RECEIVED:	REVIEWER:	TYPE:	APP NO:	
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IHIS C		L Administrative Applicat Quire processing at the E	IONS FOR EXCEPTIONS TO DIVISION R IVISION LEVEL IN SANTA FE	ULES AND
Applicant: OXY US	A INC.		OGRID Numb	er:
Well Name: OXBC	W CC 17-8 FEDERA	L COM #036H	API : 30-015-45	088
Pool: MULTIPLE PO			Pool Code: MI	JLTIPLE
SUBMIT ACCURA	TE AND COMPLETE INF	ORMATION REQUIR	ED TO PROCESS THE TYPE (OF APPLICATION
 A. Location B. Check or [1] Comr [1] Comr [1] Injec [1] Injec 2) NOTIFICATION A. □ Offset B. ☑ Royalt C. □ Applic D. □ Notific E. ☑ Notific F. □ Surfac G. □ For all 	ne only for [1] or [1] ningling – Storage – M DHC CTB Pl tion – Disposal – Pressu WFX PMX SN REQUIRED TO: Check operators or lease hol y, overriding royalty over ation requires published ation and/or concurred ation and/or concurred of the above, proof or	aneous Dedication coject AREA) NSF easurement LC PC OI ure Increase – Enhai WD IPI EC those which apply. ders wners, revenue owr ed notice ent approval by SLC ent approval by BLN		FOR OCD ONLY otice Complete pplication ontent omplete /or,
3) CERTIFICATION administrative understand that	approval is accurate a	and complete to th ken on this applicat	mitted with this application e best of my knowledge. ion until the required info	l also
No	te: Statement must be comple	ted by an individual with r	nanagerial and/or supervisory cap	pacity.

STEPHEN JANACEK

Print or Type Name

8/23/2022 Date

972-404-3722

Phone Number

STEPHEN_JANACEK@OXY.COM e-mail Address

Stephen	Janacele

Signature

Received by OCD: 8/25/2022 8:50:47 AM

District I 1625 N. French Drive, Hobbs, NM 88240
District II 811 S. First St., Artesia, NM 88210

District III 1000 Rio Brazos Road, Aztec, NM 87410

District IV

1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico Energy, Minerals and Natural Resources Department Form C-107A Revised August 1, 2011

Page 2 of 82

Oil Conservation Division 1220 South St. Francis Dr. Santa Fe, New Mexico 87505 APPLICATION TYPE Single Well Establish Pre-Approved Pools EXISTING WELLBORE X Yes No

APPLICATION FOR DOWNHOLE COMMINGLING

 OXY USA INC.
 PO BOX 4294, HOUSTON, TX 77210

 Operator
 Address

 OXBOW CC 17-8 FEDERAL COM #036H
 P-17-T24S-R29E
 EDDY

 Lease
 Well No.
 Unit Letter-Section-Township-Range
 County

OGRID No. 16696 Property Code 321633 API No. 30-015-45088 Lease Type: X Federal State Fee

DATA ELEMENT	UPPER ZONE	INTERMEDIATE ZONE	LOWER ZONE
Pool Name	CEDAR CANYON; BS / PIERCE CROSSING; BS EA: / PIERCE CROSSING; BS	37	PURPLE SAGE WOLFCAMP (GAS)
Pool Code	11520 / 96473 / 5037	1	98220
Top and Bottom of Pay Section (Perforated or Open-Hole Interval)	Top: 7585 ft TVD Bottom: 7821 ft TVD		Top: 9980 ft TVD/ 10199 ft MD Bottom: 10137 ft TVD/ 20415 ft MD
Method of Production (Flowing or Artificial Lift)	GAS LIFT		GAS LIFT
Bottomhole Pressure (Note: Pressure data will not be required if the bottom perforation in the lower zone is within 150% of the depth of the top perforation in the upper zone)			
Oil Gravity or Gas BTU (Degree API or Gas BTU)	Oil- 39.9 deg. API, Gas- 1228 Dry, Ideal (BTU/FT	3)	Oil- 41.9 deg. API, Gas- 1296 Dry, Ideal (BTU/FT3)
Producing, Shut-In or New Zone	NEW ZONE		PRODUCING
Date and Oil/Gas/Water Rates of Last Production. (Note: For new zones with no production history, applicant shall be required to attach production	Date: NEW ZONE	Date:	Date: 6/4/2022
estimates and supporting data.)	Rates: NEW ZONE	Rates:	Rates: 60 BOPD 564 MSCFPD
Fixed Allocation Percentage (Note: If allocation is based upon something other	Oil Gas	Oil Gas	Oil Gas
than current or past production, supporting data or explanation will be required.)	67 % 81 %	% %	33 % 19 %

ADDITIONAL DATA

Are all working, royalty and overriding royalty interests identical in all commingled zones? If not, have all working, royalty and overriding royalty interest owners been notified by certified mail?	Yes Yes <u>X</u>	No_X No
Are all produced fluids from all commingled zones compatible with each other?	YesX	No
Will commingling decrease the value of production?	Yes	NoX
If this well is on, or communitized with, state or federal lands, has either the Commissioner of Public Lands or the United States Bureau of Land Management been notified in writing of this application?	Yes <u>X</u>	No

NMOCD Reference Case No. applicable to this well:

Attachments:

C-102 for each zone to be commingled showing its spacing unit and acreage dedication. Production curve for each zone for at least one year. (If not available, attach explanation.)

For zones with no production history, estimated production rates and supporting data.

Data to support allocation method or formula.

Notification list of working, royalty and overriding royalty interests for uncommon interest cases.

Any additional statements, data or documents required to support commingling.

PRE-APPROVED POOLS

If application is to establish Pre-Approved Pools, the following additional information will be required:

List of other orders approving downhole commingling within the proposed Pre-Approved Pools List of all operators within the proposed Pre-Approved Pools Proof that all operators within the proposed Pre-Approved Pools were provided notice of this application. Bottomhole pressure data.

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

SIGNATURE	Stephen	Janacele	

TITLE REGULATORY ENGINEER DATE 8/24/2022

TYPE OR PRINT NAME STEPHEN JANACEK

E-MAIL ADDRESS STEPHEN_JANACEK@OXY.COM



Occidental Oil and Gas Corporation ATTN: Pablo Cabal 5 Greenway Plaza, Suite 110 Houston, TX 77046 713-215-7433 pablo_cabal@oxy.com

August 23, 2022

Mr. Dean McClure New Mexico Oil Conservation Division 1220 South Francis Drive Santa Fe, New Mexico 87505

RE: Application for Downhole Commingling OXY USA Inc. OXBOW CC 17-8 FEDERAL COM #036H T24S R 29E, Section 31 & T24S R31E, Section 17 & 8

Dear Mr. Dean McClure:

Oxy USA Inc. respectfully seeks approval to downhole commingle the Oxbow CC 17-8 Federal Com #036H (30-015-45088). The currently producing lateral in the Purple Sage Wolfcamp Pool (Wolfcamp lateral) will be commingled with a newly drilled lateral in Bone Spring Pools (Bone Spring lateral). The Bone Spring lateral will transverse 3 different Bone Spring pools, so please see the attached C-102s for details. I attest that adding the newly drilled lateral in the Bone Spring will not reduce the total remaining production's value. It is Oxy's responsibility as a prudent operator to maximize lateral length and minimize reserves left in the ground.

Sincerely,

Attachments

- 1. Application Checklist
- 2. C-107
- 3. Engineer letter and allocation justification
- 4. Newspaper affidavit
- 5. Copy of BLM sundry, including
 - a. C-102s
 - b. Complete Water Analyses
- 6. Notice List

Pablo Cabal Development Engineer

Summary and Production Allocation

The combined production plot (Figure 1) shows the historical data and forecasts for the existing Oxbow 36H Wolfcamp (WCXYA) lateral. The oil and gas production plots (Figures 2 and 3) show the offset historical data and forecasts for the new First Bone Spring (1BS) lateral.

The allocation percentages for oil and gas for each zone was based on the estimated 5 Year Production Volumes (Figures 4 and 5). For oil, the 1BS and Wolfcamp produce 209.2 MBO and 104.8 MBO respectively. For gas, the 1BS and Wolfcamp produce 3483 MMSCF and 2838 MMSCF respectively. Each of these values were divided by the Total Production Volume to calculate the percentages. The calculated allocation percentages can be found below.

5 Year Production Volume

Total	Oil Gas	314.0 MBO 3,483 MMSCF
1BS	Oil Gas	209.2 MBO 2,838 MMSCF
Wolfcamp	Oil	104.8 MBO

Production allocation percentages by formation

644 MMSCF

	Oil	Gas
1BS	67%	81%
Wolfcamp	33%	19%

Gas

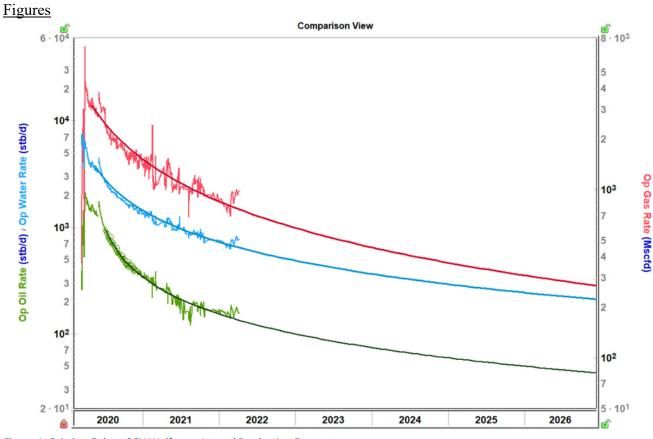


Figure 1- Existing Oxbow 36H Wolfcamp Lateral Production Forecasts

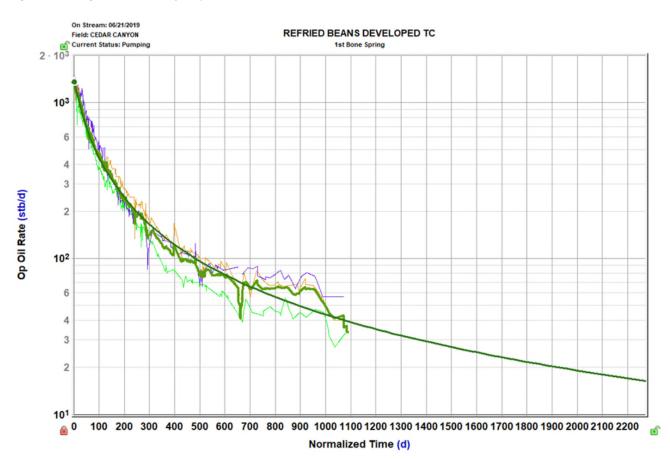


Figure 2- Planned Oxbow 36H Bone Spring Lateral Production Forecast- Oil. Offset production data of 4 wells. Released to Imaging: 1/20/2023 4:05:23 PM

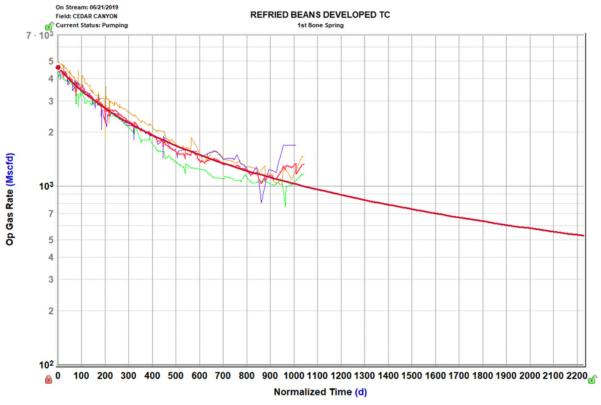


Figure 3- Planned Oxbow 36H Bone Spring Lateral Production Forecast- Gas. Offset production data of 4 wells.

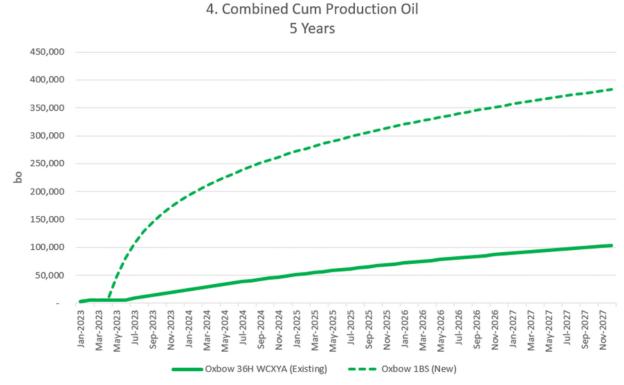


Figure 4- Cumulative oil production by lateral

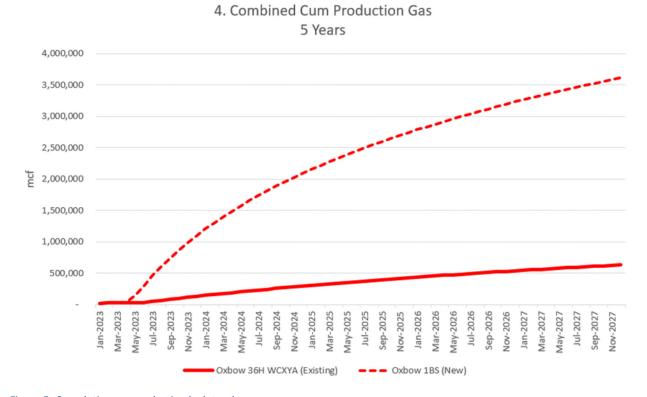


Figure 5- Cumulative gas production by lateral

Carlsbad Current Argus.

Affidavit of Publication Ad # 0005356919 This is not an invoice

OXY USA INC 5 GREENWAY PLAZA OFFICE 29.076

HOUSTON, TX 77046

I, a legal clerk of the Carlsbad Current Argus, a newspaper published daily at the City of Carlsbad, in said county of Eddy, state of New Mexico and of general paid circulation in said county; that the same is a duly qualified newspaper under the laws of the State wherein legal notices and advertisements may be published; that the printed notice attached hereto was published in the regular and entire edition of said newspaper and not in supplement thereof in editions dated as follows:

07/31/2022

Legal Clerk

Subscribed and sworn before me this August 1, 2022:

ln

State of WI, County of Brown NOTARY PUBLIC

My commission expires

KATHLEEN ALLEN Notary Public State of Wisconsin

Ad # 0005356919 PO #:: OXBOW 36H # of Affidavits: 1

This is not an invoice

Notice of Application for Downhole Commingle-Newspaper Publication

OXY USA INC. located at 5 Greenway Plaza, Suite 110 Houston TX 77046 is applying to the NMOCD to downhole commingle oil and gas production from the Wolfcamp formation and the Bone Spring formation in the Oxbow CC 17-8 Federal Com #036H (API 30-015-45088). The surface hole location of the well is located in Unit P, Section 17, T24S-29E. The completed laterals of the well traverse Section 17 and 8, T24S-29E. Production will be from the following pools: Purple Sage Wolfcamp, Cedar Canyon; Bone Spring, Pierce Crossing; Bone Spring East, and the Pierce Crossing; Bone Spring. Pursuant to Statewide Rule 19.15.12.10, interested parties must file objections or requests for hearing in writ-

19.15.12.10, interested parties must file objections or requests for hearing in writing with the division's Santa Fe office within 20 days after publication, or the NMOCD may approve the application. For questions pertaining to the application, please contact Stephen Janacek at 713-493-1986. #5356919, Current Argus, July 31, 2022

Released to Imaging: 1/20/2023 4:05:23 PM

ceived by OCD: 8/25/2022 8:50:47 AM J.S. Department of the Interior BUREAU OF LAND MANAGEMENT		Sundry Print R Page 9 04/11/2022
Well Name: OXBOW CC 17-8 FEDERAL COM	Well Location: T24S / R29E / SEC 17 / SESE / 32.2119356 / -104.001852	County or Parish/State: EDDY / NM
Well Number: 36H	Type of Well: OIL WELL	Allottee or Tribe Name:
Lease Number: NMNM094651, NMNM94651	Unit or CA Name:	Unit or CA Number:
US Well Number: 3001545088	Well Status: Producing Oil Well	Operator: OXY USA INCORPORATED

Notice of Intent

Sundry ID: 2629851

Type of Submission: Notice of Intent

Date Sundry Submitted:

Date proposed operation will begin: 03/01/2022

Type of Action: Other Time Sundry Submitted:

Procedure Description: OXY USA Inc. respectfully requests approval for the attached SL2 (multilateral) program. Please find the attached cover letter explaining the request, planned procedure and all supporting drilling documents.

Surface Disturbance

Is any additional surface disturbance proposed?: No

NOI Attachments

Procedure Description

Oxbow_CC_17_08_Fed_Com_36H__14H_Proposed_Schematic_20220104103258.pdf

Oxbow_CC_17_08_Fed_Com_36H_Current_Schematic_20220104103232.pdf

 $7.625 in_x_4.5 in_LSRT_and_STIM_HOOK_Hanger_Installation_Procedure_OXY_2021_rev3_20220104103214$.pdf

16_OxbowCC17_8FdCom36H_NGMP_20210819160945.pdf

14_OxbowCC17_8FdCom36H_DrillPlan_20210819160605.pdf

12_13_OxbowCC17_8FdCom36H_DirectPlan_Plot_20210819160550.pdf

9_10_11_OxbowCC17_8FdCom36H_H2S_20210819160336.pdf

8_OxbowCC17_8FdCom36H_Specs_20210819160319.pdf

	<i>ived by OCD: 8/25/2022 8:50:47 AM</i> Wein Name: OXBOW CC 17-8 FEDERAL COM	Well Location: T24S / R29E / SEC 17 / SESE / 32.2119356 / -104.001852	County or Parish/State: Page 10 of 82 NM
\	Well Number: 36H	Type of Well: OIL WELL	Allottee or Tribe Name:
	_ease Number: NMNM094651, NMNM94651	Unit or CA Name:	Unit or CA Number:
ı	JS Well Number: 3001545088	Well Status: Producing Oil Well	Operator: OXY USA INCORPORATED

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4_OxbowCC17_8FdCom36H_Chk_20210819160215.pdf

3__OxbowCC17_8FdCom36H_C102_PPP_20210819160200.pdf

1_2_SL2_Sundry_Cover_Letter_and_Overview_Oxbow_36H_20210819160149.pdf

Conditions of Approval

Additional Reviews

Oxbow_CC_17_8_Federal_Com_36H_DrillingCOA_20220316084840.pdf

Operator Certification

I certify that the foregoing is true and correct. 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. Electronic submission of Sundry Notices through this system satisfies regulations requiring a submission of Form 3160-5 or a Sundry Notice.

Operator Electronic Signature: LESLIE REEVES

Name: OXY USA INCORPORATED
Title: Advisor Regulatory

Street Address: 5 GREENWAY PLAZA, SUITE 110

City: HOUSTON

State: TX

Phone: (713) 497-2492

Email address: LESLIE_REEVES@OXY.COM

Field Representative

Representative Name:	
Street Address:	
City:	State:
Phone:	
Email address:	

Zip:

BLM Point of Contact

BLM POC Name: CHRISTOPHER WALLS BLM POC Phone: 5752342234 Disposition: Approved Signature: Chris Walls BLM POC Title: Petroleum Engineer BLM POC Email Address: cwalls@blm.gov Disposition Date: 04/08/2022

Signed on: MAR 07, 2022 02:38 PM

Oxy Multilateral Sundry Cover Letter for:

- Oxbow CC 17-8 Federal Com #36H (API 30-015-45088-0051) the existing wellbore (parent wellbore)
- Oxbow CC 17-8 Federal Com #36H (API 30-015-45088-<u>01S1</u>) multilateral completion (child wellbore)

Project Overview

Oxy has developed a project to drill multi-lateral (also known as SL2) wellbores in Oxbow CC 17-8. Originally conceived in 2016, this project enables Oxy to develop additional resources without adding additional surface hole locations.

The parent wellbore is Oxbow CC 17-8 Federal Com #36H (API 30-015-45088). This well is currently active and produces from the Wolfcamp XY. The new lateral, (child wellbore) will be completed in the First Bone Spring.

Parent Wellbore	Child Wellbore
Oxbow CC 17-8 Federal Com #36H 00S1 (Wolfcamp XY)	01S1 (1 st Bone Spring)

<u>Procedure</u>

The proposed operations are:

- 1. Workover- Pull production equipment and tie-back string from parent wellbore. Set RBP below First Bone Spring kickoff point.
- 2. Drilling- Set whipstock. Mill window. Drill new child lateral in the First Bone Spring. Retrieve whipstock. Run casing with tieback. Cement child wellbore.
- 3. Completions- Shoot perforations. Stimulate with hydraulic fractures and cleanout with coiled tubing.
- 4. Production- Flowback child wellbore.
- 5. Commingle- Once bottomhole pressure has fallen, pull RBP and install lift equipment. Produce from both parent and child wellbore.

