

Form 3160-3
(June 2015)FORM APPROVED
OMB No. 1004-0137
Expires: January 31, 2018

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
APPLICATION FOR PERMIT TO DRILL OR REENTER

1a. Type of work: <input type="checkbox"/> DRILL <input type="checkbox"/> REENTER 1b. Type of Well: <input type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other 1c. Type of Completion: <input type="checkbox"/> Hydraulic Fracturing <input type="checkbox"/> Single Zone <input type="checkbox"/> Multiple Zone		5. Lease Serial No. 6. If Indian, Allottee or Tribe Name 7. If Unit or CA Agreement, Name and No. 8. Lease Name and Well No.
2. Name of Operator		9. API Well No. 30 015 48722
3a. Address	3b. Phone No. (include area code)	10. Field and Pool, or Exploratory
4. Location of Well (Report location clearly and in accordance with any State requirements. *) At surface At proposed prod. zone		11. Sec., T. R. M. or Blk. and Survey or Area
14. Distance in miles and direction from nearest town or post office*		12. County or Parish
13. State		
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any)	16. No of acres in lease	17. Spacing Unit dedicated to this well
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft.	19. Proposed Depth	20. BLM/BIA Bond No. in file
21. Elevations (Show whether DF, KDB, RT, GL, etc.)	22. Approximate date work will start*	23. Estimated duration
24. Attachments		

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1, and the Hydraulic Fracturing rule per 43 CFR 3162.3-3 (as applicable)

- | | |
|---|---|
| 1. Well plat certified by a registered surveyor.
2. A Drilling Plan.
3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO must be filed with the appropriate Forest Service Office). | 4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).
5. Operator certification.
6. Such other site specific information and/or plans as may be requested by the BLM. |
|---|---|

25. Signature	Name (Printed/Typed)	Date
Title		
Approved by (Signature)	Name (Printed/Typed)	Date
Title		
Office		

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.
 Conditions of approval, if any, are attached.

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.



(Continued on page 2)

*(Instructions on page 2)

Additional Operator Remarks

Location of Well

0. SHL: LOT 3 / 200 FNL / 2565 FWL / TWSP: 25S / RANGE: 29E / SECTION: 1 / LAT: 32.166008 / LONG: -103.93831 (TVD: 0 feet, MD: 0 feet)

PPP: NWSE / 1320 FSL / 1337 FEL / TWSP: 24S / RANGE: 29E / SECTION: 25 / LAT: 32.184726 / LONG: -103.933769 (TVD: 8987 feet, MD: 16016 feet)

PPP: SWSE / 3 FSL / 1340 FEL / TWSP: 24S / RANGE: 29E / SECTION: 25 / LAT: 32.181089 / LONG: -103.933766 (TVD: 8983 feet, MD: 14695 feet)

PPP: SWSE / 100 FSL / 1330 FEL / TWSP: 24S / RANGE: 29E / SECTION: 36 / LAT: 32.166845 / LONG: -103.933757 (TVD: 8970 feet, MD: 9525 feet)

BHL: NWNE / 20 FNL / 1330 FEL / TWSP: 24S / RANGE: 29E / SECTION: 25 / LAT: 32.19559 / LONG: -103.933774 (TVD: 8997 feet, MD: 19983 feet)

BLM Point of Contact

Name: TENILLE ORTIZ

Title: Legal Instruments Examiner

Phone: (575) 234-2224

Email: tortiz@blm.gov

DISTRICT I

1625 N. FRENCH DR., HOBBS, NM 88240
Phone: (575) 393-6181 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) 476-3400 Fax: (505) 476-3462

State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 SOUTH ST. FRANCIS DR.
Santa Fe, New Mexico 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 30-05-	Pool Code 96473	Pool Name Pierce Crossing Bone Springs, East
Property Code	Property Name CORRAL CANYON 36_25 FEDERAL COM	Well Number 212H
OGRID No. 16696	Operator Name OXY USA, INC.	Elevation 3122.6'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
3	1	25-S	29-E		200	NORTH	2565	WEST	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
B	25	24-S	29-E		20	NORTH	1330	EAST	EDDY
Dedicated Acres 640	Joint or Infill T	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

* ALL COORDINATES ARE NAD 83 VALUES

PROPOSED BOTTOM
HOLE LOCATION

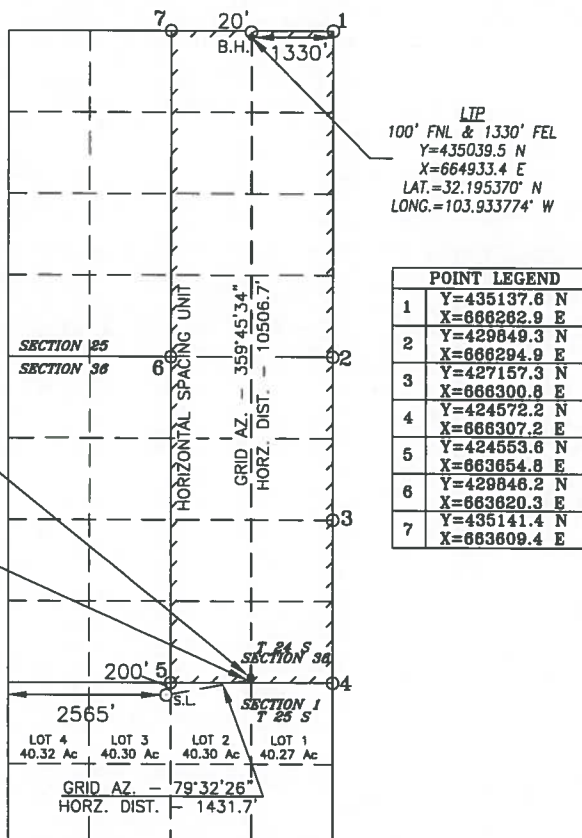
Y=435119.5 N
X=664933.0 E
LAT.=32.195590° N
LONG.=103.933774° W

ETP
100' FSL & 1330' FEL
Y=424662.9 N
X=664976.9 E
LAT.=32.166845° N
LONG.=103.933757° W

KOP
50' FSL & 1330' FEL
Y=424612.9 N
X=664977.1 E
LAT.=32.166708° N
LONG.=103.933757° W

SURFACE LOCATION

Y=424353.0 N
X=663569.2 E
LAT.=32.166008° N
LONG.=103.938310° W



OPERATOR CERTIFICATION

I hereby certify that the information 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 mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

Signature: *David Stewart* Date: 9/24/19

Printed Name: David Stewart

E-mail Address: david_stewart@oxy.com

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.

MAY 11, 2019

Date of Survey

Signature & Seal of Professional Surveyor



Chad Harcrow 6/12/19
Certificate No. CHAD HARCROW 17777
W.O. #19-709 DRAWN BY: CD

State of New Mexico
Energy, Minerals and Natural Resources Department

Submit Electronically
Via E-permitting

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

NATURAL GAS MANAGEMENT PLAN

This Natural Gas Management Plan must be submitted with each Application for Permit to Drill (APD) for a new or recompleted well.

Section 1 – Plan Description

Effective May 25, 2021

I. Operator: OXY USA Inc. **OGRID:** 16696 **Date:** 0 7/ 0 9/ 2 1

II. Type: ☒ Original ☐ Amendment due to ☐ 19.15.27.9.D(6)(a) NMAC ☐ 19.15.27.9.D(6)(b) NMAC ☐ Other.

If Other, please describe: _____

III. Well(s): Provide the following information for each new or recompleted well or set of wells proposed to be drilled or proposed to be recompleted from a single well pad or connected to a central delivery point.

Well Name	API	ULSTR	Footages	Anticipated Oil BBL/D	Anticipated Gas MCF/D	Anticipated Produced Water BBL/D
CORRAL CANYON 36-25 FD COM 212H	PENDING	C-1-T25S-R29E	200' FNL 2565' FWL	1700	2790	3450

IV. Central Delivery Point Name: Corral Canyon 36-25 CTB [See 19.15.27.9(D)(1) NMAC]

V. Anticipated Schedule: Provide the following information for each new or recompleted well or set of wells proposed to be drilled or proposed to be recompleted from a single well pad or connected to a central delivery point.

Well Name	API	Spud Date	TD Reached Date	Completion Commencement Date	Initial Flow Back Date	First Production Date
CORRAL CANYON 36-25 FD COM 212H	PENDING	TBD	TBD	TBD	TBD	TBD

VI. Separation Equipment: ☒ Attach a complete description of how Operator will size separation equipment to optimize gas capture.

VII. Operational Practices: ☒ Attach a complete description of the actions Operator will take to comply with the requirements of Subsection A through F of 19.15.27.8 NMAC.

VIII. Best Management Practices: ☒ Attach a complete description of Operator's best management practices to minimize venting during active and planned maintenance.

Section 2 – Enhanced Plan

EFFECTIVE APRIL 1, 2022

Beginning April 1, 2022, an operator that is not in compliance with its statewide natural gas capture requirement for the applicable reporting area must complete this section.

☐ Operator certifies that it is not required to complete this section because Operator is in compliance with its statewide natural gas capture requirement for the applicable reporting area.

IX. Anticipated Natural Gas Production:

Well	API	Anticipated Average Natural Gas Rate MCF/D	Anticipated Volume of Natural Gas for the First Year MCF

X. Natural Gas Gathering System (NGGS):

Operator	System	ULSTR of Tie-in	Anticipated Gathering Start Date	Available Maximum Daily Capacity of System Segment Tie-in

XI. Map. ☐ Attach an accurate and legible map depicting the location of the well(s), the anticipated pipeline route(s) connecting the production operations to the existing or planned interconnect of the natural gas gathering system(s), and the maximum daily capacity of the segment or portion of the natural gas gathering system(s) to which the well(s) will be connected.

XII. Line Capacity. The natural gas gathering system ☐ will ☐ will not have capacity to gather 100% of the anticipated natural gas production volume from the well prior to the date of first production.

XIII. Line Pressure. Operator ☐ does ☐ does not anticipate that its existing well(s) connected to the same segment, or portion, of the natural gas gathering system(s) described above will continue to meet anticipated increases in line pressure caused by the new well(s).

☐ Attach Operator's plan to manage production in response to the increased line pressure.

XIV. Confidentiality: ☐ Operator asserts confidentiality pursuant to Section 71-2-8 NMSA 1978 for the information provided in Section 2 as provided in Paragraph (2) of Subsection D of 19.15.27.9 NMAC, and attaches a full description of the specific information for which confidentiality is asserted and the basis for such assertion.

Section 3 - Certifications

Effective May 25, 2021

Operator certifies that, after reasonable inquiry and based on the available information at the time of submittal:

☒ Operator will be able to connect the well(s) to a natural gas gathering system in the general area with sufficient capacity to transport one hundred percent of the anticipated volume of natural gas produced from the well(s) commencing on the date of first production, taking into account the current and anticipated volumes of produced natural gas from other wells connected to the pipeline gathering system; or

☐ Operator will not be able to connect to a natural gas gathering system in the general area with sufficient capacity to transport one hundred percent of the anticipated volume of natural gas produced from the well(s) commencing on the date of first production, taking into account the current and anticipated volumes of produced natural gas from other wells connected to the pipeline gathering system.

If Operator checks this box, Operator will select one of the following:

Well Shut-In. ☐ Operator will shut-in and not produce the well until it submits the certification required by Paragraph (4) of Subsection D of 19.15.27.9 NMAC; or

Venting and Flaring Plan. ☐ Operator has attached a venting and flaring plan that evaluates and selects one or more of the potential alternative beneficial uses for the natural gas until a natural gas gathering system is available, including:

- (a) power generation on lease;
- (b) power generation for grid;
- (c) compression on lease;
- (d) liquids removal on lease;
- (e) reinjection for underground storage;
- (f) reinjection for temporary storage;
- (g) reinjection for enhanced oil recovery;
- (h) fuel cell production; and
- (i) other alternative beneficial uses approved by the division.

Section 4 - Notices

1. If, at any time after Operator submits this Natural Gas Management Plan and before the well is spud:

(a) Operator becomes aware that the natural gas gathering system it planned to connect the well(s) to has become unavailable or will not have capacity to transport one hundred percent of the production from the well(s), no later than 20 days after becoming aware of such information, Operator shall submit for OCD's approval a new or revised venting and flaring plan containing the information specified in Paragraph (5) of Subsection D of 19.15.27.9 NMAC; or

(b) Operator becomes aware that it has, cumulatively for the year, become out of compliance with its baseline natural gas capture rate or natural gas capture requirement, no later than 20 days after becoming aware of such information, Operator shall submit for OCD's approval a new or revised Natural Gas Management Plan for each well it plans to spud during the next 90 days containing the information specified in Paragraph (2) of Subsection D of 19.15.27.9 NMAC, and shall file an update for each Natural Gas Management Plan until Operator is back in compliance with its baseline natural gas capture rate or natural gas capture requirement.

2. OCD may deny or conditionally approve an APD if Operator does not make a certification, fails to submit an adequate venting and flaring plan which includes alternative beneficial uses for the anticipated volume of natural gas produced, or if OCD determines that Operator will not have adequate natural gas takeaway capacity at the time a well will be spud.

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I certify that, after reasonable inquiry, the statements in and attached to this Natural Gas Management Plan are true and correct to the best of my knowledge and acknowledge that a false statement may be subject to civil and criminal penalties under the Oil and Gas Act.

Signature: <i>Leslie T. Reeves</i>
Printed Name: LESLIE REEVES
Title: REGULATORY ADVISOR
E-mail Address: LESLIE_REEVES@OXY.COM
Date: 07/09/2021
Phone: 713-497-2492
OIL CONSERVATION DIVISION (Only applicable when submitted as a standalone form)
Approved By:
Title:
Approval Date:
Conditions of Approval:

Part VI. Separation Equipment

Operator will size the flowback separator to handle 11,000 Bbls of fluid and 6-10MMscfd which is more than the expected peak rates for these wells. Each separator is rated to 1440psig, and pressure control valves and automated communication will cause the wells to shut in in the event of an upset at the facility, therefore no gas will be flared on pad during an upset. Current Oxy practices avoid use of flare or venting on pad, therefore if there is an upset or emergency condition at the facility, the wells will immediately shut down, and reassume production once the condition has cleared.

VII. Operational Practices

Gathering System and Pipeline Notification

Well(s) will be connected to a production facility after flowback operations are complete, where a gas transporter system is in place. The gas produced from the production facility is sent to ETC Texas Pipeline, LTD ("ETC") and Enterprise Field Services, LLC ("Enterprise") via the Oxy gas network. This network is connected to Enterprise and ETC high pressure gathering systems located in Eddy County, New Mexico. Produced gas is compressed by OXY USA INC. ("OXY") to the appropriate pressures for each gathering system. OXY provides (periodically) to ETC and Enterprise a drilling, completion and estimated first production date for wells that are scheduled to be drilled in the foreseeable future. In addition, OXY has periodic conference calls with these Midstream companies to discuss changes to drilling and completion schedules. Gas from these wells will be processed at the following plants:

Orla Plant Processing Plant located in Sec. 35, Block 57, T2, T&P RR CO, Reeves, County, Texas.

