

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

RECEIVED  
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.

MAR 12 2010

HOBBSD

SUBMIT IN TRIPLICATE - Other instructions on reverse side

1. Type of Well

☒ Oil Well ☐ Gas Well ☐ Other

2. Name of Operator

OXY USA Inc.

16696

3a. Address

P.O. Box 50250, Midland, TX 79710-0250

3b. Phone No. (include area code)

432-685-5717

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

330 FNL 1300 FEL NENE(A) Sec 25 T22S R32E

5. Lease Serial No.

NM2379

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.

Covington A #15 Federal

9. API Well No.

30-025-33319

10. Field and Pool, or Exploratory Area

Red Tank, West 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

☒ Notice of Intent

☐ Subsequent Report

☐ Final Abandonment Notice

TYPE OF ACTION

☐ 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

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 final site is ready for final inspection.)

TD-9010' PBDT-8850' Perfs-8090-8688' CIBP-8850'

10-3/4" 40.5# csg @ 831' w/ 800sx, 14-3/4" hole, TOC-Surf-Circ

7-5/8" 26.4# csg @ 4705' w/ 1600sx, 9-5/8" hole, TOC-Surf-Circ

4-1/2" 11.6# csg @ 9010', DVT @ 6697' w/ 1325sx, 6-3/4" hole, TOC-1800'-CBL

1. RIH & tag CIBP @ 8550' spot 15sx cmt to 8710'

2. RIH & set CIBP @ 8040' w/ 20sx cmt to 7960'

3. M&P 25sx cmt @ 6777-6607'

4. M&P 25sx cmt @ 4780-4630' WOC-Tag

5. M&P 25sx @ 3020-2890'

6. Perf @ 1280' sqz 35sx cmt to 1170' WOC-Tag

7. Perf @ 881' sqz 35sx cmt to 781' WOC-Tag

8. Perf @ 400' sqz 150sx cmt to Surface

10# MLF between plugs

SEE ATTACHED FOR  
CONDITIONS OF APPROVAL

RECLAMATION PROCEDURE  
ATTACHED

14 I hereby certify that the foregoing is true and correct  
Name (Printed/Typed)

David Stewart

Title

Sr. Regulatory Analyst

Date

2/18/10

Approved by

Title

Office

Date

MAR 8 2010

MAR 15 2010

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.

BUREAU OF LAND MANAGEMENT  
CARLSBAD FIELD OFFICE

✓ OXY USA Inc - Proposed  
Covington A Federal #15  
API No. 30-025-33319

150sx @ 400'-Surface

35sx @ 881-781' WOC-Tag

35sx @ 1280-1170' WOC-Tag

25sx @ 3020-2890'

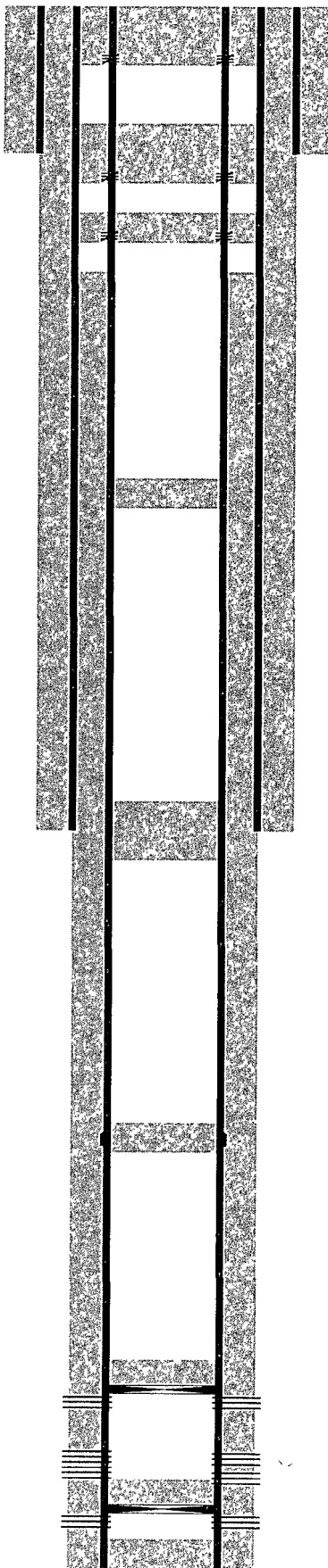
25sx @ 4780-4630' WOC-Tag

25sx @ 6777-6607'

CIBP @ 8040' w/ 20sx to 7960'

15sx @ 8850-8710'  
5/04-CIBP @ 8850'

PB-8977'



Perf @ 400'

Perf @ 881'

Perf @ 1280'

