, Hobbs, NM 88240

DISTRICT II

P.O. Drawer 88, Artesia, NM 88210

DISTRICT III

1000 Rio Brazos Rd., Artesia, NM 87410

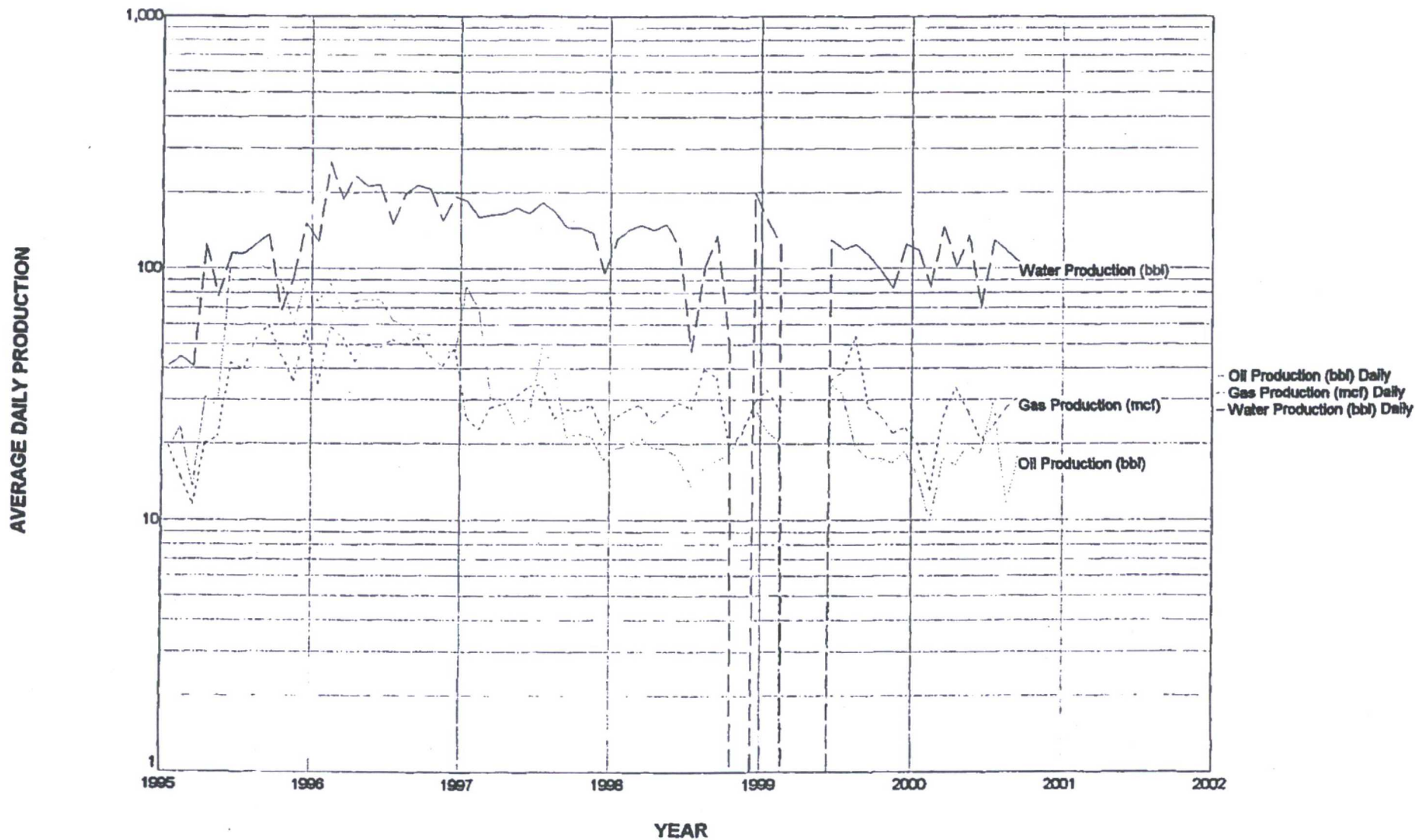
WELL LOCATION AND ACREAGE DEDICATION PLAT

All Distances must be from the outer boundaries of the section

Operator POGO PRODUCING CO.			Lease RT 23 FEDERAL		Well No. 1
Unit Letter P	Section 23	Township 22 SOUTH	Range 32 EAST	County NMPH LEA	
Actual Footage Location of Well:					
360 feet from the SOUTH line and		660 feet from the EAST line			
Ground Level Elev. 3757.6'	Producing Formation BONE SPRING		Pool RED TANK BONE SPRINGS	Dedicated Acreage: 40 Acres	
<p>1. Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.</p> <p>2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).</p> <p>3. If more than one lease of different ownership is dedicated to the well, have the interest of all owners been consolidated by communitization, unitization, force-pooling, etc.?</p> <p><input type="checkbox"/> Yes <input type="checkbox"/> No If answer is "yes" type of consolidation _____</p> <p>If answer is "no" list of owners and tract descriptions which have actually been consolidated. (Use reverse side of this form necessary.) _____</p> <p>No allowable will be assigned to the well unit all interests have been consolidated (by communitization, unitization, forced-pooling, otherwise) or until a non-standard unit, eliminating such interest, has been approved by the Division.</p>					
				OPERATOR CERTIFICATION	
				<p>I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief.</p> <p>Signature <i>Richard L. Wright</i></p> <p>Printed Name Richard L. Wright</p> <p>Position Division Operations Supr</p> <p>Company POGO PRODUCING COMPANY</p> <p>Date September 8, 1992</p>	
				SURVEYOR CERTIFICATION	
				<p>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.</p> <p>Date Surveyed AUGUST 03, 1992</p> <p>Signature & Seal of Professional Surveyor</p> <p></p>	

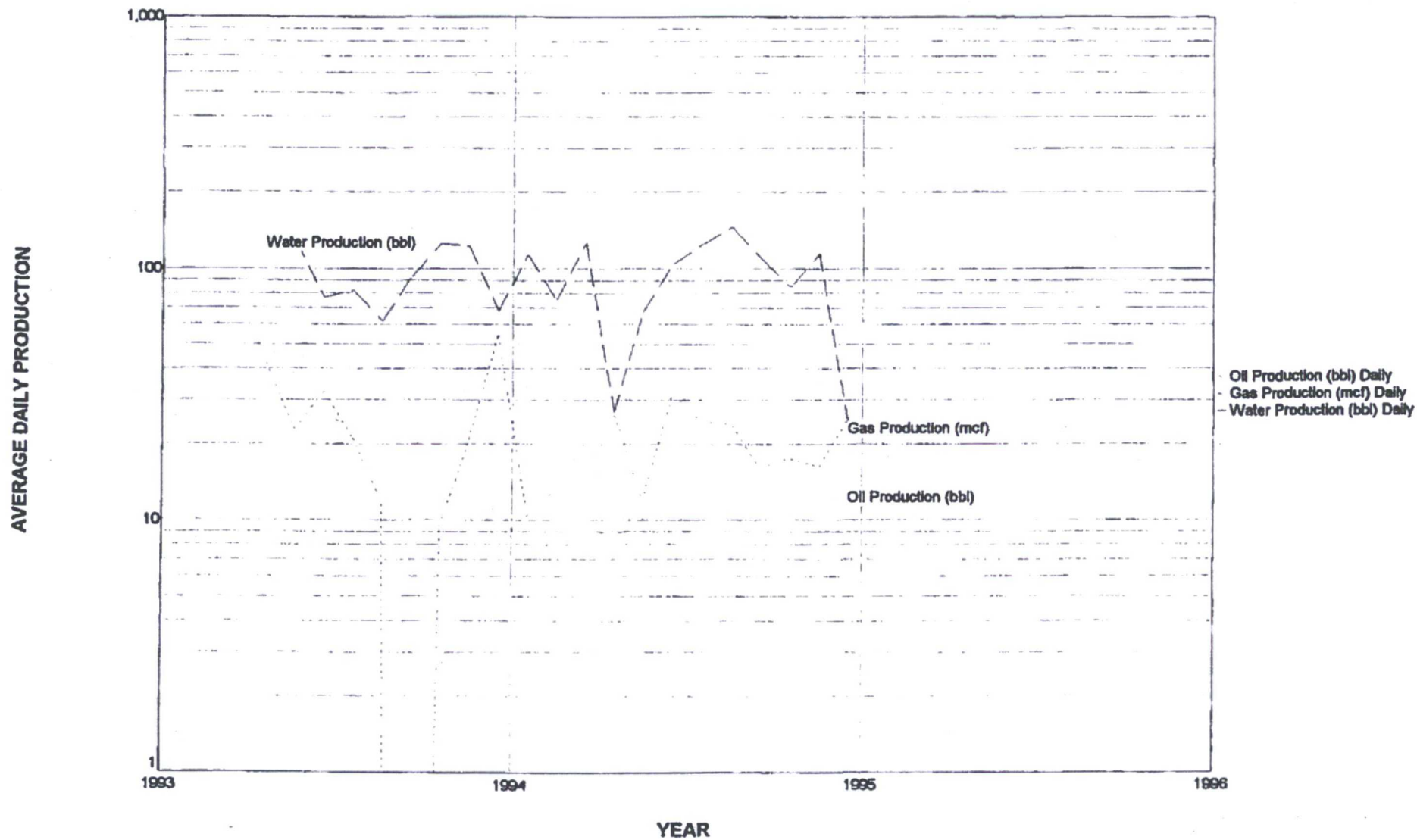
Lease Name: RED TANK 23 FEDERAL
County, State: LEA, NM
Operator: POGO PRODUCING COMPANY
Field: RED TANK WEST
Reservoir: DELAWARE
Location: 23 22S 32E 6E SE