Sundry Attachment List

The Sundry will include the following items. They are listed in order as seen in an APD submission:

S	undry Attachment List					
#	Attachment					
General						
1, 2	Cover Letter, Procedure					
	C-102, Pre-Plat with Proposed					
3	Penetration Point(s)					
Drilling						
4	Choke Diagram					
5	BOP Attachments, Wellhead					
6	Flex Hose Certification					
7	Casing Design Criteria Stress Check					
8	Special Casing Specification Sheet(s)					
9, 10, 11	H2S Plan					
12, 13	Directional Plan, Diagram					
14	Drilling Plan					
15	Offline Cement Detail					
SUPO						
16	Natural Gas Management Plan					

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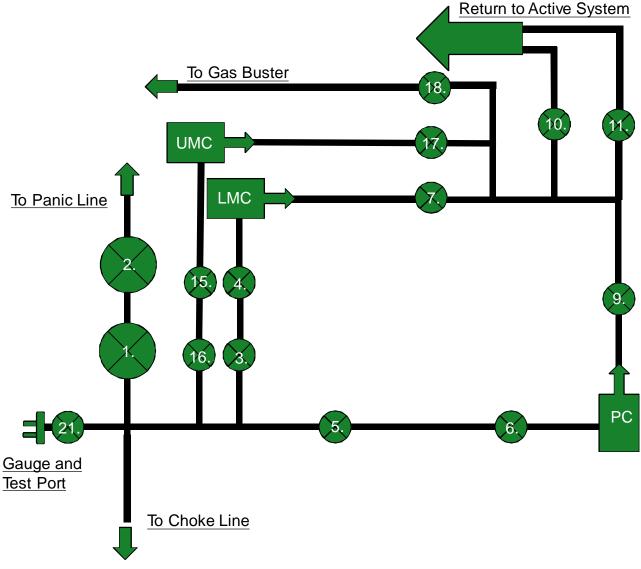
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				0)	(bow CC 17-8 Fe	d Com	14H SL2 ((with 3	6H SL1) 26.5' RKB		
DEPTH MD	DEPTH TVD	HOLE SIZE	MUD WEIGHT (ppg)	FLUID TYPE	FORMATION TOPS		ad: 13-5/8" 5K Cellar-Tech		ADDITIONAL INFO		
120	120	20" 17-1/2"					SROUND LEVEL	ŀ	20" Conductor Pre-installed 13-3/8" Surface Casing - 54.5#/ft J55 BTC ID/Drift: 12.615" / 12.459" Conn 0D: 14.375"		
<u>286</u> 452	286	17-1/2"			Rustler				Burst: 2730 psi Collapse: 1130 psi Axial Body: 853 klbs TD Criteria: Into Rustler/Above Salt (Deep as Possible)		
604	604	9-7/8"			Top Salt (Salado)				7-5/8" Intermediate Casing - 26.4#/ft HCL-80 BTC From Surface To 6502' ID/Drift: 6.969" / 6.844" Conn OD: 8.5"		
1,253	1,253				Castile				Burst: 6020 psi Collapse: 4320 psi Axial Body: 602 klbs		
2,807 2,874	2,807 2,874				Delaware Bell Canyon		5-1/2" 20# Frac String		7-5/8" Intermediate Casing - 29.7#/ft HCL-80 BTC From 6502' To ICP ID/Drift: 6.875" / 6.75"		
3,738	3,738				Cherry Canyon				Collapse: 6220 psi Axial Body: 683 klbs		
5,000	4,989				Brushy						
<u>6,617</u>	6,583				Bone Spring		L SRT		LSRT: 66' Length, 3.830" ID, 3.795" Drift		
6,482 7,738 8,242 18,301	6,452 7,528 7,726 7,805	6-3/4" 6-3/4"	8.0-9.6	OBM	Sidetrack 10°/100 1st Bone Spring Sand Landing Point		Junction Window		Top of SL2 Liner @ 6577' Junction Drift to Lower Lateral = 5.25" 4-1/2" Production Liner - 13.5# P-110CY ID/Drift: 3.920" / 3.795" Conn OD: 5" TD Criteria: 185		
10,001	,,		v CC 17_8 F	ed Com 36H SI	1				Composite Bridge Plug + Cement 'False Bottom'		
							7-5/8" 29.7# Intermediate Casing Gap		To be milled out before multi-lateral commingling		
9,347	9,276	9-7/8" 6-3/4"					5-1/2" 20# Lower Lateral		Top of Production Liner @ 9151' TD Criteria: 100' above KOP 5-1/2" Production Liner - 20# P-110 DQX ID/Drift: 4.778" / 4.653" Conn OD: 6.05" Burst: 12,640 psi Collapse: 11,110 psi Axial Body/Cxn: 641 klbs		
	10,137	6-3/4"							TD Criteria: WCA		

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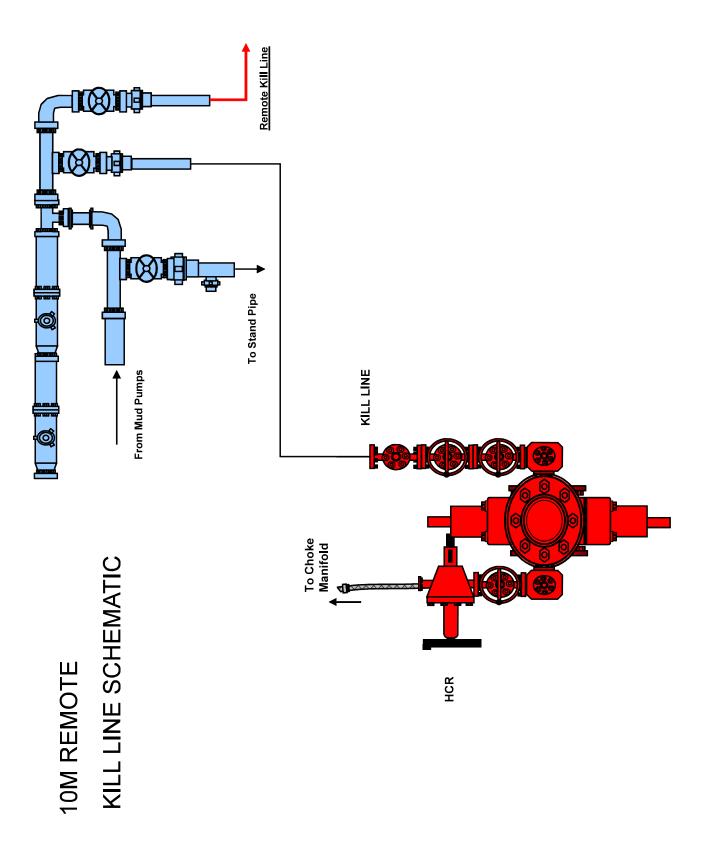
	2				Oxbow (C 17-8 Fed Com 36H	GL = 2,927.1', Rig RKB = 2,953.6		
DEPTH MD	DEPTH TVD	HOLE SIZE	MUD WEIGHT (ppg)	FLUID TYPE	FORMATION TOPS	Wellhead: 13-5/8" 5K MNDS Cellar-Tech	ADDITIONAL INFO		
	1					GROUND LEVEL	20" Conductor Pre-installed		
120	120	20" 17-1/2"					20" Conductor Pre-Installed 13-3/8" Surface Casing - 54.5#/ft J55 BTC		
							ID/Drift: 12.615" / 12.459" Conn OD: 14.375" Burst: 2730 psi Collapse: 1130 psi		
286	286				Rustler		Axial Body: 853 klbs		
452	452	17-1/2"					Cement to Surface TD Criteria: Into Rustler/Above Salt (Deep as Possible)		
		9-7/8"	9.0 - 9.4	OBM					
604	604				Top Salt (Salado)		7-5/8" Intermediate Casing - 26.4#/ft HCL-80 BTC From Surface To 6502' ID/Drift: 6.969" / 6.844" Conn OD: 8.5" Burst: 6020 psi		
1,253	1,253				Castile		Collapse: 4320 psi Axial Body: 602 klbs		
2,807	2,807				Delaware		7-5/8" Intermediate Casing - 29.7#/ft HCL-80 BTC From 6502' To ICP		
2,874	2,874				Bell Canyon		ID/Drift: 6.875" / 6.75" Conn OD: 8.5"		
3,738	3,738				Cherry Canyon		Burst: 6880 psi Collapse: 6220 psi Axial Body: 683 klbs		
5,000	4,989				Brushy				
6,617	6,583				Bone Spring				
7,572	7,528				1st Bone Spring Sand				
7,860	7,813				2nd Bone Spring Sand				
8,798	8,735				3rd Bone Spring Sand				
9,347	9,276	9-7/8" 6-3/4"	9.0 - 9.4 12.0-13.5	OBM OBM			Top of Production Liner @ 9151' TD Criteria: 100' above KOP		
							5-1/2" Production Liner - 20# P-110 DQX ID/Drift: 4.778" / 4.653"		
9,892	9,778				Wolfcamp		Conn OD: 6.05"		
							Burst: 12,640 psi Collapse: 11,110 psi Axial Body/Cxn: 641 klbs		
							5-1/2" Production Tieback - 20# P-110 DQX ID/Drift: 4.778" / 4.653" Conn OD: 6.05" Burst: 12,640 psi Collapse: 11,110 psi Axial Body/Cxn: 641 klbs		
20,546	10,137	6-3/4"	12.0-13.5	ОВМ			TD Criteria: WC A		

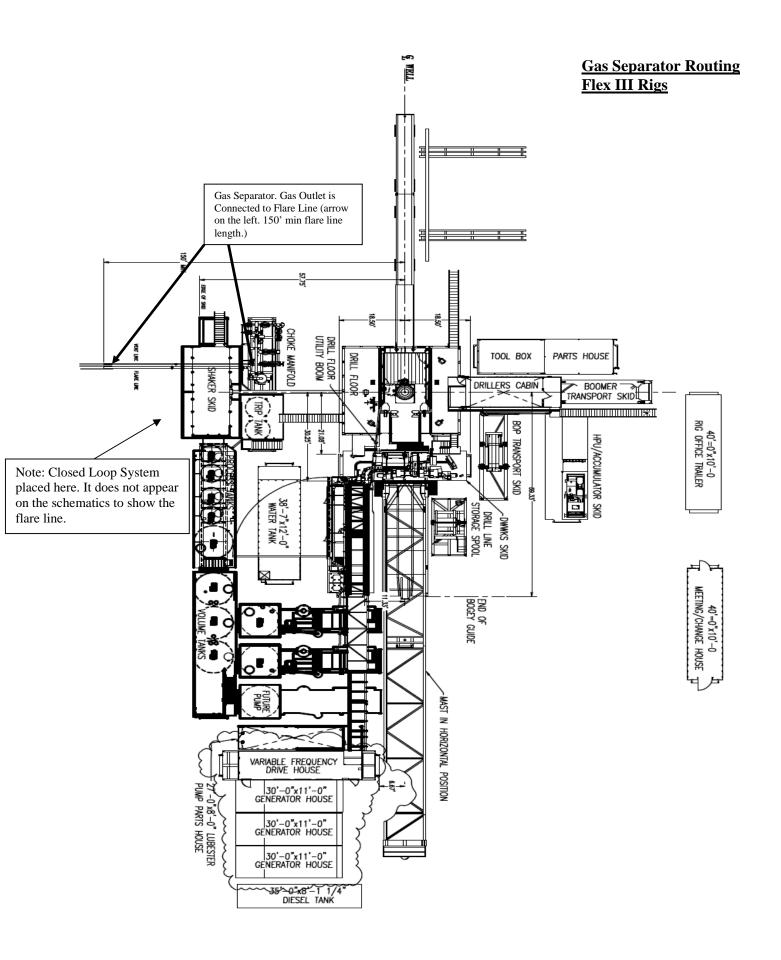
10M Choke Panel

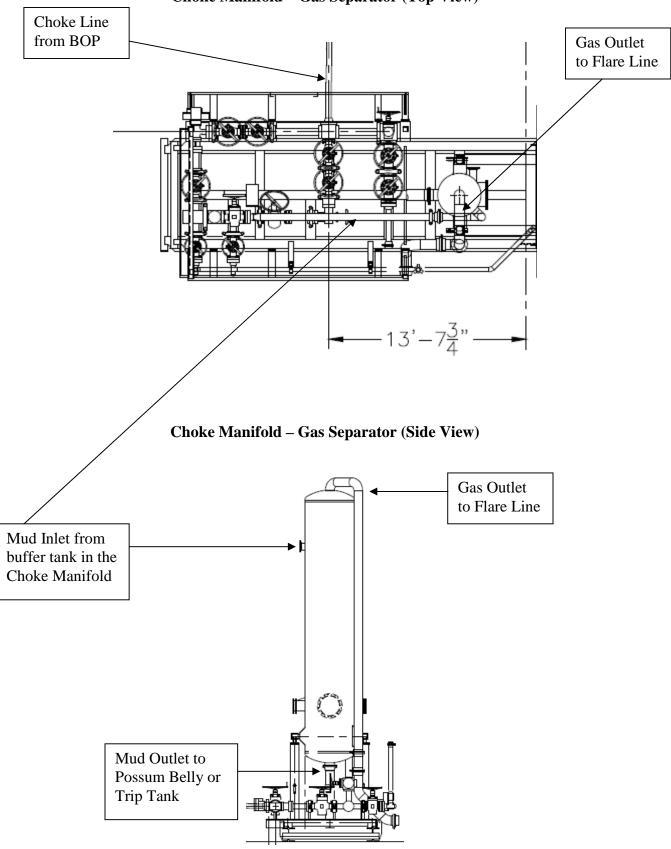


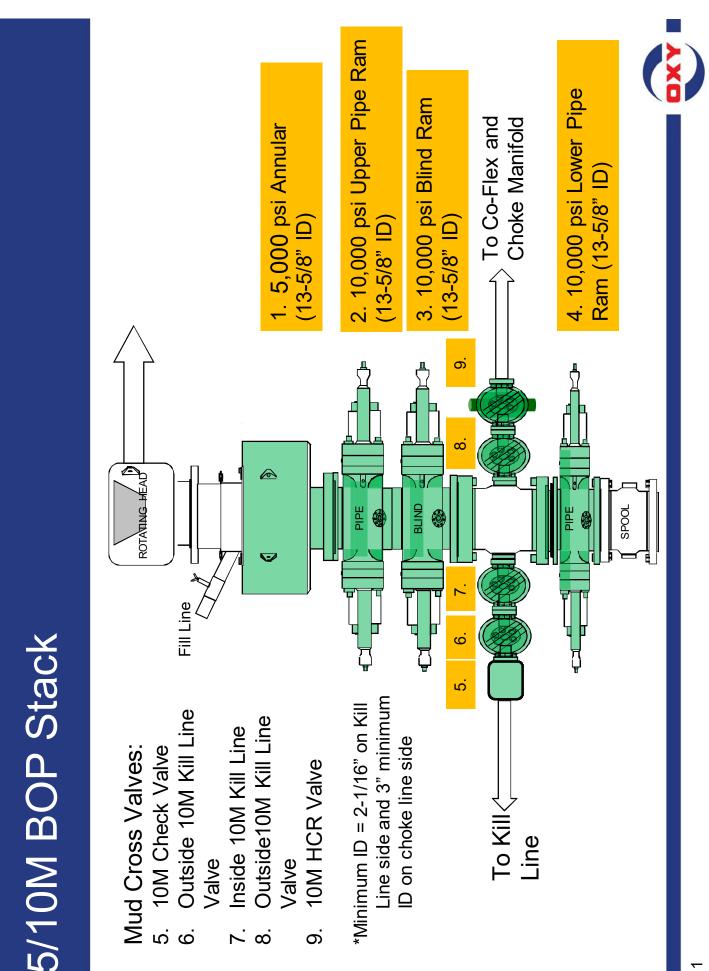
- 1. Choke Manifold Valve
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 - 7. Choke Manifold Valve
 - 8. PC Power Choke
 - 9. Choke Manifold Valve
 - 10. Choke Manifold Valve
 - 11. Choke Manifold Valve
 - 12. LMC Lower Manual Choke
 - 13. UMC Upper manual choke
 - 15. Choke Manifold Valve
 - 16. Choke Manifold Valve
 - 17. Choke Manifold Valve
 - 18. Choke Manifold Valve
 - 21. Vertical Choke Manifold Valve
 - *All Valves 3" minimum

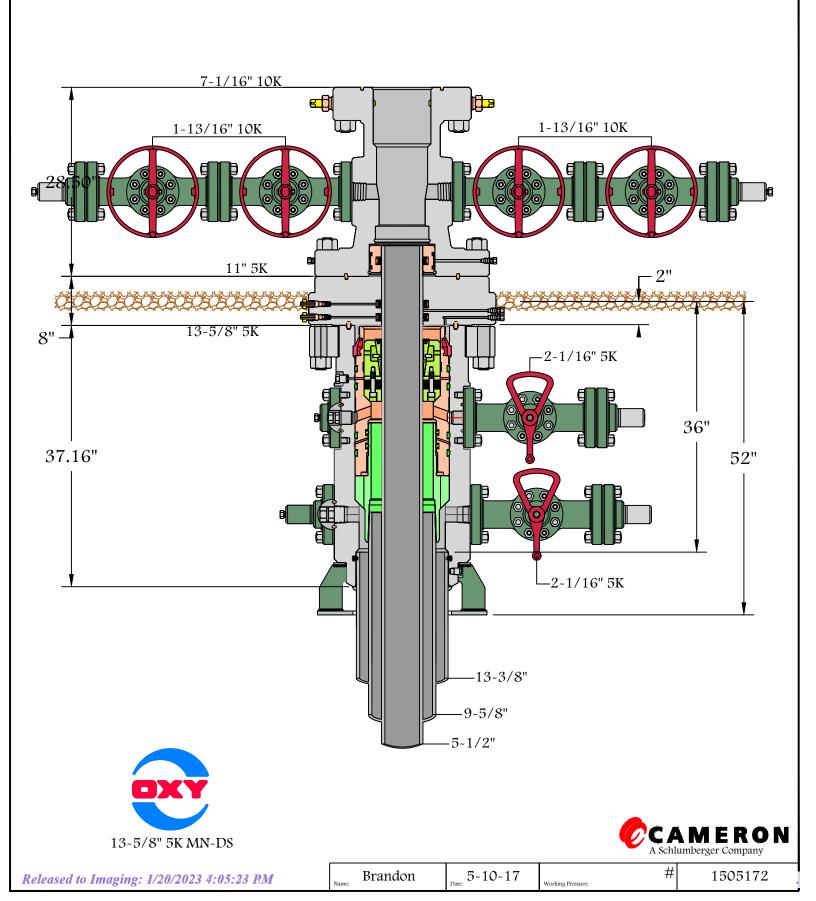












OXY's Minimum Design Criteria

Burst, Collapse, and Tensile SF are calculated using Landmark's Stress Check (Casing Design) software. A sundry will be requested if any lesser grade or different size casing is substituted.

- **1)** Casing Design Assumptions
 - a) Burst Loads

CSG Test (Surface)

- Internal: Displacement fluid + pressure required to comply with regulatory casing test pressures. This will comply with both Onshore Oil and Gas Order No. 2 and 19.15.16 of the OCD Rules.
- External: Pore pressure in open hole.

CSG Test (Intermediate)

- Internal: Displacement fluid + pressure required to comply with regulatory casing test pressures. This will comply with both Onshore Oil and Gas Order No. 2 and 19.15.16 of the OCD Rules.
- External: Mud Weight to TOC, cement mix water gradient (8.4 ppg) below TOC, and pore pressure in open hole.

CSG Test (Production)

- o Internal:
 - For Drilling: Displacement fluid + pressure required to comply with regulatory casing test pressures. This will comply with both Onshore Oil and Gas Order No. 2 and 19.15.16 of the OCD Rules.
 - For Production: The design pressure test should be the greater of (1) the planned test pressure prior to stimulation down the casing. (2) the regulatory test pressure, and (3) the expected gas lift system pressure. The design test fluid should be the fluid associated with pressure test having the greatest pressure.
- o External:
 - For Drilling: Mud Weight to TOC, cement mix water gradient (8.4 ppg) below TOC, and pore pressure in open hole.
 - For Production: Mud base-fluid density to TOC, cement mix water gradient (8.4 ppg) below TOC, and pore pressure in open hole.

Gas Column (Surface)

- Internal: Assumes a full column of gas in the casing with a Gas/Oil Gradient of 0.1 psi/ft in the absence of better information. It is limited to the controlling pressure based on the fracture pressure at the shoe or the maximum expected pore pressure within the next drilling interval, whichever results in a lower surface pressure.
- External: Fluid gradient below TOC, pore pressure from the TOC to the Intermediate CSG shoe (if applicable), and MW of the drilling mud that was in the hole when the CSG was run from Intermediate CSG shoe to surface.

Bullheading (Surface / Intermediate)

- Internal: The string must be designed to withstand a pressure profile based on the fracture pressure at the casing shoe with a column of water above the shoe plus an additional surface pressure (in psi) of 0.02 X MD of the shoe to account for pumping friction pressure.
- External: Mud weight to TOC, cement mix water gradient (8.4 ppg) below TOC, and pore pressure in open hole.

Gas Kick (Intermediate)

- The string must be designed to at least a gas kick load case unless the rig is unable to detect a kick. For the gas kick load case, the internal pressure profile must be based on a minimum volume of 50 bbl or the minimum kick detection capability of the rig, whichever is greater, and a kick intensity of 2.0 ppg for Class 1, 1.0 ppg of Class 2, and 0.5 ppg for Class 3 and 4 wells.
- Internal: Influx depth of the maximum pore pressure of 0.55 "gas kick gravity" of gas to surface while drilling the next hole section.
- External: Mud weight to the TOC, cement mix water gradient below TOC, and pore pressure in open hole.

Tubing Leak Near Surface While Producing (Production)

- Internal: SITP plus a packer fluid gradient to the shoe or top of packer.
- External: Mud base-fluid density to TOC, cement mix water gradient (8.4 ppg) below TOC, and pore pressure in open hole.

Tubing Leak Near Surface While Stimulating (Production)

- Internal: Surface pressure or pressure-relief system pressure, whichever is lower plus packer fluid gradient.
- External: Mud base-fluid density to TOC, cement mix water gradient (8.4 ppg) below TOC, and pore pressure in open hole.

Injection / Stimulation Down Casing (Production)

- o Internal: Surface pressure plus injection fluid gradient.
- External: Mud base-fluid density to TOC, cement mix water gradient (8.4 ppg) below TOC, and pore pressure in open hole.
- **b)** Collapse Loads

Lost Circulation (Surface / Intermediate)

- Internal: Lost circulation at the TD of the next hole section, and the fluid level falls to a depth where the hydrostatic of the mud equals pore pressure at the depth of the lost circulation zone.
- External: MW of the drilling mud that was in the hole when the casing was run.