14-3/4" hole @ 831'  
10-3/4" csg @ 831'  
w/ 800sx-TOC-Surf-Circ

9-5/8" hole @ 4705'  
7-5/8" csg @ 4705'  
w/ 1600sx-TOC-Surf-Circ

6-3/4" hole @ 9010'  
4-1/2" csg @ 9010'  
DVT @ 6697'  
1st w/ 725sx-TOC-6692'-Circ  
2nd w/ 600sx-TOC-1800'-CBL

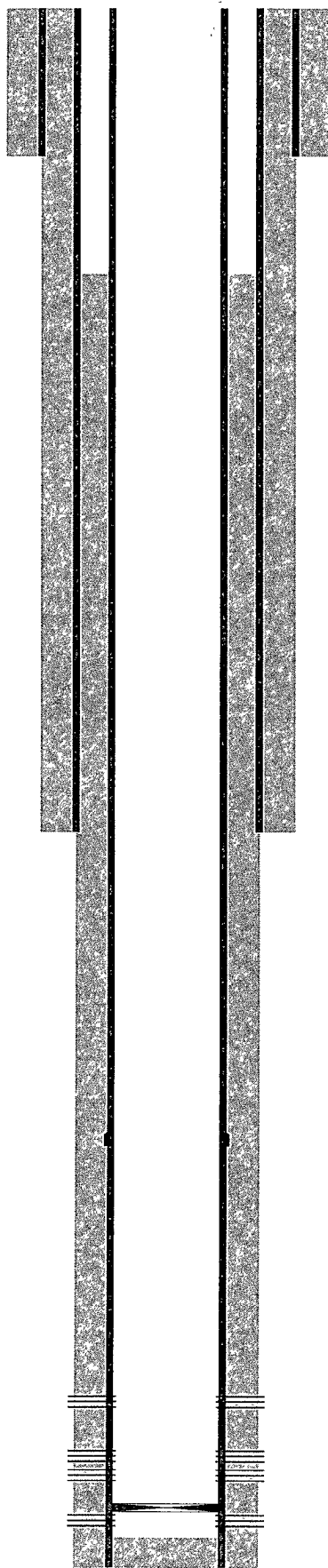
Perfs @ 8090-8103'

Perfs @ 8500-8688'

Perfs @ 8876-8896'

TD-9010'

OXY USA Inc - Current  
Covington A Federal #15  
API No. 30-025-33319



14-3/4" hole @ 831'  
10-3/4" csg @ 831'  
w/ 800sx-TOC-Surf-Circ

9-5/8" hole @ 4705'  
7-5/8" csg @ 4705'  
w/ 1600sx-TOC-Surf-Circ

6-3/4" hole @ 9010'  
4-1/2" csg @ 9010'  
DVT @ 6697'  
1st w/ 725sx-TOC-6692'-Circ  
2nd w/ 600sx-TOC-1800'-CBL

Perfs @ 8090-8103'

Perfs @ 8500-8688'

Perfs @ 8876-8896'

5/04-CIBP @ 8850'

PB-8977'

TD-9010'

OXY USA Inc.  
NMLC-030187: Covington A Federal #15  
API: 30-025-33319  
Lea County, New Mexico

RE: Plugging and Abandonment Requirements, Conditions of Approval

H2S monitoring equipment to be on location.

1. A minimum of 25sx is to be pumped on top of the CIBP. A tag is recommended to determine if there is any interference with step 2 – Otherwise OK (Perfs – Bone Springs)
2. A minimum of 25sx is to be pumped on top of the CIBP – Otherwise OK (Perfs)
3. WOC and tag – Otherwise OK (DV Tool)
4. Plug is to be spotted from 4978'-4655' – Otherwise OK (Delaware – BOS – Casing shoe)
5. OK (Spacer)
6. Move perf and squeeze to 1250'. WOC and tag at 1140' or shallower – Otherwise OK (TOS)
7. OK (Casing shoe)
8. OK (Surface)
9. Submit a subsequent report to the BLM.

Timing Limitation Stipulation / Condition of Approval for lesser prairie-chicken:

Oil and gas activities including 3-D geophysical exploration, and drilling will not be allowed in lesser prairie-chicken habitat during the period from March 1st through June 15th annually. During that period, other activities that produce noise or involve human activity, such as the maintenance of oil and gas facilities, pipeline, road, and well pad construction, will be allowed except between 3:00 am and 9:00 am. The 3:00 am to 9:00 am restriction will not apply to normal, around-the-clock operations, such as venting, flaring, or pumping, which do not require a human presence during this period. Additionally, no new drilling will be allowed within up to 200 meters of leks known at the time of permitting. Normal vehicle use on existing roads will not be restricted. Exhaust noise from pump jack engines must be muffled or otherwise controlled so as not to exceed 75 db measured at 30 feet from the source of the noise.

