

| | | | |
|---------------------------|----------------------|------------------|-------------------------------|
| RECEIVED: <u>11/13/17</u> | REVIEWER: <u>LRL</u> | TYPE: <u>NSL</u> | APP NO: <u>PLEL1731856186</u> |
|---------------------------|----------------------|------------------|-------------------------------|

ABOVE THIS TABLE FOR OCD DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION
 - Geological & Engineering Bureau -
 1220 South St. Francis Drive, Santa Fe, NM 87505



ADMINISTRATIVE APPLICATION CHECKLIST

THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

Applicant: OXY USA Inc. **OGRID Number:** 16696
Well Name: Corral Fly 02-01 State #25H **API:** 30-015-
Pool: Pierce Crossing; Bone Spring, East **Pool Code:** 96473

SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED BELOW

- 1) **TYPE OF APPLICATION:** Check those which apply for [A]
 A. Location – Spacing Unit – Simultaneous Dedication
 NSL NSP (PROJECT AREA) NSP (PRORATION UNIT) SD
- B. Check one only for [I] or [II]
 [I] Commingling – Storage – Measurement
 DHC CTB PLC PC OLS OLM
 [II] Injection – Disposal – Pressure Increase – Enhanced Oil Recovery
 WFX PMX SWD IPI EOR PPR

| FOR OCD ONLY | |
|--------------------------|------------------------------|
| <input type="checkbox"/> | Notice Complete |
| <input type="checkbox"/> | Application Content Complete |

- 2) **NOTIFICATION REQUIRED TO:** Check those which apply.
 A. Offset operators or lease holders or working interest owners
 B. Royalty, overriding royalty owners, revenue owners
 C. Application requires published notice
 D. Notification and/or concurrent approval by SLO
 E. Notification and/or concurrent approval by BLM
 F. Surface owner
 G. For all of the above, proof of notification or publication is attached, and/or,
 H. No notice required

3) **CERTIFICATION:** I hereby certify that the information submitted with this application for administrative approval is **accurate** and **complete** to the best of my knowledge. I also understand that **no action** will be taken on this application until the required information and notifications are submitted to the Division.

Note: Statement must be completed by an individual with managerial and/or supervisory capacity.

Sarah Mitchell _____

Print or Type Name

Sarah Mitchell

Signature

11/7/2017

_____ Date

432-699-4318

_____ Phone Number

sarah_mitchell@oxy.com

_____ e-mail Address



OXY USA Inc

PO Box 50250
Midland, TX 79710-0250

November 7, 2017

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

Attention: Leonard Lowe

Re: *Application for Administrative Approval of Non-Standard Location –
Corral Fly 02-01 State Com #25H – Cotton Draw; Bone Spring
Surface – 1240 FSL 420 FWL Unit M Sec 2 T25S R29E
Top Perforation – 1381 FSL 340 FWL Unit L Sec 2 T25S R29E
Bottom Perforation – 1381 FSL 340 FEL Unit I Sec 1 T25S R29E
Bottom Hole –1380 FSL 180 FEL Unit I Sec 1 T25S R29E
Eddy County, New Mexico*

Dear Mr. Lowe:

OXY USA Inc. respectfully requests administrative approval of a non-standard location on the Corral Fly 02-01 State Com #25H well, API Number-30-015-Pending, Property Code Pending. The #25H well is proposed to be completed in the Pierce Crossing; Bone Spring East pool, Pool Code 96473. This will be a horizontal well in a pool with no special rules for setback, so the setback requirements under Rule 19.15.15.9 (A) and 19.15.16.15 (B) would apply. The proposed producing interval is outside of the proposed Producing Area but within the proposed Project Area and will be drilled as follows:

Surface – 1240 FSL 420 FWL Unit M Sec 2 T25S R29E
Top Perforation – 1381 FSL 340 FWL Unit L Sec 2 T25S R29E
Bottom Perforation – 1381 FSL 340 FEL Unit I Sec 1 T25S R29E
Bottom Hole –1380 FSL 180 FEL Unit I Sec 1 T25S R29E

The adjoining spacing units towards which the unorthodox location encroaches are located in T25S R29E, Section 3- Unit P, Section 2–Units M, N, O, P, Section 1- Units M, N, O, P and T25S-R30E Section 2- Unit M

Approval of the unorthodox producing interval will allow for efficient spacing of horizontal wells and thereby prevent waste.

To support this request, the following information has been submitted for your review:

1. Application for Permit to Drill.
2. C-102 Plat for the proposed well and additional plats with offsetting well and affected spacing units.
3. List of affected offset parties that adjoin the non-standard, copies of the signed certified return receipts will be furnished upon request.
4. Proposed Directional Survey
5. Statement from Oxy Production Engineer

If you need any additional information, please call me at 432-699-4318.

Sincerely,

Sarah Mitchell
Regulatory Specialist
OXY USA Inc.

Attachments

CC: NMOCD-Artesia, BLM-Carlsbad, Service List



OXY USA Inc.

PO Box 50250
Midland, TX 79710-0250

September 11, 2017

CERTIFIED MAIL – RETURN RECEIPT REQUESTED

Re: ***Application for Administrative Approval of Non-Standard Location –
Corral Fly 02-01 State Com #25H – Cotton Draw; Bone Spring
Surface – 1240 FSL 420 FWL Unit M Sec 2 T25S R29E
Top Perforation – 1381 FSL 340 FWL Unit L Sec 2 T25S R29E
Bottom Perforation – 1381 FSL 340 FEL Unit I Sec 1 T25S R29E
Bottom Hole – 1380 FSL 180 FEL Unit I Sec 1 T25S R29E
Eddy County, New Mexico***

Ladies and Gentlemen:

Enclosed is a copy of an application, filed with the New Mexico Oil Conservation Division by OXY USA Inc., requesting administrative approval for a non-standard location. As an affected party, notice is being provided to you pursuant to Rule 19.15.15.9 (A) and 19.15.16.15 (B). The well is located as follows:

Surface – 1240 FSL 420 FWL Unit M Sec 2 T25S R29E
Top Perforation – 1381 FSL 340 FWL Unit L Sec 2 T25S R29E
Bottom Perforation – 1381 FSL 340 FEL Unit I Sec 1 T25S R29E
Bottom Hole – 1380 FSL 180 FEL Unit I Sec 1 T25S R29E
Eddy County, New Mexico

If you object to the well's location, you must notify the Division in writing no later than 20 days from the date the application is received by the NMOCD (1220 South St. Francis Drive, Santa Fe, NM 87505; Attention: Leonard Lowe).

If you need any additional information, you can contact John Schneider, CPL at 713-366-5330 or myself at 432-699-4318.

Sincerely,


Sarah Mitchell
Regulatory Specialist
OXY USA Inc.

Attachments

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 243259

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 30-015-44512 |
| 4. Property Code 319797 | 5. Property Name CORRAL FLY 02-01 STATE | 6. Well No. 025H |

7. Surface Location

| | | | | | | | | | |
|---------------|--------------|-----------------|--------------|--------------|-------------------|---------------|------------------|---------------|----------------|
| UL - Lot M | Section 2 | Township 25S | Range 29E | Lot Idn m | Feet From 1240 | N/S Line S | Feet From 420 | E/W Line W | County Eddy |
|---------------|--------------|-----------------|--------------|--------------|-------------------|---------------|------------------|---------------|----------------|

8. Proposed Bottom Hole Location

| | | | | | | | | | |
|---------------|--------------|-----------------|--------------|--------------|-------------------|---------------|------------------|---------------|----------------|
| UL - Lot I | Section 1 | Township 25S | Range 29E | Lot Idn I | Feet From 1380 | N/S Line S | Feet From 180 | 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 3028 |
| 16. Multiple N | 17. Proposed Depth 19054 | 18. Formation 2nd Bone Spring Sand | 19. Contractor | 20. Spud Date 2/2/2018 |
| 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 | 17.5 | 13.375 | 54.5 | 405 | 357 | 0 |
| Int1 | 12.25 | 9.625 | 47 | 8244 | 3042 | 0 |
| Prod | 8.5 | 5.5 | 20 | 19054 | 1825 | 7744 |

