

ABOVE THIS LINE FOR DIVISION USE ONLY

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



237

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]

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OCT 18 2005

OIL CONSERVATION
DIVISION

- [1] **TYPE OF APPLICATION** - Check Those Which Apply for [A]
 [A] Location - Spacing Unit - Simultaneous Dedication
 NSL NSP SD
 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 _____
- [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.

Mark Stephens	<i>Mark Stephens</i>	Reg. Comp. Analyst	10/14/05
Print or Type Name	Signature	Title	Date
		Mark_Stephens@oxy.com	
		e-mail Address	



Occidental Permian Ltd.
A subsidiary of Occidental Petroleum Corporation

5 Greenway Plaza, Suite 110, Houston, Texas 77046-0521
P.O. Box 4294, Houston, Texas 77210-4294
Phone 713.215.7000

October 14, 2005

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



RE: Expansion of Pressure Maintenance Project (R-6199-B, 10/22/01)
North Hobbs (Grayburg/San Andres) Unit
Hobbs; Grayburg – San Andres Pool
Well No. 331 (30-025-07481)
Letter L, Section 30, T-18-S, R-38-E
Lea County, NM

Gentlemen:

Occidental Permian Limited Partnership respectfully requests administrative approval for expansion of the subject pressure maintenance project by converting North Hobbs (G/SA) Unit Well No. 331 from production to injection. As such, the following data is submitted in support of this request:

- Administrative Application Checklist
- Form C-108 with miscellaneous data attached
- A map reflecting the location of the proposed injection well (No. 331). The map identifies all wells located within a two-mile radius of the proposed injector and has a one-half mile radius circle drawn around the proposed injection well which identifies the well's Area of Review
- An injection well data sheet
- Exhibit 1.0 – Area of Review Data
- Exhibit 2.0 – Showing the location of the well in the Phase 1 Gas Reinjection Area



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5 Greenway Plaza, Suite 110, Houston, Texas 77046-0521
P.O. Box 4294, Houston, Texas 77210-4294
Phone 713.215.7000

- A list of Offset Operators and Surface Owners (these parties have been notified of this application by certified mail)
- An Affidavit of Publication and copy of the legal advertisement that was published in the county in which the well is located

Your favorable consideration of our request will be appreciated. If you have any questions or need additional information, please call me at (713) 366-5158.

Very truly yours,

Mark Stephens
Regulatory Compliance Analyst

CC: Oil Conservation Division
Hobbs District Office
1625 N. French Drive
Hobbs, NM 88240

State of New Mexico
Commissioner of Public Lands
P.O. Box 1148
Santa Fe, NM 87504-1148

Offset Operators (see attached list)

Surface Owners (see attached list)

APPLICATION FOR AUTHORIZATION TO INJECT

- I. PURPOSE: _____ Secondary Recovery Pressure Maintenance _____ Disposal _____ Storage
Application qualifies for administrative approval? Yes _____ No
- II. OPERATOR: Occidental Permian Limited Partnership
ADDRESS: P.O. Box 4294, Houston, TX 77210-4294
CONTACT PARTY: Mark Stephens, Rm. 19.013, GRWY 5 PHONE: (713) 366-5158
- 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? Yes _____ No
If yes, give the Division order number authorizing the project: R-6199-B (10/22/01)
- 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: Mark Stephens TITLE: Reg. Comp. Analyst

SIGNATURE: *Mark Stephens* DATE: October 14, 2005

E-MAIL ADDRESS: Mark_Stephens@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: Hearing September 6, 2001; Case No. 12722, Order No. 6199-B, effective October 22, 2001

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

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.

Attachment To Form C-108
Miscellaneous Data

North Hobbs (Grayburg/San Andres) Unit
Well No. 131
API No. 30-025-07481
Letter L, Section 30, T-18-S, R-38-E
Lea County, NM

III. Well Data

- B.(5) Next higher oil zone -- Byers (Queen) @ +/- 3680'
Next lower oil zone -- Glorieta @ +/- 5300'

VII. Proposed Operation

1. Average Injection Rate N/A
Maximum Injection Rate 9000 BWPD/15,000 MCFGPD*
(* In accordance with Order No. R-6199-B, effective 10/22/01)

2. Closed Injection System

3. Average Surface Injection Pressure N/A
Maximum Surface Injection Pressures
 Produced Water 1100 PSI*
 CO2 1250 PSI*
 CO2 w/produced gas 1770 PSI*
 <will not exceed 2400 psi bottomhole pressure>
(* In accordance with Order No. R-6199-B, effective 10/22/01)

4. Source Water – San Andres Produced Water
(Mitchell Analytical Laboratory analysis attached)

IX. Stimulation Program

Acid treatment of injection interval will be performed during conversion work
(approx. 2000 gal. 15% HCL)

XI. Fresh Water Sample Analysis

(Laboratory Services, Inc. analysis attached – 2 ea., for nearby Well No. 121 in
Section 30)

- XII. Occidental Permian Limited Partnership affirms that available geologic and
engineering data has been examined resulting in the finding of no evidence of
open faults or any other hydrologic connection between the disposal zone and
any underground source of drinking water.



Laboratory Services, Inc.

4016 Fiesta Drive
Hobbs, New Mexico 88240
Telephone: (505) 397-3713

Water Analysis

COMPANY Altura Energy Ltd,
SAMPLE Fresh Water Well For Well 30-121
SAMPLED BY _____
DATE TAKEN 5/10/00
REMARKS T18S-R38E-Sec.30, Qtr Sec. 1,2,3

Barium as Ba	0
Carbonate alkalinity PPM	0
Bicarbonate alkalinity PPM	224
pH at Lab	7.4
Specific Gravity @ 60°F	1.001
Magnesium as Mg	167
Total Hardness as CaCO3	288
Chlorides as Cl	76
Sulfate as SO4	110
Iron as Fe	0
Potassium	0.08
Hydrogen Sulfide	0
Rw	8
Total Dissolved Solids	717
Calcium as Ca	121
Nitrate	10.6

Results reported as Parts per Million unless stated

Langelier Saturation Index 0

Analysis by: Rolland Perry
Date: 5/14/00



Laboratory Services, Inc.

4016 Fiesta Drive
Hobbs, New Mexico 88240
Telephone: (505) 397-3713

Water Analysis

COMPANY Altura Energy Ltd,

SAMPLE Fresh Water Well For Well 30-121
SAMPLED BY

DATE TAKEN 5/10/00

REMARKS T18S-R38E-Sec 30, Qtr Sec 1,4,2

Barium as Ba	0	
Carbonate alkalinity PPM	0	
Bicarbonate alkalinity PPM	184	
pH at Lab	7.42	
Specific Gravity @ 60°F	1.001	
Magnesium as Mg	128	
Total Hardness as CaCO3	220	
Chlorides as Cl	42	
Sulfate as SO4	75	
Iron as Fe	0	
Potassium	0.08	
Hydrogen Sulfide	0	
Rw	12.1	23.0 C
Total Dissolved Solids	544	
Calcium as Ca	92	
Nitrate	11	

