

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 and Natural Resources
Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-101
Revised July 18, 2013

☐ AMENDED REPORT

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

Operator Name and Address OXY USA WTP LP P.O. Box 50250 Midland, TX 79710		OGRID Number 192463
Property Code 27938		API Number 30-025-36444
Property Name Byers B		Well No. 8

7. Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet from	N/S Line	Feet From	E/W Line	County
I	7	20S	38E		1650	South	660	East	Lea

8. Proposed Bottom Hole Location

UL - Lot	Section	Township	Range	Lot Idn	Feet from	N/S Line	Feet From	E/W Line	County

9. Pool Information

Pool Name Skaggs Grayburg	Pool Code 57380
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Additional Well Information

11 Work Type P	12 Well Type O	13 Cable/Rotary	14 Lease Type P	15 Ground Level Elevation 3563'
16 Multiple NO	17 Proposed Depth 4000'	18 Formation Grayburg	19 Contractor	20 Spud Date After Approval
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

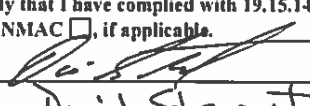

Type	Hole Size	Casing Size	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
Surf	12 1/4"	8-5/8"	32#	1500'	735	Surf-Circ
Prod	7 7/8"	5-1/2"	17#	7400'	1610	Surf-Circ

Casing/Cement Program: Additional Comments

See Attached for proposed procedure, WBD & C102. Gas Capture Plan

22. Proposed Blowout Prevention Program

Type	Working Pressure	Test Pressure	Manufacturer
Annular	3000	3000	

23. I hereby certify that the information given above is true and complete to the best of my knowledge and belief. I further certify that I have complied with 19.15.14.9 (A) NMAC <input type="checkbox"/> and/or 19.15.14.9 (B) NMAC <input type="checkbox"/> if applicable. Signature: 		OIL CONSERVATION DIVISION Approved By: 	
Printed name: David Stewart		Title:	
Title: Sr. Regulatory Advisor		Approved Date: 12/03/2019 Expiration Date: 12/03/2021	
E-mail Address: david_stewart@oxy.com			
Date: 12/2/19	Phone: 432-685-5717	Conditions of Approval Attached	

Attachment C-101

OXY USA WTP LP

Byers B #8 – 30-025-36446

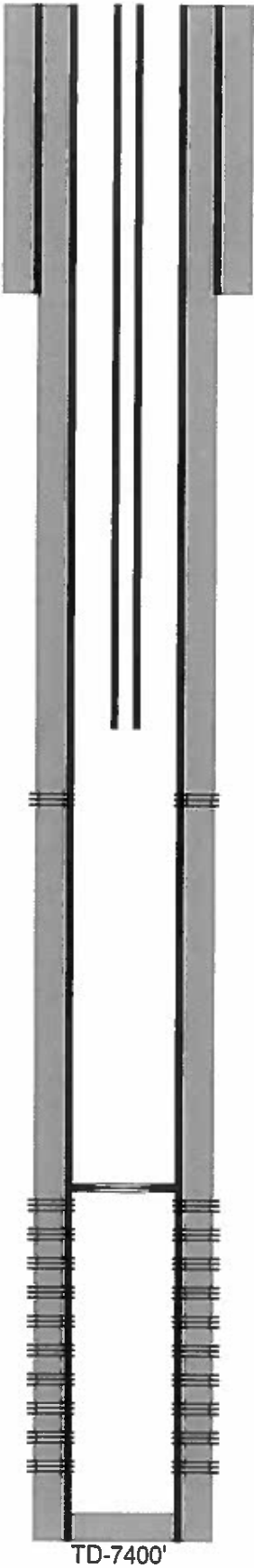
1. MIRU PU.
2. NDWH, NU BOP.
3. Calibrate casing ID.
4. RIH & tag Cement/CIBP, pressure test csg/plugs
5. Perforate and Frac Grayburg at approximately 3900'-4000'.
6. MI RD PU.
7. Flow back.
8. Install Tbg ~3500 ft.
9. Run Pump and Rods.
10. Produce with Rod pumping.

