

Well Name: KESTREL 1-12 FEDERAL COM

Well Location: T24S / R34E / SEC 1 / LOT 1 / 32.250486 / -103.419212

County or Parish/State: LEA / NM

Well Number: 2H

Type of Well: OIL WELL

Allottee or Tribe Name:

Lease Number: NMNM077090

Unit or CA Name:

Unit or CA Number:

US Well Number: 3002550092

Operator: OXY USA INCORPORATED

Notice of Intent

Sundry ID: 2847006

Type of Submission: Notice of Intent

Date Sundry Submitted: 04/14/2025

Date proposed operation will begin: 06/15/2025

Type of Action: APD Change

Time Sundry Submitted: 12:58

Procedure Description: OXY USA Inc., respectfully requests to amend the subject AAPD to revise the SHL, BHL, TVD and Drill Plan. Old SHL: 1210' FNL, 1243' FEL New SHL: 1164' FNL, 1326' FEL Old BHL: 20' FSL 1260' FEL New BHL: 20' FSL, 474' FEL Old TVD: 9275' New TVD: 11191' *WELL NAME CHANGE SUNDRY SUBMITTD SEPARATEY, ACTION ID: 2846998 *THERE IS NO ADDITIONAL SURFACE DISTURBANCE RELATED TO THIS SUNDRY" Attached is the updated C102, drill plan, directional and APD Change Worksheet.

NOI Attachments

Procedure Description

- Kestrel1_12Fed2H_USS_EAGLE_SFH_5.5in_20ppf_RYS110_20250414125712.pdf
- Kestrel1_12Fed2H_ProdCsgAnnClearanceVariance_20250414125659.pdf
- Kestrel1_12Fed2H_BradenheadCBLVariance_20250414125641.pdf
- Kestrel1_12Fed2H_BOPBreakTestingVariance2025_20250414125627.pdf
- Kestrel1_12Fed2H_13inADAPT_13.375in_9.625in_10x10_20250414125608.pdf
- Kestrel1_12Fed2H_DirectPlan_20250414125558.pdf
- Kestrel1_12Fed2H_DrillPlan_20250414125551.pdf
- Kestrel1_12Fed2H_C102_20250414125541.pdf

Received by OCD: 5/22/2025 8:39:51 PM

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Well Name: KESTREL 1-12 FEDERAL COM	Well Location: T24S / R34E / SEC 1 / LOT 1 / 32.250486 / -103.419212	County or Parish/State: LEA / NM
Well Number: 2H	Type of Well: OIL WELL	Allottee or Tribe Name:
Lease Number: NMNM077090	Unit or CA Name:	Unit or CA Number:
US Well Number: 3002550092	Operator: OXY USA INCORPORATED	

Kestrel1_12Fed2H_APDCHGSUNDRYWORKSHEET_20250414125528.pdf

Conditions of Approval

Additional

KESTREL_1_12_FEDERAL_2H___COA_20250522141526.pdf

Operator

I certify that the foregoing is true and correct. 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. Electronic submission of Sundry Notices through this system satisfies regulations requiring a

Operator Electronic Signature: MELISSA GUIDRY

Signed on: APR 14, 2025 12:57 PM

Name: OXY USA INCORPORATED

Title: Advisor Regulatory Sr.

Street Address: 5 GREENWAY PLAZA SUITE 110

City: HOUSTONState: TX

Phone: (713) 497-2481

Email address: MELISSA_GUIDRY@OXY.COM

Field

Representative Name:

Street Address:

City:State:Zip:

Phone:

Email address:

BLM Point of Contact

BLM POC Name: CHRISTOPHER WALLS

BLM POC Title: Petroleum Engineer

BLM POC Phone: 5752342234

BLM POC Email Address: cwalls@blm.gov

Disposition: Approved

Disposition Date: 05/22/2025

Signature: Chris Walls

Form 3160-5
(June 2019)UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM APPROVED
OMB No. 1004-0137
Expires: October 31, 2021**SUNDRY NOTICES AND REPORTS ON WELLS**
Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

5. Lease Serial No.

NMNM077090

6. If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE - Other instructions on page 2

1. Type of Well

☒ Oil Well☐ Gas Well☐ Other

2. Name of Operator

OXY USA INCORPORATED

3a. Address P.O. BOX 1002, TUPMAN, CA 93276-1002

3b. Phone No. (include area code)
(661) 763-6046

10. Field and Pool or Exploratory Area

ANTELOPE RIDGE; BONE SPRING/ANTELOPE RIDGE; BONE SPRING

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

SEC 1/T24S/R34E/NMP

11. Country or Parish, State

LEA/NM

12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION				
☒ Notice of Intent	☐ Acidize	☐ Deepen	☐ Production (Start/Resume)	☐ Water Shut-Off	
☐ Subsequent Report	☐ Alter Casing	☐ Hydraulic Fracturing	☐ Reclamation	☐ Well Integrity	
☐ Final Abandonment Notice	☐ Casing Repair	☐ New Construction	☐ Recomplete	☐ Other	
	☒ Change Plans	☐ Plug and Abandon	☐ Temporarily Abandon		
	☐ Convert to Injection	☐ Plug Back	☐ Water Disposal		

13. Describe Proposed or Completed Operation: Clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has detennined that the site is ready for final inspection.)

OXY USA Inc., respectfully requests to amend the subject AAPD to revise the SHL, BHL, TVD and Drill Plan.

Old SHL: 1210' FNL, 1243' FEL

New SHL: 1164' FNL, 1326' FEL

Old BHL: 20' FSL 1260' FEL

New BHL: 20' FSL, 474' FEL

Old TVD: 9275'

New TVD: 11191'

*WELL NAME CHANGE SUNDRY SUBMITTD SEPARATEY, ACTION ID: 2846998

Continued on page 3 additional information

14. I hereby certify that the foregoing is true and correct. Name (Printed/Typed)

MELISSA GUIDRY / Ph: (713) 497-2481

Advisor Regulatory Sr.

Title

(Electronic Submission)
Signature

Date

04/14/2025

THE SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

CHRISTOPHER WALLS / Ph: (575) 234-2234 / Approved

Petroleum Engineer

Title

05/22/2025

Date

Conditions of approval, if any, are attached. Approval of this notice 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.

Office CARLSBAD

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.

(Instructions on page 2)

GENERAL INSTRUCTIONS

This form is designed for submitting proposals to perform certain well operations and reports of such operations when completed as indicated on Federal and Indian lands pursuant to applicable Federal law and regulations. Any necessary special instructions concerning the use of this form and the number of copies to be submitted, particularly with regard to local area or regional procedures and practices, are either shown below, will be issued by or may be obtained from the local Federal office.

SPECIFIC INSTRUCTIONS

Item 4 - Locations on Federal or Indian land should be described in accordance with Federal requirements. Consult the local Federal office for specific instructions.

Item 13: Proposals to abandon a well and subsequent reports of abandonment should include such special information as is required by the local Federal office. In addition, such proposals and reports should include reasons for the abandonment; data on any former or present productive zones or other zones with present significant fluid contents not sealed off by cement or otherwise; depths (top and bottom) and method of placement of cement plugs; mud or other material placed below, between and above plugs; amount, size, method of parting of any casing, liner or tubing pulled and the depth to the top of any tubing left in the hole; method of closing top of well and date well site conditioned for final inspection looking for approval of the abandonment. If the proposal will involve **hydraulic fracturing operations**, you must comply with 43 CFR 3162.3-3, including providing information about the protection of usable water. Operators should provide the best available information about all formations containing water and their depths. This information could include data and interpretation of resistivity logs run on nearby wells. Information may also be obtained from state or tribal regulatory agencies and from local BLM offices.

NOTICES

The privacy Act of 1974 and the regulation in 43 CFR 2.48(d) provide that you be furnished the following information in connection with information required by this application.

AUTHORITY: 30 U.S.C. 181 et seq., 351 et seq., 25 U.S.C. 396; 43 CFR 3160.

PRINCIPAL PURPOSE: The information is used to: (1) Evaluate, when appropriate, approve applications, and report completion of subsequent well operations, on a Federal or Indian lease; and (2) document for administrative use, information for the management, disposal and use of National Resource lands and resources, such as: (a) evaluating the equipment and procedures to be used during a proposed subsequent well operation and reviewing the completed well operations for compliance with the approved plan; (b) requesting and granting approval to perform those actions covered by 43 CFR 3162.3-2, 3162.3-3, and 3162.3-4; (c) reporting the beginning or resumption of production, as required by 43 CFR 3162.4-1(c) and (d) analyzing future applications to drill or modify operations in light of data obtained and methods used.

ROUTINE USES: Information from the record and/or the record will be transferred to appropriate Federal, State, local or foreign agencies, when relevant to civil, criminal or regulatory investigations or prosecutions in connection with congressional inquiries or to consumer reporting agencies to facilitate collection of debts owed the Government.

EFFECT OF NOT PROVIDING THE INFORMATION: Filing of this notice and report and disclosure of the information is mandatory for those subsequent well operations specified in 43 CFR 3162.3-2, 3162.3-3, 3162.3-4.

The Paperwork Reduction Act of 1995 requires us to inform you that:

The BLM collects this information to evaluate proposed and/or completed subsequent well operations on Federal or Indian oil and gas leases.

Response to this request is mandatory.

The BLM would like you to know that you do not have to respond to this or any other Federal agency-sponsored information collection unless it displays a currently valid OMB control number.

BURDEN HOURS STATEMENT: Public reporting burden for this form is estimated to average 8 hours per response, including the time for reviewing instructions, gathering and maintaining data, and completing and reviewing the form. Direct comments regarding the burden estimate or any other aspect of this form to U.S. Department of the Interior, Bureau of Land Management (1004-0137), Bureau Information Collection Clearance Officer (WO-630), 1849 C St., N.W., Mail Stop 401 LS, Washington, D.C. 20240

Additional Information

Additional Remarks

*THERE IS NO ADDITIONAL SURFACE DISTURBANCE RELATED TO THIS SUNDRY"

Attached is the updated C102, drill plan, directional and APD Change Worksheet.