Results reported as Parts per Million unless stated

Langelier Saturation Index - 0.33

Analysis by: Rolland Perry
Date: 5/14/00

34I
OPL
N HOBBS(GBSA)U
TD-4225
30 025 05490

342
OPL
N HOBBS(GBSA)U
TD-4371
30 025 29062

44I
OPL
N HOBBS(GBSA)U
TD-4214
30 025 05486

24 19
25 30

I
CHEVRON U S A INC
HARDIN
TD-
30 025 36035

14I
OPL
N HOBBS(GBSA)U
TD-4248
30 025 07365

242
OPL
N HOBBS(GBSA)U
TD-3105
30 025 23481

9
SHELL OIL CO
MCKINLEY A
TD-3247
30 025 12492

24I
OPL
N HOBBS(GBSA)U
TD-4246
30 025 07364

34I
OPL
N HOBBS(GBSA)U
TD-4220
30 025 12491

3II
OPL
N HOBBS(GBSA)U
TD-4232
30 025 05506

4II
OPL
N HOBBS(GBSA)U
TD-4259
30 025 05503

III
OPL
N HOBBS(GBSA)
TD-4230
30 025 07077

II2
OPL
N HOBBS(GBSA)U
TD-4370
30 025 29063

6
AMERADA HESS CORP
MCKINLEY
TD-3229
30 025 07466

2II
OPL
N HOBBS(GBSA)U
TD-4310
30 025 07463

3II
OPL
N HOBBS(GBSA)U
TD-4220
30 025 07469

3I3
OPL
N HOBBS(GBSA)U
TD-6050
30 025 23270

7I3
OPL
N HOBBS(GBSA)U
TD-4408
30 025 34983

3
SEED, CHRLS E
SEED-ST 30
TD-45
30 025 22996

4
SEED, CHRLES E
SEED-ST 30
TD-45
30 025 22997

34
HUMBLE O&R
BOWERS-FED A
TD-7010
30 025 23260

II
ARC INDUST INC
BOWERS-FED A
TD-38
30 025 22148

32I
OPL
N HOBBS(GBSA)U
TD-4200
30 025 07467

2
HUMBLE OIL
BA BOWERS PER
TD-150
30 025 08045

33I
OPL
N HOBBS(GBSA)U
TD-4208
30 025 07472

422
OPL
N HOBBS(GBSA)U
TD-4510
30 025 26933

32I
OPL
N HOBBS(GBSA)U
TD-4240
30 025 05505

42I
OPL
N HOBBS(GBSA)U
TD-4210
30 025 05504

II3
OPL
N HOBBS(GBSA)U
TD-4370
30 025 29064

222
OPL
N HOBBS(GBSA)U
TD-4349
30 025 26833

62I
OPL
N HOBBS(GBSA)U
TD-4380
30 025 35332

8
SEED, CHARLES E
SEED-STATE 30
TD-45
30 025 22321

5
AMERADA HESS CORP
HD MCKINLEY
TD-3230
30 025 07465

223
OPL
N HOBBS(GBSA)
TD-4397
30 025 28555

34
HUMBLE O&R
BOWERS-FED A
TD-7010
30 025 23260

9
SEED, CHARLES E
SEED-STATE 30
TD-45
30 025 22322

9
TEXACO
MCKINLEY HD
TD-7000
30 025 23221

221
OPL
N HOBBS(GBSA)U
TD-4279
30 025 07462

32I
OPL
N HOBBS(GBSA)U
TD-4200
30 025 07467

9
AMERADA HESS
MCKINLEY HD
TD-37
30 025 22173

9
AMERADA HESS
MCKINLEY HD
TD-37
30 025 22172

221
OPL
N HOBBS(GBSA)U
TD-4205
30 025 07479

32I
OPL
N HOBBS(GBSA)U
TD-4200
30 025 07467

10
ARC INDUST INC
BOWERS-FED A
TD-38
30 025 22147

1
SEED, CHARLES E
SEED-STATE 30
TD-45
30 025 22994

233
OPL
N HOBBS(GBSA)
TD-4383
30 025 28942

32I
OPL
N HOBBS(GBSA)U
TD-4200
30 025 07467

8
SAGA
STATE
TD-3271
30 025 07486

233
OPL
N HOBBS(GBSA)
TD-4383
30 025 28942

231
OPL
N HOBBS(GBSA)U
TD-4205
30 025 07479

33I
OPL
N HOBBS(GBSA)U
TD-4208
30 025 07472

3
HUMBLE O&R
STATE A
TD-4220
30 025 05494

33I
OPL
N HOBBS(GBSA)U
TD-4100
30 025 05500

ONE-HALF MILE RADIUS

4
NM STATE
A LEASE
TD-3270
30 025 05495

13I
OPL
N HOBBS(GBSA)U
TD-4213
30 025 07481

1
ARC INDUST INC
BOWERS-FED A
TD-38
30 025 22124

5
SAGA PETRO
STATE
TD-3246
30 025 07483

525
OPL
N HOBBS(GBSA)U
TD-4418
30 025 36216

3
ARC INDUST INC
BOWERS-FED A
TD-38
30 025 22126

2
HUMBLE O&R
BOWERS-FED A
TD-38
30 025 22125

232
OPL
N HOBBS(GBSA)U
TD-4429
30 025 26935

538
OPL
N HOBBS(GBSA)U
TD-4370
30 025 28955

13
HUMBLE O&R
BOWERS A
TD-3189
30 025 07476

44I
OPL
N HOBBS(GBSA)U
TD-4188
30 025 05499

14I
OPL
N HOBBS(GBSA)U
TD-4273
30 025 07487

538
OPL
N HOBBS(GBSA)U
TD-4370
30 025 28955

17
ARC INDUST INC
BOWERS-FED A
TD-50
30 025 21900

34I
OPL
N HOBBS(GBSA)U
TD-4220
30 025 05497

25-P
RICE ENG CORP
HOBBS SWD
TD-4753
30 025 05493

6
SAGA PETRO
STATE
TD-3275
30 025 07484

527
OPL
N HOBBS(GBSA)U
TD-4435
30 025 36247

536
OPL
N HOBBS(GBSA)U
TD-4427
30 025 36286

342
OPL
N HOBBS(GBSA)U
TD-4215
30 025 12501

4
MARATHON OIL
STATE
TD-4215
30 025 07482

242
OPL
N HOBBS(GBSA)U
TD-4370
30 025 28886

24I
OPL
N HOBBS(GBSA)U
TD-4206
30 025 07480

CTI8
HUMBLE O&R
BOWERS-FED A
TD-50
30 025 21965

36 31

3II
OPL
N HOBBS(GBSA)U
TD-4225
30 025 05541

4II
OPL
N HOBBS(GBSA)U
TD-4236
30 025 05539

2
SUNRAY DX OIL CO
CLARA FOWLER
TD-3287
30 025 07512

III
OPL
N HOBBS(GBSA)U
TD-4220
30 025 07511

3
BURLESON LEWIS B INC
CLARA FOWLER
TD-3270
30 025 07505

3II
OPL
N HOBBS(GBSA)U
TD-4201
30 025 07491

13
ARC INDUST INC
BOWERS-FED A
TD-45
30 025 22277

16
HUMBLE O&R
BOWERS A
TD-3225
30 025 07478

7
CITIES SERV OIL CO
CLARA FOWLER
TD-3252
30 025 07496

4
ARC INDUST INC
BOWERS-FED A
TD-38
30 025 22127

32
HUMBLE O&R
BOWERS-FED A
TD-7075
30 025 23235

5
HUMBLE O&R
BOWERS-FED A
TD-38
30 025 22189

4
SKELLY OIL CO
CLARA FOWLER
TD-3278
30 025 07506

NOTE:
WELL DATA DERIVED FROM THE PETROLEUM
INFORMATION - DATA MANAGEMENT SYSTEM,
WELL DATA SYSTEM PREPARED FOR
OCCIDENTAL PERMIAN LTD.



Area of Review Plat NORTH HOBBS (GRAYBURG SAN ANDRES) UNIT

WELL NO. 30-131

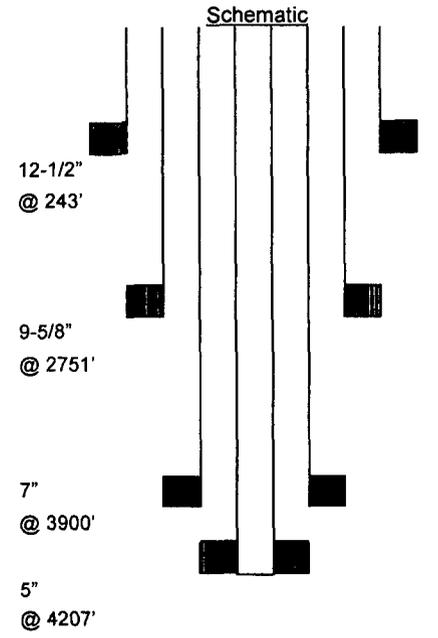
T-18-S, R-38-E
Lea County, New Mexico

Scale: 1" = 600' 02-22-2005 nm438_2005.dgn
Plat prepared by PJE Drafting, Inc.
For Horizon Survey, Inc.

INJECTION WELL DATA SHEET

30-025-07481

Operator Occidental Permian Limited Partnership		Lease North Hobbs G/SA Unit		County Lea	
Well No. 131	Footage Location 2310' FSL & 330' FWL	Section 30	Township 18-S	Range 38-E	Unit Letter L



<u>Surface Casing</u>		<u>Tubular Data</u>	
Size	<u>12-1/2"</u>	Cemented with	<u>225</u> sxs.
TOC	<u>SURF</u>	Determined by	<u>CIRC</u>
Hole size _____			
<u>Intermediate Casing</u>			
Size	<u>9-5/8"</u>	Cemented with	<u>550</u> sxs.
TOC	<u>733'</u>	Determined by	<u>CALC</u>
Hole size _____			
<u>Long string Casing</u>			
Size	<u>7"</u>	Cemented with	<u>350</u> sxs.
TOC	<u>1783'</u>	Determined by	<u>CALC</u>
Hole size _____			
<u>Liner</u>			
Size	<u>5"</u>	Cemented with	<u>50</u> sxs.
TOC	<u>3770'</u>	Determined by	<u>CBL</u>
Hole size _____			
Total depth	<u>4279'</u>		

Injection interval
Approx. 4000 feet to TD

Completion type Perforated Casing

Tubing size 2-7/8" lined with Duoline (Fiberglass liner) set in a
Guiberson – Uni VI packer at Within 100 feet of top perf.
 (brand and model)

- Other Data
- Name of the injection formation San Andres
 - Name of field or Pool Hobbs; Grayburg – San Andres
 - Is this a new well drilled for injection? Yes No
 If no, for what purpose was the well originally drilled? Production
 - Has the well ever been perforated in any other zone(s)? List all such perforated intervals and give plugging detail (sacks of cement or bridge plug(s) used) None
 - Give the depth to and name of any overlying and/or underlying oil and gas zones (pools) in this area.
Byers (Queen), +/- 3680'; Glorieta, 5300'

Exhibit 1.0 – Area of Review

A review of the subject well's AOR shows that three wells were drilled within the ½-mile radius since the previous review occurred (done as a part of Oxy's August, 2001 application to amend Order No. R-6199). These wells are:

North Hobbs G/SA Unit No. 525 (30-025-36216)

North Hobbs G/SA Unit No. 527 (30-025-36247)

The attached copies of sundry notices (2 ea.) and the completion reports for these two wells shows that cement was circulated to surface off all casing strings thus affording adequate protection of the injection interval (approx. 4000' to 4279') of Oxy's North Hobbs G/SA Unit Well No. 131.

