

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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MAY 04 2009

HOBBSOCD

FORM APPROVED
OMB NO. 1004-0135
Expires: November 30, 2000

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 <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. NMLC064118
2. Name of Operator OXY USA Inc. 16696		6. If Indian, Allottee or Tribe Name
3a. Address P.O. Box 50250 Midland, TX 79710	3b. Phone No. (include area code) 432-685-5717	7. If Unit or CA/Agreement, Name and/or No
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 990 FNL 660 FWL NWNW(D) Sec 35 T23S R37E		8. Well Name and No. E.C. Hill D #3
		9. API Well No. 30-025-10967
		10. Field and Pool, or Exploratory Area Teague Paddock-Blaineby
		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 type="checkbox"/> Notice of Intent	<input checked="" type="checkbox"/> Acidize <input type="checkbox"/> Deepen <input type="checkbox"/> Production (Start/Resume) <input type="checkbox"/> Water Shut-Off
<input checked="" 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 checked="" type="checkbox"/> Recomplete <input type="checkbox"/> Other
	<input type="checkbox"/> Change Plans <input type="checkbox"/> Plug and Abandon <input type="checkbox"/> Temporarily Abandon
	<input type="checkbox"/> Convert to Injection <input checked="" type="checkbox"/> Plug Back <input type="checkbox"/> Water Disposal

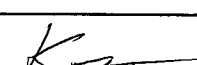
13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths 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 recompleat 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 final site is ready for final inspection.)

See Attached

2A Teague Davenian

14. I hereby certify that the foregoing is true and correct Name (Printed/Typed) David Stewart	Title Sr. Regulatory Analyst
	Date 5/1/09

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by	Title PETROLEUM ENGINEER	Date MAY 29 2009
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, 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.