Location of Well

0. SHL: LOT 1 / 1210 FNL / 1243 FEL / TWSP: 24S / RANGE: 34E / SECTION: 1 / LAT: 32.250486 / LONG: -103.419212 (TVD: 0 feet, MD: 0 feet)

PPP: LOT 1 / 100 FNL / 1260 FEL / TWSP: 24S / RANGE: 34E / SECTION: 1 / LAT: 32.253534 / LONG: -103.419271 (TVD: 8955 feet, MD: 9411 feet)

BHL: LOT 16 / 20 FSL / 1260 FEL / TWSP: 24S / RANGE: 34E / SECTION: 12 / LAT: 32.224836 / LONG: -103.419249 (TVD: 9275 feet, MD: 19353 feet)

PECOS DISTRICT DRILLING CONDITIONS OF APPROVAL

OPERATOR'S NAME:	OXY USA INCORPORATED
WELL NAME & NO.:	KESTREL 1-12 FEDERAL 2H
LOCATION:	Section 1, T.24 S., R.34 E.
COUNTY:	Lea County, New Mexico

ALL PREVIOUS COAs STILL APPLY

COA

H2S	☒ Yes	☐ No	
Potash	☒ None	☐ Secretary	☐ R-111-P
Cave/Karst Potential	☒ Low	☐ Medium	☐ High
Cave/Karst Potential	☐ Critical		
Variance	☐ None	☒ Flex Hose	☐ Other
Wellhead	☐ Conventional	☒ Multibowl	☐ Both
Wellhead Variance	☐ Diverter		
Other	☐ 4 String	☐ Capitan Reef	☐ WIPP
Other	☐ Fluid Filled	☐ Pilot Hole	☐ Open Annulus
Cementing	☐ Contingency Cement Squeeze	☐ EchoMeter	☒ Primary Cement Squeeze
Special Requirements	☐ Water Disposal	☐ COM	☐ Unit
Special Requirements	☐ Batch Sundry		
Special Requirements Variance	☒ Break Testing	☒ Offline Cementing	☐ Casing Clearance

ALL PREVIOUS COAs STILL APPLY

A. CASING

1. The **13-3/8** inch surface casing shall be set at approximately **1105** feet **TVD** (a minimum of 70 feet into the Rustler Anhydrite, above the salt, and below usable fresh water) and cemented to the surface.
 - a. If cement does not circulate to the surface, the appropriate BLM office shall be notified and a temperature survey utilizing an electronic type temperature survey with surface log readout will be used or a cement bond log shall be run to verify the top of the cement. Temperature survey will be run a minimum of six hours after pumping cement and ideally between 8-10 hours after completing the cement job.
 - b. Wait on cement (WOC) time for a primary cement job will be a minimum of **24 hours in the Potash Area** or 500 pounds compressive strength, whichever is greater. (This is to include the lead cement)

- c. Wait on cement (WOC) time for a remedial job will be a minimum of 4 hours after bringing cement to surface or 500 pounds compressive strength, whichever is greater.
 - d. If cement falls back, remedial cementing will be done prior to drilling out that string.
2. The 7-5/8 inch intermediate casing shall be set at approximately **10,299 feet**. **KEEP CASING 1/2 FULL FOR COLLAPSE SF. PRESSURE TEST NEEDS EXTERNAL PRESSURE REVIEW AS WELL.** The minimum required fill of cement behind the 7-5/8 inch intermediate casing is:

Option 1 (Single Stage):

- Cement to surface. If cement does not circulate see B.1.a, c-d above.

Option 2 (Bradenhead):

Operator has proposed to cement in two stages by conventionally cementing the first stage and performing a bradenhead squeeze on the second stage, contingent upon no returns to surface.

- a. First stage: Operator will cement with intent to reach the top of the **Brushy Canyon**
 - b. Second stage:
 - Operator will perform bradenhead squeeze and top-out. Cement to surface. If cement does not reach surface, the appropriate BLM office shall be notified
3. The 5-1/2 inch production casing shall be set at approximately **21,360 feet**. The minimum required fill of cement behind the 5-1/2 inch production casing is:

Option 1 (Single Stage):

- Cement should tie-back at least **500 feet** into previous casing string. Operator shall provide method of verification.

BOPE Break Testing Variance

(Note: For a minimum 5M BOPE or less (Utilizing a 10M BOPE system))

- BOPE Break Testing is ONLY permitted for hole sections with 5M MASP or less.
- The break test should involve a shell test that includes testing the upper pipe rams as proposed.
- Variance only pertains to the hole-sections in and shallower than the Wolfcamp formation. Break testing is NOT allowed when planning to penetrate the Penn group.

- While in transfer between wells, the BOPE shall be secured by the hydraulic carrier or cradle in accordance with API STD 53.
- Any well control event while drilling require notification to the BLM Petroleum Engineer.
- A full BOPE test is required prior to drilling the first intermediate section.
- If a hole section tends to show more background gas than normal, please notify BLM Engineer prior to proceeding with break testing on the next well.
- The BLM PET is to be contacted 4 hours prior to BOPE tests.
 - Eddy County Petroleum Engineering Inspection Staff: (575) 361-2822
 - Lea County Petroleum Engineering Inspection Staff: (575) 689-5981
- As a minimum, a full BOPE test shall be performed at 21-day intervals.
- In the event any repairs or replacement of the BOPE is required, the BOPE shall test as per 43 CFR 3172. **NOTE: A function test is NOT adequate in the event of a component repair. Please review and revise procedure.**
- If in the event break testing is not utilized, then a full BOPE test would be conducted.

GENERAL REQUIREMENTS

The BLM is to be notified in advance for a representative to witness:

- a. Spudding well (minimum of 24 hours)
- b. Setting and/or Cementing of all casing strings (minimum of 4 hours)
- c. BOPE tests (minimum of 4 hours)

Contact Eddy County Petroleum Engineering Inspection Staff:

Email or call the Carlsbad Field Office, 620 East Greene St., Carlsbad, NM 88220; BLM_NM_CFO_DrillingNotifications@BLM.GOV; (575) 361-2822

Contact Lea County Petroleum Engineering Inspection Staff:

Call the Hobbs Field Station, 414 West Taylor, Hobbs NM 88240, (575) 689-5981

1. Unless the production casing has been run and cemented or the well has been properly plugged, the drilling rig shall not be removed from over the hole without prior approval.
 - a. In the event the operator has proposed to drill multiple wells utilizing a skid/walking rig. Operator shall secure the wellbore on the current well, after installing and testing the wellhead, by installing a blind flange of like pressure rating to the wellhead and a pressure gauge that can be monitored while drilling is performed on the other well(s).
 - b. When the operator proposes to set surface casing with Spudder Rig
 - i. Notify the BLM when moving in and removing the Spudder Rig.
 - ii. Notify the BLM when moving in the 2nd Rig. Rig to be moved in within 90 days of notification that Spudder Rig has left the location.

- iii. BOP/BOPE test to be conducted per **43 CFR 3172** as soon as 2nd Rig is rigged up on well.
2. Floor controls are required for 3M or Greater systems. These controls will be on the rig floor, unobstructed, readily accessible to the driller and will be operational at all times during drilling and/or completion activities. Rig floor is defined as the area immediately around the rotary table; the area immediately above the substructure on which the draw works are located, this does not include the dog house or stairway area.
3. For intervals in which cement to surface is required, cement to surface should be verified with a visual check and density or pH check to differentiate cement from spacer and drilling mud. The results should be documented in the driller's log and daily reports.

A. CASING

1. Changes to the approved APD casing program need prior approval if the items substituted are of lesser grade or different casing size or are Non-API. The Operator can exchange the components of the proposal with that of superior strength (i.e. changing from J-55 to N-80, or from 36# to 40#). Changes to the approved cement program need prior approval if the altered cement plan has less volume or strength or if the changes are substantial (i.e. Multistage tool, ECP, etc.). The initial wellhead installed on the well will remain on the well with spools used as needed.
2. Wait on cement (WOC) for Potash Areas: After cementing but before commencing any tests, the casing string shall stand cemented under pressure until both of the following conditions have been met: 1) cement reaches a minimum compressive strength of 500 psi for all cement blends of both lead and tail cement, 2) until cement has been in place at least 8 hours. WOC time will be recorded in the driller's log. The casing integrity test can be done (prior to the cement setting up) immediately after bumping the plug.
3. Wait on cement (WOC) for Water Basin: After cementing but before commencing any tests, the casing string shall stand cemented under pressure until both of the following conditions have been met: 1) cement reaches a minimum compressive strength of 500 psi at the shoe, 2) until cement has been in place at least 8 hours. WOC time will be recorded in the driller's log. See individual casing strings for details regarding lead cement slurry requirements. The casing integrity test can be done (prior to the cement setting up) immediately after bumping the plug.
4. Provide compressive strengths including hours to reach required 500 pounds compressive strength prior to cementing each casing string. Have well specific cement details onsite prior to pumping the cement for each casing string.
5. No pea gravel permitted for remedial or fall back remedial without prior authorization from the BLM engineer.
6. 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. Formation at the shoe shall be tested to a minimum of the mud weight equivalent anticipated to control the formation pressure to the next casing depth or at total depth of the well. This test shall be performed before drilling more than 20 feet of new hole.
7. If hardband drill pipe is rotated inside casing, returns will be monitored for metal. If metal is found in samples, drill pipe will be pulled and rubber protectors which have a larger diameter than the tool joints of the drill pipe will be installed prior to continuing drilling operations.
8. Whenever a casing string is cemented in the R-111-Q potash area, the NMOCD requirements shall be followed.

B. PRESSURE CONTROL

1. All blowout preventer (BOP) and related equipment (BOPE) shall comply with well control requirements as described in **43 CFR 3172**.
2. If a variance is approved for a flexible hose to be installed from the BOP to the choke manifold, the following requirements apply: The flex line must meet the requirements of API 16C. Check condition of flexible line from BOP to choke manifold, replace if exterior is damaged or if line fails test. Line to be as straight as possible with no hard bends and is to be anchored according to Manufacturer's requirements. The flexible hose can be exchanged with a hose of equal size and equal or greater pressure rating. Anchor requirements, specification sheet and hydrostatic pressure test certification matching the hose in service, to be onsite for review. These documents shall be posted in the company man's trailer and on the rig floor.
3. 5M or higher system requires an HCR valve, remote kill line and annular to match. The remote kill line is to be installed prior to testing the system and tested to stack pressure.
4. If the operator has proposed a multi-bowl wellhead assembly in the APD. The following requirements must be met:
 - i. Wellhead shall be installed by manufacturer's representatives, submit documentation with subsequent sundry.
 - ii. If the welding is performed by a third party, the manufacturer's representative shall monitor the temperature to verify that it does not exceed the maximum temperature of the seal.
 - iii. Manufacturer representative shall install the test plug for the initial BOP test.
 - iv. Whenever any seal subject to test pressure is broken, all the tests in 43 CFR 3172.6(b)(9) must be followed.
 - v. If the cement does not circulate and one inch operations would have been possible with a standard wellhead, the well head shall be cut off, cementing operations performed and another wellhead installed.
5. The appropriate BLM office shall be notified a minimum of 4 hours in advance for a representative to witness the tests.
 - i. In a water basin, for all casing strings utilizing slips, these are to be set as soon as the crew and rig are ready and any fallback cement remediation has been done. The casing cut-off and BOP installation can be initiated four hours after installing the slips, which will be approximately six hours after bumping the plug. For those casing strings not using slips, the minimum wait time before cut-off is eight hours after bumping the plug. BOP/BOPE testing can begin after cut-off or once cement reaches 500 psi compressive strength (including lead cement), whichever is greater. However, if the float does not hold, cut-off cannot be initiated until cement reaches 500 psi compressive strength (including lead when specified).
 - ii. In potash areas, for all casing strings utilizing slips, these are to be set as soon as the crew and rig are ready and any fallback cement remediation has been done. For all casing strings, casing cut-off and BOP installation can be initiated at twelve hours after bumping the cement plug. The BOPE test can be initiated after bumping the cement plug with the casing valve open. (only applies to single stage cement jobs, prior to the cement setting up.)
 - iii. The tests shall be done by an independent service company utilizing a test plug not a cup or J-packer and can be initiated immediately with the casing valve open. The operator also has the option of utilizing an independent tester to test without a plug (i.e. against the casing) pursuant to **43 CFR 3172** with the pressure not to exceed 70% of the burst rating

for the casing. Any test against the casing must meet the WOC time for 8 hours or 500 pounds compressive strength, whichever is greater, prior to initiating the test (see casing segment as lead cement may be critical item).