Texland's **C.T. McKinley No. 1** (30-025-36297) in Section 30, T-18-S, R-38-E was drilled as a dry hole. Form C-103 (2 ea.) and Form C-105 documenting same are attached.

Area of Review Well Count

Active Wells (includes SI and TxA'd wells) – 29

Plugged and Abandoned Wells – 19
(Identified below)

Sec. 25, T-18-S, R-37-E

N.M. State "A" No. 3 (30-025-05494)

N.M. State "A" No. 4 (30-025-05495)

Sec. 30, T-18-S, R-38-E

Grimes No. 1 (30-025-22994)

Grimes No. 2 (30-025-22995)

Grimes No. 3 (30-025-22996)

Grimes No. 4 (30-025-22997)

Grimes No. 5 (30-025-22998)

Grimes No. 6 (30-025-22319)

Grimes No. 7 (30-025-22320)

Grimes No. 8 (30-025-22321)

Grimes No. 9 (30-025-22322)

Exhibit 1.0 – Area of Review

Plugged and Abandoned Wells (con'd.)

Sec. 30, T-18-S, R-38-E

B.A. Bowers "A" No. 2 (30-025-08045)
Bowers "A" Federal No. 1 (30-025-22124)
Bowers "A" Federal No. 2 (30-025-22125)
Bowers "A" Federal No. 10 (30-025-22147)
Bowers "A" Federal No. 26 (30-025-21969)
H.D. McKinley No. 9 (30-025-22172)
H.D. McKinley No. 10 (30-025-22173)
State Land Sec. 30 No. 4 (30-025-07482)

Mark Stephens 10/14/05

Mark Stephens
Regulatory Compliance Analyst
Occidental Permian Limited Partnership

Submit to Appropriate District Office
 State Lease - 6 copies
 Fee Lease - 5 copies
 District I
 1625 N. French, Hobbs, NM 88240
 District II
 811 South First, Artesia, NM 87210
 District III
 1000 Rio Brazos Rd., Aztec, NM 87410
 District IV
 2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico
 Energy, Minerals and Natural Resources

Form C-105
 Revised March 25, 1999

OIL CONSERVATION DIVISION
 2040 South Pacheco
 Santa Fe, NM 87505

WELL API NO.
 30-025-36216

5. Indicate Type Of Lease
 STATE FEE

6. State Oil & Gas Lease No.

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

1a. Type of Well:
 OIL WELL GAS WELL DRY OTHER _____

b. Type of Completion:
 NEW WELL WORK OVER DEEPEN PLUG BACK DIFF. RESVR. OTHER _____

2. Name of Operator
 Occidental Permian Limited Partnership

3. Address of Operator
 P.O. Box 4294, Houston, TX 77210-4294

7. Lease Name or Unit Agreement Name
 North Hobbs G/SA Unit

8. Well No.
 525

9. Pool name or Wildcat
 Hobbs; Grayburg-San Andres

4. Well Location
 Unit Letter K : 1947 Feet From The South Line and 2139 Feet From The West Line
 Section 30 Township 18-S Range 38-E NMPM Lea County

10. Date Spudded 4/29/03 11. Date T.D. Reached 5/7/03 12. Date Compl. (Ready to Prod.) 5/23/03 13. Elevations (DF & RKB, RT, GR, etc.) 3652' GR 14. Elev. Casinghead

15. Total Depth 4418' 16. Plug Back T.D. 4347' 17. If Multiple Compl. How Many Zones? _____ 18. Intervals Drilled By _____ Rotary Tools 4418' Cable Tools _____

19. Producing Interval(s), of this completion - Top, Bottom, Name
4153' - 4285'; Grayburg-San Andres

20. Was Directional Survey Made
 No

21. Type Electric and Other Logs Run
HRLA-MicroCFL-GR/TDL-D-CN-GR/CN-NGRS-CCL/NGRS-CCL

22. Was Well Cored
 No

23. CASING RECORD (Report all strings set in well)

CASING SIZE	WEIGHT LB./FT.	DEPTH SET	HOLE SIZE	CEMENTING RECORD	AMOUNT PULLED
14	Conductor	40	18	50 sx.	
8-5/8	24	1521	12-1/4	850 sx.	
5-1/2	15.5	4418	7-7/8	1000 sx.	

24. LINER RECORD

SIZE	TOP	BOTTOM	SACKS CEMENT	SCREEN	25. TUBING RECORD	DEPTH SET	PACKER SET
					2-7/8"	4051'	

26. Perforation record (interval, size, and number)
4153' - 4285', 2 JSPF

27. ACID, SHOT, FRACTURE, CEMENT, SQUEEZE, ETC.

DEPTH INTERVAL	AMOUNT AND KIND MATERIAL USED
<u>4153' - 4285'</u>	<u>5500 gal. 15% NEEF HCL</u>

28. PRODUCTION

Date First Production 5/25/03 Production Method (*Flowing, gas lift, pumping - Size and type pump*) Pumping - ESP, Reda Well Status (*Prod. or Shut-in*) Producing

Date of Test 6/19/03 Hours Tested 24 Choke Size N/A Prod'n For Test Period _____ Oil - Bbl. 9 Gas - MCF 1 Water - Bbl. 2440 Gas - Oil Ratio 111

Flow Tubing Press. 50 Casing Pressure 35 Calculated 24-Hour Rate _____ Oil - Bbl. 9 Gas - MCF 1 Water - Bbl. 2440 Oil Gravity - API (*-Corr.*) 35

29. Disposition of Gas (*Sold, used for fuel, vented, etc.*) Sold Test Witnessed By C. Whitley

30. List Attachments
Logs (4 ea.), Inclination Report

31. I hereby certify that the information shown on both sides of this form is true and complete to the best of my knowledge and belief

Signature Mark Stephens Printed Name Mark Stephens Title Reg. Comp. Analyst Date 7/1/03

Submit 3 Copies To Appropriate District Office
 District I
 1625 N. French Dr., Hobbs, NM 87240
 District II
 811 South First, Artesia, NM 87210
 District III
 1000 Rio Brazos Rd., Aztec, NM 87410
 District IV
 2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico
 Energy, Minerals and Natural Resources

Form C-103
 Revised March 25, 1999

OIL CONSERVATION DIVISION
 2040 South Pacheco
 Santa Fe, NM 87505

WELL API NO. 30-025-36216
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name: North Hobbs G/SA Unit
8. Well No. 525
9. Pool name or Wildcat Hobbs; Grayburg - San Andres

SUNDRY NOTICES AND REPORTS ON WELLS
 (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)

1. Type of Well:
 Oil Well Gas Well Other

2. Name of Operator
 Occidental Permian Limited Partnership

3. Address of Operator
 P.O. Box 4294, Houston, TX. 77210-4294

4. Well Location
 Unit Letter K : 1947 feet from the South line and 2139 feet from the West line
 Section 30 Township 18-S Range 38-E NMPM County Lea

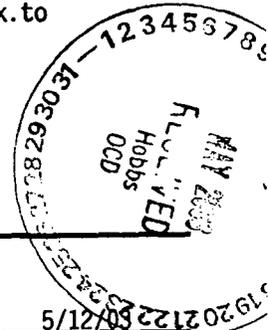
10. Elevation (Show whether DR, RKB, RT, GR, etc.)
 3652' GR

11. Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>	PLUG AND ABANDONMENT <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	MULTIPLE COMPLETION <input type="checkbox"/>	CASING TEST AND CEMENT JOB <input type="checkbox"/>	
OTHER: <input type="checkbox"/>		OTHER: Run 5-1/2" Casing <input checked="" type="checkbox"/>	

12. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompilation.

5/8/03 -
 5/9/03: Run 107 jts. 5-1/2". 15.5#, J-55, LT&C casing with 12 centralizers and set at 4418'. Cement first stage with 300 sx. Premium Plus. Plug down. Open DV tool x circulate 80 sx. to surface. Circulate 4 hours between stages. Cement second stage with 600 sx. Interfill 'C' (lead) x 100 sx. Premium Plus (tail). Plug down and circulate 160 sx. to surface. Nipple down x set slips x rig down.
 Release drilling rig at 5:00 a.m., 5/9/03.