Casing/Cement Program: Additional Comments

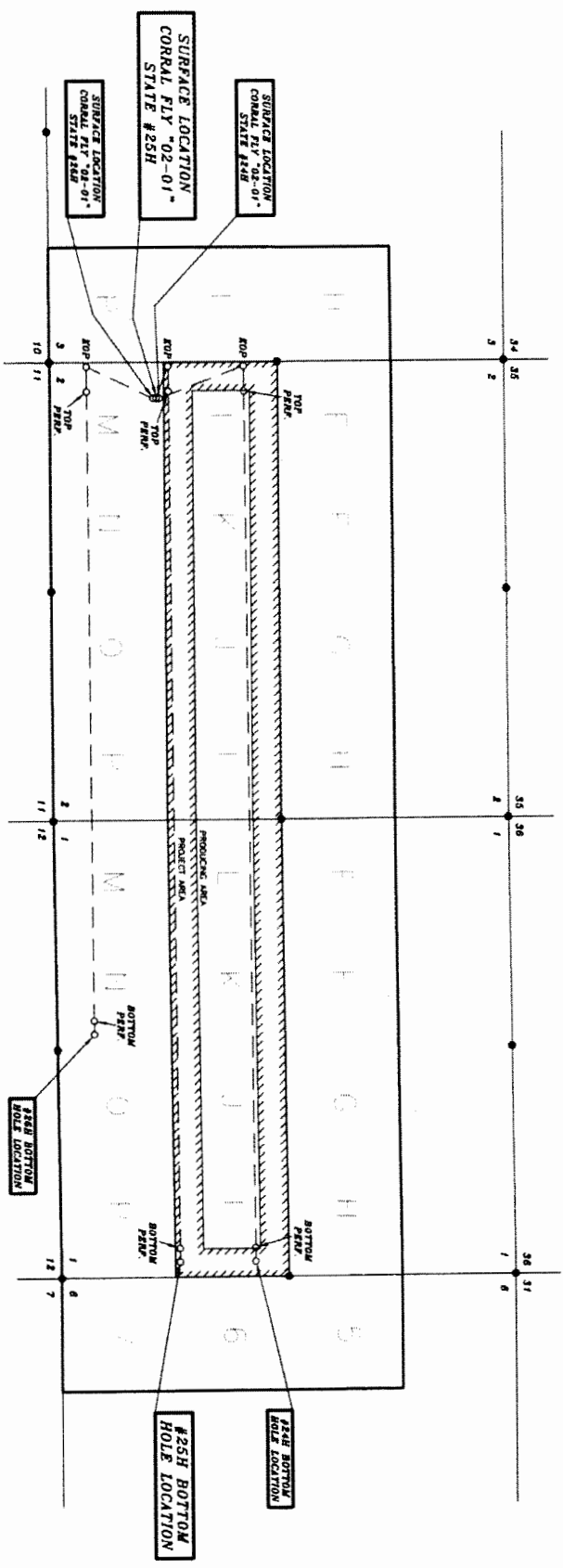
Proposed Casing/Cementing Program: Intermediate 1- Contingency DVT/ECP @ +/- 3198'. If cement circulates to surface during primary cementing operation, DVT cancellation cone will be run and 2nd stage cancelled. Proposed Intermediate Casing consisting of 9-5/8" 43.5# HCL-80 BTC @ 0-7500' followed by 9-5/8" 47# HCL-80 BTC @ 7500-8244'. Proposed Mud Program: 0-405' Water-Based Mud- 405-3198' Brine - 3198-8244' Water-Based Mud - 8244' - 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 |
|------------|------------------|---------------|--------------|
| Annular | 5000 | 5000 | |
| Double Ram | 5000 | 5000 | |

| | |
|---|---|
| <p>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 <input checked="" type="checkbox"/> and/or 19.15.14.9 (B) NMAC <input checked="" type="checkbox"/>, if applicable.</p> <p>Signature:</p> <p>Printed Name: Electronically filed by KELLEY MONTGOMERY</p> <p>Title: Manager Regulatory</p> <p>Email Address: kelley_montgomery@oxy.com</p> <p>Date: 10/26/2017</p> | <p>OIL CONSERVATION DIVISION</p> <p>Approved By: Raymond Podany</p> <p>Title: Geologist</p> <p>Approved Date: 10/27/2017</p> <p>Expiration Date: 10/27/2019</p> <p>Conditions of Approval Attached</p> |
|---|---|

OXY USA INC.
CORRAL FLY "02-01" STATE #25H
SECTIONS 1, 2 & 3, T25S, R29E AND SECTION 6, T25S, R30E,
N.M.P.M., EDDY COUNTY, NEW MEXICO



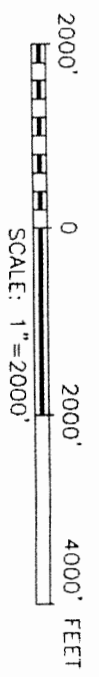
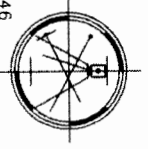
SURVEYORS CERTIFICATE

I, TERRY J. ASEL, NEW MEXICO PROFESSIONAL SURVEYOR NO. 15079, DO HEREBY CERTIFY THAT I CONDUCTED AND AM RESPONSIBLE FOR THIS SURVEY, THAT THIS SURVEY IS TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF, AND MEETS THE "MINIMUM STANDARDS FOR SURVEYING IN NEW MEXICO" AS ADOPTED BY THE NEW MEXICO STATE BOARD OF REGISTRATION FOR PROFESSIONAL ENGINEERS AND SURVEYORS.



Terry J. Asel
 Terry J. Asel, P.L.S. No. 15079

Asel Surveying
 P.O. BOX 393 - 310 W. TAYLOR
 HOBBS, NEW MEXICO - 575-393-9146



District I
1623 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

| | | | | | |
|---------------|--------------------------|-------|-----------|------------------------------------|-----------|
| 30-015- | API Number | 96473 | Pool Code | Pierce Crossing; Bone Spring, East | Pool Name |
| Property Code | Property Name | | | Well Number | |
| | CORRAL FLY "02-01" STATE | | | 25H | |
| OGRID No. | Operator Name | | | Elevation | |
| 16696 | OXY USA INC. | | | 3027.6' | |

Surface Location

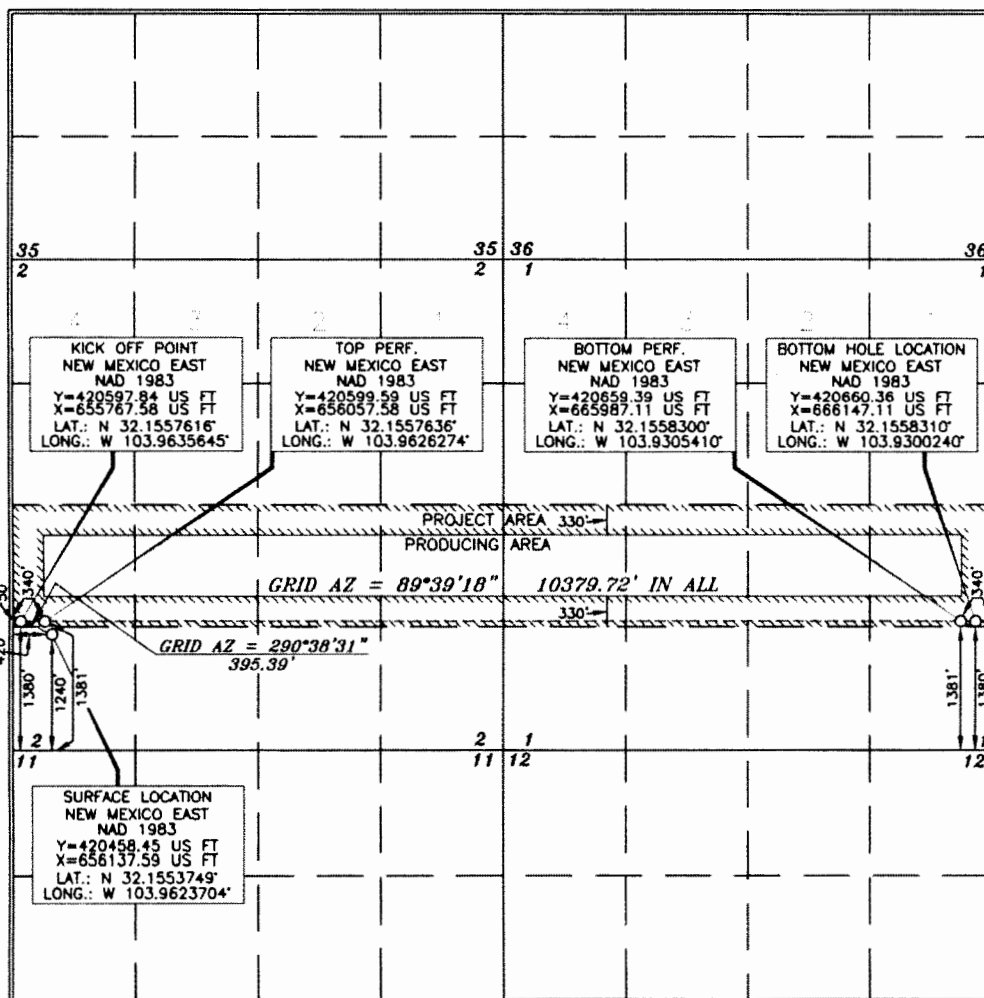
| UL or lot no. | Section | Township | Range | Lot ldn | Feet from the | North/South line | Feet from the | East/West line | County |
|---------------|---------|----------|-------------------|---------|---------------|------------------|---------------|----------------|--------|
| M | 2 | 25 SOUTH | 29 EAST, N.M.P.M. | | 1240' | SOUTH | 420' | WEST | EDDY |

Bottom Hole Location If Different From Surface

| UL or lot no. | Section | Township | Range | Lot ldn | Feet from the | North/South line | Feet from the | East/West line | County |
|---------------|---------|----------|-------------------|---------|---------------|------------------|---------------|----------------|--------|
| I | 1 | 25 SOUTH | 29 EAST, N.M.P.M. | | 1380' | SOUTH | 180' | EAST | EDDY |

| | | | |
|-----------------|-----------------|--------------------|--------------------|
| Dedicated Acres | Joint or Infill | Consolidation Code | Order No. |
| 320 | Y | | NSL will be filed. |

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.