OXY USA WTP LP Processing Plant located in Sec. 23, Twn. 21S, Rng. 23E, Eddy 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 Enterprise and/or ETC systems at that time. Based on current information, it is OXY's 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.

VIII. Best Management Practices

Alternatives to Reduce Flaring

Below are alternatives considered from a conceptual standpoint to reduce the amount of gas flared.

Power Generation – On lease

- o Only a portion of gas is consumed operating generators, remainder of gas would be flared

Compressed Natural Gas – On lease

- o Gas flared would be minimal, but might be uneconomical to operate when gas volume declines

NGL Removal – On lease

- o Plants are expensive, residue gas is still flared, and uneconomical to operate when gas volume declines

Oxy USA Inc. - CORRAL CANYON 36_25 FED COM 212H**1. Geologic Formations**

TVD of target	8997'	Pilot Hole Depth	N/A
MD at TD:	19982'	Deepest Expected fresh water:	397'

Delaware Basin

Formation	TVD - RKB	Expected Fluids
Rustler	396	
Salado	845	Salt
Castile	1,861	Salt
Lamar/Delaware	3,350	Oil/Gas/Brine
Bell Canyon	3,361	Oil/Gas/Brine
Cherry Canyon	4,275	Oil/Gas/Brine
Brushy Canyon	5,612	Losses
Bone Spring	7,166	Oil/Gas
1st Bone Spring	8,117	Oil/Gas
2nd Bone Spring	8,943	Oil/Gas

*H₂S, water flows, loss of circulation, abnormal pressures, etc.

2. Casing Program

Hole Size (in)	Casing Interval		Csg. Size (in)	Weight (lbs)	Grade	Conn.	SF Collapse	SF Burst	Buoyant	Buoyant
	From (ft)	To (ft)							Body SF Tension	Joint SF Tension
14.75	0	785	10.75	40.5	J-55	BTC	1.125	1.2	1.4	1.4
9.875	0	8706	7.625	26.4	L-80 HC	BTC	1.125	1.2	1.4	1.4
6.75	0	9256	5.5	20	P-110	DQX	1.125	1.2	1.4	1.4
6.75	9256	19982	4.5	13.5	P-110	DQX	1.125	1.2	1.4	1.4
SF Values will meet or Exceed										

All casing strings will be tested in accordance with Onshore Oil and Gas Order #2 III.B.1.h

*Oxy requests the option to set casing shallower yet still below the salts if losses or hole conditions require this. Cement volumes may be adjusted if casing is set shallower and a DV tool may be run in case hole conditions merit pumping a second stage cement job to comply with permitted top of cement. If cement circulated to surface during first stage, we will drop a cancellation cone and not pump the second stage.

*Oxy requests the option to run production casing with DQX, SF TORQ, and/or DQW TORQ connections to accommodate hole conditions or drilling operations.

Oxy USA Inc. - CORRAL CANYON 36_25 FED COM 212H**Annular Clearance Variance Request**

As per the agreement reached in the Oxy/BLM face-to-face meeting on Feb 22, 2018, Oxy requests permission to allow deviation from the 0.422" annular clearance requirement from Onshore Order #2 under the following conditions:

1. Annular clearance to meet or exceed 0.422" between intermediate casing ID and production casing coupling only on the first 500' overlap between both casings.
2. Annular clearance less than 0.422" is acceptable for the curve and lateral portions of the production open hole section.

	Y or N
Is casing new? If used, attach certification as required in Onshore Order #1	Y
Does casing meet API specifications? If no, attach casing specification sheet.	Y
Is premium or uncommon casing planned? If yes attach casing specification sheet.	Y
Does the above casing design meet or exceed BLM's minimum standards? If not provide justification (loading assumptions, casing design criteria).	Y
Will the intermediate pipe be kept at a minimum 1/3 fluid filled to avoid approaching the collapse pressure rating of the casing?	Y
Is well located within Capitan Reef?	N
If yes, does production casing cement tie back a minimum of 50' above the Reef?	
Is well within the designated 4 string boundary.	
Is well located in SOPA but not in R-111-P?	N
If yes, are the first 2 strings cemented to surface and 3 rd string cement tied back 500' into previous casing?	
Is well located in R-111-P and SOPA?	N
If yes, are the first three strings cemented to surface?	
Is 2 nd string set 100' to 600' below the base of salt?	
Is well located in high Cave/Karst?	N
If yes, are there two strings cemented to surface?	
(For 2 string wells) If yes, is there a contingency casing if lost circulation occurs?	
Is well located in critical Cave/Karst?	N
If yes, are there three strings cemented to surface?	

Oxy USA Inc. - CORRAL CANYON 36_25 FED COM 212H**3. Cementing Program**

Casing String	# Sks	Wt. (lb/gal)	Yld (ft ³ /sack)	H2O (gal/sk)	500# Comp. Strength (hours)	Slurry Description
Surface (Lead)	N/A	N/A	N/A	N/A	N/A	N/A
Surface (Tail)	643	14.8	1.33	6.365	5:26	Class C Cement, Accelerator
Intermediate 1st Stage (Lead)	N/A	N/A	N/A	N/A	N/A	N/A
Intermediate 1st Stage (Tail)	396	13.2	1.65	8.640	11:54	Class H Cement, Retarder, Dispersant, Salt
Intermediate 2nd Stage (Tail Slurry) to be pumped as Bradenhead Squeeze from surface, down the Intermediate annulus						
Intermediate 2nd Stage (Lead)	N/A	N/A	N/A	N/A	N/A	N/A
Intermediate 2nd Stage (Tail)	721	12.9	1.92	10.41	23:10	Class C Cement, Accelerator
Production (Lead)	N/A	N/A	N/A	N/A	N/A	N/A
Production (Tail)	1370	13.2	1.38	6.686	3:39	Class H Cement, Retarder, Dispersant, Salt

Casing String	Top (ft)	Bottom (ft)	% Excess
Surface (Lead)	N/A	N/A	N/A
Surface (Tail)	0	785	100%
Intermediate 1st Stage (Lead)	N/A	N/A	N/A
Intermediate 1st Stage (Tail)	5862	8706	5%
Intermediate 2nd Stage (Lead)	N/A	N/A	N/A
Intermediate 2nd Stage (Tail)	0	5862	10%
Production (Lead)	N/A	N/A	N/A
Production (Tail)	8206	19982	20%

Oxy requests a variance to cement the 9.625" and/or 7.625" intermediate casing strings offline in accordance to the approved variance, EC Tran 461365.

The summarized operational sequence will be as follows:

1. Run casing as per normal operations. While running casing, conduct negative pressure test and confirm integrity of the float equipment (float collar and shoe).
2. Land casing.
3. Fill pipe with kill weight fluid, and confirm well is static.
 - a. If well is not static notify BLM and kill well.
 - b. Once well is static notify BLM with intent to proceed with nipple down and offline cementing.
4. Set and pressure test annular packoff.
5. After confirmation of both annular barriers and internal barriers, nipple down BOP and install cap flange. If any barrier fails to test, the BOP stack will not be nipped down until after the cement job is completed.
6. Skid rig to next well on pad.
7. Confirm well is static before removing cap flange.
8. If well is not static notify BLM and kill well prior to cementing or nipping up for further remediation.

Oxy USA Inc. - CORRAL CANYON 36_25 FED COM 212H

9. Install offline cement tool.
10. Rig up cement equipment.
 - a. Notify BLM prior to cement job.
11. Perform cement job.
12. Confirm well is static and floats are holding after cement job.
13. Remove cement equipment, offline cement tools and install night cap with pressure gauge for monitoring.

Oxy requests permission to adjust the CBL requirement after bradenhead cement jobs, on 7-5/8" intermediate casings, as per the agreement reached in the OXY/BLM meeting on September 5, 2019.

Three string wells:

- CBL will be required on one well per pad
- If the pumped volume of cement is less than permitted in the APD, BLM will be notified and a CBL may be run
- Echometer will be used after bradenhead cement job to determine TOC before pumping top-out cement

Pilot Hole Cementing specs:

Pilot hole depth: N/A

KOP: N/A

Plug top	Plug Bottom	% Excess	No. Sacks	Wt. lb/gal	Yld ft3/sack	Water gal/sk	Slurry Description and Cement Type
N/A							
N/A							

Oxy USA Inc. - CORRAL CANYON 36_25 FED COM 212H

4. Pressure Control Equipment

BOP installed and tested before drilling which hole?	Size?	Min. Required WP	Type	✓	Tested to:
9.875" Hole	13-5/8"	3M	Annular	✓	70% of working pressure
		3M	Blind Ram	✓	250 psi / 3000 psi
			Pipe Ram		
			Double Ram	✓	
			Other*		
6.75" Hole	13-5/8"	3M	Annular	✓	70% of working pressure
		3M	Blind Ram	✓	250 psi / 3000 psi
			Pipe Ram		
			Double Ram	✓	
			Other*		

*Specify if additional ram is utilized.

Oxy will utilize a 5M annular with a 10M BOPE stack. The BOP/BOPE will be tested by an independent service company to 250 psi low and the high pressure indicated above per Onshore Order 2 requirements. The System may be upgraded to a higher pressure but still tested to the working pressure listed in the table above. If the system is upgraded all the components installed will be functional and tested.

Pipe rams will be operationally checked each 24 hour period. Blind rams will be operationally checked on each trip out of the hole. These checks will be noted on the daily tour sheets. Other accessories to the BOP equipment will include a Kelly cock and floor safety valve (inside BOP) and choke lines and choke manifold. See attached schematics.

	Formation integrity test will be performed per Onshore Order #2. On Exploratory wells or on that portion of any well approved for a 5M BOPE system or greater, a pressure integrity test of each casing shoe shall be performed. Will be tested in accordance with Onshore Oil and Gas Order #2 III.B.1.i.
	A variance is requested for the use of a flexible choke line from the BOP to Choke Manifold. See attached for specs and hydrostatic test chart.
Y	Are anchors required by manufacturer?
	A multibowl or a unionized multibowl wellhead system will be employed. The wellhead and connection to the BOPE will meet all API 6A requirements. The BOP will be tested per Onshore Order #2 after installation on the surface casing which will cover testing requirements for a maximum of 30 days. If any seal subject to test pressure is broken the system must be tested. We will test the flange connection of the wellhead with a test port that is directly in the flange. We are proposing that we will run the wellhead through the rotary prior to cementing surface casing as discussed with the BLM on October 8, 2015. See attached schematics.

Oxy USA Inc. - CORRAL CANYON 36_25 FED COM 212H

BOP Break Testing Request

Oxy requests permission to adjust the BOP break testing requirements as per the agreement reached in the OXY/BLM meeting on September 5, 2019. A separate sundry will be sent prior to spud that reflects the pad based break testing plan.

BOP break test under the following conditions:

- After a full BOP test is conducted
- When skidding to drill an intermediate section where ICP is set into the third Bone Spring or shallower.
- When skidding to drill a production section that does not penetrate into the third Bone Spring or deeper.

If the kill line is broken prior to skid, two tests will be performed.

- 1) Wellhead flange, co-flex hose, kill line connections and upper pipe rams
- 2) Wellhead flange, HCR valve, check valve, upper pipe rams

If the kill line is not broken prior to skid, only one test will be performed.

- 1) Wellhead flange, co-flex hose, check valve, upper pipe rams

Oxy USA Inc. - CORRAL CANYON 36_25 FED COM 212H

5. Mud Program

Depth		Type	Weight (ppg)	Viscosity	Water Loss
From (ft)	To (ft)				
0	785	Water-Based Mud	8.6-8.8	40-60	N/C
785	8706	Saturated Brine-Based or Oil-Based Mud	8.0-10.0	35-45	N/C
8706	19982	Water-Based or Oil-Based Mud	8.0-9.6	38-50	N/C

Sufficient mud materials to maintain mud properties and meet minimum lost circulation and weight increase requirements will be kept on location at all times. The following is a general list of products: Barite, Bentonite, Gypsum, Lime, Soda Ash, Caustic Soda, Nut Plug, Cedar Fiber, Cotton Seed Hulls, Drilling Paper, Salt Water Clay, CACL2. Oxy will use a closed mud system.

What will be used to monitor the loss or gain of fluid?	PVT/MD Totco/Visual Monitoring
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6. Logging and Testing Procedures

Logging, Coring and Testing.	
Yes	Will run GR from TD to surface (horizontal well – vertical portion of hole). Stated logs run will be in the Completion Report and submitted to the BLM.
No	Logs are planned based on well control or offset log information.
No	Drill stem test? If yes, explain
No	Coring? If yes, explain

Additional logs planned		Interval
No	Resistivity	
No	Density	
No	CBL	
Yes	Mud log	ICP - TD
No	PEX	

Oxy USA Inc. - CORRAL CANYON 36_25 FED COM 212H**7. Drilling Conditions**

Condition	Specify what type and where?
BH Pressure at deepest TVD	4492 psi
Abnormal Temperature	No
BH Temperature at deepest TVD	152°F

Pump high viscosity sweeps as needed for hole cleaning. The mud system will be monitored visually/manually as well as with an electronic PVT. The necessary mud products for additional weight and fluid loss control will be on location at all times. Appropriately weighted mud will be used to isolate potential gas, oil, and water zones until such time as casing can be cemented into place for zonal isolation.

Hydrogen Sulfide (H2S) monitors will be installed prior to drilling out the surface shoe. If H2S is detected in concentrations greater than 100 ppm, the operator will comply with the provisions of Onshore Oil and Gas Order #6. If Hydrogen Sulfide is encountered, measured values and formations will be provided to the BLM.	
N	H2S is present
Y	H2S Plan attached

8. Other facets of operation

	Yes/No
Will the well be drilled with a walking/skidding operation? If yes, describe. <ul style="list-style-type: none"> We plan to drill the two well pad in batch by section: all surface sections, intermediate sections and production sections. The wellhead will be secured with a night cap whenever the rig is not over the well. 	Yes
Will more than one drilling rig be used for drilling operations? If yes, describe. <ul style="list-style-type: none"> Oxy requests the option to contract a Surface Rig to drill, set surface casing, and cement for this well. If the timing between rigs is such that Oxy would not be able to preset surface, the Primary Rig will MIRU and drill the well in its entirety per the APD. Please see the attached document for information on the spudder rig. 	Yes

Total estimated cuttings volume: 1415.4 bbls.

Attachments

- ☒ Directional Plan
- ☒ H2S Contingency Plan
- ☒ Flex III Attachments
- ☒ Spudder Rig Attachment
- ☒ Premium Connection Specs

Oxy USA Inc. - CORRAL CANYON 36_25 FED COM 212H**9. Company Personnel**

<u>Name</u>	<u>Title</u>	<u>Office Phone</u>	<u>Mobile Phone</u>
Garrett Granier	Drilling Engineer	713-513-6633	832-265-0581
William Turner	Drilling Engineer Supervisor	713-350-4951	661-817-4586
Simon Benavides	Drilling Superintendent	713-522-8652	281-684-6897
Diego Tellez	Drilling Manager	713-350-4602	713-303-4932

OXY USA Inc.
APD Attachment
Offline Cementing

OXY respectfully requests a variance to cement the 9-5/8" and/or 7-5/8" intermediate casing strings offline.

