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**OXY USA Inc.**  
P. O. Box 303  
Amistad, NM 88410-0303

Patrick H. Lyons  
Commissioner of Public Lands  
State of New Mexico  
P.O. Box 1148  
Santa Fe, New Mexico 87504-1148  
Attn: Jami Bailey, Director, Oil, Gas and Minerals Division

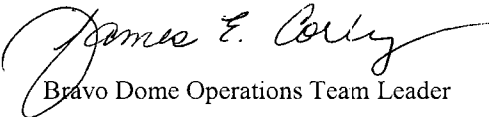
Mark Fesmire  
Director  
New Mexico Oil Conservation Division  
1220 South St. Francis  
Santa Fe, New Mexico 87505  
Attn: Ed Martin, District IV Supervisor

Re: Plan of Development  
Bravo Dome Carbon Dioxide Gas Unit  
Union, Harding and Quay Counties, New Mexico

Ladies and Gentlemen,

I have not received a reply from any office in regards to the 2009 Oxy Plan of Development that I mailed to your offices May 12, 2009. Therefore I am resending the Oxy 2009 Plan of Development. If you received the previous mailing please disregard this 2<sup>nd</sup> mailing.  
Sincerely,

James E. Corley

  
Bravo Dome Operations Team Leader

cc: Mr. Jim Lovato  
District Manager  
Bureau of Land Management  
1235 La Plata Highway, Suite A  
Farmington, New Mexico 87401

Tuesday, September 22, 2009



**OXY USA Inc.**  
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Amistad, NM 88410-0303

May 12, 2009

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Commissioner of Public Lands  
State of New Mexico  
P.O. Box 1148  
Santa Fe, New Mexico 87504-1148  
Attn: Jami Bailey, Director, Oil, Gas and Minerals Division

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Santa Fe, New Mexico 87505  
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Re: 2009 Plan of Development  
Bravo Dome Carbon Dioxide Gas Unit  
Union, Harding and Quay Counties, New Mexico

Ladies and Gentlemen,

In accordance with Article 4 of the Bravo Dome Carbon Dioxide Gas Unit Agreement, OXY USA Inc, as Unit operator, herewith submits the 2009 Bravo Dome Unit Plan of Development. This Plan is tentative pending approval by Unit Working Interest Owners and Permitting from State Of New Mexico.

Current CO<sub>2</sub> production is approximately 325 mmscfd from 515 producing wells. Development projects in 2008 added 47 producing wells to the Unit. Attachment I is a listing of the wells drilled in 2008. Oxy also re-completed 15 wells that were drilled in the 1980's. Attachment II is a list of these re-completed wells. Attachment III is a map depicting the locations of the wells drilled in 2008 and the wells re-completed in 2008. Current cumulative Unit sales are approximately 2.8 TCF.

The 2009 Plan of Development for the Bravo Dome Unit. Oxy has completed construction and commissioning of a \$44 million booster compression project located at the existing compressor station. These boosters increased the throughput of the Facility from 250mmscfd to 325mmscfd.mscfd.

Oxy does not have any current plans for drilling of any new CO<sub>2</sub> wells for 2009.

The longer-range plans (2010 – 2013) continue this strategy to add well capacity to the existing compression/dehydration facility based on CO<sub>2</sub> demand. These plans include drilling approximately 20-30 wells per year to offset Unit decline. A mixture of both infill and expansion wells are included in these plans; however, there will be more of an emphasis on extension wells in future years. Unit production is expected to peak in 2009 and decline at 8.5% per year without additional drilling. We are currently planning additional drilling projects each year to offset this Unit decline and maintain production in the 325 – 350 mmscfd range.

Current OXY manpower operating the Bravo Dome Unit consists of 12 Oxy employees. There are also 7 full time contractors working in the Bravo Dome Unit operations. All of these employees and contractors are New Mexico residents.

#### ***2008 Unit Accomplishments***

- 1) Completed Leg 10 pipeline extension to the T 19 N R 30 30 E area
- 2) Completed construction of facility booster compression for existing compressor station.
- 3) First Commissioned Booster facility in 3<sup>rd</sup> Q of 2008. Completed commissioning booster facility 1Q 2009.
- 4) Maximized compressor reliability and runtime, at above 99%

***2009 Unit Priorities***

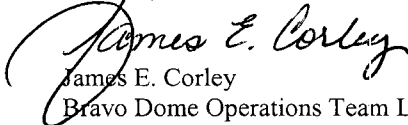
- 1) Evaluation of possible new well drills for 2010 to maintain current production.
- 2) Spend approximately \$750,000 to upgrade existing Field Automation Equipment.
- 3) Spend approximately \$150,000 on preventative compressor maintenance to maintain reliability.
- 4) Maximize compressor runtime.

***Five-Year Priorities***

- 1) Drill extension/infill wells and extend collection system each year to offset Unit decline and maintain production in the 325 – 350 mmscf/d range.
- 2) Evaluate possible expansion of Western Bravo Dome Unit Acreage.

The items detailed in this 2009 Plan of Development are subject to Unit working interest owners and the NMOCD approvals, continued strong CO<sub>2</sub> demand and favorable project economics. Oxy and other working interest owners plan to continue to develop the Bravo Dome Unit to the best interest of all parties involved. The Plan of Development hereby submitted shall be revised if Unit development plans change. If you have any questions, please contact Eddie Corley at (505) 374-3052 or at the above letterhead address.

