

APPLICATION FOR PERMIT TO DRILL OR REENTER

1a. Type of Work <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		5. Lease Serial No. NM-06245	
1b. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input checked="" type="checkbox"/> Single Zone <input type="checkbox"/> Multiple Zone		6. If Indian, Allottee or Tribe Name	
2. Name of Operator OXY USA WTP Limited Partnership 192463		7. Unit or C/A Agreement Name and No. 20035	
3a. Address P.O. Box 50250 Midland, TX 79710-0250		8. Lease Name and Well No. OXY Misty Federal #2	
3b. Phone No. (include area code) 915-685-5717		9. API Well No. 30-015-32826	
4. Location of Well (Report location clearly and in accordance with any State requirements)* At surface 1650 FSL 1980 FWL NESW(K) At proposed prod. zone		10. Field and Pool, or Exploratory Undsg. Hackberry Morrow, N.	
14. Distance in miles and direction from nearest town or post office* 7 miles southeast from Loco Hills, NM		11. Sec., T., R., M., or Blk. and Survey or Area Sec 35 T18S R30E	
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drg. unit line, if any) 990'		12. County or Parish Eddy	
16. No. of Acres in lease 320		13. State NM	
17. Spacing Unit dedicated to this well 320			
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. N/A		20. BLM/BIA Bond No. on file 9312774	
21. Elevations (Show whether DF, KDB, RT, GL, etc.) 3425'		22. Approximate date work will start* 4/30/03	
		23. Estimated duration 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:

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| 1. Well plat certified by a registered surveyor. | 4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above). |
| 2. A Drilling Plan | 5. Operator certification. |
| 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). | 6. Such other site specific information and/or plans as may be required by the authorized officer. |

25. Signature 	Name (Printed/Typed) David Stewart	Date 3/20/03
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Title
Sr. Regulatory Analyst

Approved by (Signature) 1512 LINDA S.C. RUNDLELL	Name (Printed/Typed) 1512 LINDA S.C. RUNDLELL	Date MAY 01 2003
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Title STATE DIRECTOR	Office NM STATE OFFICE
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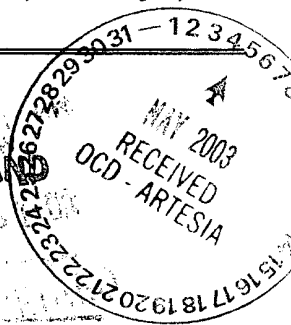
Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.
Conditions of approval, if any, are attached.

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make 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.

*(Instructions on Reverse)

Capitan Controlled Water Basin

APPROVAL SUBJECT TO
GENERAL REQUIREMENTS AND
SPECIAL STIPULATIONS
ATTACHED



NEW MISTY FEDERAL #2
1650 FSL 1980 FWL NESW(K) SEC 35 T18S R30E Eddy County, NM
Federal Lease No. NM-06245

OXY Misty Federal #2

1650 FSL 1980 FWL NESW(K) SEC 35 T18S R30E Eddy County, NM
Federal Lease No. NM-06245

PROPOSED TD: 12300' TVD

BOP PROGRAM: 0-625' None

625-4500' 13-3/8" 3M annular preventer, to be used as
divertor only.

4500-12300' 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 625'
17-1/2" hole

Intermediate: 9-5/8" OD 36# K55 ST&C new casing from 0-4500'
12-1/4" hole

Production: 5-1/2" OD 17# L80-S95 LT&C new casing from 0-12300'
8-3/4" hole 8800'-L80 3500-S95

CEMENT: Surface - Circulate cement with 200sx 35:65 POZ/C with 6% Bentonite
+ 2% CaCl₂ + .25#/sx Cello-Seal followed by 200sx Cl C with 2% CaCl₂.

Intermediate - Circulate cement with 1000sx 35:65 POZ/C with 6%
Bentonite + 2% CaCl₂ + .25#/sx Cello-Seal followed by 200sx Cl C
with 2% CaCl₂.

Production - Cement with 1200sx 15:61:11 POZ/C/CSE with .5% FL-52
+ .5% FL-25 + 8#/sx Gilsonite followed by 200sx Cl C with .7%
FL-25. Estimated top of cement is 6000'.

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

MUD: 0-625' Fresh water/native mud. Lime for pH control
(9-10). Paper for seepage.
Wt 8.7-9.2 ppg, Vis 32-34 sec

625-4500' 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.

