

ABOVE THIS LINE FOR DIVISION USE ONLY

RECEIVED NEW MEXICO OIL CONSERVATION DIVISION - Engineering Bureau -



2010 AUG 26 1220 South St. Francis Drive, Santa Fe, NM 87505

OXY  
Lost Tank 3 Fed #19

ADMINISTRATIVE APPLICATION CHECKLIST 30-015-37952

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]

6248

- [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.~~

David Stewart  
Print or Type Name

*[Signature]*  
Signature

Sr. Res. Analyst  
Title

8/29/10  
Date

dauid\_stewart@oxy.com  
e-mail Address

OXY USA Inc.  
Lost Tank 3 Fed. #19



**OXY USA Inc.**

PO Box 50250  
Midland, TX 79710-0250

August 24, 2010

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

Attention: Richard Ezeanyim

Re: ***Application for Administrative Approval of Non-Standard Location –  
Lost Tank Delaware, West  
Lost Tank 3 Federal #19  
Surface/Penetration Point – 2558 FNL 185 FWL Ut E – Sec 3 T22S R31E  
Bottom Hole –549 FSL 661 FWL Ut M – Sec 3 T22S R31E  
Eddy County, New Mexico***

Dear Mr. Ezeanyim:

OXY USA Inc. respectfully requests administrative approval under Rule 104 (F) of this application for the subject non-standard well location on the Lost Tank 3 Federal #19. The #19 well is proposed in the Delaware with a TVD of 8100'. The kickoff point for the well is at approximately 4200' and the top of the Delaware formation is expected at 4035', which is above the kickoff point. The wellbore will not be orthodox at either the top of the Delaware or when it penetrates the Delaware Brushy Canyon reservoir. The non-standard location is necessary for reasons of potash surface restrictions and topography, as required by the BLM.

The #19 encroaches on the 40-acre spacing units of E,L,M-Sec 3, H,I-Sec 4 of T23S R31E. All of the interest owners have joined in the drilling of the #3 and waivers have been attached from affected parties.

To support this request, the following information has been submitted for your review:

1. Application for Permit to Drill.
2. NMOCD C-102 Plat for the proposed well with offsetting well and affected spacing units.
3. List of affected offset parties that adjoin the non-standard well and the spacing unit being encroached upon, along with a copy of the certified returned receipts and signed waivers. Copies of the signed certified receipts will be furnished upon request.
4. Proposed Directional Survey

If you need any additional information, please call me at 432-685-5717.

Sincerely,

David Stewart  
Sr. Regulatory Analyst  
OXY USA Inc.

Attachments

CC: NMOCD-Artesia, BLM-Carlsbad, Service List

R-111-POTASH

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

RECEIVED  
OCD Artesia  
JUN 22 2010  
NM/OCD ARTESIA

ATS-08-503 AM  
FORM APPROVED  
OMB NO. 1004-0136  
Expires: November 30, 2000

APPLICATION FOR PERMIT TO DRILL OR REENTER

1a. Type of Work <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		5. Lease Serial No NMNM0417696	
1b. Type of Well <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other <input checked="" type="checkbox"/> Single Zone <input type="checkbox"/> Multiple Zone		6. If Indian, Allottee or Tribe Name	
2. Name of Operator OXY USA Inc.		7. Unit or CA Agreement Name and No.	
3a. Address P.O. Box 50250 Midland, TX 79710-0250		8. Lease Name and Well No. <b>(304875)</b> Lost Tank 3 Federal # 19	
3b. Phone No. (include area code) 16696 432-685-5717		9. API Well No. 30-015-37952	
4. Location of Well (Report location clearly and in accordance with any State requirements)* At surface <b>2558 FNL 185 FWL SWNW (E)</b> At proposed prod. zone <b>549 FSL 661 FWL SWSW (M)</b>		10. Field and Pool, or Exploratory <input checked="" type="checkbox"/> Lost Tank Delaware, West <b>(196582)</b>	
14. Distance in miles and direction from nearest town or post office* 20 miles northeast from Loving, NM		11. Sec., T., R., M., or Blk. and Survey or Area Sec 3 T22S R31E	
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drg unit line, if any) 185'	16. No. of Acres in lease 640	17. Spacing Unit dedicated to this well 40	
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. 50'	19. Proposed Depth 875' 8070' 8800' m 9100' U	20. BLM/BIA Bond No. on file ES0136	
21. Elevations (Show whether DF, KDB, RT, GL, etc) 3466.1' GL	22. Approximate date work will start* 1/10	23. Estimated duration 45	

