

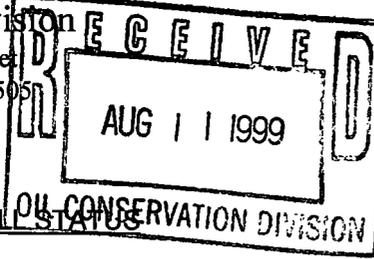
District I - (505) 393-6161
 1624 N. French Dr
 Hobbs, NM 88241-1980
 District II - (505) 748-1283
 811 S. First
 Artesia, NM 88210
 District III - (505) 334-6178
 1000 Rio Brazos Road
 Aztec, NM 87410
 District IV - (505) 827-7131

New Mexico
 Energy Minerals and Natural Resources Department

1122

Form C-142
 Date 06/99

Oil Conservation Division
 2040 South Pacheco Street
 Santa Fe, New Mexico 87505
 (505) 827-7131



SUBMIT ORIGINAL
 PLUS 2 COPIES
 TO THE SANTA FE
 OFFICE

APPLICATION FOR NEW WELL STATUS

I. Operator and Well

Operator name & address OXY USA Inc. P.O. Box 50250 Midland, TX 79710-0250							OGRID Number 16696		
Contact Party David Stewart							Phone 915-685-5717		
Property Name OXY Wallace State 24438					Well Number 3		API Number 30-015-30608		
UL L	Section 9	Township 17S	Range 27E	Feet From The 1800	North/South Line South	Feet From The 660	East/West Line West	County Eddy	

II. Date/Time Information

Spud Date 4/22/99	Spud Time 1430 hrs	Date Completed 5/23/99	Pool Undesignated Crow Flats Morrow
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- III. Attach copies of Form C-103 or Federal Form 3160-5 showing date/time of drilling commenced and Form C-105 or Federal Form 3160-4 showing well was completed as a producer.
 IV. Attach a list of all working interest owners with their percentage interests.
 V. AFFIDAVIT:

State of _____)
) Ss.
 County of _____)

David Stewart, being first duly sworn, upon oath states:

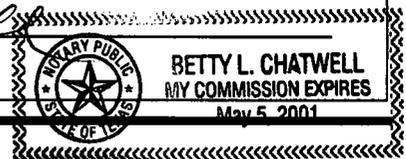
- I am the Operator, or authorized representative of the Operator, of the above-referenced well.
- To the best of my knowledge, this application is complete and correct.

Signature *David Stewart* Title Regulatory Analyst Date 8/2/99

SUBSCRIBED AND SWORN TO before me this 3rd day of August, 1999.

Betty L. Chatwell
 Notary Public

My Commission expires: 05-05-01



FOR OIL CONSERVATION DIVISION USE ONLY:

VI. CERTIFICATION OF APPROVAL:

This Application is hereby approved and the above-referenced well is designated a New Well. By copy hereof, the Division notifies the Secretary of the Taxation and Revenue Department of this Approval.

Signature <u><i>Mark P. Speer</i></u>	Title <u>P.E. Speer</u>	Date <u>AUG 12 1999</u>
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VII. DATE OF NOTIFICATION TO THE SECRETARY OF THE TAXATION AND REVENUE DEPARTMENT: AUG 16 1999

NOTICE: The operator must notify all working interest owners of this New Well certification.

PN2V2006249538

Submit 3 Copies
to Appropriate
District Office

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-103
Revised 1-1-89

DISTRICT I
P.O. Box 1980, Hobbs, NM 88240

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

DISTRICT II
P.O. Drawer DD, Artesia, NM 88210

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

NSL 4258

WELL API NO.	30-015-30608
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	OXY Wallace State
8. Well No.	3
9. Pool name or Wildcat	Unders. Crow Flats Morrow
10. Elevation (Show whether DP, RKB, RT, GR, etc.)	3369

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
OXY USA Inc. 16696

3. Address of Operator
P.O. Box 50250 Midland, TX 79710-0250

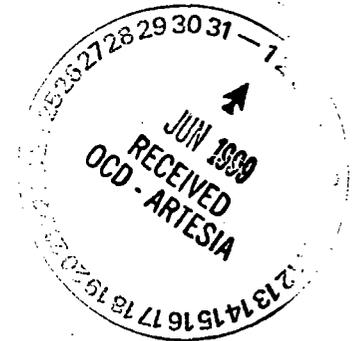
4. Well Location
Unit Letter L : 1800 Feet From The South Line and 660 Feet From The West Line
Section 9 Township 17S Range 27E NMPM Eddy County

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"/>	REMEDIAL WORK <input type="checkbox"/>
PLUG AND ABANDON <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input checked="" type="checkbox"/>
CHANGE PLANS <input type="checkbox"/>	PLUG AND ABANDONMENT <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	CASING TEST AND CEMENT JOB <input checked="" type="checkbox"/>
OTHER: _____ <input type="checkbox"/>	OTHER: _____ <input 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.

