

**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 180578

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

|                                                                                                     |  |                               |
|-----------------------------------------------------------------------------------------------------|--|-------------------------------|
| 1. Operator Name and Address<br>OXY USA WTP LIMITED PARTNERSHIP<br>PO Box 4294<br>Houston, TX 77210 |  | 2. OGRID Number<br>192463     |
| 4. Property Code<br>40364                                                                           |  | 3. API Number<br>30-015-42012 |
| 5. Property Name<br>Simpson-CDM Com                                                                 |  | 6. Well No.<br>001H           |

**7. Surface Location**

|               |               |                 |              |         |                  |               |                  |               |                |
|---------------|---------------|-----------------|--------------|---------|------------------|---------------|------------------|---------------|----------------|
| UL - Lot<br>A | Section<br>29 | Township<br>21S | Range<br>27E | Lot Idn | Feet From<br>480 | N/S Line<br>N | Feet From<br>310 | E/W Line<br>E | County<br>Eddy |
|---------------|---------------|-----------------|--------------|---------|------------------|---------------|------------------|---------------|----------------|

**8. Proposed Bottom Hole Location**

|               |               |                 |              |              |                  |               |                  |               |                |
|---------------|---------------|-----------------|--------------|--------------|------------------|---------------|------------------|---------------|----------------|
| UL - Lot<br>D | Section<br>29 | Township<br>21S | Range<br>27E | Lot Idn<br>D | Feet From<br>400 | N/S Line<br>N | Feet From<br>350 | E/W Line<br>W | County<br>Eddy |
|---------------|---------------|-----------------|--------------|--------------|------------------|---------------|------------------|---------------|----------------|

**9. Pool Information**

|                         |       |
|-------------------------|-------|
| CEDAR HILLS;BONE SPRING | 11560 |
|-------------------------|-------|

**Additional Well Information**

|                           |                             |                                        |                           |                                    |
|---------------------------|-----------------------------|----------------------------------------|---------------------------|------------------------------------|
| 11. Work Type<br>New Well | 12. Well Type<br>OIL        | 13. Cable/Rotary                       | 14. Lease Type<br>Private | 15. Ground Level Elevation<br>3162 |
| 16. Multiple<br>N         | 17. Proposed Depth<br>13089 | 18. Formation<br>3rd Bone Spring Sand  | 19. Contractor            | 20. Spud Date<br>3/28/2014         |
| 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 | 14.75     | 11.75       | 47               | 400           | 350             | 0             |
| Int1 | 10.625    | 8.625       | 32               | 3250          | 780             | 0             |
| Prod | 7.875     | 5.5         | 17               | 13089         | 1340            | 2200          |

**Casing/Cement Program: Additional Comments**

Proposed Mud Program: 0-400' Fresh Water/Spud Mud - 400-3250' Fresh Water/NaCl Brine - 3250-8934' Cut Brine/Sweeps - 8000-13089' Duo Vis/Salt Gel/Starch/PAC. BOP Program: 13-5/8" 10M three ram stack w/ 5M annular, 5M choke manifold. Additional information will be sent along with the H2S plan.

**22. Proposed Blowout Prevention Program**

| Type       | Working Pressure | Test Pressure | Manufacturer |
|------------|------------------|---------------|--------------|
| Double Ram | 10000            | 10000         |              |
| Annular    | 5000             | 5000          |              |

|                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                                                                                                                                                                                                                          |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 23. I hereby certify that the information given above is true and complete to the best of my knowledge and belief.<br>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.<br><br>Signature: _____<br>Printed Name: Electronically filed by KAREN M SINARD<br>Title: _____<br>Email Address: karen_sinard@oxy.com<br>Date: 1/28/2014 | <p style="text-align: center;"><b>OIL CONSERVATION DIVISION</b></p> Approved By: Randy Dade<br>Title: District Supervisor<br>Approved Date: 1/28/2014      Expiration Date: 1/28/2016<br>Conditions of Approval Attached |
| Phone: 713-366-5485                                                                                                                                                                                                                                                                                                                                                                                                                                          |                                                                                                                                                                                                                          |

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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

|                      |                                  |                                         |
|----------------------|----------------------------------|-----------------------------------------|
| API Number<br>30-05- | Pool Code<br>96144               | Pool Name<br>Carlsbad Bone Spring, East |
| Property Code        | Property Name<br>SIMPSON-CDM COM | Well Number<br>1H                       |
| OGRID No.<br>192463  | Operator Name<br>OXY USA WTP LP  | Elevation<br>3161.9'                    |