Sarah Mitchell 10/18/2017
Signature Date
Sarah Mitchell
Printed Name
sarah_mitchell@oxy.com
E-mail Address

SURVEYOR CERTIFICATION

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

Terry J. Abel
Date of Survey
Signature and Seal of Professional Surveyor

Terry J. Abel 9/21/2017
Certificate Number 15079

District I
1625 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720
District II
811 S. First St., Aramis, 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 | Property Name CORRAL FLY "02-01" STATE | Well Number 24H |
| OGRID No. 16696 | Operator Name OXY USA INC. | Elevation 3026.4' |

Surface Location

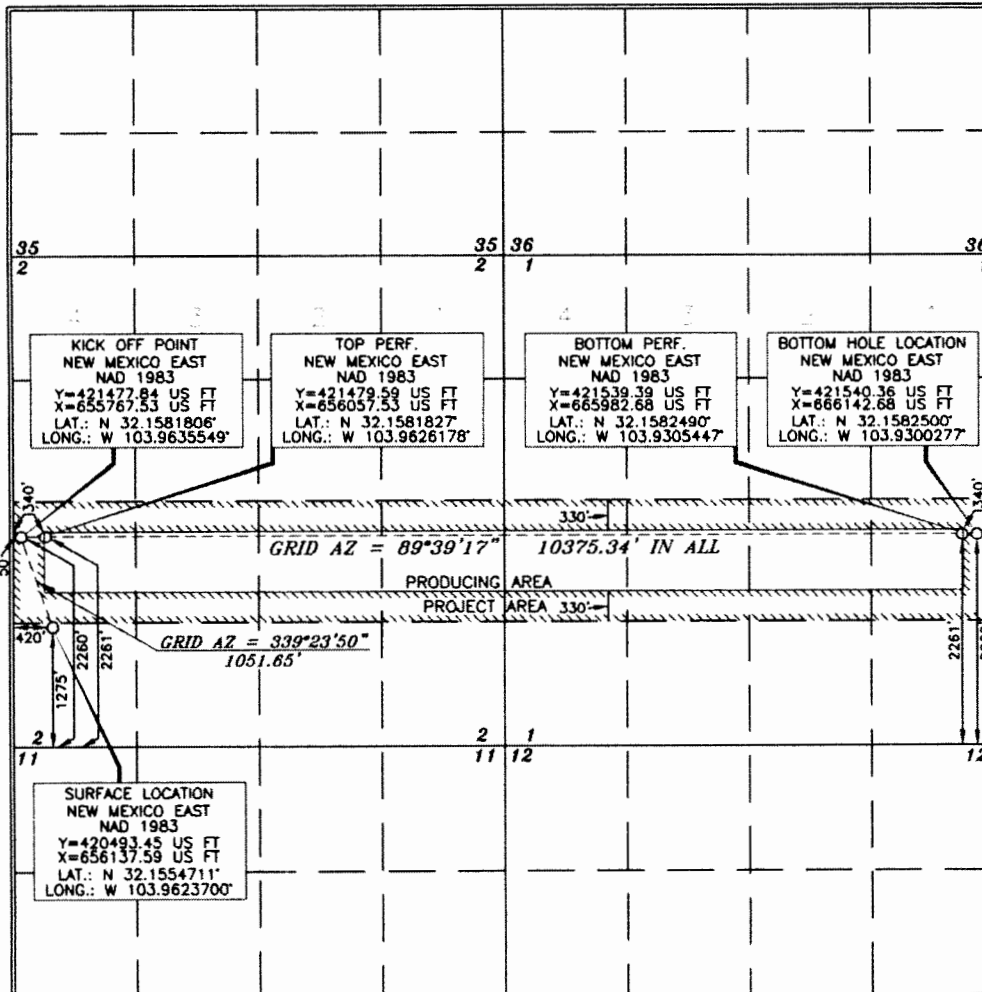
| UL or lot no. | Section | Township | Range | Lot ldn | Feet from the | North/South line | Feet from the | East/West line | County |
|---------------|---------|----------|-------------------|---------|---------------|------------------|---------------|----------------|--------|
| M | 2 | 25 SOUTH | 29 EAST, N.M.P.M. | | 1275' | SOUTH | 420' | WEST | EDDY |

Bottom Hole Location If Different From Surface

| UL or lot no. | Section | Township | Range | Lot ldn | Feet from the | North/South line | Feet from the | East/West line | County |
|---------------|---------|----------|-------------------|---------|---------------|------------------|---------------|----------------|--------|
| I | 1 | 25 SOUTH | 29 EAST, N.M.P.M. | | 2260' | SOUTH | 180' | EAST | EDDY |

| | | | |
|------------------------|----------------------|--------------------|-----------|
| Dedicated Acres 320 | 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.



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: Sarah Mitchell Date: 10/16/2017
Printed Name: Sarah Mitchell
E-mail Address: sarah_mitchell@oxy.com

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.
Date of Survey: AUGUST 18, 2017
Signature and Seal of Professional Surveyor: Tommy J. Abel 9/21/2017
Certificate Number: 15079
WO# 170818WL-a (KA)

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
1600 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

| | | | | | |
|---------|---------------|--------------------------|-----------|------------------------------------|----------------------|
| 30-015- | API Number | 96473 | Pool Code | Pierce Crossing; Bone Spring, East | Pool Name |
| | Property Code | CORRAL FLY "02-01" STATE | | | Well Number 26H |
| 16696 | OGRID No. | OXY USA INC. | | | Elevation 3029.4' |

Surface Location

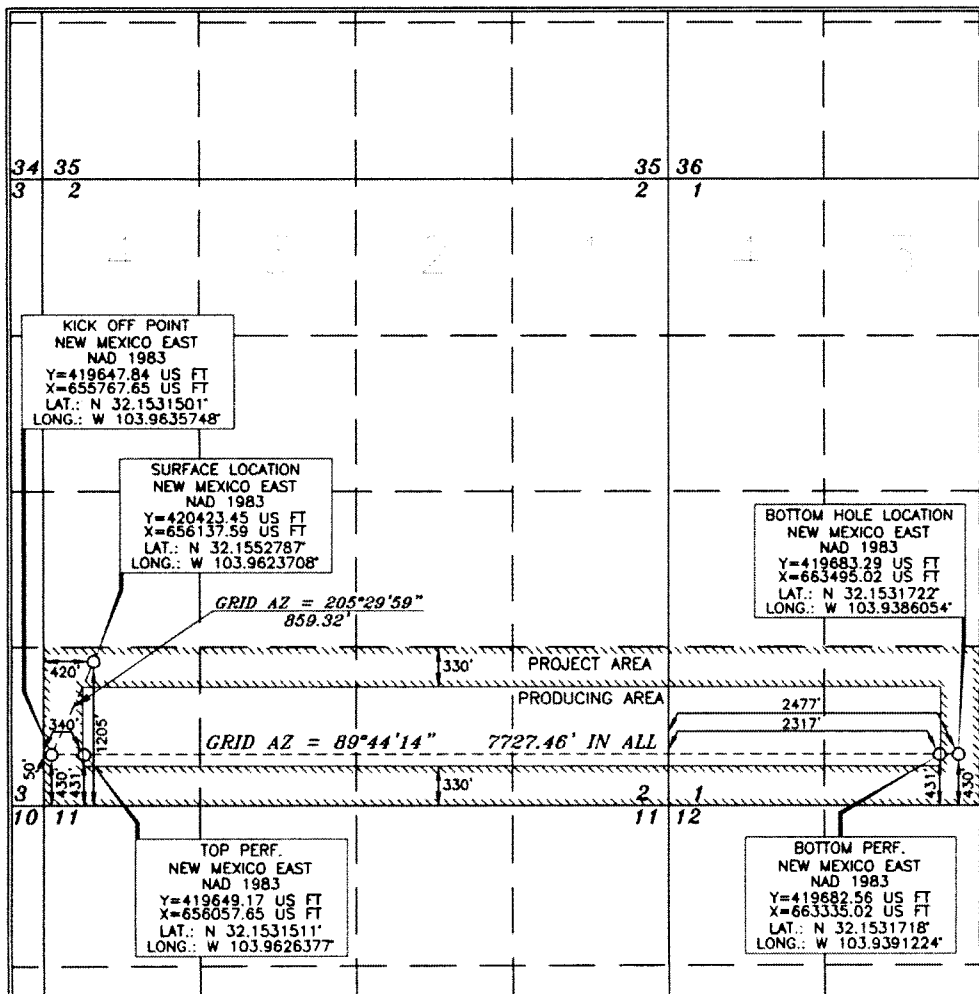
| UL or lot no. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
|---------------|---------|----------|-------------------|---------|---------------|------------------|---------------|----------------|--------|
| M | 2 | 25 SOUTH | 29 EAST, N.M.P.M. | | 1205' | SOUTH | 420' | WEST | EDDY |

Bottom Hole Location If Different From Surface

| UL or lot no. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
|---------------|---------|----------|-------------------|---------|---------------|------------------|---------------|----------------|--------|
| N | 1 | 25 SOUTH | 29 EAST, N.M.P.M. | | 430' | SOUTH | 2477' | WEST | EDDY |

| | | | |
|------------------------|----------------------|--------------------|-----------|
| Dedicated Acres 240 | 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.