I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE Mark Stephens TITLE Regulatory Compliance Analyst DATE 5/12/03

Type or print name Mark Stephens Telephone No. 281/552-1158

(This space for State use)
 APPROVED BY GARY W. WINK ORIGINAL SIGNED BY GARY W. WINK TITLE OC FIELD REPRESENTATIVE II/STAFF MANAGER DATE MAY 19 2003
 Conditions of approval, if any:

Submit 3 Copies To Appropriate District Office
 District I
 1625 N. French Dr., Hobbs, NM 87240
 District II
 811 South First, Artesia, NM 87210
 District III
 1000 Rio Brazos Rd., Aztec, NM 87410
 District IV
 2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico
 Energy, Minerals and Natural Resources

Form C-103
 Revised March 25, 1999

OIL CONSERVATION DIVISION
 2040 South Pacheco
 Santa Fe, NM 87505

WELL API NO. 30-025-36216
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name: North Hobbs G/SA Unit
8. Well No. 525
9. Pool name or Wildcat Hobbs; Grayburg - San Andres

SUNDRY NOTICES AND REPORTS ON WELLS
 (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)

1. Type of Well:
 Oil Well Gas Well Other

2. Name of Operator
 Occidental Permian Limited Partnership

3. Address of Operator
 P.O. Box 4294, Houston, TX 77210-4294

4. Well Location
 Unit Letter K : 1947 feet from the South line and 2139 feet from the West line
 Section 30 Township 18-S Range 38-E NMPM County Lea

10. Elevation (Show whether DR, RKB, RT, GR, etc.)
 3652' GR

11. Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:

- PERFORM REMEDIAL WORK PLUG AND ABANDON
 TEMPORARILY ABANDON CHANGE PLANS
 PULL OR ALTER CASING MULTIPLE COMPLETION

SUBSEQUENT REPORT OF:

- REMEDIAL WORK ALTERING CASING
 COMMENCE DRILLING OPNS. PLUG AND ABANDONMENT
 CASING TEST AND CEMENT JOB

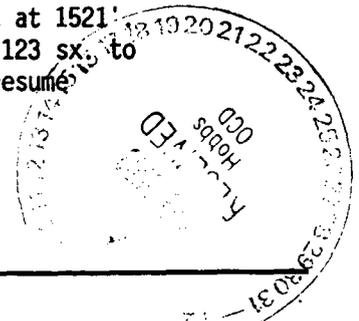
OTHER: OTHER: Spud & Run Surface Casing

12. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

4/29/03: MI x RU. Spud 12-1/4" hole at 5:00 p.m. (NMOCD notified)

4/30/03 -

5/01/03: Run 38 jts. 8-5/8", 24#, J-55. ST&C casing with 13 centralizers and set at 1521' Cement with 550 sx. PBCZ lead and 300 sx. Premium Plus tail. Circulate 123 sx. to surface. Plug down x WOC. Nipple up BOPE x test. Drill out cement and resume drilling operations.



I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE Mark Stephens TITLE Regulatory Compliance Analyst DATE 5/2/03

Type or print name Mark Stephens Telephone No. 281/552-1158

(This space for State use) ORIGINAL SIGNED BY
 GARY W. WINK

APPROVED BY OC FIELD REPRESENTATIVE II/STAFF MANAGER DATE MAY 09 2003

Conditions of approval, if any:

Submit to Appropriate District Office
 State Lease - 6 copies
 Fee Lease - 5 copies
 District I
 1625 N. French, Hobbs, NM 88240
 District II
 811 South First, Artesia, NM 87210
 District III
 1000 Rio Brazos Rd., Aztec, NM 87410
 District IV
 2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico
 Energy, Minerals and Natural Resources

Form C-105
 Revised March 25, 1999

OIL CONSERVATION DIVISION
 2040 South Pacheco
 Santa Fe, NM 87505

WELL API NO. 30-025-36247
5. Indicate Type Of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No.

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

1a. Type of Well: OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> DRY <input type="checkbox"/> OTHER _____	7. Lease Name or Unit Agreement Name North Hobbs G/SA Unit
b. Type of Completion: NEW WELL <input checked="" type="checkbox"/> WORK OVER <input type="checkbox"/> DEEPEN <input type="checkbox"/> PLUG BACK <input type="checkbox"/> DIFF. RESVR. <input type="checkbox"/> OTHER _____	8. Well No. 527
2. Name of Operator Occidental Permian Limited Partnership	9. Pool name or Wildcat Hobbs; Grayburg-San Andres
3. Address of Operator P.O. Box 4294, Houston, TX 77210-4294	

4. Well Location
 SHL: Unit Letter N : 627 Feet From The South Line and 1782 Feet From The West Line
 BHL: Section 30 Township 18-S Range 38-E NMPM 1802 Lea West County _____

10. Date Spudded 5/19/03	11. Date T.D. Reached 5/26/03	12. Date Compl. (Ready to Prod.) 6/12/03	13. Elevations (DF & RKB, RT, GR, etc.) 3649' GR	14. Elev. Casinghead
15. Total Depth 4435'	16. Plug Back T.D. 4380'	17. If Multiple Compl. How Many Zones?	18. Intervals Drilled By Rotary Tools 4435'	Cable Tools

19. Producing Interval(s), of this completion - Top, Bottom, Name
4252' - 4303'; Grayburg-San Andres

20. Was Directional Survey Made
Yes

21. Type Electric and Other Logs Run
HRLA-MicroCFL-NGT/TDLD-CN-NGT/BCS-NGT/NGRS

22. Was Well Cored
No

23. CASING RECORD (Report all strings set in well)

CASING SIZE	WEIGHT LB./FT.	DEPTH SET	HOLE SIZE	CEMENTING RECORD	AMOUNT PULLED
14	Conductor	40	18	50 sx.	
8-5/8	24	1536	12-1/4	850 sx.	
5-1/2	15.5	4435	7-7/8	850 sx.	

24. LINER RECORD				25. TUBING RECORD			
SIZE	TOP	BOTTOM	SACKS CEMENT	SCREEN	SIZE	DEPTH SET	PACKER SET
					2-7/8	4142'	

26. Perforation record (interval, size, and number)
4252' - 4303' (2 JSPF)

27. ACID, SHOT, FRACTURE, CEMENT, SQUEEZE, ETC.	
DEPTH INTERVAL	AMOUNT AND KIND MATERIAL USED
4252' - 4303'	750 gal. 15% NEEF HCL

28. PRODUCTION

Date First Production 6/14/03	Production Method (Flowing, gas lift, pumping - Size and type pump) Pumping - ESP. Reda	Well Status (Prod. or Shut-in) Producing					
Date of Test 6/14/03	Hours Tested 24	Choke Size N/A	Prod'n For Test Period	Oil - Bbl. 17	Gas - MCF 10	Water - Bbl. 2116	Gas - Oil Ratio 588
Flow Tubing Press. 50	Casing Pressure 35	Calculated 24-Hour Rate	Oil - Bbl. 17	Gas - MCF 10	Water - Bbl. 2116	Oil Gravity - API (Carr.) 35	

29. Disposition of Gas (Sold, used for fuel, vented, etc.)
Sold

Test Witnessed By
C. Whitley

30. List Attachments
Logs (4 ea.), Directional Survey, Inclination Report

31. I hereby certify that the information shown on both sides of this form is true and complete to the best of my knowledge and belief

Signature Mark Stephens Printed Name Mark Stephens Title Reg. Comp. Analyst Date 6/30/03

Submit 3 Copies To Appropriate District Office
 District I
 1625 N. French Dr., Hobbs, NM 87240
 District II
 811 South First, Artesia, NM 87210
 District III
 1000 Rio Brazos Rd., Aztec, NM 87410
 District IV
 2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico
 Energy, Minerals and Natural Resources

Form C-103
 Revised March 25, 1999

OIL CONSERVATION DIVISION
 2040 South Pacheco
 Santa Fe, NM 87505

WELL API NO. 30-025-36247
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name: North Hobbs G/SA Unit
8. Well No. 527
9. Pool name or Wildcat Hobbs; Grayburg - San Andres

SUNDRY NOTICES AND REPORTS ON WELLS
 (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)

1. Type of Well:
 Oil Well Gas Well Other

2. Name of Operator
 Occidental Permian Limited Partnership

3. Address of Operator
 P.O. Box 4294, Houston, TX: 77210-4294

4. Well Location
 Unit Letter N : 627 feet from the South line and 1782 feet from the West line
 Section 30 Township 18-S Range 38-E NMPM County Lea

10. Elevation (Show whether DR, RKB, RT, GR, etc.)
 3649' GR

11. Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:

- PERFORM REMEDIAL WORK PLUG AND ABANDON
 TEMPORARILY ABANDON CHANGE PLANS
 PULL OR ALTER CASING MULTIPLE COMPLETION

SUBSEQUENT REPORT OF:

- REMEDIAL WORK ALTERING CASING
 COMMENCE DRILLING OPNS. PLUG AND ABANDONMENT
 CASING TEST AND CEMENT JOB

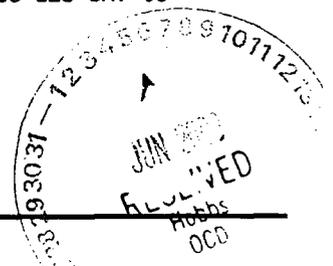
OTHER: OTHER: Run 5-1/2" Casing

12. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompilation.

5/27/03 -

5/28/03: Run 108 jts. 5-1/2", 15.5#, J-55, LT&C casing with 14 centralizers and set at 4435'. Cement first stage with 250 sx. Premium Plus. Plug down. Open DV tool and circulate 80 sx. to surface. Circulate 4 hours between stages. Cement second stage with 500 sx. Interfill 'C' (lead) x 100 sx. Premium Plus (tail). Plug down and circulate 128 sx. to surface. Nipple down BOP x set slips x rig down.

Release drilling rig at 8:30 p.m., 5/28/03.



