

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

¹ Operator Name and Address Occidental Permian LTD PO Box 4294 Houston, TX 77210		² OGRID Number 157984
³ Property Code 19552		³ API Number 30-025-44610
⁴ Property Name South Hobbs G/SA Unit		⁵ Well No. 288

⁷ Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet from	N/S Line	Feet From	E/W Line	County
H	6	19S	38E		1816	N	676	E	Lea

⁸ Proposed Bottom Hole Location

UL - Lot	Section	Township	Range	Lot Idn	Feet from	N/S Line	Feet From	E/W Line	County
H	6	19S	38E		1642	N	651	E	Lea

⁹ Pool Information

⁹ Pool Name Hobbs; Grayburg - San Andres	⁹ Pool Code 31920
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Additional Well Information

¹¹ Work Type New Drill	¹² Well Type Inj	¹³ Cable/Rotary	¹⁴ Lease Type State	¹⁵ Ground Level Elevation 3628
¹⁶ Multiple N	¹⁷ Proposed Depth 6000	¹⁸ Formation San Andres	¹⁹ Contractor	²⁰ Spud Date 06/01/2018
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	12.25	9.625	36	1700	690	0
Prod	8.75	7	26	6000	1200	0

Casing/Cement Program: Additional Comments

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²² Proposed Blowout Prevention Program

Type	Working Pressure	Test Pressure	Manufacturer
Annular	5000	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 checked="" type="checkbox"/> and/or 19.15.14.9 (B) NMAC <input checked="" type="checkbox"/> , if applicable. Signature: <i>April Hood</i> Printed name: April Hood Title: Regulatory Specialist E-mail Address: April_Hood@Oxy.com Date: 03/14/2018 Phone: 713-366-5771	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td colspan="2" style="text-align: center;">OIL CONSERVATION DIVISION</td> </tr> <tr> <td colspan="2"> Approved By: <i>[Signature]</i> <div style="text-align: right;">Petroleum Engineer</div> </td> </tr> <tr> <td> Title: </td> <td> Approved Date: 03/14/18 Expiration Date: 03/14/20 </td> </tr> <tr> <td colspan="2"> Conditions of Approval Attached See Attached </td> </tr> </table>	OIL CONSERVATION DIVISION		Approved By: <i>[Signature]</i> <div style="text-align: right;">Petroleum Engineer</div>		Title:	Approved Date: 03/14/18 Expiration Date: 03/14/20	Conditions of Approval Attached See Attached	
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Conditions of Approval

CONDITIONS OF APPROVAL

API #	Operator	Well name & Number
30-025-44610	Occidental Permian LTD	South Hobbs G/SA Unit # 288

Applicable conditions of approval marked with XXXXXX

Administrative Orders Required

XXXXXXX	If within City Limits No Pits – Must use close loop
XXXXXXX	Will require administrative order for injection or disposal prior to injection or disposal

Other wells

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Drilling

XXXXXXX	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

Casing

XXXXXXX	SURFACE CASING - Cement must circulate to surface --
XXXXXXX	PRODUCTION CASING - Cement must circulate to surface --
XXXXXXX	If cement does not circulate to surface, must run temperature survey or other log to determine top of cement
	South Area
XXXXXXX	Surface casing must be set 25' below top of Rustler Anhydrite in order to seal off protectable water

Completion & Production

XXXXXXX	Must notify Hobbs OCD office prior to conducting MIT (575) 393-6161 ext. 114
XXXXXXX	Must conduct & pass MIT prior to any injection

Lost Circulation

XXXXXXX	Must notify OCD Hobbs Office if lost circulation is encountered at 575-370-3186

Stage Tool

XXXXXXX	Must notify OCD Hobbs Office prior to running Stage Tool at 575-370-3186
XXXXXXX	If using Stage Tool on Surface casing, Stage Tool must be greater than 350' and a minimum 200 feet above surface shoe.
XXXXXXX	When using a Stage Tool on Intermediate or Production Casing Stage must be a minimum of 50 feet below previous casing shoe.