UNORTHODOX LOCATION

24. Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1, shall be attached to this form:

- |  |  |
|--|--|
| 1. Well plat certified by a registered surveyor.   | 4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).    |
| 2. A Drilling Plan   | 5. Operator certification.   |
| 3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office) | 6. Such other site specific information and/or plans as may be required by the authorized officer. |

25. Signature <i>David Stewart</i>	Name (Printed/Typed) David Stewart	Date 6/16/09
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Title  
Sr. Regulatory Analyst

Approved by (Signature) <i>William Merhege</i>	Name (Printed/Typed) William Merhege	Date 6-17-10
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Title  
ACTING STATE DIRECTOR      NM STATE OFFICE

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon  
Conditions of approval, if any, are attached.

APPROVAL FOR TWO YEARS

Title 18 U.S.C Section 1001 and Title 43 U.S.C Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

\*(Instructions on Reverse)

Carlsbad Controlled Water Basin

*KZ*

SEE ATTACHED FOR  
CONDITIONS OF APPROVAL

OCD CONDITION OF APPROVAL of Drilling:  
Intent to drill ONLY --- CANNOT produce until the Non-Standard Location has been approved by OCD Santa Fe office

APPROVAL SUBJECT TO  
GENERAL REQUIREMENTS  
AND SPECIAL STIPULATIONS  
ATTACHED

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

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 October 12, 2005  
Submit to Appropriate District Office  
State Lease- 4 Copies  
Fee Lease- 3 Copies

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number <b>30-015-37942</b>	Pool Code <b>96582</b>	Pool Name <b>Lost Tank Delaware, West</b>
Property Code <b>301875</b>	Property Name <b>LOST TANK 3 FED.</b>	Well Number <b>19</b>
OGRID No. <b>16696</b>	Operator Name <b>OXY USA INC.</b>	Elevation <b>3466.1'</b>

Surface Location

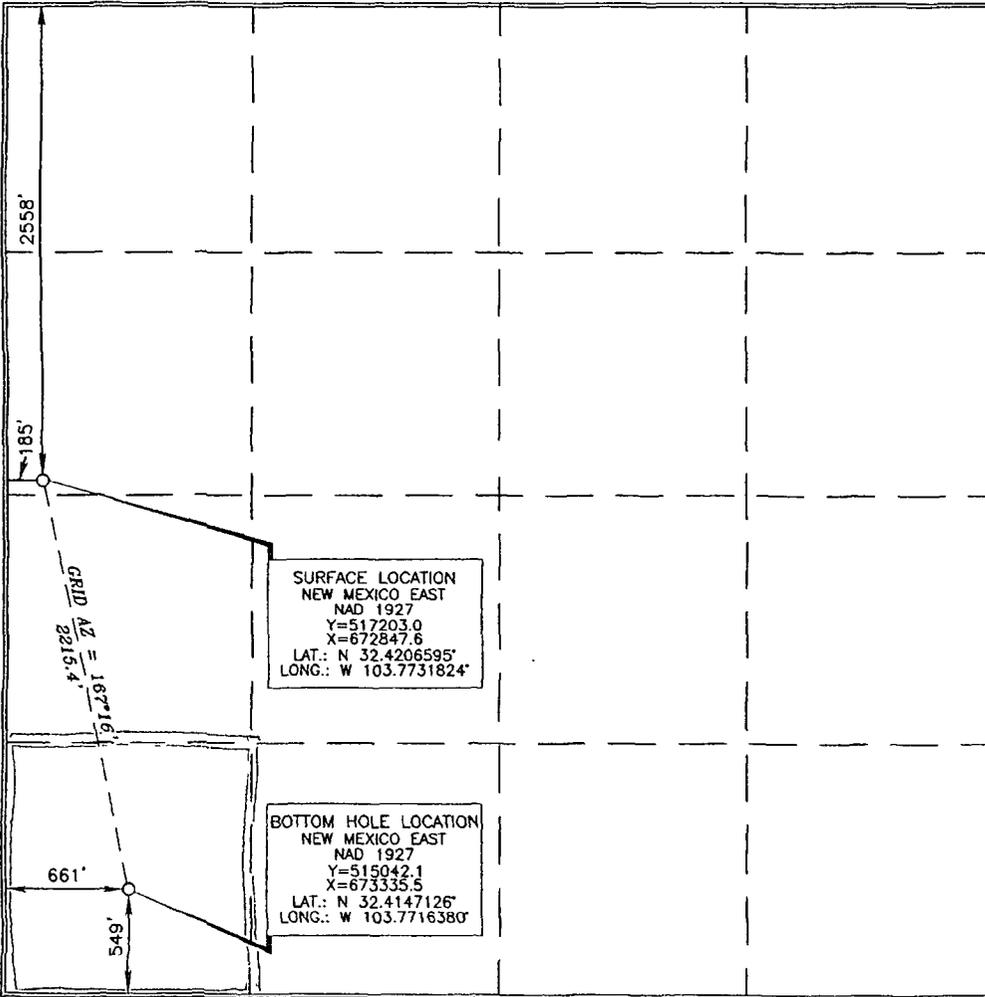
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
<b>E</b>	<b>3</b>	<b>22 SOUTH</b>	<b>31 EAST, N.M.P.M.</b>		<b>2558'</b>	<b>NORTH</b>	<b>185'</b>	<b>WEST</b>	<b>EDDY</b>