I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE Mark Stephens TITLE Regulatory Compliance Analyst DATE 6/2/03

Type or print name Mark Stephens Telephone No. 281/552-1158

(This space for State use)
 APPROVED BY Lucy W. White TITLE OC FIELD REPRESENTATIVE II/STAFF MANAGER DATE JUN 17 2003
 Conditions of approval, if any

Submit 3 Copies To Appropriate District Office
 District I
 1625 N. French Dr., Hobbs, NM 87240
 District II
 811 South First, Artesia, NM 87210
 District III
 1000 Rio Brazos Rd., Aztec, NM 87410
 District IV
 2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico
 Energy, Minerals and Natural Resources

Form C-103
 Revised March 25, 1999

OIL CONSERVATION DIVISION
 2040 South Pacheco
 Santa Fe, NM 87505

WELL API NO. 30-025-36247
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name: North Hobbs G/SA Unit
8. Well No. 527
9. Pool name or Wildcat Hobbs; Grayburg - San Andres

SUNDRY NOTICES AND REPORTS ON WELLS
 (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)

1. Type of Well:
 Oil Well Gas Well Other

2. Name of Operator
 Occidental Permian Limited Partnership

3. Address of Operator
 P.O. Box 4294, Houston, TX 77210-4294

4. Well Location
 Unit Letter N : 627 feet from the South line and 1782 feet from the West line
 Section 30 Township 18-S Range 38-E NMPM County Lea

10. Elevation (Show whether DR, RKB, RT, GR, etc.)
 3649' GR

11. Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:

- PERFORM REMEDIAL WORK PLUG AND ABANDON
 TEMPORARILY ABANDON CHANGE PLANS
 PULL OR ALTER CASING MULTIPLE COMPLETION

SUBSEQUENT REPORT OF:

- REMEDIAL WORK ALTERING CASING
 COMMENCE DRILLING OPNS. PLUG AND ABANDONMENT
 CASING TEST AND CEMENT JOB

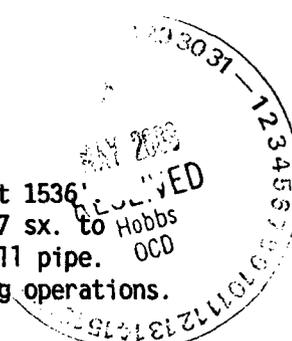
OTHER: OTHER: Spud & Run Surface Casing

12. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompilation.

5/19/03: MI x RU. Spud 12-1/4" hole at 9:00 p.m. (NMOCD notified)

5/20/03 -

5/21/03: Run 38 jts. 8-5/8", 24#, J-55, ST&C casing with 10 centralizers and set at 1536' Cement with 550 sx. PBCZ lead and 300 sx. Premium Plus tail. Circulate 147 sx. to surface. Plug down x WOC. Nipple up BOPE x test to 1200 psi. TIH x PU drill pipe. Test pipe rams x annular to 1200 psi. Drill out cement and resume drilling operations.



I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE Mark Stephens TITLE Regulatory Compliance Analyst DATE 5/22/03

Type or print name Mark Stephens Telephone No. 281/552-1158

(This space for State use)

APPROVED BY _____ ORIGINAL SIGNATURE _____ DATE MAY 28 2003
 Conditions of approval, if any: GARY W. WINK
OC FIELD REPRESENTATIVE II/STAFF MANAGER

Submit 3 Copies To Appropriate District Office
 District I
 1625 N. French Dr., Hobbs, NM 87240
 District II
 811 South First, Artesia, NM 87210
 District III
 1000 Rio Brazos Rd., Aztec, NM 87410
 District IV
 2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico
 Energy, Minerals and Natural Resources

Form C-103
 Revised March 25, 1999

OIL CONSERVATION DIVISION
 2040 South Pacheco
 Santa Fe, NM 87505

WELL API NO.	30-025-36297
5. Indicate Type of Lease	STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>
6. State Oil & Gas Lease No.	32394
7. Lease Name or Unit Agreement Name	McKinley, C.T.
8. Well No.	1
9. Pool name or Wildcat	Wildcat; Simpson
10. Elevation (Show whether DR, RKB, RT, GR, etc.)	3654' GR

SUNDRY NOTICES AND REPORTS ON WELLS
 (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)

1. Type of Well:
 Oil Well Gas Well Other Dry Hole

2. Name of Operator
 Texland Petroleum, L.P.

3. Address of Operator
 777 Main Street, Suite 3200
 Fort Worth, TX 76102

4. Well Location
 Unit Letter F : 1535' feet from the North line and 2418' feet from the West line
 Section 30 Township 18S Range 38E NMPM County Lea

11. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

<p>NOTICE OF INTENTION TO:</p> <p>PERFORM REMEDIAL WORK <input type="checkbox"/> PLUG AND ABANDON <input checked="" type="checkbox"/></p> <p>TEMPORARILY ABANDON <input type="checkbox"/> CHANGE PLANS <input type="checkbox"/></p> <p>PULL OR ALTER CASING <input type="checkbox"/> MULTIPLE COMPLETION <input type="checkbox"/></p> <p>OTHER: <input type="checkbox"/></p>	<p>SUBSEQUENT REPORT OF:</p> <p>REMEDIAL WORK <input type="checkbox"/> ALTERING CASING <input type="checkbox"/></p> <p>COMMENCE DRILLING OPNS. <input type="checkbox"/> PLUG AND ABANDONMENT <input type="checkbox"/></p> <p>CASING TEST AND CEMENT JOBS <input type="checkbox"/></p> <p>OTHER: <input type="checkbox"/></p>
--	--

12. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting and proposed work). SEE RULE 1103. For Multiple Completions: Attach diagram of proposed completion or recompletion.

See Attached



I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE Susan Austin-Morse TITLE Regulatory Analyst DATE 07/08/2003

Type or print name Susan Austin-Morse Telephone No. (817)336-2751

(This space for State use)

APPROVED BY Paul F. Kuntz TITLE PETROLEUM ENGINEER DATE SEP 15 2003

Conditions of approval, if any:

PLUGGING PROCEDURE		
McKINLEY CT NO. 1		
(Per visit with Gary Wink of NMOCD)		
MAJ, 7/7/03		
SPOT CEMENT PLUGS AS FOLLOWS:		
PLUG NO.	DEPTH	PLUG DESCRIPTION
1	8000	100' or 25 sx. (whichever is greater)
2	5830-5730 T/Blinebry 5780'	50' below & above T/Blinebry
3	4075-3975 T/SanAndres 4025	50' below & above T/San Andres
4	3105 (csg shoe)	50' in & 50' out of csg & tag
5	2000-1900 (salt)	100'
6	450 (csg shoe)	50' in & 50' out of csg & tag
7	srfc	10 sx

Submit 3 Copies To Appropriate District
 Office
 District I
 1625 N. French Dr., Hobbs, NM 88240
 District II
 1301 W. Grand Ave., Artesia, NM 88210
 District III
 1000 Rio Brazos Rd., Aztec, NM 87410
 District IV
 1220 S. St. Francis, Santa Fe, NM
 87505

State of New Mexico
 Energy, Minerals and Natural Resources

Form C-103
 Revised May 08, 2003

OIL CONSERVATION DIVISION
 1220 South St. Francis Dr.
 Santa Fe, NM 87505

WELL API NO. 30-025-36297
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>
6. State Oil & Gas Lease No. 32394
7. Lease Name or Unit Agreement Name McKinley, C.T.
8. Well Number 1
9. OGRID Number
10. Pool name or Wildcat Wildcat; Simpson

SUNDRY NOTICES AND REPORTS ON WELLS
 (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)

1. Type of Well:
 Oil Well Gas Well Other Dry Hole

2. Name of Operator
 Texland Petroleum, L.P.

3. Address of Operator 777 Main Street, Suite 3200
 Fort Worth, TX 76102

4. Well Location
 Unit Letter F . 1535' feet from the North line and 2418' feet from the West line
 Section 30 Township 18S Range 38E NMPM County Lea

11. Elevation (Show whether DR, RKB, RT, GR, etc.)
 3654' GR

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK PLUG AND ABANDON
 TEMPORARILY ABANDON CHANGE PLANS
 PULL OR ALTER CASING MULTIPLE COMPLETION
 OTHER:

SUBSEQUENT REPORT OF:

REMEDIAL WORK ALTERING CASING
 COMMENCE DRILLING OPNS PLUG AND ABANDONMENT
 CASING TEST AND CEMENT JOBS
 OTHER:

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting and proposed work). SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

See Attached



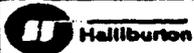
Approved as to Plugging of the Well Bore.
 Liability under bond is retained until
 Surface restoration is completed.