The summarized operational sequence will be as follows:

1. Run casing as per normal operations. While running casing, conduct negative pressure test and confirm integrity of the float equipment (float collar and shoe).
2. Land casing.
3. Fill pipe with kill weight fluid, and confirm well is static.
 - a. If well is not static notify BLM and kill well.
 - b. Once well is static notify BLM with intent to proceed with nipple down and offline cementing.
4. Set and pressure test annular packoff.
5. After confirmation of both annular barriers and internal barriers, nipple down BOP and install cap flange. If any barrier fails to test, the BOP stack will not be nipped down until after the cement job is completed.
6. Skid rig to next well on pad.
7. Confirm well is static before removing cap flange.
8. If well is not static notify BLM and kill well prior to cementing or nipping up for further remediation.
9. Install offline cement tool.
10. Rig up cement equipment.
 - a. Notify BLM prior to cement job.
11. Perform cement job.
12. Confirm well is static and floats are holding after cement job.
13. Remove cement equipment, offline cement tools and install night cap with pressure gauge for monitoring.

OXY

PRD NM DIRECTIONAL PLANS (NAD 1983)

CORRAL CANYON 36-25 FED COM

CORRAL CANYON 36_25 FED COM 212H

Wellbore #1

Plan: Permitting Plan

Standard Planning Report

14 June, 2019

Oxy

Planning Report

Database:	HOPSPP	Local Co-ordinate Reference:	Well CORRAL CANYON 36_25 FED COM 212H
Company:	ENGINEERING DESIGNS	TVD Reference:	RKB=26.5' @ 3149.10ft
Project:	PRD NM DIRECTIONAL PLANS (NAD 1983)	MD Reference:	RKB=26.5' @ 3149.10ft
Site:	CORRAL CANYON 36-25 FED COM	North Reference:	Grid
Well:	CORRAL CANYON 36_25 FED COM 212H	Survey Calculation Method:	Minimum Curvature
Wellbore:	Wellbore #1		
Design:	Permitting Plan		

Project	PRD NM DIRECTIONAL PLANS (NAD 1983)		
Map System:	US State Plane 1983	System Datum:	Mean Sea Level
Geo Datum:	North American Datum 1983		
Map Zone:	New Mexico Eastern Zone		Using geodetic scale factor

Site	CORRAL CANYON 36-25 FED COM		
Site Position:		Northing:	424,164.47 usft
From:	Map	Easting:	662,497.64 usft
Position Uncertainty:	50.00 ft	Slot Radius:	13.200 in
		Latitude:	32° 9' 55.801317 N
		Longitude:	103° 56' 30.391750 W
		Grid Convergence:	0.21 °

Well	CORRAL CANYON 36_25 FED COM 212H		
Well Position	+N/-S	188.86 ft	Northing:
	+E/-W	1,071.38 ft	Easting:
Position Uncertainty		2.00 ft	Wellhead Elevation:
			0.00 ft
			Latitude:
			32° 9' 57.631421 N
			Longitude:
			103° 56' 17.920159 W
			Ground Level:
			3,122.60 ft

Wellbore	Wellbore #1				
Magnetics	Model Name	Sample Date	Declination (°)	Dip Angle (°)	Field Strength (nT)
	HDGM	6/14/2019	6.85	59.85	47,871

Design	Permitting Plan				
Audit Notes:					
Version:	Phase:	PROTOTYPE	Tie On Depth:	0.00	
Vertical Section:	Depth From (TVD) (ft)	+N/-S (ft)	+E/-W (ft)	Direction (°)	
	0.00	0.00	0.00	7.22	

Plan Sections										
Measured Depth (ft)	Inclination (°)	Azimuth (°)	Vertical Depth (ft)	+N/-S (ft)	+E/-W (ft)	Dogleg Rate (°/100ft)	Build Rate (°/100ft)	Turn Rate (°/100ft)	TFO (°)	Target
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
2,842.00	0.00	0.00	2,842.00	0.00	0.00	0.00	0.00	0.00	0.00	
3,741.81	18.00	108.16	3,727.09	-43.69	133.17	2.00	2.00	0.00	108.16	
7,354.98	18.00	108.16	7,163.49	-391.69	1,193.84	0.00	0.00	0.00	0.00	
8,806.40	18.00	359.75	8,574.20	-233.94	1,410.58	2.00	0.00	-7.47	-142.83	
9,524.93	89.85	359.75	8,970.10	309.49	1,408.26	10.00	10.00	0.00	0.00	FTP (Corral Canyon)
19,982.62	89.85	359.75	8,997.10	10,767.06	1,363.53	0.00	0.00	0.00	0.00	PBHL (Corral)

Oxy Planning Report

Database:	HOPSP	Local Co-ordinate Reference:	Well CORRAL CANYON 36_25 FED COM 212H
Company:	ENGINEERING DESIGNS	TVD Reference:	RKB=26.5' @ 3149.10ft
Project:	PRD NM DIRECTIONAL PLANS (NAD 1983)	MD Reference:	RKB=26.5' @ 3149.10ft
Site:	CORRAL CANYON 36-25 FED COM	North Reference:	Grid
Well:	CORRAL CANYON 36_25 FED COM 212H	Survey Calculation Method:	Minimum Curvature
Wellbore:	Wellbore #1		
Design:	Permitting Plan		

Planned Survey										
Measured Depth (ft)	Inclination (°)	Azimuth (°)	Vertical Depth (ft)	+N/-S (ft)	+E/-W (ft)	Vertical Section (ft)	Dogleg Rate (°/100ft)	Build Rate (°/100ft)	Turn Rate (°/100ft)	
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
100.00	0.00	0.00	100.00	0.00	0.00	0.00	0.00	0.00	0.00	
200.00	0.00	0.00	200.00	0.00	0.00	0.00	0.00	0.00	0.00	
300.00	0.00	0.00	300.00	0.00	0.00	0.00	0.00	0.00	0.00	
400.00	0.00	0.00	400.00	0.00	0.00	0.00	0.00	0.00	0.00	
500.00	0.00	0.00	500.00	0.00	0.00	0.00	0.00	0.00	0.00	
600.00	0.00	0.00	600.00	0.00	0.00	0.00	0.00	0.00	0.00	
700.00	0.00	0.00	700.00	0.00	0.00	0.00	0.00	0.00	0.00	
800.00	0.00	0.00	800.00	0.00	0.00	0.00	0.00	0.00	0.00	
900.00	0.00	0.00	900.00	0.00	0.00	0.00	0.00	0.00	0.00	
1,000.00	0.00	0.00	1,000.00	0.00	0.00	0.00	0.00	0.00	0.00	
1,100.00	0.00	0.00	1,100.00	0.00	0.00	0.00	0.00	0.00	0.00	
1,200.00	0.00	0.00	1,200.00	0.00	0.00	0.00	0.00	0.00	0.00	
1,300.00	0.00	0.00	1,300.00	0.00	0.00	0.00	0.00	0.00	0.00	
1,400.00	0.00	0.00	1,400.00	0.00	0.00	0.00	0.00	0.00	0.00	
1,500.00	0.00	0.00	1,500.00	0.00	0.00	0.00	0.00	0.00	0.00	
1,600.00	0.00	0.00	1,600.00	0.00	0.00	0.00	0.00	0.00	0.00	
1,700.00	0.00	0.00	1,700.00	0.00	0.00	0.00	0.00	0.00	0.00	
1,800.00	0.00	0.00	1,800.00	0.00	0.00	0.00	0.00	0.00	0.00	
1,900.00	0.00	0.00	1,900.00	0.00	0.00	0.00	0.00	0.00	0.00	
2,000.00	0.00	0.00	2,000.00	0.00	0.00	0.00	0.00	0.00	0.00	
2,100.00	0.00	0.00	2,100.00	0.00	0.00	0.00	0.00	0.00	0.00	
2,200.00	0.00	0.00	2,200.00	0.00	0.00	0.00	0.00	0.00	0.00	
2,300.00	0.00	0.00	2,300.00	0.00	0.00	0.00	0.00	0.00	0.00	
2,400.00	0.00	0.00	2,400.00	0.00	0.00	0.00	0.00	0.00	0.00	
2,500.00	0.00	0.00	2,500.00	0.00	0.00	0.00	0.00	0.00	0.00	
2,600.00	0.00	0.00	2,600.00	0.00	0.00	0.00	0.00	0.00	0.00	
2,700.00	0.00	0.00	2,700.00	0.00	0.00	0.00	0.00	0.00	0.00	
2,800.00	0.00	0.00	2,800.00	0.00	0.00	0.00	0.00	0.00	0.00	
2,842.00	0.00	0.00	2,842.00	0.00	0.00	0.00	0.00	0.00	0.00	
2,900.00	1.16	108.16	2,900.00	-0.18	0.56	-0.11	2.00	2.00	0.00	
3,000.00	3.16	108.16	2,999.92	-1.36	4.14	-0.83	2.00	2.00	0.00	
3,100.00	5.16	108.16	3,099.65	-3.62	11.03	-2.20	2.00	2.00	0.00	
3,200.00	7.16	108.16	3,199.07	-6.96	21.23	-4.24	2.00	2.00	0.00	
3,300.00	9.16	108.16	3,298.05	-11.39	34.71	-6.94	2.00	2.00	0.00	
3,400.00	11.16	108.16	3,396.48	-16.89	51.47	-10.29	2.00	2.00	0.00	
3,500.00	13.16	108.16	3,494.23	-23.45	71.49	-14.29	2.00	2.00	0.00	
3,600.00	15.16	108.16	3,591.19	-31.08	94.73	-18.93	2.00	2.00	0.00	
3,700.00	17.16	108.16	3,687.23	-39.76	121.17	-24.22	2.00	2.00	0.00	
3,741.81	18.00	108.16	3,727.09	-43.69	133.17	-26.62	2.00	2.00	0.00	
3,800.00	18.00	108.16	3,782.43	-49.30	150.25	-30.03	0.00	0.00	0.00	
3,900.00	18.00	108.16	3,877.54	-58.93	179.61	-35.90	0.00	0.00	0.00	
4,000.00	18.00	108.16	3,972.65	-68.56	208.96	-41.76	0.00	0.00	0.00	
4,100.00	18.00	108.16	4,067.75	-78.19	238.32	-47.63	0.00	0.00	0.00	
4,200.00	18.00	108.16	4,162.86	-87.82	267.68	-53.50	0.00	0.00	0.00	
4,300.00	18.00	108.16	4,257.97	-97.45	297.03	-59.36	0.00	0.00	0.00	
4,400.00	18.00	108.16	4,353.08	-107.08	326.39	-65.23	0.00	0.00	0.00	
4,500.00	18.00	108.16	4,448.18	-116.72	355.74	-71.10	0.00	0.00	0.00	
4,600.00	18.00	108.16	4,543.29	-126.35	385.10	-76.96	0.00	0.00	0.00	
4,700.00	18.00	108.16	4,638.40	-135.98	414.45	-82.83	0.00	0.00	0.00	
4,800.00	18.00	108.16	4,733.51	-145.61	443.81	-88.70	0.00	0.00	0.00	
4,900.00	18.00	108.16	4,828.62	-155.24	473.17	-94.57	0.00	0.00	0.00	
5,000.00	18.00	108.16	4,923.72	-164.87	502.52	-100.43	0.00	0.00	0.00	

Oxy Planning Report

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Project:	PRD NM DIRECTIONAL PLANS (NAD 1983)	MD Reference:	RKB=26.5' @ 3149.10ft
Site:	CORRAL CANYON 36-25 FED COM	North Reference:	Grid
Well:	CORRAL CANYON 36_25 FED COM 212H	Survey Calculation Method:	Minimum Curvature
Wellbore:	Wellbore #1		
Design:	Permitting Plan		

