

District I
1625 N. French Dr., Hobbs, NM 88240
Phone:(575) 393-8161 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) 334-8178 Fax:(505) 334-8170
District IV
1220 S. St Francis Dr., Santa Fe, NM 87505
Phone:(505) 476-3470 Fax:(505) 476-3482

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 223021

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
		3. API Number 30-015-43843
4. Property Code 39668	5. Property Name CEDAR CANYON 16 STATE	6. Well No. 034H

7. Surface Location

UL - Lot A	Section 16	Township 24S	Range 29E	Lot Idn A	Feet From 402	N/S Line N	Feet From 1083	E/W Line E	County Eddy
---------------	---------------	-----------------	--------------	--------------	------------------	---------------	-------------------	---------------	----------------

8. Proposed Bottom Hole Location

UL - Lot P	Section 16	Township 24S	Range 29E	Lot Idn P	Feet From 180	N/S Line S	Feet From 380	E/W Line E	County Eddy
---------------	---------------	-----------------	--------------	--------------	------------------	---------------	------------------	---------------	----------------

9. Pool Information

PIERCE CROSSING; BONE SPRING, EAST	96473
------------------------------------	-------

Additional Well Information

11. Work Type New Well	12. Well Type OIL	13. Cable/Rotary	14. Lease Type State	15. Ground Level Elevation 2927
16. Multiple N	17. Proposed Depth 14838	18. Formation 3rd Bone Spring Sand	19. Contractor	20. Spud Date 3/30/2017
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	10.75	40.5	400	265	0
Prod	9.875	7.625	29.7	9330	1866	0
Liner1	6.75	5.5	20	14838	334	9230

Casing/Cement Program: Additional Comments

Proposed Casing/Cementing Program: Production 1 – Contingency DVT/ECP @ +/- 2963'. If cement circulates to surface during primary cementing operation, DVT cancellation cone will be run and 2nd stage cancelled. Proposed Mud Program: 0-400' EnerSeal (MMH) - 400-2963' Brine - 2963-9330' EnerSeal (MMH) - 9330'-TD Oil Based Mud. BOP Program: 13-5/8" 5M three ram stack w/ 5M annular preventer, 5M choke manifold. Additional information will be sent along with the H2S and Gas Capture plan.

22. Proposed Blowout Prevention Program

Type	Working Pressure	Test Pressure	Manufacturer
Double Ram	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: _____ Printed Name: Electronically filed by KELLEY MONTGOMERY Title: Manager Regulatory Email Address: kelley_montgomery@oxy.com Date: 6/29/2016	OIL CONSERVATION DIVISION Approved By: Paul Kautz Title: Geologist Approved Date: 7/1/2016 Expiration Date: 7/1/2018 Conditions of Approval Attached
--	---

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 Road, Aztec, NM 87410
Phone: (505) 334-6178 Fax: (505) 334-6170
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505
Phone: (505) 476-3460 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

API Number 30-015-	Pool Code 96473	Pool Name Pierce Crossing; Bone Spring, East
Property Code 39668	Property Name CEDAR CANYON "16" STATE	
OGRID No. 16696	Operator Name OXY USA INC.	Well Number 34H
		Elevation 2927.3'

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	16	24 SOUTH	29 EAST, N.M.P.M.		402'	NORTH	1083'	EAST	EDDY

Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
P	16	24 SOUTH	29 EAST, N.M.P.M.		180'	SOUTH	380'	EAST	EDDY
Dedicated Acres 160	Joint or Infill Y	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.

