UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

N.M. Oil Cons. DIV-Dist. 2
1301 W. Grand Avenue
Artesia, NM 88210

FORM APPROVED
OMB NO. 1004-0136
Expires: November 30, 2000

APPLICATION FOR PERMIT TO DRILL OR REENTER

5. Lease Serial No.: NM-0559532

1a. Type of Work: [X] DRILL [ ] REENTER

6. If Indian, Allotee or Tribe Name:

1b. Type of Well: [ ] Oil Well [X] Gas Well [ ] Other [X] Single Zone [ ] Multiple Zone

7. Unit or CA Agreement Name and No.:

2. Name of Operator: OXY USA WTP Limited Partnership — 192463

8. Lease Name and Well No.: OXY Lucky Dog Federal #2

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

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

9. API Well No.: 30-015- 34024

4. Location of Well (*Report location clearly and in accordance with any State equirements*)*

At surface: 2330 FSL 660 FEL NESE(I)

At proposed prod. zone: 1880 FSL 760 FEL NESE(I)

RECEIVED
MAR 22 2005
OCD-ARTESIA

10. Field and Pool, or Exploratory: Crow Flats Morrow

11. Sec., T., R., M., or Blk. and Survey or Area: Sec 33 T16S R27E

14. Distance in miles and direction from nearest town or post office*: 6 miles northwest from Artesia, NM

12. County or Parish: Eddy

13. State: NM

15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drg. unit line, if any)	16. No. of Acres in lease	17. Spacing Unit dedicated to this well
310'-SL 760'-BHL	320	320

18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft.	19. Proposed Depth	20. BLM/BIA Bond No. on file
2728'	9100'TVD - 9200'TMD	9312774

21. Elevations (Show whether DF, KDB, RT, GL, etc.)	22. Approximate date work will start*	23. Estimated duration
3395'	3/1/05	30 days

24. Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1, shall be attached to this form:

1. Well plat certified by a registered surveyor.
2. A Drilling Plan
3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office).
4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).
5. Operator certification.
6. Such other site specific information and/or plans as may be required by the authorized officer.

25. Signuature	Name (*Printed/Typed*)	Date
[signature]	David Stewart	1/20/05

Title: Sr. Regulatory Analyst

Approved by (Signautre)	Name (*Printed/Typed*)	Date
/s/ James Stovall	/s/ James Stovall	MAR 16 2005

Title	Office
FOR FIELD MANAGER	CARLSBAD FIELD OFFICE

Application approval 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.
Conditions of approval, if any, are attached.

APPROVAL FOR 1 YEAR

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowlingly 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.

(Instructions on Reverse)

APPROVAL SUBJECT TO
GENERAL REQUIREMENTS AND
SPECIAL STIPULATIONS
ATTACHED

Roswell Controlled Water Basin

Witness Surface Casing

Attachment 3160-3
OXY Lucky Dog Federal #2
SL-2330 FSL 660 FEL BHL-1880 FSL 760 FEL
SEC 33 T16S R27E Eddy County, NM
Federal Lease No. NM-0559532

PROPOSED TD: 9100' TVD 9200' TMD

BOP PROGRAM:

0 - 400' None

400 - ~~1800~~ 1100' JSS 13-3/8" 3M annular preventer, to be used as divertor only.

1800 - 9100' 11" 5M blind pipe rams with 5M annular preventer and rotating head below 8500'.

CASING:

Surface: 13-3/8" OD 48# H40 ST&C new casing set at 400'
17-1/2" hole

WITNESS

Intermediate: 9-5/8" OD 36# K55 ST&C new casing from 0-~~1800~~ 1100' JSS
12-1/4" hole

Production: 5-1/2" OD 17# N80 LT&C new casing from 0-9100'
8-3/4" hole

CEMENT:

Surface - Circulate cement with 175sx HES light premium plus w/ 2% $CaCl_2$ followed by 250sx PP w/ 2% $CaCl_2$.

Intermediate - Circulate cement with 365sx Interfill C w/ .25#/sx Flocele followed by 200sx PP w/ 2% $CaCl_2$.

Production - Cement with 805sx Interfill H w/ .1% HR-7 followed by 415sx Super H w/ .5% HR-344 + .4% CFR-3 + 5#/sx Gilsonite + 1#/sx salt + .2% HR-7. Estimated top of cement is 5500'.

Note: Cement volumes may need to be adjusted to hole caliper.

MUD:

0 - 400' Fresh water/native mud. Lime for pH control (9-10). Paper for seepage.
Wt 8.7-9.2 ppg, Vis 32-34 sec

400 - ~~1800~~ 1100' JSS Fresh/*Brine water. Lime for pH control (10.0-10.5). Paper for seepage.
Wt 8.3-9.0/10.0-10.1ppg, Vis 28-29 sec
*Fresh water will be used unless chlorides in the mud system increases to 20000PPM.

1800 - 5900' Fresh water. Lime for pH control(9-9.5). Paper for seepage.
Wt 8.3-8.5 ppg, Vis 28-29 sec

5900 - 8000' Cut brine. Lime for pH control (10-10.5).
Wt 9.6-10.0 ppg, Vis 28-29sec

8000 - 9100' Mud up with an Duo Vis/Flo Trol mud system.
Wt 9.6-10.0ppg, Vis 32-36sec, WL<10cc

OXY USA WTP Limited Partnership
P.O. Box 50250, Midland, TX 79710-0250

January 20, 2005

United States Department of the Interior
Bureau of Land Management
Roswell District Office
2909 West Second Street
Roswell, New Mexico 88201

Re: Application for Permit to Drill
OXY USA WTP Limited Partnership
OXY Lucky Dog Federal #2
Eddy County, New Mexico
Lease No. NM-0559532

Gentlemen:

OXY USA WTP Limited Partnership respectfully requests permission to drill our OXY Lucky Dog Federal #2 located at a surface location of 2330 FSL and 660 FEL and a proposed bottom-hole location of 1980 FSL 660 FEL of Section 33, T16S, R27E, Eddy County, New Mexico, Federal Lease No. NM-0559532. The proposed well will be drilled to a TD of approximately 9100' (TVD) and 9200' (TMD). The location and work area has been staked. It is approximately 6 miles northeast of Artesia, New Mexico.

In accordance with requirements stipulated in Federal Onshore Oil and Gas Order No. 1 under 43 CFR 3162.1, our Application for Permission to Drill and supporting evidence is hereby submitted.

I. Application for Permit to Drill:

1. Form 3160.3, Application for Permit to Drill.

2. Form C-102 Location and Acreage Dedication Plat certified by Gary G. Eidson, Registered Land Surveyor No. 12641 in the State of New Mexico, dated December 23, 2004.

3. The elevation of the unprepared ground is 3395 feet above sea level.

4. The geologic name of the surface formation is Permian Rustler.

5. Rotary drilling equipment will be utilized to drill the well to TD 9100' (TVD), and run casing. This equipment will then be rigged down and the well will be completed with a pulling unit.

6. Proposed total depth is 9100'(TVD) and 9200'(TMD).

7. Estimated tops of important geologic markers.

Wolfcamp	5900' TVD
Strawn	8100' TVD
Atoka	8400' TVD
Morrow	8600' TVD

8. Estimated depths at which anticipated water, oil, gas or other mineral bearing formations are expected to be encountered:

Primary Objective: Morrow 8600' TVD

Secondary Objective: Atoka 8400' TVD

9. The proposed casing program is as follows:

Surface: 13-3/8" 48# H40 ST&C new casing set at 400' WITNESS

Intermediate: 9-5/8" 36# HCK/K55 ST&C new casing from 0-~~1800~~ 1100'

Production: 5-1/2" 17# N80 LT&C new casing from 0-9100'

10. Casing setting depth and cementing program:

A. 13-3/8" surface casing set at 400' in 17-1/2" hole. Circulate cement with 175sx HES light premium plus w/ 2% $CaCl_2$ followed by 250sx PP w/ 2% $CaCl_2$.

If cement does not circulate, a temperature survey will be run to find the TOC and then finish cementing to surface through 1" using Class C with 2% $CaCl_2$.

B. 9-5/8" intermediate casing set at ~~1800~~ 1100' in 12-1/4" hole. Circulate cement with 365sx Interfill C w/ .25#/sx Flocele followed by 200sx PP w/ 2% $CaCl_2$.

If hole conditions dictate, a DV tool may be run to ensure that the intermediate string is cemented to surface.

If cement does not circulate, a temperature survey will be run to find the TOC and then finish cementing to surface through 1" using Class C with 2% $CaCl_2$.

Note: Cement volumes may be adjusted according to fluid caliper.