Planned Survey									
Measured Depth (ft)	Inclination (°)	Azimuth (°)	Vertical Depth (ft)	+N/-S (ft)	+E/-W (ft)	Vertical Section (ft)	Dogleg Rate (°/100ft)	Build Rate (°/100ft)	Turn Rate (°/100ft)
5,100.00	18.00	108.16	5,018.83	-174.50	531.88	-106.30	0.00	0.00	0.00
5,200.00	18.00	108.16	5,113.94	-184.13	561.23	-112.17	0.00	0.00	0.00
5,300.00	18.00	108.16	5,209.05	-193.77	590.59	-118.03	0.00	0.00	0.00
5,400.00	18.00	108.16	5,304.15	-203.40	619.95	-123.90	0.00	0.00	0.00
5,500.00	18.00	108.16	5,399.26	-213.03	649.30	-129.77	0.00	0.00	0.00
5,600.00	18.00	108.16	5,494.37	-222.66	678.66	-135.63	0.00	0.00	0.00
5,700.00	18.00	108.16	5,589.48	-232.29	708.01	-141.50	0.00	0.00	0.00
5,800.00	18.00	108.16	5,684.58	-241.92	737.37	-147.37	0.00	0.00	0.00
5,900.00	18.00	108.16	5,779.69	-251.55	766.72	-153.24	0.00	0.00	0.00
6,000.00	18.00	108.16	5,874.80	-261.18	796.08	-159.10	0.00	0.00	0.00
6,100.00	18.00	108.16	5,969.91	-270.82	825.44	-164.97	0.00	0.00	0.00
6,200.00	18.00	108.16	6,065.02	-280.45	854.79	-170.84	0.00	0.00	0.00
6,300.00	18.00	108.16	6,160.12	-290.08	884.15	-176.70	0.00	0.00	0.00
6,400.00	18.00	108.16	6,255.23	-299.71	913.50	-182.57	0.00	0.00	0.00
6,500.00	18.00	108.16	6,350.34	-309.34	942.86	-188.44	0.00	0.00	0.00
6,600.00	18.00	108.16	6,445.45	-318.97	972.22	-194.30	0.00	0.00	0.00
6,700.00	18.00	108.16	6,540.55	-328.60	1,001.57	-200.17	0.00	0.00	0.00
6,800.00	18.00	108.16	6,635.66	-338.24	1,030.93	-206.04	0.00	0.00	0.00
6,900.00	18.00	108.16	6,730.77	-347.87	1,060.28	-211.91	0.00	0.00	0.00
7,000.00	18.00	108.16	6,825.88	-357.50	1,089.64	-217.77	0.00	0.00	0.00
7,100.00	18.00	108.16	6,920.99	-367.13	1,118.99	-223.64	0.00	0.00	0.00
7,200.00	18.00	108.16	7,016.09	-376.76	1,148.35	-229.51	0.00	0.00	0.00
7,300.00	18.00	108.16	7,111.20	-386.39	1,177.71	-235.37	0.00	0.00	0.00
7,354.98	18.00	108.16	7,163.49	-391.69	1,193.84	-238.60	0.00	0.00	0.00
7,400.00	17.29	106.33	7,206.39	-395.74	1,206.87	-240.98	2.00	-1.58	-4.07
7,500.00	15.78	101.71	7,302.26	-402.67	1,234.45	-244.40	2.00	-1.51	-4.62
7,600.00	14.39	96.18	7,398.82	-406.77	1,260.12	-245.24	2.00	-1.39	-5.53
7,700.00	13.15	89.56	7,495.95	-408.02	1,283.85	-243.50	2.00	-1.24	-6.62
7,800.00	12.12	81.72	7,593.53	-406.42	1,305.62	-239.17	2.00	-1.03	-7.84
7,900.00	11.34	72.64	7,691.45	-401.98	1,325.39	-232.28	2.00	-0.78	-9.08
8,000.00	10.88	62.53	7,789.58	-394.69	1,343.15	-222.82	2.00	-0.46	-10.11
8,100.00	10.77	51.88	7,887.82	-384.57	1,358.88	-210.81	2.00	-0.11	-10.65
8,200.00	11.02	41.37	7,986.02	-371.63	1,372.54	-196.26	2.00	0.25	-10.51
8,300.00	11.61	31.62	8,084.09	-355.89	1,384.13	-179.18	2.00	0.59	-9.75
8,400.00	12.49	23.01	8,181.89	-337.37	1,393.64	-159.61	2.00	0.88	-8.61
8,500.00	13.61	15.66	8,279.31	-316.08	1,401.04	-137.56	2.00	1.12	-7.35
8,600.00	14.91	9.48	8,376.24	-292.05	1,406.34	-113.06	2.00	1.30	-6.17
8,700.00	16.35	4.32	8,472.54	-265.32	1,409.52	-86.14	2.00	1.44	-5.16
8,800.00	17.90	0.01	8,568.11	-235.91	1,410.58	-56.83	2.00	1.55	-4.32
8,806.40	18.00	359.75	8,574.20	-233.94	1,410.58	-54.87	2.00	1.59	-3.93
8,900.00	27.36	359.75	8,660.46	-197.89	1,410.43	-19.13	10.00	10.00	0.00
9,000.00	37.36	359.75	8,744.82	-144.43	1,410.20	33.87	10.00	10.00	0.00
9,100.00	47.36	359.75	8,818.62	-77.14	1,409.91	100.60	10.00	10.00	0.00
9,200.00	57.36	359.75	8,879.62	1.94	1,409.57	179.01	10.00	10.00	0.00
9,300.00	67.36	359.75	8,925.95	90.42	1,409.19	266.74	10.00	10.00	0.00
9,400.00	77.36	359.75	8,956.22	185.59	1,408.79	361.11	10.00	10.00	0.00
9,500.00	87.36	359.75	8,969.49	284.58	1,408.36	459.26	10.00	10.00	0.00
9,524.93	89.85	359.75	8,970.10	309.49	1,408.26	483.96	10.00	10.00	0.00
9,600.00	89.85	359.75	8,970.29	384.57	1,407.94	558.40	0.00	0.00	0.00
9,700.00	89.85	359.75	8,970.55	484.57	1,407.51	657.55	0.00	0.00	0.00
9,800.00	89.85	359.75	8,970.81	584.56	1,407.08	756.71	0.00	0.00	0.00
9,900.00	89.85	359.75	8,971.07	684.56	1,406.65	855.86	0.00	0.00	0.00
10,000.00	89.85	359.75	8,971.33	784.56	1,406.23	955.01	0.00	0.00	0.00

Oxy Planning Report

Database:	HOSPSP	Local Co-ordinate Reference:	Well CORRAL CANYON 36_25 FED COM 212H
Company:	ENGINEERING DESIGNS	TVD Reference:	RKB=26.5' @ 3149.10ft
Project:	PRD NM DIRECTIONAL PLANS (NAD 1983)	MD Reference:	RKB=26.5' @ 3149.10ft
Site:	CORRAL CANYON 36-25 FED COM	North Reference:	Grid
Well:	CORRAL CANYON 36_25 FED COM 212H	Survey Calculation Method:	Minimum Curvature
Wellbore:	Wellbore #1		
Design:	Permitting Plan		

Planned Survey									
Measured Depth (ft)	Inclination (°)	Azimuth (°)	Vertical Depth (ft)	+N/-S (ft)	+E/-W (ft)	Vertical Section (ft)	Dogleg Rate (°/100ft)	Build Rate (°/100ft)	Turn Rate (°/100ft)
10,100.00	89.85	359.75	8,971.58	884.56	1,405.80	1,054.17	0.00	0.00	0.00
10,200.00	89.85	359.75	8,971.84	984.56	1,405.37	1,153.32	0.00	0.00	0.00
10,300.00	89.85	359.75	8,972.10	1,084.56	1,404.94	1,252.47	0.00	0.00	0.00
10,400.00	89.85	359.75	8,972.36	1,184.56	1,404.51	1,351.62	0.00	0.00	0.00
10,500.00	89.85	359.75	8,972.62	1,284.56	1,404.09	1,450.78	0.00	0.00	0.00
10,600.00	89.85	359.75	8,972.88	1,384.56	1,403.66	1,549.93	0.00	0.00	0.00
10,700.00	89.85	359.75	8,973.13	1,484.55	1,403.23	1,649.08	0.00	0.00	0.00
10,800.00	89.85	359.75	8,973.39	1,584.55	1,402.80	1,748.23	0.00	0.00	0.00
10,900.00	89.85	359.75	8,973.65	1,684.55	1,402.38	1,847.39	0.00	0.00	0.00
11,000.00	89.85	359.75	8,973.91	1,784.55	1,401.95	1,946.54	0.00	0.00	0.00
11,100.00	89.85	359.75	8,974.17	1,884.55	1,401.52	2,045.69	0.00	0.00	0.00
11,200.00	89.85	359.75	8,974.42	1,984.55	1,401.09	2,144.85	0.00	0.00	0.00
11,300.00	89.85	359.75	8,974.68	2,084.55	1,400.67	2,244.00	0.00	0.00	0.00
11,400.00	89.85	359.75	8,974.94	2,184.55	1,400.24	2,343.15	0.00	0.00	0.00
11,500.00	89.85	359.75	8,975.20	2,284.54	1,399.81	2,442.30	0.00	0.00	0.00
11,600.00	89.85	359.75	8,975.46	2,384.54	1,399.38	2,541.46	0.00	0.00	0.00
11,700.00	89.85	359.75	8,975.72	2,484.54	1,398.95	2,640.61	0.00	0.00	0.00
11,800.00	89.85	359.75	8,975.97	2,584.54	1,398.53	2,739.76	0.00	0.00	0.00
11,900.00	89.85	359.75	8,976.23	2,684.54	1,398.10	2,838.91	0.00	0.00	0.00
12,000.00	89.85	359.75	8,976.49	2,784.54	1,397.67	2,938.07	0.00	0.00	0.00
12,100.00	89.85	359.75	8,976.75	2,884.54	1,397.24	3,037.22	0.00	0.00	0.00
12,200.00	89.85	359.75	8,977.01	2,984.54	1,396.82	3,136.37	0.00	0.00	0.00
12,300.00	89.85	359.75	8,977.26	3,084.53	1,396.39	3,235.53	0.00	0.00	0.00
12,400.00	89.85	359.75	8,977.52	3,184.53	1,395.96	3,334.68	0.00	0.00	0.00
12,500.00	89.85	359.75	8,977.78	3,284.53	1,395.53	3,433.83	0.00	0.00	0.00
12,600.00	89.85	359.75	8,978.04	3,384.53	1,395.11	3,532.98	0.00	0.00	0.00
12,700.00	89.85	359.75	8,978.30	3,484.53	1,394.68	3,632.14	0.00	0.00	0.00
12,800.00	89.85	359.75	8,978.56	3,584.53	1,394.25	3,731.29	0.00	0.00	0.00
12,900.00	89.85	359.75	8,978.81	3,684.53	1,393.82	3,830.44	0.00	0.00	0.00
13,000.00	89.85	359.75	8,979.07	3,784.53	1,393.40	3,929.59	0.00	0.00	0.00
13,100.00	89.85	359.75	8,979.33	3,884.52	1,392.97	4,028.75	0.00	0.00	0.00
13,200.00	89.85	359.75	8,979.59	3,984.52	1,392.54	4,127.90	0.00	0.00	0.00
13,300.00	89.85	359.75	8,979.85	4,084.52	1,392.11	4,227.05	0.00	0.00	0.00
13,400.00	89.85	359.75	8,980.10	4,184.52	1,391.68	4,326.21	0.00	0.00	0.00
13,500.00	89.85	359.75	8,980.36	4,284.52	1,391.26	4,425.36	0.00	0.00	0.00
13,600.00	89.85	359.75	8,980.62	4,384.52	1,390.83	4,524.51	0.00	0.00	0.00
13,700.00	89.85	359.75	8,980.88	4,484.52	1,390.40	4,623.66	0.00	0.00	0.00
13,800.00	89.85	359.75	8,981.14	4,584.52	1,389.97	4,722.82	0.00	0.00	0.00
13,900.00	89.85	359.75	8,981.40	4,684.51	1,389.55	4,821.97	0.00	0.00	0.00
14,000.00	89.85	359.75	8,981.65	4,784.51	1,389.12	4,921.12	0.00	0.00	0.00
14,100.00	89.85	359.75	8,981.91	4,884.51	1,388.69	5,020.27	0.00	0.00	0.00
14,200.00	89.85	359.75	8,982.17	4,984.51	1,388.26	5,119.43	0.00	0.00	0.00
14,300.00	89.85	359.75	8,982.43	5,084.51	1,387.84	5,218.58	0.00	0.00	0.00
14,400.00	89.85	359.75	8,982.69	5,184.51	1,387.41	5,317.73	0.00	0.00	0.00
14,500.00	89.85	359.75	8,982.95	5,284.51	1,386.98	5,416.89	0.00	0.00	0.00
14,600.00	89.85	359.75	8,983.20	5,384.51	1,386.55	5,516.04	0.00	0.00	0.00
14,700.00	89.85	359.75	8,983.46	5,484.50	1,386.13	5,615.19	0.00	0.00	0.00
14,800.00	89.85	359.75	8,983.72	5,584.50	1,385.70	5,714.34	0.00	0.00	0.00
14,900.00	89.85	359.75	8,983.98	5,684.50	1,385.27	5,813.50	0.00	0.00	0.00
15,000.00	89.85	359.75	8,984.24	5,784.50	1,384.84	5,912.65	0.00	0.00	0.00
15,100.00	89.85	359.75	8,984.49	5,884.50	1,384.41	6,011.80	0.00	0.00	0.00
15,200.00	89.85	359.75	8,984.75	5,984.50	1,383.99	6,110.95	0.00	0.00	0.00
15,300.00	89.85	359.75	8,985.01	6,084.50	1,383.56	6,210.11	0.00	0.00	0.00

Oxy

Planning Report

Database:	HOPSP	Local Co-ordinate Reference:	Well CORRAL CANYON 36_25 FED COM 212H
Company:	ENGINEERING DESIGNS	TVD Reference:	RKB=26.5' @ 3149.10ft
Project:	PRD NM DIRECTIONAL PLANS (NAD 1983)	MD Reference:	RKB=26.5' @ 3149.10ft
Site:	CORRAL CANYON 36-25 FED COM	North Reference:	Grid
Well:	CORRAL CANYON 36_25 FED COM 212H	Survey Calculation Method:	Minimum Curvature
Wellbore:	Wellbore #1		
Design:	Permitting Plan		

Planned Survey									
Measured Depth (ft)	Inclination (°)	Azimuth (°)	Vertical Depth (ft)	+N/-S (ft)	+E/-W (ft)	Vertical Section (ft)	Dogleg Rate (°/100ft)	Build Rate (°/100ft)	Turn Rate (°/100ft)
15,400.00	89.85	359.75	8,985.27	6,184.50	1,383.13	6,309.26	0.00	0.00	0.00
15,500.00	89.85	359.75	8,985.53	6,284.49	1,382.70	6,408.41	0.00	0.00	0.00
15,600.00	89.85	359.75	8,985.79	6,384.49	1,382.28	6,507.57	0.00	0.00	0.00
15,700.00	89.85	359.75	8,986.04	6,484.49	1,381.85	6,606.72	0.00	0.00	0.00
15,800.00	89.85	359.75	8,986.30	6,584.49	1,381.42	6,705.87	0.00	0.00	0.00
15,900.00	89.85	359.75	8,986.56	6,684.49	1,380.99	6,805.02	0.00	0.00	0.00
16,000.00	89.85	359.75	8,986.82	6,784.49	1,380.57	6,904.18	0.00	0.00	0.00
16,100.00	89.85	359.75	8,987.08	6,884.49	1,380.14	7,003.33	0.00	0.00	0.00
16,200.00	89.85	359.75	8,987.33	6,984.49	1,379.71	7,102.48	0.00	0.00	0.00
16,300.00	89.85	359.75	8,987.59	7,084.48	1,379.28	7,201.63	0.00	0.00	0.00
16,400.00	89.85	359.75	8,987.85	7,184.48	1,378.85	7,300.79	0.00	0.00	0.00
16,500.00	89.85	359.75	8,988.11	7,284.48	1,378.43	7,399.94	0.00	0.00	0.00
16,600.00	89.85	359.75	8,988.37	7,384.48	1,378.00	7,499.09	0.00	0.00	0.00
16,700.00	89.85	359.75	8,988.63	7,484.48	1,377.57	7,598.25	0.00	0.00	0.00
16,800.00	89.85	359.75	8,988.88	7,584.48	1,377.14	7,697.40	0.00	0.00	0.00
16,900.00	89.85	359.75	8,989.14	7,684.48	1,376.72	7,796.55	0.00	0.00	0.00
17,000.00	89.85	359.75	8,989.40	7,784.48	1,376.29	7,895.70	0.00	0.00	0.00
17,100.00	89.85	359.75	8,989.66	7,884.47	1,375.86	7,994.86	0.00	0.00	0.00
17,200.00	89.85	359.75	8,989.92	7,984.47	1,375.43	8,094.01	0.00	0.00	0.00
17,300.00	89.85	359.75	8,990.17	8,084.47	1,375.01	8,193.16	0.00	0.00	0.00
17,400.00	89.85	359.75	8,990.43	8,184.47	1,374.58	8,292.31	0.00	0.00	0.00
17,500.00	89.85	359.75	8,990.69	8,284.47	1,374.15	8,391.47	0.00	0.00	0.00
17,600.00	89.85	359.75	8,990.95	8,384.47	1,373.72	8,490.62	0.00	0.00	0.00
17,700.00	89.85	359.75	8,991.21	8,484.47	1,373.30	8,589.77	0.00	0.00	0.00
17,800.00	89.85	359.75	8,991.47	8,584.47	1,372.87	8,688.93	0.00	0.00	0.00
17,900.00	89.85	359.75	8,991.72	8,684.46	1,372.44	8,788.08	0.00	0.00	0.00
18,000.00	89.85	359.75	8,991.98	8,784.46	1,372.01	8,887.23	0.00	0.00	0.00
18,100.00	89.85	359.75	8,992.24	8,884.46	1,371.58	8,986.38	0.00	0.00	0.00
18,200.00	89.85	359.75	8,992.50	8,984.46	1,371.16	9,085.54	0.00	0.00	0.00
18,300.00	89.85	359.75	8,992.76	9,084.46	1,370.73	9,184.69	0.00	0.00	0.00
18,400.00	89.85	359.75	8,993.01	9,184.46	1,370.30	9,283.84	0.00	0.00	0.00
18,500.00	89.85	359.75	8,993.27	9,284.46	1,369.87	9,382.99	0.00	0.00	0.00
18,600.00	89.85	359.75	8,993.53	9,384.46	1,369.45	9,482.15	0.00	0.00	0.00
18,700.00	89.85	359.75	8,993.79	9,484.45	1,369.02	9,581.30	0.00	0.00	0.00
18,800.00	89.85	359.75	8,994.05	9,584.45	1,368.59	9,680.45	0.00	0.00	0.00
18,900.00	89.85	359.75	8,994.31	9,684.45	1,368.16	9,779.61	0.00	0.00	0.00
19,000.00	89.85	359.75	8,994.56	9,784.45	1,367.74	9,878.76	0.00	0.00	0.00
19,100.00	89.85	359.75	8,994.82	9,884.45	1,367.31	9,977.91	0.00	0.00	0.00
19,200.00	89.85	359.75	8,995.08	9,984.45	1,366.88	10,077.06	0.00	0.00	0.00
19,300.00	89.85	359.75	8,995.34	10,084.45	1,366.45	10,176.22	0.00	0.00	0.00
19,400.00	89.85	359.75	8,995.60	10,184.45	1,366.03	10,275.37	0.00	0.00	0.00
19,500.00	89.85	359.75	8,995.85	10,284.44	1,365.60	10,374.52	0.00	0.00	0.00
19,600.00	89.85	359.75	8,996.11	10,384.44	1,365.17	10,473.68	0.00	0.00	0.00
19,700.00	89.85	359.75	8,996.37	10,484.44	1,364.74	10,572.83	0.00	0.00	0.00
19,800.00	89.85	359.75	8,996.63	10,584.44	1,364.31	10,671.98	0.00	0.00	0.00
19,900.00	89.85	359.75	8,996.89	10,684.44	1,363.89	10,771.13	0.00	0.00	0.00
19,982.62	89.85	359.75	8,997.10	10,767.06	1,363.53	10,853.05	0.00	0.00	0.00