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.

Sarah Mitchell 10/18/2017
Signature Date
Sarah Mitchell
Printed Name
sarah_mitchell@oxy.com
E-mail Address

SURVEYOR CERTIFICATION

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

STEVE BERRY, J.A.S.
15079
AUGUST 18, 2017
Date of Survey
Signature and Seal of Professional Surveyor

Terry Paul 9/21/2017
Certificate Number 15079

Application Non-Standard Location - Service List

OXY USA Inc.

Corral Fly State 02-01 State 25H

New Mexico Oil Conservation Division
811 S. First St.
Artesia, NM 88210
7017-0190-0000-4588-1153

New Mexico State Land Office ✓
P. O. Box 1148
Santa Fe, NM 87504
7017-0190-0000-4588

New Mexico Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505
7017-0190-0000-4588-1160

United States Dept of Interior
Bureau of Land Management
620 E. Greene Street
Carlsbad, NM 88220
7017-0190-0000-4588

T25S R29E, Eddy County
Section 1 & 2 - Units E, F, G, H
OXY USA Inc. -**58.75% WI**
P. O. Box 50250
Midland, Texas 79710

COG Operating LLC - **18.75% WI**
600 W. Illinois Avenue
Midland, Texas 79701
7017-0190-0000-4588

EOG A Resources Inc.- **2.5% WI**
5509 Champions Drive
Midland, Texas 79706
7017-0190-0000-4588-1009

EOG M Resources Inc.- **2.5% WI**
5509 Champions Drive
Midland, Texas 79706
7017-0190-0000-4588-1016

EOG Y Resources Inc.- **17.5%**
5509 Champions Drive
Midland, Texas 79706
7017-0190-0000-4588-1023

Section 1 ✓
Units O, P ✓

EOG A Resources Inc.- **10% WI**
5509 Champions Drive
Midland, Texas 79706
7017-0190-0000-4588-1009

EOG M Resources Inc.- **10% WI**
5509 Champions Drive
Midland, Texas 79706
7017-0190-0000-4588-1016

EOG Y Resources Inc.- **70%**
5509 Champions Drive
Midland, Texas 79706
7017-0190-0000-4588-1023

OXY Y-1 Company - **10%**
P. O. Box 50250
Midland, Texas 79710

Units M, N ✓

COG Operating LLC - **75% WI**
600 W. Illinois Avenue
Midland, Texas 79701
7017-0190-0000-4588

OXY USA Inc.- **25%WI**
P. O. Box 50250
Midland, Texas 79710

Section 2

Units M, N, O, P ✓
OXY USA Inc. -**100% WI**
P. O. Box 50250
Midland, Texas 79710

Section 3- Unit P ✓

XTO Resources Inc.- **100%**
810 Houston Street
Fort Worth Texas 76102
7017-0190-0000-4588-1214

Application Non-Standard Location - Service List

OXY USA Inc.

Corral Fly State 02-01 State 25H

T25S-R30E, Eddy County

Section 6- Unit M

EOG A Resources Inc.- 10% WI

5509 Champions Drive

Midland, Texas 79706

7017-0190-0000-4588-1009

EOG M Resources Inc.- 10% WI

5509 Champions Drive

Midland, Texas 79706

7017-0190-0000-4588-1016

EOG Y Resources Inc.- 70%

5509 Champions Drive

Midland, Texas 79706

7017-0190-0000-4588-1023

OXY Y-1 Company- 10%

P.O. Box 50250

Midland, Texas 79710

Copies of this application were mailed to the following individuals, companies and organizations on or before

07-Nov-2017



Sarah Mitchell

OXY USA Inc.

Oxy Planning Report

| | | | |
|------------------|-------------------------------------|-------------------------------------|---------------------------------|
| Database: | HOPSP | Local Co-ordinate Reference: | Well CORRAL FLY 02-01 STATE 25H |
| Company: | ENGINEERING DESIGNS | TVD Reference: | Datum @ 3054.10ft |
| Project: | PRD NM DIRECTIONAL PLANS (NAD 1983) | MD Reference: | Datum @ 3054.10ft |
| Site: | CORRAL FLY 02-01 STATE | North Reference: | Grid |
| Well: | CORRAL FLY 02-01 STATE 25H | Survey Calculation Method: | Minimum Curvature |
| Wellbore: | WB00 | | |
| Design: | Permitting Plan | | |

| | | | |
|--------------------|-------------------------------------|----------------------|-----------------------------|
| Project | PRD NM DIRECTIONAL PLANS (NAD 1983) | | |
| Map System: | US State Plane 1983 | System Datum: | Mean Sea Level |
| Geo Datum: | North American Datum 1983 | | |
| Map Zone: | New Mexico Eastern Zone | | Using geodetic scale factor |

| | | | |
|------------------------------|------------------------|--------------------------|----------------------|
| Site | CORRAL FLY 02-01 STATE | | |
| Site Position: | | Northing: | 423,287.19 usft |
| From: | Map | Easting: | 655,836.97 usft |
| Position Uncertainty: | 0.00 ft | Slot Radius: | 13.200 in |
| | | Latitude: | 32° 9' 47.353015 N |
| | | Longitude: | 103° 57' 47.917362 W |
| | | Grid Convergence: | 0.20 ° |

| | | | |
|-----------------------------|----------------------------|--------------|--|
| Well | CORRAL FLY 02-01 STATE 25H | | |
| Well Position | +N-S | -2,828.96 ft | Northing: 420,458.45 usft |
| | +E-W | 300.64 ft | Easting: 656,137.59 usft |
| Position Uncertainty | | 0.00 ft | Wellhead Elevation: 0.00 ft |
| | | | Latitude: 32° 9' 19.349680 N |
| | | | Longitude: 103° 57' 44.533436 W |
| | | | Ground Level: 3,027.60 ft |

| | | | | | |
|------------------|-------------------|--------------------|------------------------|----------------------|----------------------------|
| Wellbore | WB00 | | | | |
| Magnetics | Model Name | Sample Date | Declination (°) | Dip Angle (°) | Field Strength (nT) |
| | HDGM | 9/27/2017 | 7.03 | 59.92 | 48,065 |

| | | | | |
|--------------------------|------------------------------|------------------|----------------------|----------------------|
| Design | Permitting Plan | | | |
| Audit Notes: | | | | |
| Version: | Phase: | PROTOTYPE | Tie On Depth: | 0.00 |
| Vertical Section: | Depth From (TVD) (ft) | +N-S (ft) | +E-W (ft) | Direction (°) |
| | 0.00 | 0.00 | 0.00 | 88.84 |

| Plan Sections | | | | | | | | | | |
|---------------------|-----------------|-------------|---------------------|-----------|-----------|-----------------------|----------------------|---------------------|---------|-----------------|
| Measured Depth (ft) | Inclination (°) | Azimuth (°) | Vertical Depth (ft) | +N-S (ft) | +E-W (ft) | Dogleg Rate (°/100ft) | Build Rate (°/100ft) | Turn Rate (°/100ft) | TFO (°) | Target |
| 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | |
| 5,570.00 | 0.00 | 0.00 | 5,570.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | |
| 6,070.51 | 10.01 | 290.64 | 6,067.96 | 15.37 | -40.81 | 2.00 | 2.00 | 0.00 | 290.64 | |
| 7,843.61 | 10.01 | 290.64 | 7,814.08 | 124.03 | -329.23 | 0.00 | 0.00 | 0.00 | 0.00 | |
| 8,344.12 | 0.00 | 89.65 | 8,312.04 | 139.40 | -370.04 | 2.00 | -2.00 | 0.00 | 180.00 | CF_02-01_STATE_ |
| 9,234.12 | 89.00 | 89.65 | 8,884.91 | 142.79 | 192.91 | 10.00 | 10.00 | 0.00 | 89.65 | |
| 19,053.23 | 88.97 | 89.65 | 9,059.00 | 201.93 | 10,010.30 | 0.00 | 0.00 | 0.00 | -180.00 | CF_02-01_STATE_ |