- iv. The test shall be run on a 5000 psi chart for a 2-3M BOP/BOP, on a 10000 psi chart for a 5M BOP/BOPE and on a 15000 psi chart for a 10M BOP/BOPE. If a linear chart is used, it shall be a one hour chart. A circular chart shall have a maximum 2 hour clock. If a twelve hour or twenty-four hour chart is used, tester shall make a notation that it is run with a two hour clock.
- v. The results of the test shall be reported to the appropriate BLM office.
- vi. All tests are required to be recorded on a calibrated test chart. A copy of the BOP/BOPE test chart and a copy of independent service company test will be submitted to the appropriate BLM office.
- vii. The BOP/BOPE test shall include a low pressure test from 250 to 300 psi. The test will be held for a minimum of 10 minutes if test is done with a test plug and 30 minutes without a test plug. This test shall be performed prior to the test at full stack pressure.
- viii. BOP/BOPE must be tested by an independent service company within 500 feet of the top of the Wolfcamp formation if the time between the setting of the intermediate casing and reaching this depth exceeds 20 days. This test does not exclude the test prior to drilling out the casing shoe as per **43 CFR 3172**.

C. DRILLING MUD

Mud system monitoring equipment, with derrick floor indicators and visual and audio alarms, shall be operating before drilling into the Wolfcamp formation, and shall be used until production casing is run and cemented.

D. WASTE MATERIAL AND FLUIDS

All waste (i.e. drilling fluids, trash, salts, chemicals, sewage, gray water, etc.) created as a result of drilling operations and completion operations shall be safely contained and disposed of properly at a waste disposal facility. No waste material or fluid shall be disposed of on the well location or surrounding area. Porto-johns and trash containers will be on-location during fracturing operations or any other crew-intensive operations.

KPI 5/22/2025



U. S. Steel Tubular Products

5.500" 20.00lb/ft (0.361" Wall) USS RYS110 USS-EAGLE SFH[®]

1/29/2025 10:57:40 AM



MECHANICAL PROPERTIES	Pipe	USS-EAGLE SFH [®]		--
Minimum Yield Strength	110,000	--	psi	--
Maximum Yield Strength	125,000	--	psi	--
Minimum Tensile Strength	120,000	--	psi	--
DIMENSIONS	Pipe	USS-EAGLE SFH [®]		--
Outside Diameter	5.500	5.830	in.	--
Wall Thickness	0.361	--	in.	--
Inside Diameter	4.778	4.693	in.	--
Standard Drift	4.653	4.653	in.	--
Alternate Drift	--	4.653	in.	--
Nominal Linear Weight, T&C	20.00	--	lb/ft	--
Plain End Weight	19.83	--	lb/ft	--
SECTION AREA	Pipe	USS-EAGLE SFH [®]		--
Critical Area	5.828	5.027	sq. in.	--
Joint Efficiency	--	86.3	%	--
PERFORMANCE	Pipe	USS-EAGLE SFH [®]		--
Minimum Collapse Pressure	11,100	11,100	psi	--
External Pressure Leak Resistance	--	8,900	psi	--
Minimum Internal Yield Pressure	12,640	12,640	psi	--
Minimum Pipe Body Yield Strength	641,000	--	lb	--
Joint Strength	--	553,000	lb	--
Compression Rating	--	553,000	lb	--
Reference Length	--	18,590	ft	--
Maximum Uniaxial Bend Rating	--	79.1	deg/100 ft	--
MAKE-UP DATA	Pipe	USS-EAGLE SFH [®]		--
Make-Up Loss	--	5.92	in.	--
Minimum Make-Up Torque	--	14,200	ft-lb	--
Maximum Make-Up Torque	--	16,800	ft-lb	--
Maximum Operating Torque	--	24,000	ft-lb	--

UNCONTROLLED

Notes

Legal Notice

All material contained in this publication is for general information only. This material should not therefore be used or relied upon for any specific application without independent competent professional examination and verification of accuracy, suitability and applicability. Anyone making use of this material does so at their own risk and assumes any and all liability resulting from such use. U. S. Steel disclaims any and all expressed or implied warranties of fitness for any general or particular application.

U. S. Steel Tubular Products
460 Wildwood Forest Drive, Suite 300S
Spring, Texas 77380

1-877-893-9461
connections@uss.com
www.usstubular.com

Production Casing 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 43 CFR part 3170 Subpart 3172 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.

Bradenhead Cement CBL Variance Request

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

Four string wells:

- CBL is not required
- 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

BOP Break Testing Request

Oxy requests permission to adjust the BOP break testing requirements as per the agreement reached with OXY/BLM on April 4th, 2025.

BOPE Break Testing is ONLY permitted for 5M BOPE or less (utilizing a 10M BOPE system.)
Annular preventer must be tested to a minimum of 70% of BOPE working pressure and shall be higher than the MASP.

BOP break test for the **intermediate or production** section under the following conditions:

- After a full BOP test is conducted.
- When skidding to drill an intermediate or production section which does not penetrate the deeper than the Wolf Camp formation (<5M).
- In the event any repairs or replacement of the BOPE is required, the BOPE shall test as per 3 CFR part 3170 Subpart 3172
- While in transfer between wells, the BOPE shall be secured by the hydraulic carrier or cradle.
- In the event break testing is not utilized, then a full BOPE test would be conducted.
- 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

Subject: Request for a Variance Allowing Break Testing of a Blowout Preventer Stack

OXY USA Inc. (OXY) requests a variance to allow break testing of the Blowout Preventer (BOP) stack when skidding a drilling rig between wells on multi-well pads. This practice entails retesting only the connections of the **BOP** stack that have been disconnected during this operation and not a complete **BOP** test.

Background

43 CFR part 3170 Subpart 3172 states that a **BOP** test must be performed whenever any seal subject to test pressure is broken. The current interpretation of the Bureau of Land Management (BLM) is this requires a complete **BOP** test and not just a test of the affected component. 43 CFR part 3170 Subpart 3172, Section I.D.2. states, "Some situations may exist either on a well-by-well basis or field-wide basis whereby it is commonly accepted practice to vary a particular minimum standard(s) established in this Order. This situation can be resolved by requesting a variance...". OXY feels the practice of break testing the **BOP** stack is such a situation. Therefore, as per 43 CFR part 3170 Subpart 3172, Section IV., OXY submits this request for the variance.

Supporting Rationale

43 CFR part 3170 Subpart 3172 became effective on December 19, 1988, and has remained the standard for regulating BLM onshore drilling operations for almost 30 years. During this time there have been significant changes in drilling technology. **BLM** continues to use the variance request process to allow for the use of modern technology and acceptable engineering practices that have arisen since 43 CFR part 3170 Subpart 3172 was originally released. The drilling rig fleet OXY utilizes in New Mexico was built with many modern upgrades. One of which allows the rigs to skid between wells on multi-well pads. A part of this rig package is

a hydraulic winch system which safely installs and removes the BOP from the wellhead and carries it during skidding operations. This technology has made break testing a safe and reliable procedure.

American Petroleum Institute (API) standards, specifications and recommended practices are considered industry standards and are consistently utilized and referenced by the industry. 43 CFR part 3170 Subpart 3172 recognized API Recommended Practices (RP) 53 in its original development. API Standard 53, *Blowout Prevention Equipment Systems for Drilling Wells* (Fourth Edition, November 2012, Addendum 1, July 2016) recognizes break testing as an acceptable practice. Specifically, API Standard 53, Section 6.5.3.4.1.b states "Pressure tests on the well control equipment shall be conducted after the disconnection or repair of any pressure containment seal in the **BOP** stack, choke line, kill line, choke manifold, or wellhead assembly but limited to the affected component."

The Bureau of Safety and Environmental Enforcement (BSEE), Department of Interior, has also utilized the API standards, specifications and best practices in the development of its offshore oil and gas regulations and incorporates them by reference within its regulations. BSEE issued new offshore regulations under 30 CFR Part 250, *Oil and Gas and Sulphur Operations in the Outer Continental Shelf - Blowout Preventer Systems and Well Control*, which became effective on July 28, 2016. Section 250.737(d.1) states "Follow the testing requirements of API Standard 53". In addition, Section 250.737(d.8) has adopted language from **API** Standard 53 as it states "Pressure test affected **BOP** components following the disconnection or repair of any well-pressure containment seal in the wellhead or **BOP** stack assembly".

Break testing has been approved by the BLM in the past. See the Appendix for a Sundry Notice that was approved in 2015 by the Farmington Field Office. This approval granted permission for the operator to break test when skidding its Aztec 1000 rig on multi-well pads.

Oxy feels break testing and our current procedures meet the intent of 43 CFR part 3170 Subpart 3172 and often exceed it. We have not seen any evidence that break testing results in more components failing tests than seen on full BOP tests. As skidding operations take place within the 30-day full BOPE test window, the BOP shell and components such as the pipe rams and check valve get tested to the full rated working pressure more often. Therefore, there are more opportunities to ensure components are in good working order. Also, Oxy's standard requires complete BOP tests more often than that of 43 CFR part 3170 Subpart 3172. In addition to function testing the annular at least weekly and the pipe and blind rams on each trip, Oxy also performs a choke drill prior to drilling out every casing shoe. As a crew's training is a vital part of well control, this procedure to simulate step one of the Driller's Method exceeds the requirements of 43 CFR part 3170 Subpart 3172.

Procedures

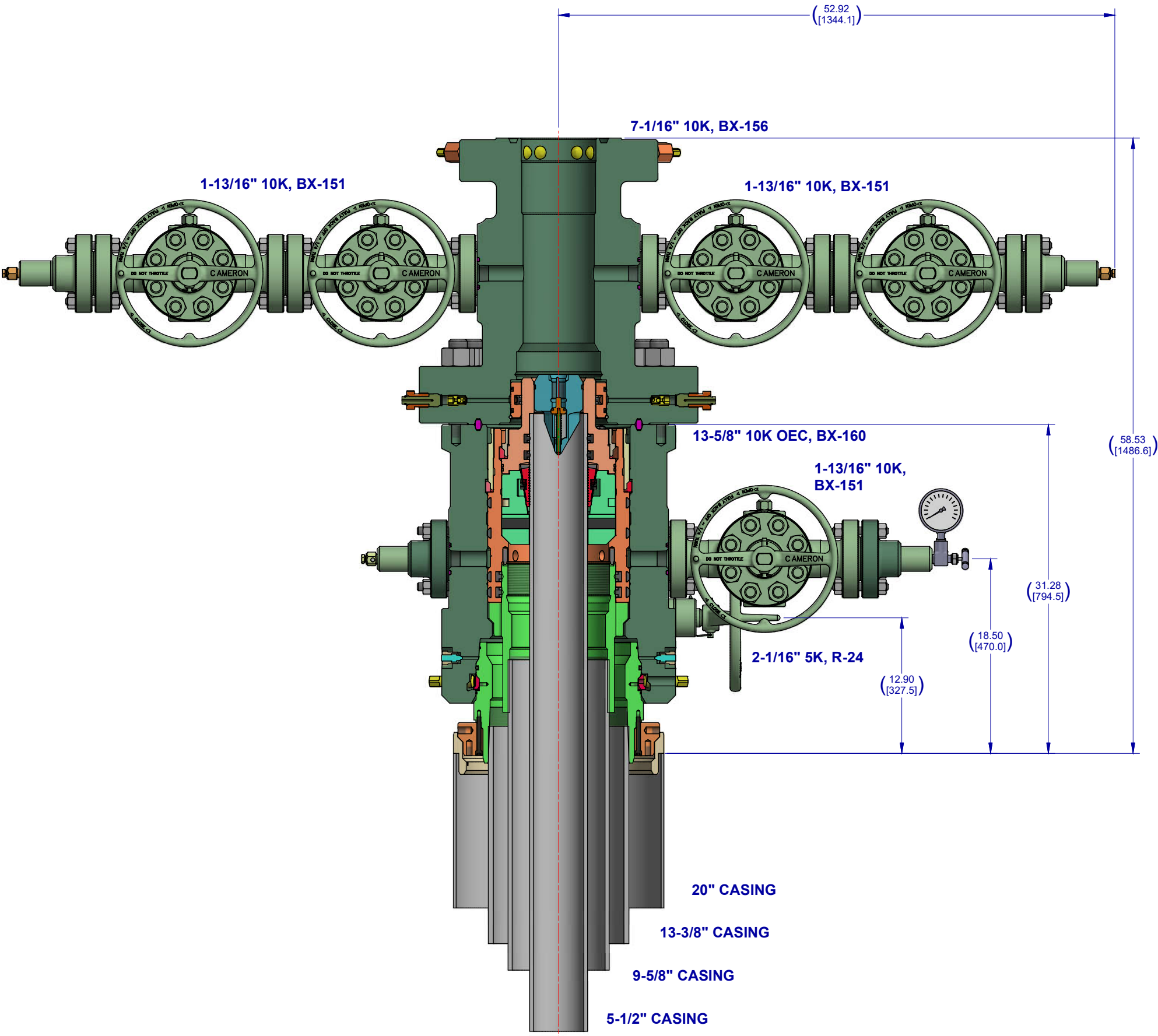
- 1) OXY would perform BOP break testing on multi-well pads where multiple intermediate or production sections can be drilled and cased within the 21-day BOP test window
- 2) After performing a complete BOP test on the first well and drilling and casing the hole section, three breaks would be made on the BOP.
 - Between the check valve and the kill line
 - Between the HCR valve and the co-flex hose or the co-flex hose and the manifold
 - Between the BOP flange and the wellhead
- 3) The BOP is then lifted and removed from the wellhead by the hydraulic winch system
- 4) After skidding to the next well, the BOP is moved to the wellhead by the hydraulic winch system and installed
- 5) The choke line and kill line are reconnected
- 6) A test plug is installed in the wellhead with a joint of drill pipe and the internal parts of the check valve are removed
- 7) A shell test is performed against the upper pipe rams testing all three breaks
- 8) The internal parts of the check valve are reinstalled and the HCR valve is closed. A second test is performed on them
- 9) These tests consist of a 250 psi low test and a high test to the value submitted in the APD or SN (e.g., 5000 psi)
- 10) Perform a function test of components not pressure tested to include the lower pipe rams, the blind rams and the annular
- 11) If this were a three well pad, the same three breaks on the BOP would be made and steps 4 through 11 would be repeated
- 12) A second break test would only be done if the third hole section could be completed within the 21-day BOP test window
- 13) If a second break test is performed, additional components that were not tested on the initial break test will be tested on this break test

Notes:

- a. If any parts of the BOP are changed out or any additional breaks are made during the skidding operation, these affected components would also be tested as in step 10.
- b. As the choke manifold remains stationary during the skidding operation and the only break to the manifold is tested in step 8 above, no further testing of the manifold is done until the next full BOP test.

Summary

OXY requests a variance to allow break testing of the BOP stack when skidding drilling rigs between wells on multi-well pads. API standards, specifications and recommended practices are considered industry standards and are consistently utilized and referenced by the industry and the BLM. API Standard 53 recognizes break testing as an acceptable practice and BSEE adopted language from this standard into its newly created 30 CFR Part 250 which also supports break testing. Due to this, OXY feels this request meets the intent of 43 CFR part 3170



Notes:

1. THIS IS A PROPOSAL DRAWING AND DIMENSIONS SHOWN ARE SUBJECT TO CHANGE DURING THE FINAL DESIGN PROCESS.

2. DIGITALLY ENABLED SOLUTIONS, CHOKES AND ESD'S AVAILABLE ON REQUEST

CONFIDENTIAL						
SURFACE TREATMENT	DO NOT SCALE		 CAMERON A Schlumberger Company	SURFACE SYSTEMS		
MATERIAL & HEAT TREAT	DRAWN BY:	DATE	OXY 13-5/8" 10K ADAPT 16" X 10-3/4" X 7-5/8" X 5-1/2"			
	D. GOTTUNG	18 FEB 22				
	CHECKED BY:	DATE				
	D. GOTTUNG	18 FEB 22				
	APPROVED BY:	DATE				
	D. GOTTUNG	18 FEB 22				
ESTIMATED WEIGHT:	6115.068 LBS 2773.748 KG	INITIAL USE B/M:		SHEET	REV.	
				1 of 1	01	
				SD-053434-94-12		INVENTOR: D

OXY

PRD NM DIRECTIONAL PLANS (NAD 1983)

Kestrel 1_12

Kestrel 1_12 Fed 2H

Wellbore #1

Plan: Permitting Plan

Standard Planning Report

11 April, 2025

OXY
Planning Report

Database:	HOPSPP	Local Co-ordinate Reference:	Well Kestrel 1_12 Fed 2H
Company:	ENGINEERING DESIGNS	TVD Reference:	RKB=25' @ 3484.80ft
Project:	PRD NM DIRECTIONAL PLANS (NAD 1983)	MD Reference:	RKB=25' @ 3484.80ft
Site:	Kestrel 1_12	North Reference:	Grid
Well:	Kestrel 1_12 Fed 2H	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		Kestrel 1_12			
Site Position:		Northing:	456,496.60 usft	Latitude:	32.251696
From:	Map	Easting:	823,124.91 usft	Longitude:	-103.421825
Position Uncertainty:		0.89 ft	Slot Radius:	13.200 in	

Well	Kestrel 1_12 Fed 2H					
Well Position	+N/-S	0.00 ft	Northing:	456,107.12 usf	Latitude:	32.250609
	+E/-W	0.00 ft	Easting:	823,852.04 usf	Longitude:	-103.419484
Position Uncertainty		2.00 ft	Wellhead Elevation:	ft	Ground Level:	3,459.80 ft
Grid Convergence:		0.49 °				

Wellbore	Wellbore #1				
Magnetics	Model Name	Sample Date	Declination (°)	Dip Angle (°)	Field Strength (nT)
	HDGM_FILE	12/31/2019	6.58	59.87	47,825.00000000

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 (°)
	-1.10	0.00	0.00	174.29

Plan Survey Tool Program	Date	4/11/2025		
Depth From (ft)	Depth To (ft)	Survey (Wellbore)	Tool Name	Remarks
1	0.00	21,359.94	Permitting Plan (Wellbore #1)	B001Mc_MWD+HRGM_R5 MWD+HRGM

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	
5,462.00	0.00	0.00	5,462.00	0.00	0.00	0.00	0.00	0.00	0.00	
6,312.11	17.00	33.38	6,299.69	104.56	68.88	2.00	2.00	0.00	33.38	
10,398.97	17.00	33.38	10,207.92	1,102.51	726.29	0.00	0.00	0.00	0.00	
11,423.47	88.38	179.48	10,910.17	563.74	847.47	10.00	6.97	14.26	145.19	
21,360.47	88.38	179.48	11,191.09	-9,368.88	937.23	0.00	0.00	0.00	0.00	PBHL (Kestrel 1_12)

OXY

Planning Report

Database:	HOPSPP	Local Co-ordinate Reference:	Well Kestrel 1_12 Fed 2H
Company:	ENGINEERING DESIGNS	TVD Reference:	RKB=25' @ 3484.80ft
Project:	PRD NM DIRECTIONAL PLANS (NAD 1983)	MD Reference:	RKB=25' @ 3484.80ft
Site:	Kestrel 1_12	North Reference:	Grid
Well:	Kestrel 1_12 Fed 2H	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
2,900.00	0.00	0.00	2,900.00	0.00	0.00	0.00	0.00	0.00	0.00
3,000.00	0.00	0.00	3,000.00	0.00	0.00	0.00	0.00	0.00	0.00
3,100.00	0.00	0.00	3,100.00	0.00	0.00	0.00	0.00	0.00	0.00
3,200.00	0.00	0.00	3,200.00	0.00	0.00	0.00	0.00	0.00	0.00
3,300.00	0.00	0.00	3,300.00	0.00	0.00	0.00	0.00	0.00	0.00
3,400.00	0.00	0.00	3,400.00	0.00	0.00	0.00	0.00	0.00	0.00
3,500.00	0.00	0.00	3,500.00	0.00	0.00	0.00	0.00	0.00	0.00
3,600.00	0.00	0.00	3,600.00	0.00	0.00	0.00	0.00	0.00	0.00
3,700.00	0.00	0.00	3,700.00	0.00	0.00	0.00	0.00	0.00	0.00
3,800.00	0.00	0.00	3,800.00	0.00	0.00	0.00	0.00	0.00	0.00
3,900.00	0.00	0.00	3,900.00	0.00	0.00	0.00	0.00	0.00	0.00
4,000.00	0.00	0.00	4,000.00	0.00	0.00	0.00	0.00	0.00	0.00
4,100.00	0.00	0.00	4,100.00	0.00	0.00	0.00	0.00	0.00	0.00
4,200.00	0.00	0.00	4,200.00	0.00	0.00	0.00	0.00	0.00	0.00
4,300.00	0.00	0.00	4,300.00	0.00	0.00	0.00	0.00	0.00	0.00
4,400.00	0.00	0.00	4,400.00	0.00	0.00	0.00	0.00	0.00	0.00
4,500.00	0.00	0.00	4,500.00	0.00	0.00	0.00	0.00	0.00	0.00
4,600.00	0.00	0.00	4,600.00	0.00	0.00	0.00	0.00	0.00	0.00
4,700.00	0.00	0.00	4,700.00	0.00	0.00	0.00	0.00	0.00	0.00
4,800.00	0.00	0.00	4,800.00	0.00	0.00	0.00	0.00	0.00	0.00
4,900.00	0.00	0.00	4,900.00	0.00	0.00	0.00	0.00	0.00	0.00
5,000.00	0.00	0.00	5,000.00	0.00	0.00	0.00	0.00	0.00	0.00
5,100.00	0.00	0.00	5,100.00	0.00	0.00	0.00	0.00	0.00	0.00
5,200.00	0.00	0.00	5,200.00	0.00	0.00	0.00	0.00	0.00	0.00
5,300.00	0.00	0.00	5,300.00	0.00	0.00	0.00	0.00	0.00	0.00
5,400.00	0.00	0.00	5,400.00	0.00	0.00	0.00	0.00	0.00	0.00

OXY

Planning Report

Database:	HOPSPP	Local Co-ordinate Reference:	Well Kestrel 1_12 Fed 2H
Company:	ENGINEERING DESIGNS	TVD Reference:	RKB=25' @ 3484.80ft
Project:	PRD NM DIRECTIONAL PLANS (NAD 1983)	MD Reference:	RKB=25' @ 3484.80ft
Site:	Kestrel 1_12	North Reference:	Grid
Well:	Kestrel 1_12 Fed 2H	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)
5,462.00	0.00	0.00	5,462.00	0.00	0.00	0.00	0.00	0.00	0.00
Build 2°/100'									
5,500.00	0.76	33.38	5,500.00	0.21	0.14	-0.20	2.00	2.00	0.00
5,600.00	2.76	33.38	5,599.95	2.78	1.83	-2.58	2.00	2.00	0.00
5,700.00	4.76	33.38	5,699.73	8.25	5.44	-7.67	2.00	2.00	0.00
5,800.00	6.76	33.38	5,799.22	16.63	10.96	-15.46	2.00	2.00	0.00
5,900.00	8.76	33.38	5,898.30	27.91	18.38	-25.94	2.00	2.00	0.00
6,000.00	10.76	33.38	5,996.84	42.06	27.71	-39.10	2.00	2.00	0.00
6,100.00	12.76	33.38	6,094.74	59.08	38.92	-54.91	2.00	2.00	0.00
6,200.00	14.76	33.38	6,191.86	78.94	52.00	-73.38	2.00	2.00	0.00
6,300.00	16.76	33.38	6,288.10	101.62	66.95	-94.46	2.00	2.00	0.00
6,312.11	17.00	33.38	6,299.69	104.56	68.88	-97.18	2.00	2.00	0.00
Hold 17° Tangent									
6,400.00	17.00	33.38	6,383.74	126.02	83.02	-117.13	0.00	0.00	0.00
6,500.00	17.00	33.38	6,479.37	150.44	99.10	-139.83	0.00	0.00	0.00
6,600.00	17.00	33.38	6,575.00	174.86	115.19	-162.53	0.00	0.00	0.00
6,700.00	17.00	33.38	6,670.63	199.28	131.28	-185.22	0.00	0.00	0.00
6,800.00	17.00	33.38	6,766.25	223.70	147.36	-207.92	0.00	0.00	0.00
6,900.00	17.00	33.38	6,861.88	248.12	163.45	-230.61	0.00	0.00	0.00
7,000.00	17.00	33.38	6,957.51	272.53	179.53	-253.31	0.00	0.00	0.00
7,100.00	17.00	33.38	7,053.14	296.95	195.62	-276.01	0.00	0.00	0.00
7,200.00	17.00	33.38	7,148.77	321.37	211.71	-298.70	0.00	0.00	0.00
7,300.00	17.00	33.38	7,244.40	345.79	227.79	-321.40	0.00	0.00	0.00
7,400.00	17.00	33.38	7,340.03	370.21	243.88	-344.09	0.00	0.00	0.00
7,500.00	17.00	33.38	7,435.66	394.63	259.96	-366.79	0.00	0.00	0.00
7,600.00	17.00	33.38	7,531.29	419.05	276.05	-389.49	0.00	0.00	0.00
7,700.00	17.00	33.38	7,626.92	443.46	292.14	-412.18	0.00	0.00	0.00
7,800.00	17.00	33.38	7,722.55	467.88	308.22	-434.88	0.00	0.00	0.00
7,900.00	17.00	33.38	7,818.18	492.30	324.31	-457.57	0.00	0.00	0.00
8,000.00	17.00	33.38	7,913.81	516.72	340.39	-480.27	0.00	0.00	0.00
8,100.00	17.00	33.38	8,009.44	541.14	356.48	-502.97	0.00	0.00	0.00
8,200.00	17.00	33.38	8,105.07	565.56	372.57	-525.66	0.00	0.00	0.00
8,300.00	17.00	33.38	8,200.70	589.98	388.65	-548.36	0.00	0.00	0.00
8,400.00	17.00	33.38	8,296.32	614.39	404.74	-571.05	0.00	0.00	0.00
8,500.00	17.00	33.38	8,391.95	638.81	420.82	-593.75	0.00	0.00	0.00
8,600.00	17.00	33.38	8,487.58	663.23	436.91	-616.45	0.00	0.00	0.00
8,700.00	17.00	33.38	8,583.21	687.65	453.00	-639.14	0.00	0.00	0.00
8,800.00	17.00	33.38	8,678.84	712.07	469.08	-661.84	0.00	0.00	0.00
8,900.00	17.00	33.38	8,774.47	736.49	485.17	-684.54	0.00	0.00	0.00
9,000.00	17.00	33.38	8,870.10	760.91	501.25	-707.23	0.00	0.00	0.00
9,100.00	17.00	33.38	8,965.73	785.32	517.34	-729.93	0.00	0.00	0.00
9,200.00	17.00	33.38	9,061.36	809.74	533.42	-752.62	0.00	0.00	0.00
9,300.00	17.00	33.38	9,156.99	834.16	549.51	-775.32	0.00	0.00	0.00
9,400.00	17.00	33.38	9,252.62	858.58	565.60	-798.02	0.00	0.00	0.00
9,500.00	17.00	33.38	9,348.25	883.00	581.68	-820.71	0.00	0.00	0.00
9,600.00	17.00	33.38	9,443.88	907.42	597.77	-843.41	0.00	0.00	0.00
9,700.00	17.00	33.38	9,539.51	931.84	613.85	-866.10	0.00	0.00	0.00
9,800.00	17.00	33.38	9,635.14	956.25	629.94	-888.80	0.00	0.00	0.00
9,900.00	17.00	33.38	9,730.77	980.67	646.03	-911.50	0.00	0.00	0.00
10,000.00	17.00	33.38	9,826.39	1,005.09	662.11	-934.19	0.00	0.00	0.00
10,100.00	17.00	33.38	9,922.02	1,029.51	678.20	-956.89	0.00	0.00	0.00
10,200.00	17.00	33.38	10,017.65	1,053.93	694.28	-979.58	0.00	0.00	0.00
10,300.00	17.00	33.38	10,113.28	1,078.35	710.37	-1,002.28	0.00	0.00	0.00
10,398.97	17.00	33.38	10,207.92	1,102.51	726.29	-1,024.74	0.00	0.00	0.00
KOP, Build & Turn 10°/100'									

OXY

Planning Report

Database:	HOPSPP	Local Co-ordinate Reference:	Well Kestrel 1_12 Fed 2H
Company:	ENGINEERING DESIGNS	TVD Reference:	RKB=25' @ 3484.80ft
Project:	PRD NM DIRECTIONAL PLANS (NAD 1983)	MD Reference:	RKB=25' @ 3484.80ft
Site:	Kestrel 1_12	North Reference:	Grid
Well:	Kestrel 1_12 Fed 2H	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)
10,400.00	16.92	33.58	10,208.91	1,102.76	726.46	-1,024.98	10.00	-8.20	19.62
10,500.00	10.40	67.08	10,306.17	1,118.44	742.86	-1,038.94	10.00	-6.52	33.50
10,600.00	11.32	122.00	10,404.63	1,116.75	759.53	-1,035.60	10.00	0.92	54.92
10,700.00	18.61	149.57	10,501.29	1,097.75	775.98	-1,015.05	10.00	7.29	27.57
10,800.00	27.61	160.87	10,593.22	1,062.00	791.69	-977.92	10.00	9.00	11.30
10,900.00	37.10	166.82	10,677.61	1,010.61	806.20	-925.34	10.00	9.49	5.95
11,000.00	46.78	170.60	10,751.92	945.13	819.06	-858.91	10.00	9.68	3.78
11,100.00	56.55	173.34	10,813.88	867.55	829.87	-780.63	10.00	9.77	2.73
11,200.00	66.37	175.51	10,861.60	780.22	838.32	-692.90	10.00	9.82	2.17
11,300.00	76.21	177.38	10,893.64	685.81	844.15	-598.38	10.00	9.84	1.87
11,400.00	86.07	179.09	10,909.03	587.17	847.17	-499.93	10.00	9.86	1.71
11,423.47	88.38	179.48	10,910.17	563.74	847.47	-476.58	10.00	9.86	1.67
Landing Point									
11,500.00	88.38	179.48	10,912.33	487.24	848.16	-400.39	0.00	0.00	0.00
11,600.00	88.38	179.48	10,915.16	387.28	849.06	-300.84	0.00	0.00	0.00
11,700.00	88.38	179.48	10,917.99	287.33	849.96	-201.30	0.00	0.00	0.00
11,800.00	88.38	179.48	10,920.81	187.37	850.87	-101.75	0.00	0.00	0.00
11,900.00	88.38	179.48	10,923.64	87.42	851.77	-2.20	0.00	0.00	0.00
12,000.00	88.38	179.48	10,926.47	-12.54	852.67	97.35	0.00	0.00	0.00
12,100.00	88.38	179.48	10,929.29	-112.50	853.58	196.90	0.00	0.00	0.00
12,200.00	88.38	179.48	10,932.12	-212.45	854.48	296.45	0.00	0.00	0.00
12,300.00	88.38	179.48	10,934.95	-312.41	855.38	396.00	0.00	0.00	0.00
12,400.00	88.38	179.48	10,937.77	-412.36	856.29	495.55	0.00	0.00	0.00
12,500.00	88.38	179.48	10,940.60	-512.32	857.19	595.10	0.00	0.00	0.00
12,600.00	88.38	179.48	10,943.43	-612.28	858.09	694.65	0.00	0.00	0.00
12,700.00	88.38	179.48	10,946.26	-712.23	859.00	794.20	0.00	0.00	0.00
12,800.00	88.38	179.48	10,949.08	-812.19	859.90	893.75	0.00	0.00	0.00
12,900.00	88.38	179.48	10,951.91	-912.14	860.80	993.30	0.00	0.00	0.00
13,000.00	88.38	179.48	10,954.74	-1,012.10	861.71	1,092.85	0.00	0.00	0.00
13,100.00	88.38	179.48	10,957.56	-1,112.06	862.61	1,192.40	0.00	0.00	0.00
13,200.00	88.38	179.48	10,960.39	-1,212.01	863.51	1,291.95	0.00	0.00	0.00
13,300.00	88.38	179.48	10,963.22	-1,311.97	864.42	1,391.50	0.00	0.00	0.00
13,400.00	88.38	179.48	10,966.05	-1,411.92	865.32	1,491.05	0.00	0.00	0.00
13,500.00	88.38	179.48	10,968.87	-1,511.88	866.22	1,590.59	0.00	0.00	0.00
13,600.00	88.38	179.48	10,971.70	-1,611.84	867.13	1,690.14	0.00	0.00	0.00
13,700.00	88.38	179.48	10,974.53	-1,711.79	868.03	1,789.69	0.00	0.00	0.00
13,800.00	88.38	179.48	10,977.35	-1,811.75	868.93	1,889.24	0.00	0.00	0.00
13,900.00	88.38	179.48	10,980.18	-1,911.70	869.84	1,988.79	0.00	0.00	0.00
14,000.00	88.38	179.48	10,983.01	-2,011.66	870.74	2,088.34	0.00	0.00	0.00
14,100.00	88.38	179.48	10,985.83	-2,111.62	871.64	2,187.89	0.00	0.00	0.00
14,200.00	88.38	179.48	10,988.66	-2,211.57	872.55	2,287.44	0.00	0.00	0.00
14,300.00	88.38	179.48	10,991.49	-2,311.53	873.45	2,386.99	0.00	0.00	0.00
14,400.00	88.38	179.48	10,994.32	-2,411.48	874.35	2,486.54	0.00	0.00	0.00
14,500.00	88.38	179.48	10,997.14	-2,511.44	875.26	2,586.09	0.00	0.00	0.00
14,600.00	88.38	179.48	10,999.97	-2,611.40	876.16	2,685.64	0.00	0.00	0.00
14,700.00	88.38	179.48	11,002.80	-2,711.35	877.06	2,785.19	0.00	0.00	0.00
14,800.00	88.38	179.48	11,005.62	-2,811.31	877.97	2,884.74	0.00	0.00	0.00
14,900.00	88.38	179.48	11,008.45	-2,911.26	878.87	2,984.29	0.00	0.00	0.00
15,000.00	88.38	179.48	11,011.28	-3,011.22	879.77	3,083.84	0.00	0.00	0.00
15,100.00	88.38	179.48	11,014.11	-3,111.17	880.68	3,183.39	0.00	0.00	0.00
15,200.00	88.38	179.48	11,016.93	-3,211.13	881.58	3,282.94	0.00	0.00	0.00
15,300.00	88.38	179.48	11,019.76	-3,311.09	882.48	3,382.48	0.00	0.00	0.00
15,400.00	88.38	179.48	11,022.59	-3,411.04	883.39	3,482.03	0.00	0.00	0.00
15,500.00	88.38	179.48	11,025.41	-3,511.00	884.29	3,581.58	0.00	0.00	0.00
15,600.00	88.38	179.48	11,028.24	-3,610.95	885.19	3,681.13	0.00	0.00	0.00

OXY

Planning Report

Database:	HOPSPP	Local Co-ordinate Reference:	Well Kestrel 1_12 Fed 2H
Company:	ENGINEERING DESIGNS	TVD Reference:	RKB=25' @ 3484.80ft
Project:	PRD NM DIRECTIONAL PLANS (NAD 1983)	MD Reference:	RKB=25' @ 3484.80ft
Site:	Kestrel 1_12	North Reference:	Grid
Well:	Kestrel 1_12 Fed 2H	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)
15,700.00	88.38	179.48	11,031.07	-3,710.91	886.10	3,780.68	0.00	0.00	0.00
15,800.00	88.38	179.48	11,033.89	-3,810.87	887.00	3,880.23	0.00	0.00	0.00
15,900.00	88.38	179.48	11,036.72	-3,910.82	887.90	3,979.78	0.00	0.00	0.00
16,000.00	88.38	179.48	11,039.55	-4,010.78	888.81	4,079.33	0.00	0.00	0.00
16,100.00	88.38	179.48	11,042.38	-4,110.73	889.71	4,178.88	0.00	0.00	0.00
16,200.00	88.38	179.48	11,045.20	-4,210.69	890.61	4,278.43	0.00	0.00	0.00
16,300.00	88.38	179.48	11,048.03	-4,310.65	891.52	4,377.98	0.00	0.00	0.00
16,400.00	88.38	179.48	11,050.86	-4,410.60	892.42	4,477.53	0.00	0.00	0.00
16,500.00	88.38	179.48	11,053.68	-4,510.56	893.32	4,577.08	0.00	0.00	0.00
16,600.00	88.38	179.48	11,056.51	-4,610.51	894.23	4,676.63	0.00	0.00	0.00
16,700.00	88.38	179.48	11,059.34	-4,710.47	895.13	4,776.18	0.00	0.00	0.00
16,800.00	88.38	179.48	11,062.17	-4,810.43	896.03	4,875.73	0.00	0.00	0.00
16,900.00	88.38	179.48	11,064.99	-4,910.38	896.94	4,975.28	0.00	0.00	0.00
17,000.00	88.38	179.48	11,067.82	-5,010.34	897.84	5,074.83	0.00	0.00	0.00
17,100.00	88.38	179.48	11,070.65	-5,110.29	898.74	5,174.37	0.00	0.00	0.00
17,200.00	88.38	179.48	11,073.47	-5,210.25	899.65	5,273.92	0.00	0.00	0.00
17,300.00	88.38	179.48	11,076.30	-5,310.21	900.55	5,373.47	0.00	0.00	0.00
17,400.00	88.38	179.48	11,079.13	-5,410.16	901.45	5,473.02	0.00	0.00	0.00
17,500.00	88.38	179.48	11,081.95	-5,510.12	902.36	5,572.57	0.00	0.00	0.00
17,600.00	88.38	179.48	11,084.78	-5,610.07	903.26	5,672.12	0.00	0.00	0.00
17,700.00	88.38	179.48	11,087.61	-5,710.03	904.16	5,771.67	0.00	0.00	0.00
17,800.00	88.38	179.48	11,090.44	-5,809.99	905.07	5,871.22	0.00	0.00	0.00
17,900.00	88.38	179.48	11,093.26	-5,909.94	905.97	5,970.77	0.00	0.00	0.00
18,000.00	88.38	179.48	11,096.09	-6,009.90	906.88	6,070.32	0.00	0.00	0.00
18,100.00	88.38	179.48	11,098.92	-6,109.85	907.78	6,169.87	0.00	0.00	0.00
18,200.00	88.38	179.48	11,101.74	-6,209.81	908.68	6,269.42	0.00	0.00	0.00
18,300.00	88.38	179.48	11,104.57	-6,309.77	909.59	6,368.97	0.00	0.00	0.00
18,400.00	88.38	179.48	11,107.40	-6,409.72	910.49	6,468.52	0.00	0.00	0.00
18,500.00	88.38	179.48	11,110.23	-6,509.68	911.39	6,568.07	0.00	0.00	0.00
18,600.00	88.38	179.48	11,113.05	-6,609.63	912.30	6,667.62	0.00	0.00	0.00
18,700.00	88.38	179.48	11,115.88	-6,709.59	913.20	6,767.17	0.00	0.00	0.00
18,800.00	88.38	179.48	11,118.71	-6,809.55	914.10	6,866.72	0.00	0.00	0.00
18,900.00	88.38	179.48	11,121.53	-6,909.50	915.01	6,966.26	0.00	0.00	0.00
19,000.00	88.38	179.48	11,124.36	-7,009.46	915.91	7,065.81	0.00	0.00	0.00
19,100.00	88.38	179.48	11,127.19	-7,109.41	916.81	7,165.36	0.00	0.00	0.00
19,200.00	88.38	179.48	11,130.01	-7,209.37	917.72	7,264.91	0.00	0.00	0.00
19,300.00	88.38	179.48	11,132.84	-7,309.32	918.62	7,364.46	0.00	0.00	0.00
19,400.00	88.38	179.48	11,135.67	-7,409.28	919.52	7,464.01	0.00	0.00	0.00
19,500.00	88.38	179.48	11,138.50	-7,509.24	920.43	7,563.56	0.00	0.00	0.00
19,600.00	88.38	179.48	11,141.32	-7,609.19	921.33	7,663.11	0.00	0.00	0.00
19,700.00	88.38	179.48	11,144.15	-7,709.15	922.23	7,762.66	0.00	0.00	0.00
19,800.00	88.38	179.48	11,146.98	-7,809.10	923.14	7,862.21	0.00	0.00	0.00
19,900.00	88.38	179.48	11,149.80	-7,909.06	924.04	7,961.76	0.00	0.00	0.00
20,000.00	88.38	179.48	11,152.63	-8,009.02	924.94	8,061.31	0.00	0.00	0.00
20,100.00	88.38	179.48	11,155.46	-8,108.97	925.85	8,160.86	0.00	0.00	0.00
20,200.00	88.38	179.48	11,158.29	-8,208.93	926.75	8,260.41	0.00	0.00	0.00
20,300.00	88.38	179.48	11,161.11	-8,308.88	927.65	8,359.96	0.00	0.00	0.00
20,400.00	88.38	179.48	11,163.94	-8,408.84	928.56	8,459.51	0.00	0.00	0.00
20,500.00	88.38	179.48	11,166.77	-8,508.80	929.46	8,559.06	0.00	0.00	0.00
20,600.00	88.38	179.48	11,169.59	-8,608.75	930.36	8,658.61	0.00	0.00	0.00
20,700.00	88.38	179.48	11,172.42	-8,708.71	931.27	8,758.16	0.00	0.00	0.00
20,800.00	88.38	179.48	11,175.25	-8,808.66	932.17	8,857.70	0.00	0.00	0.00
20,900.00	88.38	179.48	11,178.07	-8,908.62	933.07	8,957.25	0.00	0.00	0.00
21,000.00	88.38	179.48	11,180.90	-9,008.58	933.98	9,056.80	0.00	0.00	0.00
21,100.00	88.38	179.48	11,183.73	-9,108.53	934.88	9,156.35	0.00	0.00	0.00

OXY
Planning Report

Database:	HOPSPP	Local Co-ordinate Reference:	Well Kestrel 1_12 Fed 2H
Company:	ENGINEERING DESIGNS	TVD Reference:	RKB=25' @ 3484.80ft
Project:	PRD NM DIRECTIONAL PLANS (NAD 1983)	MD Reference:	RKB=25' @ 3484.80ft
Site:	Kestrel 1_12	North Reference:	Grid
Well:	Kestrel 1_12 Fed 2H	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)
21,200.00	88.38	179.48	11,186.56	-9,208.49	935.78	9,255.90	0.00	0.00	0.00
21,300.00	88.38	179.48	11,189.38	-9,308.44	936.69	9,355.45	0.00	0.00	0.00
21,360.47	88.38	179.48	11,191.09	-9,368.88	937.23	9,415.65	0.00	0.00	0.00
TD at 21360.47' MD									

Design Targets									
Target Name	Dip Angle (°)	Dip Dir. (°)	TVD (ft)	+N/-S (ft)	+E/-W (ft)	Northing (usft)	Easting (usft)	Latitude	Longitude
KOP (Kestrel 1_12 - hit/miss target - Shape - Point	0.00	0.00	0.00	1,121.10	842.44	457,228.22	824,694.48	32.253670	-103.416728
- plan misses target center by 1402.35ft at 0.00ft MD (0.00 TVD, 0.00 N, 0.00 E)									
FTP (Kestrel 1_12 Fed - plan misses target center by 193.64ft at 11000.00ft MD (10751.92 TVD, 945.13 N, 819.06 E) - Point	0.00	0.00	10,897.03	1,071.11	842.88	457,178.23	824,694.92	32.253533	-103.416728
PBHL (Kestrel 1_12 - plan hits target center - Point	0.00	0.00	11,191.09	-9,368.88	937.23	446,738.25	824,789.27	32.224836	-103.416711

Formations						
Measured Depth (ft)	Vertical Depth (ft)	Name	Lithology	Dip (°)	Dip Direction (°)	
884.80	884.80	RUSTLER				
1,164.80	1,164.80	SALADO				
3,506.80	3,506.80	CASTILE				
5,263.80	5,263.80	DELAWARE				
5,315.80	5,315.80	BELL CANYON				
6,188.56	6,180.80	CHERRY CANYON				
7,622.49	7,552.80	BRUSHY CANYON				
8,870.02	8,745.80	BONE SPRING				
10,018.20	9,843.80	BONE SPRING 1ST				
10,534.14	10,339.80	BONE SPRING 2ND				

Plan Annotations					
Measured Depth (ft)	Vertical Depth (ft)	Local Coordinates			
		+N/-S (ft)	+E/-W (ft)	Comment	
5,462.00	5,462.00	0.00	0.00	Build 2°/100'	
6,312.11	6,299.69	104.56	68.88	Hold 17° Tangent	
10,398.97	10,207.92	1,102.51	726.29	KOP, Build & Turn 10°/100'	
11,423.47	10,910.17	563.74	847.47	Landing Point	
21,360.47	11,191.09	-9,368.88	937.23	TD at 21360.47' MD	