4500-8300' Fresh water. Lime for pH control(9-9.5).
Paper for seepage.
Wt 8.3-8.5 ppg, Vis 28-29 sec

8300-10000' Cut brine. Lime for pH control (10-10.5).
Wt 9.6-10.0 ppg, Vis 28-29sec

10000-12300' Mud up with an Duo Vis/Flo Trol mud system.
Wt 9.6-10.0ppg, Vis 32-36sec, WL<10cc

RECEIVED
MAR 21 03
BLM
HOSWELL, NM

DISTRICT I

P.O. Box 1980, Hobbs, NM 88241-1980

DISTRICT II

P.O. Drawer DD, Artesia, NM 88211-0719

DISTRICT III

1000 Rio Brazos Rd., Aztec, NM 87410

DISTRICT IV

P.O. BOX 2088, SANTA FE, N.M. 87504-2088

State of New Mexico

Energy, Minerals and Natural Resources Department

OIL CONSERVATION DIVISION

P.O. Box 2088

Santa Fe, New Mexico 87504-2088

Form C-102

Revised February 10, 1994

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

API Number 30-015-		Pool Code 96785	Pool Name Undesignated Hackberry Morrow, North
Property Code	Property Name OXY MISTY FEDERAL		Well Number 2
OGRID No. 192463	Operator Name OXY U.S.A. WTP, LP		Elevation 3425'

Surface Location

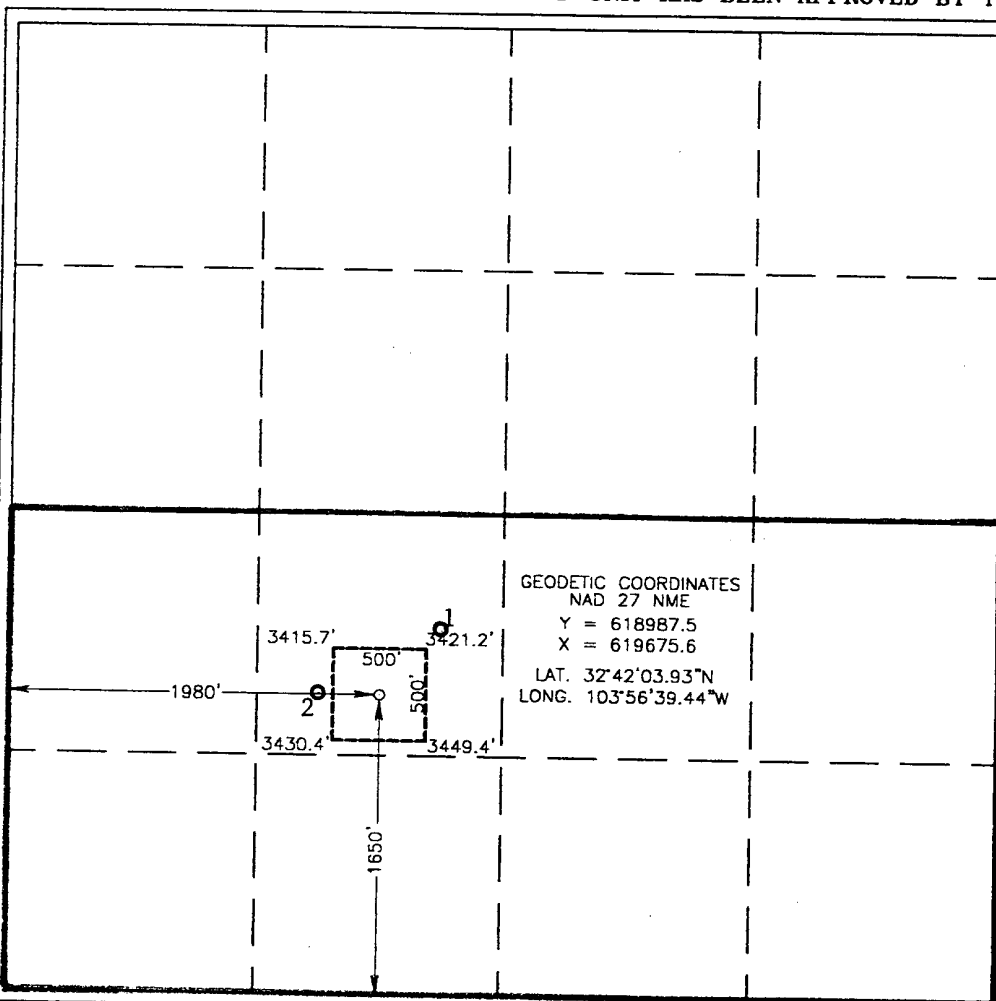
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
K	35	18-S	30-E		1650	SOUTH	1980	WEST	EDDY

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

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

David Stewart
Signature

David Stewart
Printed Name

Sr. Regulatory Analyst
Title

3/20/03
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
supervision, and that the same is true and
correct to the best of my belief.