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
<b>M</b>	<b>3</b>	<b>22 SOUTH</b>	<b>31 EAST, N.M.P.M.</b>		<b>549'</b>	<b>SOUTH</b>	<b>661'</b>	<b>WEST</b>	<b>EDDY</b>

Dedicated Acres <b>40</b>	Joint or Infill <b>N</b>	Consolidation Code	Order No.
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No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.



**SURFACE LOCATION**  
NEW MEXICO EAST  
NAD 1927  
Y=517203.0  
X=672847.6  
LAT.: N 32.4206595°  
LONG.: W 103.7731824°

**BOTTOM HOLE LOCATION**  
NEW MEXICO EAST  
NAD 1927  
Y=515042.1  
X=673335.5  
LAT.: N 32.4147126°  
LONG.: W 103.7716380°

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.

*David Stewart*  
Signature Date

David Stewart  
Printed Name

SURVEYOR CERTIFICATION

I hereby certify that the well location shown on this plat was placed from field notes or actual surveys made by me or under my supervision and that the same is true and correct to the best of my belief.

**15079**  
APR 30 2009  
Date of Survey

Signature and Seal of Professional Surveyor

*Jerry Paul* 8/31/2009  
Certificate Number 15079

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

State of New Mexico  
Energy, Minerals & Natural Resources

Form C-102  
Revised October 12, 2005

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

Submit to Appropriate District Office  
State Lease - 4 Copies  
Fee Lease - 3 Copies

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

<sup>1</sup> API Number 30-015-37952	<sup>2</sup> Pool Code 96582	<sup>3</sup> Pool Name Lost Tank Delaware, West
<sup>4</sup> Property Code 304875	<sup>5</sup> Property Name Lost Tank 3 Federal	
<sup>7</sup> OGRID No. 16696	<sup>8</sup> Operator Name OXY USA Inc.	<sup>6</sup> Well Number 19
<sup>9</sup> Elevation 3466.1'		

<sup>10</sup> Surface Location

UL or lot no.	Section	Township	Range	Lot. Idn	Feet from the	North/South line	Feet from the	East/West line	County
E	3	22S	31E		2558	North	135	West	Eddy

<sup>11</sup> Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot. Idn	Feet from the	North/South line	Feet from the	East/West line	County
M	3	22S	31E		549	South	661	West	Eddy

<sup>12</sup> Dedicated Acres 640	<sup>13</sup> Joint or Infill Y	<sup>14</sup> Consolidation Code	<sup>15</sup> Order No.
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NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

<sup>16</sup> 4 Lost Tank 4 Federal OXY USA Inc. Conoco Phillips Co.		Lost Tank 3 Federal OXY USA Inc. Conoco Phillips Co.	<sup>3</sup>	<sup>17</sup> 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.
				Signature: <i>David Stewart</i> Date: 02/10
				Printed Name: Sr. Regulatory Analyst david.stewart@oxy.com
				<sup>18</sup> 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.
Date of Survey: Signature and Seal of Professional Surveyer:				Certificate Number

**Service List – NSL  
OXY USA Inc.  
Lost Tank 3 Federal #15, 19, 21  
Sec 3 T22S R31E**

United States Dept of Interior  
Bureau of Land Management  
620 E. Greene Street  
Carlsbad, NM 88220-6292

New Mexico Oil Conservation Division  
1301 W. Grand Ave.  
Artesia, NM 88210

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

**Affected Offset Parties:**

OXY USA Inc.  
P.O. Box 50250  
Midland, TX 79710

Conoco Phillips Co.  
Attn: Tom Scarbrough  
550 Westlake Park Blvd.  
Houston, TX 77252-2197