Oxy Planning Report

Database: HOPSPP
Company: ENGINEERING DESIGNS
Project: PRD NM DIRECTIONAL PLANS (NAD 1983)
Site: CORRAL FLY 02-01 STATE
Well: CORRAL FLY 02-01 STATE 25H
Wellbore: WB00
Design: Permitting Plan

Local Co-ordinate Reference: Well CORRAL FLY 02-01 STATE 25H
TVD Reference: Datum @ 3054.10ft
MD Reference: Datum @ 3054.10ft
North Reference: Grid
Survey Calculation Method: Minimum Curvature

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) |
|---------------------|-----------------|-------------|---------------------|-----------|-----------|-----------------------|-----------------------|----------------------|---------------------|
| 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 100.00 | 0.00 | 0.00 | 100.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 200.00 | 0.00 | 0.00 | 200.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 300.00 | 0.00 | 0.00 | 300.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 400.00 | 0.00 | 0.00 | 400.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 500.00 | 0.00 | 0.00 | 500.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 600.00 | 0.00 | 0.00 | 600.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 700.00 | 0.00 | 0.00 | 700.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 800.00 | 0.00 | 0.00 | 800.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 900.00 | 0.00 | 0.00 | 900.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 1,000.00 | 0.00 | 0.00 | 1,000.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 1,100.00 | 0.00 | 0.00 | 1,100.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 1,200.00 | 0.00 | 0.00 | 1,200.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 1,300.00 | 0.00 | 0.00 | 1,300.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 1,400.00 | 0.00 | 0.00 | 1,400.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 1,500.00 | 0.00 | 0.00 | 1,500.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 1,600.00 | 0.00 | 0.00 | 1,600.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 1,700.00 | 0.00 | 0.00 | 1,700.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 1,800.00 | 0.00 | 0.00 | 1,800.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 1,900.00 | 0.00 | 0.00 | 1,900.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 2,000.00 | 0.00 | 0.00 | 2,000.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 2,100.00 | 0.00 | 0.00 | 2,100.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 2,200.00 | 0.00 | 0.00 | 2,200.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 2,300.00 | 0.00 | 0.00 | 2,300.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 2,400.00 | 0.00 | 0.00 | 2,400.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 2,500.00 | 0.00 | 0.00 | 2,500.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 2,600.00 | 0.00 | 0.00 | 2,600.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 2,700.00 | 0.00 | 0.00 | 2,700.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 2,800.00 | 0.00 | 0.00 | 2,800.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 2,900.00 | 0.00 | 0.00 | 2,900.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 3,000.00 | 0.00 | 0.00 | 3,000.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 3,100.00 | 0.00 | 0.00 | 3,100.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 3,200.00 | 0.00 | 0.00 | 3,200.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 3,300.00 | 0.00 | 0.00 | 3,300.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 3,400.00 | 0.00 | 0.00 | 3,400.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 3,500.00 | 0.00 | 0.00 | 3,500.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 3,600.00 | 0.00 | 0.00 | 3,600.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 3,700.00 | 0.00 | 0.00 | 3,700.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 3,800.00 | 0.00 | 0.00 | 3,800.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 3,900.00 | 0.00 | 0.00 | 3,900.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 4,000.00 | 0.00 | 0.00 | 4,000.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 4,100.00 | 0.00 | 0.00 | 4,100.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 4,200.00 | 0.00 | 0.00 | 4,200.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 4,300.00 | 0.00 | 0.00 | 4,300.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 4,400.00 | 0.00 | 0.00 | 4,400.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 4,500.00 | 0.00 | 0.00 | 4,500.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 4,600.00 | 0.00 | 0.00 | 4,600.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 4,700.00 | 0.00 | 0.00 | 4,700.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 4,800.00 | 0.00 | 0.00 | 4,800.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 4,900.00 | 0.00 | 0.00 | 4,900.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 5,000.00 | 0.00 | 0.00 | 5,000.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 5,100.00 | 0.00 | 0.00 | 5,100.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 5,200.00 | 0.00 | 0.00 | 5,200.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 5,300.00 | 0.00 | 0.00 | 5,300.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |

Oxy Planning Report

Database: HOPSP
Company: ENGINEERING DESIGNS
Project: PRD NM DIRECTIONAL PLANS (NAD 1983)
Site: CORRAL FLY 02-01 STATE
Well: CORRAL FLY 02-01 STATE 25H
Wellbore: WB00
Design: Permitting Plan

Local Co-ordinate Reference: Well CORRAL FLY 02-01 STATE 25H
TVD Reference: Datum @ 3054.10ft
MD Reference: Datum @ 3054.10ft
North Reference: Grid
Survey Calculation Method: Minimum Curvature