C. 5-1/2" production casing set at 9100' in 8-3/4" hole. Cement with 805sx Interfill H w/ .1% HR-7 followed by 415sx Super H w/ .5% HR-344 + .4% CFR-3 + 5#/sx Gilsonite + 1#/sx salt + .2% HR-7.

Estimated top of cement is 5500'.

Note: Cement volumes may need to be adjusted to hole caliper.

11. Pressure Control Equipment

0-400'	None
625-~~1800~~ 1100'	13-3/8" 3M annular preventer, to be used as divertor only. Exhibit A
~~1800~~ 1100'-9100'	11" 5000# ram type preventers with one set blind rams and one set pipe rams and a 5000# annular type preventer. A choke manifold and 120 gallon accumulator with floor and remote operating stations and auxiliary power system. Rotating head below 8000'. Exhibit A.

A kelly cock will be installed and maintained in operable condition and a drill string safety valve in the open position will be available on the rig floor.

After setting the 9-5/8" casing, the blowout preventers and related control equipment shall be pressure tested to 5000 psi. Any equipment failing to test satisfactorily shall be repaired or replaced. Results of the BOP test will be recorded in the Driller's Log. The BOP's will be maintained ready for use until drilling operations are completed.

BOP drills will be conducted as necessary to assure that equipment is operational and each crew is properly trained to carry out emergency duties.

Accumulator shall maintain a pressure capacity reserve at all times to provide for the close-open-close sequence of the blind and pipe rams of the hydraulic preventers.

12. Mud Program:

0-400'	Fresh water/native mud. Lime for pH control (9-10). Paper for seepage. Wt.8.7-9.2 ppg, vis 32-34 sec.
625-1100' (~~1800~~)	Fresh/*brine water. Lime for pH control (10-10.5). Paper for seepage. Wt. 8.3-9.0/10.0-10.1ppg, vis 28-29 sec. *Fresh water will be used unless chlorides in the mud system increase to 20000PPM.
1100'-5500' (~~1800~~)	Fresh water. Lime for pH control (9-9.5). Paper for seepage. Wt. 8.3-8.5 ppg, vis 28-29 sec.
5500-7900'	Cut brine. Lime for pH control (10-10.5). Wt. 9.6-10.0 ppg, vis 28-29 sec.
7900-9100'	Mud up with an Duo Vis/Flo Trol system. Wt. 9.6-10.0 ppg, Vis 32-36sec, WL<10cc.

Mud system monitoring equipment with derrick floor indicators and visual/audio alarms shall be installed and operative prior to drilling into the Wolfcamp formation. This equipment will remain in use until the production casing is run and cemented. Monitoring equipment shall consist of the following:

1) A recording pit level indicator.

2) A pit volume totalizer.

3) A flowline sensor.

13. Testing, Logging and Coring Program:

    A. Testing program: No DST's are anticipated.

    B. Mud logging program: One-man unit from 6000' to TD.

    C. Electric logging program: CNL/LDT/CAL/GR, DLL/CAL/GR.

    D. Coring program: Possible sidewall rotary cores.

14. No abnormal temperatures, or H2S gas are anticipated. H2S Contingency Plan is attached per NMOCD requirements. The highest anticipated pressure gradient would be .55psi/ft. Adequate flare lines will be installed off the mud/gas separator where gas may be flared safely.

15. Anticipated starting date is March 1, 2005. It should take approximately 30 days to drill the well and another 10 days to complete.

16. The Multi-Point Surface Use & Operation Plan is attached.

17. If the Bureau of Land Management needs additional information to evaluate this application, please advise.

Very truly yours,

David Stewart
Sr. Regulatory Analyst
OXY USA WTP Limited Partnership

DRS/drs

Attachments

State of New Mexico
Energy, Minerals and Natural Resources Department

HOBBS, NM 88240

T II
GRAND AVENUE, ARTESIA, NM 88210

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

DISTRICT IV
1220 S. ST. FRANCIS DR., SANTA FE, NM 87505

OIL CONSERVATION DIVISION
1220 SOUTH ST. FRANCIS DR.
Santa Fe, New Mexico 87505

Form C-102
Revised JUNE 10, 2003
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

API Number	Pool Code	Pool Name
30-015-	75720	Crow Flats Morrow

Property Code	Property Name	Well Number
	OXY LUCKY DOG FEDERAL COM	2

OGRID No.	Operator Name	Elevation
192463	OXY U.S.A. W.T.P., LP	3395'

Surface Location

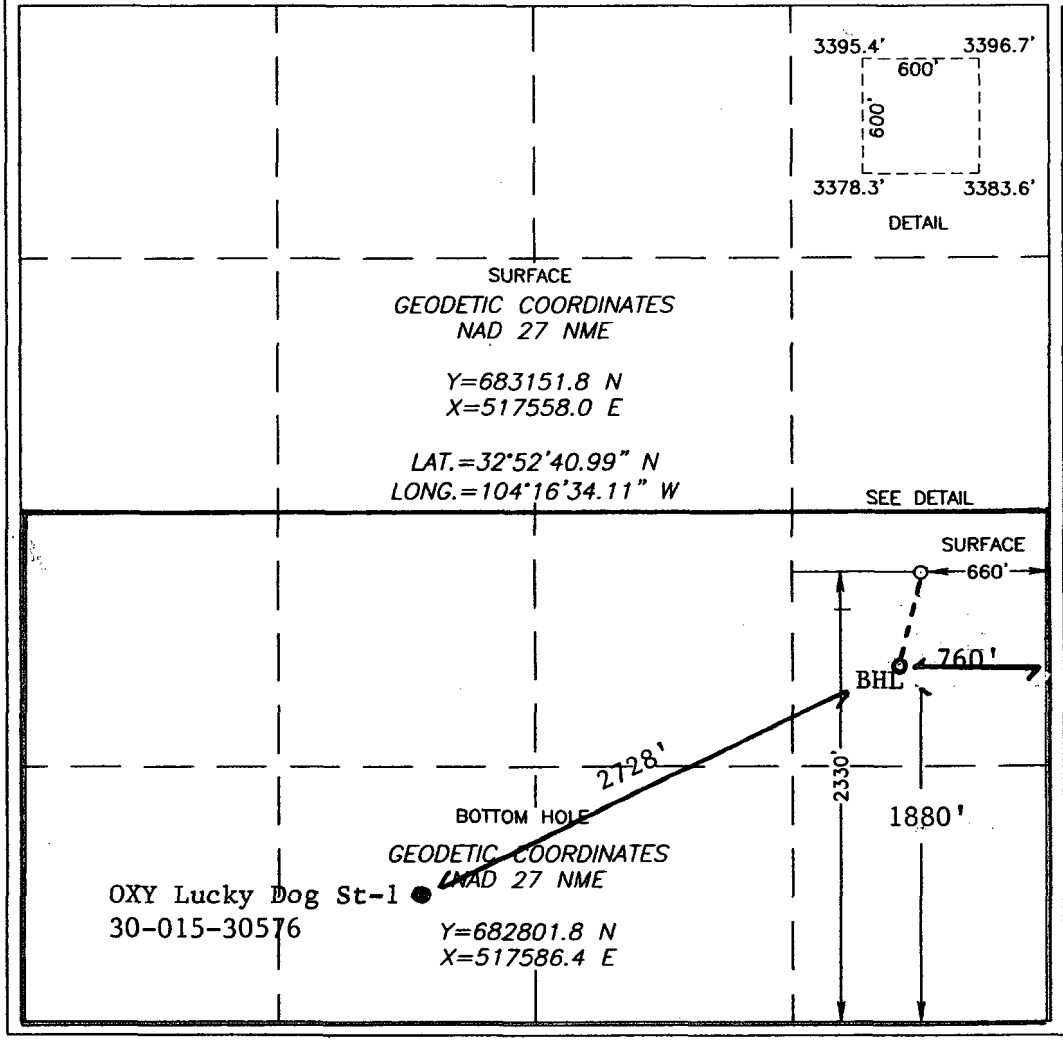
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
I	33	16-S	27-E		2330	SOUTH	660	EAST	EDDY

Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
I	33	16-S	27-E		1880	SOUTH	760	EAST	EDDY

Dedicated Acres	Joint or Infill	Consolidation Code	Order No.
320	Y		

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION



OPERATOR CERTIFICATION

I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief.

Signature

David Stewart
Printed Name

Sr. Regulatory Analyst
Title

12/20/05
Date

SURVEYOR CERTIFICATION

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervison, and that the same is true and correct to the best of my belief.