MARCH 3, 2003

Date Surveyed
Signature & Seal of
Professional Surveyor

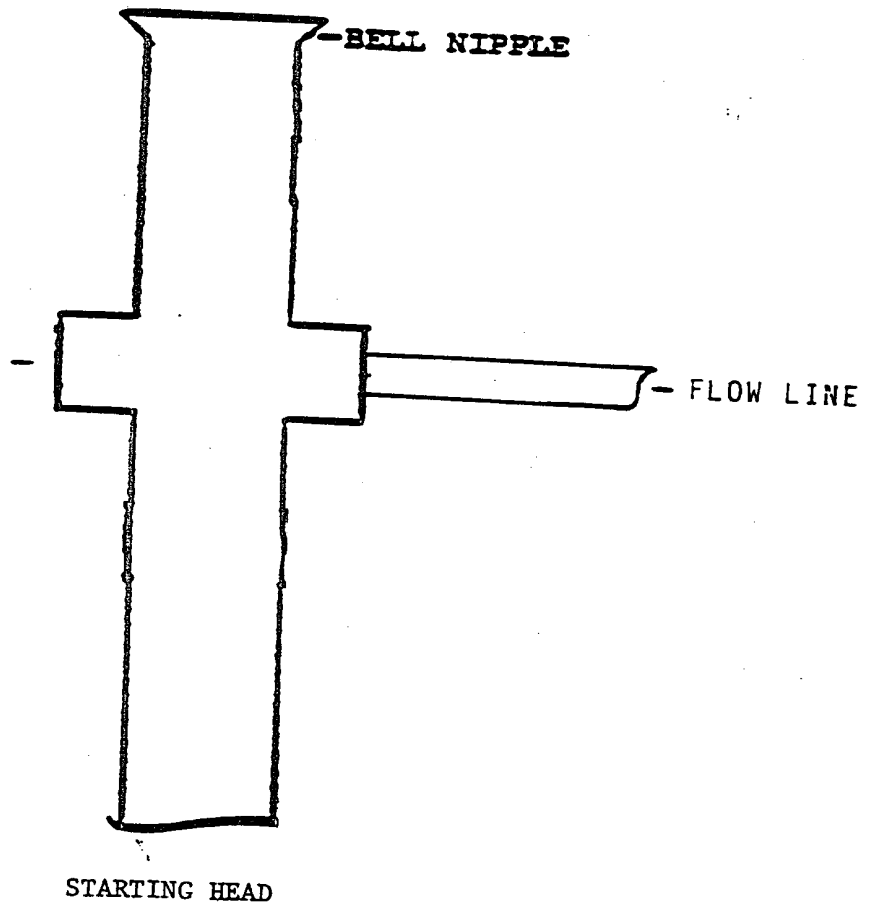
Gary Eidson 3/10/03
03-11.0274

Certificate No. RONALD J. EIDSON 3239
GARY EIDSON 12641

1. Ray Westall - Trigg Federal #1 - 30-015-25348 - 1980 FSL 2310 FWL
2. Ray Westall - Trigg Federal #6 - 30-015-25755 - 1650 FSL 1650 FWL

EXHIBIT A

ANNULAR PREVENTOR
TO BE USED AS DIVERTOR ONLY



BLOWOUT PREVENTOR SCHEME

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.

Hydril GR
Annular Preventer

Shaffer Type "E"
Rams

PIPE RAMS
Rd
BLIND RAMS

Spool

To Choke Manifold

To Reserve Pit

Emergency Kill Line

2" Valves

3" Choke (adjustable)

4" Valve
TYPE
HCR
VALVE

4" Valve

Manifold Detail

3" Choke (Manual)

Choke Manifold

EXHIBIT A