

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

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

Form C-103
Revised July 18, 2013

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. 30-015-44508
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 checked="" type="checkbox"/> FEE <input type="checkbox"/>
2. Name of Operator OXY USA Inc.		6. State Oil & Gas Lease No. V033611
3. Address of Operator P.O. Box 50250 Midland, TX 79710		7. Lease Name or Unit Agreement Name Corral Fly 02-01 State
4. Well Location Unit Letter <u>D</u> : <u>1265</u> feet from the <u>North</u> line and <u>120</u> feet from the <u>West</u> line Section <u>2</u> Township <u>25S</u> Range <u>29E</u> NMPM County <u>Eddy</u>		8. Well Number <u>22H</u>
11. Elevation (Show whether DR, RKB, RT, GR, etc.) <u>2996'</u>		9. OGRID Number 16696
		10. Pool name or Wildcat Pierce Crossing Bone Springs East

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 ☐
CLOSED-LOOP SYSTEM ☐
OTHER: Amend Drilling Plan ☒

SUBSEQUENT REPORT OF:

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

OXY USA Inc. respectfully requests to amend the APD for the Corral Fly 02-01 State #22H - API No. 30-015-44508.

1. Amend the intermediate hole size, casing size/type/depth and cementing program, see attached.
2. Amend the production hole size, casing size/type/depth and cementing program, see attached.
3. Request a variance for the annular clearance around production casing coupling, see attached.

NM OIL CONSERVATION
ARTESIA DISTRICT

JAN 18 2018

Spud Date:

12/12/17

Rig Release Date:

RECEIVED

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

SIGNATURE David Stewart TITLE Sr. Regulatory Advisor DATE 1/15/18

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

For State Use Only

APPROVED BY: Staff Mgr TITLE Staff Mgr DATE 1-18-18

Conditions of Approval (if any):

OXY USA Inc. – Corral Fly 02-01 State 22H – Amended Drilling Plan

OXY respectfully requests approval for the following changes from the approved permit:

- 1. Casing Program:** The casing program will be changed from a 9-5/8" intermediate string to a 7-5/8" intermediate string. Hole sizes will reduce for both intermediate and production holes from 12-1/4" and 8-1/2" to 9-7/8" and 6-3/4". From landing point to surface the 5-1/2" production casing will change from 20# DQX to 23# DQXHT.

a. Intermediate Hole

Intermediate Section Summary										
String	Hole Size		Casing				From (ft)	To (ft)	Depth Criteria	
Intermediate	9-7/8"		7-5/8" 29.7ppf HCL-80 BTC				Wellhead	ICP'	As per COA will place DV tool at 3168ft +/- 40ft	
Intermediate Casing Characteristics										
OD (in)	Weight (ppf)	Grade	Conn	ID (in)	Cpl OD (in)	Drift (in)	Burst (psi)	Collapse (psi)	Tension (klbs)	MUT (ft-lbs)
7.625	29.7	HCL-80	BTC	6.875	8.5	6.75	6880	5780	683 body	Geometric Approach (See BTC Make-Up Procedure)

b. Production Hole

Production Section Summary										
String	Hole Size		Casing			From (ft)		To (ft)	Depth Criteria	
Production Casing	6-3/4"		5-1/2" 23ppf P-110 DQXHT			9,211ft MD		Surface	At least 100ft into the previous casing shoe	
Production Casing	6-3/4"		5-1/2" 20ppf P-110 DQX			18,997ft MD		9,211ft MD	AirLock Floation Sub will set at 9265+/- crossover jt	
Production Casing Characteristics										
OD (in)	Weight (ppf)	Grade	Conn	ID (in)	Cpl OD (in)	Drift (in)	Burst (psi)	Collapse (psi)	Tension (klbs)	MUT (ft-lbs)
5.5	23	P-110	DQXHT	4.670	6.05	4.545	14,530	14,540	685	Min: 16,000 Opt: 17,800 Max: 19,500
5.5	20	P-110	DQX	4.778	6.05	4.653	12,640	11,110	641	Min: 11,600 Opt: 12,900 Max: 14,100

OXY USA Inc. – Corral Fly 02-01 State 22H – Amended Drilling Plan

2. Casing Clearance:

OXY would like to request a variance for annular clearance around production tubular couplings. The clearances for the production string are as follows:

Description	ID	Coupl. OD	Clearance
JFE Bear Coupling in 7-5/8" csg	6.969	6.135	0.417
JFE Bear Coupling in OH	6.75	6.135	0.3075
DQX Coupling in 6.75	6.75	6.05	0.35

3. Cementing Program:

- a. Simplification of the 2nd stage from a 12.9ppg lead and 14.8ppg tail to a single 13.6ppg slurry. same percent excess on the open hole as in the initial permit.

Description	Slurry Type	Weight (ppg)	Yield	Water Req	500psi Comp. Strength (Time)	OH Excess	Planned Volume (Bbls)	Planned sx	Top of Cement (MD)
1 st Stage	Spacer	9.7					80		
	Lead	10.2	3.05	15.63	12:23	50%	~250	460	(100ft above DV tool)
	Tail	13.2	1.65	8.45	8:12	20%	~50	170	(1000ft above ICP)
	Disp.	DEWBM					~380		
2 nd Stage	Spacer	8.3					20		
	Tail	13.6	1.65	8.656	7:32	75%	~225	765	Surface
	Disp.	DEWBM					~145		

- b. Production hole slurry volumes will also decrease from the reduction in hole size.

Description	Slurry Type	Weight (ppg)	Yield	Water Req	500psi Comp. Strength (Time)	OH Excess	Planned Volume (Bbls)	Planned sx	Top of Cement (MD)
Production	Primary	13.2	1.63	1.631	15:15	15%	190	660	500ft inside of casing shoe