District I

1625 N. French Dr., Hobbs, NM 88240 Phone:(505) 393-6161 Fax:(505) 393-0720

<u>District II</u>

1301 W. Grand Ave., Artesia, NM 88210 Phone:(505) 748-1283 Fax:(505) 748-9720

District III

1000 Rio Brazos Rd., Aztec, NM 87410 Phone:(505) 334-6178 Fax:(505) 334-6170

District IV

I.

1220 S. St Francis Dr., Santa Fe, NM 87505 Phone:(505) 476-3470 Fax:(505) 476-3462

Operator and Well:

State of New Mexico

Energy, Minerals and Natural Resources

Form C-140 Permit 39500 Revised June 10, 2003

Oil Conservation Division 1220 S. St Francis Dr. Santa Fe, NM 87505 (505) 476-3440

APPLICATION FOR WELL WORKOVER PROJECT

Operator name & address OCCIDENTAL PERMIAN LTD							OGRID Number 157984		
PO Box 4294							137964		
Houston TX									
Contact Party Karen Ellis							Phone 713-366-5161		
Property Name SOUTH HOBBS G/SA UNIT						Well Number 241		API Number 30-025-35318	
UL - Lot	ot Section Tov		nip Range	Feet From The	North/South Line	Feet From The	East/West Line	County	
4	4	19S	38E	1063	И	498	W	Lea	
II. Workover:									
Date Workower 5/22/2006 Date Workower 5/30/2006			Previous Producing Pool(s) (Prior to Workover): HOBBS;GRAYBURG-SAN ANDRES						
 III. Attach a description of the Workover Procedures performed to increase production. IV. Attach a production decline curve or table showing at least twelve months of production prior to the workover and at least three months of production following the workover reflecting a positive production increase. III. Attach a description of the Workover Procedures performed to increase production. 									
V. Signature:									
I hereby certify that the information above is true and complete to the best of my knowledge and belief. Signature Electronically Signed Title Regulatory Team Leader Date 10/12/2006									
Type or print nameElizabeth Bush-Ivie E-mail address Elizabeth Bush@oxy.com Telephone No. 713-366-5303									
-7F F-						<u> </u>			
FOR OIL CONSERVATION DIVISION USE ONLY: VI. CERTIFICATION OF APPROVAL: This Application is hereby approved and the above-referenced well is designated a Well Workover Project and the Division hereby verifies the data shows a positive production increase. By copy hereof, the Division notifies the Secretary of the Taxation and Revenue Department of this Approval and certifies that this Well Workover Project was completed on: 5/30/2006									
Signature District Supervisor: Chris Williams District 1 Date 10/							Date <u>10/19/2</u> 0	06	

DATE OF NOTIFICATION TO THE SECRETARY OF THE TAXATION AND REVENUE DEPARTMENT: 10/19/2006

State of New Mexico Energy, Minerals and Natural Resources Department

Form C-103 Revised 5-27-2004

FILE IN TRIPLICATE OIL CONSERVATION DIVISION WELL API NO. 1220 South St. Francis Dr. 1625 N. French Dr., Hobbs, NM 88240 30-025-35318 Santa Fe, NM 87505 5. Indicate Type of Lease DISTRICT II STATE FEE X 1301 W. Grand Ave, Artesia, NM 88210 6. State Oil & Gas Lease No. DISTRICT_III 1000 Rio Brazos Rd, Aztec, NM 87410 7. Lease Name or Unit Agreement Name SUNDRY NOTICES AND REPORTS ON WELLS (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A South Hobbs (G/SA) Unit DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (Form C-101) for such proposals.) Section 4 8. Well No. 1. Type of Well: Oil Well X Gas Well Other 9. OGRID No. 2. Name of Operator 157984 Occidental Permian Ltd. 10. Pool name or Wildcat Hobbs (G/SA) 3. Address of Operator HCR I Box 90 Denver City, TX 79323 4. Well Location Unit Letter D Feet From The North 498 Feet From The West Line : 1063 Range **NMPM** County Township 19-S 38-E Section Lea 11. Elevation (Show whether DF, RKB, RT GR, etc.) 3630' KB Pit or Below-grade Tank Application or Closure Distance from nearest fresh water well Distance from nearest surface water _____ Depth of Ground Water _ Below-Grade Tank: Volume bbls: Construction Material Pit Liner Thickness mil Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data 12. SUBSEQUENT REPORT OF: NOTICE OF INTENTION TO: ALTERING CASING REMEDIAL WORK PLUG AND ABANDON PERFORM REMEDIAL WORK COMMENCE DRILLING OPNS. PLUG & ABANDONMENT **CHANGE PLANS** TEMPORARILY ABANDON CASING TEST AND CEMENT JOB **Multiple Completion PULL OR ALTER CASING** OTHER: OTHER: Open Additional perfs & Acid treat 13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work) SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion. 1. RUPU & RU. Kill well, POOH w/ESP & tbg, scanning tbg out of hole.. 2. Perforate the following depths @2 JSPF, 4126-31, 69-75, 93-96, 4199-4200, 4215-21, 27-29, 40-45, 57-58, 67-68, 70-75, 4288-4301, 4305-12 (total of 122 holes), 1 JSPF every other foot 4325-4338' (7 holes). 3. Set pkr @4071. Acid treat perfs from 4215-4312' w/1260 gal 15% HCL. Let acid set I hr. Treat perfs 4126-4112' w/1512 gals 15% HCL. Move pkr to 4074'. 4. Scale squeeze 200 gal of 6490 chemical mixed in 100 bbl of fresh water. Flush w/500 bbl fresh water. 5. Run back in hole w/ESP equipment and tbg. Intake set @ 4087'. 6. RDPU. Clean location. RUPU 05/22/06 RDPU 05/30/06 I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been/will be or an (attached) alternative OCD-approved closed according to NMOCD guidelines , a general permit plan TITLE Administrative Associate DATE 06/15/2006 SIGNATURE TELEPHONE NO. TYPE OR PRINT NAME E-mail address: Mendy johnson@oxy.com 806-592-6280 Mendy A. Johnson For State Use Only

TITLE

APPROVED BY

CONDITIONS OF APPROVAL IF ANY: