Submit 3 Copies To Appropriate District Office
District I
1625 N. French Dr., Hobbs, NM 87240
District II
1301 W. Grand Ave , Artesia, NM 88210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
1220 S St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-103
May 27, 2004

WELL API NO. 30-025-22337

5. Indicate Type of Lease STATE ☐ FEE ☒

6. State Oil & Gas Lease No.

SUNDRY NOTICES AND REPORTS ON WELLS

(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)

7. Lease Name or Unit Agreement Name: E.C. Hill B

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

8. Well Number 2

2. Name of Operator OXY USA Inc.

9. OGRID Number 16696

3. Address of Operator P.O. Box 50250 Midland, TX 79710-0250

10. Pool name or Wildcat Teague Paddock-Blinebry

4. Well Location

Unit Letter N : 990 feet from the south line and 1650 feet from the west line

Section 27 Township 23S Range 37E NMPM County Lea

11. Elevation *(Show whether DR, RKB, RT, GR, etc.)* 3293'

Pit or Below-grade Tank Application ☐ **or Closure** ☐

Pit type Steel **Depth to Groundwater** _____ **Distance from nearest fresh water well** _____ **Distance from nearest surface water** _____

Pit Liner Thickness: _____ **mil** **Below-Grade Tank: Volume** _____ **bbls; Construction Material** _____

12. Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:				SUBSEQUENT REPORT OF:			
PERFORM REMEDIAL WORK	☒	PLUG AND ABANDON	☐	REMEDIAL WORK	☐	ALTERING CASING	☐
TEMPORARILY ABANDON	☐	CHANGE PLANS	☐	COMMENCE DRILLING OPNS.	☐	PLUG AND ABANDONMENT	☐
PULL OR ALTER CASING	☐	MULTIPLE COMPLETION	☐	CASING TEST AND CEMENT JOB	☐		
OTHER:			☐	OTHER:			☐

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

RECEIVED
AUG 11 2008
HOBBS OCD

See Attachment

I hereby certify that the information above is true and complete to the best of my knowledge and belief. **I further certify that any pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines** ☐ **, a general permit** ☐ **or an (attached) alternative OCD-approved plan** ☐

SIGNATURE _____ TITLE Sr. Regulatory Analyst DATE 8/7/08

E-mail address:

Type or print name David Stewart Telephone No. 432-685-5717

For State Use Only

APPROVED BY _____ TITLE OC DISTRICT SUPERVISOR/GENERAL MANAGER DATE AUG 14 2008

Conditions of Approval, if any:

TD: 6366" **PBTD:** TA'd with RBP @ 5008' w/3 sxs
Perfs: 5365-5462', 5504-5612', 5732-5866' 6039-6211'

Note: **1. Prior to implementing this procedure, have tailgate safety meeting and job discussion.**
2. Well is capable fo flowing out of surface casing.
3. Recently pulled to gather info (July 14, 2008) – production casing tested good, Casing looks good (inspection log) with possible hole at 1114'.
4. Temp survey did not indicate where flow was coming from.

1) A CBL log was run recently and Top of good cement bond was 2330', with stringers that may prevent circulation up to 2270'. The other concern is something up against the pipe at 1442' to 1460', 1315' to 1340', We will run fluid caliper once circulation is established either to surface or between suicide squeeze perfs prior to cementing.
   a) Question – will regulatory body make us circulate cement from current TOC or just from base of suspected water flow zone on up?
   b) Options:
      i) We can perforate just above cmt top ~ 2250' and try to circulate – if no circulation, then assume bridge at 1460' is cause of no circulation – perforate just below this – 1465' and suicide squeeze from 2250' to 1465'. Then see if we can come up to ~1300', perforate and circulate to get cement across suspected water flow. Go to step 2 (for perforating an cementing detail)
      ii) Perforate at 1300', pump fluid caliper once circulation to surface is seen go to step 2 (for perforating an cementing detail)

2) RIH w/perforating gun and perforate just above TOC (insure there are no stringers up hole that would prevent circulation) over 2' w/ 6 shots per foot spiraled down the gun.

3) Run a fluid caliper to determine minimum volume of cement required. Insure surface casing valves are open and tied to a pit.

4) Rig-up Halliburton – have them bring out 1000 sxs cement and mix 2% Calcium Chloride on the fly.