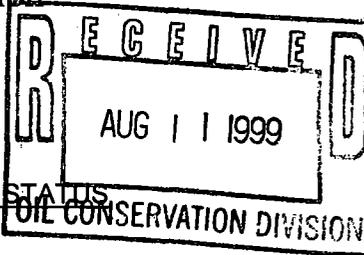


Energy Minerals and Natural Resources Department

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

District I - (505) 393-6161
1625 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

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 Papa Bear State 24107
Well Number: 1
API Number: 30-015-30546
UL Section Township Range Feet From The North/South Line Feet From The East/West Line County
K 7 17S 28E 1980 South 1980 West Eddy

II. Date/Time Information

Spud Date: 3/18/99 Spud Time: 0300 hrs Date Completed: 5/28/99 Pool: Undesignated Crow Flats Morrow

- 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:

Affidavit section with handwritten entries: State of TEXAS, County of MIDLAND, David Stewart, being first duly sworn, upon oath states: 1. I am the Operator... 2. To the best of my knowledge... Signature: David Stewart, Title: Regulatory Analyst, Date: 8/4/99. Notary Public: Betty L. Chatwell, My Commission expires: 050501.

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: Marko Bahlmy, Title: P.E. Speer, Date: AUG 12 1999

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.

PNZV2006249897

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

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

WELL API NO. 30-018-30546

5. Indicate Type of Lease STATE [X] FEE []

6. State Oil & Gas Lease No. VB-511

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.)

7. Lease Name or Unit Agreement Name OXY Papa Bear State

1. Type of Well: OIL WELL [] GAS WELL [X] OTHER []

8. Well No. 1

2. Name of Operator OXY USA Inc. 16696

9. Pool name or Wildcat Unders. Crow Flats Morrow

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

4. Well Location Unit Letter K : 1980 Feet From The South Line and 1980 Feet From The West Line Section 7 Township 17S Range 28E NMPM Eddy County

10. Elevation (Show whether DF, RKB, RT, GR, etc.) 3463'

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 [], PULL OR ALTER CASING [], OTHER []. SUBSEQUENT REPORT OF: REMEDIAL WORK [], ALTERING CASING [], COMMENCE DRILLING OPNS. [X], PLUG AND ABANDONMENT [], CASING TEST AND CEMENT JOB [X], OTHER [].

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

- 1) 18 Hrs WOC is required on Water Protection
2) Please follow 107 CHS Option 2 if applicable



Brigitte Stewart

I hereby certify that the information above is true and complete to the best of my knowledge and belief. SIGNATURE [Signature] TITLE Regulatory Analyst DATE 3/25/99 TYPE OR PRINT NAME David Stewart TELEPHONE NO. 9156855717

(This space for State Use) ORIGINAL SIGNED BY TIM W. GUM DISTRICT II SUPERVISOR APPROVED BY [Signature] TITLE DATE 4-8-99

CONDITIONS OF APPROVAL, IF ANY:

ATTACHMENT C-103

OKY USA INC.

OKY PAPA BEAR STATE #1

SEC 7 T17S R28E

EDDY COUNTY, NM

MIRU AUGER AIR DRLG 1/31/98, DRILL 26" HOLE TO 40', RIH & 40' 20" CONDUCTOR PIPE, CMT W/ READY-MIX, RD AUGER AIR DRLG 1/31/98, SI WO DRLG RIG.

NOTIFIED NMOCD 3/17/99 OF SPUD. MIRU PETERSON #8, SPUD WELL @ 0300hrs MST 3/18/99. DRILL 17-1/2" HOLE, LOST RETURNS @ 65', M&P LCM PILL W/O SUCCESS, DRY DRILL TO TD @ 400', 3/18/99. RIH W/ 13-3/8" 48# H40 CSG & SET @ 400'. M&P 200sx CL H W/ 10% HNB + 10#/sx GILSONITE + .25#/sx CELLOFLAKE + 1% CaCl₂, FOLLOWED BY 160sx 35:65 POZ/C W/ 6% BENTONITE + .005% STATIC FREE + 2% CaCl₂ + .25#/sx CELLOFLAKE + .005 FP-6L FOLLOWED BY 200sx CL C W/ .005% STATIC FREE + .005% FP-6L + 2% CaCl₂, DISP W/ FW, PLUG DOWN @ 2130hrs MST 3/18/99, NO CIRCULATION DURING JOB, WOC 4hrs. RIH W/ 1" & TAG @ 98', M&P 120sx CL C W/ 2% CaCl₂, CIRC 15sx CMT TO PIT, WOC 8hrs. NMOCD NOTIFIED BUT DID NOT WITNESS. CUT OFF CASING, WELD ON STARTING HEAD, TEST TO 500#, OK. NU BOP & TEST TO 500#, OK. RIH & TAG, DRILL OUT & DRILL AHEAD.

DRILL 11" HOLE TO TD @ 2105' 3/22/99 & RUN FLUID CALIPER, POOH. RIH W/ 8-5/8" 24# K55 CSG & SET @ 2105'. M&P 580sx 65:35 C/POZ W/ 6% BENTONITE + .005% STATIC FREE + 2% CaCl₂ + .25#/sx CELLOFLAKE + 5#/sx GILSONITE + .005 FP-6L FOLLOWED BY 200sx CL C W/ .005% STATIC FREE + .005gps FP-6L + 2% CaCl₂, DISP /FW, PLUG DOWN @ 2230hrs MST 3/2/99, CIRCULATE 200sx CMT TO PIT, WOC 8hrs. CUT OFF CSG, NU BOP & CHOKE MANIFOLD, RU SAFETY TEST & TEST TO 5000#, OK. TEST HYDRILL TO 3000#, OK, TEST MUD LINES & CSG TO 2500#, OK. RIH & DO CMT, TEST CSG, OK, NMOCD NOTIFIED OF CSG/CMT JOB & BOP TEST, BUT DID NOT WITNESS. DRILL AHEAD.