**OXY USA Inc.**

PO Box 50250  
Midland, TX 79710-0250

August 24, 2010

CERTIFIED MAIL – RETURN RECEIPT REQUESTED

Conoco Phillips Co.  
Attn: Tom Scarbrough  
550 Westlake Park Blvd.  
Houston, TX 77252-2197

Re: *Application for Administrative Approval of Non-Standard Location –  
Lost Tank Delaware, West  
Lost Tank 3 Federal #19  
Surface/Penetration Point – 2558 FNL 185 FWL Ut E – Sec 3 T22S R31E  
Bottom Hole –549 FSL 661 FWL Ut M – Sec 3 T22S R31E  
Eddy County, New Mexico*

Ladies and Gentlemen:

Enclosed is a copy of an application, filed with the New Mexico Oil Conservation Division by OXY USA Inc., requesting administrative approval under Rule 104 (F) of an unorthodox well location. As an affected party, notice is being provided to you pursuant to Rule 104 (F). The well is located in the SWNW/4 of Section 3 T22S R31E, Eddy County, NM. If you object to the well's location, you must notify the Division in writing no later than 20 days from the date the application is received by the NMOCD (1220 South St. Francis Drive, Santa Fe, NM 87505; Attention: Richard Ezeanyim).

If you need any additional information, please call me at 432-685-5717.

Sincerely,

David Stewart  
Sr. Regulatory Analyst  
OXY USA WTP LP

Attachments



**OXY USA Inc.**

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

ConocoPhillips Company  
550 Westlake Park Blvd.  
Houston, TX 77252-2197  
Attention: Tom Scarbrough

RE: **Lost Tank 3 Federal #19**  
2,558' FNL & 185' FWL (surface location) (SW NW)  
Section 3-22S-31E  
549' FSL & 661' FWL (bottom hole location) (SW SW)  
Section 3-22S-31E  
Eddy County, New Mexico

Gentlemen:

The surface location for the Lost Tank 3 Federal #19 well is located in the SW/4 NW/4 of Section 3-22S-31E, Eddy County, NM. The well will be drilled directionally to a bottom hole location in the SW/4 SW/4 of Section 3-22S-31E, Eddy County, NM. The well is at an unorthodox location where it penetrates portions of the Delaware formation.

The well will be drilled vertically to approximately 4,200' at which depth it will penetrate the top of the Delaware formation. The well will then be drilled directionally and penetrate the top of the objective Brushy Canyon A portion of the Delaware formation at a location approximately 860' FSL & 580' FWL of Section 3-22S-31E, Eddy County, NM.

OXY is filing an application with the New Mexico Oil Conservation Division (OCD) for administrative approval of this non-standard location (NSL). Your execution of this waiver will facilitate administrative approval of OXY's NSL application. OXY requests that you waive any protest or objection to the NSL for the referenced well.

Your favorable consideration and early reply will be appreciated. Please return a signed copy of this waiver letter to me at the address shown above.

Very truly yours,

OXY USA Inc.

Donna G Havins  
Land Negotiator  
Dir: (713) 215-7232  
Cell: (713) 202-7559  
Fax: (713) 985-1818  
email: donna\_havins@oxy.com

Based on the information provided herein, ConocoPhillips Company hereby waives any protest or objection to the non-standard location of the Lost Tank 3 Federal #19 well.

ConocoPhillips Company

By Robert N. Welch

Dated 7-29-10

TJS



Azimuths to Grid North  
 True North: -0.30°  
 Magnetic North: 7.60°

Magnetic Field  
 Strength 48920 9snT  
 Dip Angle: 60.39°  
 Date: 2009/08/27  
 Model IGRF200510



**Project: Eddy County, NM**  
**Site: Lost Tank 3 Federal Pad**  
**Well: Well #19**  
**Wellbore: OH**  
**Plan: Plan #1 (Well #19/OH)**

**WELL DETAILS: Well #19**

Ground Elevation: 3466.10  
 RKB Elevation: RKB to MSL @ 3482.60ft (Flex 4)  
 Rig Name: Flex 4

+N/-S	+E/-W	Northing	Easting	Latitude	Longitude	Slot
0.00	0.00	517203.00	672847.60	32° 25' 14.37390 N	103° 46' 23.45626 W	

