

Initial Application Part I

Received 10/30/21

This application is placed in file for record. It MAY or MAY NOT have been reviewed to be determined Administratively Complete



Occidental Permian LTD.

A subsidiary of Occidental Petroleum Corporation

5 Greenway Plaza, Suite 110, Houston, Texas 77046-0521
P.O. Box 27570, Houston, Texas 77227-7570
Phone 713.215.7000

October 28, 2021

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

RE: Pressure Maintenance Project
North Hobbs G/SA Unit
Well No. 971
API: New Drill
Letter I, Section 31, T-18S, R-38E
Lea County, NM

To Mr. Richard Ezeanyim, Chief Engineer:

Occidental Permian Ltd. respectfully request administrative approval, without hearing, to commence injection (water, CO₂, and produced gas) per the authorized Order No. R-6199-F. In support of this request please find the following documentation:

- Administrative Application Checklist
- Form C-108 with miscellaneous data attached
- An Injection Well Data Sheet with Wellbore Schematic
- Form C-102
- Map

*** Per Order No. R-6199-F, this application is eligible for administrative approval without notice or hearing ***

If you have any questions regarding this application, please contact me at 832-646-4450 or email Jose_Gago@oxy.com.

Sincerely,

Jose Gago
Regulatory Engineer

DATE IN 10/30/21	SUSPENSE	ENGINEER	LOGGED IN	TYPE SWD	APP NO. pBL2130551873
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ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION
 - Engineering Bureau -
 1220 South St. Francis Drive, Santa Fe, NM 87505



ADMINISTRATIVE APPLICATION CHECKLIST

THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS
WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

Application Acronyms:

[NSL-Non-Standard Location] [NSP-Non-Standard Proration Unit] [SD-Simultaneous Dedication]
 [DHC-Downhole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling]
 [PC-Pool Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measurement]
 [WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion]
 [SWD-Salt Water Disposal] [IPI-Injection Pressure Increase]
 [EOR-Qualified Enhanced Oil Recovery Certification] [PPR-Positive Production Response]

[1] TYPE OF APPLICATION - Check Those Which Apply for [A]

[A] Location - Spacing Unit - Simultaneous Dedication
☐ NSL ☐ NSP ☐ SD

PMX-308

Check One Only for [B] or [C]

[B] Commingling - Storage - Measurement
☐ DHC ☐ CTB ☐ PLC ☐ PC ☐ OLS ☐ OLM

[C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery
☐ WFX ☒ PMX ☐ SWD ☐ IPI ☐ EOR ☐ PPR

[D] Other: Specify Additional Injector within approved project area (R-6199-F)

[2] NOTIFICATION REQUIRED TO: - Check Those Which Apply, or Does Not Apply

- [A] ☐ Working, Royalty or Overriding Royalty Interest Owners
- [B] ☐ Offset Operators, Leaseholders or Surface Owner
- [C] ☐ Application is One Which Requires Published Legal Notice
- [D] ☐ Notification and/or Concurrent Approval by BLM or SLO
U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office
- [E] ☐ For all of the above, Proof of Notification or Publication is Attached, and/or,
- [F] ☐ Waivers are Attached

[3] SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED ABOVE.

[4] CERTIFICATION: I hereby certify that the information submitted with this application for administrative approval is **accurate** and **complete** to the best of my knowledge. I also understand that **no action** will be taken on this application until the required information and notifications are submitted to the Division.

Note: Statement must be completed by an individual with managerial and/or supervisory capacity.