Oxy USA Inc. - Kestrel 1_12 Fed 2H

Drill Plan

1. Geologic Formations

TVD of Target (ft):	11191	Pilot Hole Depth (ft):	
Total Measured Depth (ft):	21360	Deepest Expected Fresh Water (ft):	885

Delaware Basin

Formation	MD-RKB (ft)	TVD-RKB (ft)	Expected Fluids
Rustler	885	885	
Salado	1165	1165	Salt
Castile	3507	3507	Salt
Delaware	5264	5264	Oil/Gas/Brine
Bell Canyon	5316	5316	Oil/Gas/Brine
Cherry Canyon	6189	6181	Oil/Gas/Brine
Brushy Canyon	7622	7553	Losses
Bone Spring	8870	8746	Oil/Gas
Bone Spring 1st	10018	9844	Oil/Gas
Bone Spring 2nd	10534	10340	Oil/Gas
Bone Spring 3rd			Oil/Gas
Wolfcamp			Oil/Gas
Penn			Oil/Gas
Strawn			Oil/Gas

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

2. Casing Program

		MD		TVD					
Section	Hole Size (in)	From (ft)	To (ft)	From (ft)	To (ft)	Csg. OD (in)	Csg Wt. (ppf)	Grade	Conn.
Surface	17.5	0	1105	0	1105	13.375	54.5	J-55	BTC
Intermediate	9.875	0	10299	0	10108	7.625	26.4	L-80 HC	BTC
Production	6.75	0	21360	0	11191	5.5	20	RYS110	USS-Eagle SFH

All casing strings will be tested in accordance with 43 CFR part 3170 Subpart 3172

*Oxy requests the option to run the 10.75” Intermediate I as a contingency string to be run only if severe hole conditions dictate an additional casing string necessary. This would make the planned 7.625" / 7.827" Casing the Intermediate II.

**If 4S Contingency is not required, Oxy requests permission to transition from 12.25" to 9.875" Intermediate I at 1st trip point below Brushy top (estimated top in formation table above). Cement volumes will be updated on C103 submission.

All Casing SF Values will meet or exceed those below			
SF Collapse	SF Burst	Body SF Tension	Joint SF Tension
1.00	1.100	1.4	1.4

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. Please see Annular Clearance Variance attachment for further details.

3. Cementing Program

Section	Stage	Slurry:	Sacks	Yield (ft^3/ft)	Density (lb/gal)	Excess:	TOC	Placement	Description
Surface	1	Surface - Tail	1154	1.33	14.8	100%	-	Circulate	Class C+Accel.
Int.	1	Intermediate 1S - Tail	326	1.68	13.2	5%	7,872	Circulate	Class C+Ret., Disper.
Int.	2	Intermediate 2S - Tail BH	1418	1.71	13.3	25%	-	Bradenhead	Class C+Accel.
Prod.	1	Production - Tail	655	1.84	13.3	25%	9,799	Circulate	Class C+Ret.

Offline Cementing Request

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. Please see Offline Cementing Variance attachment for further details.

Bradenhead CBL Request

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. Please see Bradenhead CBL Variance attachment for further details.

4. Pressure Control Equipment

BOP installed and tested before drilling which hole?	Size?	Min. Required WP	Type		✓	Tested to:	Deepest TVD Depth (ft) per Section:
9.875" Hole	13-5/8"	5M	Annular		✓	70% of working pressure	10108
		5M	Blind Ram		✓	250 psi / 5000 psi	
			Pipe Ram				
			Double Ram		✓		
			Other*				
6.75" Hole	13-5/8"	5M	Annular		✓	100% of working pressure	11191
		10M	Blind Ram		✓	250 psi / 10000 psi	
			Pipe Ram				
			Double Ram		✓		
			Other*				

*Specify if additional ram is utilized

BOP/BOPE will be tested by an independent service company to 250 psi low and the high pressure indicated above per 43 CFR part 3170 Subpart 3172 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

5M Annular BOP Request

Per BLM’s Memorandum No. NM-2017-008: *Decision and Rationale for a Variance Allowing the Use of a 5M Annular Preventer with a 10M BOP Stack*, Oxy requests to employ a 5M annular with a 10M BOPE stack in the pilot and lateral sections of the well and will ensure that two barriers to flow are maintained at all times. Please see Annular BOP Variance attachment for further details.

	Formation integrity test will be performed per 43 CFR part 3170 Subpart 3172.
	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 43 CFR part 3170 Subpart 3172.
	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 43 CFR part 3170 Subpart 3172 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.

BOP Break Testing Request

Oxy requests permission to adjust the BOP break testing (intermediate and production) requirements as per the agreement reached in the OXY/BLM meeting on April 4th, 2025. Please see BOP Break Testing Variance attachment for further details.

Oxy will use Cameron ADAPT wellhead system that uses an OEC top flange connection. This connection has been fully vetted and verified by API to Spec 6A and carries an API monogram.

5. Mud Program

Section	Depth - MD		Depth - TVD		Type	Weight (ppg)	Viscosity	Water Loss
	From (ft)	To (ft)	From (ft)	To (ft)				
Surface	0	1105	0	1105	Water-Based Mud	8.6 - 8.8	40-60	N/C
Intermediate	1105	10299	1105	10108	Saturated Brine-Based or Oil-Based Mud	8.0 - 10.0	35-45	N/C
Production	10299	21360	10108	11191	Water-Based or Oil-Based Mud	9.5 - 12.5	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,

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	
Yes	CBL	Production string
Yes	Mud log	Bone Spring – TD
No	PEX	

7. Drilling Conditions

Condition	Specify what type and where?
BH Pressure at deepest TVD	7275 psi
Abnormal Temperature	No
BH Temperature at deepest TVD	170°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

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 43 CFR part 3170 Subpart 3172. 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. We plan to drill the 2 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. 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: 1690 bbls		

C-102 Submit Electronically Via OCD Permitting	State of New Mexico Energy, Minerals & Natural Resources Department OIL CONSERVATION DIVISION	Revised July 9, 2024	
		Submittal Type:	☐ Initial Submittal
			☒ Amended Report
		☐ As Drilled	

WELL LOCATION INFORMATION

API Number 30-025-50092	Pool Code 96434	Pool Name RED HILLS; BONE SPRING, NORTH
Property Code 3300000 334811	Property Name KESTREL 1_12 FED	Well Number 2H
OGRID No. 16696	Operator Name OXY USA INC.	Ground Level Elevation 3,459.8'
Surface Owner: ☐ State ☐ Fee ☐ Tribal ☒ Federal		Mineral Owner: ☐ State ☐ Fee ☐ Tribal ☒ Federal

Surface Location

UL 2	Section 1	Township 24S	Range 34E	Lot	Ft. from N/S 1,164 NORTH	Ft. from E/W 1,326 EAST	Latitude (NAD 83) 32.250609°	Longitude (NAD 83) -103.419483°	County LEA
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Bottom Hole Location

UL P	Section 12	Township 24S	Range 34E	Lot	Ft. from N/S 20 SOUTH	Ft. from E/W 474 EAST	Latitude (NAD 83) 32.224836°	Longitude (NAD 83) -103.416711°	County LEA
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Dedicated Acres 640.01	Infill or Defining Well INFILL	Defining Well API 111-30-025-50094	Overlapping Spacing Unit (Y/N) N	Consolidation Code N/A
Order Numbers. N/A		Well setbacks are under Common Ownership: ☐ Yes ☒ No		

Kick Off Point (KOP)

UL 1	Section 1	Township 24S	Range 34E	Lot	Ft. from N/S 50 NORTH	Ft. from E/W 474 EAST	Latitude (NAD 83) 32.253670°	Longitude (NAD 83) -103.416728°	County LEA
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First Take Point (FTP)

UL 1	Section 1	Township 24S	Range 34E	Lot	Ft. from N/S 100 NORTH	Ft. from E/W 474 EAST	Latitude (NAD 83) 32.253533°	Longitude (NAD 83) -103.416728°	County LEA
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Last Take Point (LTP)

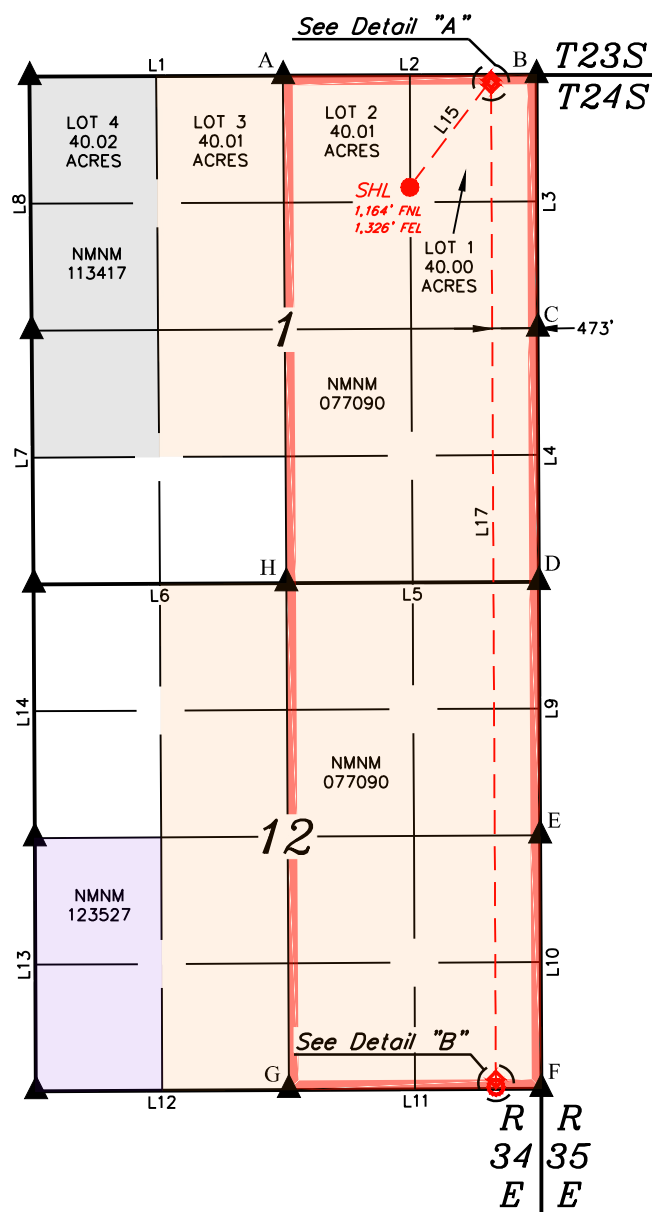
UL P	Section 12	Township 24S	Range 34E	Lot	Ft. from N/S 100 SOUTH	Ft. from E/W 474 EAST	Latitude (NAD 83) 32.225056°	Longitude (NAD 83) -103.416711°	County LEA
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Unitized Area or Area of Uniform Interest N/A	Spacing Unit Type ☒ Horizontal ☐ Vertical	Ground Floor Elevation: 3459.8'
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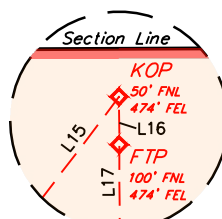
OPERATOR CERTIFICATIONS <i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and, if the well is a vertical or directional well, that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of a working interest or unleased mineral interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</i> <i>If this well is a horizontal well, I further certify that this organization has received the consent of at least one lessee or owner of a working interest or unleased mineral interest in each tract (in the target pool or formation) in which any part of the well's completed interval will be located or obtained a compulsory pooling order from the division.</i> Melissa Guidry 04/14/25 Signature _____ Date _____ Melissa Guidry Printed Name _____ melissa_guidry@oxy.com Email Address _____	SURVEYOR CERTIFICATIONS <i>I hereby certify that the well location shown on this plat was plotted from the 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.</i>  Signature and Seal of Professional Surveyor 23782 March 31, 2025 Certificate Number _____ Date of Survey _____
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Note: No allowable will be assigned to this completion until all interest have been consolidated or a non-standard unit has been approved by the division.