**CASING DETAILS**

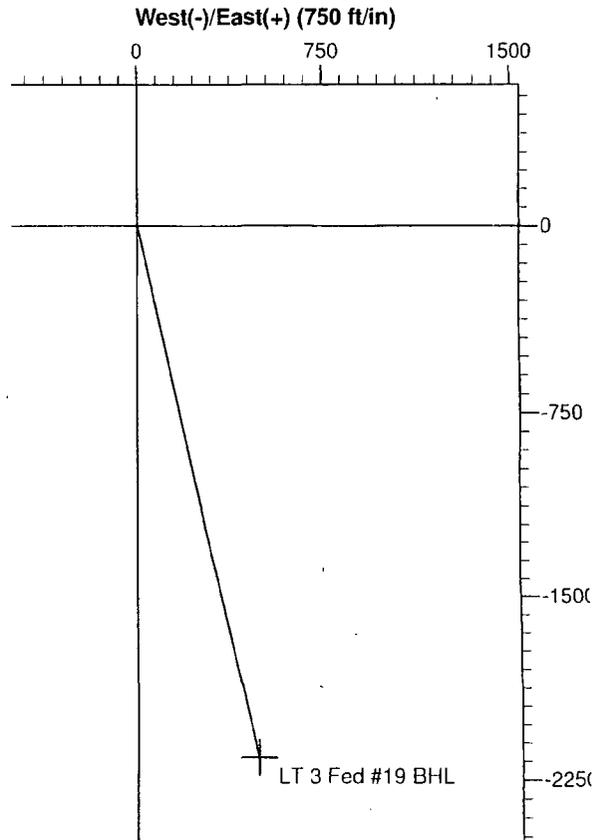
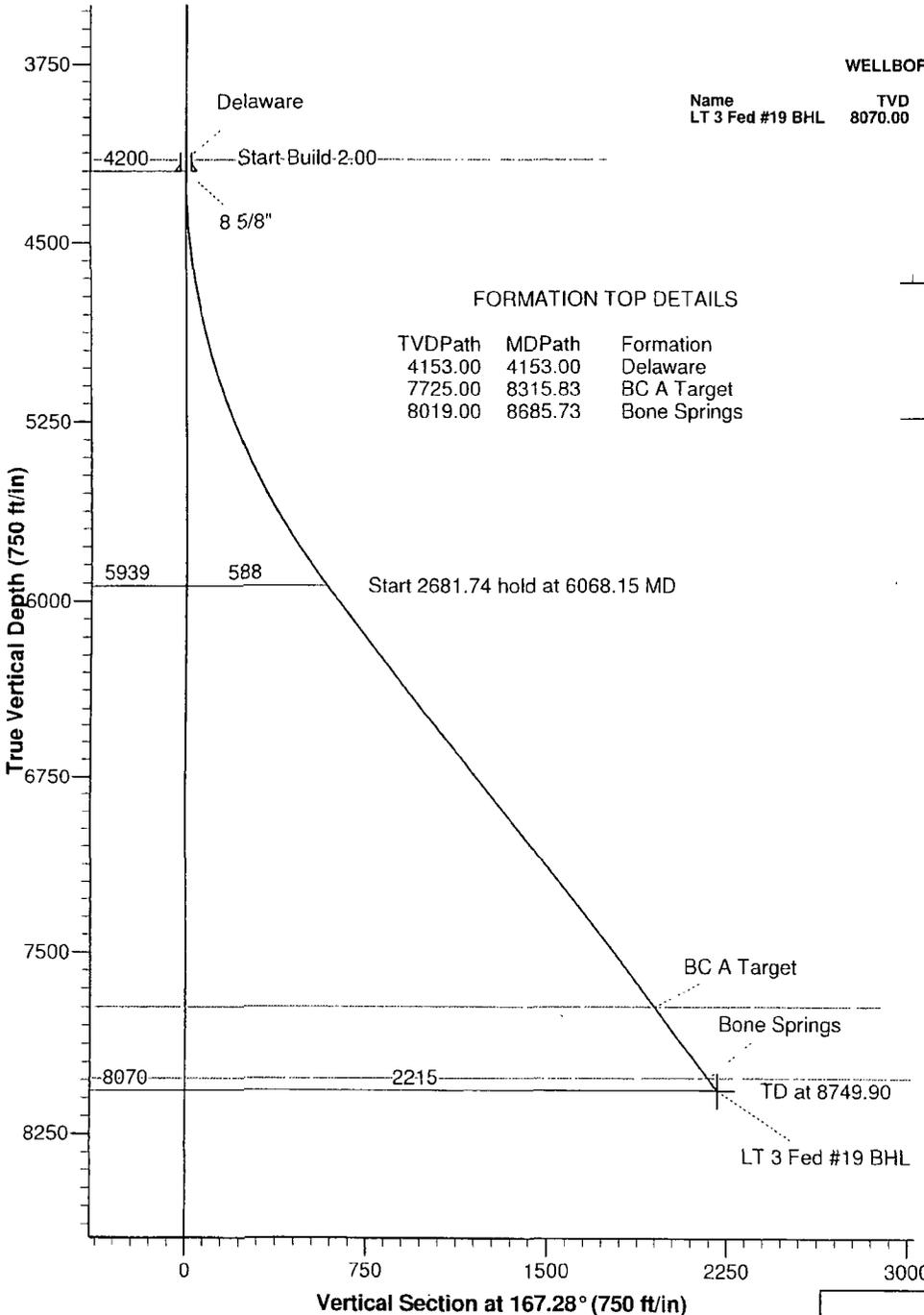
TVD	MD	Name	Size
4200.00	4200.00	8 5/8"	8-5/8