WELL NUMBER 1



Lease Name: RED TANK 23 FEDERAL
County, State: LEA, NM
Operator: POGO PRODUCING COMPANY
Field: LEA
Reservoir: GROUP 5
Location: 23 22S 32E SE SE

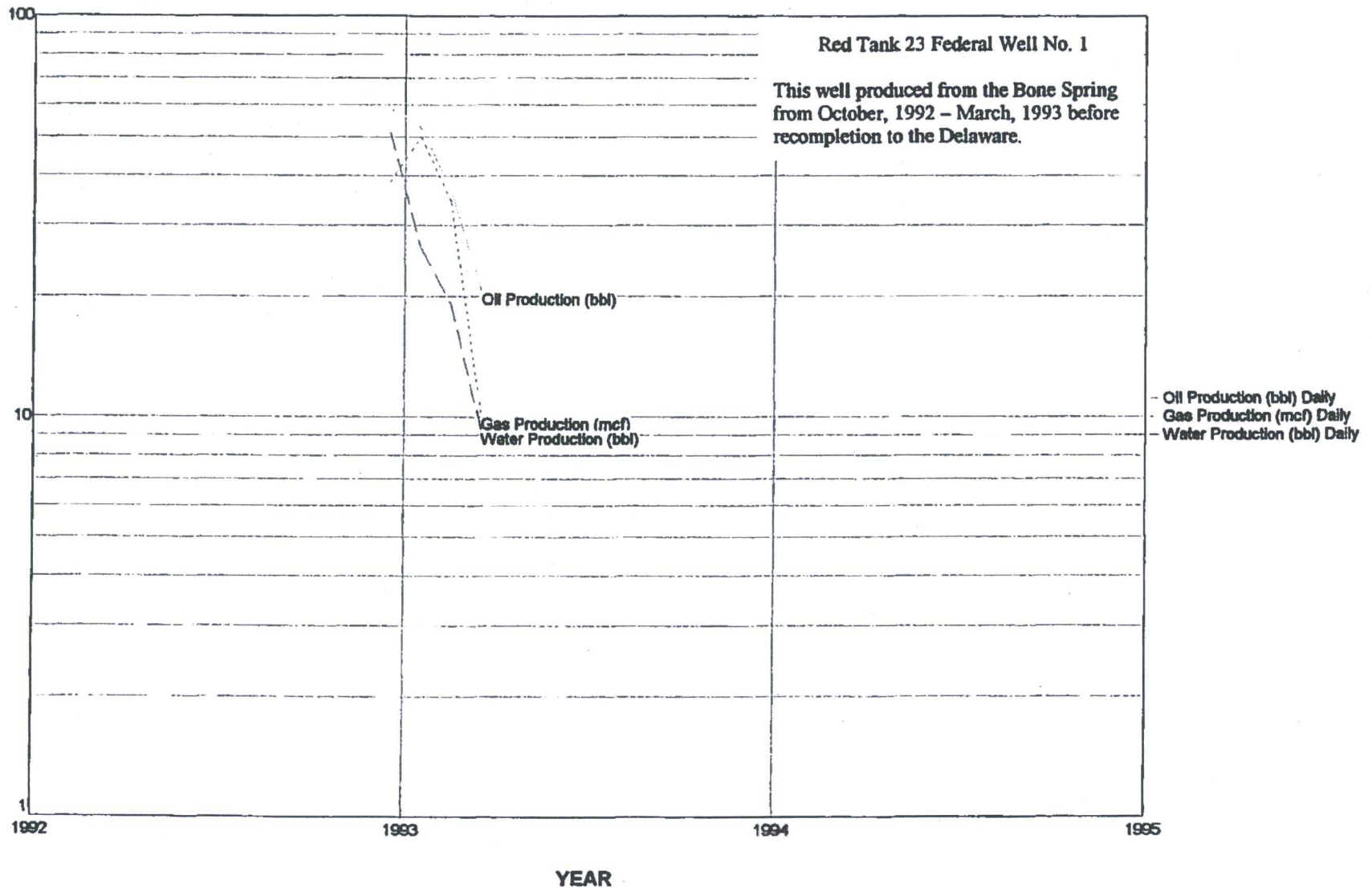
WELL NUMBER 001



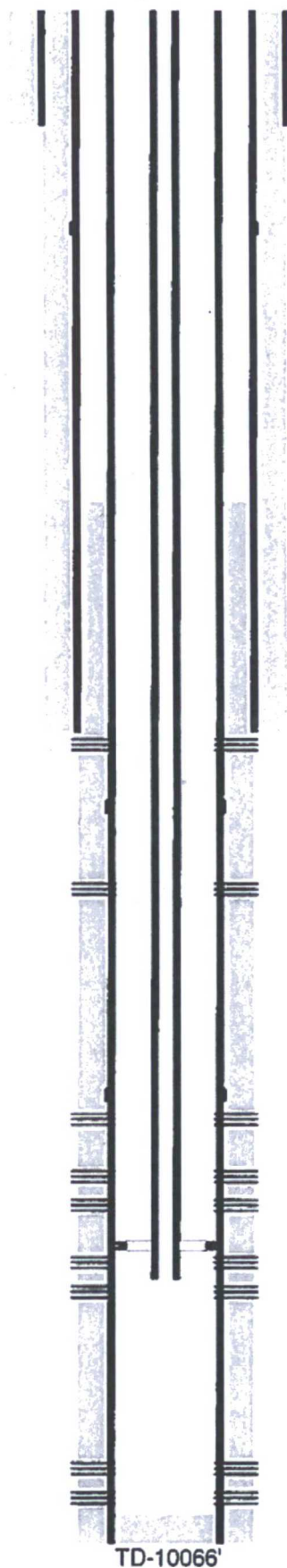
Lease Name: RED TANK 23 FEDERAL
County, State: LEA, NM
Operator: POGO PRODUCTION COMPANY
Field: RED TANK
Reservoir: BONE SPRINGS
Location: 23 22S 32E 6E 8E

WELL NUMBER 001

AVERAGE DAILY PRODUCTION



OXY USA Inc. - Proposed
Red Tank 23 Federal #1
API No. 30-025-31695



17-1/2" hole @ 840'
13-3/8" csg @ 840'
w/ 925sx-TOC-Surf-Circ

11" hole @ 4740'
8-5/8" csg @ 4740'
w/ 2350sx-TOC-Surf-Circ
DVT @ 1517'

Perfs @ 4946-4960'

Perfs @ 6024-6034'

Perfs @ 7592-7602'

Perfs @ 7790-8036'

Perfs @ 8444-8656'

7-7/8" hole @ 10066'
5-1/2" csg @ 10066'
w/ 1310sx-TOC-3548'-Calc
DVT's @ 7501', 5401'

Perfs @ 9860-9870'
Perfs @ 9932-9948'