Cementing (Surface / Intermediate / Production)

- o Internal: Displacement fluid density.
- External: Mud weight from TOC to surface and cement slurry weight from TOC to casing shoe.

Full Evacuation (Production)

- Internal: Full void pipe.
- External: MW of drilling mud in the hole when the casing was run.

c) Tension Loads

Running Casing (Surface / Intermediate / Production)

 $_{\odot}\,$ Axial: Buoyant weight of the string plus the lesser of 100,000 lb or the string weight in air.

Green Cement (Surface / Intermediate / Production)

• Axial: Buoyant weight of the string plus cement plug bump pressure load.

Re	ceived	bv	OCD:	8/25/20	122 8.	:50:4	7 AM
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Submit Electronically

Via E-permitting

State of New Mexico Energy, Minerals and Natural Resources Department

> Oil Conservation Division 1220 South St. Francis Dr. Santa Fe, NM 87505

NATURAL GAS MANAGEMENT PLAN

This Natural Gas Management Plan must be submitted with each Application for Permit to Drill (APD) for a new or recompleted well.

<u>Section 1 – Plan Description</u> <u>Effective May 25, 2021</u>

I. Operator: OXY USA Inc.

OGRID: 16696

Date: 0 6/ 1 0/ 2 0

II. Type: ☑ Original □ Amendment due to □ 19.15.27.9.D(6)(a) NMAC □ 19.15.27.9.D(6)(b) NMAC □ Other.

If Other, please describe:

III. Well(s): Provide the following information for each new or recompleted well or set of wells proposed to be drilled or proposed to be recompleted from a single well pad or connected to a central delivery point.

Well Name	API	ULSTR	Footages	Anticipated Oil BBL/D	Anticipated Gas MCF/D	Anticipated Produced Water
						BBL/D
OXBOW CC 17_08 FED COM 35H	30-015-45087	P-17-T24S-R29E	601 FSL 1236 FEL	1500	8800	4900
OXBOW CC 17_08 FED COM 36H	30-015-45088	P-17-T24S-R29E	601 FSL 1201 FEL	1500	8800	4900

IV. Central Delivery Point Name: Salt Flat 20 CTB

[See 19.15.27.9(D)(1) NMAC]

V. Anticipated Schedule: Provide the following information for each new or recompleted well or set of wells proposed to be drilled or proposed to be recompleted from a single well pad or connected to a central delivery point.

Well Name	API	Spud Date	TD Reached Date	Completion Commencement Date	Initial Flow Back Date	First Production Date
OXBOW CC 17_08 FED COM 35H	30-015-45087	2022	TBD	TBD	TBD	TBD
OXBOW CC 17_08 FED COM 36H	30-015-45088	2022	TBD	TBD	TBD	TBD

VI. Separation Equipment: 🗹 Attach a complete description of how Operator will size separation equipment to optimize gas capture.

VII. Operational Practices: ☑ Attach a complete description of the actions Operator will take to comply with the requirements of Subsection A through F of 19.15.27.8 NMAC.

VIII. Best Management Practices: 🗹 Attach a complete description of Operator's best management practices to minimize venting during active and planned maintenance.

Section 2 – Enhanced Plan EFFECTIVE APRIL 1, 2022

Beginning April 1, 2022, an operator that is not in compliance with its statewide natural gas capture requirement for the applicable reporting area must complete this section.

□ Operator certifies that it is not required to complete this section because Operator is in compliance with its statewide natural gas capture requirement for the applicable reporting area.

IX. Anticipated Natural Gas Production:

Well	API	Anticipated Average Natural Gas Rate MCF/D	Anticipated Volume of Natural Gas for the First Year MCF

X. Natural Gas Gathering System (NGGS):

Operator	System	ULSTR of Tie-in	Anticipated Gathering Start Date	Available Maximum Daily Capacity of System Segment Tie-in

XI. Map. \Box Attach an accurate and legible map depicting the location of the well(s), the anticipated pipeline route(s) connecting the production operations to the existing or planned interconnect of the natural gas gathering system(s), and the maximum daily capacity of the segment or portion of the natural gas gathering system(s) to which the well(s) will be connected.

XII. Line Capacity. The natural gas gathering system \Box will \Box will not have capacity to gather 100% of the anticipated natural gas production volume from the well prior to the date of first production.

XIII. Line Pressure. Operator \Box does \Box does not anticipate that its existing well(s) connected to the same segment, or portion, of the natural gas gathering system(s) described above will continue to meet anticipated increases in line pressure caused by the new well(s).

□ Attach Operator's plan to manage production in response to the increased line pressure.

XIV. Confidentiality: \Box Operator asserts confidentiality pursuant to Section 71-2-8 NMSA 1978 for the information provided in Section 2 as provided in Paragraph (2) of Subsection D of 19.15.27.9 NMAC, and attaches a full description of the specific information for which confidentiality is asserted and the basis for such assertion.

<u>Section 3 - Certifications</u> <u>Effective May 25, 2021</u>

Operator certifies that, after reasonable inquiry and based on the available information at the time of submittal:

 \square Operator will be able to connect the well(s) to a natural gas gathering system in the general area with sufficient capacity to transport one hundred percent of the anticipated volume of natural gas produced from the well(s) commencing on the date of first production, taking into account the current and anticipated volumes of produced natural gas from other wells connected to the pipeline gathering system; or

 \Box Operator will not be able to connect to a natural gas gathering system in the general area with sufficient capacity to transport one hundred percent of the anticipated volume of natural gas produced from the well(s) commencing on the date of first production, taking into account the current and anticipated volumes of produced natural gas from other wells connected to the pipeline gathering system. *If Operator checks this box, Operator will select one of the following:*

Well Shut-In. \Box Operator will shut-in and not produce the well until it submits the certification required by Paragraph (4) of Subsection D of 19.15.27.9 NMAC; or

Venting and Flaring Plan. \Box Operator has attached a venting and flaring plan that evaluates and selects one or more of the potential alternative beneficial uses for the natural gas until a natural gas gathering system is available, including:

- (a) power generation on lease;
- (b) power generation for grid;
- (c) compression on lease;
- (d) liquids removal on lease;
- (e) reinjection for underground storage;
- (f) reinjection for temporary storage;
- (g) reinjection for enhanced oil recovery;
- (h) fuel cell production; and
- (i) other alternative beneficial uses approved by the division.

Section 4 - Notices

1. If, at any time after Operator submits this Natural Gas Management Plan and before the well is spud:

(a) Operator becomes aware that the natural gas gathering system it planned to connect the well(s) to has become unavailable or will not have capacity to transport one hundred percent of the production from the well(s), no later than 20 days after becoming aware of such information, Operator shall submit for OCD's approval a new or revised venting and flaring plan containing the information specified in Paragraph (5) of Subsection D of 19.15.27.9 NMAC; or

(b) Operator becomes aware that it has, cumulatively for the year, become out of compliance with its baseline natural gas capture rate or natural gas capture requirement, no later than 20 days after becoming aware of such information, Operator shall submit for OCD's approval a new or revised Natural Gas Management Plan for each well it plans to spud during the next 90 days containing the information specified in Paragraph (2) of Subsection D of 19.15.27.9 NMAC, and shall file an update for each Natural Gas Management Plan until Operator is back in compliance with its baseline natural gas capture rate or natural gas capture requirement.

2. OCD may deny or conditionally approve an APD if Operator does not make a certification, fails to submit an adequate venting and flaring plan which includes alternative beneficial uses for the anticipated volume of natural gas produced, or if OCD determines that Operator will not have adequate natural gas takeaway capacity at the time a well will be spud.

I certify that, after reasonable inquiry, the statements in and attached to this Natural Gas Management Plan are true and correct to the best of my knowledge and acknowledge that a false statement may be subject to civil and criminal penalties under the Oil and Gas Act.

Signature:									
rinted Name: LESLIE REEVES									
E-mail Address: LESLIE_REEVES@OXY.COM									
Date: 08/19/2021									
Phone: 713-407-2492									
OIL CONSERVATION DIVISION									
(Only applicable when submitted as a standalone form)									
Approved By:									
Approved By: Title:									
Title:									
Title: Approval Date:									
Title: Approval Date:									

Gathering System and Pipeline Notification

Well(s) will be connected to a production facility after flowback operations are complete, where a gas transporter system is in place. The gas produced from production facility is dedicated to Enterprise Field Services, LLC ("Enterprise") and is connected to Enterprise low/high pressure gathering system located in Eddy County, New Mexico. OXY USA INC. ("OXY") provides (periodically) to Enterprise a drilling, completion and estimated first production date for wells that are scheduled to be drilled in the foreseeable future. In addition, OXY and Enterprise have periodic conference calls to discuss changes to drilling and completion schedules. Gas from these wells will be processed at OXY USA WTP LP Processing Plant located in Sec. 23, Twn. 21S, Rng. 23E, Eddy County, New Mexico. The actual flow of the gas will be based on compression operating parameters and gathering system pressures.

Flowback Strategy

After the fracture treatment/completion operations, well(s) will be produced to temporary production tanks and gas will be flared or vented. During flowback, the fluids and sand content will be monitored. When the produced fluids contain minimal sand, the wells will be turned to production facilities. Gas sales should start as soon as the wells start flowing through the production facilities, unless there are operational issues on Enterprise system at that time. Based on current information, it is OXY's belief the system can take this gas upon completion of the well(s).

Safety requirements during cleanout operations from the use of underbalanced air cleanout systems may necessitate that sand and non-pipeline quality gas be vented and/or flared rather than sold on a temporary basis.

Alternatives to Reduce Flaring

Below are alternatives considered from a conceptual standpoint to reduce the amount of gas flared.

•Power Generation – On lease

Only a portion of gas is consumed operating the generator, remainder of gas will be flared

•Compressed Natural Gas – On lease

Gas flared would be minimal, but might be uneconomical to operate when gas volume declines

•NGL Removal – On lease

Plants are expensive, residue gas is still flared, and uneconomical to operate when gas volume declines

Oxy USA Inc. - Oxbow CC 17_8 Federal Com 14H Drill Plan

1. Geologic Formations

TVD of Target (ft):	7806	Pilot Hole Depth (ft):	
Total Measured Depth (ft):	18302	Deepest Expected Fresh Water (ft):	286

Delaware Basin

Formation	MD-RKB (ft)	TVD-RKB (ft)	Expected Fluids
Rustler	286	286	
Salado	604	604	Salt
Castile	1253	1253	Salt
Delaware	2807	2807	Oil/Gas/Brine
Bell Canyon	2874	2874	Oil/Gas/Brine
Cherry Canyon	3738	3738	Oil/Gas/Brine
Brushy Canyon	5000	4989	Losses
Bone Spring	6617	6583	Oil/Gas
Bone Spring 1st	7738	7528	Oil/Gas
Bone Spring 2nd			Oil/Gas
Bone Spring 3rd			Oil/Gas
Wolfcamp			Oil/Gas
Penn			Oil/Gas
Strawn			Oil/Gas

*H2S, water flows, loss of circulation, abnormal pressures, etc.

2. Casing Program

_			IV	ID	TVD					
		Hole	From	То	From	То	Csg.	Csg Wt.		
	Section	Size (in)	(ft)	(ft)	(ft)	(ft)	OD (in)	(ppf)	Grade	Conn.
Γ	Production	6 75	6192	18202	6152	7206	15	12 5	D 110	

|--|

All casing strings will be tested in accordance with Onshore Oil and Gas Order #2 III.B.1.h

*Oxy requests the option to run the 7.625" Intermediate II as a contingency string to be run only if severe hole conditions dictate an additional casing string necessary. *Oxy requests the option to run production casing with DQX, TORQ DQW and/or TORQ SFW connections

to accommodate hole conditions or drilling operations.

Occidental - Permian	New Mexico
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All Casing SF Values will meet or exceed								
those below								
SF	SF	Body SF	Joint SF					
Collapse	Burst	Tension	Tension					
1.125	1.2	1.4	1.4					

Annular Clearance Variance Request

As per the agreement reached in the Oxy/BLM face-to-face meeting on Feb 22, 2018, Oxy requests permission to allow deviation from the 0.422" annular clearance requirement from Onshore Order #2 under the following conditions:

- 1. Annular clearance to meet or exceed 0.422" between intermediate casing ID and production casing coupling only on the first 500' overlap between both casings.
- 2. Annular clearance less than 0.422" is acceptable for the curve and lateral portions of the production open hole section.

	Y or N
Is casing new? If used, attach certification as required in Onshore Order #1	Y
Does casing meet API specifications? If no, attach casing specification sheet.	Y
Is premium or uncommon casing planned? If yes attach casing specification sheet.	Y
Does the above casing design meet or exceed BLM's minimum standards?	V
If not provide justification (loading assumptions, casing design criteria).	Y
Will the intermediate pipe be kept at a minimum 1/3 fluid filled to avoid approaching	V
the collapse pressure rating of the casing?	Y
Is well located within Capitan Reef?	N
If yes, does production casing cement tie back a minimum of 50' above the Reef?	
Is well within the designated 4 string boundary.	
Is well located in SOPA but not in R-111-P?	N
If yes, are the first 2 strings cemented to surface and 3 rd string cement tied back 500' into previous casing?	
Is well located in R-111-P and SOPA?	N
If yes, are the first three strings cemented to surface?	
Is 2 nd string set 100' to 600' below the base of salt?	
Is well located in high Cave/Karst?	N
If yes, are there two strings cemented to surface?	
(For 2 string wells) If yes, is there a contingency casing if lost circulation occurs?	
Is well located in critical Cave/Karst?	N
If yes, are there three strings cemented to surface?	

3. Cementing Program

Section	Stage	Slurry:	Capacities	ft^3/ft	Excess:	From	То	Sacks	Volume (ft^3)	Placement
Prod.	1	Production - Tail	OH x Csg	0.1381	5%	18,302	6 <i>,</i> 482	1242	1713	Circulate

Description	Density (Ib/gal)	Yield (ft3/sk)	Water (gal/sk)	500psi Time (hh:mm)	Cmt. Class	Accelerator	Retarder	Dispersant	Salt
Production - Tail	13.2	1.38	6.686	3:39	Н		x	х	х

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Occidental - Permian New Mexico

4. Pressure Control Equipment

BOP installed and tested before drilling which hole?	Size?	Min. Required WP		Туре	~	Tested to:	Deepest TVD Depth (ft) per Section:	
		3M		Annular	✓	70% of working pressure		
				Blind Ram	✓]	
6.75" Hole	13-5/8"	3M		Pipe Ram		250 pai / 2000 pai	7806	
		3171		Double Ram	✓	250 psi / 3000 psi		
			Other*					

*Specify if additional ram is utilized

BOP/BOPE will be tested by an independent service company to 250 psi low and the high pressure indicated above per Onshore Order 2 requirements. The System may be upgraded to a higher pressure but still tested to the working pressure listed in the table above. If the system is upgraded all the components installed will be functional and tested.

Pipe rams will be operationally checked each 24 hour period. Blind rams will be operationally checked on each trip out of the hole. These checks will be noted on the daily tour sheets. Other accessories to the BOP equipment will include a Kelly cock and floor safety valve (inside BOP) and choke lines and choke

Occidental - Permian New Mexico

Formation integrity test will be performed per Onshore Order #2.
On Exploratory wells or on that portion of any well approved for a 5M BOPE system or greater, a
pressure integrity test of each casing shoe shall be performed. Will be tested in accordance with
Onshore Oil and Gas Order #2 III.B.1.i.
A variance is requested for the use of a flexible choke line from the BOP to Choke Manifold. See
attached for specs and hydrostatic test chart.
Y Are anchors required by manufacturer?
A multibowl or a unionized multibowl wellhead system will be employed. The wellhead and
connection to the BOPE will meet all API 6A requirements. The BOP will be tested per Onshore
Order #2 after installation on the surface casing which will cover testing requirements for a
maximum of 30 days. If any seal subject to test pressure is broken the system must be tested. We
will test the flange connection of the wellhead with a test port that is directly in the flange. We
are proposing that we will run the wellhead through the rotary prior to cementing surface casing
as discussed with the BLM on October 8, 2015.
See attached schematics.

BOP Break Testing Request

Oxy requests permission to adjust the BOP break testing requirements as per the agreement reached in the OXY/BLM meeting on September 5, 2019. A separate sundry will be sent prior to spud that reflects the pad based break testing plan.

BOP break test under the following conditions:

- After a full BOP test is conducted

- When skidding to drill an intermediate section where ICP is set into the third Bone Spring or shallower.

- When skidding to drill a production section that does not penetrate into the third Bone Spring or deeper.

If the kill line is broken prior to skid, two tests will be performed.

- 1) Wellhead flange, co-flex hose, kill line connections and upper pipe rams
- 2) Wellhead flange, HCR valve, check valve, upper pipe rams

If the kill line is not broken prior to skid, only one test will be performed.

5. Mud Program

		Depth -	- MD	Depth -	TVD		Weight		Watar
Section		From (ft)	To (ft)	From (ft)	To (ft)	Туре	Weight (ppg)	Viscosity	Water Loss
Productio	n	6482	18302	6452	7806	Water-Based or Oil- Based Mud	8.0 - 9.6	38-50	N/C

Sufficient mud materials to maintain mud properties and meet minimum lost circulation and weight increase requirements will be kept on location at all times. The following is a general list of products: Barite, Bentonite, Gypsum, Lime, Soda Ash, Caustic Soda, Nut Plug, Cedar Fiber, Cotton Seed Hulls, Drilling Paper, Salt Water Clay, CACL2. Oxy will use a closed mud system.

What will be used to monitor the	PVT/MD Totco/Visual Monitoring
loss or gain of fluid?	PVT/IVID TOLCO/VISUALIVIONILONINg

6. Logging and Testing Procedures

Log	ging, Coring and Testing.
Yes	Will run GR from TD to surface (horizontal well – vertical portion of hole).
res	Stated logs run will be in the Completion Report and submitted to the BLM.
No	Logs are planned based on well control or offset log information.
No	Drill stem test? If yes, explain
No	Coring? If yes, explain

Add	itional logs planned	Interval
No	Resistivity	
No	Density	
No	CBL	
Yes	Mud log	Bone Spring – TD
No	PEX	

7. Drilling Conditions

Condition	Specify what type and where?
BH Pressure at deepest TVD	3897 psi
Abnormal Temperature	No
BH Temperature at deepest TVD	143°F

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. Appropriately weighted mud will be used to isolate potential gas, oil, and water zones until such time as casing can be cemented into place for

Hydrogen Sulfide (H2S) monitors will be installed prior to drilling out the surface shoe. If H2S is detected in concentrations greater than 100 ppm, the operator will comply with the provisions of Onshore Oil and Gas Order #6. If Hydrogen Sulfide is encountered, measured values and formations will be provided to the BLM.