Submit To Appropriate District Office
 State Lease - 6 copies
 Fee Lease - 5 copies
 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-105
 Revised March 25, 1999

OIL CONSERVATION DIVISION
 2040 South Pacheco
 Santa Fe, NM 87505

WELL API NO.
 30-015- 30546

5. Indicate Type of Lease
 STATE FEE

State Oil & Gas Lease No.
 VB-511

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
 OXY USA Inc. 16696

7. Lease Name or Unit Agreement Name
 Oxy Papa Bear State

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

8. Well No.
 1

9. Pool name or Wildcat
 Undsg. Crow Flats Morrow

4. Well Location
 Unit Letter K 1980 Feet From The South Line and 1980 Feet From The West Line

Section 7 Township 17S Range 28E NMPM EDDY County _____

10. Date Spudded 3/17/99 11. Date T.D. Reached 4/9/99 12. Date Compl. (Ready to Prod.) 5/28/99 13. Elevations (DF& RKB, RT, GR, etc.) 3463' 14. Elev. Casinghead _____

15. Total Depth 9760' 16. Plug Back T.D. 9731' 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
Morrow 9225-9662' 20. Was Directional Survey Made No

21. Type Electric and Other Logs: Run
DLL-MLL-CZDL-CNL-GRL 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 7/8"	48#	400'	17 1/2"	680yx - Surf.	N/A
8 7/8"	24#	2105'	11"	780yx - Circ	N/A
4 1/2"	11.6#	9760'	7 7/8"	495yx - CBL-TSD	N/A

24. LINER RECORD

SIZE	TOP	BOTTOM	SACKS CEMENT	SCREEN

25. TUBING RECORD

SIZE	DEPTH SET	PACKER SET
2 3/8"	9189'	9176'

26. Perforation record (interval, size, and number)
4SPF @ 9225-9238' , Total 56 holes
6SPF @ 9652-9662' , Total 60 holes

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

28. PRODUCTION

Date First Production 5/28/99 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
7/30/99	24	16/64		4	505	0	

Flow Tubing Press.	Casing Pressure	Calculated 24-Hour Rate	Oil - Bbl.	Gas - MCF	Water - Bbl.	Oil Gravity - API - (Corr.)
450			4	505	0	

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

30. List Attachments
C103, C104, Dev. Sur, PBU, 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 8/4/99

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

Northwestern New Mexico

T. Anhy _____
 T. Salt _____
 B. Salt _____
 T. Yates _____
 T. 7 Rivers _____
 T. Queen _____
 T. Grayburg _____
 T. San Andres _____
 T. Glorieta 3957'
 T. Paddock _____
 T. Blinbry _____
 T. Tubb 4474'
 T. Drinkard _____
 T. Abo 5178'
 T. Wolfcamp 6305'
 T. Penn 7578'
 T. Cisco (Bough C) _____

T. Canyon _____
 T. Strawn 8805'
 T. Atoka 9041'
 T. Miss _____
 T. Devonian _____
 T. Silurian _____
 T. Montoya _____
 T. Simpson _____
 T. McKee _____
 T. Ellenburger _____
 T. Gr. Wash _____
 T. Delaware Sand _____
 T. Bone Springs _____
 T. Morrow 9211'
 T. _____
 T. _____
 T. _____

T. Ojo Alamo _____
 T. Kirtland-Fruitland _____
 T. Pictured Cliffs _____
 T. Cliff House _____
 T. Menefee _____
 T. Point Lookout _____
 T. Mancos _____
 T. Gallup _____
 Base Greenhorn _____
 T. Dakota _____
 T. Morrison _____
 T. Todilto _____
 T. Entrada _____
 T. Wingate _____
 T. Chinle _____
 T. Permian _____
 T. Penn "A" _____

T. Penn. "B" _____
 T. Penn. "C" _____
 T. Penn. "D" _____
 T. Leadville _____
 T. Madison _____
 T. Elbert _____
 T. McCracken _____
 T. Ignacio Otzte _____
 T. Granite _____
 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	400	400	Surface Rock, Redbeds
400	2105	1705	Anhyd.
2105	3957	1852	Dolomite, Anhyd.
3957	4474	517	Dolomite, sandst.
4474	5178	704	Dolan, sandst, shale
5178	6305	1127	Dolomite, shale
6305	7578	1273	Limest, shale, chert
7578	8805	1227	Shale, Limest, chert
8805	9041	236	Limest, shale, chert
9041	9211	170	Shale, Limest, Sandst, chert
9211	9518	307	Sandst, shale, Limest
9518	9710	192	Shale
9710	9760	50	Limest.

ATTACHMENT C-142

OXY USA INC.

OXY PAPA BEAR STATE #1

WORKING INTEREST OWNERS

ABO PETROLEUM CORP.	1.22651
ANDREWS & CORKRAN, LLC	3.03938
RICHARD K. BARR	7.28735
FINA OIL & CHEMICAL CO.	24.5301
MCCOMBS ENERGY, LLC	21.27569
MYCO INDUSTRIES, INC.	1.22651
OXY USA INC.	24.31507
SCOTT E. WILSON	7.28735
YATES DRILLING CO.	1.22651
YATES PETROLEUM CORP.	<u>8.58553</u>
	100.0