Oxy

Planning Report

Database:	HOPSPP	Local Co-ordinate Reference:	Well CORRAL CANYON 36_25 FED COM 212H
Company:	ENGINEERING DESIGNS	TVD Reference:	RKB=26.5' @ 3149.10ft
Project:	PRD NM DIRECTIONAL PLANS (NAD 1983)	MD Reference:	RKB=26.5' @ 3149.10ft
Site:	CORRAL CANYON 36-25 FED COM	North Reference:	Grid
Well:	CORRAL CANYON 36_25 FED COM 212H	Survey Calculation Method:	Minimum Curvature
Wellbore:	Wellbore #1		
Design:	Permitting Plan		

Design Targets									
Target Name - hit/miss target - Shape	Dip Angle (°)	Dip Dir. (°)	TVD (ft)	+N/-S (ft)	+E/-W (ft)	Northing (usft)	Easting (usft)	Latitude	Longitude
FTP (Corral Canyon - plan hits target center - Point	0.00	0.00	8,970.10	309.49	1,408.26	424,662.79	664,977.09	32° 10' 0.642466 N	103° 56' 1.524262
PBHL (Corral Canyon - plan hits target center - Point	0.00	0.00	8,997.10	10,767.06	1,363.53	435,119.56	664,932.37	32° 11' 44.123163 N	103° 56' 1.592689

Plan Annotations				
Measured Depth (ft)	Vertical Depth (ft)	Local Coordinates		Comment
		+N/-S (ft)	+E/-W (ft)	
2,842.00	2,842.00	0.00	0.00	Build 2.00°/100'
3,741.81	3,727.09	-43.69	133.17	Hold 18.00° Tangent
7,354.98	7,163.49	-391.69	1,193.84	Turn 2.00°/100'
8,806.40	8,574.20	-233.94	1,410.58	KOP, Build 10.00°/100'
9,524.93	8,970.10	309.49	1,408.26	Landing Point
19,982.62	8,997.10	10,767.06	1,363.53	TD at 19982.62' MD



Project: PRD NM DIRECTIONAL PLANS (NAD 1983)
 Site: CORRAL CANYON 36-25 FED COM
 Well: CORRAL CANYON 36_25 FED COM 212H
 Wellbore: Wellbore #1
 Design: Permitting Plan

PROJECT DETAILS: NM DIRECTIONAL PLANS (NAD 1983)

Geodetic System: US State Plane 1983
 Datum: North American Datum 1983
 Ellipsoid: GRS 1980
 Zone: New Mexico Eastern Zone

System Datum: Mean Sea Level

WELL DETAILS: CORRAL CANYON 36_25 FED COM 212H

+N/-S	+E/-W	Ground Level:	3122.60	Latitude	Longitude
0.00	0.00	Northings	Eastings	32° 9' 57.631420 N	103° 56' 17.920159 W
		424353.32	663968.94		

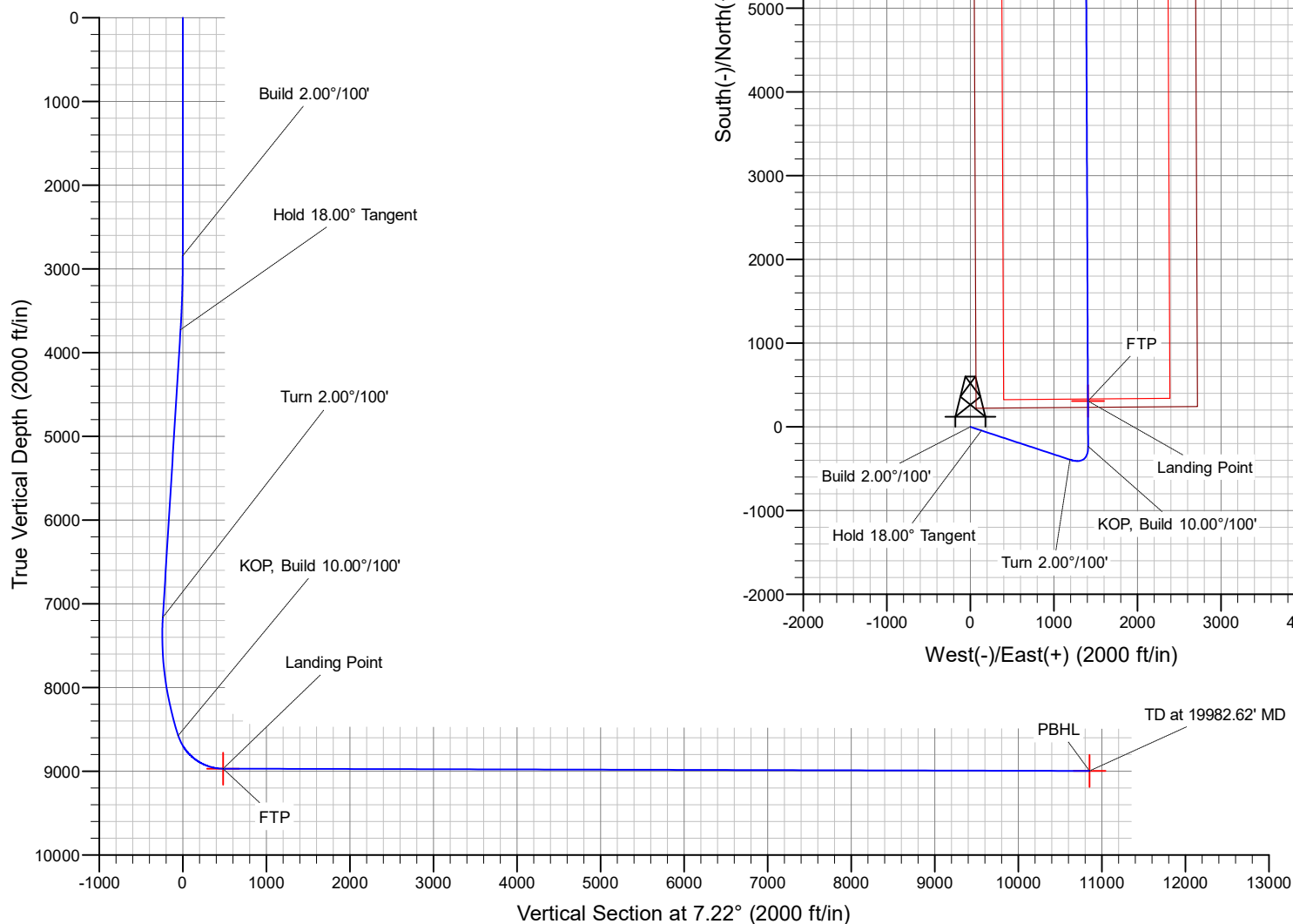
SECTION DETAILS

MD	Inc	Azi	TVD	+N/-S	+E/-W	Dleg	TFace	VFace	Annotation
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
2842.00	0.00	0.00	2842.00	0.00	0.00	0.00	0.00	0.00	Build 2.00°/100'
3741.81	18.00	108.16	3727.09	-43.69	133.17	2.00	108.16	-26.62	Hold 18.00° Tangent
7354.98	18.00	108.16	7163.49	-391.69	1193.84	0.00	0.00	-238.60	Turn 2.00°/100'
8806.40	18.00	359.75	8574.20	-233.94	1410.58	2.00	-142.83	-54.87	KOP, Build 10.00°/100'
9524.93	89.85	359.75	8970.10	309.49	1408.26	10.00	0.00	483.96	Landing Point
19982.62	89.85	359.75	8997.10	10767.06	1363.53	0.00	0.00	10853.05	TD at 19982.62' MD



Azimuths to Grid North
 True North: -0.21°
 Magnetic North: 6.64°

Magnetic Field
 Strength: 47871.3snT
 Dip Angle: 59.85°
 Date: 6/14/2019
 Model: HDGM





Permian Drilling Hydrogen Sulfide Drilling Operations Plan New Mexico

Scope

This contingency plan establishes guidelines for the public, all company employees, and contract employees who's work activities may involve exposure to hydrogen sulfide (H₂S) gas.

While drilling this well, it is possible to encounter H₂S bearing formations. At all times, the first barrier to control H₂S emissions will be the drilling fluid, which will have a density high enough to control influx.

Objective

1. Provide an immediate and predetermined response plan to any condition when H₂S is detected. All H₂S detections in excess of 10 parts per million (ppm) concentration are considered an Emergency.
2. Prevent any and all accidents, and prevent the uncontrolled release of hydrogen sulfide into the atmosphere.
3. Provide proper evacuation procedures to cope with emergencies.
4. Provide immediate and adequate medical attention should an injury occur.

Discussion

Implementation:	This plan with all details is to be fully implemented before drilling to <u>commence</u> .
Emergency response Procedure:	This section outlines the conditions and denotes steps to be taken in the event of an emergency.
Emergency equipment Procedure:	This section outlines the safety and emergency equipment that will be required for the drilling of this well.
Training provisions:	This section outlines the training provisions that must be adhered to prior to drilling.
Drilling emergency call lists:	Included are the telephone numbers of all persons to be contacted should an emergency exist.
Briefing:	This section deals with the briefing of all people involved in the drilling operation.
Public safety:	Public safety personnel will be made aware of any potential evacuation and any additional support needed.
Check lists:	Status check lists and procedural check lists have been included to insure adherence to the plan.
General information:	A general information section has been included to supply support information.

Hydrogen Sulfide Training

All personnel, whether regularly assigned, contracted, or employed on an unscheduled basis, will receive training from a qualified instructor in the following areas prior to commencing drilling operations on the well:

1. The hazards and characteristics of H₂S.
2. Proper use and maintenance of personal protective equipment and life support systems.
3. H₂S detection.
4. Proper use of H₂S detectors, alarms, warning systems, briefing areas, evacuation procedures and prevailing winds.
5. Proper techniques for first aid and rescue procedures.
6. Physical effects of hydrogen sulfide on the human body.
7. Toxicity of hydrogen sulfide and sulfur dioxide.
8. Use of SCBA and supplied air equipment.
9. First aid and artificial respiration.
10. Emergency rescue.

In addition, supervisory personnel will be trained in the following areas:

1. The effects of H₂S on metal components. If high tensile strength tubular is to be used, personnel will be trained in their special maintenance requirements.
2. Corrective action and shut-in procedures when drilling a well, blowout prevention and well control procedures.
3. The contents and requirements of the H₂S Drilling Operations Plan.

H₂S training refresher must have been taken within one year prior to drilling the well. Specifics on the well to be drilled will be discussed during the pre-spud meeting. H₂S and well control (choke) drills will be performed while drilling the well, at least on a weekly basis. This plan shall be available in the well site. All personnel will be required to carry the documentation proving that the H₂S training has been taken.

Service company and visiting personnel

- A. Each service company that will be on this well will be notified if the zone contains H₂S.
- B. Each service company must provide for the training and equipment of their employees before they arrive at the well site.
- C. Each service company will be expected to attend a well site briefing

Emergency Equipment Requirements

1. **Well control equipment**

The well shall have hydraulic BOP equipment for the anticipated pressures. Equipment is to be tested on installation and follow Oxy Well Control standard, as well as BLM Onshore Order #2.

Special control equipment:

- A. Hydraulic BOP equipment with remote control on ground. Remotely operated choke.
- B. Rotating head
- C. Gas buster equipment shall be installed before drilling out of surface pipe.

2. **Protective equipment for personnel**

- A. Four (4) 30-minute positive pressure air packs (2 at each briefing area) on location.
- B. Adequate fire extinguishers shall be located at strategic locations.
- C. Radio / cell telephone communication will be available at the rig.
 - Rig floor and trailers.
 - Vehicle.

3. **Hydrogen sulfide sensors and alarms**

- A. H₂S sensor with alarms will be located on the rig floor, at the bell nipple, and at the flow line. These monitors will be set to alarm at 10 ppm with strobe light, and audible alarm.
- B. Hand operated detectors with tubes.
- C. H₂S monitor tester (to be provided by contract Safety Company.)
- D. There shall be one combustible gas detector on location at all times.

4. **Visual Warning Systems**

- A. One sign located at each location entrance with the following language:

**Caution – potential poison gas
Hydrogen sulfide
No admittance without authorization**

Wind sock – wind streamers:

- A. One 36" (in length) wind sock located at protection center, at height visible from rig floor.
- B. One 36" (in length) wind sock located at height visible from pit areas.

Condition flags

- A. One each condition flag to be displayed to denote conditions.

green – normal conditions
yellow – potential danger
red – danger, H2S present

- B. Condition flag shall be posted at each location sign entrance.