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE Susan Austin-Morse TITLE Regulatory Analyst DATE 08/14/2003

Type or print name Susan Austin-Morse Telephone No. (817)336-2751

(This space for State use)
 APPROVED BY [Signature] TITLE PETROLEUM ENGINEER DATE SEP 15 2003
 Conditions of approval, if any:

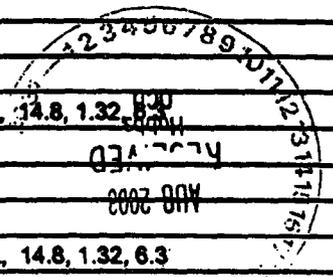


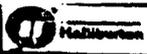
JOB LOG

TICKET #	2546539	TICKET DATE	07/09/03
SDA / STATE	MIDLAND, TX	COUNTY	Lea
PLS DEPARTMENT	ZONAL ISOLATION		
CUSTOMER REP / PHONE	Jerry Rodgers	806-781-3396	
WELL TYPE			
APPLM #			
DEPARTMENT	CEMENTING SERVICES 10003	JOB PURPOSE CODE	7528

REGION	NORTH AMERICA LAND	NWA / COUNTRY	CENTRAL REGION
WELL ID / EMPL #	HO-0101 104068	WELL EMPLOYEE NAME	SCOTT NELSON
LOCATION	Hobbs, New Mexico	COMPANY	Texland Petroleum
TICKET AMOUNT			
WELL LOCATION	Hobbs	DEPARTMENT	CEMENTING SERVICES 10003
LEASE / WELL #	McKinley	WELL No. #1	SEC / TWP / RNG

Chart No.	Time	Rate (GPM)	Volume (GAL)	Prms	Brass (RS)	Job Description/Remarks
	TX TIME	1845				CONDUCT PRE-DEPARTURE SAFETY MEETING
		1900				ARRIVE ON LOCATION
		1915				CONDUCT LOCATION ASSESSMENT SAFETY MEETING
		1930				CONDUCT PRE-RIGUP SAFETY MEETING
		0430				CONDUCT PRE-JOB SAFETY MEETING
		0500	1.0	3.0	X	5500 TEST LINES
1st Plug	0507	2.5	20.0	X	140	FRESH WATER SPACER
8000'	0524	2.5	6.3	X	130	30 SKS PREM. 2% CACL, 15.6, 1.18, 5.2
TOC 7895'	0527	2.5	7.0	X	80	FRESH WATER
	0530	8.0	105.0	X	530	MUD DISPLACEMENT
	0820					TAGGED PLUG AT 7895'
2nd Plug	1024	3.0	20.0	X	80	FRESH WATER SPACER
5830'	1037	3.0	6.3	X	120	30 SKS PREM. NEAT, 15.6, 1.18, 5.2
TOC 5715	1039	3.0	7.0	X	100	FRESH WATER
	1044	8.0	74.0	X	300	MUD DISPLACEMENT
3rd Plug	1227	2.0	20.0	X	100	FRESH WATER SPACER
5508'	1236	3.0	6.3	X	360	30 SKS PREM. NEAT, 15.6, 1.18, 5.2
TOC 5393'	1238	3.0	7.0	X	80	FRESH WATER
	1241	7.5	69.5	X	320	MUD DISPLACEMENT
4th Plug	1435	5.0	20.0	X	190	FRESH WATER SPACER
4075'	1439	3.5	7.0	X	192	30 SKS PREM. PLUS NEAT, 14.8, 1.32, 6.3
TOC 3947'	1442	1.5	7.0	X	10	FRESH WATER
	1445	7.5	49.0	X	250	MUD DISPLACEMENT
5th Plug	1543	5.0	20.0	X	145	FRESH WATER SPACER
3145	1548	5.0	7.0	X	125	30 SKS PREM. PLUS 2% CACL, 14.8, 1.32, 6.3
	1451	1.0	7.0	X	10	FRESH WATER
	1555	6.0	35.0	X	270	MUD DISPLACEMENT
5th Plug	1851	5.0	20.0	X		FRESH WATER SPACER
3145'	1855	1.5	10.5	X		45 SKS PREM. PLUS 2% CACL, 14.8, 1.32, 6.3
TOC 3045	1900	3.0	7.0	X		FRESH WATER
	1905	6.7	35.0	X		MUD DISPLACEMENT
	2130					TAGGED PLUG AT 3045'
6th Plug	2209	3.5	20.0	X	67	FRESH WATER SPACER
2030'	2215	3.5	7.0	X	215	30 SKS PREM. PLUS NEAT, 14.8, 1.32, 6.3
TOC 1915	2217	5.5	7.0	X	95	FRESH WATER
	2218	5.5	20.0	X	200	MUD DISPLACEMENT
						SEE NEXT PAGE FOR OTHER PLUGS
						MIXING WATER QA RESULTS:
						pH #REF!
						Chlorides #REF!
						Temperature #REF!





JOB SUMMARY

ORDER NUMBER 2546539	TICKET DATE 7/9/03
SDA / STATE MIDLAND, TX	COUNTY Lea NM
PBL DEPARTMENT ZONAL ISOLATION	CUSTOMER REP / PHONE Jerry Rodgers 806-781-3396
SAP BOMB NUMBER 7528	Description Plug To Abandon

REGION NORTH AMERICA	AREA / COUNTRY PERMIAN BASIN
WELL ID / EMP # HO-0101 104068	H.E.S. EMPLOYEE NAME SCOTT NELSON
LOCATION Hobbs, New Mexico	COMPANY Texland Petroleum
WELL LOCATION Hobbs	DEPARTMENT CEMENTING SERVICES 10003
LEASE NAME McKinley	SEC / TMP / RMC #1

H.E.S. EMP NAME / EMP # / (EXPOSURE HOURS)	HRS	H.E.S. EMP NAME / EMP # / (EXPOSURE HOURS)	HRS
SCOTT NELSON 104068	30.5	TOMMY QUEEN 285665	22.0
TONY ROBLES 104101	30.5	LARRY LYLES 278118	5.0
JAMES LAW 278420	28.0		
DONNIE SEAY 104480	5.0		

H.E.S. UNIT #S / (R/T MILES)	R/T MILES	H.E.S. UNIT #S / (R/T MILES)	R/T MILES
10026531-10010772	10	19656-95038	10
421248	10	19597-95029	10
10001879	10		

Form. Name _____ Type: _____
 Form. Thickness _____ From _____ To _____
 Packer Type _____ Set At _____
 Bottom Hole Temp. _____ Pressure _____
 Retainer Depth _____ Total Depth _____

Date	Called Out	On Location	Job Started	Job Completed
	07-09-03	7/9/03	7/9/03	7/11/03
Time	1730	1900	0500	0130

Type and Size	Qty	Make
Float Collar 8 5/8		
Float Shoe 8 5/8		
Centralizers 8 5/8		
Top Plug 8 5/8	1	HALLIBURTON
Packer 8 5/8		
DV Tool 8 5/8		
Insert Float 8 5/8		
Guide Shoe 8 5/8		
Other		

	New/Used	Weight	Size	Grade	From	To	Max. Allow
Casing	New	32#	8 5/8		0	3,105	
Liner							
Liner							
Tubing		16.8	4 1/2 XH				
Drill Pipe							
Open Hole			7 7/8		3,108	8,000	Shots/Ft.
Perforations							
Perforations							
DV Tool							

Material	Drilling Mud	Density	Lb/Gal
Disp. Fluid	Fresh/Mud		
Prop. Type	Size	Lb	
Prop. Type	Size	Lb	
Acid Type	Gal.	%	
Acid Type	Gal.	%	
Surfactant	Gal.	In	
NE Agent	Gal.	In	
Fluid Loss	Gal/Lb	In	
Gelling Agent	Gal/Lb	In	
Fric. Red.	Gal/Lb	In	
Breaker	Gal/Lb	In	
Blocking Agent	Gal/Lb		
Perpac Balls	Qty.		
Other			

Date	Hours	Date	Hours	Plug To Abandon
7/9	5.0	7/9	0	SEE JOB LOG
7/10	24.0	7/10	5.0	
7/11	1.5	7/11	0.5	
Total	30.5	Total	5.5	

Ordered	Avail.	Used
Treating	Disp.	Overall
Feet	Reason	SHOE JOINT

Stage	Sacks	Cement	Bulk/Sks	Additives	W/Rq.	Yield	Lbs/Gal
	90	Premium	B	Take 1 sks Caci2 not mixed!	5.2	1.18	15.6
	180	Premium Plus	B	Take 1 sks Caci2 not mixed!	6.3	1.32	14.8

Summary			
Circulating Breakdown	Displacement Maximum	Preflush: Gal - BBI	Type: Pad:Bbl -Gal
Lost Returns - Y	Lost Returns - NO	Load & Bkdn: Gal - BBI	Calc. Disp Bbl
Cmt Rtrn#Bbl	Actual TOC	Excess /Return Gal BBI	Actual Disp.
Average	Frac. Gradient	Calc. TOC:	Disp:Bbl-Gal
Shut In: Instant	5 Min. 15 Min.	Treatment: Gal - BBI	BBL
		Cement Slurry Gal - BBI	61
		Total Volume Gal - BBI	61

THE INFORMATION STATED HEREIN IS CORRECT
 CUSTOMER REPRESENTATIVE

THE ROAD TO EXCELLENCE STARTS WITH SAFETY

COMPANY	<u>Texland Petroleum</u>	DATE	<u>7/8/03</u>
COMPANY REP.	<u>Jerry Rodgers</u>	CO. REP. TELE. #	<u>806-781-3396</u>
CONTRACTOR	<u>Capstar</u>	TOWN/STATE	<u>Hobbs NM</u>
LEASE	<u>McKinley</u>	WELL NO.	<u>#1</u>
API NO.	_____	COUNTY	<u>Lea</u>
R/T MILEAGE	<u>10</u>	H2S PRESENT?	<u>Possible</u>

DIRECTIONS

South of yard on Hwy 18 to W. County Rd. T/R (S) on W. County Rd. and go 1.9 Miles to Mahan Rd. T/R (W) and go 7/10 mile to Roberts Rd. T/R (N) and go 2/10 mile to cattle guard on left. T/L then back to the North 1/10 mile to location.

