

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCD-HOBBS

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 ☐ Oil Well ☐ Gas Well ☒ Other		Injection	5. Lease Serial No. LC0622300
2. Name of Operator OXY USA Inc.		16696	6. If Indian, Allottee or Tribe Name
3a. Address P.O. Box 50250, Midland, TX 79710-0250	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) 1980 FNL 1980 FWL SENW(F) Sec 15 T25S R32E		8. Well Name and No. Cotton Draw Unit #2	
		9. API Well No. 30-025-08183	
		10. Field and Pool, or Exploratory Area Paduca Delaware	
		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			
☒ Notice of Intent	☐ Acidize	☐ Deepen	☐ Production (Start/Resume)	☐ Water Shut-Off
☐ Subsequent Report	☐ Alter Casing	☐ Fracture Treat	☐ Reclamation	☒ Well Integrity
☐ Final Abandonment Notice	☐ Casing Repair	☐ New Construction	☐ Recomplete	☒ Other <u>TA Status</u>
	☐ Change Plans	☐ Plug and Abandon	☒ Temporarily Abandon	
	☐ Convert to Injection	☐ Plug Back	☐ 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.)

OXY USA Inc respectfully requests to temporarily abandon this well. This will allow OXY time to evaluate the future plans for the Paduca field.

TD-4811' PBTD-4720' Perfs-4674-4715' Pkr-4625'

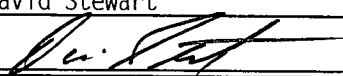
RECEIVED

OCT 19 2009

HUBBSOCD

1. POOH w/ tubing and packer.
2. RIH & set CIBP @ 4625' or 4645 as per Diagram
3. Notify BLM/NMOCD of casing integrity test 24hrs in advance.
4. RU pump truck, circulate well with treated water, pressure test casing to 500# for 30 min.

SEE ATTACHED FOR
CONDITIONS OF APPROVALWell Last Used 12/2008

14. I hereby certify that the foregoing is true and correct Name (Printed/Typed) David Stewart	Title Sr. Regulatory Analyst
	Date 9/24/09

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by Is/ JD Whitlock Jr. 	Title LIE7	Date 10/12/09
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 CFD	

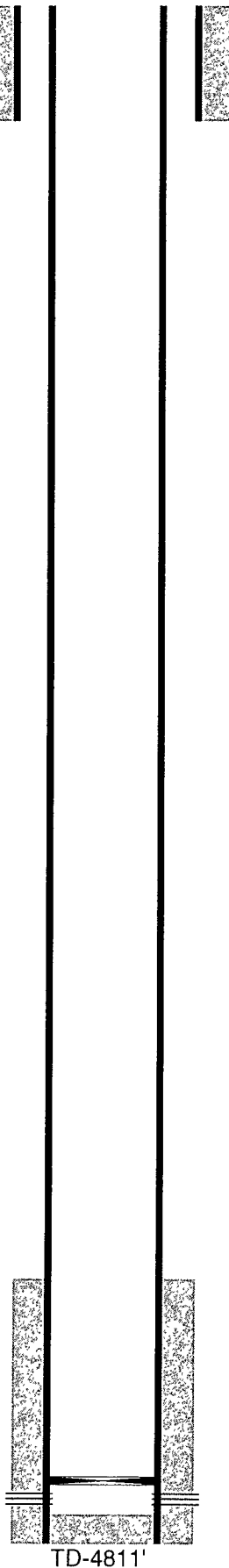
Title 18 U.S.C. Section 1001, and Title 43 U.S.C. Section 1212, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

OXY USA Inc. - Proposed
Cotton Draw Unit #2
API No. 30-025-08183

10-3/4" hole @ 372'
9-5/8" csg @ 372'
w/ 250sx-TOC-Surf-Circ

CIBP @ 4645' or 4625'

PB-4720'



7-7/8" hole @ 4811'
4-1/2" csg @ 4811'
w/ 150sx-TOC-4090'-TS

Perfs @ 4674-4715'

BUREAU OF LAND MANAGEMENT
Carlsbad Field Office
620 East Greene Street
Carlsbad, New Mexico 88220
575-234-5972

Temporary Abandonment of Wells on Federal Lands
Conditions of Approval

A temporarily abandoned well is defined as a completion that is not capable of production in paying quantities but which may have value as a service well. Pursuant to 43 CFR 3162.3-4 (c), no well may be temporarily abandoned for more than 30 days without the prior approval of the authorized officer.

Temporary Abandonment (TA) status approval requires a successful mechanical or casing integrity test as follows:

1. A Notice of Intent (NOI) Sundry Notice (Form 3160-5) requesting approval to run a mechanical integrity test (MIT) or casing integrity test (CIT).
2. A description of the temporary abandonment procedure.
 - a. A bridge plug or packer must be installed as close to 50 feet above any open perforations or open hole as possible. If a cement plug is used, the top of the cement must be verified by tagging.
 - b. The wellbore must be filled with corrosion inhibited fluid and pressure tested to 500 psi. The casing shall be capable of holding this pressure for at least 30 minutes with a 10% allowable leakoff.
 - c. All downhole production/injection equipment (tubing, rods, etc.) shall be removed from the casing if they are not isolated by a packer.
 - d. A bradenhead test must be conducted. If the test indicates a problem exists, a remedial plan and time frame for remediation shall be submitted within ninety (90) days of the test.
 - e. Contact the appropriate BLM office at least 24 hours prior to the scheduled Casing Integrity Test. For wells in Eddy County, 575-361-2822; Lea County 575-393-3612.
3. **Provides justification why the well should be temporarily abandoned rather than permanently plugged and abandoned and an estimated date that the well will be returned to beneficial use or plugged and abandoned.**

Wells that successfully pass the casing integrity test may be approved for Temporary Abandonment (TA) status provided that the operator:

1. **Submits a subsequent Sundry Notice** (Form 3160-5) requesting TA approval with well bore diagram with all perforations and CIBP's and tops of cement on CIBP's.
2. Describes the temporary abandonment procedure.
3. Attaches a clear copy or the original of the pressure test chart.
4. Give justification to allow well to be place in TA status and plan for future use of well with time frame that well will be place back on line or plans to P&A well will be submitted.

If the well does not pass the casing integrity test, then the operator shall within 30 days submit to BLM for approval one of the following:

1. A procedure to repair the casing so that a TA approval can be granted.
2. A procedure to plug and abandon the well.

Cotton Draw Unit #2. Well may be approved to be TA/SI for a period of 6 months after successful MIT and subsequent report is submitted. This will be the last and only TA/SI approval. Well must be P&A or NOI to convert to producing well submitted by April 12, 2010.