Ground-level Abandoned Well Marker to avoid raptor perching: Upon the plugging and subsequent abandonment of the well, the well marker will be installed at ground level on a plate containing the pertinent information for the plugged well – **Requirements attached**. For more installation details, contact the Carlsbad Field Office at 575-234-5972.

See attached standard COAs.

DHW 030310

**Requirements for ground level dry hole markers**  
**Well Identification Markers**  
**Conditions of Approval (COA)**

The BLM Carlsbad Field Office (CFO) Conditions of Approval (COA) Requires that ground level dry hole markers be placed on well within the Lesser Prairie Chicken habitat area. The dry hole markers will be to the following specifications. The operator will construct the markers as follows:

1. An 8 inch X 8 inch steel plate 1/8 to 3/16 of an inch thick is to be placed on the old dry hole marker stand pipe 2 inches from ground level, in the Lesser Prairie Chicken habitat area.
2. Steel plate may be welded or bolted approximately 2 inches from ground level on the stand pipes. If plates are bolted to the stand pipe, the person installing the plate will be required to weld a pipe collar on the plate and place a minimum of two set screws/bolt on each collar. Aluminum data plates may be bolted with minimum 1/4 inch bolt and locking nuts or self tapping fine threaded screws. A minimum of one in each corner is to be installed on each plate.
3. An 8 inch x 8 inch aluminum plate, which is 12 gauge or .080 sign material (1/8 inch aluminum plate may be used in place of the .080 plate) with the required information for that well stamped or engraved in a minimum 3/8 inch tall letter or number.
4. The following information will be stamped or engraved on the 8 inch X 8 inch aluminum plate in the following order.
  - a. First row: Operators name
  - b. Second row: Well name and number
  - c. Third row: Legal location to include 1/4 1/4, Section, Township, and range. If the legal location cannot be placed on one row it can be split into two rows with the 1/4 1/4 (example: 1980 FNL 1980 FWL) being on the top row.
  - d. Fourth row: Lease Number and API number.
    - i. Example marker plate: (attached)

NMOCD Order No. R-12965 also required the operator to notify NMOCD when this type of dry hole marker is used. This can be done on the subsequent report of abandonment which is submitted to the BLM after the well is plugged. State that a ground level dry hole marker was installed as required in the COA's from the BLM.

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

**Permanent Abandonment of Federal Wells**  
**Conditions of Approval**

Failure to comply with the following Conditions of Approval may result in a Notice of Incidents of Noncompliance (INC) in accordance with 43 CFR 3163.1.

1. Plugging operations shall commence within ninety (90) days from the approval date of this Notice of Intent to Abandon.  
**If you are unable to plug the well by the 90<sup>th</sup> day provide this office, prior to the 90<sup>th</sup> day, with the reason for not meeting the deadline and a date when we can expect the well to be plugged. Failure to do so will result in enforcement action.**

**The rig used for the plugging procedure cannot be released and moved off without the prior approval of the authorized officer. Failure to do so may result in enforcement action.**

2. **Notification:** Contact the appropriate BLM office at least 24 hours prior to the commencing of any plugging operations. For wells in Chaves and Roosevelt County, call 575-627-0272; Eddy County, call 575-361-2822; Lea County, call 575-393-3612.

3. **Blowout Preventers:** A blowout preventer (BOP), as appropriate, shall be installed before commencing any plugging operation. The BOP must be installed and maintained as per API and manufacturer recommendations. The minimum BOP requirement is a 2M system for a well not deeper than 9,090 feet; a 3M system for a well not deeper than 13,636 feet; and a 5M system for a well not deeper than 22,727 feet.

4. **Mud Requirement:** Mud shall be placed between all plugs. Minimum consistency of plugging mud shall be obtained by mixing at the rate of 25 sacks (50 pounds each) of gel per 100 barrels of **brine water**. Minimum nine (9) pounds per gallon.

5. **Cement Requirement:** Sufficient cement shall be used to bring any required plug to the specified depth and length. Any given cement volumes on the proposed plugging procedure are merely estimates and are not final. Unless specific approval is received, no plug except the surface plug shall be less than 25 sacks of cement. In lieu of a cement plug in a cased hole, a bridge plug set within 50 feet to 100 feet above the perforations shall be capped with 25 sacks of cement. If a bailer is used to cap this plug, 35 feet of cement shall be sufficient. Any plug that requires a tag will have a minimum WOC time of 4 hours.

Unless otherwise specified in the approved procedure, the cement plug shall consist of either Neat Class "C", for up to 7,500 feet of depth or Neat Class "H", for deeper than 7,500 feet plugs.

6. **Dry Hole Marker:** All casing shall be cut-off at the base of the cellar or 3 feet below final restored ground level (whichever is deeper). **The BLM is to be notified when the wellhead is cut off to verify that cement is to surface in the casing and all annuluses.** The well bore shall then be capped with a 4-inch pipe, 10-feet in length, 4 feet above ground and embedded in cement. The following information shall be permanently inscribed on the dry hole marker: well name and number, name of the operator, lease serial number, surveyed location (quarter-quarter section, section, township and range or other authorized survey designation acceptable to the authorized officer such as metes and bounds).

