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. 973
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

OUWOA-211030-C-1080

DATE IN	SUSPENSE	ENGINEER	LOGGED IN	TYPE	APP NO
10/30/21				PMX	pBL2130552605

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-309

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		Engineer, Regulatory	10/29/2021
Print or Type Name	Signature	Title	Date

jose_gago@oxy.com
e-mail Address

STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL
RESOURCES DEPARTMENT

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

FORM C-108
Revised June 10, 2003

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: Jose Luis Gago J. 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

DISTRIBUTION: Original and one copy to Santa Fe with one copy to the appropriate District Office

Side 2

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. 973
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. 973

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 #973" 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 well below:

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

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- jspf, 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.

Side 1

INJECTION WELL DATA SHEET

OPERATOR: Occidental Permian LTD.

WELL NAME & NUMBER: NORTH HOBBS G/SA UNIT 973

WELL LOCATION: 1662' FSL 841' FEL | I | 31 | 18 S | 38 E

FOOTAGE LOCATION | UNIT LETTER | SECTION | TOWNSHIP | RANGE

WELLBORE SCHEMATIC

WELL CONSTRUCTION DATA

Surface Casing

Hole Size: 13 1/2" Casing Size: 9 5/8"

Cemented with: 515 sx. ***or*** _____ ft^3

Top of Cement: Surface Method Determined: Circulated

Intermediate Casing

Hole Size: _____ Casing Size: _____

Cemented with: _____ sx. ***or*** _____ ft^3

Top of Cement: _____ Method Determined: _____

Production Casing

Hole Size: 8 3/4" Casing Size: 7"

Cemented with: 875 sx. ***or*** _____ ft^3

Top of Cement: Surface Method Determined: Circulated

Total Depth: 4500' TVD 5271 MD

Injection Interval

perforated 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 4530' 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 @ 234' TVDSS or 3400' TVD

   Glorieta @ -1690' TVDSS or 5340' TVD

WELLBORE DIAGRAM

WELL# NORTH HOBBS G/SA UNIT #973 *(updated: 10/27/2021)*
API# TBD Revision 0

Zone: San Andres **GL elev** 3633.70
Spud: TBD

NORTH HOBBS G/SA UNIT #973

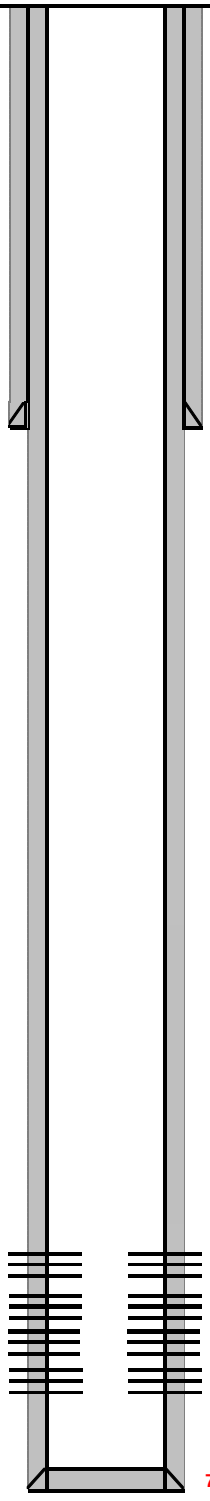
CEMENT

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 875 sx 14.8 PPG Class C, Two satge cement Job

CIRCULATED TO SURFACE ON BOTH STAGES

8-3/4" Hole

Perfs 4650' MD - 5271' MD

7" 23# set at +/- 5271' 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	Pool Code	Pool Name
30-025-	31920	HOBBS; GRAYBURG-SAN ANDRES

Property Code	Property Name	Well Number
19520	NORTH HOBBS G/SA UNIT	31–973

OGRID No.	Operator Name	Elevation
157984	OCCIDENTAL PERMIAN LTD.	3633.7'