DECEMBER 17, 2004
Date Surveyed DEL

Signature & Seal of Professional Surveyor

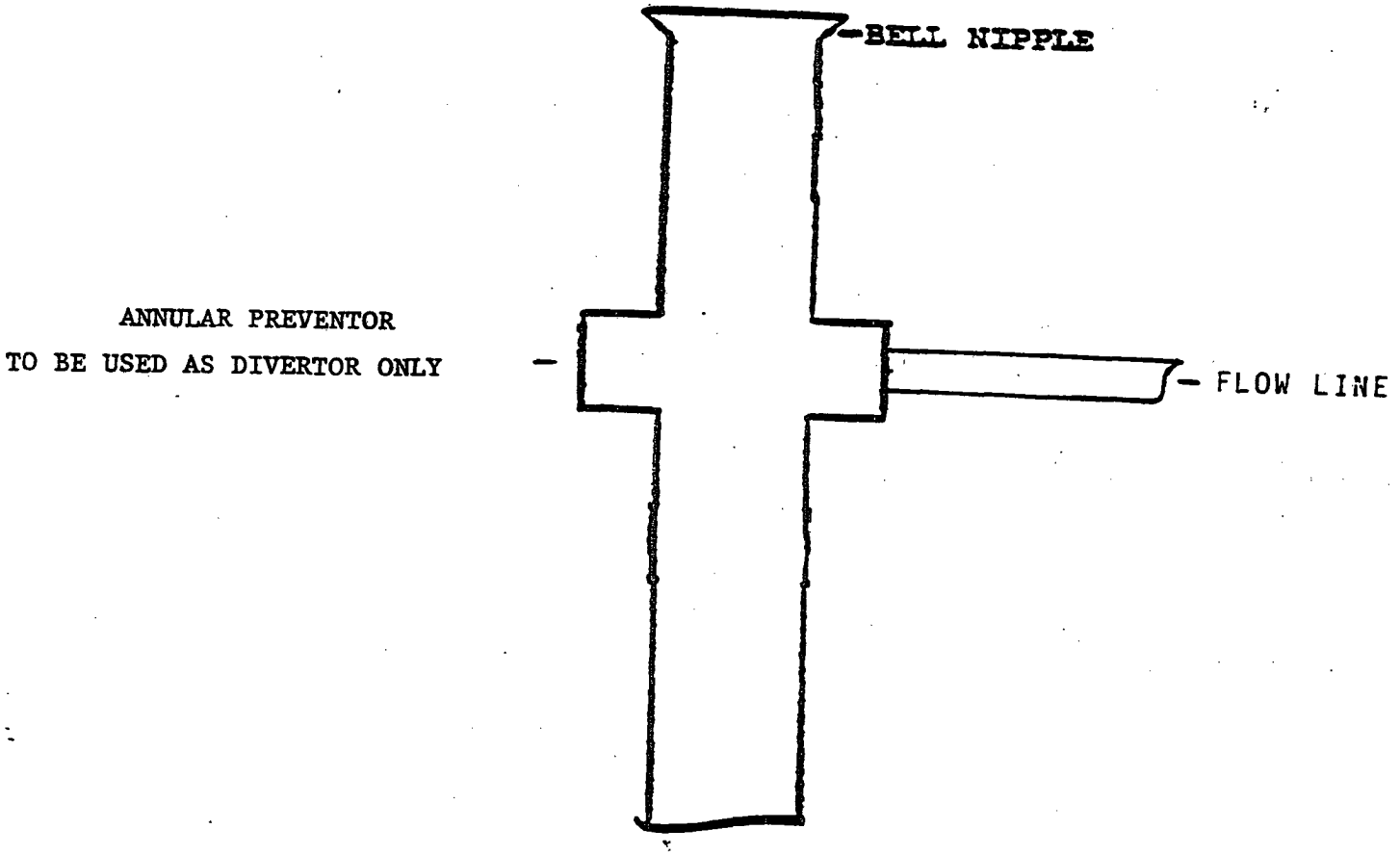
GARY L. EIDSON NEW MEXICO 12641 PROFESSIONAL SURVEYOR

12/23/04

04.11.1488

Certificate No. GARY EIDSON 12641

EXHIBIT A

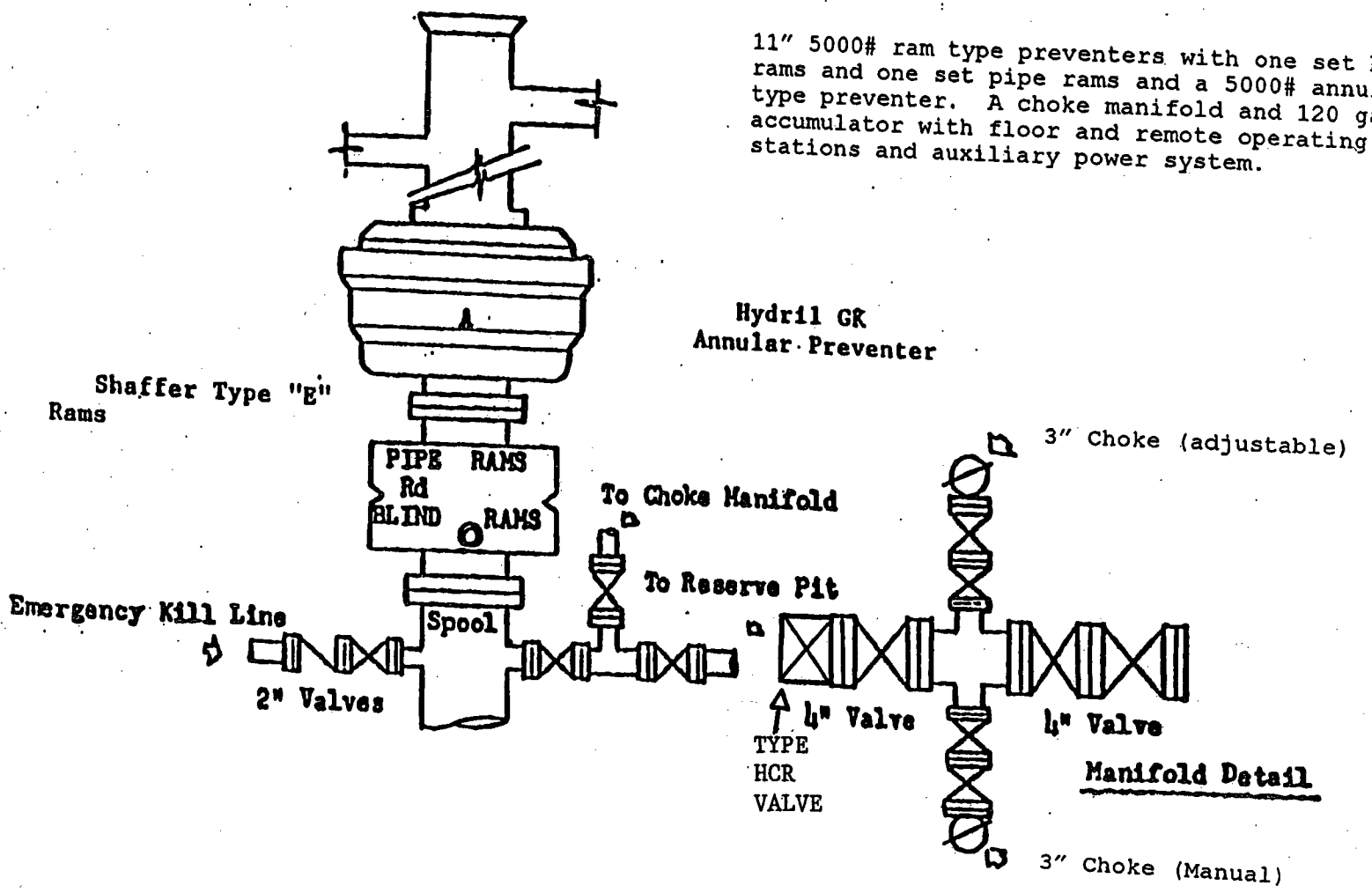


STARTING HEAD

BLOWOUT PREVENTOR SCHEME

EXHIBIT A

11" 5000# ram type preventers with one set blind rams and one set pipe rams and a 5000# annular type preventer. A choke manifold and 120 gallon accumulator with floor and remote operating stations and auxiliary power system.



Choke Manifold

H. The well site, if a producer, will be maintained and kept clean of all trash and litter which detracts from the surrounding environment. Equipment will be maintained in accordance with good operating practice.

I. After the wellsite is cleaned and pits and sumps backfilled, any obstruction to the natural drainage will be corrected by ditching or terracing. All disturbed areas, including any access road no longer needed, will be ripped. Those areas will be reseeded with grass if, in the opinion of the land owner, it is required.