See other side



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

SIGNATURE David Stewart TITLE Regulatory Analyst DATE 5/26/99

TYPE OR PRINT NAME David Stewart TELEPHONE NO. 9156855717

(This space for State Use)

APPROVED BY Jim W. Seim TITLE District Supervisor DATE 6-2-99

CONDITIONS OF APPROVAL, IF ANY:

ATTACHMENT C-103
OXY USA INC.
OXY WALLACE STATE #3
SEC 9 T17S R27E
EDDY COUNTY, NM

NOTIFIED NMOCD 4/22/99, MIRU PETERSON #307, SPUD WELL @ 1430hrs MDT 4/22/99.
DRILL 12-1/4" HOLE, DRILL TO TD @ 1500' 4/23/99, CHC. RIH W/ 8-5/8" 32# CSG &
SET @ 1500'. M&P 720sx 35/65 POZ/C W/ 6% BETONITE + 1% CaCl₂ + 4#/sx GILSONITE
FOLLOWED BY 200sx Cl C CMT W/ 1% CaCl₂, DISP W/ FW, PLUG DOWN @ 0500hrs MDT
4/24/99, CIRCULATED 134sx TO PIT, WOC 18hrs. CUT OFF CSG & WELD ON WELLHEAD, NU
BOP, CHOKE MANIFOLD & HCR, RU SAFETY TEST & TEST TO 5000#, OK. TEST CSG TO 2500#,
OK. RIH & DO CMT, TEST CSG, OK, NMOCD NOTIFIED OF CSG/CMT JOB BUT DID NOT
WITNESS. DRILL AHEAD.

DRILL 7-7/8" HOLE TO 9100' 5/8/99, CIRC HOLE. RIH W/ OH LOGS. RIH W/ 5-1/2" 17#
CSG & SET @ 9100'. M&P 620sx 15:61:11 POZ/C/CSE W/ .5% FL-52 + .5% FL-25 + 8#/sx
GILSONITE FOLLOWED BY 75sx Cl C W/ .4% FL-25, DISP W/ FW, PLUG DOWN @ 1745hrs MDT
5/10/99. CEMENT DID NOT CIRCULATE, WOC. NMOCD WAS NOTIFIED BUT DID NOT WITNESS
ND BOP, SET SLIPS & CUT CSG. JET & CLEAN PITS, RELEASE RIG @ 2400hrs MDT 5/10/99.
SI WOCU.

District II
 1625 N. French Dr., Hobbs, NM 87240
 District III
 811 South First, Artesia, NM 87210
 District IV
 1000 Rio Brazos Rd., Aztec, NM 87410
 District V
 2040 South Pacheco, Santa Fe, NM 87505

OIL CONSERVATION DIVISION
 2040 South Pacheco
 Santa Fe, NM 87505

NSL 4258

WELL API NO.
 30-015-30608

5. Indicate Type of Lease
 STATE FEE

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 _____

7. Lease Name or Unit Agreement Name
 Oxy Wallace State

2. Name of Operator
 OXY USA Inc. 16696

8. Well No.
 3

3. Address of Operator
 P.O. BOX 50250 MIDLAND, TX 79710-0250

9. Pool name or Wildcat
 Undeg. Crow Flats Morrow

4. Well Location
 Unit Letter L : 1800 Feet From The South Line and 660 Feet From The West Line

Section 9 Township 17S Range 27E NMPM EDDY County

10. Date Spudded 4/22/99 11. Date T.D. Reached 5/18/99 12. Date Compl. (Ready to Prod.) 5/23/99 13. Elevations (DF& RKB, RT, GR, etc.) 3369' 14. Elev. Casinghead

15. Total Depth 9100' 16. Plug Back T.D. 9018' 17. If Multiple Compl. How Many Zones? 5 18. Intervals Drilled By Rotary Tools X Cable Tools

19. Producing Interval(s), of this completion - Top, Bottom, Name 8824 - 8848' Morrow 20. Was Directional Survey Made No

21. Type Electric and Other Logs Run DL-MLL-20L-GRL-CNL 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
8 5/8"	32#	1500'	12 1/4"	920st-Cink	N/A
5 1/2"	17#	9100'	7 7/8"	6955x-CBL-5640'	N/A

24. LINER RECORD

SIZE	TOP	BOTTOM	SACKS CEMENT	SCREEN	25. TUBING RECORD
					SIZE: <u>2 3/8"</u> DEPTH SET: <u>8793'</u> PACKER SET: <u>8777'</u>

26. Perforation record (interval, size, and number)
45PF @ 8824 - 29, 8836 - 8848'
 Total 76 holes

27. ACID, SHOT, FRACTURE, CEMENT, SQUEEZE, ETC.
 DEPTH INTERVAL AMOUNT AND KIND MATERIAL USED

28. PRODUCTION

Date First Production 5/23/99 Production Method (*Flowing, gas lift, pumping - Size and type pump*) Flowing Well Status (*Prod. or Shut-in*) Prod.