Ν	H2S is present
Y	H2S Plan attached

8. Other facets of operation

	Yes/No
Will the well be drilled with a walking/skidding operation? If yes, describe. We plan to drill the 2 well pad in batch by section: all surface sections, intermediate sections and production sections. The wellhead will be secured with a night cap whenever	Yes
the rig is not over the well.	
Will more than one drilling rig be used for drilling operations? If yes, describe.	No

Attachments

- _x__ Directional Plan
- _x__ H2S Contingency Plan
- _x__ Flex III Attachments
- _x__ Spudder Rig Attachment

9. Company Personnel

Name	<u>Title</u>	Office Phone	Mobile Phone
Garrett Granier	Drilling Engineer	713-513-6633	832-265-0581
William Turner	Drilling Engineer Supervisor	713-350-4951	661-817-4586
Simon Benavides	Drilling Superintendent	713-522-8652	281-684-6897
Diego Tellez	Drilling Manager	713-350-4602	713-303-4932

ΟΧΥ

PRD NM DIRECTIONAL PLANS (NAD 1983) Oxbow CC 17-08 Federal Com Oxbow CC 17_8 Federal Com 14H SL2

ST

Plan: Permitting Plan

Standard Planning Report

08 April, 2021

Oxy Inc. Planning Report

Database: Company: Project: Site: Well: Wellbore: Design:	HOPSPP ENGINEERING DESIGNS PRD NM DIRECTIONAL PLANS (NAD 1983) Oxbow CC 17-08 Federal Com Oxbow CC 17_8 Federal Com 14H SL2 ST Permitting Plan				Local Co-ordinate Reference:Well Oxbow CC 17_8 Federal Com 1TVD Reference:RKB=26.5' @ 2953.60ftMD Reference:RKB=26.5' @ 2953.60ftNorth Reference:GridSurvey Calculation Method:Minimum Curvature				Com 14H SL2	
Project	PRD NM DIF	RECTIONAL	PLANS (NAD	1983)						
Map System: Geo Datum: Map Zone:	US State Plar North America New Mexico E	an Datum 198	33		System Da	tum:		ean Sea Level ing geodetic so	cale factor	
Site	Oxbow CC 1	7-08 Federa	l Com							
Site Position: From: Position Uncertaint	Мар :у:	50.00 f	Northing: Easting: t Slot Radi		,	785.93 usft	Latitude: Longitude: Grid Converg	gence:	3	32° 12' 42.973882 N 104° 0' 7.482139 W 0.18 °
Well	Oxbow CC 1	7_8 Federal	Com 14H SL2	2						
Well Position Position Uncertaint	+N/-S +E/-W	-0.37 70.01 1.00	ft Eastin	-	ition:	440,994.30 (643,855.93 (usft Lor	itude: ngitude: ound Level:	:	32° 12' 42.968085 N 104° 0' 6.667351 W 2,927.10 ft
										_,
Wellbore	ST									
Magnetics	Model N	ame	Sample Da	ate	Declina (°)	tion	Dip A (°		Field St (n1	
	HDG	M_FILE	4/1	1/2021		6.77		59.88	47,71	5.6000000
Design	HDG Permitting P		4/1	1/2021		6.77		59.88	47,71	5.6000000
Design Audit Notes:			4/1	1/2021		6.77		59.88	47,71	5.6000000
•			4/1 Phase:		PROTOTYPE		On Depth:	59.88	47,71 6,482.00	5.6000000
Audit Notes:		lan	Phase: From (TVD) (ft)	Ρ	+N/-S (ft)	Tie +E/ (ff	-W t)	Dire	6,482.00 ection (°)	5.6000000
Audit Notes: Version:		lan	Phase: From (TVD)	Ρ	+N/-S	Tie +E/	-W t)	Dire	6,482.00 ection	5.6000000
Audit Notes: Version:	Permitting P	lan	Phase: From (TVD) (ft) 0.00	Ρ	+N/-S (ft)	Tie +E/ (ff	-W t)	Dire	6,482.00 ection (°)	5.6000000
Audit Notes: Version: Vertical Section: Plan Survey Tool P	Permitting P	lan Depth	Phase: From (TVD) (ft) 0.00 3/2021	Ρ	+N/-S (ft)	Tie +E/ (ff	-W t)	Dire	6,482.00 ection (°)	5.6000000
Audit Notes: Version: Vertical Section: Plan Survey Tool P Depth From	Permitting P Program Depth To (ft)	lan Depth Date 4/8	Phase: From (TVD) (ft) 0.00 8/2021 ellbore)	P	+N/-S (ft) 0.00	Tie +E/ (ff 0.0	-W t) DO Remarks	Dire	6,482.00 ection (°)	5.6000000
Audit Notes: Version: Vertical Section: Plan Survey Tool P Depth From (ft) 1 6,482.00	Permitting P Program Depth To (ft)	lan Depth Date 4/8 Survey (We	Phase: From (TVD) (ft) 0.00 8/2021 ellbore)	P	+N/-S (ft) 0.00 Tool Name A010Mb_MW	Tie +E/ (ff 0.0	-W t) DO Remarks	Dire	6,482.00 ection (°)	5.6000000
Audit Notes: Version: Vertical Section: Plan Survey Tool P Depth From (ft) 1 6,482.00 Plan Sections Measured Depth Inclin	Permitting P Program Depth To (ft)	lan Depth Date 4/8 Survey (W/ Permitting F Permitting F	Phase: From (TVD) (ft) 0.00 3/2021 ellbore) Plan (ST) rtical epth +	P	+N/-S (ft) 0.00 Tool Name A010Mb_MW	Tie +E/ (ff 0.0	-W t) DO Remarks	Dire	6,482.00 ection (°)	5.6000000
Audit Notes: Version: Vertical Section: Plan Survey Tool P Depth From (ft) 1 6,482.00 Plan Sections Measured Depth Inclin	Permitting P Program Depth To (ft) 18,301.64	lan Depth Date 4/8 Survey (W/ Permitting F Permitting F	Phase: From (TVD) (ft) 0.00 3/2021 ellbore) Plan (ST) rtical epth +	P	+N/-S (ft) 0.00 Tool Name A010Mb_MWI OWSG MWD	Tie +E/ (ff 0.0 D+IFR1+SAG + IFR1 + Sag Dogleg Rate	-W b) D0 Remarks + Build Rate	Dir	6,482.00 ection (°) 3.39 TFO	
Audit Notes: Version: Vertical Section: Plan Survey Tool P Depth From (ft) 1 6,482.00 Plan Sections Measured Depth Inclin (ft)	Permitting P Program Depth To (ft) 18,301.64 المرابع 18,301.64 مرابع 18,301.64	lan Depth Date 4/8 Survey (W/ Permitting F Permitting F 130.17 6 160.52 6	Phase: From (TVD) (ft) 0.00 3/2021 ellbore) Plan (ST) rtical epth + (ft)	P N/-S (ft)	+N/-S (ft) 0.00 Tool Name A010Mb_MWI OWSG MWD +E/-W (ft)	Tie +E/ (ff 0.0 D+IFR1+SAG + IFR1 + Sag Dogleg Rate (°/100ft)	-W t) D0 Remarks + H Build Rate (°/100ft)	Dir C Turn Rate (°/100ft)	6,482.00 ection (°) 3.39 TFO (°)	

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Oxy Inc. Planning Report

Database:	HOPSPP	Local Co-ordinate Reference:	Well Oxbow CC 17_8 Federal Com 14H SL2
Company:	ENGINEERING DESIGNS	TVD Reference:	RKB=26.5' @ 2953.60ft
Project:	PRD NM DIRECTIONAL PLANS (NAD 1983)	MD Reference:	RKB=26.5' @ 2953.60ft
Site:	Oxbow CC 17-08 Federal Com	North Reference:	Grid
Well:	Oxbow CC 17_8 Federal Com 14H SL2	Survey Calculation Method:	Minimum Curvature
Wellbore:	ST		
Design:	Permitting Plan		

Planned Survey

Measured Depth (ft)	Inclination (°)	Azimuth (°)	Vertical Depth (ft)	+N/-S (ft)	+E/-W (ft)	Vertical Section (ft)	Dogleg Rate (°/100ft)	Build Rate (°/100ft)	Turn Rate (°/100ft)
6,482.00	8.89	130.17	6,452.35	-288.48	236.38	-274.01	0.00	0.00	0.00
6,500.00	10.42	135.91	6,470.10	-290.54	238.58	-275.94	10.00	8.46	31.93
6,600.00	19.74	150.59	6,566.58	-311.80	253.20	-296.30	10.00	9.32	14.68
6,700.00	29.50	155.93	6,657.39	-349.09	271.58	-332.44	10.00	9.76	5.34
6,800.00	39.38	158.76	6,739.76	-401.28	293.17	-383.25	10.00	9.88	2.84
6,894.65	48.77	160.52	6,807.68	-462.96	315.96	-443.48	10.00	9.92	1.86
6,900.00	48.30	160.19	6,811.23	-466.74	317.31	-447.17	10.00	-8.86	-6.19
7,000.00	39.65	152.91	6,883.17	-530.42	344.56	-509.14	10.00	-8.65	-7.28
7,100.00	31.66	142.52	6,964.44	-579.78	375.13	-556.61	10.00	-7.99	-10.39
7,200.00	24.96	126.70	7,052.55	-613.30	408.10	-588.12	10.00	-6.69	-15.82
7,300.00	20.87	103.03	7,144.83	-629.97	442.47	-602.73	10.00	-4.09	-23.68
7,400.00	20.97	74.76	7,238.47	-629.28	477.18	-599.99	10.00	0.10	-28.26
7,500.00	25.21	51.43	7,330.63	-611.25	511.19	-579.99	10.00	4.24	-23.33
7,600.00	31.98	35.90	7,418.50	-576.43	543.45	-543.32	10.00	6.77	-15.53
7,700.00	40.01	25.69	7,499.41	-525.88	572.99	-491.11	10.00	8.03	-10.21
7,800.00	48.68	18.51	7,570.90	-461.14	598.92	-424.95	10.00	8.67	-7.18
7,900.00	57.69	13.05	7,630.80	-384.17	620.43	-346.84	10.00	9.01	-5.46
8,000.00	66.88	8.59	7,677.27	-297.31	636.88	-259.17	10.00	9.20	-4.46
8,100.00	76.19	4.71	7,708.92	-203.21	647.76	-164.59	10.00	9.31	-3.88
8,200.00	85.55	1.14	7,724.78	-104.73	652.75	-65.99	10.00	9.36	-3.58
8,242.64	89.55	359.65	7,726.60	-62.14	653.04	-23.45	10.00	9.38	-3.49
8,300.00	89.55	359.65	7,727.05	-4.78	652.69	33.78	0.00	0.00	0.00
8,400.00	89.55	359.65	7,727.83	95.21	652.08	133.57	0.00	0.00	0.00
8,500.00	89.55	359.65	7,728.62	195.21	651.47	233.35	0.00	0.00	0.00
8,600.00	89.55	359.65	7,729.40	295.20	650.86	333.14	0.00	0.00	0.00
8,700.00	89.55	359.65	7,730.19	395.20	650.25	432.92	0.00	0.00	0.00
8,800.00	89.55	359.65	7,730.98	495.19	649.64	532.71	0.00	0.00	0.00
8,900.00	89.55	359.65	7,731.76	595.19	649.03	632.49	0.00	0.00	0.00
9,000.00	89.55	359.65	7,732.55	695.18	648.42	732.27	0.00	0.00	0.00
9,100.00	89.55	359.65	7,733.33	795.18	647.81	832.06	0.00	0.00	0.00
9,200.00	89.55	359.65	7,734.12	895.17	647.19	931.84	0.00	0.00	0.00
9,300.00	89.55	359.65	7,734.90	995.17	646.58	1,031.63	0.00	0.00	0.00
9,400.00	89.55	359.65	7,735.69	1,095.16	645.97	1,131.41	0.00	0.00	0.00
9,500.00	89.55	359.65	7,736.47	1,195.16	645.36	1,231.20	0.00	0.00	0.00
9,600.00	89.55	359.65	7,737.26	1,295.15	644.75	1,330.98	0.00	0.00	0.00
9,700.00	89.55	359.65	7,738.04	1,395.15	644.14	1,430.76	0.00	0.00	0.00
9,800.00	89.55	359.65	7,738.83	1,495.14	643.53	1,530.55	0.00	0.00	0.00
9,900.00	89.55	359.65	7,739.61	1,595.14	642.92	1,630.33	0.00	0.00	0.00
10,000.00	89.55	359.65	7,740.40	1,695.13	642.31	1,730.12	0.00	0.00	0.00
10,100.00	89.55	359.65	7,741.19	1,795.13	641.70	1,829.90	0.00	0.00	0.00
10,200.00	89.55	359.65	7,741.97	1,895.12	641.09	1,929.69	0.00	0.00	0.00
10,300.00	89.55	359.65	7,742.76	1,995.12	640.48	2,029.47	0.00	0.00	0.00
10,400.00	89.55	359.65	7,743.54	2,095.11	639.86	2,129.25	0.00	0.00	0.00
10,500.00	89.55	359.65	7,744.33	2,195.11	639.25	2,229.04	0.00	0.00	0.00
10,600.00	89.55	359.65	7,745.11	2,295.10	638.64	2,328.82	0.00	0.00	0.00
10,700.00	89.55	359.65	7,745.90	2,395.10	638.03	2,428.61	0.00	0.00	0.00
10,800.00	89.55	359.65	7,746.68	2,495.09	637.42	2,528.39	0.00	0.00	0.00
10,900.00	89.55	359.65	7,747.47	2,595.09	636.81	2,628.18	0.00	0.00	0.00
11,000.00	89.55	359.65	7,748.25	2,695.08	636.20	2,727.96	0.00	0.00	0.00
11,100.00	89.55	359.65	7,749.04	2,795.08	635.59	2,827.74	0.00	0.00	0.00
11,200.00	89.55	359.65	7,749.82	2,895.07	634.98	2,927.53	0.00	0.00	0.00
11,300.00	89.55	359.65	7,750.61	2,995.07	634.37	3,027.31	0.00	0.00	0.00
11,400.00	89.55	359.65	7,751.40	3,095.06	633.76	3,127.10	0.00	0.00	0.00
11,500.00	89.55	359.65	7,752.18	3,195.06	633.15	3,226.88	0.00	0.00	0.00

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Oxy Inc. Planning Report

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Database:	HOPSPP	Local Co-ordinate Reference:	Well Oxbow CC 17_8 Federal Com 14H SL2
Company:	ENGINEERING DESIGNS	TVD Reference:	RKB=26.5' @ 2953.60ft
Project:	PRD NM DIRECTIONAL PLANS (NAD 1983)	MD Reference:	RKB=26.5' @ 2953.60ft
Site:	Oxbow CC 17-08 Federal Com	North Reference:	Grid
Well:	Oxbow CC 17_8 Federal Com 14H SL2	Survey Calculation Method:	Minimum Curvature
Wellbore:	ST		
Design:	Permitting Plan		

Planned Survey

Measured Depth (ft)	Inclination (°)	Azimuth (°)	Vertical Depth (ft)	+N/-S (ft)	+E/-W (ft)	Vertical Section (ft)	Dogleg Rate (°/100ft)	Build Rate (°/100ft)	Turn Rate (°/100ft)
11,600.00	89.55	359.65	7,752.97	3,295.05	632.53	3,326.67	0.00	0.00	0.00
11,700.00	89.55	359.65	7,753.75	3,395.05	631.92	3,426.45	0.00	0.00	0.00
11,800.00	89.55	359.65	7,754.54	3,495.04	631.31	3,526.23	0.00	0.00	0.00
11,900.00	89.55	359.65	7,755.32	3,595.04	630.70	3,626.02	0.00	0.00	0.00
	89.55	359.65	7,756.11	3,695.03	630.09	3,725.80	0.00	0.00	0.00
12,000.00									
12,100.00	89.55	359.65	7,756.89	3,795.03	629.48	3,825.59	0.00	0.00	0.00
12,200.00	89.55	359.65	7,757.68	3,895.02	628.87	3.925.37	0.00	0.00	0.00
12,300.00	89.55	359.65	7,758.46	3,995.02	628.26	4,025.16	0.00	0.00	0.00
12,400.00	89.55	359.65	7,759.25	4,095.01	627.65	4,124.94	0.00	0.00	0.00
12,500.00	89.55	359.65	7,760.03	4,195.01	627.04	4,224.73	0.00	0.00	0.00
12,600.00	89.55	359.65	7,760.82	4,295.00	626.43	4,324.51	0.00	0.00	0.00
12,000.00	09.00	359.05	7,700.02	4,295.00	020.43	4,524.51	0.00	0.00	0.00
12,700.00	89.55	359.65	7,761.61	4,395.00	625.82	4,424.29	0.00	0.00	0.00
12,800.00	89.55	359.65	7,762.39	4,494.99	625.20	4,524.08	0.00	0.00	0.00
12,900.00	89.55	359.65	7,763.18	4,594.99	624.59	4,623.86	0.00	0.00	0.00
13,000.00	89.55	359.65	7,763.96	4,694.98	623.98	4,723.65	0.00	0.00	0.00
13,100.00	89.55	359.65	7,764.75	4,794.98	623.37	4,823.43	0.00	0.00	0.00
13.200.00	89.55	359.65	7,765.53	4,894.97	622.76	4,923.22	0.00	0.00	0.00
13,300.00	89.55	359.65	7,766.32	4,994.97	622.15	5,023.00	0.00	0.00	0.00
13,400.00	89.55	359.65	7,767.10	5,094.96	621.54	5,122.78	0.00	0.00	0.00
	89.55	359.65	7,767.89		620.93	5,222.57	0.00	0.00	0.00
13,500.00				5,194.96					
13,600.00	89.55	359.65	7,768.67	5,294.95	620.32	5,322.35	0.00	0.00	0.00
13,700.00	89.55	359.65	7,769.46	5.394.95	619.71	5,422.14	0.00	0.00	0.00
13,800.00	89.55	359.65	7,770.24	5,494.94	619.10	5,521.92	0.00	0.00	0.00
			,						
13,900.00	89.55	359.65	7,771.03	5,594.94	618.48	5,621.71	0.00	0.00	0.00
14,000.00	89.55	359.65	7,771.82	5,694.93	617.87	5,721.49	0.00	0.00	0.00
14,100.00	89.55	359.65	7,772.60	5,794.93	617.26	5,821.27	0.00	0.00	0.00
14,200.00	89.55	359.65	7,773.39	5,894.92	616.65	5,921.06	0.00	0.00	0.00
14,300.00	89.55	359.65	7,774.17	5,994.92	616.04	6,020.84	0.00	0.00	0.00
				,					
14,400.00	89.55	359.65	7,774.96	6,094.91	615.43	6,120.63	0.00	0.00	0.00
14,500.00	89.55	359.65	7,775.74	6,194.91	614.82	6,220.41	0.00	0.00	0.00
14,600.00	89.55	359.65	7,776.53	6,294.90	614.21	6,320.20	0.00	0.00	0.00
14,700.00	89.55	359.65	7,777.31	6,394.90	613.60	6,419.98	0.00	0.00	0.00
14,800.00	89.55	359.65	7,778.10	6,494.89	612.99	6,519.76	0.00	0.00	0.00
				,					
14,900.00	89.55	359.65	7,778.88	6,594.89	612.38	6,619.55	0.00	0.00	0.00
15,000.00	89.55	359.65	7,779.67	6,694.88	611.77	6,719.33	0.00	0.00	0.00
15,100.00	89.55	359.65	7,780.45	6,794.88	611.15	6,819.12	0.00	0.00	0.00
15,200.00	89.55	359.65	7,781.24	6,894.87	610.54	6,918.90	0.00	0.00	0.00
15,300.00	89.55	359.65	7,782.03	6,994.87	609.93	7,018.69	0.00	0.00	0.00
	89.55	359.65	7,782.81	7,094.86	609.32		0.00	0.00	0.00
15,400.00				,		7,118.47			
15,500.00	89.55	359.65	7,783.60	7,194.86	608.71	7,218.25	0.00	0.00	0.00
15,600.00	89.55	359.65	7,784.38	7,294.85	608.10	7,318.04	0.00	0.00	0.00
15,700.00	89.55	359.65	7,785.17	7.394.85	607.49	7,417.82	0.00	0.00	0.00
15,800.00	89.55	359.65	7,785.95	7,494.84	606.88	7,517.61	0.00	0.00	0.00
15,900.00	89.55	359.65	7,786.74	7,594.84	606.27	7,617.39	0.00	0.00	0.00
16,000.00	89.55	359.65	7,787.52	7,694.84	605.66	7,717.18	0.00	0.00	0.00
16,100.00	89.55	359.65	7,788.31	7,794.83	605.05	7,816.96	0.00	0.00	0.00
16,200.00	89.55	359.65	7,789.09	7,894.83	604.44	7,916.74	0.00	0.00	0.00
16,300.00	89.55	359.65	7,789.88	7,994.82	603.82	8,016.53	0.00	0.00	0.00
16,400.00	89.55	359.65	7,790.66	8,094.82	603.21	8,116.31	0.00	0.00	0.00
16,500.00	89.55	359.65	7,791.45	8,194.81	602.60	8,216.10	0.00	0.00	0.00
16,600.00	89.55	359.65	7,792.24	8,294.81	601.99	8,315.88	0.00	0.00	0.00
16,700.00	89.55	359.65	7.793.02	8,394.80	601.38	8,415.67	0.00	0.00	0.00
			,	,					
16,800.00	89.55	359.65	7,793.81	8,494.80	600.77	8,515.45	0.00	0.00	0.00
16,900.00	89.55	359.65	7,794.59	8,594.79	600.16	8,615.23	0.00	0.00	0.00

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COMPASS 5000.15 Build 91E

Database:	HOPSPP	Local Co-ordinate Reference:	Well Oxbow CC 17_8 Federal Com 14H SL2
Company:	ENGINEERING DESIGNS	TVD Reference:	RKB=26.5' @ 2953.60ft
Project:	PRD NM DIRECTIONAL PLANS (NAD 1983)	MD Reference:	RKB=26.5' @ 2953.60ft
Site:	Oxbow CC 17-08 Federal Com	North Reference:	Grid
Well:	Oxbow CC 17_8 Federal Com 14H SL2	Survey Calculation Method:	Minimum Curvature
Wellbore:	ST		
Design:	Permitting Plan		

Planned Survey

Measured Depth (ft)	Inclination (°)	Azimuth (°)	Vertical Depth (ft)	+N/-S (ft)	+E/-W (ft)	Vertical Section (ft)	Dogleg Rate (°/100ft)	Build Rate (°/100ft)	Turn Rate (°/100ft)
17,000.00	89.55	359.65	7,795.38	8,694.79	599.55	8,715.02	0.00	0.00	0.00
17,100.00	89.55	359.65	7,796.16	8,794.78	598.94	8,814.80	0.00	0.00	0.00
17,200.00	89.55	359.65	7,796.95	8,894.78	598.33	8,914.59	0.00	0.00	0.00
17,300.00	89.55	359.65	7,797.73	8,994.77	597.72	9,014.37	0.00	0.00	0.00
17,400.00	89.55	359.65	7,798.52	9,094.77	597.11	9,114.16	0.00	0.00	0.00
17,500.00	89.55	359.65	7,799.30	9,194.76	596.49	9,213.94	0.00	0.00	0.00
17,600.00	89.55	359.65	7,800.09	9,294.76	595.88	9,313.72	0.00	0.00	0.00
17,700.00	89.55	359.65	7,800.87	9,394.75	595.27	9,413.51	0.00	0.00	0.00
17,800.00	89.55	359.65	7,801.66	9,494.75	594.66	9,513.29	0.00	0.00	0.00
17,900.00	89.55	359.65	7,802.45	9,594.74	594.05	9,613.08	0.00	0.00	0.00
18,000.00	89.55	359.65	7,803.23	9,694.74	593.44	9,712.86	0.00	0.00	0.00
18,100.00	89.55	359.65	7,804.02	9,794.73	592.83	9,812.65	0.00	0.00	0.00
18,200.00	89.55	359.65	7,804.80	9,894.73	592.22	9,912.43	0.00	0.00	0.00
18,300.00	89.55	359.65	7,805.59	9,994.72	591.61	10,012.22	0.00	0.00	0.00
18,301.64	89.55	359.65	7,805.60	9,996.36	591.60	10,013.85	0.00	0.00	0.00