13. Operator's Representatives and Certification

The field representative responsible for assuring compliance with the approved surface use and operations plan are as follows:

John Erickson
Production Coordinator
P.O. Box 69
Hobbs, New Mexico 88240
Office Phone: 505-393-2174
Cellular: 505-390-6426

Joe Fleming
Drilling Coordinator
P.O. Box 50250
Midland, TX 79710-0250
Office Phone: 915-685-5858

Calvin C. (Dusty) Weaver
Operation Specialist
P.O. Box 2000
Levelland, TX 79336
Office Phone: 806-229-9467
Cellular: 806-893-3067

Terry Asel
Operation Specialist
1017 W. Stanolind Rd.
Hobbs, NM 88240
Office Phone: 505-397-8217
Cellular: 505-631-0393

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drill site and access route; that I am familiar with the conditions which presently exist; that the statements made in this plan are, to the best of my knowledge, true and correct; and, that the work associated with the operations proposed herein will be performed by OXY USA WTP Limited Partnership and its contractors and sub-contractors in conformity with this plan and the terms and conditions under which it is approved.

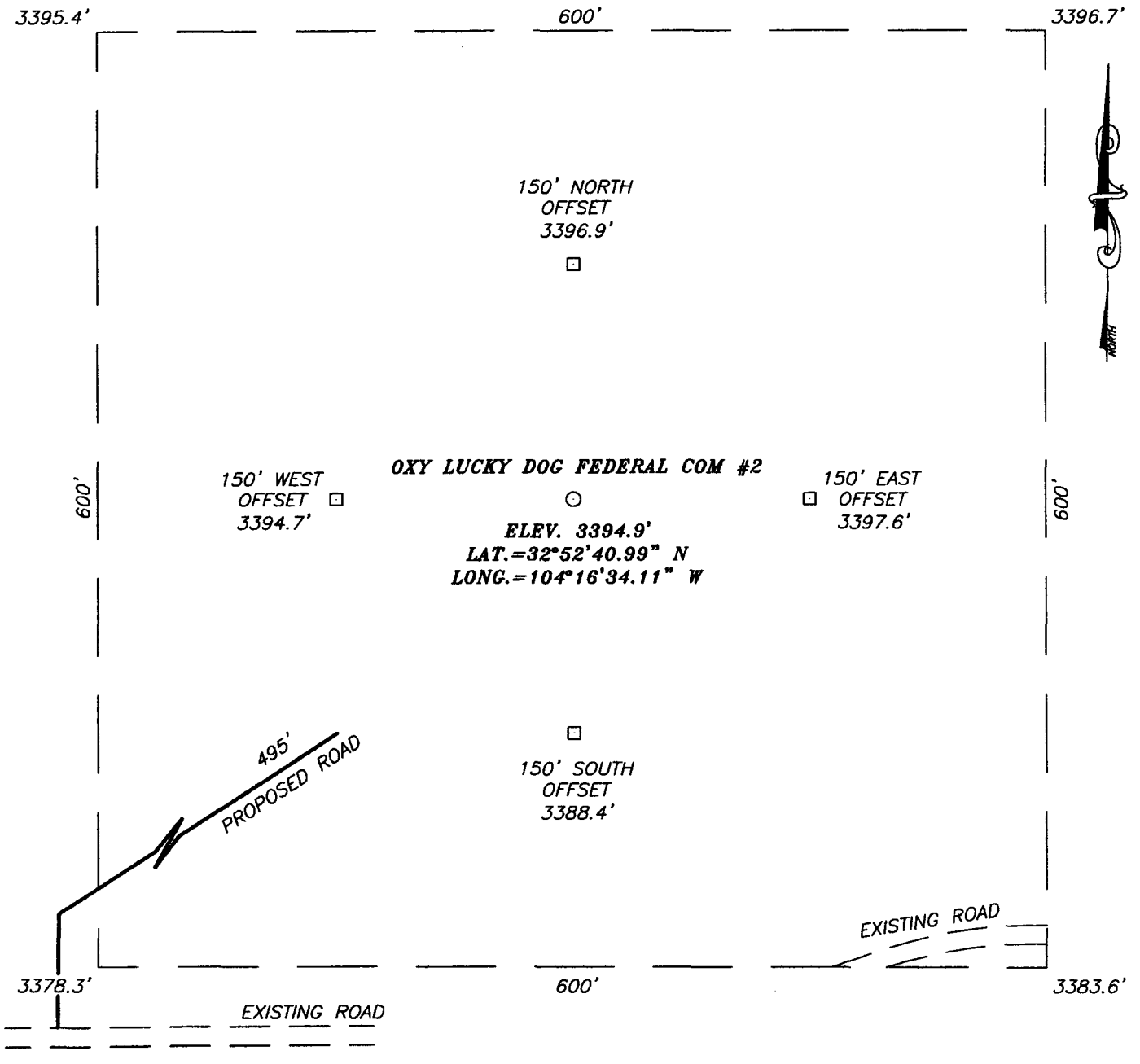
1/21/2005
DATE

Scott Gengler
Engineering Advisor
432-685-5825
South Permian Asset Team
OXY USA WTP Limited Partnership

Attachment B

...TION 33, TOWNSHIP 16 SOUTH, RANGE 27 EAST, N.M.P.M.,

EDDY COUNTY, NEW MEXICO



DIRECTIONS TO LOCATION

FROM THE INTERSECTION OF US HWY #82 (LOVINGTON HWY) AND EDDY COUNTY ROAD #200 (KARR RANCH). GO NORTH ON KARR RANCH FOR APPROX. 1.9 MILES TO A LEASE ROAD ON RIGHT (DOG CANYON ROAD). TURN RIGHT (NORTHEAST) AND GO APPROX. 2.3 MILES. LOCATION IS NORTH 350'± FEET.

100 0 100 200 Feet

Scale: 1"=100'