Surface Location

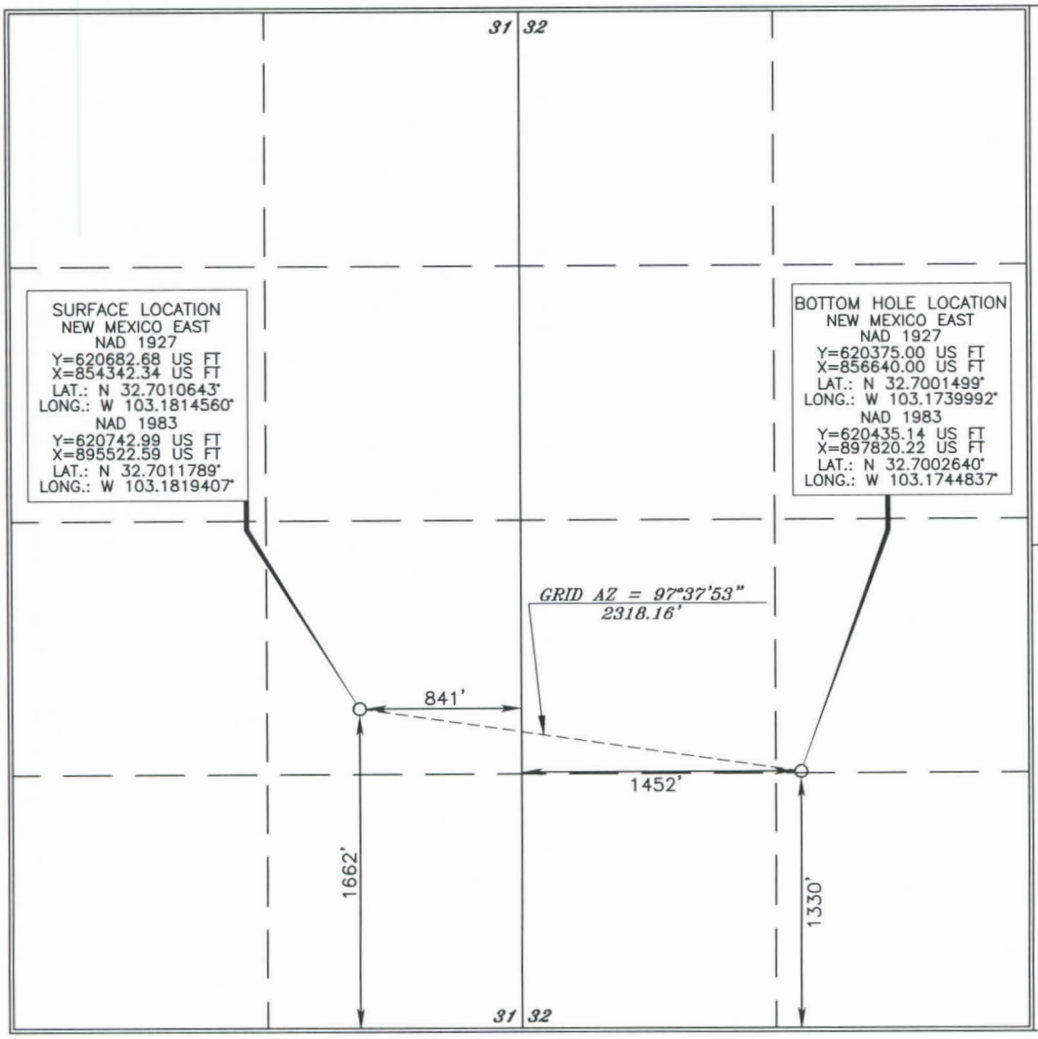
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
I	31	18 SOUTH	38 EAST, N.M.P.M.		1662'	SOUTH	841'	EAST	LEA

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
K	32	18 SOUTH	38 EAST, N.M.P.M.		1330'	SOUTH	1452'	WEST	LEA

Dedicated Acres	Joint or Infill	Consolidation Code	Order No.

No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.



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.

Jose Luis Gago 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.