Design Targets

Target Name - hit/miss target - Shape	Dip Angle (°)	Dip Dir. (°)	TVD (ft)	+N/-S (ft)	+E/-W (ft)	Northing (usft)	Easting (usft)	Latitude	Longitude
FTP (Oxbow 14H SL2) - plan misses target - Point	0.00 t center by 15	0.00 53.74ft at 78	7,726.60 71.65ft MD	-505.08 (7615.10 TVE	654.86 D, -407.10 N,	440,489.26 614.82 E)	644,510.74	32° 12' 37.950203 N	103° 59' 59.063603
PBHL (Oxbow 14H - plan hits target ce - Point	0.00 nter	0.00	7,805.60	9,996.36	591.60	450,989.85	644,447.48	32° 14' 21.864886 N	103° 59' 59.420573

Formations						
	Measured Depth (ft)	Vertical Depth (ft)	Name	Lithology	Dip (°)	Dip Direction (°)
	285.61	285.60	RUSTLER			
	603.63	603.60	SALADO			
	1,252.63	1,252.60	CASTILE			
	2,806.63	2,806.60	LAMAR			
	2,873.63	2,873.60	BELL CANYON			
	3,737.63	3,737.60	CHERRY CANYON			
	5,000.38	4,988.60	BRUSHY CANYON			
	6,617.11	6,582.60	BONE SPRING			
	7,737.71	7,527.60	BONE SPRING 1ST			

8,242.64

18,301.64

7,726.60

7,805.60

Oxy Inc. **Planning Report**

Database: Company: Project: Site: Well: Wellbore: Design:	PRD Oxbo Oxbo ST	INEERING DESIG	L PLANS (NAD 198 al Com	3) MD Refe North R	o-ordinate Reference: ference: erence: eference: Calculation Method:	Well Oxbow CC 17_8 Federal Com 14H SL2 RKB=26.5' @ 2953.60ft RKB=26.5' @ 2953.60ft Grid Minimum Curvature
Plan Annotati	ons Measured Depth (ft)	Vertical Depth (ft)	Local Coord +N/-S (ft)	dinates +E/-W (ft)	Comment	
	6,482.00 6,894.65	6,452.35 6,807.68	-288.48 -462.96	236.38 315.96	Tie in, ST 10°/100' Continue Build & Turn	10°/100'

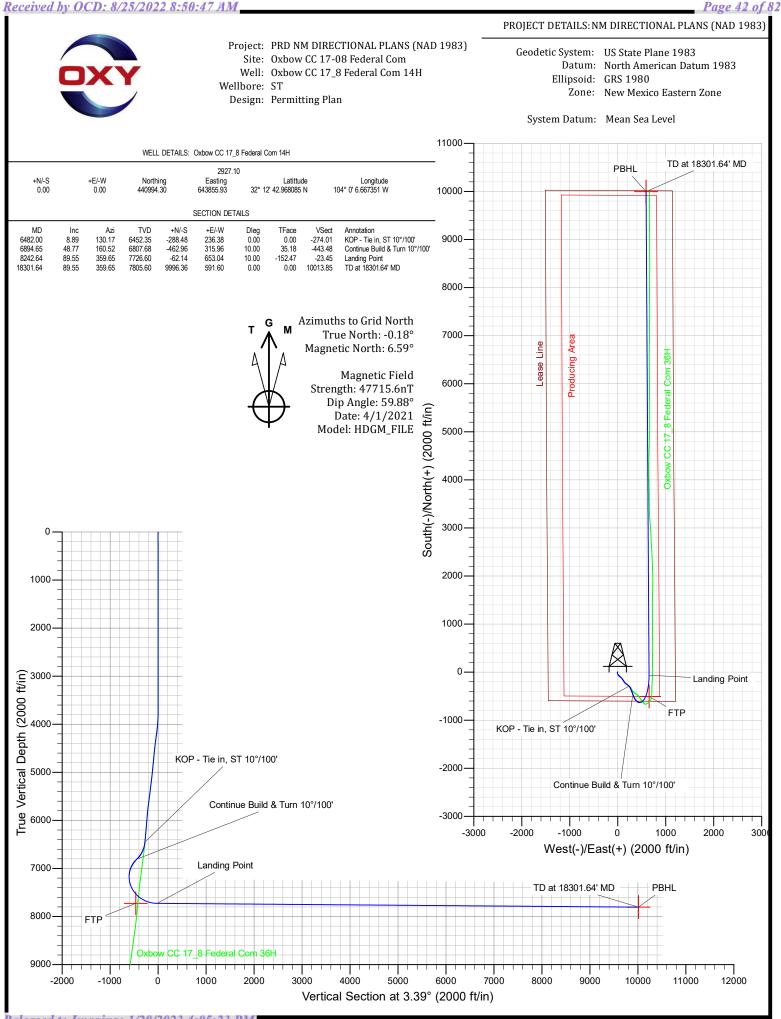
653.04

591.60

9,996.36

-62.14

Continue Build & Turn 10°/100' Landing Point TD at 18301.64' MD



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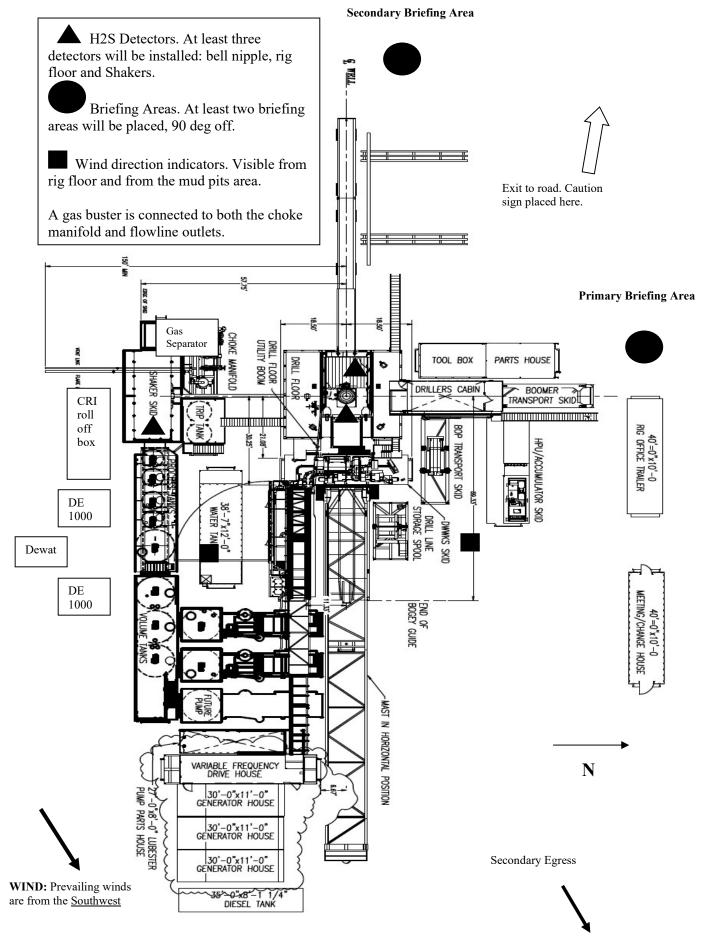


Permian Drilling Hydrogen Sulfide Drilling Operations Plan Oxbow CC 17_8 Federal Com 14H

Open drill site. No homes or buildings are near the proposed location.

1. Escape

Personnel shall escape upwind of wellbore in the event of an emergency gas release. Escape can take place through the lease road on the Southeast side of the location. Personnel need to move to a safe distance and block the entrance to location. If the primary route is not an option due to the wind direction, then a secondary egress route should be taken.





Permian Drilling Hydrogen Sulfide Drilling Operations Plan New Mexico

Scope

This contingency plan establishes guidelines for the public, all company employees, and contract employees who's work activities may involve exposure to hydrogen sulfide (H2S) gas.

While drilling this well, it is possible to encounter H2S bearing formations. At all times, the first barrier to control H2S emissions will be the drilling fluid, which will have a density high enough to control influx.

Objective

- 1. Provide an immediate and predetermined response plan to any condition when H2S is detected. All H2S detections in excess of 10 parts per million (ppm) concentration are considered an Emergency.
- 2. Prevent any and all accidents, and prevent the uncontrolled release of hydrogen sulfide into the atmosphere.
- 3. Provide proper evacuation procedures to cope with emergencies.
- 4. Provide immediate and adequate medical attention should an injury occur.

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Discussion

Implementation:	This plan with all details is to be fully implemented before drilling to <u>commence</u> .
Emergency response Procedure:	This section outlines the conditions and denotes steps to be taken in the event of an emergency.
Emergency equipment Procedure:	This section outlines the safety and emergency equipment that will be required for the drilling of this well.
Training provisions:	This section outlines the training provisions that must be adhered to prior to drilling.
Drilling emergency call lists:	Included are the telephone numbers of all persons to be contacted should an emergency exist.
Briefing:	This section deals with the briefing of all people involved in the drilling operation.
Public safety:	Public safety personnel will be made aware of any potential evacuation and any additional support needed.
Check lists:	Status check lists and procedural check lists have been included to insure adherence to the plan.
General information:	A general information section has been included to supply support information.

Hydrogen Sulfide Training

All personnel, whether regularly assigned, contracted, or employed on an unscheduled basis, will receive training from a qualified instructor in the following areas prior to commencing drilling operations on the well:

- 1. The hazards and characteristics of H2S.
- 2. Proper use and maintenance of personal protective equipment and life support systems.
- 3. H2S detection.
- 4. Proper use of H2S detectors, alarms, warning systems, briefing areas, evacuation procedures and prevailing winds.
- 5. Proper techniques for first aid and rescue procedures.
- 6. Physical effects of hydrogen sulfide on the human body.
- 7. Toxicity of hydrogen sulfide and sulfur dioxide.
- 8. Use of SCBA and supplied air equipment.
- 9. First aid and artificial respiration.
- 10. Emergency rescue.

In addition, supervisory personnel will be trained in the following areas:

- 1. The effects of H2S on metal components. If high tensile strength tubular is to be used, personnel will be trained in their special maintenance requirements.
- 2. Corrective action and shut-in procedures when drilling a well, blowout prevention and well control procedures.
- 3. The contents and requirements of the H2S Drilling Operations Plan.

H2S training refresher must have been taken within one year prior to drilling the well. Specifics on the well to be drilled will be discussed during the pre-spud meeting. H2S and well control (choke) drills will be performed while drilling the well, at least on a weekly basis. This plan shall be available in the well site. All personnel will be required to carry the documentation proving that the H2S training has been taken.

Service company and visiting personnel

- A. Each service company that will be on this well will be notified if the zone contains H2S.
- B. Each service company must provide for the training and equipment of their employees before they arrive at the well site.
- C. Each service company will be expected to attend a well site briefing

Emergency Equipment Requirements

1. <u>Well control equipment</u>

The well shall have hydraulic BOP equipment for the anticipated pressures. Equipment is to be tested on installation and follow Oxy Well Control standard, as well as BLM Onshore Order #2.

Special control equipment:

- A. Hydraulic BOP equipment with remote control on ground. Remotely operated choke.
- B. Rotating head
- C. Gas buster equipment shall be installed before drilling out of surface pipe.

2. <u>Protective equipment for personnel</u>

- A. Four (4) 30-minute positive pressure air packs (2 at each briefing area) on location.
- B. Adequate fire extinguishers shall be located at strategic locations.
- C. Radio / cell telephone communication will be available at the rig.
 - Rig floor and trailers.
 - Vehicle.

3. <u>Hydrogen sulfide sensors and alarms</u>

- A. H2S sensor with alarms will be located on the rig floor, at the bell nipple, and at the flow line. These monitors will be set to alarm at 10 ppm with strobe light, and audible alarm.
- B. Hand operated detectors with tubes.
- C. H2S monitor tester (to be provided by contract Safety Company.)
- D. There shall be one combustible gas detector on location at all times.

4. <u>Visual Warning Systems</u>

A. One sign located at each location entrance with the following language:

Caution – potential poison gas Hydrogen sulfide No admittance without authorization

Wind sock – wind streamers:

- A. One 36" (in length) wind sock located at protection center, at height visible from rig floor.
- B. One 36" (in length) wind sock located at height visible from pit areas.

Condition flags

A. One each condition flag to be displayed to denote conditions.

green – normal conditions yellow – potential danger red – danger, H2S present

B. Condition flag shall be posted at each location sign entrance.

5. <u>Mud Program</u>

The mud program is designed to minimize the risk of having H2S and other formation fluids at surface. Proper mud weight and safe drilling practices will be applied. H2S scavengers will be used to minimize the hazards while drilling. Below is a summary of the drilling program.

Mud inspection devices:

Garrett gas train or hatch tester for inspection of sulfide concentration in mud system.

6. <u>Metallurgy</u>

- A. Drill string, casing, tubing, wellhead, blowout preventers, drilling spools or adapters, kill lines, choke manifold, lines and valves shall be suitable for the H2S service.
- B. All the elastomers, packing, seals and ring gaskets shall be suitable for H2S service.

7. <u>Well Testing</u>

No drill stem test will be performed on this well.

8. <u>Evacuation plan</u>

Evacuation routes should be established prior to well spud for each well and discussed with all rig personnel.

- 9. <u>Designated area</u>
 - A. Parking and visitor area: all vehicles are to be parked at a predetermined safe distance from the wellhead.
 - B. There will be a designated smoking area.
 - C. Two briefing areas on either side of the location at the maximum allowable distance from the well bore so they offset prevailing winds perpendicularly, or at a 45-degree angle if wind direction tends to shift in the area.

Emergency procedures

- A. In the event of any evidence of H2S level above 10 ppm, take the following steps:
 - 1. The Driller will pick up off bottom, shut down the pumps, slow down the pipe rotation.
 - 2. Secure and don escape breathing equipment, report to the upwind designated safe briefing / muster area.
 - 3. All personnel on location will be accounted for and emergency search should begin for any missing, the Buddy System will be implemented.
 - 4. Order non-essential personnel to leave the well site, order all essential personnel out of the danger zone and upwind to the nearest designated safe briefing / muster area.
 - 5. Entrance to the location will be secured to a higher level than our usual "Meet and Greet" requirement, and the proper condition flag will be displayed at the entrance to the location.
 - 6. Take steps to determine if the H2S level can be corrected or suppressed and, if so, proceed as required.
- B. If uncontrollable conditions occur:
 - 1. Take steps to protect and/or remove any public in the down-wind area from the rig – partial evacuation and isolation. Notify necessary public safety personnel and appropriate regulatory entities (i.e. BLM) of the situation.

- 2. Remove all personnel to the nearest upwind designated safe briefing / muster area or off location.
- 3. Notify public safety personnel of safe briefing / muster area.
- 4. An assigned crew member will blockade the entrance to the location. No unauthorized personnel will be allowed entry to the location.
- 5. Proceed with best plan (at the time) to regain control of the well. Maintain tight security and safety procedures.
- C. Responsibility:
 - 1. Designated personnel.
 - a. Shall be responsible for the total implementation of this plan.
 - b. Shall be in complete command during any emergency.
 - c. Shall designate a back-up.

All personnel:	1.	On alarm, don escape unit and report to the nearest upwind designated safe briefing / muster area upw
	2.	Check status of personnel (buddy system).
	3.	Secure breathing equipment.
	4.	Await orders from supervisor.
Drill site manager:	1.	Don escape unit if necessary and report to nearest upwind designated safe briefing / muster area.
	2.	Coordinate preparations of individuals to return to point of release with tool pusher and driller (using the buddy system).
	3.	Determine H2S concentrations.
	4.	Assess situation and take control measures.
Tool pusher:	1.	Don escape unit Report to up nearest upwind designated safe briefing / muster area.
	2.	Coordinate preparation of individuals to return to point of release with tool pusher drill site manager (using the buddy system).
	3.	Determine H2S concentration.
	<i>4</i> .	Assess situation and take control measures.
Driller:	1.	Don escape unit, shut down pumps, continue

		rotating DP.
	2.	Check monitor for point of release.
	3.	Report to nearest upwind designated safe briefing / muster area.
	4.	Check status of personnel (in an attempt to rescue, use the buddy system).
	5.	Assigns least essential person to notify Drill Site Manager and tool pusher by quickest means in case of their absence.
	6.	Assumes the responsibilities of the Drill Site Manager and tool pusher until they arrive should they be absent.
Derrick man Floor man #1 Floor man #2	1.	Will remain in briefing / muster area until instructed by supervisor.
Mud engineer:	1.	Report to nearest upwind designated safe briefing / muster area.
	2.	When instructed, begin check of mud for ph and H2S level. (Garett gas train.)
Safety personnel:	1.	Mask up and check status of all personnel and secure operations as instructed by drill site manager.

<u>Taking a kick</u>

When taking a kick during an H2S emergency, all personnel will follow standard Well control procedures after reporting to briefing area and masking up.

Open-hole logging

All unnecessary personnel off floor. Drill Site Manager and safety personnel should monitor condition, advise status and determine need for use of air equipment.

Running casing or plugging

Following the same "tripping" procedure as above. Drill Site Manager and safety personnel should determine if all personnel have access to protective equipment.

Ignition procedures

The decision to ignite the well is the responsibility of the operator (Oxy Drilling Management). The decision should be made only as a last resort and in a situation where it is clear that:

- 1. Human life and property are endangered.
- 2. There is no hope controlling the blowout under the prevailing conditions at the well.

Instructions for igniting the well

- 1. Two people are required for the actual igniting operation. They must wear self-contained breathing units and have a safety rope attached. One man (tool pusher or safety engineer) will check the atmosphere for explosive gases with the gas monitor. The other man is responsible for igniting the well.
- 2. Primary method to ignite: 25 mm flare gun with range of approximately 500 feet.
- 3. Ignite upwind and do not approach any closer than is warranted.
- 4. Select the ignition site best for protection, and which offers an easy escape route.
- 5. Before firing, check for presence of combustible gas.
- 6. After lighting, continue emergency action and procedure as before.
- 7. All unassigned personnel will remain in briefing area until instructed by supervisor or directed by the Drill Site Manager.

<u>Remember</u>: After well is ignited, burning hydrogen sulfide will convert to sulfur dioxide, which is also highly toxic. **<u>Do not assume the area is safe after the well is ignited.</u>**

Status check list

Note: All items on this list must be completed before drilling to production casing point.

- 1. H2S sign at location entrance.
- 2. Two (2) wind socks located as required.
- 3. Four (4) 30-minute positive pressure air packs (2 at each Briefing area) on location for all rig personnel and mud loggers.
- 4. Air packs inspected and ready for use.
- 5. Cascade system and hose line hook-up as needed.
- 6. Cascade system for refilling air bottles as needed.
- 7. Condition flag on location and ready for use.
- 8. H2S detection system hooked up and tested.
- 9. H2S alarm system hooked up and tested.
- 10. Hand operated H2S detector with tubes on location.
- 11. 1 100' length of nylon rope on location.
- 12. All rig crew and supervisors trained as required.
- 13. All outside service contractors advised of potential H2S hazard on well.
- 14. No smoking sign posted and a designated smoking area identified.
- 15. Calibration of all H2S equipment shall be noted on the IADC report.

Checked by:_____ Date:_____

Procedural check list during H2S events

Perform each tour:

- 1. Check fire extinguishers to see that they have the proper charge.
- 2. Check breathing equipment to ensure that it in proper working order.
- 3. Make sure all the H2S detection system is operative.

Perform each week:

- 1. Check each piece of breathing equipment to make sure that demand or forced air regulator is working. This requires that the bottle be opened and the mask assembly be put on tight enough so that when you inhale, you receive air or feel air flow.
- 2. BOP skills (well control drills).
- 3. Check supply pressure on BOP accumulator stand by source.
- 4. Check breathing equipment mask assembly to see that straps are loosened and turned back, ready to put on.
- 5. Check pressure on breathing equipment air bottles to make sure they are charged to full volume. (Air quality checked for proper air grade "D" before bringing to location)
- 6. Confirm pressure on all supply air bottles.
- 7. Perform breathing equipment drills with on-site personnel.
- 8. Check the following supplies for availability.
 - A. Emergency telephone list.
 - B. Hand operated H2S detectors and tubes.

General evacuation plan

- 1. When the company approved supervisor (Drill Site Manager, consultant, rig pusher, or driller) determines the H2S gas cannot be limited to the well location and the public will be involved, he will activate the evacuation plan.
- 2. Drill Site Manager or designee will notify local government agency that a hazardous condition exists and evacuation needs to be implemented.
- 3. Company or contractor safety personnel that have been trained in the use of H2S detection equipment and self-contained breathing equipment will monitor H2S concentrations, wind directions, and area of exposure. They will delineate the outer perimeter of the hazardous gas area. Extension to the evacuation area will be determined from information gathered.
- 4. Law enforcement personnel (state police, police dept., fire dept., and sheriff's dept.) Will be called to aid in setting up and maintaining road blocks. Also, they will aid in evacuation of the public if necessary.
- 5. After the discharge of gas has been controlled, company safety personnel will determine when the area is safe for re-entry.

<u>Important:</u> Law enforcement personnel will not be asked to come into a contaminated area. Their assistance will be limited to uncontaminated areas. Constant radio contact will be maintained with them.

Emergency actions

Well blowout – if emergency

- 1. Evacuate all personnel to "Safe Briefing / Muster Areas" or off location if needed.
- 2. If sour gas evacuate rig personnel.
- 3. If sour gas evacuate public within 3000 ft radius of exposure.
- 4. Don SCBA and shut well in if possible using the buddy system.
- 5. Notify Drilling Superintendent and call 911 for emergency help (fire dept and ambulance) if needed.
- 6. Implement the Blowout Contingency Plan, and Drilling Emergency Action Plan.
- 6. Give first aid as needed.

Person down location/facility

- 1. If immediately possible, contact 911. Give location and wait for confirmation.
- 2. Don SCBA and perform rescue operation using buddy system.