PROVIDING SURVEYING SERVICES SINCE 1946
JOHN WEST SURVEYING COMPANY
412 N. DAL PASO
HOBBS, N.M. 88240
(505) 393-3117

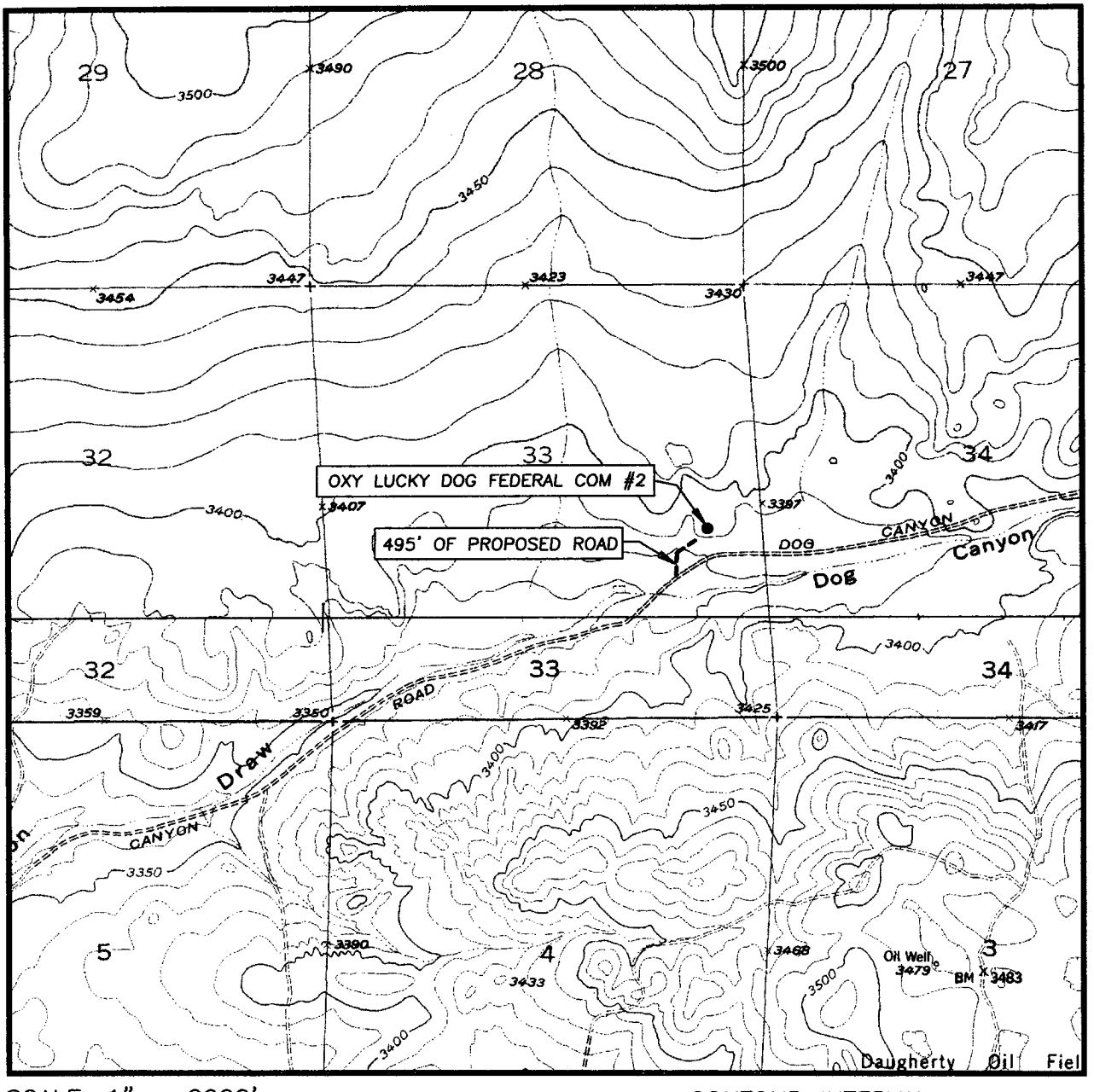
OXY U.S.A. W.T.P., LP

OXY LUCKY DOG FEDERAL COM #2 WELL
LOCATED 2330 FEET FROM THE SOUTH LINE
AND 660 FEET FROM THE EAST LINE OF SECTION 33,
TOWNSHIP 16 SOUTH, RANGE 27 EAST, N.M.P.M.,
EDDY COUNTY, NEW MEXICO.

Survey Date: 12/17/04	Sheet 1 of 1 Sheets	
W.O. Number: 03.11.1488	Dr By: DEL	Rev 1:N/A
Date: 12/21/04	Disk: CD#3	04111488	Scale: 1"=100'

Attachment B

LOCATION VERIFICATION MAP



SCALE: 1" = 2000'

CONTOUR INTERVAL:
ARTESIA NE, N.M. – 10'
SPRING LAKE, N.M. – 10'

SEC. 33 TWP. 16-S RGE. 27-E

SURVEY N.M.P.M.

COUNTY EDDY

DESCRIPTION 2330' FSL & 660' FEL

ELEVATION 3395'

OPERATOR OXY U.S.A. W.T.P., LP

LEASE OXY LUCKY DOG FEDERAL COM.

U.S.G.S. TOPOGRAPHIC MAP
ARTESIA NE, N.M. & SPRING LAKE, N.M.

PROVIDING SURVEYING SERVICES
SINCE 1946
JOHN WEST SURVEYING COMPANY
412 N. DAL PASO
HOBBS, N.M. 88240
(505) 393-3117

United States Department of the Interior
Bureau of Land Management
Roswell District
2909 W. Second Street
Roswell, New Mexico 88202

Attention: Armando A. Lopez

RE: OXY Lucky Dog Fed Com #2
S/2 Section 33, T16S-R27E
Eddy County, New Mexico

STATEMENT ACCEPTING RESPONSIBILITY FOR OPERATIONS

OPERATOR NAME: OXY USA WTP Limited Partnership
ADDRESS: P. O. Box 50250
Midland, Texas 79710

The undersigned accepts all applicable terms, conditions, stipulations, and restrictions concerning operations conducted on the leased land or portion thereof, as described below:

LEASE NO.: NM-0559532

LEGAL DESCRIPTION: 2330' FSL & 660' FEL – surface
1880' FSL and 760' FEL – bottomhole
Section 33
T16S-R27E
Eddy County, New Mexico

FORMATIONS: All depths.

BOND COVERAGE: Nationwide

BLM BOND FILE NO.: ES 0136

OXY USA WTP Limited Partnership

AUTHORIZED SIGNATURE: **BY:** _____
David R. Evans

TITLE: Sr. Landman Advisor
DATE: January 19, 2005

cc: David Stewart

Oxy Permian
Lucky Dog Fed #2 - Plan #1

Eddy Co., New Mexico
Lucky Dog Fed #2

Measured Depth (ft)	Incl.	Azim.	Vertical Depth (ft)	Northings (ft)	Eastings (ft)	Vertical Section (ft)	Dogleg Rate (°/100ft)
7500.00	0.000	192.529	7500.00	0.00 N	0.00 E	0.00	0.00
7533.95	0.000	192.529	7533.95	0.00 N	0.00 E	0.00	0.00
7600.00	1.321	192.529	7599.99	0.74 S	0.17 W	0.76	2.00
7700.00	3.321	192.529	7699.91	4.70 S	1.04 W	4.81	2.00
7800.00	5.321	192.529	7799.62	12.05 S	2.68 W	12.35	2.00
7900.00	7.321	192.529	7899.00	22.80 S	5.07 W	23.35	2.00
8000.00	9.321	192.529	7997.95	36.93 S	8.21 W	37.83	2.00
8100.00	11.321	192.529	8096.32	54.41 S	12.09 W	55.74	2.00
8200.00	13.321	192.529	8194.02	75.24 S	16.72 W	77.08	2.00
8300.00	15.321	192.529	8290.90	99.39 S	22.09 W	101.81	2.00
8400.00	17.321	192.529	8386.87	126.82 S	28.18 W	129.91	2.00
8500.00	19.321	192.529	8481.79	157.50 S	35.00 W	161.35	2.00
8600.00	21.321	192.529	8575.57	191.40 S	42.53 W	196.07	2.00
8700.00	23.321	192.529	8668.07	228.48 S	50.77 W	234.05	2.00
8800.00	25.321	192.529	8759.19	268.68 S	59.71 W	275.23	2.00
8900.00	27.321	192.529	8848.82	311.96 S	69.32 W	319.57	2.00
9000.00	29.321	192.529	8936.84	358.27 S	79.62 W	367.01	2.00
9033.95	30.000	192.529	8966.34	374.67 S	83.26 W	383.81	2.00
9100.00	30.000	192.529	9023.54	406.91 S	90.42 W	416.84	0.00
9188.28	30.000	192.529	9100.00	450.00 S	100.00 W	460.98	0.00

All data are in feet unless otherwise stated. Directions and coordinates are relative to Grid North.
Vertical depths are relative to WELL. Northings and Eastings are relative to Well.

The Dogleg Severity is in Degrees per 100 feet.
Vertical Section is from Slot and calculated along an Azimuth of 192.530° (Grid).

Coordinate System is NAD 1927 (NADCON CONUS) US State Plane 1927 (Exact solution), New Mexico East 3001.
Central meridian is -104.333°.
Grid Convergence at Surface is 0.033°.

Based upon Minimum Curvature type calculations, at a Measured Depth of 9188.28ft.,
the Bottom Hole Displacement is 460.98ft., in the Direction of 192.530° (Grid).

TITLE PAGE/ABSTRACT/
NEGATIVE SITE REPORT
CFO/RFO

1/03

1. BLM Report No.	2. Reviewer's Initials/Date_____ ACCEPTED ( ) REJECTED ( )	3. NMCRIS No.: 91240

4. Type of Report: Negative ( ) Positive (X)

5. Title of Report: Class III archaeologcial survey of a pad and access road for the OXY Lucky Dog Fed. Com well No. 2. Author(s): Ann Boone	6. Fieldwork Date(s): from 17 Dec. 2004 to 7. Report Date: 3 Jan. 2005
8. Consultant Name & Address: Boone Archaeological Services, LLC 2030 North Canal Carlsbad, NM 88220 Direct Charge: Danny Boone Field Personnel Names: Danny Boone Phone: (505) 885-1352	9. Cultural Resource Permit No. BLM: 190-2920-03-E STATE: NM-04-157 10. Consultant Report No. BAS 11-04-31
11. Customer Name: Oxy USA WTP LP Responsible Individual: Dusty Weaver Address: 2028 Buffalo Leveland, Texas 79336 Phone: (806) 894-8307	12. Customer Project No.:

13. Land Status	BLM	STATE	PRIVATE	OTHER	TOTAL
a. Area Surveyed (acres)	10.9 (-/+)	3.44 (+/-)	0	0	14.34 (-/+)
b. Area of Effect (acres)	5.16 (+/-)	1.03 (-/+)	0	0	6.19 (+/-)

14. a. Linear: Length; 2,795' (+/-) Total [State 1,500'] [Fed. 1,295'] Width; 100'

b. Block: 600' x 600'