7. **Subsequent Plugging Reporting:** Within 30 days after plugging work is completed, file one original and five copies of the Subsequent Report of Abandonment, Form 3160-5 to BLM. The report should give in detail the manner in which the plugging work was carried out, the extent (by depths) of cement plugs placed, and the size and location (by depths) of casing left in the well. **Show date well was plugged.**

8. **Trash:** All trash, junk and other waste material shall be contained in trash cages or bins to prevent scattering and will be removed and deposited in an approved sanitary landfill. Burial on site is not permitted.

Following the submission and approval of the Subsequent Report of Abandonment, surface restoration will be required. See attached reclamation procedure.

DHW 112309



# United States Department of the Interior

## BUREAU OF LAND MANAGEMENT

Carlsbad Field Office  
620 E. Greene St.  
Carlsbad, New Mexico 88220-6292  
[www.blm.gov/nm](http://www.blm.gov/nm)



In Reply Refer To: 1310

### Interim Reclamation Procedures

**Reclamation Objective:** Oil and gas development is one of many uses of the public lands and resources. While development may have a short- or long-term effect on the land, successful reclamation can ensure the effect is not permanent. During the life of the development, all disturbed areas not needed for active support of production operations should undergo "interim" reclamation in order to minimize the environmental impacts of development on other resources and uses.

Interim reclamation consists of minimizing the footprint of disturbance by reclaiming all portions of the well site not needed for production operations. The portions of the cleared well site not needed for operational and safety purposes are recontoured to a final or intermediate contour that blends with the surrounding topography as much as possible. Sufficient level area remains for setup of a workover rig and to park equipment. Topsoil is respread over areas not needed for all-weather operations. Production facilities should be clustered to maximize the opportunity for interim reclamation. In order to inspect and operate the well or complete workover operations, it may be necessary to drive, park, and operate on restored, interim vegetation within the previously disturbed area. This is generally acceptable provided damage is repaired and reclaimed following use.

To reduce final reclamation costs; maintain healthy, biologically active topsoil; and to minimize habitat, visual, and forage loss during the life of the well, all salvaged topsoil should be spread over the area of interim reclamation, rather than stockpiled.

1. The Application for Permit to Drill or Reenter (APD, Form 3160-3), Surface Use Plan of Operations must include adequate measures for stabilization and reclamation of disturbed lands. Oil and Gas operators must plan for reclamation, both interim and final, up front in the APD process as per Onshore Oil and Gas Order No. 1.
2. For wells and/or access roads not having an approved plan, or an inadequate plan for surface reclamation (either interim or final reclamation), the operator must submit a proposal describing the procedures for reclamation. For interim reclamation, the appropriate time for submittal would be when filing the Well Completion or Recompletion Report and Log (Form 3160-4). Interim reclamation is to be completed within 6 months of well completion.
3. If you have an approved Surface Use Plan of Operation and/or an approved Sundry Notice, you are free to proceed with interim reclamation as per approved APD or Sundry Notice. If you have issues or concerns, contact a BLM specialist to assist you. It would be in your interest to have a BLM specialist look at the location and access road prior to the removal of reclamation equipment to ensure that it meets BLM objectives. Upon conclusion submit a Form 3160-5, Subsequent Report of Reclamation. This will prompt a specialist to inspect the location to verify work was completed as per approved plans.
4. The approved Subsequent Report of Reclamation will be your notice that the native soils, contour and seedbed have been reestablished. If the BLM objectives have not been met the operator will be notified and corrective actions may be required.
5. It is the responsibility of the operator to monitor these locations and/or access roads until such time as the operator feels that the BLM objective has been met.

If there are any questions, please feel free to contact any of the following specialists:

Jim Amos  
Supervisory Environmental Protection Specialist  
575-234-5909, 575-361-2648 (Cell)

Cody Layton  
Natural Resource Specialist  
575-234-5959

Terry Gregston  
Environmental Protection Specialist  
575-234-5958

Trishia Bad Bear  
Natural Resource Specialist  
575-393-3612

Bobby Ballard  
Environmental Protection Specialist  
575-234-2230

Todd Suter  
Surface Protection Specialist  
575-234-5987

Randy Rust  
Environmental Protection Specialist  
575-234-5943

Doug Hoag  
Civil Engineering Technician  
575-234-5979

Linda Denniston  
Environmental Protection Specialist  
575-234-5974

Jennifer Van Curen  
Environmental Protection Specialist  
575-234-5905

Justin Frye  
Environmental Protection Specialist  
575-234-5922