E.C. Hill D Federal #3

DATE	REMARKS
12/18/08	RUPU, Tally tbg. RIH w/ 6 1/8" bit and scraper 100 jts. Then RIH w/ 129 jts. 2 3/8" tbg. Pump 25 bbls BW. Pulled tbg. Laid down bit & scraper.
12/22/08	Swab well down to 3000' from surf. SION
12/23/08	FL @ 3000' from surface. Made 16 swab runs, 100 bbls. POOH w/ tbg. <u>RIH & set CIBP @ 5950', Dump 7sx cement on plug.(35')</u>
12/24/08	RU Gray WL. Perf @ 5494-5766', Total 272 holes.
12/29/08	RIH w/ 2 3/8" SN and 186 jts tbg. RU swab equipment. Swab tbg. FL 3000' from surf. Made 11 runs. Swab total 70 bbls. POOH w/ 186 jts of tbg. SION
12/30/08	Ran Tbg. and Pkr. (174 jts. 2 3/8") Set pkr @ 5441'. RU Acidize Trk. Load csg. 95 bbls. Load tbg. Open by-pass on pkr. Spot 20 bbls. acid. Close by-pass. Pump total 229 bbls. acid. Drop 125 frac balls, flush w/ 38 bbls 6% KSL. RD Acid Trk. SDON. 800 psi on tbg.
12/31/08	Release pkr. Ran 12 jts 2 3/8" tbg Pull 186 jts tbg. and pkr. Change flange. Ran 186 jts. 2 3/8" tbg. and SN RU swab eqmt. Made 10 swab runs Starting FL @ surface. Ending FL 3000'. SION
1/2/09	Made 30 swab runs ..120 bbls. all water, and acid water. FL 4600'
1/5/09	Swab 14 runs, FL 3600' Total 55bbls fluid, all water, swab dry.
1/8/09	150 psi on tub, 210 psi on casing, bled well down, start swabbing FL. 4500' , 6 runs swab dry. Pull tubing out of hole. Ran 4' perf sub & tubing to 5455'. Start swabbing, 1st. run 4500'. 100 % oil tubing gasing, 2 nd run, FL 5200'. Pull 300 ft. fluid 100 % oil lots of gas.
1/9/09	810 psi on tub , 450 on casing, Well flowed back 5 bbls. 100 % oil. FL 4500' from surf. Made 2 runs 10 % oil. FL stayed @ 4500'. Made 24 runs Total, 70 bbls 8 bbls per hr.
1/12/09	Flow well, 5 bbls. 100% oil, Swab well, FL 4100', 15 runs. 36 bbls. total swab back. Well flow 5 bbls. 100% oil, FL 4500'. 9 runs. 24 bbls. SION
1/13/09	Swab. FL 3600 ' 11 runs, 30 bbls. Well flow, 5 bbls, 100% oil, FL 5400' 3 runs, well dry. SION
1/14/09	Flowback tbg. and csg. FL 5455' made two rund, dry. Pull tbg, SN, and perf Sub. RU Gray WL to Perf @ 5242-5472', Total 218 holes. SION
1/15/09	Ran perf. sub, SN, 175 jts. 2 3/8 tubing & 6 ft. sub. Swab well FL 4500' 6 runs, 4 bbls total 100 % oil. SION
1/16/09	Swab well FL 4900' 3 runs, 2 bbls total 100 % oil. TOH w/ 175 jts 2 3/8" Tbg, SN, PS, NC. Ran Pkr w/ 7 jts of Tail Pipe on 166 jts 2 3/8" Tbg. SION
1/19/09	Set Pkr @ 5192. Acidize w/ 4734gal FW followed by 6201gal 15% FE Acid followed by 1354gal 15% HCL ACID. Average BH treating rate was 3.3 bpm and average WH pressure was 1047 psi. The total liquid load to recover is 12289gal, had a little ball action. Tbg had 300 psi Bleed to Tank 30 bbls Fluid. Released Pkr Went down and knock off Ball on the perfs. Toh w/ 175 jts 2 3/8" Tbg & Pkr. SION
1/20/09	Casing had 100 psi, Flow back to tank 30 bbls oil, TIH w/ PS, SN, on 173 jts 2 3/8" to 5463', RU Swab, Swab back 125 bbls total fluid (35 Oil & 90 Wtr)with a little show of gas, Made 20 runs, Fluid level Started @ 1200' ending @ SN, 1 hrs waiting gain to 4500', SION.
1/21/09	Casing & Tbg had 20 psi, Swab back 70 bbls total fluid (for total of 220 bbls)with a little show of gas, Made 22 runs, Fluid level Started @ 3000' ending @ 4700, Took 7 runs to get a FL of 4700 SION.
1/22/09	Casing & Tbg had 0 psi, Swab back 23 bbls 10 % Oil, (for total of 240 bbls)with a little show of gas, I Made 14 runs, Fluid level Started @ 4500' ending @ Dry, 4 Runs waiting 1 hrs between maded 3 bbls 10 % oil, SION.
1/23/09	Casing & Tbg had 0 psi, Swab back 23 bbls 10 % Oil, (for total of 240 bbls)with a little show of gas, I Made 14 runs, Fluid level Started @ 4500' ending @ Dry, 4 Runs waiting 1 hrs between maded 3 bbls 10 % oil, SION.
1/26/09	RIH w/ Pressure Bomb and got Pressure reading every 1000 and one @ perfs, RIH w/ RBP@ 5230', TOH with Wireline, Loaded w/120 bbls 2 % KCL Tested to 500 psi held, TIH w/ sand Bailer on wireline, dump 4 sacks ending level @ 5214 , SION.
1/28/09	Perforate 4962 to 5194 made 10 runs w/ WL, Conveyed high Shot Density Gun System 3 .5" PowerJet Omega 3506, Max SPF 6, TIH w/ NC, PS, SN, on 165 jts 2 3/8", SION. NDP Swab for 2 hrs TOH w/ Tbg, RIH w/ Pkr set @ 4910, Test, SION
1/29/09	Beginning fluid level was 1000', make 6 swab runs, recover 23 bbls of water & 5 bbls of oil, ending fluid level was 2200'. POOH w/175 jts of 2.375 tbg, 2.375 seat nipple, 4' x 2.375 perforated sub. TIH w/7" Baker Model "EA" Retrivable Packer, 2.375 seat nipple, on 157 jts of 2.375 tbg to 4915 & set packer. Load casing with 50 bbls of fluid & test to 500 PSI & held. Bleed off pressure. SDON
2/2/09	Acidize perfs. Treating Rate was 5 bpm avg WHP 2444 psi, SI for 1 hrs RU swab. 0 psi on WH Starting FL Surface, ending FL 1500, 4 run 20 bbls blk wtr, FB 30 bbls. 3more Runs 20 bbls total 70 bbls need 336bbls
2/3/09	RU swab equipment. 0 psi on WH Starting FL Surface, ending FL 1500, 4 run 20 bbls blk wtr, FB 30 bbls. 3more Runs 20 bbls total 70 bbls need 336 bbls.
2/4/09	Swab. 420 psi on WH Starting FL 1500, ending FL 2500, 24 run 120 bbls blk wtr. total 190bbls need 336bbls