Sincerely,



James E. Corley  
Bravo Dome Operations Team Leader

cc: Mr. Jim Lovato  
District Manager  
Bureau of Land Management  
1235 La Plata Highway, Suite A  
Farmington, New Mexico 87401

Attachment I – Unit Wells Drilled in 2008

Attachment II – Unit Map with all Wells drilled or Re-Completed in 2008

Attachment III – West Expansion Wells Proposed to be drilled in 2008

**Bravo Dome Unit  
2008 Wells Drilled  
Attachment I**

**2008 BDU Wells**

<u>WELL NAME</u>	<u>UL</u>	<u>SECTION</u>	<u>TWN</u>	<u>RANGE</u>	<u>County</u>
1932-211	F	21	T-19-N	R-32-E	Harding
1932-221	F	22	T-19-N	R32-E	Harding
1932-141	G	14	T-19-N	R-32-E	Harding
1932-151	G	15	T-19-N	R-32-E	Harding
1932-161	G	16	T-19-N	R-32-E	Harding
1932-091	G	09	T-19-N	R-32-E	Harding
1932-201	F	20	T-19-N	R-32-E	Harding
1932-191	G	19	T-19-N	R-32-E	Harding
2031-331	G	33	T-20-N	R-31-E	Harding
2031-221	G	22	T-20-N	R-32-E	Harding
2031-233	G	23	T-20-N	R-31-E	Harding
2031-251	G	25	T-20-N	R-31-E	Harding
2032-311	J	31	T-20-N	R-32-E	Harding
2433-251	G	25	T-24-N	R-33-E	Union
2433-362	G	36	T-24-N	R-33-E	Union
2433-341	G	34	T-24-N	R-33-E	Union
2433-352	G	35	T-24-N	R-33-E	Union
2333-011	G	01	T-23-N	R-33-E	Union
2333-111	G	11	T-23-N	R-33-E	Union
2333-141	F	14	T-23-N	R-33-E	Union
2332-091	G	09	T-23-N	R-32-E	Union
2432-361	G	36	T-24-N	R-32-E	Union
2333-081	G	08	T-23-N	R-33-E	Union
2332-111	G	11	T-23-N	R-33-E	Union
1832-011	G	01	T-18-N	R-32-E	Harding
1832-111	G	11	T-18-N	R-32-E	Harding
1832-171	G	17	T-18-N	R-32-E	Harding
1832-201	G	20	T-18-N	R-32-E	Harding
1832-221	K	22	T-18-N	R-32-E	Harding
1832-181	G	18	T-18-N	R-32-E	Harding
1831-241	G	21	T-18-N	R-31-E	Harding
1830-011	G	01	T-18-N	R-30-E	Harding
1830-241	J	24	T-18-N	R-30-E	Harding
1831-301	G	30	T-18-N	R-31-E	Harding
2233-221	F	33	T-22-N	R-33-E	Union
2233-161	G	16	T-22-N	R-33-E	Union
2233-081	J	08	T-22-N	R-33-E	Union
2233-171	G	17	T-22-N	R-33-E	Union
2233-201	G	20	T-22-N	R-33-E	Union

**Bravo Dome Unit  
2008 Wells Drilled  
Attachment I**

1930-171	G	17	T-19-N	R-30-E	Harding
1930-281	G	28	T-19-N	R-30-E	Harding
1930-351	G	35	T-19-N	R-30-E	Harding
2233-091	G	09	T-22-N	R-33-E	Union
2233-101	G	10	T-22-N	R-33-E	Union
2333-081	G	08	T-23-N	R-33-E	Union
2333-301	G	30	T-23-N	R-33-E	Union
2433-231	F	23	T-24-N	R-33-E	Union

**Bravo Dome Unit  
2008 Recompleted Wells  
Attachment II**

**2008 Recompleted Wells**

<u>WELL NAME</u>	<u>UL</u>	<u>SECTION</u>	<u>TWN</u>	<u>RANGE</u>	<u>County</u>
1830-021	F	02	T-18-N	R-30-E	Harding
1830-121	G	12	T-18-N	R-30-E	Harding
1930-091	J	09	T-19-N	R-30-E	Harding
1930-101	K	10	T-19-N	R-30-E	Harding
1930-241	J	24	T-19-N	R-30-E	Harding
1931-311	J	31	T-19-N	R-31-E	Harding
2030-331	K	33	T-20-N	R-30-E	Harding
2031-211	G	12	T-20-N	R-31-E	Harding
2031-261	G	26	T-20-N	R-31-E	Harding
2031-271	G	27	T-20-N	R-31-E	Harding
2031-341	G	34	T-20-N	R-31-E	Harding
2031-351	G	35	T-20-N	R-31-E	Harding
2031-361	G	36	T-20-N	R-31-E	Harding
2032-291	F	29	T-20-N	R-32-E	Harding
2032-321	F	32	T-20N	R-32E	Harding

**Bravo Dome Unit  
2008 Recompleted Wells  
Attachment II**

## 2008 PLAN OF DEVELOPMENT