Jose L Gago

Print or Type Name

Signature

Engineer, Regulatory

Title

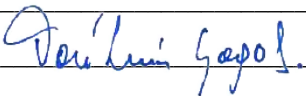
10/30/2021

Date

jose_gago@oxy.com

e-mail Address

APPLICATION FOR AUTHORIZATION TO INJECT

- I. PURPOSE: _____ Secondary Recovery X Pressure Maintenance _____ Disposal _____ Storage
Application qualifies for administrative approval? X Yes _____ No
- II. OPERATOR: OCCIDENTAL PERMIAN LTD
ADDRESS: P.O. Box 4294 Houston, TX 77210-4294
CONTACT PARTY: Jose L Gago PHONE: 832-646-4450
- III. WELL DATA: Complete the data required on the reverse side of this form for each well proposed for injection.
Additional sheets may be attached if necessary.
- IV. Is this an expansion of an existing project? X Yes _____ No
If yes, give the Division order number authorizing the project: R-6199-F
- V. Attach a map that identifies all wells and leases within two miles of any proposed injection well with a one-half mile radius circle drawn around each proposed injection well. This circle identifies the well's area of review.
- VI. Attach a tabulation of data on all wells of public record within the area of review which penetrate the proposed injection zone. Such data shall include a description of each well's type, construction, date drilled, location, depth, record of completion, and a schematic of any plugged well illustrating all plugging detail.
- VII. Attach data on the proposed operation, including:
1. Proposed average and maximum daily rate and volume of fluids to be injected;
 2. Whether the system is open or closed;
 3. Proposed average and maximum injection pressure;
 4. Sources and an appropriate analysis of injection fluid and compatibility with the receiving formation if other than reinjected produced water; and,
 5. If injection is for disposal purposes into a zone not productive of oil or gas at or within one mile of the proposed well, attach a chemical analysis of the disposal zone formation water (may be measured or inferred from existing literature, studies, nearby wells, etc.).
- *VIII. Attach appropriate geologic data on the injection zone including appropriate lithologic detail, geologic name, thickness, and depth. Give the geologic name, and depth to bottom of all underground sources of drinking water (aquifers containing waters with total dissolved solids concentrations of 10,000 mg/l or less) overlying the proposed injection zone as well as any such sources known to be immediately underlying the injection interval.
- IX. Describe the proposed stimulation program, if any.
- *X. Attach appropriate logging and test data on the well. (If well logs have been filed with the Division, they need not be resubmitted).
- *XI. Attach a chemical analysis of fresh water from two or more fresh water wells (if available and producing) within one mile of any injection or disposal well showing location of wells and dates samples were taken.
- XII. Applicants for disposal wells must make an affirmative statement that they have examined available geologic and engineering data and find no evidence of open faults or any other hydrologic connection between the disposal zone and any underground sources of drinking water.
- XIII. Applicants must complete the "Proof of Notice" section on the reverse side of this form.
- XIV. Certification: I hereby certify that the information submitted with this application is true and correct to the best of my knowledge and belief.
- NAME: Jose L Gago TITLE: Engineer, Regulatory
SIGNATURE:  DATE: 10/29/2021
E-MAIL ADDRESS: Jose_Gago@oxy.com
- * If the information required under Sections VI, VIII, X, and XI above has been previously submitted, it need not be resubmitted. Please show the date and circumstances of the earlier submittal: February 11, 2014 as part of Order No. R-6199-F application

III. WELL DATA

A. The following well data must be submitted for each injection well covered by this application. The data must be both in tabular and schematic form and shall include:

- (1) Lease name; Well No.; Location by Section, Township and Range; and footage location within the section.
- (2) Each casing string used with its size, setting depth, sacks of cement used, hole size, top of cement, and how such top was determined.
- (3) A description of the tubing to be used including its size, lining material, and setting depth.
- (4) The name, model, and setting depth of the packer used or a description of any other seal system or assembly used.

Division District Offices have supplies of Well Data Sheets which may be used or which may be used as models for this purpose. Applicants for several identical wells may submit a "typical data sheet" rather than submitting the data for each well.

B. The following must be submitted for each injection well covered by this application. All items must be addressed for the initial well. Responses for additional wells need be shown only when different. Information shown on schematics need not be repeated.