Date of Test	Hours Tested	Choke Size	Prod'n For Test Period	Oil - Bbl	Gas - MCF	Water - Bbl.	Gas - Oil Ratio
<u>7/6/99</u>	<u>24</u>	<u>Open</u>		<u>106</u>	<u>16168</u>	<u>0</u>	

Flow Tubing Press.	Casing Pressure	Calculated 24-Hour Rate	Oil - Bbl.	Gas - MCF	Water - Bbl.	Oil Gravity - API - (Corr.)
<u>1100</u>	<u>-</u>		<u>106</u>	<u>16168</u>	<u>0</u>	<u>60.7</u>

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

30. List Attachments
C103, C104, C122, Dev. Surv, Logs

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

Signature David Stewart Printed Name DAVID STEWART Title REGULATORY ANALYST Date 8/3/99

INSTRUCTIONS

This form is to be filed with the appropriate District Office of the Division not later than 20 days after the completion of any newly-drilled or deepened well. It shall be accompanied by one copy of all electrical and radio-activity logs run on the well and a summary of all special tests conducted, including drill stem tests. All depths reported shall be measured depths. In the case of directionally drilled wells, true vertical depths shall also be reported. For multiple completions, items 25 through 29 shall be reported for each zone. The form is to be filed in quintuplicate except on state land, where six copies are required. See Rule 1105.

INDICATE FORMATION TOPS IN CONFORMANCE WITH GEOGRAPHICAL SECTION OF STATE

Southeastern New Mexico

T. Anhy _____	T. Canyon _____
T. Salt _____	T. Strawn <u>8254'</u>
B. Salt _____	T. Atoka <u>8526'</u>
T. Yates _____	T. Miss _____
T. 7 Rivers _____	T. Devonian _____
T. Queen <u>1302'</u>	T. Silurian _____
T. Grayburg _____	T. Montoya _____
T. San Andres _____	T. Simpson _____
T. Glorieta <u>3104'</u>	T. McKee _____
T. Paddock _____	T. Ellenburger _____
T. Blinebry _____	T. Gr. Wash _____
T. Tubb <u>4094'</u>	T. Delaware Sand _____
T. Drinkard _____	T. Bone Springs _____
T. Abo <u>4767'</u>	T. Morrow <u>8718'</u>
T. Wolfcamp <u>5980'</u>	T. _____
T. Penn <u>7164'</u>	T. _____
T. Cisco (Bough C) _____	T. _____

Northwestern New Mexico

T. Ojo Alamo _____	T. Penn. "B" _____
T. Kirtland-Fruitland _____	T. Penn. "C" _____
T. Pictured Cliffs _____	T. Penn. "D" _____
T. Cliff House _____	T. Leadville _____
T. Menefee _____	T. Madison _____
T. Point Lookout _____	T. Elbert _____
T. Mancos _____	T. McCracken _____
T. Gallup _____	T. Ignacio Otzte _____
Base Greenhorn _____	T. Granite _____
T. Dakota _____	T. _____
T. Morrison _____	T. _____
T. Todilto _____	T. _____
T. Entrada _____	T. _____
T. Wingate _____	T. _____
T. Chinle _____	T. _____
T. Permian _____	T. _____
T. Penn "A" _____	T. _____

OIL OR GAS SANDS OR ZONES

No. 1, from.....to.....
 No. 2, from.....to.....
 No. 3, from.....to.....
 No. 4, from.....to.....

IMPORTANT WATER SANDS

Include data on rate of water inflow and elevation to which water rose in hole.
 No. 1, from.....to.....feet.....
 No. 2, from.....to.....feet.....
 No. 3, from.....to.....feet.....

LITHOLOGY RECORD (Attach additional sheet if necessary)

From	To	Thickness In Feet	Lithology
0	68	68	Surface Rock
68	1158	1090	Anhyd.
1158	1766	608	Anhy, dolom, sdstr
1766	4767	3001	dolom. sdstr.
4767	5980	1213	shale, dolom
5980	7164	1184	Limest, shale, chert
7164	8254	1090	Shale, Limest, Chert
8254	8526	272	Limest, shale
8526	8718	192	Limest, sandst, shale
8718	8896	178	Sandst, shale, Limest
8896	9033	137	shale
9033	9100	67	Limest

ATTACHMENT C-142

OXY USA INC.

OXY WALLACE STATE #3

WORKING INTEREST OWNERS

ANDREWS & CORKRAN, LLC	2.8125
CHI ENERGY, INC.	5.0000
CONCHO RESOURCES, INC.	50.0000
McCOMBS ENERGY, LLC	19.6875
OXY USA INC.	<u>22.5000</u>
	100.0