5. Mud Program

The mud program is designed to minimize the risk of having H2S and other formation fluids at surface. Proper mud weight and safe drilling practices will be applied. H2S scavengers will be used to minimize the hazards while drilling. Below is a summary of the drilling program.

Mud inspection devices:

Garrett gas train or hatch tester for inspection of sulfide concentration in mud system.

6. Metallurgy

- A. Drill string, casing, tubing, wellhead, blowout preventers, drilling spools or adapters, kill lines, choke manifold, lines and valves shall be suitable for the H2S service.
- B. All the elastomers, packing, seals and ring gaskets shall be suitable for H2S service.

7. Well Testing

No drill stem test will be performed on this well.

8. Evacuation plan

Evacuation routes should be established prior to well spud for each well and discussed with all rig personnel.

9. Designated area

- A. Parking and visitor area: all vehicles are to be parked at a predetermined safe distance from the wellhead.
- B. There will be a designated smoking area.
- C. Two briefing areas on either side of the location at the maximum allowable distance from the well bore so they offset prevailing winds perpendicularly, or at a 45-degree angle if wind direction tends to shift in the area.

Emergency procedures

- A. In the event of any evidence of H₂S level above 10 ppm, take the following steps:
 - 1. The Driller will pick up off bottom, shut down the pumps, slow down the pipe rotation.
 - 2. Secure and don escape breathing equipment, report to the upwind designated safe briefing / muster area.
 - 3. All personnel on location will be accounted for and emergency search should begin for any missing, the Buddy System will be implemented.
 - 4. Order non-essential personnel to leave the well site, order all essential personnel out of the danger zone and upwind to the nearest designated safe briefing / muster area.
 - 5. Entrance to the location will be secured to a higher level than our usual "Meet and Greet" requirement, and the proper condition flag will be displayed at the entrance to the location.
 - 6. Take steps to determine if the H₂S level can be corrected or suppressed and, if so, proceed as required.
- B. If uncontrollable conditions occur:
 - 1. Take steps to protect and/or remove any public in the down-wind area from the rig – partial evacuation and isolation. Notify necessary public safety personnel and appropriate regulatory entities (i.e. BLM) of the situation.

2. Remove all personnel to the nearest upwind designated safe briefing / muster area or off location.
3. Notify public safety personnel of safe briefing / muster area.
4. An assigned crew member will blockade the entrance to the location. No unauthorized personnel will be allowed entry to the location.
5. Proceed with best plan (at the time) to regain control of the well. Maintain tight security and safety procedures.

C. Responsibility:

1. Designated personnel.
 - a. Shall be responsible for the total implementation of this plan.
 - b. Shall be in complete command during any emergency.
 - c. Shall designate a back-up.

- | | |
|---------------------|--|
| All personnel: | <ol style="list-style-type: none"> 1. On alarm, don escape unit and report to the nearest upwind designated safe briefing / muster area upw 2. Check status of personnel (buddy system). 3. Secure breathing equipment. 4. Await orders from supervisor. |
| Drill site manager: | <ol style="list-style-type: none"> 1. Don escape unit if necessary and report to nearest upwind designated safe briefing / muster area. 2. Coordinate preparations of individuals to return to point of release with tool pusher and driller (using the buddy system). 3. Determine H2S concentrations. 4. Assess situation and take control measures. |
| Tool pusher: | <ol style="list-style-type: none"> 1. Don escape unit Report to up nearest upwind designated safe briefing / muster area. 2. Coordinate preparation of individuals to return to point of release with tool pusher drill site manager (using the buddy system). 3. Determine H2S concentration. 4. Assess situation and take control measures. |
| Driller: | <ol style="list-style-type: none"> 1. Don escape unit, shut down pumps, continue |

- rotating DP.
 - 2. Check monitor for point of release.
 - 3. Report to nearest upwind designated safe briefing / muster area.
 - 4. Check status of personnel (in an attempt to rescue, use the buddy system).
 - 5. Assigns least essential person to notify Drill Site Manager and tool pusher by quickest means in case of their absence.
 - 6. Assumes the responsibilities of the Drill Site Manager and tool pusher until they arrive should they be absent.
- Derrick man
- Floor man #1
- Floor man #2
1. Will remain in briefing / muster area until instructed by supervisor.
- Mud engineer:
1. Report to nearest upwind designated safe briefing / muster area.
2. When instructed, begin check of mud for ph and H2S level. (Garett gas train.)
- Safety personnel:
1. Mask up and check status of all personnel and secure operations as instructed by drill site manager.

Taking a kick

When taking a kick during an H2S emergency, all personnel will follow standard Well control procedures after reporting to briefing area and masking up.

Open-hole logging

All unnecessary personnel off floor. Drill Site Manager and safety personnel should monitor condition, advise status and determine need for use of air equipment.

Running casing or plugging

Following the same “tripping” procedure as above. Drill Site Manager and safety personnel should determine if all personnel have access to protective equipment.

Ignition procedures

The decision to ignite the well is the responsibility of the operator (Oxy Drilling Management). The decision should be made only as a last resort and in a situation where it is clear that:

1. Human life and property are endangered.
2. There is no hope controlling the blowout under the prevailing conditions at the well.

Instructions for igniting the well

1. Two people are required for the actual igniting operation. They must wear self-contained breathing units and have a safety rope attached. One man (tool pusher or safety engineer) will check the atmosphere for explosive gases with the gas monitor. The other man is responsible for igniting the well.
2. Primary method to ignite: 25 mm flare gun with range of approximately 500 feet.
3. Ignite upwind and do not approach any closer than is warranted.
4. Select the ignition site best for protection, and which offers an easy escape route.
5. Before firing, check for presence of combustible gas.
6. After lighting, continue emergency action and procedure as before.
7. All unassigned personnel will remain in briefing area until instructed by supervisor or directed by the Drill Site Manager.

Remember: After well is ignited, burning hydrogen sulfide will convert to sulfur dioxide, which is also highly toxic. **Do not assume the area is safe after the well is ignited.**

Status check list

Note: All items on this list must be completed before drilling to production casing point.

1. H2S sign at location entrance.
2. Two (2) wind socks located as required.
3. Four (4) 30-minute positive pressure air packs (2 at each Briefing area) on location for all rig personnel and mud loggers.
4. Air packs inspected and ready for use.
5. Cascade system and hose line hook-up as needed.
6. Cascade system for refilling air bottles as needed.
7. Condition flag on location and ready for use.
8. H2S detection system hooked up and tested.
9. H2S alarm system hooked up and tested.
10. Hand operated H2S detector with tubes on location.
11. 1 – 100' length of nylon rope on location.
12. All rig crew and supervisors trained as required.
13. All outside service contractors advised of potential H2S hazard on well.
14. No smoking sign posted and a designated smoking area identified.
15. Calibration of all H2S equipment shall be noted on the IADC report.

Checked by:_____ Date:_____

Procedural check list during H2S events

Perform each tour:

1. Check fire extinguishers to see that they have the proper charge.
2. Check breathing equipment to ensure that it is in proper working order.
3. Make sure all the H2S detection system is operative.

Perform each week:

1. Check each piece of breathing equipment to make sure that demand or forced air regulator is working. This requires that the bottle be opened and the mask assembly be put on tight enough so that when you inhale, you receive air or feel air flow.
2. BOP skills (well control drills).
3. Check supply pressure on BOP accumulator stand by source.
4. Check breathing equipment mask assembly to see that straps are loosened and turned back, ready to put on.
5. Check pressure on breathing equipment air bottles to make sure they are charged to full volume. (Air quality checked for proper air grade "D" before bringing to location)
6. Confirm pressure on all supply air bottles.
7. Perform breathing equipment drills with on-site personnel.
8. Check the following supplies for availability.
 - A. Emergency telephone list.
 - B. Hand operated H2S detectors and tubes.

General evacuation plan

1. When the company approved supervisor (Drill Site Manager, consultant, rig pusher, or driller) determines the H2S gas cannot be limited to the well location and the public will be involved, he will activate the evacuation plan.
2. Drill Site Manager or designee will notify local government agency that a hazardous condition exists and evacuation needs to be implemented.
3. Company or contractor safety personnel that have been trained in the use of H2S detection equipment and self-contained breathing equipment will monitor H2S concentrations, wind directions, and area of exposure. They will delineate the outer perimeter of the hazardous gas area. Extension to the evacuation area will be determined from information gathered.
4. Law enforcement personnel (state police, police dept., fire dept., and sheriff's dept.) Will be called to aid in setting up and maintaining road blocks. Also, they will aid in evacuation of the public if necessary.
5. After the discharge of gas has been controlled, company safety personnel will determine when the area is safe for re-entry.

Important: Law enforcement personnel will not be asked to come into a contaminated area. Their assistance will be limited to uncontaminated areas. Constant radio contact will be maintained with them.

Emergency actions

Well blowout – if emergency

1. Evacuate all personnel to “Safe Briefing / Muster Areas” or off location if needed.
2. If sour gas – evacuate rig personnel.
3. If sour gas – evacuate public within 3000 ft radius of exposure.
4. Don SCBA and shut well in if possible using the buddy system.
5. Notify Drilling Superintendent and call 911 for emergency help (fire dept and ambulance) if needed.
6. Implement the Blowout Contingency Plan, and Drilling Emergency Action Plan.
6. Give first aid as needed.

Person down location/facility

1. If immediately possible, contact 911. Give location and wait for confirmation.
2. Don SCBA and perform rescue operation using buddy system.

Toxic effects of hydrogen sulfide

Hydrogen sulfide is extremely toxic. The acceptable ceiling concentration for eight-hour exposure is 10 ppm, which is .001% by volume. Hydrogen sulfide is heavier than air (specific gravity – 1.192) and colorless. It forms an explosive mixture with air between 4.3 and 46.0 percent by volume. Hydrogen sulfide is almost as toxic as hydrogen cyanide and is between five and six times more toxic than carbon monoxide. Toxicity data for hydrogen sulfide and various other gases are compared in table i. Physical effects at various hydrogen sulfide exposure levels are shown in table ii.

Table i
Toxicity of various gases

Common name	Chemical formula	Specific gravity (sc=1)	Threshold limit (1)	Hazardous limit (2)	Lethal concentration (3)
Hydrogen Cyanide	Hcn	0.94	10 ppm	150 ppm/hr	300 ppm
Hydrogen Sulfide	H2S	1.18	10 ppm	250 ppm/hr	600 ppm
Sulfur Dioxide	So2	2.21	5 ppm	-	1000 ppm
Chlorine	Cl2	2.45	1 ppm	4 ppm/hr	1000 ppm
Carbon Monoxide	Co	0.97	50 ppm	400 ppm/hr	1000 ppm
Carbon Dioxide	Co2	1.52	5000 ppm	5%	10%
Methane	Ch4	0.55	90,000 ppm	Combustible above 5% in air	

- 1) threshold limit – concentration at which it is believed that all workers may be repeatedly exposed day after day without adverse effects.
- 2) hazardous limit – concentration that will cause death with short-term exposure.
- 3) lethal concentration – concentration that will cause death with short-term exposure.

Toxic effects of hydrogen sulfide

Table ii
Physical effects of hydrogen sulfide

<u>Percent (%)</u>	<u>Ppm</u>	<u>Concentration</u> Grains <u>100 std. Ft3*</u>	<u>Physical effects</u>
0.001	<10	00.65	Obvious and unpleasant odor.

0.002	10	01.30	Safe for 8 hours of exposure.
0.010	100	06.48	Kill smell in 3 – 15 minutes. May sting eyes and throat.
0.020	200	12.96	Kills smell shortly; stings eyes and throat.
0.050	500	32.96	Dizziness; breathing ceases in a few minutes; needs prompt artificial respiration.
0.070	700	45.36	Unconscious quickly; death will result if not rescued promptly.
0.100	1000	64.30	Unconscious at once; followed by death within minutes.

*at 15.00 psia and 60'f.

Use of self-contained breathing equipment (SCBA)

1. Written procedures shall be prepared covering safe use of SCBA's in dangerous atmosphere, which might be encountered in normal operations or in emergencies. Personnel shall be familiar with these procedures and the available SCBA.
2. SCBA's shall be inspected frequently at random to insure that they are properly used, cleaned, and maintained.
3. Anyone who may use the SCBA's shall be trained in how to insure proper face-piece to face seal. They shall wear SCBA's in normal air and then wear them in a test atmosphere. (note: such items as facial hair {beard or sideburns} and eyeglasses will not allow proper seal.) Anyone that may be reasonably expected to wear SCBA's should have these items removed before entering a toxic atmosphere. A special mask must be obtained for anyone who must wear eyeglasses or contact lenses.
4. Maintenance and care of SCBA's:
 - a. A program for maintenance and care of SCBA's shall include the following:
 1. Inspection for defects, including leak checks.
 2. Cleaning and disinfecting.
 3. Repair.
 4. Storage.
 - b. Inspection, self-contained breathing apparatus for emergency use shall be inspected monthly.
 1. Fully charged cylinders.
 2. Regulator and warning device operation.
 3. Condition of face piece and connections.
 4. Rubber parts shall be maintained to keep them pliable and prevent deterioration.
 - c. Routinely used SCBA's shall be collected, cleaned and disinfected as frequently as necessary to insure proper protection is provided.
5. Persons assigned tasks that requires use of self-contained breathing equipment shall be certified physically fit (medically cleared) for breathing equipment usage at least annually.
6. SCBA's should be worn when:
 - A. Any employee works near the top or on top of any tank unless test reveals less than 10 ppm of H₂S.

- B. When breaking out any line where H₂S can reasonably be expected.
- C. When sampling air in areas to determine if toxic concentrations of H₂S exists.
- D. When working in areas where over 10 ppm H₂S has been detected.
- E. At any time there is a doubt as to the H₂S level in the area to be entered.

Rescue
First aid for H₂S poisoning

Do not panic!

Remain calm – think!

1. Don SCBA breathing equipment.
2. Remove victim(s) utilizing buddy system to fresh air as quickly as possible. (go up-wind from source or at right angle to the wind. Not down wind.)
3. Briefly apply chest pressure – arm lift method of artificial respiration to clean the victim's lungs and to avoid inhaling any toxic gas directly from the victim's lungs.
4. Provide for prompt transportation to the hospital, and continue giving artificial respiration if needed.
5. Hospital(s) or medical facilities need to be informed, before-hand, of the possibility of H₂S gas poisoning – no matter how remote the possibility is.
6. Notify emergency room personnel that the victim(s) has been exposed to H₂S gas.

Besides basic first aid, everyone on location should have a good working knowledge of artificial respiration.