SURFACE LOCATION NEW MEXICO EAST NAD 1927 Y=445258.92 US FT X=608047.88 US FT LAT.: N 32.2236509° LONG.: W 103.9839360° GRID AZ = 63°03'29" 785.91' KICK OFF POINT NEW MEXICO EAST NAD 1927 Y=445614.99 US FT X=608748.49 US FT LAT.: N 32.2246235° LONG.: W 103.9816667° TOP PERF. NEW MEXICO EAST NAD 1927 Y=445325.01 US FT X=608750.44 US FT LAT.: N 32.2238263° LONG.: W 103.9816634° BOTTOM PERF. NEW MEXICO EAST NAD 1927 Y=440694.35 US FT X=608781.60 US FT LAT.: N 32.2110966° LONG.: W 103.9816117° BOTTOM HOLE LOCATION NEW MEXICO EAST NAD 1927 Y=440534.35 US FT X=608782.67 US FT LAT.: N 32.2106568° LONG.: W 103.9816099°	50' 102' 340' 380' 1083' 330' 330' 5080.86' IN ALL GRID AZ = 179°36'47" 180'	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 hereafter entered by the division. <i>David Stewart</i> 6/29/16 Signature Date David Stewart Sr. Reg. Adv. Printed Name david.stewart@oxy.com E-mail Address SURVEYOR CERTIFICATION I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief. APRIL 19, 2016 Date of Survey <i>Tem J. Paul</i> 5/23/2016 Signature and Seal of Professional Surveyor Certificate Number 15079 WO# 160419WL-b (XA)
---	--	--

District I
1625 N. French Dr., Hobbs, NM 88240
Phone:(575) 393-8161 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) 334-8178 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 APD Comments

Permit 223021

PERMIT COMMENTS

Operator Name and Address: OXY USA INC [16696] PO Box 4294 Houston, TX 77210		API Number: 30-015-43843
		Well: CEDAR CANYON 16 STATE #034H

Created By	Comment	Comment Date
stewartd	Top Perforated Interval: 340 FNL 380 FEL A 16-24S-29E - Lat: 32.2238263 Long: 103.9816634 Bottom Perforated Interval: 340 FSL 380 FEL P 16-24S-29E - Lat: 32.2110966 Long: 103.9816117 A closed loop system will be utilized consisting of above ground steel tanks and haul-off bins. Disposal of liquids, drilling fluids and cuttings will be disposed of at an approved facility.	6/28/2016
stewartd	The following wells are in the Corral Draw/East Pierce Crossing Bone Spring Pools. 1. Cedar Canyon 16 State #2H - 30-015-41024 - TVD 8626' - Units P-O-N-M - 2nd Bone Spring 2. Cedar Canyon 16 State #6H - 30-015-41595 - TVD 8620' - Units I-J-K-L - 2nd Bone Spring 3. Cedar Canyon 16 State #7H - 30-015-41251 - TVD 8644' - Units H-G-F-E - 2nd Bone Spring 4. Cedar Canyon 16 State #8H - 30-015-41596 - TVD 8618' - Units A-B-C-D - 2nd Bone Spring 5. Cedar Canyon 16 State #12H - 30-015-42683 - TVD 8624' - Units P-O-N-M - 2nd Bone Spring 6. H. Buck State #3 - 30-015-33820 - TVD 7675' - Units A-B-C - 1st	6/29/2016
stewartd	Bone Spring 7. H. Buck State #4H - 30-015-34444 - TVD 7689' - Units H-G-F - 1st Bone Spring 8. H. Buck State #5 - 30-015-335042 - TVD 7630' - Units I-J-K - 1st Bone Spring 9. H. Buck State #10 - 30-015-34695 - TVD 7692' - Units P-O-N-M - 1st Bone Spring	6/29/2016

District I
1625 N. French Dr., Hobbs, NM 88240
Phone:(575) 393-8161 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 APD Conditions

Permit 223021

PERMIT CONDITIONS OF APPROVAL

Operator Name and Address: OXY USA INC [16696] PO Box 4294 Houston, TX 77210	API Number: 30-015-43843
	Well: CEDAR CANYON 16 STATE #034H

OCD Reviewer	Condition
kjones	Will require a directional survey with the C-104
kjones	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
kjones	Cement is required to circulate on both surface and production strings of casing
kjones	If cement fails to circulate, a temperature survey must be performed.