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) |
|---------------------|-----------------|-------------|---------------------|-----------|-----------|-----------------------|-----------------------|----------------------|---------------------|
| 5,400.00 | 0.00 | 0.00 | 5,400.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 5,500.00 | 0.00 | 0.00 | 5,500.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 5,570.00 | 0.00 | 0.00 | 5,570.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 5,600.00 | 0.60 | 290.64 | 5,600.00 | 0.06 | -0.15 | -0.15 | 2.00 | 2.00 | 0.00 |
| 5,700.00 | 2.60 | 290.64 | 5,699.96 | 1.04 | -2.76 | -2.74 | 2.00 | 2.00 | 0.00 |
| 5,800.00 | 4.60 | 290.64 | 5,799.75 | 3.25 | -8.64 | -8.57 | 2.00 | 2.00 | 0.00 |
| 5,900.00 | 6.60 | 290.64 | 5,899.27 | 6.69 | -17.77 | -17.63 | 2.00 | 2.00 | 0.00 |
| 6,000.00 | 8.60 | 290.64 | 5,998.39 | 11.36 | -30.14 | -29.91 | 2.00 | 2.00 | 0.00 |
| 6,070.51 | 10.01 | 290.64 | 6,067.96 | 15.37 | -40.81 | -40.49 | 2.00 | 2.00 | 0.00 |
| 6,100.00 | 10.01 | 290.64 | 6,097.01 | 17.18 | -45.61 | -45.25 | 0.00 | 0.00 | 0.00 |
| 6,200.00 | 10.01 | 290.64 | 6,195.49 | 23.31 | -61.87 | -61.39 | 0.00 | 0.00 | 0.00 |
| 6,300.00 | 10.01 | 290.64 | 6,293.96 | 29.44 | -78.14 | -77.53 | 0.00 | 0.00 | 0.00 |
| 6,400.00 | 10.01 | 290.64 | 6,392.44 | 35.56 | -94.41 | -93.67 | 0.00 | 0.00 | 0.00 |
| 6,500.00 | 10.01 | 290.64 | 6,490.92 | 41.69 | -110.67 | -109.81 | 0.00 | 0.00 | 0.00 |
| 6,600.00 | 10.01 | 290.64 | 6,589.40 | 47.82 | -126.94 | -125.95 | 0.00 | 0.00 | 0.00 |
| 6,700.00 | 10.01 | 290.64 | 6,687.88 | 53.95 | -143.21 | -142.09 | 0.00 | 0.00 | 0.00 |
| 6,800.00 | 10.01 | 290.64 | 6,786.35 | 60.08 | -159.47 | -158.23 | 0.00 | 0.00 | 0.00 |
| 6,900.00 | 10.01 | 290.64 | 6,884.83 | 66.20 | -175.74 | -174.37 | 0.00 | 0.00 | 0.00 |
| 7,000.00 | 10.01 | 290.64 | 6,983.31 | 72.33 | -192.00 | -190.51 | 0.00 | 0.00 | 0.00 |
| 7,100.00 | 10.01 | 290.64 | 7,081.79 | 78.46 | -208.27 | -206.65 | 0.00 | 0.00 | 0.00 |
| 7,200.00 | 10.01 | 290.64 | 7,180.26 | 84.59 | -224.54 | -222.79 | 0.00 | 0.00 | 0.00 |
| 7,300.00 | 10.01 | 290.64 | 7,278.74 | 90.72 | -240.80 | -238.92 | 0.00 | 0.00 | 0.00 |
| 7,400.00 | 10.01 | 290.64 | 7,377.22 | 96.84 | -257.07 | -255.06 | 0.00 | 0.00 | 0.00 |
| 7,500.00 | 10.01 | 290.64 | 7,475.70 | 102.97 | -273.34 | -271.20 | 0.00 | 0.00 | 0.00 |
| 7,600.00 | 10.01 | 290.64 | 7,574.17 | 109.10 | -289.60 | -287.34 | 0.00 | 0.00 | 0.00 |
| 7,700.00 | 10.01 | 290.64 | 7,672.65 | 115.23 | -305.87 | -303.48 | 0.00 | 0.00 | 0.00 |
| 7,800.00 | 10.01 | 290.64 | 7,771.13 | 121.35 | -322.13 | -319.62 | 0.00 | 0.00 | 0.00 |
| 7,843.61 | 10.01 | 290.64 | 7,814.08 | 124.03 | -329.23 | -326.66 | 0.00 | 0.00 | 0.00 |
| 7,900.00 | 8.88 | 290.64 | 7,869.70 | 127.29 | -337.89 | -335.25 | 2.00 | -2.00 | 0.00 |
| 8,000.00 | 6.88 | 290.64 | 7,968.75 | 132.12 | -350.72 | -347.99 | 2.00 | -2.00 | 0.00 |
| 8,100.00 | 4.88 | 290.64 | 8,068.22 | 135.74 | -360.31 | -357.50 | 2.00 | -2.00 | 0.00 |
| 8,200.00 | 2.88 | 290.64 | 8,167.98 | 138.12 | -366.65 | -363.79 | 2.00 | -2.00 | 0.00 |
| 8,300.00 | 0.88 | 290.64 | 8,267.93 | 139.28 | -369.72 | -366.84 | 2.00 | -2.00 | 0.00 |
| 8,344.12 | 0.00 | 89.65 | 8,312.04 | 139.40 | -370.04 | -367.15 | 2.00 | -2.00 | 0.00 |
| 8,400.00 | 5.59 | 89.65 | 8,367.84 | 139.42 | -367.32 | -364.43 | 10.00 | 10.00 | 0.00 |
| 8,500.00 | 15.59 | 89.65 | 8,466.01 | 139.53 | -348.96 | -346.08 | 10.00 | 10.00 | 0.00 |
| 8,600.00 | 25.59 | 89.65 | 8,559.50 | 139.74 | -313.85 | -310.96 | 10.00 | 10.00 | 0.00 |
| 8,700.00 | 35.59 | 89.65 | 8,645.48 | 140.05 | -263.02 | -260.15 | 10.00 | 10.00 | 0.00 |
| 8,800.00 | 45.59 | 89.65 | 8,721.32 | 140.44 | -198.05 | -195.17 | 10.00 | 10.00 | 0.00 |
| 8,900.00 | 55.59 | 89.65 | 8,784.73 | 140.90 | -120.89 | -118.02 | 10.00 | 10.00 | 0.00 |
| 9,000.00 | 65.59 | 89.65 | 8,833.78 | 141.43 | -33.89 | -31.03 | 10.00 | 10.00 | 0.00 |
| 9,100.00 | 75.59 | 89.65 | 8,866.97 | 141.99 | 60.31 | 63.16 | 10.00 | 10.00 | 0.00 |
| 9,200.00 | 85.59 | 89.65 | 8,883.30 | 142.59 | 158.83 | 161.68 | 10.00 | 10.00 | 0.00 |
| 9,234.12 | 89.00 | 89.65 | 8,884.91 | 142.79 | 192.91 | 195.75 | 10.00 | 10.00 | 0.00 |
| 9,300.00 | 89.00 | 89.65 | 8,886.06 | 143.19 | 258.78 | 261.61 | 0.00 | 0.00 | 0.00 |
| 9,400.00 | 89.00 | 89.65 | 8,887.81 | 143.79 | 358.76 | 361.59 | 0.00 | 0.00 | 0.00 |
| 9,500.00 | 89.00 | 89.65 | 8,889.55 | 144.39 | 458.75 | 461.56 | 0.00 | 0.00 | 0.00 |
| 9,600.00 | 89.00 | 89.65 | 8,891.30 | 145.00 | 558.73 | 561.54 | 0.00 | 0.00 | 0.00 |
| 9,700.00 | 89.00 | 89.65 | 8,893.05 | 145.60 | 658.71 | 661.51 | 0.00 | 0.00 | 0.00 |
| 9,800.00 | 89.00 | 89.65 | 8,894.80 | 146.20 | 758.69 | 761.49 | 0.00 | 0.00 | 0.00 |
| 9,900.00 | 89.00 | 89.65 | 8,896.55 | 146.80 | 858.68 | 861.46 | 0.00 | 0.00 | 0.00 |
| 10,000.00 | 89.00 | 89.65 | 8,898.30 | 147.40 | 958.66 | 961.44 | 0.00 | 0.00 | 0.00 |
| 10,100.00 | 89.00 | 89.65 | 8,900.05 | 148.01 | 1,058.64 | 1,061.41 | 0.00 | 0.00 | 0.00 |
| 10,200.00 | 89.00 | 89.65 | 8,901.80 | 148.61 | 1,158.63 | 1,161.39 | 0.00 | 0.00 | 0.00 |

Oxy Planning Report

Database: HOPSPP
Company: ENGINEERING DESIGNS
Project: PRD NM DIRECTIONAL PLANS (NAD 1983)
Site: CORRAL FLY 02-01 STATE
Well: CORRAL FLY 02-01 STATE 25H
Wellbore: WB00
Design: Permitting Plan

Local Co-ordinate Reference: Well CORRAL FLY 02-01 STATE 25H
TVD Reference: Datum @ 3054.10ft
MD Reference: Datum @ 3054.10ft
North Reference: Grid
Survey Calculation Method: Minimum Curvature

