Form 3160-5
(August 1999)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

RECEIVED
MAR 12 2010 OCD Hobbs
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***

5 Lease Serial No
LC-061936

6. If Indian, Allottee or Tribe Name

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

1 Type of Well
[X] Oil Well [ ] Gas Well [X] Other Drilled Not Completed

8 Well Name and No
Cotton Draw Unit 102

2. Name of Operator
OXY USA Inc. 16696

9 API Well No.
30-025-37598

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

3b Phone No. *(include area code)*
432-685-5717

10 Field and Pool, or Exploratory Area
Paduca Delaware

4 Location of Well *(Footage, Sec., T, R, M., or Survey Description)*
2210 FNL 1675 FEL SWNE(G) Sec 10 T25S R32E

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 | | | |
|---|---|---|---|---|
| [X] 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 | [X] Other Complete & test prior to plugging |
| | [ ] 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 recomplete 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 recompletion 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.)

1) Clean Location and set anchors, RUPU, NDWH, NU BOP.
2) RIH w/ 2-7/8" N-80 Tbg, DC & Bit and tag PBTD at +/-4960'. Displace hole with 2% KCL and circulate until hole is clean. POOH w/ tubing and LD bit. Run GR/CCL/CBL to TD and correlate to open hole log.
3) RIH with Tubing and seating nipple. Swab tubing down to 500ft above proposed top perforation depth (to reduce head on Ramsey formation when perforating). POOH w/ tubing.
4) RU WL unit and RIH and perforate the Upper Ramsey sand from 4760-4765' using 6 JSPF (30 holes) on 60 degree phasing with 4" HSD PJ Omega Charge (EHD of .48" and penetration of 51.7" ).
5) RIH w/ tubing and packer and set packer 50' above top perf and break down perforations by pumping 1000 gal 7.5% AS acid at +/- 4 BPM Displace acid to the top perf and let soak for 2 hours.
6) Swab well for minimum of 5 days Record all pressures, fluid levels beginning and ending and individual swab volumes per run and report daily to engineer Intent is to get a good understanding of feed in rates to calculate inflow potential. NOTE: DO NOT PROCEED PAST STEP 7 UNTIL SWAB RESULTS HAVE BEEN EVALUATED BY ENGINEER
7) If swab results indicate sustainable quantities of oil, POOH with tubing and packer and LD packer and go to step 9. **IF NOT, Notify BLM & proceed with P&A operations.**
8) POOH and LD Tubing. ND BOP and NU FRAC valve. RDPU.
9) Frac well per HES procedure. Run Scale Inhibitor in pre-pad & flush Frac w/ 2% KCl.
10) SI well for 12-24hrs, flow back load until dead.
11) RUPU & ND FV, NU BOP RIH W/ notched collar (or bit or bailer) & CO to PBTD
12) RIH W/ tbg & pkr, set @ ~ 50' above top perf. Swab & flow well until sand cleans up.
13) POH & RIH W/ production equip. ND BOP, NUWH, RDPU. Test well into battery.

**SEE ATTACHED FOR CONDITIONS OF APPROVAL**

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

Title
Sr. Regulatory Analyst

Date 2/25/10

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

APPROVED
MAR 8 2010
/s/ Dustin Winkler
BUREAU OF LAND MANAGEMENT
CARLSBAD FIELD OFFICE

Approved by EG 3/5/10
Title Date
Office

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

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.
NMLC-061936: Cotton Draw Unit #102
API: 30-025-37598
Lea County, New Mexico

RE: Plug back and Recomplete NOI – Conditions of Approval

There is to be no surface disturbance beyond the existing pad. A closed loop system is to be used. H2S monitoring and protection equipment is to be on site.

3M BOP to be used. All blowout preventer (BOP) and related equipment (BOPE) shall comply with well control requirements as described in Onshore Oil and Gas Order No. 2 and API RP 53 Sec. 17.

Submit subsequent report and completion report once work is completed.

**A commercial well determination will need to be submitted after production has been established for at least six months.**

DHW 030310