Revised CM 6/27/2012

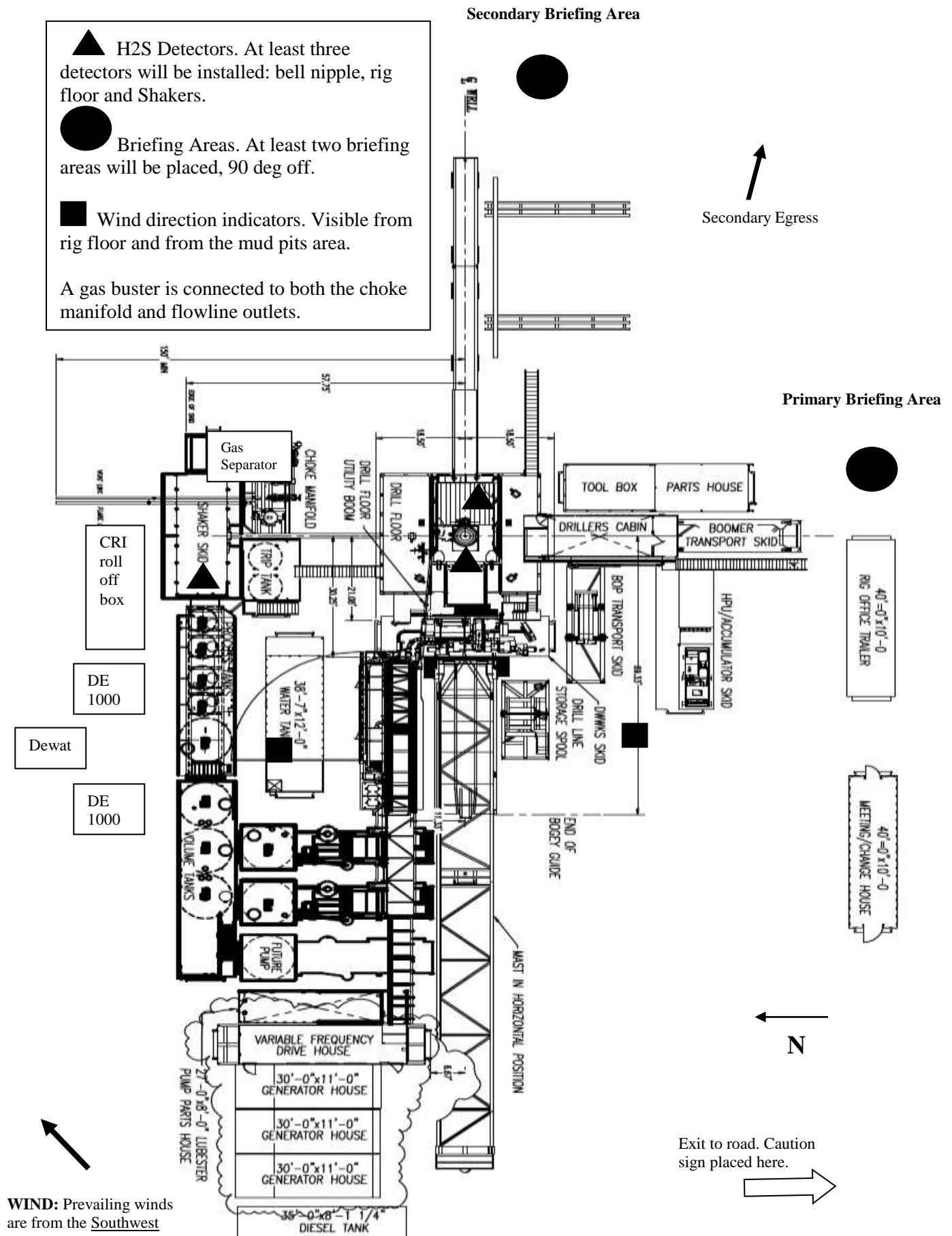


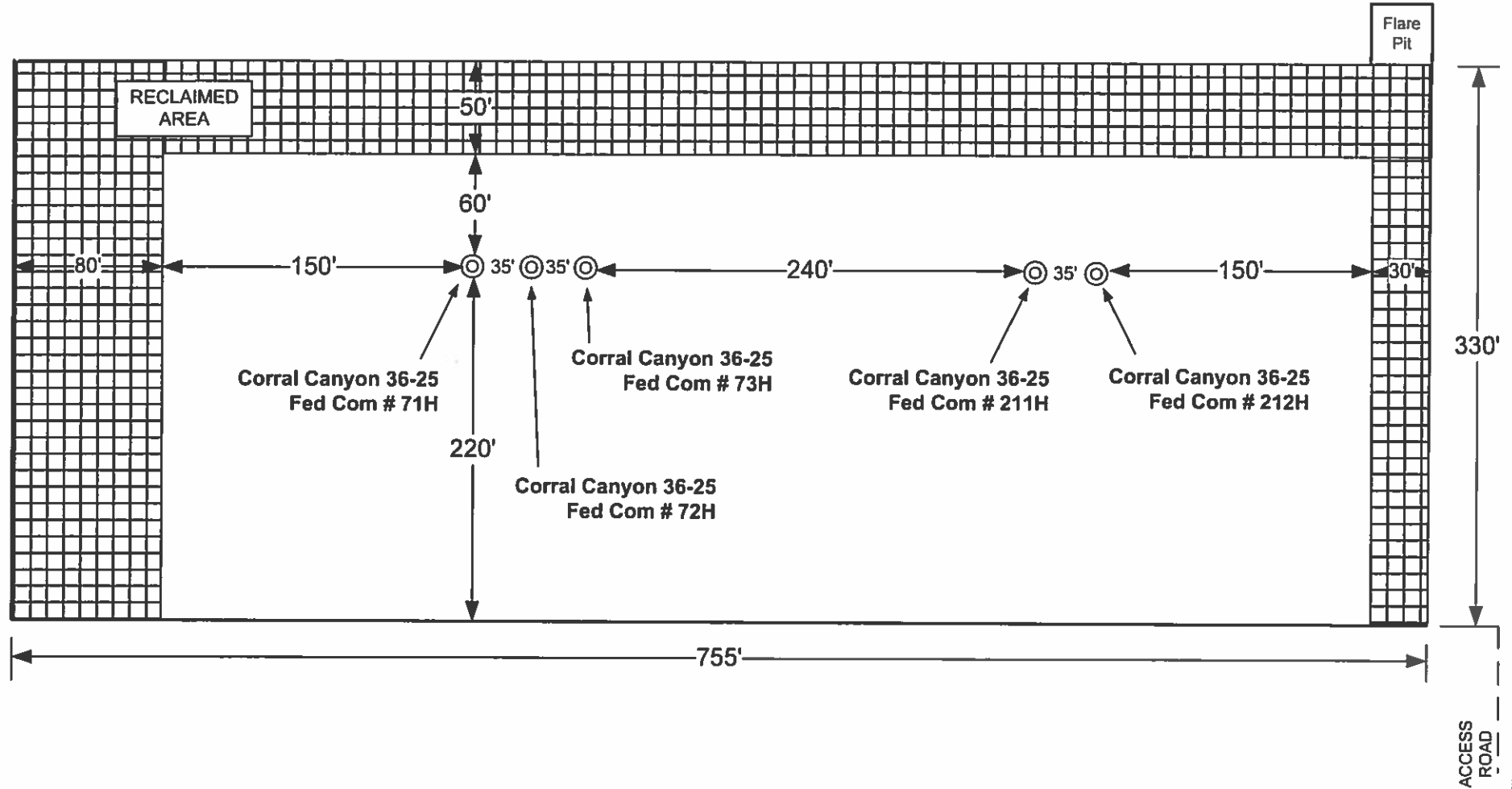
Permian Drilling Hydrogen Sulfide Drilling Operations Plan Corral Canyon 36-25 Federal Com 212H

Open drill site. No homes or buildings are near the proposed location.

1. Escape

Personnel shall escape upwind of wellbore in the event of an emergency gas release. Escape can take place through the lease road on the Southeast side of the location. Personnel need to move to a safe distance and block the entrance to location. If the primary route is not an option due to the wind direction, then a secondary egress route should be taken.





NORTH
↑

Sec 1 T25S R29E

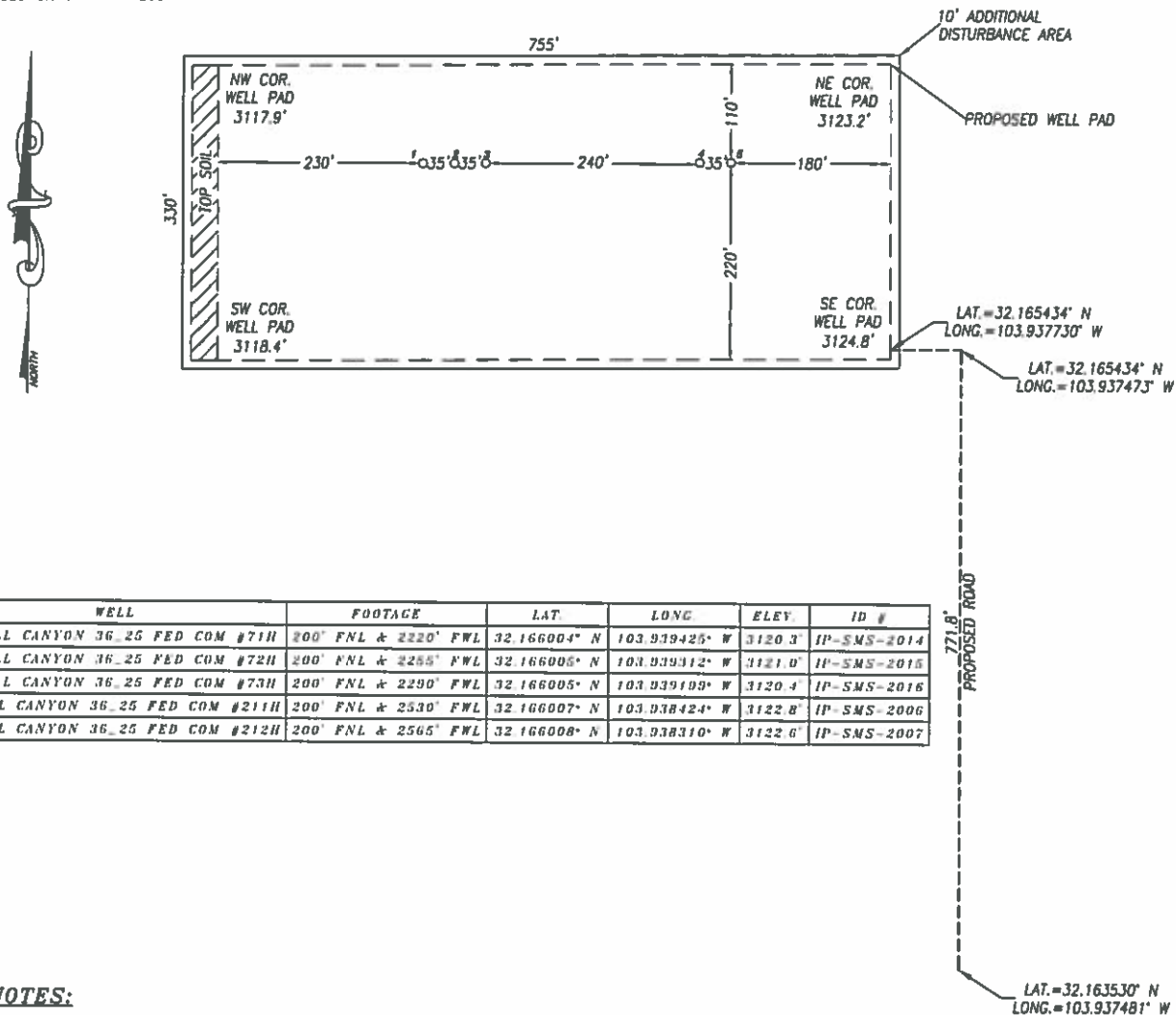
V-Door East

REVISION BLOCK						ENGINEERING RECORD	
NO.	DATE	DESCRIPTION	BY	CHK	APP	BY	DATE

FLEX 3 RIG DIAGRAM
Corral Canyon 36-25 Fed Com # 71H,
72H, 73H, 211H, 212H
EDDY COUNTY, NEW MEXICO

OXY USA INC.
SITE PLAN
CEDCAN 0111
FAA PERMIT: NO

SECTION 36 T24S
SECTION 1 T25S



NO	WELL	FOOTAGE	LAT	LONG	ELEV	ID #
1	CORRAL CANYON 36.25 FED COM #71H	200' FNL & 2220' FWL	32.166004° N	103.939425° W	3120.3'	IP-SMS-2014
2	CORRAL CANYON 36.25 FED COM #72H	200' FNL & 2255' FWL	32.166005° N	103.939312° W	3121.0'	IP-SMS-2015
3	CORRAL CANYON 36.25 FED COM #73H	200' FNL & 2290' FWL	32.166005° N	103.939199° W	3120.4'	IP-SMS-2016
4	CORRAL CANYON 36.25 FED COM #211H	200' FNL & 2530' FWL	32.166007° N	103.938424° W	3122.8'	IP-SMS-2006
5	CORRAL CANYON 36.25 FED COM #212H	200' FNL & 2565' FWL	32.166008° N	103.938310° W	3122.6'	IP-SMS-2007

NOTES:

- 1) LATs & LONGs SHOWN HEREON ARE MERCATOR GRID AND CONFORM TO THE NEW MEXICO COORDINATE SYSTEM "NEW MEXICO EAST ZONE" NORTH AMERICAN DATUM 1983.
- 2) DISTANCES ARE GRID VALUES.
- 3) ALL FEATURES ARE EXISTING UNLESS OTHERWISE NOTED

CERTIFICATION

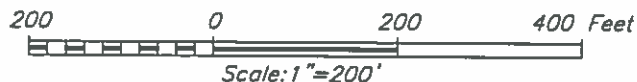
I, CHAD HARCROW, A NEW MEXICO REGISTERED PROFESSIONAL SURVEYOR CERTIFY THAT I DIRECTED AND AM RESPONSIBLE FOR THIS SURVEY. THAT THIS SURVEY IS TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.