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) |
|---------------------|-----------------|-------------|---------------------|-----------|-----------|-----------------------|-----------------------|----------------------|---------------------|
| 10,300.00 | 89.00 | 89.65 | 8,903.55 | 149.21 | 1,258.61 | 1,261.36 | 0.00 | 0.00 | 0.00 |
| 10,400.00 | 89.00 | 89.65 | 8,905.30 | 149.81 | 1,358.59 | 1,361.34 | 0.00 | 0.00 | 0.00 |
| 10,500.00 | 89.00 | 89.65 | 8,907.05 | 150.42 | 1,458.57 | 1,461.31 | 0.00 | 0.00 | 0.00 |
| 10,600.00 | 89.00 | 89.65 | 8,908.80 | 151.02 | 1,558.56 | 1,561.29 | 0.00 | 0.00 | 0.00 |
| 10,700.00 | 89.00 | 89.65 | 8,910.56 | 151.62 | 1,658.54 | 1,661.26 | 0.00 | 0.00 | 0.00 |
| 10,800.00 | 88.99 | 89.65 | 8,912.31 | 152.22 | 1,758.52 | 1,761.24 | 0.00 | 0.00 | 0.00 |
| 10,900.00 | 88.99 | 89.65 | 8,914.06 | 152.82 | 1,858.51 | 1,861.21 | 0.00 | 0.00 | 0.00 |
| 11,000.00 | 88.99 | 89.65 | 8,915.82 | 153.43 | 1,958.49 | 1,961.18 | 0.00 | 0.00 | 0.00 |
| 11,100.00 | 88.99 | 89.65 | 8,917.58 | 154.03 | 2,058.47 | 2,061.16 | 0.00 | 0.00 | 0.00 |
| 11,200.00 | 88.99 | 89.65 | 8,919.33 | 154.63 | 2,158.45 | 2,161.13 | 0.00 | 0.00 | 0.00 |
| 11,300.00 | 88.99 | 89.65 | 8,921.09 | 155.23 | 2,258.44 | 2,261.11 | 0.00 | 0.00 | 0.00 |
| 11,400.00 | 88.99 | 89.65 | 8,922.84 | 155.84 | 2,358.42 | 2,361.08 | 0.00 | 0.00 | 0.00 |
| 11,500.00 | 88.99 | 89.65 | 8,924.60 | 156.44 | 2,458.40 | 2,461.06 | 0.00 | 0.00 | 0.00 |
| 11,600.00 | 88.99 | 89.65 | 8,926.36 | 157.04 | 2,558.38 | 2,561.03 | 0.00 | 0.00 | 0.00 |
| 11,700.00 | 88.99 | 89.65 | 8,928.12 | 157.64 | 2,658.37 | 2,661.01 | 0.00 | 0.00 | 0.00 |
| 11,800.00 | 88.99 | 89.65 | 8,929.88 | 158.24 | 2,758.35 | 2,760.98 | 0.00 | 0.00 | 0.00 |
| 11,900.00 | 88.99 | 89.65 | 8,931.64 | 158.85 | 2,858.33 | 2,860.96 | 0.00 | 0.00 | 0.00 |
| 12,000.00 | 88.99 | 89.65 | 8,933.40 | 159.45 | 2,958.32 | 2,960.93 | 0.00 | 0.00 | 0.00 |
| 12,100.00 | 88.99 | 89.65 | 8,935.16 | 160.05 | 3,058.30 | 3,060.90 | 0.00 | 0.00 | 0.00 |
| 12,200.00 | 88.99 | 89.65 | 8,936.92 | 160.65 | 3,158.28 | 3,160.88 | 0.00 | 0.00 | 0.00 |
| 12,300.00 | 88.99 | 89.65 | 8,938.68 | 161.26 | 3,258.26 | 3,260.85 | 0.00 | 0.00 | 0.00 |
| 12,400.00 | 88.99 | 89.65 | 8,940.45 | 161.86 | 3,358.25 | 3,360.83 | 0.00 | 0.00 | 0.00 |
| 12,500.00 | 88.99 | 89.65 | 8,942.21 | 162.46 | 3,458.23 | 3,460.80 | 0.00 | 0.00 | 0.00 |
| 12,600.00 | 88.99 | 89.65 | 8,943.98 | 163.06 | 3,558.21 | 3,560.78 | 0.00 | 0.00 | 0.00 |
| 12,700.00 | 88.99 | 89.65 | 8,945.74 | 163.66 | 3,658.19 | 3,660.75 | 0.00 | 0.00 | 0.00 |
| 12,800.00 | 88.99 | 89.65 | 8,947.50 | 164.27 | 3,758.18 | 3,760.73 | 0.00 | 0.00 | 0.00 |
| 12,900.00 | 88.99 | 89.65 | 8,949.27 | 164.87 | 3,858.16 | 3,860.70 | 0.00 | 0.00 | 0.00 |
| 13,000.00 | 88.99 | 89.65 | 8,951.04 | 165.47 | 3,958.14 | 3,960.67 | 0.00 | 0.00 | 0.00 |
| 13,100.00 | 88.99 | 89.65 | 8,952.80 | 166.07 | 4,058.12 | 4,060.65 | 0.00 | 0.00 | 0.00 |
| 13,200.00 | 88.99 | 89.65 | 8,954.57 | 166.68 | 4,158.11 | 4,160.62 | 0.00 | 0.00 | 0.00 |
| 13,300.00 | 88.99 | 89.65 | 8,956.34 | 167.28 | 4,258.09 | 4,260.60 | 0.00 | 0.00 | 0.00 |
| 13,400.00 | 88.99 | 89.65 | 8,958.11 | 167.88 | 4,358.07 | 4,360.57 | 0.00 | 0.00 | 0.00 |
| 13,500.00 | 88.99 | 89.65 | 8,959.88 | 168.48 | 4,458.05 | 4,460.55 | 0.00 | 0.00 | 0.00 |
| 13,600.00 | 88.99 | 89.65 | 8,961.65 | 169.08 | 4,558.04 | 4,560.52 | 0.00 | 0.00 | 0.00 |
| 13,700.00 | 88.99 | 89.65 | 8,963.42 | 169.69 | 4,658.02 | 4,660.49 | 0.00 | 0.00 | 0.00 |
| 13,800.00 | 88.99 | 89.65 | 8,965.19 | 170.29 | 4,758.00 | 4,760.47 | 0.00 | 0.00 | 0.00 |
| 13,900.00 | 88.98 | 89.65 | 8,966.96 | 170.89 | 4,857.98 | 4,860.44 | 0.00 | 0.00 | 0.00 |
| 14,000.00 | 88.98 | 89.65 | 8,968.73 | 171.49 | 4,957.97 | 4,960.42 | 0.00 | 0.00 | 0.00 |
| 14,100.00 | 88.98 | 89.65 | 8,970.50 | 172.10 | 5,057.95 | 5,060.39 | 0.00 | 0.00 | 0.00 |
| 14,200.00 | 88.98 | 89.65 | 8,972.28 | 172.70 | 5,157.93 | 5,160.37 | 0.00 | 0.00 | 0.00 |
| 14,300.00 | 88.98 | 89.65 | 8,974.05 | 173.30 | 5,257.91 | 5,260.34 | 0.00 | 0.00 | 0.00 |
| 14,400.00 | 88.98 | 89.65 | 8,975.82 | 173.90 | 5,357.90 | 5,360.31 | 0.00 | 0.00 | 0.00 |
| 14,500.00 | 88.98 | 89.65 | 8,977.60 | 174.50 | 5,457.88 | 5,460.29 | 0.00 | 0.00 | 0.00 |
| 14,600.00 | 88.98 | 89.65 | 8,979.37 | 175.11 | 5,557.86 | 5,560.26 | 0.00 | 0.00 | 0.00 |
| 14,700.00 | 88.98 | 89.65 | 8,981.15 | 175.71 | 5,657.84 | 5,660.24 | 0.00 | 0.00 | 0.00 |
| 14,800.00 | 88.98 | 89.65 | 8,982.92 | 176.31 | 5,757.83 | 5,760.21 | 0.00 | 0.00 | 0.00 |
| 14,900.00 | 88.98 | 89.65 | 8,984.70 | 176.91 | 5,857.81 | 5,860.19 | 0.00 | 0.00 | 0.00 |
| 15,000.00 | 88.98 | 89.65 | 8,986.48 | 177.52 | 5,957.79 | 5,960.16 | 0.00 | 0.00 | 0.00 |
| 15,100.00 | 88.98 | 89.65 | 8,988.26 | 178.12 | 6,057.77 | 6,060.13 | 0.00 | 0.00 | 0.00 |
| 15,200.00 | 88.98 | 89.65 | 8,990.04 | 178.72 | 6,157.76 | 6,160.11 | 0.00 | 0.00 | 0.00 |
| 15,300.00 | 88.98 | 89.65 | 8,991.82 | 179.32 | 6,257.74 | 6,260.08 | 0.00 | 0.00 | 0.00 |
| 15,400.00 | 88.98 | 89.65 | 8,993.59 | 179.92 | 6,357.72 | 6,360.06 | 0.00 | 0.00 | 0.00 |
| 15,500.00 | 88.98 | 89.65 | 8,995.38 | 180.53 | 6,457.70 | 6,460.03 | 0.00 | 0.00 | 0.00 |
| 15,600.00 | 88.98 | 89.65 | 8,997.16 | 181.13 | 6,557.69 | 6,560.01 | 0.00 | 0.00 | 0.00 |

Oxy Planning Report

Database: HOPSP
Company: ENGINEERING DESIGNS
Project: PRD NM DIRECTIONAL PLANS (NAD 1983)
Site: CORRAL FLY 02-01 STATE
Well: CORRAL FLY 02-01 STATE 25H
Wellbore: WB00
Design: Permitting Plan

Local Co-ordinate Reference: Well CORRAL FLY 02-01 STATE 25H
TVD Reference: Datum @ 3054.10ft
MD Reference: Datum @ 3054.10ft
North Reference: Grid
Survey Calculation Method: Minimum Curvature

