

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

Form C-101
August 1, 2011
Permit 187026

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE

1. Operator Name and Address OXY USA INC PO Box 4294 Houston, TX 77210		2. OGRID Number 16696
4. Property Code 304938		3. API Number 30-025-41885
5. Property Name RED TANK 31 STATE		6. Well No. 005H

7. Surface Location

UL - Lot	A	Section	31	Township	22S	Range	33E	Lot Idn	Feet From	660	N/S Line	N	Feet From	150	E/W Line	E	County	Lea
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8. Proposed Bottom Hole Location

UL - Lot	D	Section	31	Township	22S	Range	33E	Lot Idn	1	Feet From	660	N/S Line	N	Feet From	180	E/W Line	W	County	Lea
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9. Pool Information

RED TANK;BONE SPRING, EAST	51687
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Additional Well Information

11. Work Type New Well	12. Well Type OIL	13. Cable/Rotary	14. Lease Type State	15. Ground Level Elevation 3717
16. Multiple N	17. Proposed Depth 15486	18. Formation 2nd Bone Spring Sand	19. Contractor	20. Spud Date 8/1/2014
Depth to Ground water		Distance from nearest fresh water well		Distance to nearest surface water

☒ We will be using a closed-loop system in lieu of lined pits

21. Proposed Casing and Cement Program

Type	Hole Size	Casing Size	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
Surf	14.75	11.75	47	1200	720	0
Int1	10.625	8.625	32	4920	1150	0
Prod	7.875	5.5	17	15486	1415	3920

Casing/Cement Program: Additional Comments

Proposed Mud Program: 0-1200' Fresh Water/Spud Mud - 1200-4920' Fresh Water/NaCl Brine - 4920-12250' Cut Brine/Sweeps (Pilot Hole) - 10235-15486' Cut Brine/Sweeps. BOP Program: 13-5/8" 10M three Ram stack w/ 5M annular, 5M choke manifold. Additional information will be sent with the H2S Plan
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22. Proposed Blowout Prevention Program

Type	Working Pressure	Test Pressure	Manufacturer
Double Ram	10000	10000	
Annular	5000	5000	

23. I hereby certify that the information given above is true and complete to the best of my knowledge and belief. I further certify I have complied with 19.15.14.9 (A) NMAC ☒ and/or 19.15.14.9 (B) NMAC ☒ , if applicable. Signature:	OIL CONSERVATION DIVISION
Printed Name: Electronically filed by Keith Barton	Approved By: Paul Kautz
Title: Regulatory Team Leader	Title: Geologist
Email Address: keith_barton@oxy.com	Approved Date: 6/3/2014 Expiration Date: 6/3/2016
Date: 6/2/2014 Phone: 713-350-4959	Conditions of Approval Attached

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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

API Number 30-025-	Pool Code 51687	Pool Name Red Tank Bone Springs, East
Property Code	Property Name RED TANK "31" STATE	Well Number 5H
OGRID No. 16696	Operator Name OXY USA INC.	Elevation 3716.5'