Surface Location

| UL or lot no. | Section | Township | Range             | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
|---------------|---------|----------|-------------------|---------|---------------|------------------|---------------|----------------|--------|
| A             | 29      | 21 SOUTH | 27 EAST, N.M.P.M. |         | 480'          | NORTH            | 310'          | EAST           | 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 |
|------------------------|----------------------|--------------------|-------------------|---------|---------------|------------------|---------------|----------------|--------|
| D                      | 29                   | 21 SOUTH           | 27 EAST, N.M.P.M. |         | 400'          | NORTH            | 350'          | WEST           | EDDY   |
| Dedicated Acres<br>160 | Joint or Infill<br>N | 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.

|                                                                                                                                                     |  |  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |  |  |
|-----------------------------------------------------------------------------------------------------------------------------------------------------|--|--|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--|--|
|                                                                                                                                                     |  |  | <p><b>OPERATOR CERTIFICATION</b></p> <p>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>[Signature]</u> Date: <u>1/22/14</u></p> <p>Printed Name: <u>David Stewart Sr. Res. Adv.</u></p> <p>E-mail Address: <u>david_stewart@oxy.com</u></p> |  |  |
| <p><b>BOTTOM HOLE LOCATION</b><br/>NEW MEXICO EAST<br/>NAD 1927<br/>Y=529942.7<br/>X=535263.4<br/>LAT.: N 32.4568729°<br/>LONG.: W 104.2190079°</p> |  |  | <p><b>PENETRATION POINT</b><br/>NEW MEXICO EAST<br/>NAD 1927<br/>Y=529917.3<br/>X=539853.1<br/>LAT.: N 32.4567888°<br/>LONG.: W 104.2041280°</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |  |  |
|                                                                                                                                                     |  |  | <p><b>SURFACE LOCATION</b><br/>NEW MEXICO EAST<br/>NAD 1927<br/>Y=529917.6<br/>X=539873.1<br/>LAT.: N 32.4567894°<br/>LONG.: W 104.2040632°</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |  |  |
|                                                                                                                                                     |  |  | <p><b>SURVEYOR CERTIFICATION</b></p> <p>I hereby certify that the well location shown on this plat was plotted from field notes of licensed 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: <u>NOVEMBER 21, 2013</u></p> <p>Signature and Seal of Professional Surveyor: <u>[Signature]</u></p> <p>Certificate Number: <u>15079</u></p> <p>WO# 131121WL-b (KA)</p>                                                                                                                                                                                                                                                                      |  |  |

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**Energy, Minerals and Natural Resources**  
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Form APD Comments

Permit 180578

**PERMIT COMMENTS**

|                                                                                                            |                                |
|------------------------------------------------------------------------------------------------------------|--------------------------------|
| Operator Name and Address:<br>OXY USA WTP LIMITED PARTNERSHIP [192463]<br>PO Box 4294<br>Houston, TX 77210 | API Number:<br>30-015-42012    |
|                                                                                                            | Well:<br>Simpson-CDM Com #001H |

| Created By   | Comment                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | Comment Date |
|--------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------|
| DAVIDSTEWART | Penetration Point - 480 FNL 330 FEL A Sec 29 T21S R27E - Lat 32.4567888 Long 104.2041280. A pilot hole will be drilled to the Wolfcamp @ +/- 8934', logged and plugged back to +/- 8000' w/ 530sx cmt. The lateral will be drilled to the 3rd Bone Spring to +/- 13088'M 8784"V. A closed loop system will be utilized consisting of above ground steel tanks and haul-off bins. Disposal of liquids, drilling fluids and cuttings will be disposed of at an approved facility. | 1/28/2014    |
| CSHAPARD     | Land p/P                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | 1/28/2014    |

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Form APD Conditions  
Permit 180578

**PERMIT CONDITIONS OF APPROVAL**

|                                                                                                            |  |                                |
|------------------------------------------------------------------------------------------------------------|--|--------------------------------|
| Operator Name and Address:<br>OXY USA WTP LIMITED PARTNERSHIP [192463]<br>PO Box 4294<br>Houston, TX 77210 |  | API Number:<br>30-015-42012    |
|                                                                                                            |  | Well:<br>Simpson-CDM Com #001H |

| OCD<br>Reviewer | Condition                                                                                                                                                                                                                                                            |
|-----------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| CSHAPARD        | 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 |