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) |
|---------------------|-----------------|-------------|---------------------|-----------|-----------|-----------------------|-----------------------|----------------------|---------------------|
| 15,700.00 | 88.98 | 89.65 | 8,998.94 | 181.73 | 6,657.67 | 6,659.98 | 0.00 | 0.00 | 0.00 |
| 15,800.00 | 88.98 | 89.65 | 9,000.72 | 182.33 | 6,757.65 | 6,759.95 | 0.00 | 0.00 | 0.00 |
| 15,900.00 | 88.98 | 89.65 | 9,002.50 | 182.94 | 6,857.63 | 6,859.93 | 0.00 | 0.00 | 0.00 |
| 16,000.00 | 88.98 | 89.65 | 9,004.29 | 183.54 | 6,957.62 | 6,959.90 | 0.00 | 0.00 | 0.00 |
| 16,100.00 | 88.98 | 89.65 | 9,006.07 | 184.14 | 7,057.60 | 7,059.88 | 0.00 | 0.00 | 0.00 |
| 16,200.00 | 88.98 | 89.65 | 9,007.85 | 184.74 | 7,157.58 | 7,159.85 | 0.00 | 0.00 | 0.00 |
| 16,300.00 | 88.98 | 89.65 | 9,009.64 | 185.34 | 7,257.56 | 7,259.82 | 0.00 | 0.00 | 0.00 |
| 16,400.00 | 88.98 | 89.65 | 9,011.42 | 185.95 | 7,357.54 | 7,359.80 | 0.00 | 0.00 | 0.00 |
| 16,500.00 | 88.98 | 89.65 | 9,013.21 | 186.55 | 7,457.53 | 7,459.77 | 0.00 | 0.00 | 0.00 |
| 16,600.00 | 88.98 | 89.65 | 9,015.00 | 187.15 | 7,557.51 | 7,559.75 | 0.00 | 0.00 | 0.00 |
| 16,700.00 | 88.98 | 89.65 | 9,016.78 | 187.75 | 7,657.49 | 7,659.72 | 0.00 | 0.00 | 0.00 |
| 16,800.00 | 88.98 | 89.65 | 9,018.57 | 188.36 | 7,757.47 | 7,759.69 | 0.00 | 0.00 | 0.00 |
| 16,900.00 | 88.98 | 89.65 | 9,020.36 | 188.96 | 7,857.46 | 7,859.67 | 0.00 | 0.00 | 0.00 |
| 17,000.00 | 88.97 | 89.65 | 9,022.15 | 189.56 | 7,957.44 | 7,959.64 | 0.00 | 0.00 | 0.00 |
| 17,100.00 | 88.97 | 89.65 | 9,023.94 | 190.16 | 8,057.42 | 8,059.62 | 0.00 | 0.00 | 0.00 |
| 17,200.00 | 88.97 | 89.65 | 9,025.73 | 190.76 | 8,157.40 | 8,159.59 | 0.00 | 0.00 | 0.00 |
| 17,300.00 | 88.97 | 89.65 | 9,027.52 | 191.37 | 8,257.38 | 8,259.56 | 0.00 | 0.00 | 0.00 |
| 17,400.00 | 88.97 | 89.65 | 9,029.31 | 191.97 | 8,357.37 | 8,359.54 | 0.00 | 0.00 | 0.00 |
| 17,500.00 | 88.97 | 89.65 | 9,031.10 | 192.57 | 8,457.35 | 8,459.51 | 0.00 | 0.00 | 0.00 |
| 17,600.00 | 88.97 | 89.65 | 9,032.89 | 193.17 | 8,557.33 | 8,559.49 | 0.00 | 0.00 | 0.00 |
| 17,700.00 | 88.97 | 89.65 | 9,034.68 | 193.78 | 8,657.31 | 8,659.46 | 0.00 | 0.00 | 0.00 |
| 17,800.00 | 88.97 | 89.65 | 9,036.48 | 194.38 | 8,757.29 | 8,759.43 | 0.00 | 0.00 | 0.00 |
| 17,900.00 | 88.97 | 89.65 | 9,038.27 | 194.98 | 8,857.28 | 8,859.41 | 0.00 | 0.00 | 0.00 |
| 18,000.00 | 88.97 | 89.65 | 9,040.07 | 195.58 | 8,957.26 | 8,959.38 | 0.00 | 0.00 | 0.00 |
| 18,100.00 | 88.97 | 89.65 | 9,041.86 | 196.19 | 9,057.24 | 9,059.36 | 0.00 | 0.00 | 0.00 |
| 18,200.00 | 88.97 | 89.65 | 9,043.66 | 196.79 | 9,157.22 | 9,159.33 | 0.00 | 0.00 | 0.00 |
| 18,300.00 | 88.97 | 89.65 | 9,045.45 | 197.39 | 9,257.20 | 9,259.30 | 0.00 | 0.00 | 0.00 |
| 18,400.00 | 88.97 | 89.65 | 9,047.25 | 197.99 | 9,357.19 | 9,359.28 | 0.00 | 0.00 | 0.00 |
| 18,500.00 | 88.97 | 89.65 | 9,049.05 | 198.59 | 9,457.17 | 9,459.25 | 0.00 | 0.00 | 0.00 |
| 18,600.00 | 88.97 | 89.65 | 9,050.84 | 199.20 | 9,557.15 | 9,559.22 | 0.00 | 0.00 | 0.00 |
| 18,700.00 | 88.97 | 89.65 | 9,052.64 | 199.80 | 9,657.13 | 9,659.20 | 0.00 | 0.00 | 0.00 |
| 18,800.00 | 88.97 | 89.65 | 9,054.44 | 200.40 | 9,757.12 | 9,759.17 | 0.00 | 0.00 | 0.00 |
| 18,900.00 | 88.97 | 89.65 | 9,056.24 | 201.00 | 9,857.10 | 9,859.15 | 0.00 | 0.00 | 0.00 |
| 19,000.00 | 88.97 | 89.65 | 9,058.04 | 201.61 | 9,957.08 | 9,959.12 | 0.00 | 0.00 | 0.00 |
| 19,053.23 | 88.97 | 89.65 | 9,059.00 | 201.93 | 10,010.30 | 10,012.34 | 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 |
|---|---------------|--------------|----------|-----------|-----------|-----------------|----------------|--------------------|--------------------|
| CF_02-01_STATE_25 - plan hits target center - Point | 0.00 | 0.00 | 8,312.04 | 139.40 | -370.04 | 420,597.84 | 655,767.58 | 32° 9' 20.741676 N | 103° 57' 48.832106 |
| CF_02-01_STATE_25 - plan hits target center - Point | 0.00 | 0.00 | 9,059.00 | 201.93 | 10,010.30 | 420,660.36 | 666,147.11 | 32° 9' 20.991557 N | 103° 55' 48.086517 |

Oxy Planning Report

Database: HOPSPP
Company: ENGINEERING DESIGNS
Project: PRD NM DIRECTIONAL PLANS (NAD 1983)
Site: CORRAL FLY 02-01 STATE
Well: CORRAL FLY 02-01 STATE 25H
Wellbore: WB00
Design: Permitting Plan

Local Co-ordinate Reference: Well CORRAL FLY 02-01 STATE 25H
TVD Reference: Datum @ 3054.10ft
MD Reference: Datum @ 3054.10ft
North Reference: Grid
Survey Calculation Method: Minimum Curvature

Plan Annotations

| Measured Depth (ft) | Vertical Depth (ft) | Local Coordinates | | Comment |
|---------------------------|---------------------------|-------------------|--------------|--------------------------------|
| | | +N-S (ft) | +E-W (ft) | |
| 5,570.00 | 5,570.00 | 0.00 | 0.00 | STEP OUT DLS 2.00 |
| 6,070.51 | 6,067.96 | 15.37 | -40.81 | HOLD 10 DEG TANGENT |
| 7,843.61 | 7,814.08 | 124.03 | -329.23 | DROP BACK TO VERTICAL DLS 2.00 |
| 8,344.12 | 8,312.04 | 139.40 | -370.04 | BUILD CURVE 10 DEG / 100 |
| 9,234.12 | 8,884.91 | 142.79 | 192.91 | LANDING POINT |
| 19,053.23 | 9,059.00 | 201.93 | 10,010.30 | TD at 19053.23 |



Occidental Oil and Gas Corporation
ATTN: Kacie Cruz
5 Greenway Plaza, Suite 110
Houston, TX 77046
713-350-4889
kacie_cruz@oxy.com

November 7, 2017

Mr. Leonard Lowe
New Mexico Oil Conservation Division
1220 South Francis Drive
Santa Fe, New Mexico 87505

RE: Application for Nonstandard Location—Engineering Justification
OXY USA Inc.
Corral Fly 02-01 State #25H
N/2 S/2 Sections 1 and 2, T25S-R29E, Eddy County

Dear Mr. Lowe:

Oxy USA Inc. respectfully seeks approval for non-standard locations, increasing horizontal well spacing from 4 wells per section (“wps”) to 6 wps to effectively develop the Bone Spring and Wolfcamp formations. It is Oxy’s responsibility as a prudent operator to optimize well spacing for horizontal development and minimize reserves left in the ground. Increasing horizontal well spacing from 4 wps to 6 wps will optimize recoverable reserves. Any reduction in well spacing will result in untapped reserves being left in the reservoir resulting in waste of a resource that will not be developed otherwise.

Sincerely,

A handwritten signature in black ink, appearing to read "Kacie Cruz".

Kacie Cruz
Development Production Engineer

From: [Lowe, Leonard, EMNRD](#)
To: ["Sarah_Mitchell@oxy.com"](mailto:Sarah_Mitchell@oxy.com)
Cc: [Podany, Raymond, EMNRD](#); [McMillan, Michael, EMNRD](#); [Goetze, Phillip, EMNRD](#); [Jones, William V, EMNRD](#); ["lisa@rwbyram.com"](mailto:lisa@rwbyram.com); [Martin, Ed](#); [Holm, Anchor E.](#)
Subject: APPROVED: NSL-7613 (Corral Fly 02-01 State Well No. 22H) & NSL-7614 (Corral Fly 02-01 State Well No. 25H)_SEC 2 25S 29E
Date: Tuesday, December 5, 2017 8:15:00 AM
Importance: High

Ms. Sarah Mitchell,

The following administrative orders have been issued and will soon be available on the Division's web site:

<http://ocdimage.emnrd.state.nm.us/Imaging/Default.aspx>

NSL-7613

Oxy USA, Inc.

API #: 30-015-PENDING

NAME: Corral Fly 02-01 State Well No. 22H

NSL-7614

Oxy USA, Inc.

API #: 30-015-PENDING

NAME: Corral Fly 02-01 State Well No. 25H

Leonard Lowe

Engineering Bureau

Oil Conservation Division

Energy Minerals and Natural Resources Department

1220 South St. Frances

Santa Fe, New Mexico 87004

Office: 505-476-3492

Cell: 505-930-6717

Fax: 505-476-3462

E-mail: leonard.lowe@state.nm.us

Website: <http://www.emnrd.state.nm.us/ocd/>