Toxic effects of hydrogen sulfide

Hydrogen sulfide is extremely toxic. The acceptable ceiling concentration for eight-hour exposure is 10 ppm, which is .001% by volume. Hydrogen sulfide is heavier than air (specific gravity -1.192) and colorless. It forms an explosive mixture with air between 4.3 and 46.0 percent by volume. Hydrogen sulfide is almost as toxic as hydrogen cyanide and is between five and six times more toxic than carbon monoxide. Toxicity data for hydrogen sulfide and various other gases are compared in table i. Physical effects at various hydrogen sulfide exposure levels are shown in table ii.

Common name	Chemical formula	Specific gravity	Threshold limit	Hazardous limit	Lethal concentration (3)
		(sc=1)	(1)	(2)	
Hydrogen Cyanide	Hcn	0.94	10 ppm	150 ppm/hr	300 ppm
Hydrogen Sulfide	H2S	1.18	10 ppm	250 ppm/hr	600 ppm
Sulfur Dioxide	So2	2.21	5 ppm	-	1000 ppm
Chlorine	C12	2.45	1 ppm	4 ppm/hr	1000 ppm
Carbon Monoxide	Co	0.97	50 ppm	400 ppm/hr	1000 ppm
Carbon Dioxide	Co2	1.52	5000 ppm	5%	10%
Methane	Ch4	0.55	90,000 ppm	Combustibl	e above 5% in air

Table i <u>Toxicity of various gases</u>

1) threshold limit – concentration at which it is believed that all workers may be repeatedly exposed day after day without adverse effects.

- 2) hazardous limit concentration that will cause death with short-term exposure.
- 3) lethal concentration concentration that will cause death with short-term exposure.

Toxic effects of hydrogen sulfide

Table ii Physical effects of hydrogen sulfide

		Concentration	Physical effects
Percent (%)	<u>Ppm</u>	Grains	
		100 std. Ft3*	
0.001	<10	00.65	Obvious and unpleasant odor.

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0.002	10	01.30	Safe for 8 hours of exposure.
0.010	100	06.48	Kill smell in 3 – 15 minutes. May sting eyes and throat.
0.020	200	12.96	Kills smell shortly; stings eyes and throat.
0.050	500	32.96	Dizziness; breathing ceases in a few minutes; needs prompt artificial respiration.
0.070	700	45.36	Unconscious quickly; death will result if not rescued promptly.
0.100	1000	64.30	Unconscious at once; followed by death within minutes.

*at 15.00 psia and 60'f.

Use of self-contained breathing equipment (SCBA)

- 1. Written procedures shall be prepared covering safe use of SCBA's in dangerous atmosphere, which might be encountered in normal operations or in emergencies. Personnel shall be familiar with these procedures and the available SCBA.
- 2 SCBA's shall be inspected frequently at random to insure that they are properly used, cleaned, and maintained.
- 3. Anyone who may use the SCBA's shall be trained in how to insure proper facepiece to face seal. They shall wear SCBA's in normal air and then wear them in a test atmosphere. (note: such items as facial hair {beard or sideburns} and eyeglasses will not allow proper seal.) Anyone that may be reasonably expected to wear SCBA's should have these items removed before entering a toxic atmosphere. A special mask must be obtained for anyone who must wear eyeglasses or contact lenses.
- 4. Maintenance and care of SCBA's:
 - a. A program for maintenance and care of SCBA's shall include the following:
 - 1. Inspection for defects, including leak checks.
 - 2. Cleaning and disinfecting.
 - 3. Repair.
 - 4. Storage.
 - b. Inspection, self-contained breathing apparatus for emergency use shall be inspected monthly.
 - 1. Fully charged cylinders.
 - 2. Regulator and warning device operation.
 - 3. Condition of face piece and connections.
 - 4. Rubber parts shall be maintained to keep them pliable and prevent deterioration.
 - c. Routinely used SCBA's shall be collected, cleaned and disinfected as frequently as necessary to insure proper protection is provided.
- 5. Persons assigned tasks that requires use of self-contained breathing equipment shall be certified physically fit (medically cleared) for breathing equipment usage at least annually.
- 6. SCBA's should be worn when:
 - A. Any employee works near the top or on top of any tank unless test reveals less than 10 ppm of H2S.

- B. When breaking out any line where H2S can reasonably be expected.
- C. When sampling air in areas to determine if toxic concentrations of H2S exists.
- D. When working in areas where over 10 ppm H2S has been detected.
- E. At any time there is a doubt as to the H2S level in the area to be entered.

<u>Rescue</u> First aid for H2S poisoning

Do not panic!

Remain calm – think!

- 1. Don SCBA breathing equipment.
- 2. Remove victim(s) utilizing buddy system to fresh air as quickly as possible. (go up-wind from source or at right angle to the wind. Not down wind.)
- 3. Briefly apply chest pressure arm lift method of artificial respiration to clean the victim's lungs and to avoid inhaling any toxic gas directly from the victim's lungs.
- 4. Provide for prompt transportation to the hospital, and continue giving artificial respiration if needed.
- 5. Hospital(s) or medical facilities need to be informed, before-hand, of the possibility of H2S gas poisoning no matter how remote the possibility is.
- 6. Notify emergency room personnel that the victim(s) has been exposed to H2S gas.

Besides basic first aid, everyone on location should have a good working knowledge of artificial respiration.

Revised CM 6/27/2012

PERFORMANCE DATA

4.500 in

TMK UP ULTRA™ DQX Technical Data Sheet

Tubular Parameters

Size	4.500	in
Nominal Weight	13.50	lbs/ft
Grade	P-110	
PE Weight	13.04	lbs/ft
Wall Thickness	0.290	in
Nominal ID	3.920	in
Drift Diameter	3.795	in
Nom. Pipe Body Area	3.836	in²

Minimum Yield	110,000	psi
Minimum Tensile	125,000	psi
Yield Load	422,000	lbs
Tensile Load	479,000	lbs
Min. Internal Yield Pressure	12,400	psi
Collapse Pressure	10,700	psi

P-110

13.50 lbs/ft

Connection Parameters				
Connection OD	5.000	in		
Connection ID	3.920	in		
Make-Up Loss	3.772	in		
Critical Section Area	3.836	in²		
Tension Efficiency	100.0	%		
Compression Efficiency	100.0	%		
Yield Load In Tension	422,000	lbs		
Min. Internal Yield Pressure	12,400	psi		
Collapse Pressure	10,700	psi		
Uniaxial Bending	112	°/ 100 ft		

Make-Up Torques		
Min. Make-Up Torque	6,000	ft-lbs
Opt. Make-Up Torque	6,700	ft-lbs
Max. Make-Up Torque	7,300	ft-lbs
Yield Torque	10,800	ft-lbs



Printed on: October-22-2014

NOTE:

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TECHNICAL DATA SHEET TMK UP TORQ® DQW™ 4.5 X 13.5 P110 CY Received by OCD: 8/25/2022 8:50:47 AM

TUBULAR PARAMETERS	
Nominal OD, (inch)	4.500
Wall Thickness, (inch)	0.290
Pipe Grade	P110 CY
Coupling	Regular
Coupling Grade	P110 CY
Drift	Standard

CONNECTION PARAMETERS

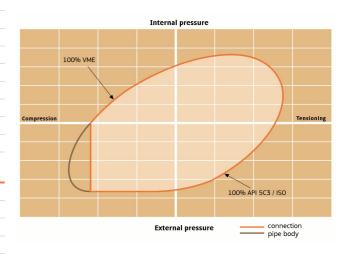
Connection OD (inch)	5.250
Connection ID, (inch)	3.920
Make-Up Loss, (inch)	3.846
Connection Critical Area, (sq inch)	3.836
Yield Strength in Tension, (klbs)	422
Yeld Strength in Compression, (klbs)	422
Tension Efficiency	100%
Compression Efficiency	100%
Min. Internal Yield Pressure, (psi)	12 410
Collapse Pressure, (psi)	10 690
Uniaxial Bending (deg/100ft)	112.1

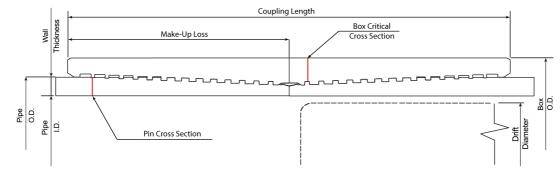
MAKE-UP TORQUES

Minimum Make-Up Torque, (ft-lb)	12 000
Optimum Make-Up Torque, (ft-lb)	13 000
Maximum Make-Up Torque, (ft-lb)	14 000
Operating Torque, (ft-lb)	19 200
Yield Torque, (ft-lb)	24 000

PIPE BODY PROPERTIES

PE Weight, (lbs/ft)	13.05
Nominal Weight, (lbs/ft)	13.50
Nominal ID, (inch)	3.920
Drift Diameter, (inch)	3.795
Nominal Pipe Body Area, (sq inch)	3.836
Yield Strength in Tension, (klbs)	422
Min. Internal Yield Pressure, (psi)	12 410
Collapse Pressure, (psi)	10 690
Minimum Yield Strength, (psi)	110 000
Minimum Tensile Strength, (psi)	125 000





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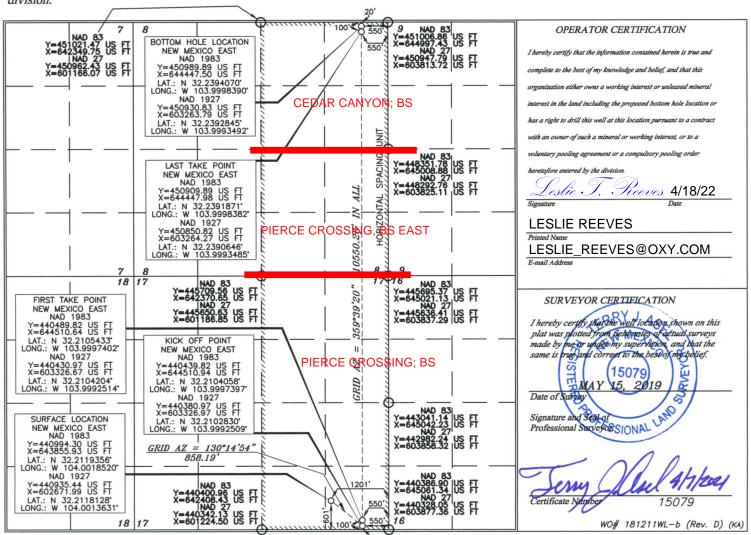
Print date: 09/17/2019 17:26

<u>District I</u> 1625 N. French Dr., Hobbs, NM 88240 Phone: (575) 393-6161 Fax: (575) 393-0720 <u>District II</u> 811 S. First St., Artesia, NM 88210 Phone: (575) 748-1283 Fax: (575) 748-9720 <u>District III</u> 1000 Rio Brazos Road, Aztec, NM 87410 Phone: (505) 334-6178 Fax: (505) 334-6170 <u>District IV</u> 1220 S. St. Francis Dr., Santa Fe, NM 87505 Phone: (505) 476-3460 Fax: (505) 476-3462 State of New Mexico Energy, Minerals & Natural Resources Department OIL CONSERVATION DIVISION 1220 South St. Francis Dr. Santa Fe, NM 87505 Form C-102 Revised August 1, 2011 Submit one copy to appropriate District Office

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT Pool Name API Number Pool Code PIERCE CROSSING: BONE SPRING, EAST 96473 30-015-45088 Property Code Property Name Well Number OXBOW CC "17_8" FEDERAL COM 321633 36H OGRID No. Operator Name Elevation 16696 OXY USA INC. 2927.1 Surface Location Range Lot Idn Feet from the North/South line Feet from the East/West line County UL or lot no. Section Township P 17 24 SOUTH 29 EAST. N.M.P.M. 601 SOUTH 1201' EAST EDDY Bottom Hole Location If Different From Surface Range Lot Idn Feet from the North/South line East/West line County UL or lot no. Section Township Feet from the 29 EAST. N.M.P.M. 20' NORTH 550' EAST EDDY 8 24 SOUTH A **Dedicated** Acres Joint or Infill Consolidation Code Order No. 160

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.



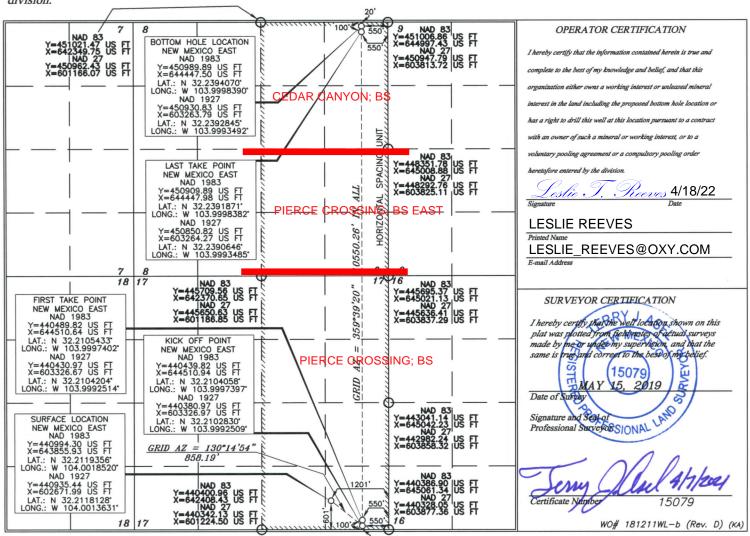
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AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT Pool Name API Number Pool Code 50371 PIERCE CROSSING: BONE SPRING, EAST 30-015-45088 Property Code Property Name Well Number OXBOW CC "17_8" FEDERAL COM 321633 36H OGRID No. Operator Name Elevation 16696 OXY USA INC. 2927.1 Surface Location Range Lot Idn Feet from the North/South line Feet from the East/West line County UL or lot no. Section Township P 17 24 SOUTH 29 EAST. N.M.P.M. 601 SOUTH 1201' EAST EDDY Bottom Hole Location If Different From Surface Range Lot Idn Feet from the North/South line Feet from the East/West line County UL or lot no. Section Township 29 EAST, N.M.P.M. 20' NORTH 550' EAST EDDY 8 24 SOUTH A **Dedicated** Acres Joint or Infill Consolidation Code Order No. 320

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.



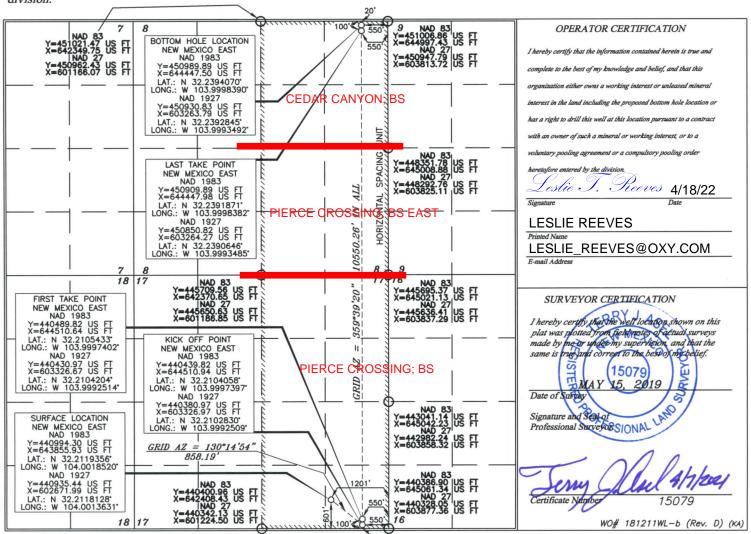
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<u>District I</u> 1625 N. French Dr., Hobbs, NM 88240 Phone: (575) 393-6161 Fax: (575) 393-0720 <u>District II</u> 811 S. First St., Artesia, NM 88210 Phone: (575) 748-1283 Fax: (575) 748-9720 <u>District III</u> 1000 Rio Brazos Road, Aztec, NM 87410 Phone: (505) 334-6178 Fax: (505) 334-6170 <u>District IV</u> 1220 S. St. Francis Dr., Santa Fe, NM 87505 Phone: (505) 476-3460 Fax: (505) 476-3462 State of New Mexico Energy, Minerals & Natural Resources Department OIL CONSERVATION DIVISION 1220 South St. Francis Dr. Santa Fe, NM 87505 Form C-102 Revised August 1, 2011 Submit one copy to appropriate District Office

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT Pool Name API Number Pool Code CEDAR CANYON: BONE SPRING 11520 30-015-45088 Property Code Property Name Well Number OXBOW CC "17_8" FEDERAL COM 321633 36H OGRID No. Operator Name Elevation 16696 OXY USA INC. 2927.1 Surface Location Range Lot Idn Feet from the North/South line Feet from the East/West line County UL or lot no. Section Township P 17 24 SOUTH 29 EAST. N.M.P.M. 601 SOUTH 1201' EAST EDDY Bottom Hole Location If Different From Surface Range Lot Idn Feet from the North/South line East/West line County UL or lot no. Section Township Feet from the 29 EAST. N.M.P.M. 20' NORTH 550' EAST EDDY 8 24 SOUTH A **Dedicated** Acres Joint or Infill Consolidation Code Order No. 160

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.



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PECOS DISTRICT DRILLING CONDITIONS OF APPROVAL

OPERATOR'S NAME:	OXY USA INCORPORATED
LEASE NO.:	NMNM-094651
LOCATION:	Section 17, T. 24 S., R 29 E., NMPM
COUNTY:	Eddy County, New Mexico

WELL NAME & NO.:	Oxbow CC 17-8 Federal Com 36H

WELL NAME & NO.: Oxbow CC 17-8 Federal Com 36H

COA

H2S	C Yes	💿 No	
Potash	None	C Secretary	© R-111-P
Cave/Karst Potential	C Low	Medium	C High
Cave/Karst Potential	Critical		
Variance	C None	• Flex Hose	C Other
Wellhead	Conventional	C Multibowl	Observation Both
Other	4 String Area	Capitan Reef	□ WIPP
Other	Fluid Filled	Cement Squeeze	Pilot Hole
Special Requirements	□ Water Disposal	COM	🗖 Unit

ALL PREVIOUS COAs STILL APPLY.

B. CASING

Casing Design

3. The minimum required fill of cement behind the 4-1/2 inch production casing is:

Option 1 (Single Stage):

• Cement should tie-back at least **200 feet** into previous casing string. Operator shall provide method of verification.

Option 2:

Operator has proposed a DV tool, the depth may be adjusted as long as the cement is changed proportionally. The DV tool may be cancelled if cement circulates to surface on the first stage.

- a. First stage to DV tool: Cement to circulate. If cement does not circulate off the DV tool, contact the appropriate BLM office before proceeding with second stage cement job.
- b. Second stage above DV tool:
 - Cement should tie-back at least **200 feet** into previous casing string. Operator shall provide method of verification.

C. PRESSURE CONTROL

- 1. Variance approved to use flex line from BOP to choke manifold. Manufacturer's specification to be readily available. No external damage to flex line. Flex line to be installed as straight as possible (no hard bends).'
- 2. Operator has proposed a multi-bowl wellhead assembly. This assembly will only be tested when installed on the surface casing. Minimum working pressure of the blowout preventer (BOP) and related equipment (BOPE) required for drilling below the surface casing shoe shall be **3000** (**3M**) psi.
 - a. Wellhead shall be installed by manufacturer's representatives, submit documentation with subsequent sundry.
 - b. If the welding is performed by a third party, the manufacturer's representative shall monitor the temperature to verify that it does not exceed the maximum temperature of the seal.
 - c. Manufacturer representative shall install the test plug for the initial BOP test.
 - d. If the cement does not circulate and one inch operations would have been possible with a standard wellhead, the well head shall be cut off, cementing operations performed and another wellhead installed.
 - e. Whenever any seal subject to test pressure is broken, all the tests in OOGO2.III.A.2.i must be followed.

NMK – 3-11-2022

District I 1625 N. French Dr., Hobbs, NM 88240 Phone:(575) 393-6161 Fax:(575) 393-0720 District II

811 S. First St., Artesia, NM 88210 Phone:(575) 748-1283 Fax:(575) 748-9720

District III

1000 Rio Brazos Rd., Aztec, NM 87410 Phone:(505) 334-6178 Fax:(505) 334-6170

District IV 1220 S. St Francis Dr., Santa Fe, NM 87505 Phone:(505) 476-3470 Fax:(505) 476-3462

State of New Mexico Energy, Minerals and Natural Resources Oil Conservation Division 1220 S. St Francis Dr. Santa Fe, NM 87505

CONDITIONS

Operator:	OGRID:
OXY USA INC	16696
P.O. Box 4294	Action Number:
Houston, TX 772104294	99482
	Action Type:
	[C-103] NOI Change of Plans (C-103A)

CONDITIONS

CONDITION								
Created By	Condition	Condition Date						
kpickford	DHC required	4/21/2022						
kpickford	Notify NMOCD 24 hours prior to beginning operations.	4/25/2022						

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Action 99482

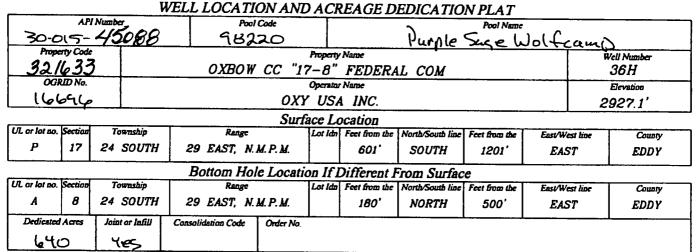
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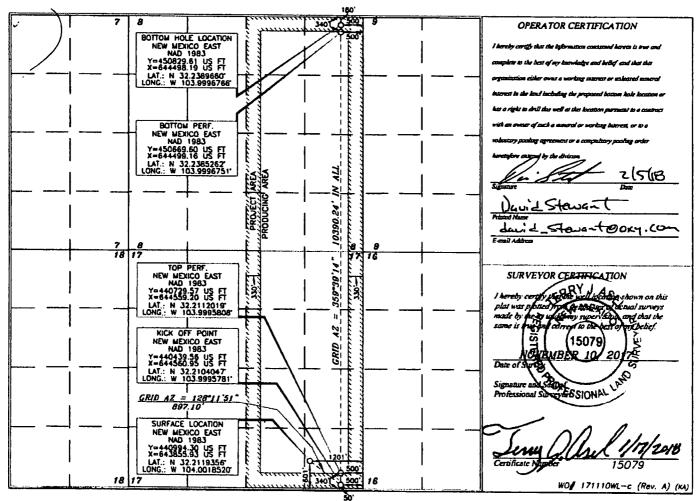
<u>Dimir(1)</u> 1621 N. Franzeh Dr., Hobba, NM 82740 Phana: (373) 393-4161 Fau. (373) 393-0770 <u>Divir(4)</u> 2015 Fors SL, Arnazia, NM 82110 Phone: (373) 748-1283 Fau: (573) 744-0720 <u>Dimir(1)</u> 1000 Ren Braum Road, Anton, NM 87410 Phone: (283) 374-6170 Fau: (505) 334-6170 <u>Phone</u>: (283) 376-3460 Fau: (505) 415-647925 Fauna: (283) 476-3460 Fau: (503) 415-8423 State of New Mexico D Energy, Minerals & Natural Resources Department OIL CONSERVATION DIVISION 1220 South St. Francis Dr. Santa Fe, NM 87505

DISTRICT II-ARTESIA O.C.D. Form C-102 nt Revised August 1, 2011 Submit one copy to appropriate District Office

AMENDED REPORT



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.