Chad Harcrow
CHAD HARCROW N.M.P.S. NO. 17777

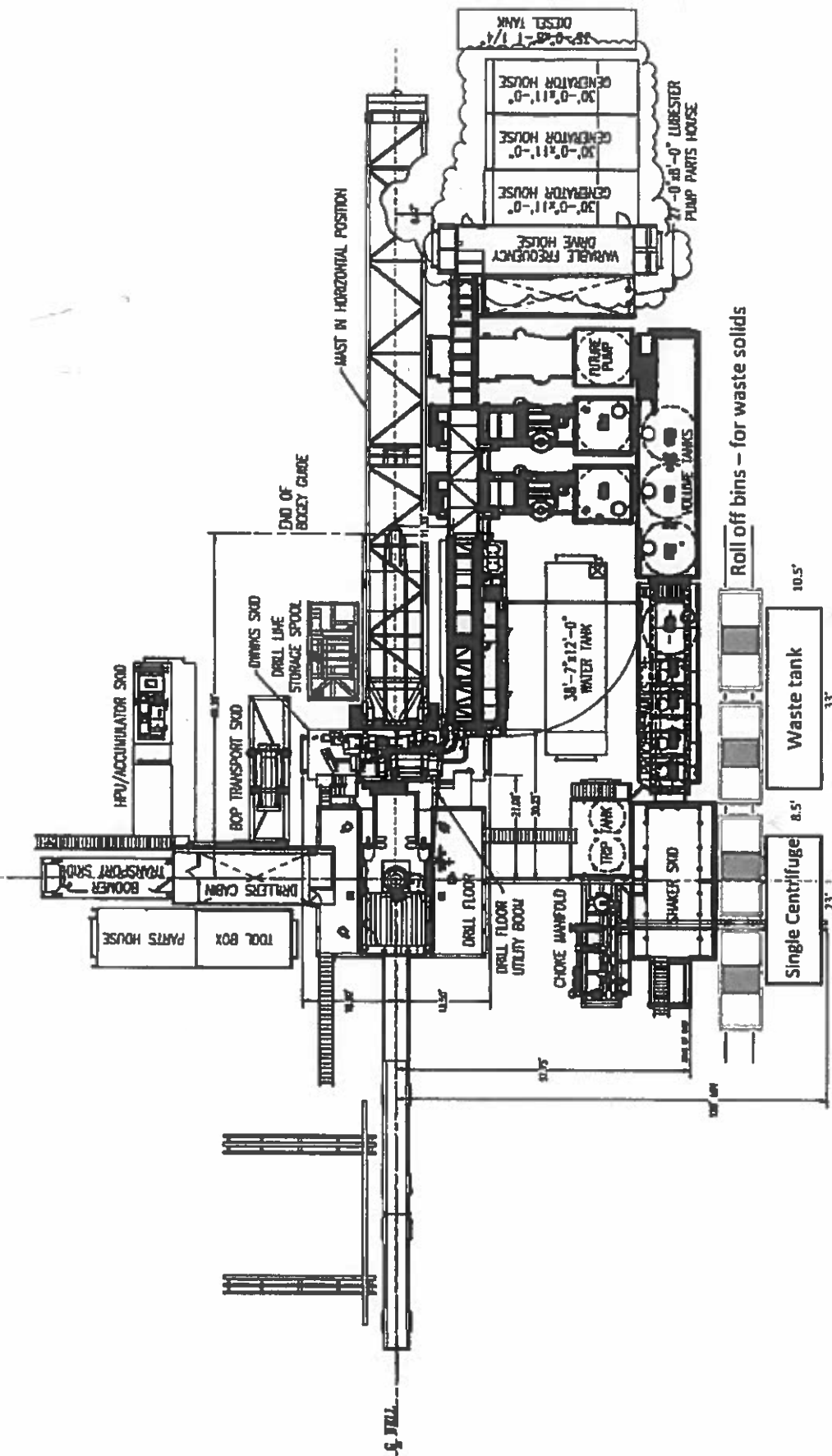
6/12/19
DATE

HARCROW SURVEYING, LLC
2316 W. MAIN ST, ARTESIA, N.M. 88210
PH: (575) 746-2158
c.harcrow@harcrowsurveying.com

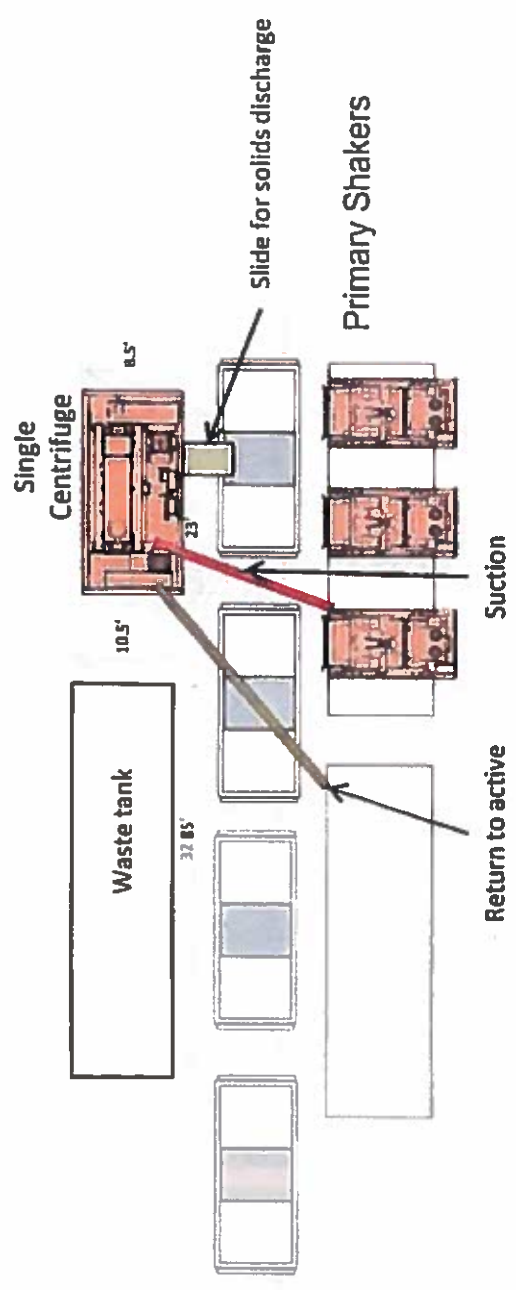


OXY USA INC.		
SURVEY DATE: MAY 11, 2019	IP-SMS-2007	
DRAFTING DATE: MAY 21, 2019	PAGE: 1 OF 1	
APPROVED BY: CH	DRAWN BY: CD	FILE: 19-709

Oxy Single Centrifuge
Closed Loop System – New
Mexico Flex III
May 28, 2013



Oxy



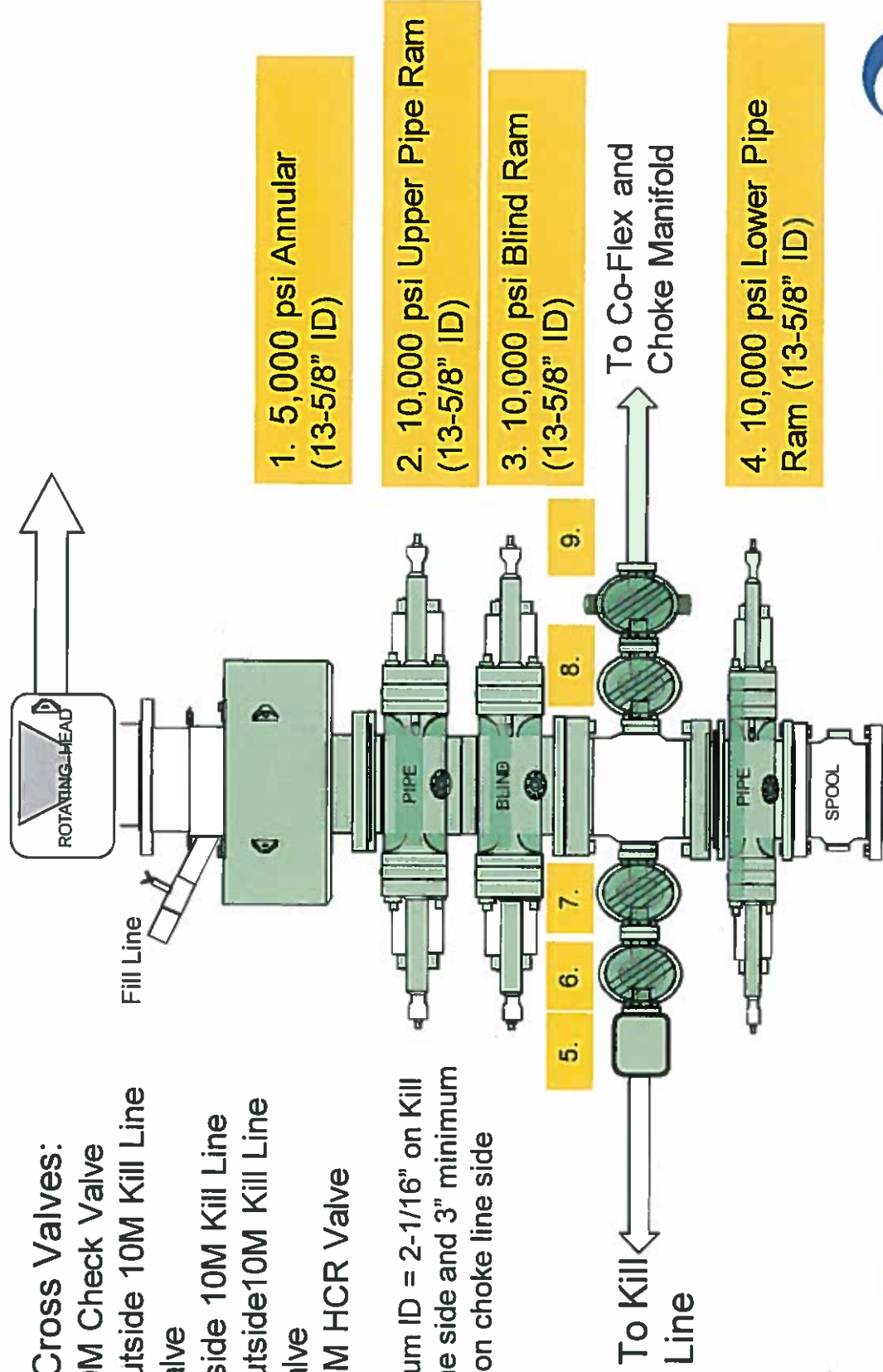
Oxy Single Centrifuge
Closed Loop System – New
Mexico Flex III
May 28, 2013

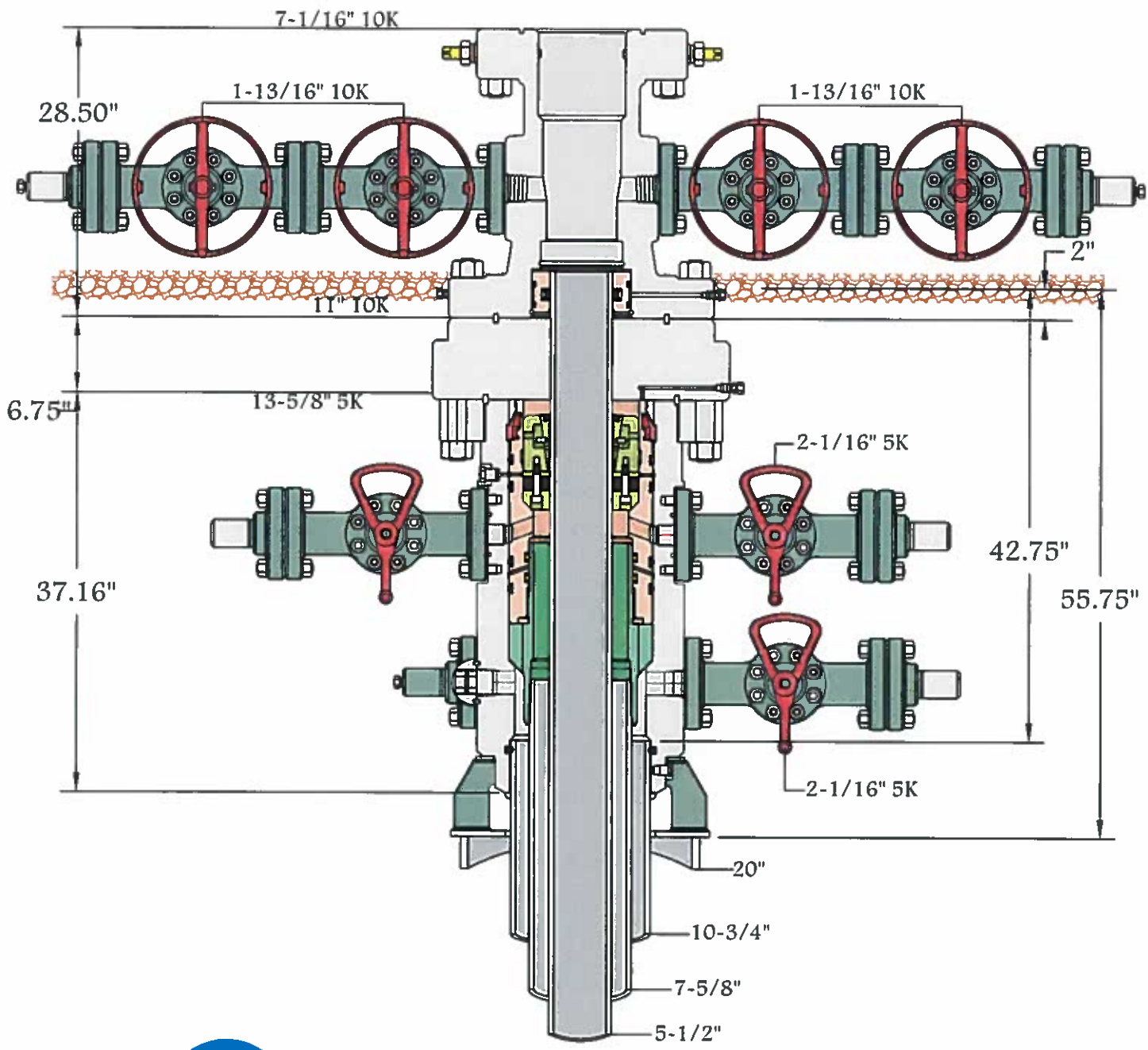
5/10M BOP Stack

Mud Cross Valves:

5. 10M Check Valve
6. Outside 10M Kill Line Valve
7. Inside 10M Kill Line Valve
8. Outside 10M Kill Line Valve
9. 10M HCR Valve

*Minimum ID = 2-1/16" on Kill Line side and 3" minimum ID on choke line side





13-5/8" 5K MN-DS



Name:	Date:	Working Pressure:	#
-------	-------	-------------------	---

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

COMMENTS

Action 32641

COMMENTS

Operator: OXY USA INC P.O. Box 4294 Houston, TX 772104294	OGRID: 16696
	Action Number: 32641
	Action Type: [C-101] BLM - Federal/Indian Land Lease (Form 3160-3)

COMMENTS

Created By	Comment	Comment Date
kpickford	KP GEO Review 7/12/2021	7/12/2021

District I

1625 N. French Dr., Hobbs, NM 88240
 Phone:(575) 393-6161 Fax:(575) 393-0720

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State of New Mexico
Energy, Minerals and Natural Resources
Oil Conservation Division
1220 S. St Francis Dr.
Santa Fe, NM 87505

CONDITIONS

Action 32641

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Operator: OXY USA INC P.O. Box 4294 Houston, TX 772104294	OGRID:
	16696
	Action Number:
	32641
Action Type:	
[C-101] BLM - Federal/Indian Land Lease (Form 3160-3)	

CONDITIONS

Created By	Condition	Condition Date
kpickford	Notify OCD 24 hours prior to casing & cement	7/12/2021
kpickford	Will require a File As Drilled C-102 and a Directional Survey with the C-104	7/12/2021
kpickford	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	7/12/2021
kpickford	Cement is required to circulate on both surface and intermediate1 strings of casing	7/12/2021
kpickford	Oil base muds are not to be used until fresh water zones are cased and cemented providing isolation from the oil or diesel. This includes synthetic oils. Oil based mud, drilling fluids and solids must be contained in a steel closed loop system	7/12/2021