15. Location: (Maps Attached if Negative Survey)

a. State: New Mexico

b. County: Eddy

c. BLM Office: Carlsbad

d. Nearest City or Town: Artesia, NM

e. Legal Location: T 16S, R 27E, Sec. [Fed. Pad; NE¼ SE¼, Access Road, NE¼ SE¼]; [State, SW¼ SE¼, SE¼ SW¼.

f. Well Pad Footages: 2330' FSL, 660' FEL

g. USGS 7.5 Map Name(s) and Code Number(s): ARTESIA NE, NM (1955) 32104-H3 and SPRING LAKE, NM (1955, Photo Rev. 1975) 32104-G3

16. Project Data:

a. Records Search: Date(s) of BLM File Review: 23 Nov. 2004 Name of Reviewer (s): Ann Boone

Date(s) of ARMS Data Review: 2 Dec. 2004 Name of Reviewer (s): Ann Boone

Findings (see Field Office requirements to determine area to be reviewed during records search):

LA 142359 and 142608 are within 500 feet, LA 142358, 142471, 142414, 142365 and 142472 are within 0.25 mile.

b. Description of Undertaking:

The project is a 600 by 600 feet block and an estimated 2,795 linear feet of access road for the OXY Lucky Dog Fed. Com well No. 2. Location, footage and acres for the road portion are estimations based on a Magellan Meridan hand held GPS Unit. Beginning on the east side of the pad impact for the Luck Dog well No. 1 the access road trends east as an existing two track road for approximately 2,300 feet where it then turns north and northeast for approximately 495 feet into the southwest portion of the pad survey area. Survey acres were estimated on the 360,000 square feet of block (8.26 acres) for the pad and for the access road an estimated total length of 2,795 feet by 100 feet in width, of which approximately 1,500 feet is State Of New Mexico and an estimated 1,295 feet is Federal. Impact acres are unknown, but are estimated to be 6.01 total, 3.67 for the pad, 1.31 (1,295 feet by 50 feet) for the Federal portion of the road and 1.03 (1,500 feet by 30 feet) for the State portion of the road.

c. Environmental Setting (NRCS soil designation; vegetative community; etc.):

Topography: The core area of the pad is on a small gypsum hill and the road is more or less along the south side of a drainage.

Vegetation: Overall groundcover is approximately 35% and consists primarily of mesquite, creosote bush, prickly pear cactus, feather dalai, yucca cactus, mormon tea, assorted grasses and other flora.

NRCS: Reeves-Gypsum land-Cottonwood association: Loamy soils that are very shallow to moderately deep over gypsum beds, and Gypsum lands.

d. Field Methods: (transect intervals; crew size; time in field, etc.):

Transects: For the pad a grid of parallel transects spaced 15 meters or less, one transect spaced up to 15 meters on each side of center for the existing two-track road portion and one spaced up to 15 meters on each side of the staked centerline portion.

Crew Size: One

Time in Field: 4.0 hours.

e. Artifacts Collected (?): None

17. Cultural Resource Findings:

a. Identification and description: LA 142359 was in contact with the extreme southern portion of the 600 feet by 600 feet pad survey area.

b. Evaluation of significance of Each Resource: See attachments.

18. Management Summary (Recommendations):

Archaeological clearance of a pad and access road for the OXY Lucky Dog Fed. Com well No. 2 for OXY U.S.A. W.T. P., LP as presently staked is recommended provided that an archaeological monitor is present during vegetation removal and pad layout. If cultural resources are encountered at any time all activity should cease and the BLM Archaeologist notified immediately.

19. I certify that the information provided above is correct and accurate and meets all appreciable BLM standards.

Responsible Archaeologist Dany Boone 5 Jan. 2004

Signature Date

OXY USA WTP
Limited Partnership
PO Box 50250
Midland, TX 79710

Hydrogen Sulfide (H_2S) Contingency Plan

For

OPL Lucky Dog Fed. Com No. 2
2330 ft FSL, 660 ft FEL
Sec 33, T16S, R27E
Eddy County, NM

And

McVay Drilling Co., Rig No. 8

TABLE OF CONTENTS

PREFACE

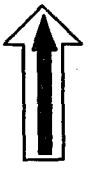
An effective and viable Contingency Plan is intended to provide prior planning and guidance in responding to emergency incidents. The primary considerations in its development are protection of personnel, the public, company and public property, and the environment.

Although the plan addresses varied emergency situations which may occur, it recognizes that flexibility and the use of the organization's knowledge and experience is critical to safe resolution of emergency incidents. Response actions outlined in the plan provide a framework, which may be placed into operation without confusion. These actions should promote quick and decisive actions during the critical initial period and immediately following an emergency. As the response progresses, additional guidelines and procedures may need to be implemented as the situation dictates. In addition, all emergency incidents must be properly reported per the Oxy Incident Reporting and Notification Policy, state and federal requirements, etc.

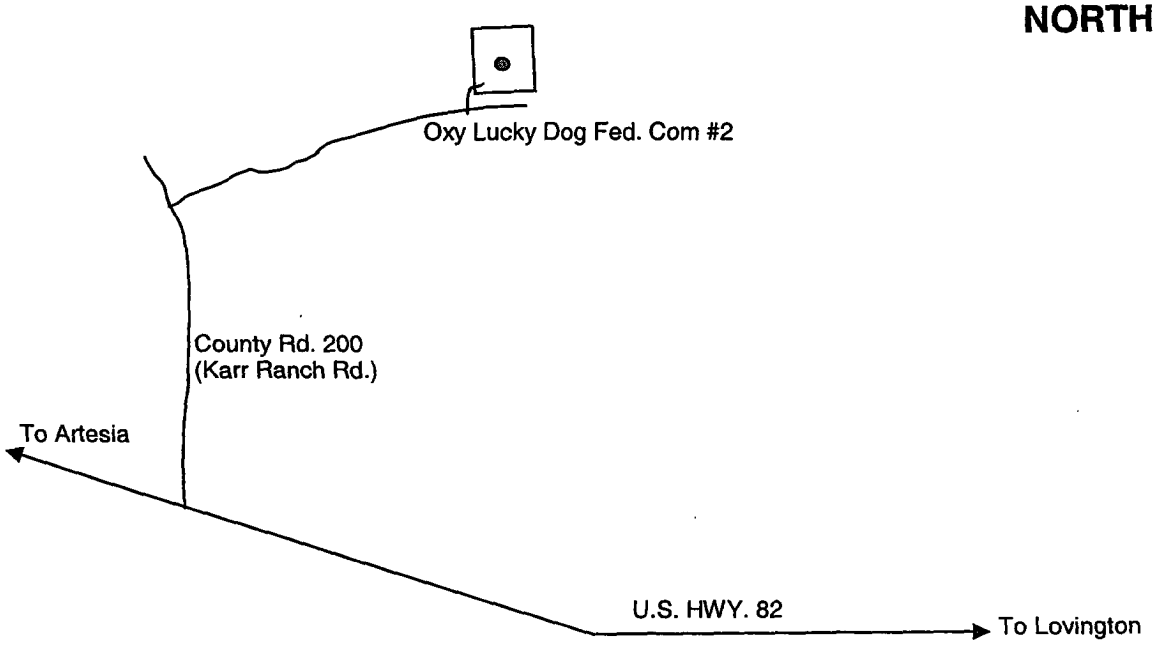
This Contingency Plan is intended for use on Oxy Downhole Services Group projects and the operations within their area of responsibility, such as drilling, critical well work, etc.

A copy of the Plan shall be maintained in the Top Dog House, Rig Managers trailer, and Company Representative's trailer if applicable.