- (1) The name of the injection formation and, if applicable, the field or pool name.
- (2) The injection interval and whether it is perforated or open-hole.
- (3) State if the well was drilled for injection or, if not, the original purpose of the well.
- (4) Give the depths of any other perforated intervals and detail on the sacks of cement or bridge plugs used to seal off such perforations.
- (5) Give the depth to and the name of the next higher and next lower oil or gas zone in the area of the well, if any.

XIV. PROOF OF NOTICE

All applicants must furnish proof that a copy of the application has been furnished, by certified or registered mail, to the owner of the surface of the land on which the well is to be located and to each leasehold operator within one-half mile of the well location.

Where an application is subject to administrative approval, a proof of publication must be submitted. Such proof shall consist of a copy of the legal advertisement which was published in the county in which the well is located. The contents of such advertisement must include:

- (1) The name, address, phone number, and contact party for the applicant;
- (2) The intended purpose of the injection well; with the exact location of single wells or the Section, Township, and Range location of multiple wells;
- (3) The formation name and depth with expected maximum injection rates and pressures; and,
- (4) A notation that interested parties must file objections or requests for hearing with the Oil Conservation Division, 1220 South St. Francis Dr., Santa Fe, New Mexico 87505, within 15 days.

NO ACTION WILL BE TAKEN ON THE APPLICATION UNTIL PROPER PROOF OF NOTICE HAS BEEN SUBMITTED.

NOTICE: Surface owners or offset operators must file any objections or requests for hearing of administrative applications within 15 days from the date this application was mailed to them.

C-108 Application Attachment
Occidental Permian Ltd.
North Hobbs G/SA Unit No. 971
Lea County, New Mexico

- I. This is a pressure maintenance project. The project qualifies for administrative approval.
- II. OCCIDENTAL PERMIAN Ltd.
P.O. Box 4294 Houston, TX 77210-4294
Contact Party: Jose Gago, 832-646-4450
- III. Injection well data sheet and wellbore schematic has been attached for NORTH HOBBS G/SA UNIT No. 971
- IV. This is an expansion of an existing project authorized under Order No. R-6199-F.
- V. The map with a two mile radius surrounding the injection well and a one half mile radius for area of review is attached.
- VI. In accordance to Order No. R-6199-F Section 4 OCCIDENTAL PERMIAN Ltd certifies that:
The area of review for well "NORTH HOBBS G/SA UNIT #971" shows no substantive changes in the information furnished in support of Order No. R-6199-F concerning the status of construction of any well that penetrates the injection interval within the one-half (1/2) mile around the injection well, with the exemption of the wells below:

API	Well Name	Operator	Status after Jan 2014
30-025-07624	SOUTH HOBBS G/SA UNIT 013	OCCIDENTAL PERMIAN LTD	P & A
30-025-07641	SOUTH HOBBS G/SA UNIT 026	OCCIDENTAL PERMIAN LTD	P & A
30-025-44610	SOUTH HOBBS G/SA UNIT 288	OCCIDENTAL PERMIAN LTD	New Well

- The wellbore diagrams and tabulated well data is attached.
- VII. The area of review is attached.
 - 1. Average Injection Rate 4,000 BWPD / 15,000 MCFGPD
Maximum Injection Rate 9,000 BWPD / 20,000 MCFGPD
 - 2 This will be a closed system.
 - 3. Average Surface Injection Pressure 1,100 PSIG
Maximum Surface Injection Pressure
 Produced Water 1,100 PSIG
 CO2 1,250 PSIG
 CO2 w/produced gas 1,770 PSIG
(In accordance with Order No. R-6199-F, effective 7/18/13)
 - 4. Source Water – San Andres Produced Water
(Analysis previously provided at hearing, Case No. 14981)
 - VIII. The information was previously submitted as part of Order No. R-6199-F application
 - IX.
 - a. Well will be perforated using slick gun system, 4- jsp, 90-degree phasing
 - b. Acid stimulated using ~ 6000 gals of 15% HCL NEFE, pumped using a straddle packer assembly (PPI – Tool)
 - c. Acid will be flush with approximately 100 bbls of fresh water
 - d. Max injection rate per cluster: 4 to 5 bpm.