OXY USA WTP LP - Proposed
Byers B #8
API No. 30-025-36446

2-3/8" tbg @ 3500'

6/16-CIBP @ 5860' w/ 30' cmt to 5830' Tagged

PB-7344'



12-1/4" hole @ 1500'
8-5/8" csg @ 1500'
w/ 735sx-TOC-Surf-Circ

Perfs @ 3900-4000'

7-7/8" hole @ 7400'
5-1/2" csg @ 7400'
w/ 1610sx-TOC-Surf-Circ

Perfs @ 5915-6431'

Perfs @ 6440-6645'

Perfs @ 6725-7010'

Perfs @ 7208-7218'

TD-7400'

P/P

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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

¹ API Number 30-025-36446	² Pool Code 57380	³ Pool Name Skaggs Grayburg
⁴ Property Code 27938	⁵ Property Name Byers B	⁶ Well Number 8
⁷ OGRID No. 192463	⁸ Operator Name OXY USA WTP LP	⁹ Elevation 3563'

" Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
I	7	20S	38E		1650	South	660	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

¹² Dedicated Acres 40	¹³ Joint or Infill N	¹⁴ Consolidation Code	¹⁵ Order No.
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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.

<div style="border: 2px solid blue; width: 150px; height: 100px; position: relative; margin: 0 auto;"> <div style="position: absolute; top: 0; right: 0; width: 50px; height: 50px; border: 1px solid black; border-radius: 50%; text-align: center; line-height: 50px;">660'</div> <div style="position: absolute; bottom: 0; left: 0; width: 50px; height: 50px; border: 1px solid black; border-radius: 50%; text-align: center; line-height: 50px;">1650'</div> </div>	<p>" 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.</p> <p>Signature: <u>David Stewart</u> Date: <u>12/2/19</u></p> <p>Printed Name: <u>David Stewart</u></p> <p>E-mail Address: <u>david.stewart@oxy.com</u></p>
	<p>" 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.</p> <p>Date of Survey: _____</p> <p>Signature and Seal of Professional Surveyor: _____</p> <p>Certificate Number: _____</p>

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Submit Original
to Appropriate
District Office

GAS CAPTURE PLAN

Date: 12/2/19

☐ Original

Operator & OGRID No.: OXY USA WTP LP - 192463

☐ Amended - Reason for Amendment: _____

This Gas Capture Plan outlines actions to be taken by the Operator to reduce well/production facility flaring/venting for new completion (new drill, recomple to new zone, re-frac) activity.

Note: A C-129 must be submitted and approved prior to exceeding 60 days allowed by Rule (Subsection A of 19.15.18.12 NMAC).

Well(s)/Production Facility – Name of facility

The well(s) that will be located at the production facility are shown in the table below.

Well Name	API	Well Location (ULSTR)	Footages	Expected MCF/D	Flared or Vented	Comments
Byers B #8	30-025-36446	I-7-20S-38E	1650 S 660 E	68	0	

Gathering System and Pipeline Notification

Well(s) will be connected to a production facility after flowback operations are complete, if gas transporter system is in place. The gas produced from production facility is dedicated to DCP Operating Co, LP and will be connected to DCP Operating Co, LP low/high pressure gathering system located in Lea County, New Mexico. It will require 0' of pipeline to connect the facility to low/high pressure gathering system. OXY USA WTP LP provides (periodically) to DCP Operating Co, LP a drilling, completion and estimated first production date for wells that are scheduled to be drilled in the foreseeable future. In addition, OXY USA WTP LP and DCP Operating Co, LP have periodic conference calls to discuss changes to drilling and completion schedules. Gas from these wells will be processed at DCP Processing Plant located in Sec. , Twn. 20S, Rng. 38E, Lea 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 DCP Operating Co, LP system at that time. Based on current information, it is OXY USA WTP LP 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