Oxy Lucky Dog Fed. Com No. 2
Y = 683151.8 N
X = 517558.0 E
Lat. 32°52'40.99"N
Long. 104°16'34.11" W

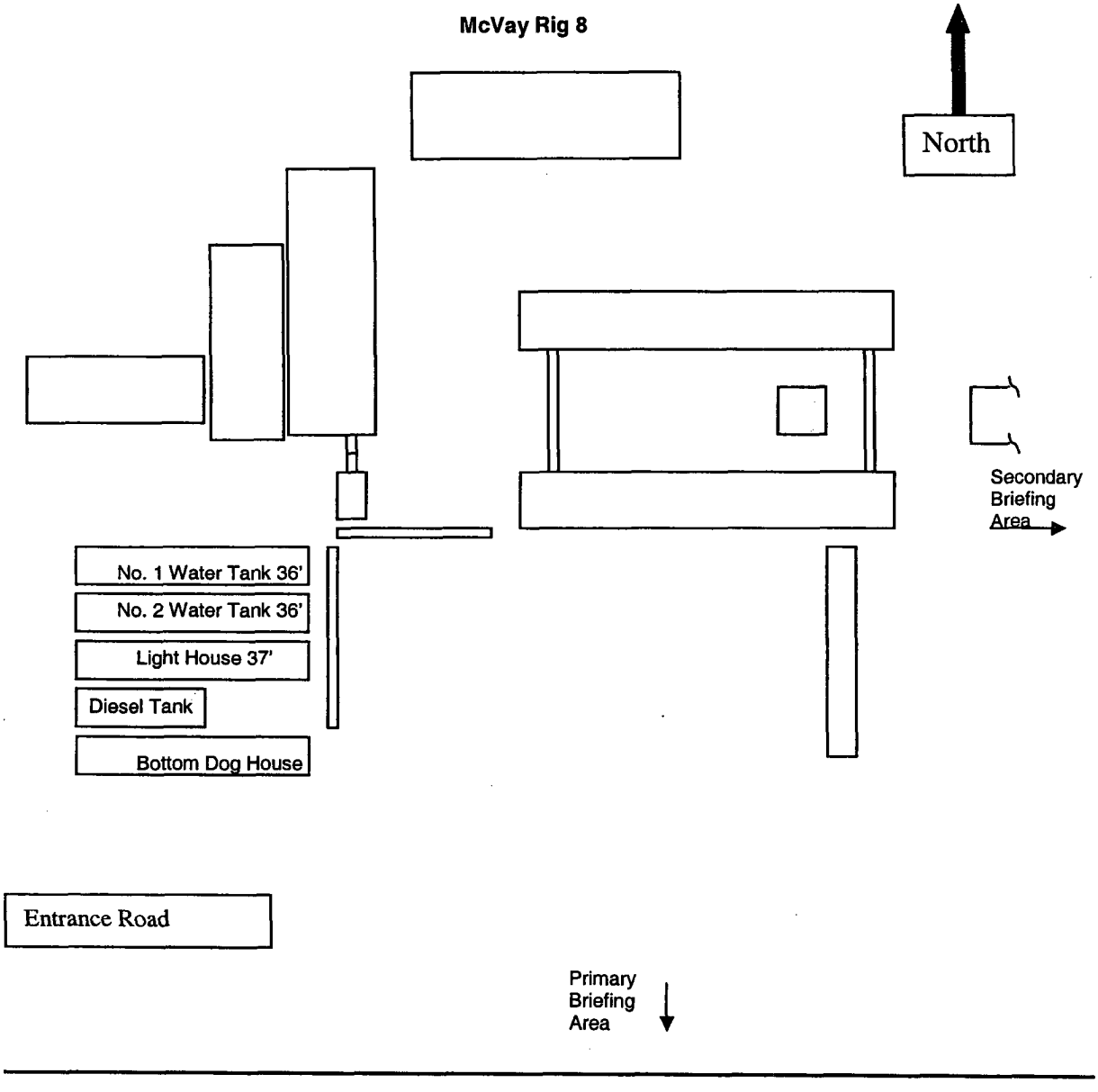


NORTH



From the intersection of US HWY. 82 and County Rd. 200 (Karr Ranch Rd.) go north on County Rd. 200 for approximately 1.9 miles. Turn right (east) on caliche road (Dog Canyon Rd.) and go approximately 2.3 miles. The well is located 350 feet to the north.

McVay Rig 8


North
Secondary
Briefing
Area
No. 1 Water Tank 36'
No. 2 Water Tank 36'
Light House 37'
Diesel Tank
Bottom Dog House
Entrance Road
Primary
Briefing
Area

EMERGENCY RESPONSE ACTIVATION AND GENERAL RESPONSIBILITIES

Activation of the Emergency Action Plan

A. In the event of any emergency situation, all personnel on location should first ensure that the following items are initiated. After that, they should refer to the appropriate Specific Emergency Guidance sections on pages ten (10) through twelve (12) in this document for further responsibilities:

1. Notify the senior ranking contract representative on site.
2. Notify Oxy representative in charge.
3. Notify civil authorities if the Oxy Representative can not be contacted and the situation dictates.
4. Perform rescue and first aid as required (without jeopardizing additional personnel).

General Responsibilities

Oxy Permian Personnel:

A. Operations Specialist: The Oxy Drilling/Critical Well Servicing Operations Specialist or contract personnel serving in that capacity will serve as Operations Chief Officer for all emergency incidents. The Operations Chief Officer is responsible for:

1. Notification to the Downhole Services Team Leader of the incident occurrence.
2. Notification to the local RMT/PMT leader of the incident occurrence, and the need for the designated local RMT/PMT Incident Commander to act in that capacity for the response effort.
3. Sole control of all tactical activities directed toward reducing the immediate hazard, establishing situational control and restoring the operations to a non-emergency state.

B. Local RMT/PMT Designated Incident Commander: The Oxy local RMT/PMT Designated Incident Commander will serve as the overall Incident Commander for the drilling or critical well servicing emergency incident. The Incident Commander is responsible for:

1. Coordinating with the Downhole Services Team Leader for notification to the Oxy Crisis Management team of the incident occurrence.
2. Establishing and managing the overall incident command structure and response from inception through restoration of normal activities in the area.

C. Downhole Services HES Tech: The Downhole Services HES Tech (or his designate) is responsible for reporting to the incident as soon as reasonably possible, to provide support to the response effort as required by the Operations Chief Officer or the Incident Commander.

Contract Drilling Personnel will immediately report to their assigned stations and perform their duties as outlined in the appropriate Specific Emergency Guidance sections on pages ten (10) through twelve (12) in this document.

Other Contractor Personnel will report to the safe briefing area to assist Oxy personnel and civil authorities as requested when it is safe to do so and if they have been adequately trained in their assigned duties.

Civil Authorities (Law Enforcement, Fire, and EMS) will be responsible for:

1. Establishing membership in the Unified Incident Command.
2. As directed by the Incident Commander and the Unified Command, control site access, re-route traffic, and provide escort services for response personnel.
3. Perform all fire control activities in coordination with the Unified Command.
4. Initiate public evacuation plans as instructed by the Incident Commander.
5. Perform rescue or recovery activities with coordination from the Unified Command.
6. Provide medical assistance as dictated by the situation at hand.

H2S RELEASE

The following procedures and responsibilities will be implemented on activation of the H2S siren and lights.

All Personnel:

1. On alarm, don escape unit (if available) and report to upwind briefing area.

Rig Manager/Tool Pusher:

1. Check that all personnel are accounted for and their condition.
2. Administer or arrange for first aid treatment, and /or call EMTs as needed.
3. Identify two people best suited to secure well and perform rescue, and instruct them to don SCBA.
4. Notify Contractor management and Oxy Representative.
5. Remain at the briefing area, assess and monitor personnel and overall situation for hazards or conditions that might warrant a change in the action plan.

Two People Responsible For Shut-in and Rescue:

1. Don SCBA and acquire tools to secure well and perform rescue, i.e., wrenches, retrieval ropes, etc.

2. Utilize the buddy system to secure well and perform rescue(s).
3. Return to the briefing area and stand by for further instructions.

All Other Personnel:

1. Isolate the area and prevent entry by other persons into the 100 ppm ROE. Additionally the first responder(s) must evacuate any public places encompassed by the 100 ppm ROE. First responder(s) must take care not to injure themselves during this operation. Company and/or local officials must be contacted to aid in this operation. Evacuation of the public should be beyond the 100 ppm ROE.

Oxy Representative:

1. Remain at the briefing area, assess and monitor personnel and overall situation for hazards or conditions that might warrant a change in the action plan.
2. Notify Operation Specialists or Team Leader and RMT Leader or Local Incident Commander, and Police, Fire Department, or other local emergency services as required.

Training

There will be an initial training session prior to encountering a known or probable H2S zone (within 3 days or 500 feet) and weekly H2S and well control drills for all personnel in each crew. The initial training session shall include a review of the site specific H2S Drilling Operations Plan and the Public Protection Plan (Contingency Plan). This plan shall be available at the well site. All personnel will be required to carry documentation that they have received the proper training.

Ignition of Gas Source

Should control of the well be considered lost and ignition considered, take care to protect against exposure to Sulfur Dioxide (SO2). Intentional ignition must be coordinated with the NMOCD and local officials. Additionally the NM State Police shall be the Incident Command of any major release. Ignition of the well will be with the concurrence of the drilling team leader and the Oxy Crisis Management Team as time allows.