- X. Logs will be filed at the time of drilling.
- XI. The information was previously submitted as part of case No. 15103 Order R6199F – Effective May 22, 2014.
- XII. N/A. This is a pressure maintenance project, not a disposal well.
- XIII. Section 3 of Order No. R-6199-F allows the administrative approval, from the Division Director, of additional injection wells without notice and hearing. Notices to producers and surface owners for the water/CO2 flood area were provided at the time of the application and hearing for Order No. R-6199-F.

INJECTION WELL DATA SHEET

OPERATOR: Occidental Permian LTD.WELL NAME & NUMBER: NORTH HOBBS G/SA UNIT 971

WELL LOCATION:	<u>1562' FSL 872' FEL</u>	<u>I</u>	<u>31</u>	<u>18 S</u>	<u>38 E</u>
	FOOTAGE LOCATION	UNIT LETTER	SECTION	TOWNSHIP	RANGE

WELLBORE SCHEMATIC**WELL CONSTRUCTION DATA**Surface CasingHole Size: 13 1/2" Casing Size: 9 5/8"Cemented with: 515 sx. **or** ft³Top of Cement: Surface Method Determined: CirculatedIntermediate CasingHole Size: Casing Size: Cemented with: sx. **or** ft³Top of Cement: Method Determined: Production CasingHole Size: 8 3/4" Casing Size: 7"Cemented with: 800 sx. **or** ft³Top of Cement: Surface Method Determined: CirculatedTotal Depth: 4500' TVD / 4905' MDInjection Intervalperforated from 3950' TVD feet to Base of the unit @ 4500' TVD

(Perforated or Open Hole; indicate which)

INJECTION WELL DATA SHEET

Tubing Size: 2 - 7/8" Lining Material: Duoline

Type of Packer: 5-1/2" x 2 3/8" 14-20# AS1-X Double Grip injection Packer

Packer Setting Depth: approx. 3900' TVD or 4235' MD

Other Type of Tubing/Casing Seal (if applicable): _____

Additional Data

1. Is this a new well drilled for injection? X Yes No

If no, for what purpose was the well originally drilled? _____

2. Name of the Injection Formation: San Andres

3. Name of Field or Pool (if applicable): Hobbs; Grayburg - San Andres

4. Has the well ever been perforated in any other zone(s)? List all such perforated intervals and give plugging detail, i.e. sacks of cement or plug(s) used. No

5. Give the name and depths of any oil or gas zones underlying or overlying the proposed injection zone in this area: _____

Queen @ 216' TVDSS or 3415' TVD

Glorieta @ -1700' TVDSS or 5360' TVD

WELLBORE DIAGRAM

WELL# NORTH HOBBS G/SA UNIT #971

API# TBD

(updated: 10/27/2021)

Revision 0

Zone: San Andres

GL elev

3634.00

Spud: TBD

NORTH HOBBS G/SA UNIT #971

CEMENT

DEVIATION SURVEYS

DEPTH

DEGREE

Surface Casing

Cement with 515 sx 14.8 PPG Class C

CIRCULATED TO SURFACE

13-1/2" hole

9-5/8" 32# set at +/- 1600'

Production Casing

Cement with 800 sx 14.8 PPG Class C, Two stage cement Job

CIRCULATED TO SURFACE ON BOTH STAGES

8-3/4" Hole

Perfs 4410' MD - 4905' MD

7" 23# set at +/- 4905' MD

District I
1625 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720
District II
811 S. First St., Artesia, NM 88210
Phone: (575) 748-1283 Fax: (575) 748-9720
District III
1000 Rio Brazos Road, Aztec, NM 87410
Phone: (505) 334-6178 Fax: (505) 334-6170
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505
Phone: (505) 476-3460 Fax: (505) 476-3462

State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-102
Revised August 1, 2011
Submit one copy to appropriate
District Office