TUBULAR INFORMATION

	SIZE	WEIGHT	THREAD	GRADE
CASING SIZE:	<u>8 5/8</u>	<u>32#</u>	_____	_____
DRILL PIPE:	<u>4 1/2 XH</u>	<u>16.6</u>	_____	_____
HOLE:	<u>7 7/8</u>	WELL FLUID:	<u>Drilling Mud</u>	DISP FLUID: <u>Fresh/Mud</u>

JOB TYPE AND EQUIPMENT

COND _____	SURF _____	INTER _____	LONG SG _____	SQUEEZE _____
LINER _____	PTA <u>XXX</u>	PLG BCK _____	OTHER _____	_____
TOP PLUG _____	BOTTOM PLUG _____	BHCT _____	BHST _____	_____
PLUG CONTAINER <u>1 Ea.</u>	SWADGE <u>2 Ea.</u>	TD <u>450 +/-</u>	OTHER _____	_____
EQUIPMENT TYPE	<u>RCM / Bulk / Pressurizer</u>			

CEMENT INFORMATION

FIRST STAGE:	SACKS <u>90</u>	TYPE <u>Premium</u>			
	ADDITIVES <u>Take 1 sks Cacl2 not mixed!</u>				
	MIXED AT <u>15.6</u>	LBS/GAL	YIELD <u>1.18</u>	WATER <u>5.2</u>	GAL/SK
	SACKS <u>130</u>	TYPE <u>Premium Plus</u>			
	ADDITIVES <u>Take 1 sks Cacl2 not mixed!</u>				
	MIXED AT <u>14.8</u>	LBS/GAL	YIELD <u>1.32</u>	WATER <u>6.3</u>	GAL/SK

SECOND STAGE	SACKS _____	TYPE _____			
	ADDITIVES _____				
	MIXED AT _____	LBS/GAL	YIELD _____	WATER _____	GAL/SK
	SACKS _____	TYPE _____			
	ADDITIVES _____				
	MIXED AT _____	LBS/GAL	YIELD _____	WATER _____	GAL/SK

THIRD STAGE	SACKS _____	TYPE _____			
	ADDITIVES _____				
	MIXED AT _____	LBS/GAL	YIELD _____	WATER _____	GAL/SK
	SACKS _____	TYPE _____			
	ADDITIVES _____				
	MIXED AT _____	LBS/GAL	YIELD _____	WATER _____	GAL/SK

PREFLUSH: TYPE _____ SPACER: TYPE _____

REMARKS / SAFETY EQUIPMENT

SALES ITEMS

CASING SIZE: <u>8 5/8</u> THREAD: _____	GUIDE SHOE _____ FLOAT SHOE _____ FLOAT COLLAR _____ STAGE TOOL _____ CENTRALIZERS _____ WALL CLEANERS _____ INSERT FLOAT _____	TYPE _____ TYPE _____ TYPE _____ TYPE _____ TYPE _____	<u>Competition Float Equipment</u> _____ _____ PINS _____ _____ WELD-A _____
---	---	--	---

REMARKS

IS CREDIT OK? <u>Yes</u> % DISCOUNT <u>40%</u> ORDERED BY <u>Jerry</u> CALL TAKEN BY <u>Donnie</u> REVIEWED BY <u>SN/EO</u>	CREDIT CHECKED BY _____ SALES ORDER # <u>2546539</u> DATE/TIME OF CALL <u>D. SEAY @ 17:30 7/9</u> TIME READY <u>21:00 TT 7/9</u> CREW FROM <u>HOBBS</u> MATERIALS FROM <u>hobbs</u> TRACTOR <u>10045307</u> TRAILER <u>10010772</u> PICKUP <u>421248</u> CREW CALLED @ _____ CREW MEMBERS <u>S. NELSON / T. ROBLES</u>
---	--

Submit to Appropriate District Office
 State Lease - 6 copies
 Fee Lease - 5 copies
DISTRICT I
 P.O. Box 1980, Hobbs, NM 88240
DISTRICT II
 P.O. Drawer DD, Artesia, NM 88210
DISTRICT III
 1000 Rio Brazos Rd., Aztec, NM 87410

State of New Mexico
 Energy, Minerals and Natural Resources Department

Form C-105
 Revised 1-1-89

OIL CONSERVATION DIVISION
 P.O. Box 2088
 Santa Fe, New Mexico 87504-2088

WELL API NO. 30-025-36297
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>
6. State Oil & Gas Lease No. 32394

WELL COMPLETION OR RECOMPLETION REPORT AND LOG							
1a. Type of Well: OIL WELL <input type="checkbox"/> GAS WELL <input type="checkbox"/> DRY <input checked="" type="checkbox"/> OTHER _____				7. Lease Name or Unit Agreement Name McKinley, C.T.			
b. Type of Completion: NEW WELL <input checked="" type="checkbox"/> WORK OVER <input type="checkbox"/> DEEPEN <input type="checkbox"/> PLUG BACK <input type="checkbox"/> DIFF RESVR <input type="checkbox"/> OTHER _____				8. Well No. 01			
2. Name of Operator Texland Petroleum, L.P.				9. Pool name or Wildcat Wildcat: Simpson			
3. Address of Operator 777 Main Street, Suite #3200, Fort Worth, TX 76102							
4. Well Location Unit Letter <u>F</u> : <u>1535'</u> Feet From The <u>North</u> Line and <u>2418'</u> Feet From The <u>West</u> Line Section <u>30</u> Township <u>18S</u> Range <u>38E</u> NMPM <u>Lea</u> County							
10. Date Spudded 06/16/2003	11. Date T.D. Reached 07/07/2003	12. Date Compl. (Ready to Prod.) 07/14/2003	13. Elevations (DF & RKB, RT, GR, etc.) 3654' GR	14. Elev. Casinghead			
15. Total Depth 7998'	16. Plug Back T.D.	17. If Multiple Compl. How Many Zones?	18. Intervals Drilled By Rotary Tools <u>X</u> Cable Tools	19. Producing Interval(s), of this completion - Top, Bottom, Name none			
21. Type Electric and Other Logs Run Three Detector Litho Density				22. Was Well Cored no			
23. CASING RECORD (Report all strings set in well)							
CASING SIZE	WEIGHT LB./FT.	DEPTH SET	HOLE SIZE	CEMENTING RECORD	AMOUNT PULLED		
13 3/8"	48#	450'	17 1/2"	90 sx P	800'		
8 5/8"	32#	3500'	11"		800' 97V		
4 1/2"	16.6#	8000'	7 7/8"	130 sx PP			
24. LINER RECORD				25. TUBING RECORD			
SIZE	TOP	BOTTOM	SACKS CEMENT	SCREEN	SIZE	DEPTH SET	PACKER SET
26. Perforation record (interval, size, and number)				27. ACID, SHOT, FRACTURE, CEMENT, SQUEEZE, ETC.			
				DEPTH INTERVAL		AMOUNT AND KIND MATERIAL USED	
28. PRODUCTION							
Date First Production		Production Method (Flowing, gas lift, pumping - Size and type pump)				Well Status (Prod. or Shut-in) Dry Hole (P&A'd)	
Date of Test	Hours Tested	Choke Size	Prod'n For Test Period	Oil - Bbl.	Gas - MCF	Water - Bbl.	Gas - Oil Ratio
Flow Tubing Press.	Casing Pressure	Calculated 24-Hour Rate	Oil - Bbl.	Gas - MCF	Water - Bbl.	Oil Gravity - API - (Corr.)	
29. Disposition of Gas (Sold, used for fuel, vented, etc.)						Test Witnessed By	
30. List Attachments Deviation Survey, C-103 Sundry Notice (P&A) and log							
31. I hereby certify that the information shown on both sides of this form is true and complete to the best of my knowledge and belief							
Signature <u>Susan Austin-Morse</u>		Printed Name <u>Susan Austin-Morse</u>		Title <u>Regulatory Analyst</u>		Date <u>08/19/2003</u>	

Ka

LIST OF OFFSET OPERATORS & SURFACE OWNERS

North Hobbs (Grayburg/San Andres) Unit
Well No. 131
API No. 30-025-07481
Letter L, Section 30, T-18-S, R-38-E
Lea County, New Mexico

Offset Operators

Occidental Permian Limited Partnership
P.O. Box 4294
Houston, TX 77210-4294

Saga Petroleum LLC
415 W. Wall, Suite 835
Midland, TX 79701

Rice Operating Company
122 West Taylor
Hobbs, NM 88240

Surface Owner

Occidental Permian Limited Partnership
P.O. Box 4294
Houston, TX 77210-4294

SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY	
<ul style="list-style-type: none"> ■ Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired. ■ Print your name and address on the reverse so that we can return the card to you. ■ Attach this card to the back of the mailpiece, or on the front if space permits. 	A. Received by (Please Print Clearly)	B. Date of Delivery
<p>1. Article Addressed to:</p> <p style="text-align: center;">Saga Petroleum LLC 415 W. Wall, Suite 835 Midland, TX 79701</p>	<p>C. Signature</p> <p>X <input type="checkbox"/> Agent <input type="checkbox"/> Addressee</p>	
<p>2. Article Number (Transfer from service label)</p>	<p>D. Is delivery address different from item 1? <input type="checkbox"/> Yes If YES, enter delivery address below: <input type="checkbox"/> No</p>	
PS Form 3811, March 2001	<p>3. Service Type</p> <p><input checked="" type="checkbox"/> Certified Mail <input type="checkbox"/> Express Mail <input type="checkbox"/> Registered <input checked="" type="checkbox"/> Return Receipt for Merchandise <input type="checkbox"/> Insured Mail <input type="checkbox"/> C.O.D.</p>	
Domestic Return Receipt	<p>4. Restricted Delivery? (Extra Fee) <input type="checkbox"/> Yes</p>	
102595-01-M-1424	<p>7001 0320 0002 0354 8193</p>	

SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY	
<ul style="list-style-type: none"> ■ Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired. ■ Print your name and address on the reverse so that we can return the card to you. ■ Attach this card to the back of the mailpiece, or on the front if space permits. 	A. Received by (Please Print Clearly)	B. Date of Delivery
<p>1. Article Addressed to:</p> <p style="text-align: center;">Rice Operating Company 122 West Taylor Hobbs, NM 88240</p>	<p>C. Signature</p> <p>X <input type="checkbox"/> Agent <input type="checkbox"/> Addressee</p>	
<p>2. Article Number (Transfer from service label)</p>	<p>D. Is delivery address different from item 1? <input type="checkbox"/> Yes If YES, enter delivery address below: <input type="checkbox"/> No</p>	
PS Form 3811, March 2001	<p>3. Service Type</p> <p><input checked="" type="checkbox"/> Certified Mail <input type="checkbox"/> Express Mail <input type="checkbox"/> Registered <input checked="" type="checkbox"/> Return Receipt for Merchandise <input type="checkbox"/> Insured Mail <input type="checkbox"/> C.O.D.</p>	
Domestic Return Receipt	<p>4. Restricted Delivery? (Extra Fee) <input type="checkbox"/> Yes</p>	
102595-01-M-1424	<p>7001 0320 0002 0354 8209</p>	

AFFIDAVIT OF PUBLICATION

State of New Mexico,
County of Lea.

I, KATHI BEARDEN

Publisher

of the Hobbs News-Sun, a newspaper published at Hobbs, New Mexico, do solemnly swear that the clipping attached hereto was published once a week in the regular and entire issue of said paper, and not a supplement thereof for a period.

of 1 weeks.
Beginning with the issue dated April 29 2005
and ending with the issue dated April 29 2005

Kathi Bearden

Publisher

Sworn and subscribed to before

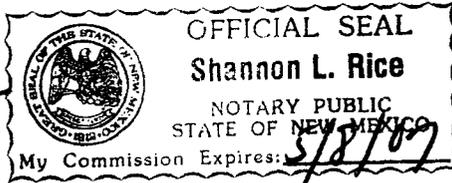
me this 29th day of

April 2005

[Signature]

Notary Public.

My Commission expires February 07, 2009
(Seal)



LEGAL NOTICE
April 29, 2005

Notice is hereby given of the application of Occidental Permian Limited Partnership, Attn: Mark Stephens, P.O. Box 4294, Rm. 19.013 - GRWY 5, Houston, TX 77210-4294 (713/366-5158), to the Oil Conservation Division, New Mexico Energy, Minerals and Natural Resources Department, for approval of the following injection wells (5 ea.) for the purpose of tertiary recovery:

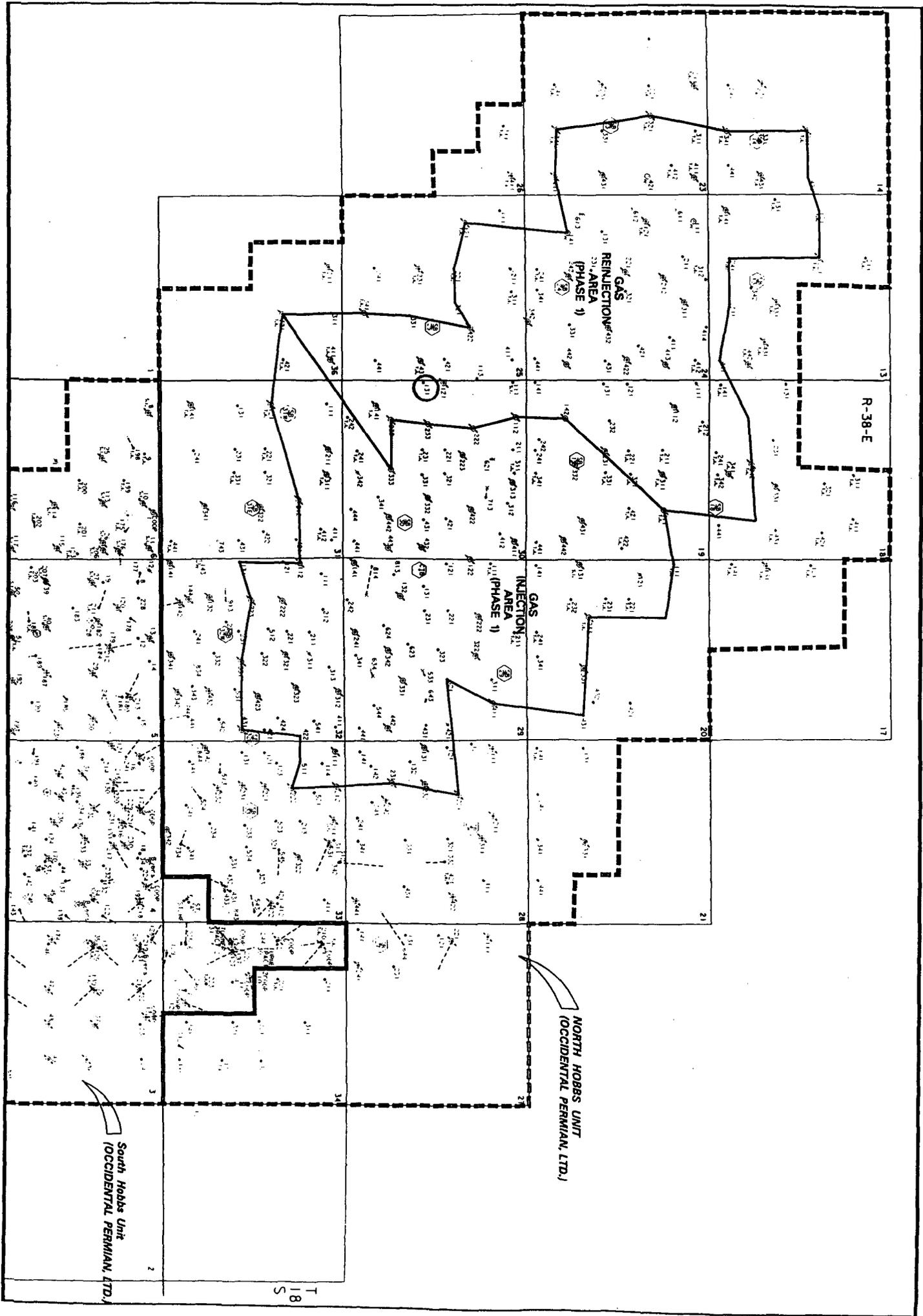
- Pool Name: Hobbs; Grayburg - San Andres
- Lease/Unit Name: North Hobbs G/SA Unit
- Well No. 131
- Loc: 2310' FSL & 330' FWL, Unit Letter L, Sec. 19, T-18-S, R-38-E, Lea Co., NM
- Well No. 441
- Loc: 990' FSL & 330' FEL, Unit Letter P, Sec. 25, T-18-S, R-37-E, Lea Co., NM
- Well No. 111
- Loc: 330' FNL & 330' FWL, Unit Letter D, Sec. 30, T-18-S, R-38-E, Lea Co., NM
- Well No. 131
- Loc: 2310' FSL & 330' FWL, Unit Letter L, Sec. 30, T-18-S, R-38-E, Lea Co., NM
- Well No. 242
- Loc: 200' FSL & 1400' FWL, Unit Letter N, Sec. 30, T-18-S, R-38-E, Lea Co. NM

The injection formation is the Hobbs; Grayburg - San Andres Pool Between the intervals of +/-3680' and +/-5300' below the surface of the ground. Expected maximum injection rate is 9000 B/D (water)/15,000 MCF/D (CO2 & produced gas), and the expected maximum injection pressure is approximately 1100 psi (water)/1250 psi (CO2)/1770 psi (CO2 & produced gas). Interested parties must file objections or requests for hearing with the Oil Conservation Division, 1220 S. St. Francis Dr., Santa Fe, NM 87505 within fifteen (15) days. #21482

This newspaper is duly qualified to publish legal notices or advertisements within the meaning of Section 3, Chapter 167, Laws of 1937, and payment of fees for said publication has been made.

02101173000 67530027
Occidental Permian Limited
P. O. Box 4294
Houston, TX 77210-4294

Exhibit 2.0 - Showing the location of Well No. 131 in the Phase 1 Gas Reinjection Area



NORTH HOBBS UNIT
(OCCIDENTAL PERMIAN LTD.)

South Hobbs Unit
(OCCIDENTAL PERMIAN LTD.)

T
18
S