

Submit 1 Copy To Appropriate District Office
District I - (575) 393-6161
1625 N. French Dr., Hobbs, NM 88240
District II - (575) 748-1283
811 S. First St., Artesia, NM 88210
District III - (505) 334-6178
1000 Rio Brazos Rd., Aztec, NM 87410
District IV - (505) 476-3460
1220 S. St Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources

Form C-103
October 13, 2009

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

SUNDRY NOTICES AND REPORTS ON WELLS (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)		WELL API NO. 30-015-39968
1. Type of Well: Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/>		5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>
2. Name of Operator Occidental Permian Ltd.		6. State Oil & Gas Lease No.
3. Address of Operator P.O. Box 50250 Midland, TX 79710		7. Lease Name or Unit Agreement Name Morgan Fee Com.
4. Well Location Unit Letter M : 1035 feet from the South line and 455 feet from the WEST line Section 21 Township 24S Range 29E NMPM County Eddy		8. Well Number 14
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 2923'		9. OGRID Number 157984
		10. Pool name or Wildcat CORNAL DRAW BONE SPRING

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐
TEMPORARILY ABANDON ☐ CHANGE PLANS ☒
PULL OR ALTER CASING ☐ MULTIPLE COMPL ☐
DOWNHOLE COMMINGLE ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING OPNS. ☐ P AND A ☐
CASING/CEMENT JOB ☐

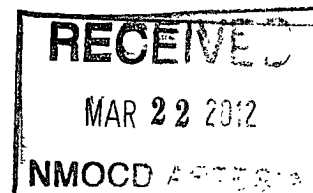
OTHER: ☐

OTHER: ☐

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 19.15.7.14 NMAC. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

Occidental Permian Ltd. respectfully requests to amend the APD for the Morgan Fee Com. #1H, API No. 30-015-39968 with the following changes.

1. Drill a pilot hole to 9200'TVD and log the 2nd Bone Spring formation.
2. Amend the intermediate casing depth to 3025'.
3. Submit pilot hole plugback mud and cementing program.



The horizontal lateral with the proposed KOP @ 7904' and a 8720'TVD 12862'TMD will remain the same.

Spud Date:

Rig Release Date:

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

SIGNATURE David Stewart TITLE Regulatory Advisor DATE 3/21/12

Type or print name David Stewart E-mail address: david_stewart@oxy.com PHONE: 432-685-5717

For State Use Only

APPROVED BY: T.C. Shepard TITLE Geologist DATE 3/23/2012

Conditions of Approval (if any):

Amended APD

Operator Name/Number:	Occidental Permian Ltd.	157984
Lease Name/Number:	Morgan Fee Com #1H	39083
Pool Name/Number:	Corral Draw Bone Spring	96238
Surface Location:	1035 FSL 455 FWL M Sec 21 T24S R29E	
Bottom Hole Location:	600 FSL 330 FEL P Sec 21 T24S R29E	

Proposed TD:	Pilot Hole	9200'	TVD	Horizontal Lateral	8720'	TVD	12862'	TMD
SL - Lat: 32.198396	Long: 103.996094			X= 604316.8	Y= 436059.8		NAD - 1927	
BH - Lat: 32.197203	Long: 103.981459			X= 608845.3	Y= 435640.3		NAD - 1927	

Casing Program:

<u>Hole Size</u>	<u>Interval</u>	<u>OD Csg</u>	<u>Weight</u>	<u>Collar</u>	<u>Grade</u>	<u>Condition</u>	<u>Collapse Design Factor</u>	<u>Burst Design Factor</u>	<u>Tension Design Factor</u>
17-1/2"	400'	13-3/8"	48	ST&C	H-40	New	5.72	12.84	16.77
				Hole filled with 8.9# Mud			770#	1730#	
12-1/4"	3025'	9-5/8"	40	LT&C	J-55	New	2.02	3.11	4.3
				Hole filled with 10.0# Mud			2570#	3950#	
8-3/4"	12862'	5-1/2"	17	LT&C	N-80	New	2.07	2.56	1.59
				Hole filled with 9.2# Mud			6290#	7740#	

Collapse and burst loads calculated using Stress Check with anticipated loads

Cement Program

- a. 13-3/8" Surface Circulate cement to surface w/ 230sx PP cmt w/ 2% CaCl₂ + 4% Bentonite + .25#/sx Poly-E-Flake, 13.5ppg 1.75 yield 1608# 24hr CS 150% Excess followed by 250sx PP cmt w/ 2% CaCl₂, 14.8ppg 1.35 yield 1608# 24hr CS 150% Excess
- b. 9-5/8" Intermediate Circulate cement to surface w/ 640sx HES light PP cmt w/ 3% Salt + .125#/sx Poly-E-Flake + 3#/sx Kol-Seal, 12.4ppg 2.07 yield 456# 24hr CS 100% Excess followed by 400sx PP cmt w/ 2% CaCl₂, 14.8ppg 1.34 yield 1417# 24hr CS 100% Excess
- c. 5-1/2" Production Circulate Cement w/ 840sx IFH cmt w/ 0.5% Halad R-322 + 3#/sx Kol-Seal + 0.3% HR-601, 11.9ppg 2.51 yield 390# 24hr CS 75% Excess followed by 1030sx Super H w/ 0.4% CFR-3 + 0.5% Halad-344 + 5#/sx Kol-Seal + 3#/sx salt + 0.2% HR-601, 13.2ppg 1.68 yield 1515# 24hr CS 50% Excess. Calc TOC 2525'
- d. Pilot Hole Plug Cement w/ 230sx CL H 50/50 Poz cmt w/ 0.25% CFR-3, 14.4ppg 1.25 yield 2250# 24hr CS 35% excess from 9200' to +/-8700' followed by 230sx CL H 50/50 Poz cmt w/ 0.25% CFR-3, 14.4ppg 1.25 yield 2250# 24hr CS 35% Excess from 8700' to +/-8200' followed by 300sx PPC w/ 3% KCl + 0.75% CFR-3 + 0.1% HR-601, 17.5ppg .95 yield 4450# 24hr CS 35% Excess from 8200' to +/-7700'.

Proposed Mud Circulation System:

<u>Depth</u>	<u>Mud Wt.</u> <u>ppg</u>	<u>Visc</u> <u>sec</u>	<u>Fluid Loss</u>	<u>Type System</u>
0 - 400'	8.4-8.9	32-36	NC	Fresh Water/Spud Mud
400 - 3025'	9.8-10.0	28-35	NC	Brine Water
3025 - 9200' Pilot Hole	9.0-9.4	32-50	<10	Cut Brine-Salt Gel/Duo Vis
7200 - 7900'	8.8-9.2	26-32	NC	Cut Brine-Salt Gel/Duo Vis
7900 - TD	9.0-9.4	32-50	8-15	Cut Brine-Salt Gel/Duo Vis

Pump high viscosity sweeps as needed for hole cleaning. The mud system will be monitored visually/manually as well as with an electronic PVT. The necessary mud products for additional weight and fluid loss control will be on location at all times.