Characteristics of H2S and SO2

Common Name	Chemical Formula	Specific Gravity	Threshold Limit	Hazardous Limit	Lethal Concentration
Hydrogen Sulfide	H_2S	1.189 Air = 1	10 ppm	100 ppm	600 ppm
Sulfur Dioxide	SO_2	2.21 Air = 1	2 ppm	N/A	1000 ppm

Contacting Authorities

Oxy Permian personnel must liaison with local and state agencies to ensure a proper response to a major release. Additionally, the OCD must be notified of the release as soon as possible but no later than 4 hours. Agencies will ask for information such as; type and volume of release, wind direction, location of release, etc. Be prepared with all information available. The following call list of essential and potential responders has been prepared for use during a release. This response plan must be in coordination with the State of New Mexico's 'Hazardous Materials Emergency Response Plan' (HMER).

WELL CONTROL

The following procedures will be implemented when a loss of primary control is indicated. Indicators of loss of primary control are flow from the well, an increase in pit volume, or when the drilling fluid used to fill the hole on trips is less than the calculated pipe displacement volume. The emergency signal for well control procedures will be a single long blast of the rig air horn.

Kick While Drilling - Procedures And Responsibilities

Driller:

1. Stop the rotary and hoist the kelly above the rotary table.
2. Stop the mud pump(s).
3. Check for flow.
4. If flowing, sound the alarm immediately.
5. Ensure that all crew members fill their responsibilities to secure the well.
6. Record drill pipe and casing shut-in pressures and pit volume increase and begin kill sheet.

Derrickman:

1. Go to BOP/choke manifold area.
2. Open choke line valve on BOP.
3. Signal to Floorman #1 that the choke line is open.
4. Close chokes after annular or pipe rams are closed.
5. Record shut-in casing pressure and pit volume increase.
6. Report readings and observations to Driller.
7. Verify actual mud weight in suction pit and report to Driller.
8. Be readily available as required for additional tasks.

Floorman # 1:

1. Go to accumulator control station and await signal from Derrickman.
2. Close annular preventer and HCR on signal (if available, if not then close pipe rams).
3. Record accumulator pressures and check for leaks in the BOP or accumulator system.
4. Report to Driller, and be readily available as required for additional tasks.

Floorman # 2:

1. Start water on motor exhausts.
2. Notify Contractor Tool Pusher or Rig Manager of well control situation.
3. Check location for ignition sources and extinguish or turn off, and stop any welding in progress.
4. Report to Driller, and be readily available as required for additional tasks.

Floorman # 3:

1. Stand-by with Driller, and be readily available as required for additional tasks.

Tool Pusher/Rig Manager:

1. Notify Oxy Representative and report to rig floor.
2. Review and verify all pertinent information.
3. Communicate information to Oxy Representative, and confer on an action plan.
4. Finalize well control worksheets, calculations and preparatory work for action plan.
5. Initiate and ensure the action plan is carried out.
6. Communicate any changes in well or site conditions, or any indications that the action plan needs to be revised to the Oxy representative.

Oxy Representative:

1. Notify Operation Specialists or Team Leader and RMT Leader or Local Incident Commander, and Police, Fire Department, or other local emergency services as required.

Kick While Tripping - Procedures and Responsibilities

Driller:

1. Sound the alarm immediately when pipe displacement volume is less than 75% of calculated.
2. Position the upper tool joint just above rotary table and set slips.
3. Check for flow.
4. Ensure that all crew members fill their responsibilities to secure the well.
5. Record drill pipe and casing shut-in pressures and pit volume increase, and begin kill sheets.

Derrickman: (same as while drilling)

Floor Man # 1:

1. Install full opening valve (with help from Floorman #2) in top drill string connection.
2. Tighten valve with make up tongs.
3. Go to accumulator control station and await signal from Derrickman.
4. Close annular preventer and HCR valve on signal (if available, if not then close pipe rams).
5. Record accumulator pressures and check for leaks in the BOP and accumulator system.
6. Report to Driller, and be readily available as required for additional tasks.

Floor Man # 2:

1. Assist installing full opening valve in drill string.
2. Position back-up tongs for valve make-up.
3. Start water on motor exhausts.
4. Notify Contractor Tool Pusher or Rig Manager of well control situation.
5. Check location for ignition sources and extinguish or turn off, and stop any welding in progress.
6. Report to Driller, and be readily available as required for additional tasks.

Floorman # 3, Rig Manager/Tool Pusher, and Oxy Representative: (same as while drilling)

PUBLIC RELATIONS

Oxy recognizes that the news media have a legitimate interest in incidents at Oxy facilities that could affect the public. It is to the company's benefit to cooperate with the news media when incidents occur because these media are our best liaison with the public.

Our objective is to see that all reports of any emergency are factual and represent the company's position fairly and accurately. Cooperation with news media representatives is the most reliable guarantee that this objective will be met.

All contract and Oxy employees are instructed **NOT** to make any statement to the media concerning the emergency incident. If a media representative contacts any employee, they should refer them to the designated Emergency Command Center where they should contact the Incident Commander or his designated relief for any information concerning the incident.

OXY PERMIAN DOWNHOLE SERVICES GROUP

	LOCATION	OFFICE	HOME	CELL	PAGER
Manager Operations Support					
Hardesty, Steve	Midland	432-685-5880	432/694-6441	713-560-8095	
Team Leader					
Pennington, Randy	Midland	432-685-5684	432/689-7642	432-556-0207	
			Toledo Bend =	318-590-2349	
Operations Specialists					
Fleming, Joe	Midland	432-685-5858	432/699-0875	432-425-6075	432-498-3281
Ray, Fred	Midland	432-685-5683	432/362-2857	432-661-3893	432-499-3432
HES Tech					
Thompson, Don	Midland	432-685-5719	432/684-3900	432-556-1505	

Emergency Notification Numbers

Public Authorities		
New Mexico State Police	Artesia	505/746-2704
New Mexico State Police	Carlsbad	505/885-3137
New Mexico State Police	Hobbs	505/392-5588
Eddy County Sheriff's Office	Artesia	505/746-2704
Eddy County Sheriff's Office	Carlsbad	505/887-7551
Lea County Sheriff's Office	Hobbs	505/393-2515
Local Emergency Planning Center	Eddy County	505/887-9511
Local Emergency Planning Center	Lea County	505/397-9231
New Mexico Oil & Gas Commission	Artesia	505/748-1283
New Mexico Oil & Gas Commission	Hobbs	505/393-6161
NM Emergency Response Center	Hobbs	505/827-9222

Emergency Services		
Fire Fighting, Rescue, Ambulance, Police	Artesia	911
Fire Fighting, Rescue, Ambulance, Police	Carlsbad	911
Fire Fighting, Rescue, Ambulance, Police	Hobbs	911
Flight For Life	Lubbock	806/743-9911
Aerocare	Lubbock	806/7478923
Med Flight Air Ambulance	Albuquerque	505/842-4433

Other Emergency Services		
Boots and Coots		1/800-256-9688
Cudd Pressure Control	Midland	432/699-0139
B.J. Services	Artesia	505/746-3569
Halliburton	Artesia	505/746-2757

OXY Permian Production and Plant Personnel OXY Permian Crisis Team Hotline Notification (713) 935-7210					
PERSON	**LOCATION**	**OFFICE**	**FAX**	**CELL**	**PAGER**
Asset Management-Operations Areas					
OXY Permian General Manager: Tom Menges	Houston	(281) 552-1147	(281) 552-1484	(713) 560-8038	
South Permian Asset: Matt Hyde	Midland	(432) 685-5802	(432) 685-5930	(432) 556-5016	
RMT/PMT Leaders: South Permian Asset					
Frontier RMT: Tommy Johnson	Midland	(432) 685-5671	(432) 685-4054	(432) 238-9343	(432) 567-7038
PERSON	**LOCATION**	**OFFICE**	**FAX**	**CELL**	**PAGER**
Production Coordinators: S. Permian Asset					
New Mexico: John Erickson	Hobbs	(505) 393-2174	(505) 397-2671	(505) 390-6426	(505) 370-6836

OXY Permian HES Personnel OXY Permian Crisis Team Hotline Notification (713) 935-7210					
PERSON	**LOCATION**	**OFFICE**	**FAX**	**CELL**	**PAGER**
HES Coordinators & Area of Responsibility					
Frontier: Tom Scott	Midland	(432) 685-5677	(432) 685-5742	(432) 448-1121	(432) 498-1312
HES Techs & Area of Responsibility					
Hobbs RMT: Steve Bishop	Hobbs	(505) 397-8251	(505) 397-8204	(505) 390-4784	(877) 339-1954- 1118#
Frontier-New Mexico: Rick Kerby	Hobbs	(505) 393-2174	(505) 393-2671	(505) 390-8639	(505) 370-6527