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-025-	Pool Code 31920	Pool Name HOBBS; GRAYBURG-SAN ANDRES
Property Code 19520	Property Name NORTH HOBBS G/SA UNIT	Well Number 31-971
OGRID No. 157984	Operator Name OCCIDENTAL PERMIAN LTD.	Elevation 3634.1'

Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
I	31	18 SOUTH	38 EAST, N.M.P.M.		1562'	SOUTH	872'	EAST	LEA

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
M	32	18 SOUTH	38 EAST, N.M.P.M.		319'	SOUTH	172'	WEST	LEA

Dedicated Acres	Joint or Infill	Consolidation Code	Order No.
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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.

SURFACE LOCATION NEW MEXICO EAST NAD 1927 Y=620582.48 US FT X=854313.00 US FT LAT.: N 32.7007898° LONG.: W 103.1815549° NAD 1983 Y=620642.80 US FT X=895493.26 US FT LAT.: N 32.7009044° LONG.: W 103.1820396° BOTTOM HOLE LOCATION NEW MEXICO EAST NAD 1927 Y=619350.00 US FT X=855373.00 US FT LAT.: N 32.6973710° LONG.: W 103.1781534° NAD 1983 Y=619410.24 US FT X=896553.30 US FT LAT.: N 32.6974855° LONG.: W 103.1786378° 31 32 1562' 872' GRID AZ = 139°18'11" 1625.70' 172' 31 32	OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division. <i>Jose L. Gago</i> 10/28/2021 Signature Date Jose L. Gago Printed Name jose_gago@oxy.com E-mail Address 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. <i>Ferry J. As...</i> Date of Survey Signature and Seal of Professional Surveyor <i>Ferry J. As...</i> Certificate Number 15079 WO# 211005WL-e (AS)
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North Hobbs G/SA Unit 971 AOR

Oil and Gas Wells

Wells - Large Scale

- Miscellaneous
- CO₂, Active
- CO₂, Cancelled
- CO₂, New
- CO₂, Plugged
- CO₂, Temporarily Abandoned
- Gas, Active
- Gas, Cancelled
- Gas, New
- Gas, Plugged
- Gas, Temporarily Abandoned
- Injection, Active
- Injection, Cancelled
- Injection, New
- Injection, Plugged
- Injection, Temporarily Abandoned
- Oil, Active
- Oil, Cancelled
- Oil, New
- Oil, Plugged
- Oil, Temporarily Abandoned
- Salt Water Injection, Active
- Salt Water Injection, Cancelled
- Salt Water Injection, New
- Salt Water Injection, Plugged
- Salt Water Injection, Temporarily Abandoned
- Water, Active
- Water, Cancelled
- Water, New
- Water, Plugged
- Water, Temporarily Abandoned
- undefined