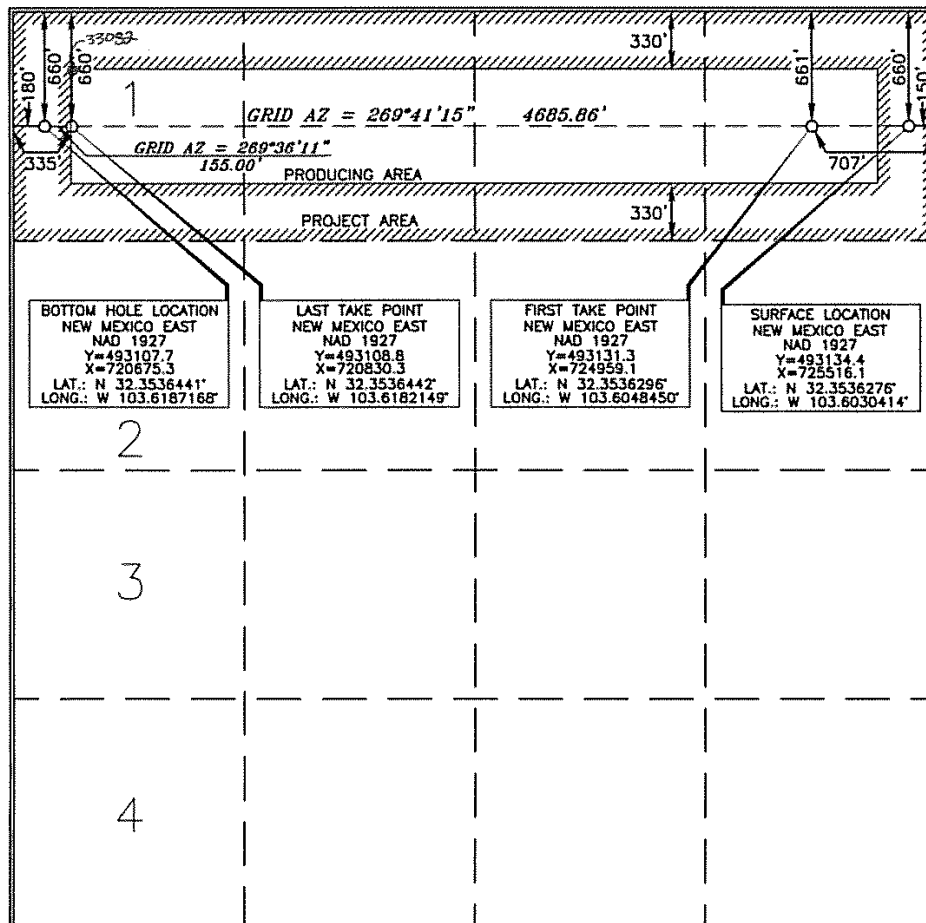
Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
A	31	22 SOUTH	33 EAST, N.M.P.M.		660'	NORTH	150'	EAST	LEA

Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
1	31	22 SOUTH	33 EAST, N.M.P.M.		660'	NORTH	180'	WEST	LEA
Dedicated Acres 160	Joint or Infill N	Consolidation Code	Order No.						

No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.



OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

Signature *[Signature]* Date **6/2/14**
Printed Name **David Stewart Sr. Reg. A.D.O.**
E-mail Address **David.Stewart@oxy.com**

SURVEYOR CERTIFICATION

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

Date of Survey **APRIL 30, 2014**
Signature and Seal of Professional Surveyor *[Signature]*
Certificate Number **15079**

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Form APD Comments

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

Permit 187026

PERMIT COMMENTS

Operator Name and Address: OXY USA INC [16696] PO Box 4294 Houston, TX 77210		API Number: 30-025-41885
		Well: RED TANK 31 STATE #005H

Created By	Comment	Comment Date
STEWARTD	Top Producing Interval-661 FNL 707 FEL (A) 31-22S-33E Lat:32.3536296 Long:103.6048450 - Bottom Producing Interval-660 FNL 335 FWL (1) 31-22S-33E Lat:32.3536442 Long:103.6182149. A pilot hole will be drilled to +/- 12250' (Wolfcamp), logged and plugged back to +/- 9900' w/ 980sx cmt. The horizontal lateral will be drilled to 2nd Bone Springs to 10952'V 15486'M. A closed loop system will be utilized consisting of above ground steel tanks and haul-off bins. Disposal of liquids, drilling fluids and cutting will be disposed of at an approved facility.	6/2/2014

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Form APD Conditions

Permit 187026

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

PERMIT CONDITIONS OF APPROVAL

Operator Name and Address: OXY USA INC [16696] PO Box 4294 Houston, TX 77210	API Number: 30-025-41885
	Well: RED TANK 31 STATE #005H

OCD Reviewer	Condition
pkautz	Will require a directional survey with the C-104
pkautz	Once the well is spud, to prevent ground water contamination through whole or partial conduits from the surface, the operator shall drill without interruption through the fresh water zone or zones and shall immediately set in cement the water protection string
pkautz	If using a pit for drilling and completion operations, must have an approved pit from prior to spudding the well.
pkautz	1) SURFACE & INTERMEDIATE CASING - Cement must circulate to surface -- 2) PRODUCTION CASING - Cement must tie back into intermediate casing --
pkautz	Surface casing must be set 25' below top of Rustler Anhydrite in order to seal off protectable water