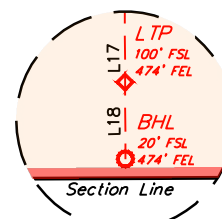
Property Name KESTREL 1_12 FED	Well Number 2H	Drawn By R.J. 12-16-19	Revised By REV: 3 L.T.T. 04-01-25 (SHL & WELLBORE CHANGES)
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- = SURFACE HOLE LOCATION
- ◆ = KICK OFF/TAKE POINT
- = BOTTOM HOLE LOCATION
- ▲ = SECTION CORNER LOCATED
- = HORIZONTAL SPACING UNIT



Detail "A"
No Scale



Detail "B"
No Scale

LINE TABLE		
LINE	DIRECTION	LENGTH
L1	S89°46'55"W	2640.16'
L2	S89°46'19"W	2640.84'
L3	N00°15'58"W	2639.92'
L4	N00°17'03"W	2640.42'
L5	S89°40'23"W	2631.14'
L6	S89°43'29"W	2632.34'
L7	N00°28'21"W	2641.16'
L8	N00°27'27"W	2646.40'
L9	N00°17'02"W	2640.80'
L10	N00°16'35"W	2640.63'
L11	S89°44'27"W	2631.04'
L12	S89°42'24"W	2634.92'
L13	N00°15'37"W	2636.44'
L14	N00°14'46"W	2642.70'
L15	N37°09'47"E	1402.56'
L16	S00°15'58"E	50.00'
L17	S00°16'40"E	10362.02'
L18	S00°16'35"E	80.00'

NOTE:

- Distances referenced on plat to section lines are perpendicular.
- Basis of Bearings is a Transverse Mercator Projection with a Central Meridian of W103°53'00" (NAD 83)
- Colored areas within section lines represent Federal oil & gas leases.

HSU COORDINATES				
POINT	NAD 27 N.M. STATE PLANE, EAST ZONE		NAD 83 N.M. STATE PLANE, EAST ZONE	
	NORTHING	EASTING	NORTHING	EASTING
A	457201.19	781343.21	457260.50	822527.61
B	457222.74	783983.48	457282.08	825167.95
C	454583.40	784006.72	454642.67	825191.27
D	451943.56	784030.76	452002.77	825215.43
E	449303.36	784054.78	449362.49	825239.57
F	446663.31	784078.45	446722.38	825263.36
G	446640.42	781447.98	446699.46	822632.83
H	451917.56	781400.21	451976.73	822584.82

NAD 83 (SURFACE HOLE LOCATION)	
LATITUDE = 32°15'02.19" (32.250609°)	
LONGITUDE = -103°25'10.14" (-103.419483°)	
NAD 27 (SURFACE HOLE LOCATION)	
LATITUDE = 32°15'01.74" (32.250484°)	
LONGITUDE = -103°25'08.43" (-103.419009°)	
STATE PLANE NAD 83 (N.M. EAST)	
N: 456107.12' E: 823852.04'	
STATE PLANE NAD 27 (N.M. EAST)	
N: 456047.82' E: 782667.58'	

NAD 83 (KICK OFF POINT)	
LATITUDE = 32°15'13.21" (32.253670°)	
LONGITUDE = -103°25'00.22" (-103.416728°)	
NAD 27 (KICK OFF POINT)	
LATITUDE = 32°15'12.76" (32.253545°)	
LONGITUDE = -103°24'58.51" (-103.416254°)	
STATE PLANE NAD 83 (N.M. EAST)	
N: 457228.22' E: 824694.48'	
STATE PLANE NAD 27 (N.M. EAST)	
N: 457168.88' E: 783510.02'	

NAD 83 (FIRST TAKE POINT)	
LATITUDE = 32°15'12.72" (32.253533°)	
LONGITUDE = -103°25'00.22" (-103.416728°)	
NAD 27 (FIRST TAKE POINT)	
LATITUDE = 32°15'12.27" (32.253408°)	
LONGITUDE = -103°24'58.51" (-103.416254°)	
STATE PLANE NAD 83 (N.M. EAST)	
N: 457178.23' E: 824694.92'	
STATE PLANE NAD 27 (N.M. EAST)	
N: 457118.89' E: 783510.46'	

NAD 83 (LAST TAKE POINT)	
LATITUDE = 32°13'30.20" (32.225056°)	
LONGITUDE = -103°25'00.16" (-103.416711°)	
NAD 27 (LAST TAKE POINT)	
LATITUDE = 32°13'29.75" (32.224931°)	
LONGITUDE = -103°24'58.46" (-103.416238°)	
STATE PLANE NAD 83 (N.M. EAST)	
N: 446818.23' E: 824788.55'	
STATE PLANE NAD 27 (N.M. EAST)	
N: 446759.17' E: 783603.65'	

NAD 83 (BOTTOM HOLE LOCATION)	
LATITUDE = 32°13'29.41" (32.224836°)	
LONGITUDE = -103°25'00.16" (-103.416711°)	
NAD 27 (BOTTOM HOLE LOCATION)	
LATITUDE = 32°13'28.96" (32.224711°)	
LONGITUDE = -103°24'58.46" (-103.416238°)	
STATE PLANE NAD 83 (N.M. EAST)	
N: 446738.25' E: 824789.27'	
STATE PLANE NAD 27 (N.M. EAST)	
N: 446679.19' E: 783604.37'	



OXY APD CHANGE SUNDRY LIST FORM

DATE SUNDRY WORKSHEET CREATED	4/14/2025
WELL NAME NUMBER	KESTREL 1_12 FEDERAL 2H
API NUMBER	30-025-50092
ESTIMATED SPUD DATE	6/15/2025

ITEM		APD BASE LINE (For Regulatory to Complete)								SUNDRY PLAN (Groups to complete the latest plan)									
Surface Planning	NAME	Date APD/BASE LINE APPROVED: 3/20/22								DATE Sundry Worksheet : 04/14/25									
	NSL	KESTREL 1_12 FEDERAL COM 2H								KESTREL 1_12 FED 2H (PREVIOUSLY KESTREL 1_12 FEDERAL COM 2H - WELL NAME CHANGE SUNDRY SUBMITTED SEPARATELY, ACTION ID 2846998)									
	SHL	NO								NO									
	PAD	1210' FNL, 1243' FEL								1164' FNL, 1326' FEL									
	BHL	FALCON RIDGE 0104 PAD								FALCON RIDGE 0104 PAD									
	HSU SIZE, ACRES	20' FSL 1260' FEL								20' FSL, 474' FEL									
	POOL	640.01								640.01									
	TVD	RED HILLS, BONE SPRING, NORTH								RED HILLS, BONE SPRING, NORTH									
TARGET FORMATION	9275'								11191'										
	BONE SPRING								BONE SPRING										
Drilling	CASING PROGRAM	APD BASE LINE								SUNDRY PLAN									
		Section	Hole Size (in.)	MD	TVD	Csg OD	Csg WT	Grade	Conn.	Section	Hole Size (in.)	MD	TVD	Csg OD (in)	Csg WT (ppf)	Grade	Conn.		
		Surface	17.5	967	967	13.375	54.5	J-55	BTC	Surface	17.5	1105	1105	13.375	54.5	J-55	BTC		
		Int	12.25	5368	5326	9.625	40	L-80 HC	BTC	Int	9.875	10299	10108	7.625	26.4	L-80 HC	BTC		
		Int2								Int2									
		Prod								Prod									
	CEMENT PROGRAM	Liner	8.5	19353	9275	5.5	20	P-110	DQX	Liner	6.75	21360	11191	5.5	20	RYS110	USS-Eagle SFH		
		APD BASE LINE								SUNDRY PLAN									
		Section/Stage	Slurry	Sacks	Yield (ft³/ft)	Density (lb/g)	Excess	TOC	Placement	Description	Section/Stage	Slurry	Sacks	Yield (ft³/ft)	Density (lb/gal)	Excess	TOC	Placement	Description
		Surf	Surface (Tail)	1010	1.33	14.8	100%		Circulate	Class C+Accel	Surf	Surface (Tail)	1154	1.33	14.8	100%		Circulate	Class C+Accel
		Int/1	Intermediate (Lead)	1059	1.73	12.9	50%	967	Circulate	Pozz+Retarder	Int	Inter 15 - Tail	326	1.68	13.2	5%	7872	Circulate	Class C+Ret, Disp
		Int/2	Intermediate (Tail)	141	1.33	14.8	20%	4868	Circulate	Class C+Accel	Int	Inter 25 - Tail BH	1418	1.71	13.3	25%		Bradenhead	Class C+Accel
		Int2	Intermediate 25 (Tail BH)	414	1.92	12.9	50%	5368	Bradenhead	Class C+Accel	Int2								
		Int2	Prod 15 (Tail)	2034	1.38	13.2	5%	7681	Circulate	Class H+Ret,Disp,Salt	Int2								
	VARIANCES	Prod								Prod	Prod - Tail	655	1.84	13.3	25%	9799	Circulate	Class C+Ret	
		APD BASE LINE								SUNDRY PLAN									
		BOP Break Tesing Variance		X						BOP Break Tesing Variance		X							
		SM Annular BOP Variance								SM Annular BOP Variance		X							
		Bradenhead CBL Variance								Bradenhead CBL Variance		X							
		Offline Cementing Variance		X						Offline Cementing Variance		X							
		Production Annular Clearance Variance		X						Production Annular Clearance Variance		X							
		Flexible Choke Line Variance								Flexible Choke Line Variance									
		(Pilot Hole, Logs etc.)							(Pilot Hole, Logs etc.)										

Sante Fe Main Office
Phone: (505) 476-3441

General Information
Phone: (505) 629-6116

Online Phone Directory
<https://www.emnrd.nm.gov/oecd/contact-us>

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

CONDITIONS

Action 466707

CONDITIONS

Operator: OXY USA INC P.O. Box 4294 Houston, TX 772104294	OGRID: 16696
	Action Number: 466707
	Action Type: [C-103] NOI Change of Plans (C-103A)

CONDITIONS

Created By	Condition	Condition Date
matthew.gomez	If cement is not circulated to surface during cementing operations, a Cement Bond Log (CBL) is required.	10/16/2025
matthew.gomez	No additives containing PFAS chemicals will be added to the drilling fluids or completion fluids used during drilling, completions, or recompletions operations.	10/16/2025
matthew.gomez	Any previous COA's not addressed within the updated COA's still apply.	10/16/2025
matthew.gomez	Notify the OCD 24 hours prior to casing & cement.	10/16/2025