OCD Districts and Offices

OCD District Offices

-

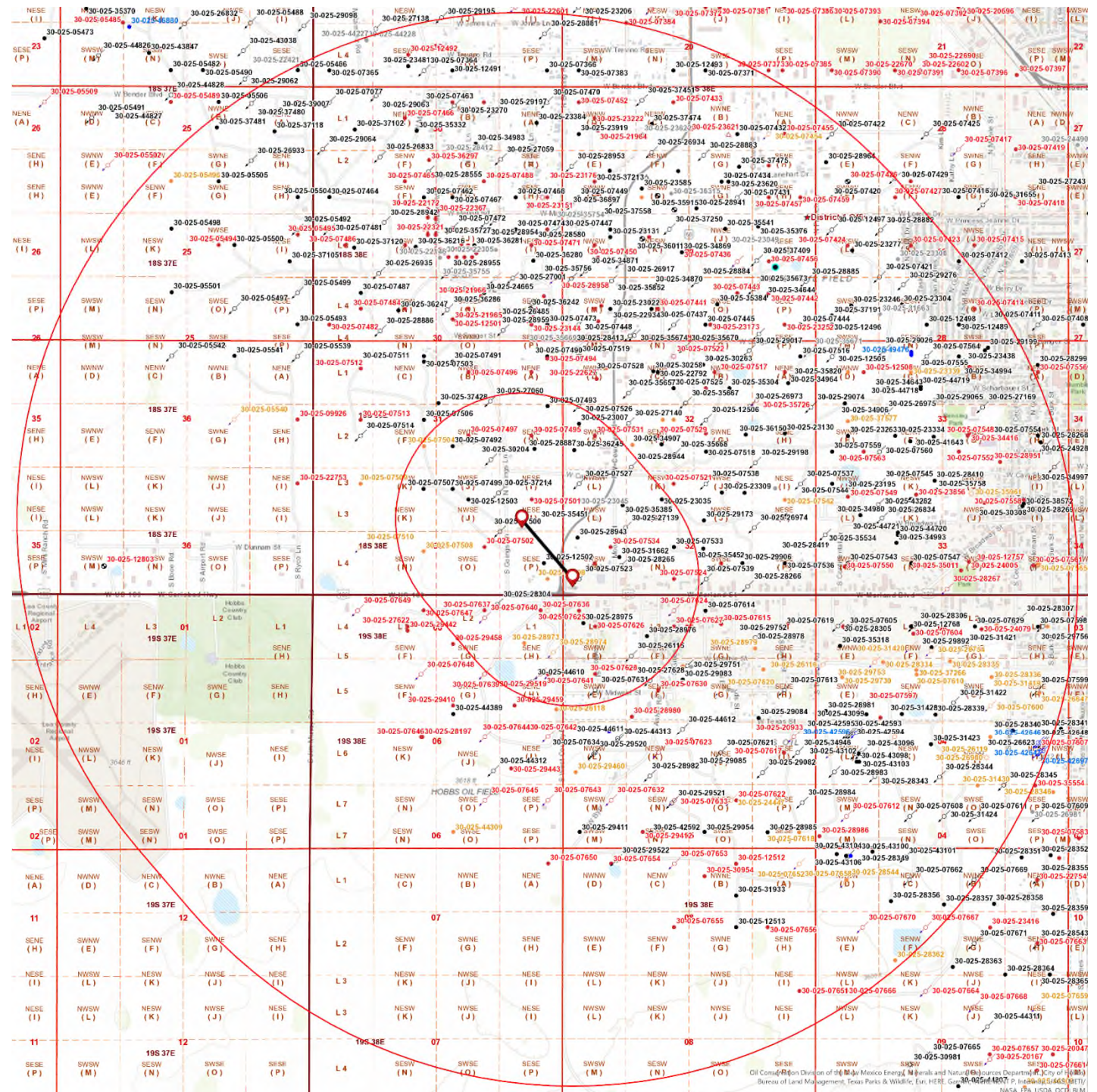
Public Land Survey System

PLSS Second Division

-

PLSS First Division

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API NUMBER	OPERATOR	LEASE NAME	WELL NO.	WELL TYPE	STATUS	FTG. N/S	N/S	FTG. E/W	E/W	UNIT	SEC.	TSHP.	RNG.	DATE DRILLED	TVD (ft)	HOLE SIZE (in)	CSG. SIZE (in)	SET AT (ft)	SX. CMT.	CMT. TOP (ft)	MTD.	COMPLETION	REMARKS
30-025-07624	OCCIDENTAL PERMIAN LTD	SOUTH HOBBS G/SA UNIT	013	Injection	Plugged, Site Released	330	N	2310	W	C	5	195	38E	0	4243	UKNW UKNW 7.875 UKNW	16 10.75 6.625 5	163 2764 3920 4190	55 300 150 150	Surf UKNW 2540-3250, 3890 UKNW	Circ 0 CBL 0	4044'-4243' GRAYBURG-SAN ANDRES	Well Plugged on 09/05/2019

08/30/2019 - Cement squeezed perforations with 200 sacks of cement. CICR at 4000', cement at 3806'

09/03/2019 - Perforated at 2700' could not establish rate. Spotted plug mud to 1800', spotted 20 sacks of cement and displaced with mud. Cement tagged at 2484'. Perforated casing at 1850'. Spotted plug mud and 50sacks of cement, displaced with plug mud.