2/5/09 Swab. 250 psi on WH Starting FL 3500, ending FL 3500, 10 run 50 bbls blk wtr. total 240 bbls need 336 bbls. Sandline parted, TOH w/ Pkr & Tbg, TIH w/ SN & Tbg.

2/6/09 Replaced 3000' Sandline Swab. 250 psi on WH Starting FL 3500, ending FL 3500, 10 run 50 bbls blk wtr. total 240 bbls need 336 bbls. TOH w/ SN & Tbg. NDP Get downhole pressure TIH w Tbg to clean off RBP, TOH w/ Tbg, TIH w/ latch tool & Tbg latch plug POOH. TIH w/ 6 1/8 Bit, BS, 6 3.5 DC on Tbg

2/9/09 RU wireline to do bottom pressure readings. RU swivel & Pump Trucks to wash sand & frac balls off plug. Circulated 120 bbls 2 % KCL did not break circulation. RD swab equipment & flowline to test tank. Move out Rev unit move in 1/2 frac RU flowline. RU Air foam unit.

2/10/09 Washed off sand & frac balls TOH w Tbg. SDON due to Wind NDP TIH w/ latch tool & tbg. Wash clean & latch plug. TOH w/ RBP & Tbg. TIH w 6 1/8" Bit, BS, 6 - DC on 2 3/8" Tbg drill CIBP w/ air unit.

2/11/09 TIH w/ latch tool & tbg. TOH w/ RBP & Tbg. TIH w 6 1/8" Bit, BS, 6 - DC on 2 3/8" Tbg Tag @ 5482, CO w/ air unit down to 5915. Circulate wellbore clean. POOH to above the perms SION.

2/12/09 TOH w/ Bit, BS, DC & Tbg. TIH w/BP, 2 7/8" MA, 2 7/8" PS, XO, 2" SN, XO, 2 7/8" PBJ, XO, 15 jts 2 3/8", TAC, 167 jts 2 3/8", SDON.

2/13/09 TIH w/insert pump picking up rods off ground. Space out well, L & T. Would not hold pressure. Unseat pump & flush. Reseat pump & still had same leak. POOH w/Pump & rods. SDON.

2/17/09 NDWH, Unset TAC, NUBOP. POOH w/production tbg. Shut down due to windy conditions.

2/18/09 Hydro test production tbg in hole. Was pin leak, treads thin would not tighten up. change out 1 jt. NDBOP, Set TAC @ 5355', NUWH. SDON.

2/19/09 TIH w/12' GA, 1.25" Pump, RHR, LSW, 160 - 3/4", 70 - 7/8", 1 7/8" x 6' Sub, 1.25" x 26' PR w/ 1.5" x 16' Liner. Load tubing w/6 bbls. 3 strokes. Pressure up to 600 psi. RDPU