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District III 1000 Rio Brazos Road, Aztec, NM 87410

District IV

1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico Energy, Minerals and Natural Resources Department

> **Oil Conservation Division** 1220 South St. Francis Dr. Santa Fe, New Mexico 87505

Revised August 1, 2011 APPLICATION TYPE Single Well х Establish Pre-Approved Pools EXISTING WELLBORE

Form C-107A

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APPLICATION FOR DOWNHOLE COMMINGLING

X Yes No

OXY USA INC.		PO BOX 4294, HOUSTON, TX 7	7210
Operator		Address	
OXBOW CC 17-8 FEDERAL	COM #036H	P-17-T24S-R29E	EDDY
Lease	Well No.	Unit Letter-Section-Township-Range	County

OGRID No. 16696 Property Code 321633 API No. 30-015-45088 Lease Type: X Federal State Fee

DATA ELEMENT	UPPER ZONE	INTERMEDIATE ZONE	LOWER ZONE
Pool Name	CEDAR CANYON; BS / PIERCE CROSSING; BS EAST / PIERCE CROSSING; BS		PURPLE SAGE WOLFCAMP (GAS)
Pool Code	11520 / 96473 / 50371		98220
Top and Bottom of Pay Section (Perforated or Open-Hole Interval)	Top: 7585 ft TVD Bottom: 7821 ft TVD		Top: 9980 ft TVD/ 10199 ft MD Bottom: 10137 ft TVD/ 20415 ft MD
Method of Production (Flowing or Artificial Lift)	GAS LIFT		GAS LIFT
Bottomhole Pressure (Note: Pressure data will not be required if the bottom perforation in the lower zone is within 150% of the depth of the top perforation in the upper zone)			
Oil Gravity or Gas BTU (Degree API or Gas BTU)	Oil- 39.9 deg. API, Gas- 1228 Dry, Ideal (BTU/FT3)		Oil- 41.9 deg. API, Gas- 1296 Dry, Ideal (BTU/FT3)
Producing, Shut-In or New Zone	NEW ZONE		PRODUCING
Date and Oil/Gas/Water Rates of Last Production. (Note: For new zones with no production history, applicant shall be required to attach production	Date: NEW ZONE	Date:	Date: 6/4/2022
applicant shall be required to attach production estimates and supporting data.)	Rates: NEW ZONE	Rates:	Rates: 60 BOPD 564 MSCFPD
Fixed Allocation Percentage (Note: If allocation is based upon something other	Oil Gas	Oil Gas	Oil Gas
than current or past production, supporting data or explanation will be required.)	67 % 81 %	% %	33 % 19 %

ADDITIONAL DATA

Are all working, royalty and overriding royalty interests identical in all commingled zones? If not, have all working, royalty and overriding royalty interest owners been notified by certified mail?	Yes Yes <u>X</u>	No <u>X</u> No
Are all produced fluids from all commingled zones compatible with each other?	YesX	No
Will commingling decrease the value of production?	Yes	No X
If this well is on, or communitized with, state or federal lands, has either the Commissioner of Public Lands or the United States Bureau of Land Management been notified in writing of this application?	Yes <u>X</u>	No
NMOCD Deference Case No. applicable to this wall.		

NMOCD Reference Case No. applicable to this well:

Attachments:

C-102 for each zone to be commingled showing its spacing unit and acreage dedication.

Production curve for each zone for at least one year. (If not available, attach explanation.)

For zones with no production history, estimated production rates and supporting data.

Data to support allocation method or formula.

Notification list of working, royalty and overriding royalty interests for uncommon interest cases.

Any additional statements, data or documents required to support commingling.

PRE-APPROVED POOLS

If application is to establish Pre-Approved Pools, the following additional information will be required:

List of other orders approving downhole commingling within the proposed Pre-Approved Pools List of all operators within the proposed Pre-Approved Pools Proof that all operators within the proposed Pre-Approved Pools were provided notice of this application. Bottomhole pressure data.

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

SIGNATURE	Stephen	Janacele	

TITLE REGULATORY ENGINEER DATE 8/24/2022

TYPE OR PRINT NAME STEPHEN JANACEK

__TELEPHONE NO. (<u>972</u>) 404-3722

E-MAIL ADDRESS STEPHEN_JANACEK@OXY.COM

Customer: OX Geographic Reg Geographic Loca System Descript	ion: ation:	MAN RES WEST CEDAR GAS LIF	CANYON				e ID:	WELL I AT3043	HEAD 8		ON 16 00 pionx.co		Re Re	llection D ceive Dat port Date cation Co	te: (04/05/2022 04/07/2022 04/13/2022 436636
		Fie	ld Ana	alysis	1						Sam	ple A	nalys	is		
<u>Analysi</u>	<u>s</u>		Re	<u>sult</u>	Ana	lysis Me	thod		<u>Analys</u>	is		Re	<u>sult</u>	An	nalysis I	Method
Total Alkalinity (M Dissolved CO2 Dissolved H2S Pressure Surface Temperature pH of Water	-Alk as H	ICO3)	85 240 0.0 150 86.9 6.71	mg/L mg/L psi ° F		Titration Titration Titration Meter		Ionic S Total I Calcul	ic Gravity Strength Dissolved S ated pH ated CO2 i			1.071 2.13 120000 6.71 0.660	mol/L mg/L		Densito Calcul Calcul Calcul Calcul	ation ation ation
Iron Manganese Barium			21.2 1.08 2.02	mg/L	C Boron Lithium Copper	ation	s - Ana	alyze	81.7 r 22.5 r	ng/L S ng/L A	ilicon Iuminum Iolybdenun	n			0.504 m	ng/L ng/L ng/L
Strontium Calcium Magnesium Sodium Potassium			-10- 764 4190 684 34200 641	mg/L mg/L mg/L mg/L	Nickel Zinc Lead Cobalt Chromiun	١			0.251 r <0.100 r 0.699 r 0.602 r	mg/L P	hosphorus leasured S			(0.801 m	ng/L
						Anior	ns - An	nalyz	ed by	IC						
Chloride Bromide			626	mg/L mg/L	Sulfate			1	367 1	mg/L						
Anhydrite	Barite	Calcite	PTE	Gypsum	Halite	Iron	Iron Sulfide		Anhydrite	Barite	Calcite	SI	Gypsum	Halite	Iron	
50° 0.00	1.03	2.09	60.79			Carbonate 0.00	0.00	50°	-1.29	0.83		0.17	-0.73	-1.35	Carbonate	
75° 0.00	0.89	5.28	60.17	0.00	0.00	0.00	0.00	50 75°	-1.09	0.59		0.17	-0.75		-0.6	
100° 0.00	0.71	7.98	66.55			0.00	0.00	100°	-0.91	0.38		0.19	-0.75		-0.3	
125° 0.00	0.47	10.28	77.14	0.00	0.00	0.00	0.00	125°	-0.75	0.21	0.59	0.23	-0.74	-1.40	-0.1	3
150° 0.00	0.18	12.24	89.97	0.00	0.00	0.84	0.00	150°	-0.61	0.07	0.73	0.27	-0.74	-1.40	0.0	16
175° 0.00	0.00	13.92	103.60	0.00		3.10	0.00	175°	-0.48	-0.04	0.87	0.33	-0.74		0.2	
200° 0.00	0.00	15.35	117.01	0.00	0.00	4.89	0.00	200°	-0.36	-0.14	1.01	0.33	-0.76		0.3	_
225° 0.00	0.00	16.58	129.65	0.00		6.28	0.00	225°	-0.25	-0.22	1.14	0.44	-0.79		0.5	_
250° 0.00	0.00	17.64	141.24	0.00		7.35	0.00	250°	-0.14	-0.29	1.26	0.50	-0.83	-1.41	0.6	
0750 0.00	0 00	10 55	161 60	0.00	0.00	0 4 -	0 00	0	0.05	0.00	4 3 0	0 6 6 6	~ ~ ~ ~	1 10	~ ~ ~	0
275° 0.00 300° 16.01	0.00	18.55 19.32	151.68 161.02	0.00		8.15 8.72	0.00	275° 300°	-0.05 0.04	-0.35 -0.41	1.38 1.49	0.55 0.61	-0.87	-1.40 -1.40	0.6	

Scaling	predictions	calculated	using \$	Scale	Soft Pitzer 2019	

Scaling predictions dependent on provided field data. Incomplete/partial field data may impact results generated by scaling software.

0.00

0.00

0.00

0.00

325

350

375

400°

0.13

0.21

0.29

0.36

-0.47

-0.54

-0.60

-0.68

1.59

1.69

1.77

1.85

0.66

0.72

0.77

0.81

Comments

-0.90

-0.85

-0.74

-0.53

-1.39

-1.38

-1.36

-1.34

0.77

0.78

0.77

0.73

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9.08

9.24

9.20

8.94

Analysis Method

Spectrophotometer

325°

350°

375°

400°

44.90

67.94

86.57

101.72

Analysis Corrosion Residual 0.00

0.00

0.00

0.00

19.97

20.52

20.97

21.33

169.37

176.82

183.42

189.13

Chemical Residual

<u>Result</u>

15.8 mg/L

0.00

0.00

0.00

0.00

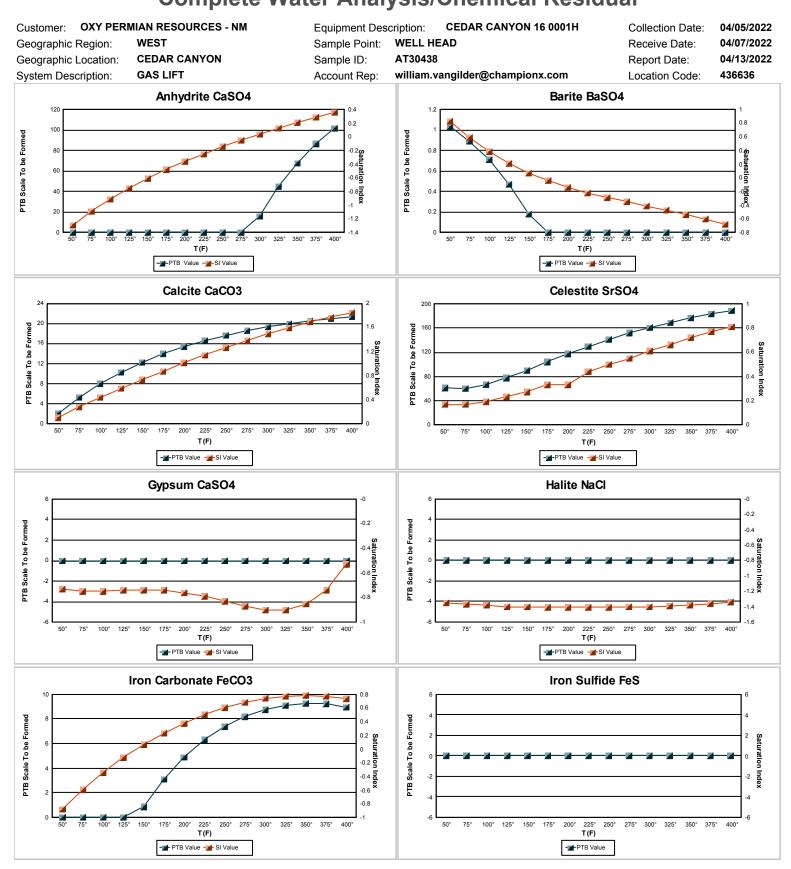
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CHAMPIO Complete Water Analysis/Chemical Residual



Scaling predictions calculated using Scale Soft Pitzer 2019

Scaling predictions dependent on provided field data. Incomplete/partial field data may impact results generated by scaling software. This document contains the confidential and/or proprietary information of ChampionX. The recipient agrees to maintain the confidentiality of the terms of this document, and shall not reproduce it by any means, disclose the contents of it to any third party, or use the contents of it for any purpose other than the purpose for which it was intended by ChampionX. 06/29/2022 Page 73 of 82

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			Fie	d Ana	alysis							Sam	ple A	nalysi	S		
Analysis Result				Ana	Analysis Method			<u>Analys</u>	is		Re	<u>sult</u>	Analysis Method				
Dissol Dissol H2S in Press Temp	Alkalinity (IV ved CO2 ved H2S in the gas ure Surface erature Water		CO3)	122.00 150.00 0.00 100 74.4 6.40	mg/L mg/L ppm psi	Ga	Titration Titration Titration s Detecton Meter	ו ו	Ionic S Total I Calcul	ic Gravity Strength Dissolved S ated pH ated CO2 i			1.079 2.54 131374 6.40 1.91	mol/L mg/L		Densitome Calculati Calculati Calculati Calculati	on on on
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				52200.00 819.000	•	Cobalt Chromiur	n				ng/L ng/L						
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otas hlori	de de	Barite		819.000 68738.986 567.64 PTE	mg/L mg/L mg/L	Chromiur Sulfate	Anio			<0.050 r ed by 224.291 r	ng/L IC ng/L	Calcite	SI	Gypsum	Halite	Iron	
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blori nomi 50°	de de	Barite 2.01 1.72		819.000 68738.986 567.64 PTE	mg/L mg/L mg/L	Chromiur Sulfate	Anio	Iron Sulfide		<0.050 r ed by 224.291 r	ng/L IC ng/L		Celestite	Gypsum -0.98 -0.99	Halite -1.19 -1.21	Carbonate	
blori hlori romi 50° 75° 00°	sium de de Anhydrite 0.00 0.00 0.00	2.01 1.72 1.32	Calcite 0.00 0.83 5.93	819.000 68738.986 567.64 PTE Celestite 0.00 0.55 13.28	mg/L mg/L mg/L Gypsum 0.00 0.00	Chromiur Sulfate Halite 0.00 0.00	Iron Carbonate 0.000 0.000 0.000	Iron Sulfide 0.00 0.00 0.00	50° 75° 100°	<0.050 m ed by 224.291 m Anhydrite -1.53 -1.32 -1.13	ng/L IC ng/L Barite 0.76 0.53 0.34	-0.16 0.02 0.19	Celestite -0.02 0.00 0.05	-0.98 -0.99 -0.98	-1.19 -1.21 -1.23	Carbonate -1.17 -0.89 -0.65	
hlori omi 50° 75° 00° 25°	sium de de Anhydrite 0.00 0.00 0.00	2.01 1.72 1.32 0.83	Calcite 0.00 0.83 5.93 10.08	819.000 68738.986 567.64 PTE Celestite 0.00 0.55 13.28 27.80	mg/L mg/L mg/L Gypsum 0.00 0.00 0.00	Chromiur Sulfate Halite 0.00 0.00 0.00	Iron Carbonate 0.000 0.000 0.000 0.000	Iron Sulfide 0.00 0.00 0.00 0.00	50° 75° 100° 125°	<0.050 m ed by 224.291 m Anhydrite -1.53 -1.32 -1.13 -0.96	ng/L IC ng/L Barite 0.76 0.53 0.34 0.18	-0.16 0.02 0.19 0.34	Celestite -0.02 0.00 0.05 0.10	-0.98 -0.99 -0.98 -0.96	-1.19 -1.21 -1.23 -1.24	Carbonate -1.17 -0.89 -0.65 -0.43	
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btas nlori comi 50° 75° 25° 50° 75°	sium de de Anhydrite 0.00 0.00 0.00 0.00 0.00	2.01 1.72 1.32 0.83 0.26	Calcite 0.00 0.83 5.93 10.08 13.51	819.000 68738.986 567.64 PTE Celestite 0.00 0.55 13.28 27.80 42.50	mg/L mg/L mg/L Gypsum 0.00 0.00 0.00 0.00	Chromiur Sulfate Halite 0.00 0.00 0.00 0.00	Iron Carbonate 0.00 0.00 0.00 0.00 0.00	Iron Sulfide 0.00 0.00 0.00 0.00 0.00 0.00	50° 75° 100° 125° 150°	<0.050 m ed by 224.291 m Anhydrite -1.53 -1.32 -1.13 -0.96 -0.81	ng/L IC ng/L Barite 0.76 0.53 0.34 0.18 0.05	-0.16 0.02 0.19 0.34 0.48	Celestite -0.02 0.00 0.05 0.10 0.17	-0.98 -0.99 -0.98 -0.96 -0.95	-1.19 -1.21 -1.23 -1.24 -1.24	Carbonate -1.17 -0.89 -0.65 -0.43 -0.24	
otas: hlori romi 50° 75° 00° 25° 50° 75° 00°	sium de de Anhydrite 0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.	2.01 1.72 1.32 0.83 0.26 0.00 0.00 0.00	Calcite 0.00 0.83 5.93 10.08 13.51 16.38 18.81 20.89	819.000 68738.986 567.64 PTTE Celestite 0.00 0.55 13.28 27.80 42.50 56.43 69.02 80.08	mg/L mg/L mg/L Gypsum 0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.	Chromiur Sulfate Halite 0.00 0.00 0.00 0.00 0.00 0.00 0.00	Iron Carbonate 0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.	Iron Sulfide 0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.	50° 75° 100° 125° 150° 175° 200° 225°	<0.050 m ed by 224.291 m 224.291 m -1.53 -1.53 -1.32 -1.13 -0.96 -0.81 -0.68 -0.56 -0.44	ng/L IC ng/L Barite 0.76 0.53 0.34 0.18 0.05 -0.06 -0.15 -0.23	-0.16 0.02 0.19 0.34 0.48 0.62 0.75 0.87	Celestite 0.02 0.00 0.10 0.17 0.23 0.23 0.37	-0.98 -0.99 -0.98 -0.96 -0.95 -0.95 -0.95 -0.97 -1.00	-1.19 -1.21 -1.23 -1.24 -1.24 -1.25 -1.25 -1.25	Carbonate -1.17 -0.89 -0.65 -0.43 -0.24 -0.08 0.05 0.17	
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btass hlori romi 50° 75° 00° 25° 50° 75° 00° 25° 50° 75°	sium de de Anhydrite 0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.	2.01 1.72 1.32 0.83 0.26 0.00 0.00 0.00	Calcite 0.00 0.83 5.93 10.08 13.51 16.38 18.81 20.89	819.000 68738.986 567.64 PTTE Celestite 0.00 0.55 13.28 27.80 42.50 56.43 69.02 80.08	mg/L mg/L mg/L Gypsum 0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.	Chromiur Sulfate Halite 0.00 0.00 0.00 0.00 0.00 0.00 0.00	Iron Carbonate 0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.	Iron Sulfide 0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.	50° 75° 100° 125° 150° 200° 225° 250° 275°	<0.050 m ed by 224.291 m 224.291 m -1.53 -1.53 -1.32 -1.13 -0.96 -0.81 -0.68 -0.56 -0.44	ng/L IC ng/L Barite 0.76 0.53 0.34 0.18 0.05 -0.06 -0.15 -0.23	-0.16 0.02 0.19 0.34 0.48 0.62 0.75 0.87	Celestite 0.02 0.00 0.10 0.17 0.23 0.23 0.37	-0.98 -0.99 -0.98 -0.96 -0.95 -0.95 -0.95 -0.97 -1.00	-1.19 -1.21 -1.23 -1.24 -1.24 -1.25 -1.25 -1.25	Carbonate -1.17 -0.89 -0.65 -0.43 -0.24 -0.08 0.05 0.17	
otass hlori romi 25° 00° 25° 200° 225° 200° 225° 200° 225° 200°	sium de de Anhydrite 0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.	2.01 1.72 1.32 0.83 0.26 0.00 0.00 0.00 0.00 0.00 0.00	Calcite 0.00 0.83 5.93 10.08 13.51 16.38 18.81 20.89 22.67 24.22	819.000 68738.986 567.64 PTE Celestite 0.00 0.55 13.28 27.80 42.50 56.43 69.02 80.08 89.61 97.72	mg/L mg/L mg/L Gypsum 0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.	Chromiur Sulfate Halite 0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.	Iron Carbonate 0.000 0.000 0.000 0.000 0.000 0.000 0.1.15 3.445 5.221 6.522	Iron Sulfide 0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.	50° 75° 100° 125° 150° 175° 200° 225° 250°	<0.050 m ed by 224.291 m 224.291 m -1.53 -1.32 -1.13 -0.96 -0.81 -0.68 -0.56 -0.44 -0.56 -0.44 -0.34 -0.25	ng/L IC ng/L Barite 0.76 0.53 0.34 0.18 0.05 -0.06 -0.15 -0.23 -0.29 -0.35	-0.16 0.02 0.19 0.34 0.62 0.75 0.87 0.99 1.11	Celestite -0.02 0.00 0.10 0.17 0.23 0.23 0.37 0.44 0.51	-0.98 -0.99 -0.98 -0.96 -0.95 -0.95 -0.97 -1.00 -1.04 -1.08	-1.19 -1.21 -1.23 -1.24 -1.24 -1.25 -1.25 -1.25 -1.25 -1.25 -1.25	Carbonate -1.17 -0.89 -0.65 -0.43 -0.24 -0.08 0.05 0.17 0.26 0.34	
otas hlori romi 50° 75° 100° 125° 150° 125° 225° 225° 225° 225° 300° 325°	sium de de Anhydrite 0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.	2.01 1.72 1.32 0.83 0.26 0.00 0.00 0.00 0.00 0.00 0.00 0.00	Calcite 0.00 0.83 5.93 10.08 13.51 16.38 18.81 20.89 22.67 24.22 25.56	819.000 68738.986 567.64 PTE Celestite 0.00 0.55 13.28 27.80 42.50 56.43 69.02 80.08 89.61 97.72 104.60	mg/L mg/L mg/L Gypsum 0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.	Chromiur Sulfate Halite 0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.	Iron Carbonate 0.0000 0.000000	Iron Sulfide 0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.00	50° 75° 100° 125° 150° 200° 225° 250° 275° 300°	<0.050 m ed by 224.291 m 224.291 m 2	ng/L IC ng/L Barite 0.76 0.53 0.34 0.18 0.05 -0.06 -0.15 -0.23 -0.29 -0.35 -0.41	-0.16 0.02 0.19 0.34 0.62 0.75 0.87 0.99 1.11 1.23	Celestite -0.02 0.00 0.10 0.17 0.23 0.23 0.23 0.37 0.44 0.51 0.57	-0.98 -0.99 -0.98 -0.96 -0.95 -0.95 -0.95 -0.97 -1.00 -1.00 -1.04 -1.08 -1.11	-1.19 -1.21 -1.23 -1.24 -1.25 -1.25 -1.25 -1.25 -1.25 -1.25 -1.25 -1.25	Carbonate -1.17 -0.89 -0.65 -0.43 -0.24 -0.08 0.05 0.17 0.26 0.34 0.40	
otas: hlori romi 50° 75° 100° 125° 125° 225° 225° 225° 225° 225° 300° 325° 330° 335°	sium de de Anhydrite 0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.	2.01 1.72 1.32 0.83 0.26 0.00 0.00 0.00 0.00 0.00 0.00 0.00	Calcite 0.00 0.83 5.93 10.08 13.51 16.38 18.81 20.89 22.67 24.22 25.56 26.71	819.000 68738.986 567.64 PTTE Celestite 0.00 0.55 13.28 27.80 42.50 56.43 69.02 80.08 89.61 97.72 104.60 110.45 115.42 119.64	mg/L mg/L mg/L Gypsum 0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.	Chromiur Sulfate Halite 0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.	Iron Carbonate 0.0000 0.000000	Iron Sulfide 0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.00	50° 75° 100° 125° 150° 200° 225° 250° 275° 300° 325°	<0.050 m ed by 224.291 m -1.53 -1.32 -1.13 -0.96 -0.81 -0.68 -0.68 -0.56 -0.44 -0.25 -0.16 -0.07	Barite 0.766 0.533 0.344 0.18 0.05 -0.066 -0.15 -0.23 -0.29 -0.35 -0.41 -0.41 -0.47	-0.16 0.02 0.19 0.34 0.48 0.62 0.75 0.87 0.99 1.11 1.23 1.34	Celestite -0.02 0.00 0.10 0.17 0.23 0.23 0.23 0.37 0.44 0.51 0.57 0.63	-0.98 -0.99 -0.98 -0.95 -0.95 -0.95 -0.97 -1.00 -1.04 -1.08 -1.11 -1.11	-1.19 -1.21 -1.23 -1.24 -1.25 -1.25 -1.25 -1.25 -1.25 -1.25 -1.25 -1.25 -1.25 -1.25 -1.24	Carbonate -1.17 -0.89 -0.65 -0.43 -0.24 -0.08 0.05 0.17 0.26 0.34 0.40 0.43	
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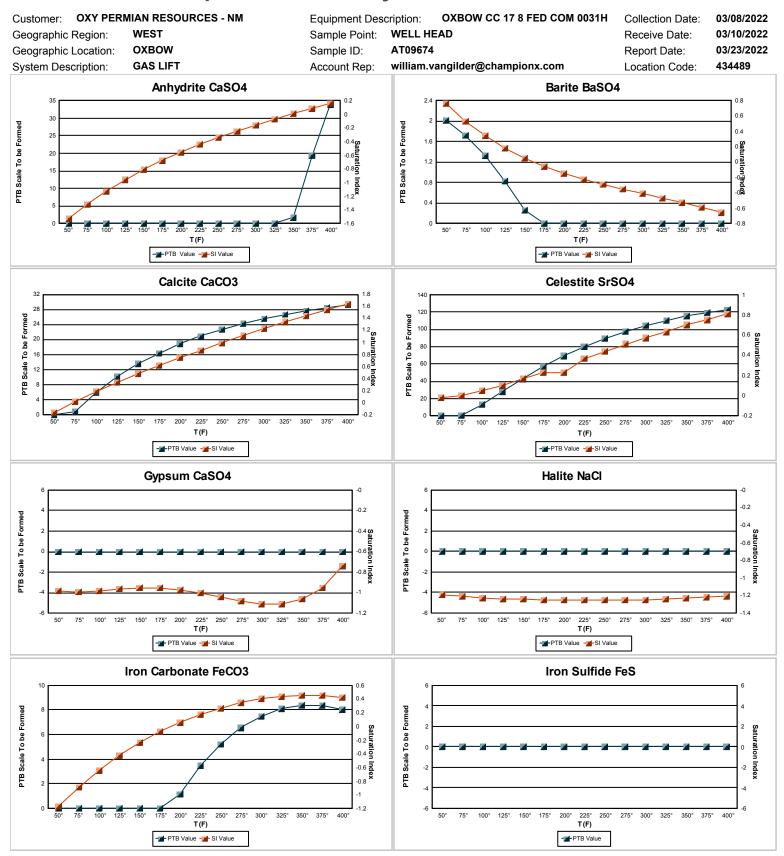
Scaling predictions calculated using Scale Soft Pitzer 2019