909/04/2019 - Tagged cement at 1360'. Perforated casing at 250, could not circulate to surface. Perforated casing at 90', could not circulate to surface. Spotted cement from 289' to surface and squeezed with 25 sacks of cement. Cement kept falling. Filled casing with cement until cement stayed at surface.

09/05/2019 - Checked intermediate casing pressure: 0 psi. Rigged down and cleaned up location.



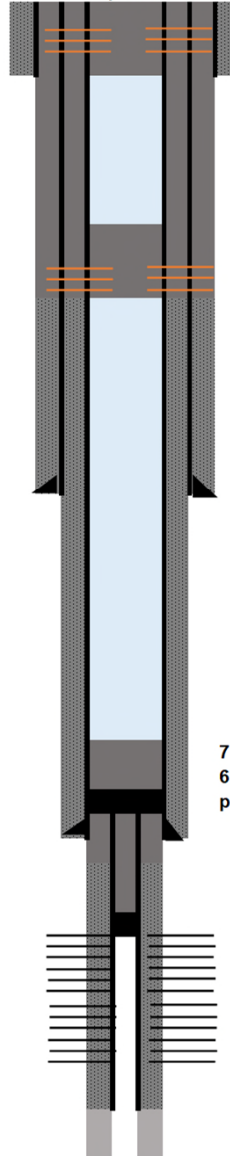
Occidental Petroleum Corporation

SHU 13

API# 30-025-07624

TWN 19-S; RNG 38-E

Injector



unknown hole size
16" 70# casing @ 163'

TOC 283'-surface (Circ)

plug 1284'-1906

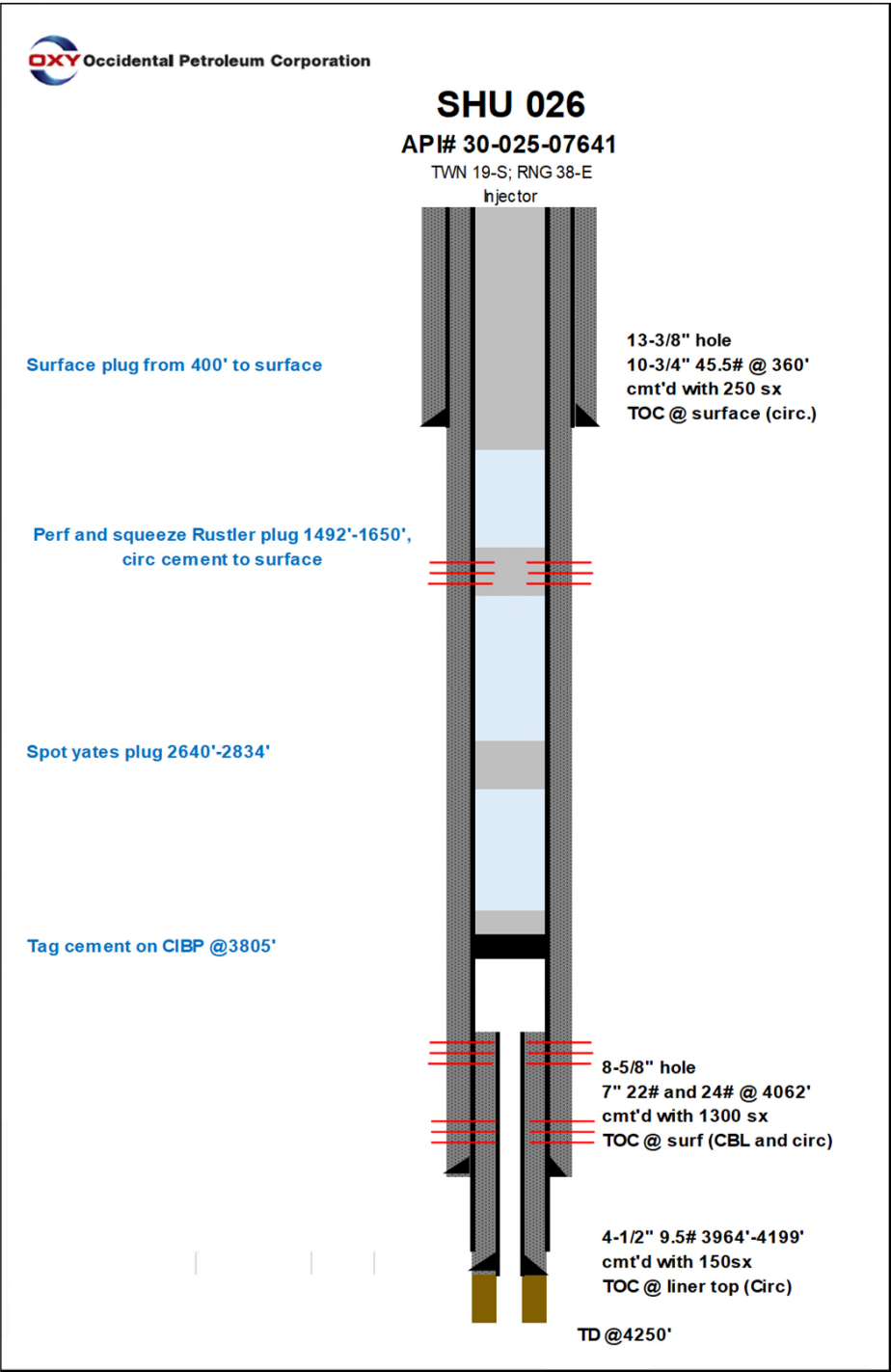
Assumed hole of 14-3/4"
10-3/4" 45.5# @ 2764'

