

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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FEB 23 2011
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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

2. Name of Operator

OXY USA Inc.

16696

3a. Address

P.O. Box 50250 Midland, TX 79710

3b. Phone No. (include area code)

432-685-5717

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

2310 FNL 1340 FEL SWNE(G) Sec 28 T23S R37E

5. Lease Serial No.

NMLC030187

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.

C.E. LaMunyon #58

9. API Well No.

30-025-33444

10. Field and Pool, or Exploratory Area

Teague Paddock-Blinebry

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

☐ Deepen

☐ Production (Start/Resume)

☐ Water Shut-Off

☐ Alter Casing

☐ Fracture Treat

☐ Reclamation

☒ Well Integrity

☐ Casing Repair

☐ New Construction

☐ Recomplete

☐ Other

☐ 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.)

TD-5979' PBDT-5309' Perfs-5395-5889'

OXY USA Inc respectfully requests to temporarily abandon this well for possible future use, this well is currently being evaluated for possible recompleat in 7R-Qn-GB or possible deepening to test the Tubb Drinkard and/or Abo formation for possible potential.

SEE ATTACHED FOR
CONDITIONS

1/26/11 RUPU, unhang head, POH w/ rods & pump LD. SDON.

1/27/11 NDWH, NUBOP, POH w/ Tbg LD, MI WS. SDON.

1/28/11 Rih w/ rbp & pu w.s. x set rbp @ 5346 x ld & circ wellbore x tst csg x would not hold pressure x pmp 2 bpm @ 500 psi x shut dwn & csg on vacuum x pooh w/ tbg x SDFW

1/31/11 Rih w/ tbg & pkr x pkr @ 5324' x attempt to load tbg & tst rbp x would not load up x tbg on vacuum x move rbp up to 5309' x tst 600 psi (ok) x release pkr & circ wellbore & tst 5309' to surface 500 psi (ok) x (BLM said 5309' w/ CIBP would be good) x pooh w/ rbp & pkr x SION

2/1-2/3/11 Shut down due to inclement weather

2/4/11 Rih w/ CIBP set 5309, Circulated w/ Pkr fluid, pooh w/ WS LD, NDBOP, NUWH, got MIT Passed, RD

2/5/11 Circulate Pkr Fluid. POOH LD WS Pressure test Csg to 500 psi Good Test Circulate Pkr fluid NUWH, RDPU

14. I hereby certify that the foregoing is true and correct

Name (Printed/Typed)

David Stewart

Title

Sr. Regulatory Analyst

Date

2/10/11

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

/s/ JD Whitlock Jr

Title

LPET

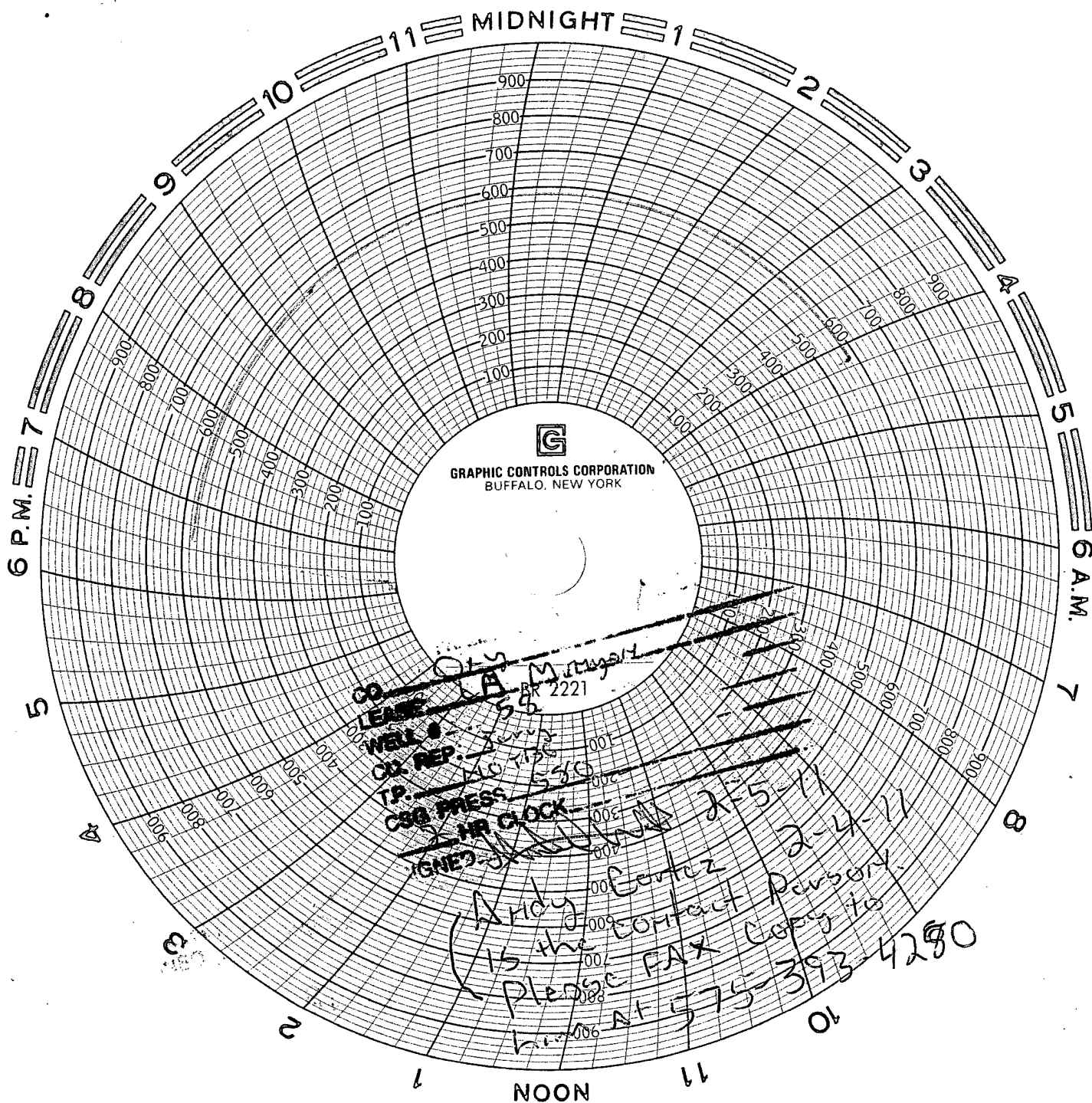
Date

2/21/11

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

CFO



**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. Any leak-off will be evaluated.
 - 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.

C.E. LaMunyon #58 Well may be approved to be TA/SI for a period of 90 days or until 3/15/2011 after successful MIT and subsequent report with well bore diagram is submitted. This will be the only TA approval for this well. Well must be returned to production, beneficial use or plans to P&A must be submitted by March 15, 2011.

2/21/2011 Denied failure to comply with above COAs. Did not submit well bore diagram or provide time frame that well will be place back on or P&A.