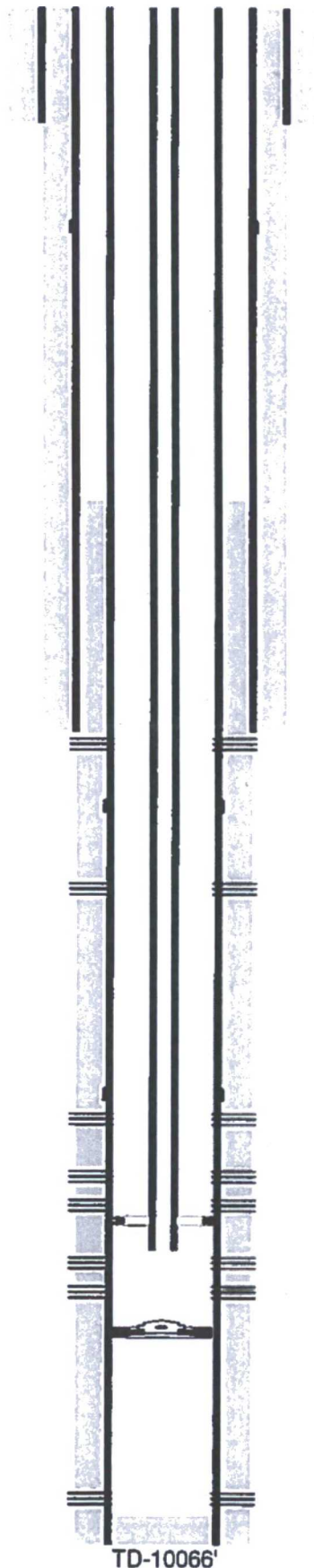
*Perfs @ 9904-06,9960-62,9980-82' sqz total 500sx

2-7/8" tbg @ 8337' w/ TAC @ 8207'

PB-9975'

TD-10066'

OXY USA Inc. - Current
Red Tank 23 Federal #1
API No. 30-025-31695



17-1/2" hole @ 840'
13-3/8" csg @ 840'
w/ 925sx-TOC-Surf-Circ

11" hole @ 4740'
8-5/8" csg @ 4740'
w/ 2350sx-TOC-Surf-Circ
DVT @ 1517'

Perfs @ 4946-4960'

Perfs @ 6024-6034'

Perfs @ 7592-7602'

Perfs @ 7790-8036'

Perfs @ 8444-8656'

7-7/8" hole @ 10066'
5-1/2" csg @ 10066'
w/ 1310sx-TOC-3548'-Calc
DVT's @ 7501', 5401'

Perfs @ 9932-9948'

*Perfs @ 9904-06,9960-62,9980-82' sqz total 500sx

2-7/8" tbg @ 8294' w/ TAC @ 8164'

RBP @ 8823'

PB-9975'

TD-10066'

**Red Tank 23 Federal 1
30-025-31695
OXY USA Inc.
December 06, 2016
Conditions of Approval**

Notify BLM at 575-393-3612 a minimum of 24 hours prior to commencing work.

Work to be completed by March 06, 2017.

- 1. Must conduct a casing integrity test before perforating and fracturing. Submit results to BLM. The CIT is to be performed on the production casing to max treating pressure. Notify BLM if test fails**
2. Before casing or a liner is added or replaced, prior BLM approval of the design is required. Use notice of intent Form 3160-5.
3. Surface disturbance beyond the originally approved pad must have prior approval.
4. Closed loop system required.
5. All waste (i.e. drilling fluids, trash, salts, chemicals, sewage, gray water, etc.) created as a result of work over operations shall be safely contained and disposed of properly at a waste disposal facility. No waste material or fluid shall be disposed of on the well location or surrounding area. Porto-johns and trash containers will be on-location during fracturing operations or any other crew-intensive operations.
6. Operator to have H2S monitoring equipment on location.
7. A minimum of a **3000 (3M)** BOP to be used. All blowout preventer (BOP) and related equipment (BOPE) shall comply with reasonable well control requirements. A two ram system with a blind ram and a pipe ram designed for the size of the work string shall be adequate. Tapered work strings will require an additional pipe ram. The manifold shall comply with Onshore Oil and Gas Order #2 Attachment I (3M Diagrams of Choke Manifold Equipment). The accumulator system shall have an immediately available power source to close the rams and retain 200 psi above pre-charge. The pre-charge test shall follow requirements in Onshore Order #2.
- 8. Subsequent sundry required detailing work done, C-102 form, and completion report with the new formation. Operator to include well bore schematic of current well condition when work is complete.**
9. See attached for general requirements.

JAM 120616