OCTOBER 5, 2021
Date of Survey

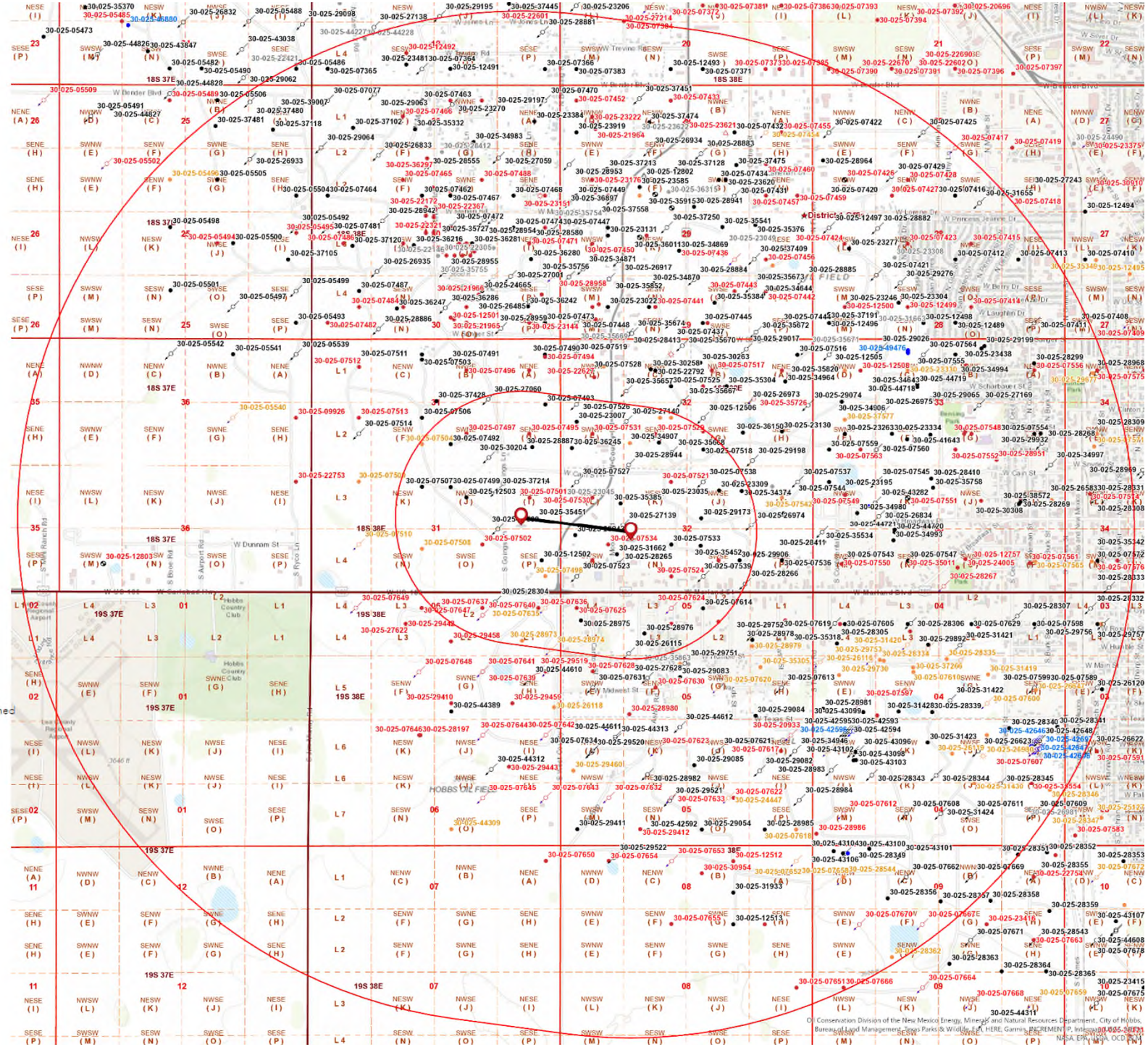
Signature and Seal of Professional Surveyor:

JERRY J. ASEL NEW MEXICO 15079 REGISTERED PROFESSIONAL LAND SURVEYOR

Jerry J. Asel 10/20/2021
Certificate Number 15079

WO# 211005WL–c (AS)

North Hobbs G/SA Unit 973 AOR



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	19S	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 stablish 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.