7-7/8" hole
6-5/8" 26# K55 @ 3920'
plug 4000'-4806'

unknown hole size
5" 15# J55 @ 4190'
cmt'd with 150 sx Oil Well Special
TOC @

TD @ 4243'

API NUMBER	OPERATOR	LEASE NAME	WELL NO.	WELL TYPE	STATUS	FTG. N/S	N/S	FTG. E/W	E/W	UNIT	SEC.	TSHP.	RNG.	DATE DRILLED	TVD (ft)	HOLE SIZE (in)	CSG. SIZE (in)	SET AT (ft)	SX. CMT.	CMT. TOP (ft)	MTD.	COMPLETION	REMARKS	
30-025-07641	OCCIDENTAL PERMIAN LTD	SOUTH HOBBS G/SA UNIT	026	Injection	Plugged, Not Released	1650	N	480	E	H	6	195	38E	3/12/1949	4250	13.375 8.625 0	10.75 7 4.5	360 4062 4199	250 1300 150	Surf Surf 3964	Circ. CBL Circ		4011'-4050' GRAYBURG-SAN ANDRES	Well Plugged on 03/03/2020



API NUMBER	OPERATOR	LEASE NAME	WELL NO.	WELL TYPE	STATUS	FTG. N/S	N/S	FTG. E/W	E/W	UNIT	SEC.	TSHF.	RNG.	DATE DRILLED	TVD (ft)	HOLE SIZE (in)	CSG. SIZE (in)	SET AT (ft)	SX. CMT.	CMT. TOP (ft)	MTD.	COMPLETION	REMARKS
30-025-44610	OCCIDENTAL PERMIAN LTD	SOUTH HOBBS G/SA	288	Injection	Active	1816	N	676	E	H	6	195	38E	9/26/2018	5196	13.500 8.750	9.625 7.000	1599 5197	860 1295	Surf Surf	Circ	4163'-4360' GRAYBURG-SAN ANDRES	



Wellbore Diagram : SHOU-288