Scaling predictions dependent on provided field data. Incomplete/partial field data may impact results generated by scaling software.

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Complete Water Analysis/Chemical Residual



Scaling predictions calculated using Scale Soft Pitzer 2019

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CHAMPIO

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Notice List Sent 8/24/2022

To Company Name	To Name	To Address Line 1	To City	To State	To ZIP	Tracking Number
	BUREAU OF LAND MANAGEMENT	620 E GREENE ST	CARLSBAD	NM	88220	_9590940239728079231742
ANDREW VOGT & JANET VOGT TTEES	DELMAR HUDSON LEWIS LVG TRUST	P O DRAWER 840738	DALLAS	TX	75284	9414811898765871740745
	DESERT PARTNERS VI LP	PO BOX 3579	MIDLAND	TX	79702	_9414811898765871740783
	DOROTHY S HARROUN IRREV TRUST	PO BOX 3480	OMAHA	NE	68103	9414811898765871740738
	EDNA & CURTIS ANDERSON REV TR	9314 CHERRY BROOK LANE	FRISCO	TX	75033	_9414811898765871740776
	EMG REVOC TRUST	1000 W FOURTH STREET	ROSWELL	NM	88201	_9414811898765871740912
C/O BARTON OIL PRODUCERS	ERIC D BOYT	P O BOX 2602	MIDLAND	TX	79702	_9414811898765871740967
	HARROUN ENERGY LLC	320 GOLD AVENUE STE 200	ALBUQUERQUE	NM	87102	_9414811898765871740929
	HEIDI C BARTON	2008 N VEGA CT	HOBBS	NM	88240	_9414811898765871740905
	HERMAN CLIFFORD WALKER III	PO BOX 8508	MIDLAND	ΤX	79708	_9414811898765871740998
BANK OF AMERICA NA TRUSTEE	J F NEAL REVOCABLE TRUST	1311 DOEPP DRIVE	CARLSBAD	NM	88220	9414811898765871740981
	JAVELINA PARTNERS	616 TEXAS STREET	FORT WORTH	ΤX	76102	9414811898765871740936
FIRST NATL BK SANTA FE TRUSTEE	JAY R NUNNALLY	3553 GREEN MEADOWS DR	GLEN ROSE	TX	76043	
CURTIS A & EDNA I ANDERSON TTEES	JEANETTE PROBANDT TRUST	2501 TAMARIND DR	MIDLAND	TX	79705	9414811898765871740615
EILEEN M GROOMS TRUSTEE	JENNIFER TURNEY	6458 KIRKWOOD RD	FORT WORTH	TX	76116	9414811898765871740660
	JM MINERAL & LAND CO INC	P O BOX 1015	MIDLAND	ТΧ	79702	9414811898765871740622
	JOSEPH E AND JUDITH N HANTTULA	3996 MARBLE HILLS RD	FRISCO	TX	75034	
	JOSEPHINE T HUDSON TEST TR	PO BOX 1600	SAN ANTONIO	TX	78296	9414811898765871740691
	JUDITH K MARTIN	25 LAKES DRIVE	MIDLAND	ТΧ	79705	9414811898765871740646
JEFFERY AND K FRANCES NEAL TTEE	LINDYS LIVING TRUST	215 W BANDERA RD STE 114-620	BOERNE	ТΧ	78006	9414811898765871740684
	MAGNOLIA ROYALTY COMPANY INC	P O BOX 10703	MIDLAND	ТΧ	79702	9414811898765871740639
	MANIX ROYALTY LTD	PO BOX 2818	MIDLAND	TX	79701	
JEFFREY W PROBANDT TRUSTEE	MCM PERMIAN LLC	3811 TURTLE CREEK BLVD SUITE 1100	DALLAS	TX	75219	9414811898765871740158
	MCMULLEN MINERALS LLC	PO BOX 470857	FORT WORTH	TX	76147	9414811898765871740127
A TEXAS CORPORATION	MERPEL LLC	3100 MONTICELLO AVE STE 500	DALLAS	ΤX	75205	9414811898765871740103
JOSEPH & JUDITH JUDY HANTTULA CO TTEES	MLE LLC	P O BOX 1683	SANTA FE	NM	87504	9414811898765871740141
FROST BANK TRUSTEE	NESTEGG ENERGY CORPORATION	2308 SIERRA VISTA RD	ARTESIA	NM	88210	9414811898765871740134
	NILO OPERATING COMPANY	1111 BAGBY SKY LOBBY 2	HOUSTON	TX	77002	9414811898765871740318
FRANCIS H HUDSON - TRUSTEE	PARDUE LIMITED COMPANY	P O BOX 2018	CARLSBAD	NM	88221	9414811898765871740363
	PEGASUS RESOURCES II LLC	PO BOX 470698	FORT WORTH	TX	76147	_9414811898765871740325
	PEGASUS RESOURCES LLC	PO BOX 733980	DALLAS	TX	75373	_9414811898765871740394
WILLIAM MALLOY	REALEZA DEL SPEAR LP	P O BOX 1684	MIDLAND	TX	79702	_9414811898765871740332
	ROBERT N ENFIELD REV TRUST	P O BOX 40909	AUSTIN	TX	78704	_9414811898765871740011
	ROY G BARTON III	1919 N TURNER ST	HOBBS	NM	88240	_9414811898765871740066
	RUTTER & WILBANKS CORPORATION	PO BOX 3186	MIDLAND	ΤX	79701	_9414811898765871740004
	SAC INVESTMENTS I LP	215 HART COURT	RUNAWAY BAY	ΤX	76426	_9414811898765871740042
	STRUDEL ROYALTIES LLC	616 TEXAS STREET	FORT WORTH	ТΧ	76102	9414811898765871740035
	TD MINERALS LLC	8111 WESTCHESTER DR STE 900	DALLAS	ТΧ	75225	9414811898765871740417
	THOMAS D & BARBARA E COFFMAN	P O BOX 1966	AUSTIN	TX	78767	9414811898765871740424
	TUMBLER OPERATING PARTNERS LLC	3811 TURTLE CREEK BLVD SUITE 1100	DALLAS	TX	75219	9414811898765871740448
	ZORRO PARTNERS	616 TEXAS STREET	FORT WORTH	ТΧ	76102	9414811898765871740479

From:	McClure, Dean, EMNRD on behalf of Engineer, OCD, EMNRD
To:	Janacek, Stephen C; Reeves, Leslie T
Cc:	McClure, Dean, EMNRD; Wrinkle, Justin, EMNRD; Powell, Brandon, EMNRD; lisa@rwbyram.com; Paradis, Kyle O; Walls, Christopher
Subject:	Approved Administrative Order DHC-5222
Date:	Friday, January 20, 2023 3:33:18 PM
Attachments:	DHC5222 Order.pdf

NMOCD has issued Administrative Order DHC-5222 which authorizes Oxy USA, Inc. (16696) to downhole commingle production within the following well:

Well Name: Oxbow CC 17 8 Federal Com #36H Well API: 30-015-45088

The administrative order is attached to this email and can also be found online at OCD Imaging.

Please review the content of the order to ensure you are familiar with the authorities granted and any conditions of approval. If you have any questions regarding this matter, please contact me.

Dean McClure Petroleum Engineer, Oil Conservation Division New Mexico Energy, Minerals and Natural Resources Department (505) 469-8211

STATE OF NEW MEXICO ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT OIL CONSERVATION DIVISION

APPLICATION FOR DOWNHOLE COMMINGLING SUBMITTED BY OXY USA, INC.

ORDER NO. DHC-5222

<u>ORDER</u>

The Director of the New Mexico Oil Conservation Division ("OCD"), having considered the application and the recommendation of the Engineering Bureau, issues the following Order.

FINDINGS OF FACT

- 1. Oxy USA, Inc. ("Applicant") submitted a complete application ("Application") to downhole commingle the pools described in Exhibit A ("the Pools") within the well bore of the well identified in Exhibit A ("the Well").
- 2. Applicant proposed a method to allocate the oil and gas production from the Well to each of the Pools that is satisfactory to the OCD and protective of correlative rights.
- 3. The Well has or is proposed to have multiple laterals, and Applicant has proposed a procedure to prevent cross flow between the laterals.
- 4. Applicant has certified that all produced fluids from all the Pools are compatible with each other.
- 5. Applicant has certified that downhole commingling the Pools will not decrease the value of the oil and gas production.
- 6. To the extent that ownership is identical, Applicant submitted a certification by a licensed attorney or qualified petroleum landman that ownership in the Pools is identical as defined by 19.15.12.7(B) NMAC.
- 7. To the extent that ownership is diverse, Applicant identified all owners of interest in the Pools, provided evidence a copy of the Application was given to each person, and those persons either submitted a written waiver or did not file an objection to the Application.
- 8. Applicant provided notice of the Application to the Bureau of Land Management ("BLM") or New Mexico State Land Office ("NMSLO"), as applicable.

CONCLUSIONS OF LAW

- 9. OCD has jurisdiction to issue this Order pursuant to the Oil and Gas Act, NMSA 1978, Sections 70-2-6, 70-2-11, 70-2-12, 70-2-16, 70-2-17, and 19.15.12 NMAC.
- 10. The downhole commingling of the Pools is common, or Applicant has provided evidence that the fluids are compatible and will not damage the Pools in accordance with 19.15.12.11(A)(1) NMAC.

Order No. DHC-5222

- 11. The bottom perforation of the lower zone is within one hundred fifty percent (150%) of the depth of the top perforation in the upper zone or Applicant has provided evidence that the proposed commingling of the Pools shall not result in shut-in or flowing well bore pressure in excess of the commingled pool's fracture parting pressure in accordance with 19.15.12.11(A)(3) NMAC.
- 12. Applicant's proposed method of allocation, as modified herein, complies with 19.15.12.11(A)(8) NMAC.
- 13. To the extent that ownership is diverse, Applicant identified all owners of interest in the Pools and provided evidence the application was given to those persons in accordance with 19.15.12.11(C)(1)(b) NMAC.
- 14. By granting the Application with the conditions specified below, this Order prevents waste and protects correlative rights, public health, and the environment.

<u>ORDER</u>

- 1. Applicant is authorized to downhole commingle the Pools described in Exhibit A within the well bore of the well identified in Exhibit A.
- 2. Each lateral shall remain segregated until all stimulations are completed, the flowback period is concluded, and its bottomhole conditions reach an equilibrium with the bottomhole conditions of the other lateral(s) to be commingled. Prior to commingling the lateral with other lateral(s), Applicant shall submit a notice of intent to commingle the lateral upon Form C-103 to the OCD Engineering Bureau. The Form C-103 shall include Applicant's confirmation that, for the laterals to be commingled, all stimulations have been completed, the flowback period has concluded, and the bottomhole conditions have reached an equilibrium. Upon OCD's request, Applicant shall submit supplemental data sufficient to demonstrate its confirmation.

If the bottomhole conditions change such that crossflow of fluid occurs between laterals, Applicant shall take all necessary steps and actions to segregate the laterals and within fortyeight (48) hours notify the OCD Engineering Bureau. The lateral shall remain segregated until OCD grants approval to commingle it.

- 3. Applicant shall allocate a fixed percentage of the oil and gas production from the Well to each of the Pools as described in Exhibit A.
- 4. If an alteration is made to the Well or a condition within the Well changes which may cause the allocation of production to the Pools as approved within this Order to become inaccurate, then no later than sixty (60) days after that event, Applicant shall submit Form C-103 to the OCD Engineering Bureau describing the event and include a revised allocation plan. If OCD denies the revised allocation plan, this Order shall terminate on the date of such action.
- 5. If any of the pools being commingled is prorated, or the Well's production has been restricted by an OCD order in any manner, the allocated production from each producing pool in the

commingled well bore shall not exceed the top oil or gas allowable rate for a well in that pool or rate restriction applicable to the well.

- 6. If the Well is deepened, then no later than forty-five (45) days after the Well is deepened, Applicant shall conduct and provide logs to OCD that are sufficient for OCD to determine which pool(s) each new completed interval of the Well will produce from.
- 7. If the downhole commingling of the Pools reduces the value of the oil and gas production to less than if it had remained segregated, no later than sixty (60) days after the decrease in value has occurred Applicant shall submit a new downhole commingling application to OCD to amend this Order to remove the pool that caused the decrease in value. If Applicant fails to submit a new application, this Order shall terminate on the following day, and if OCD denies the application, this Order shall terminate on the date of such action.
- 8. If a completed interval of the Well is altered from what is submitted within the Application as identified in Exhibit A, then no later than sixty (60) days after the alteration, Applicant shall submit Form C-103 to the OCD Engineering Bureau detailing the alteration and completed interval.
- 9. If OCD determines that Applicant has failed to comply with any provision of this Order, OCD may take any action authorized by the Oil and Gas Act or the New Mexico Administrative Code (NMAC).
- 10. OCD retains jurisdiction of this matter and reserves the right to modify or revoke this Order as it deems necessary.

STATE OF NEW MEXICO OIL CONSERVATION DIVISION

DATE: 1/20/23

DYLAN M. FUGE DIRECTOR (ACTING)

State of New Mexico Energy, Minerals and Natural Resources Department

Exhibit A

	Order: DHC-5222		
	Operator: Oxy USA, Inc. (2	16696)	
	Well Name: Oxbow CC 17 8	Federal Com #36H	
	Well API: 30-015-45088		
	Pool Name: PIERCE CROSSII	NG; BONE SPRING	
Lateral 1	Pool ID: 50371	Current:	New: X
	Allocation: Fixed Percent	Oil: 33.7%	Gas: 40.7%
	Interval: Perforations	Top: 7,736	Bottom: 13,010
	Pool Name: PIERCE CROSSII	NG; BONE SPRING, EAST	
Lateral 1	Pool ID: 96473	Current:	New: X
	Allocation: Fixed Percent	Oil: 16.9%	Gas: 20.4%
	Interval: Perforations	Top: 13,010	Bottom: 15,650
	Pool Name: CEDAR CANYO	N; BONE SPRING	
Lateral 1	Pool ID: 11520	Current:	New: X
	Allocation: Fixed Percent	Oil: 16.4%	Gas: 19.8%
	Interval: Perforations	Top: 15,650	Bottom: 18,221
	Pool Name: PURPLE SAGE;	WOLFCAMP (GAS)	
Lateral 2	Pool ID: 98220	Current: X	New:
	Allocation: Fixed Percent	Oil: 33.0%	Gas: 19.0%
	Interval: Perforations	Top: 10,199	Bottom: 20,415

District I 1625 N. French Dr., Hobbs, NM 88240 Phone:(575) 393-6161 Fax:(575) 393-0720 District II

811 S. First St., Artesia, NM 88210 Phone:(575) 748-1283 Fax:(575) 748-9720

District III

1000 Rio Brazos Rd., Aztec, NM 87410 Phone:(505) 334-6178 Fax:(505) 334-6170

District IV 1220 S. St Francis Dr., Santa Fe, NM 87505 Phone: (505) 476-3470 Fax: (505) 476-3462

State of New Mexico Energy, Minerals and Natural Resources Oil Conservation Division 1220 S. St Francis Dr. Santa Fe, NM 87505

CONDITIONS

Operator:	OGRID:
OXY USA INC	16696
P.O. Box 4294	Action Number:
Houston, TX 772104294	137879
	Action Type:
	[C-107] Down Hole Commingle (C-107A)

C	٥N	ID	TI	٥N	۱S

Created By	Condition	Condition Date
dmcclure	Please review the content of the order to ensure you are familiar with the authorities granted and any conditions of approval. If you have any questions regarding this matter, please contact me.	1/20/2023

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