**SECTION DETAILS**

Sec	MD	Inc	Azi	TVD	+N/-S	+E/-W	DLeg	TFace	VSec	Target
1	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
2	4200.00	0.00	0.00	4200.00	0.00	0.00	0.00	0.00	0.00	
3	6068.15	37.36	167.28	5938.54	-573.41	129.47	2.00	167.28	587.84	
4	8749.90	37.36	167.28	8070.00	-2160.90	487.90	0.00	0.00	2215.30	LT 3 Fed #19 BHL

**WELLBORE TARGET DETAILS (MAP CO-ORDINATES)**

Name	TVD	+N/-S	+E/-W	Northing	Easting	Shape Point
LT 3 Fed #19 BHL	8070.00	-2160.90	487.90	515042.10	673335.50	



**PROJECT DETAILS: Eddy County, NM**  
 Geodetic System: US State Plane 1927 (Exact solution)  
 Datum: NAD 1927 (NADCON CONUS)  
 Ellipsoid: Clarke 1866  
 Zone: New Mexico East 3001

System Datum: Mean Sea Level  
 Local North: Grid



Company:	OXY Permiarian	Local Co-ordinate Reference:	Well Well #19
Project:	Eddy County, NM	TVD Reference:	RKB to MSL @ 3482.60ft (Flex 4)
Site:	Lost Tank 3 Federal Pad	MD Reference:	RKB to MSL @ 3482.60ft (Flex 4)
Well:	Well #19	North Reference:	Grid
Wellbore:	OH	Survey/Calculation Method:	Minimum Curvature
Design:	Plan #1	Database:	Landmark Network DB

Project:	Eddy County, NM	System Datum:	Mean Sea Level
Map System:	US State Plane 1927 (Exact solution)		
Geo Datum:	NAD 1927 (NADCON CONUS)		
Map Zone:	New Mexico East 3001		

Site:	Lost Tank 3 Federal Pad	Northing:	517,203.00 ft	Latitude:	32° 25' 14.37390 N
Site Position:	Map	Easting:	672,847.60 ft	Longitude:	103° 46' 23.45626 W
Position Uncertainty:	0.00 ft	Slot Radius:	"	Grid Convergence:	0.30 °

Well:	Well #19	Well Position	+N/-S	0.00 ft	Northing:	517,203.00 ft	Latitude:	32° 25' 14.37390 N	
		+E/-W	0.00 ft	Easting:	672,847.60 ft	Longitude:	103° 46' 23.45626 W	Ground Level:	3,466.10 ft
		Position Uncertainty	0.00 ft	Wellhead Elevation:	ft				

Wellbore:	OH	Magnetics:	Mode/Name:	Sample Date:	Declination:	Dip Angle:	Field Strength:
			IGRF200510	2009/08/27	7.90	60.39	48.921

Design:	Plan #1	Vertical Section:	Depth From (FVD)	+N/-S	+E/-W	Direction
			(ft)	(ft)	(ft)	(°)
			0.00	0.00	0.00	167.28

Audit Notes:	Version:	Phase:	PLAN	Tie On Depth:	0.00
Survey Tool:	Program	Date	2009/08/27		
From:	To:	Survey/Wellbore:	FootName:	Description:	
(ft)	(ft)	(ft)			
0.00	8,749.90	Plan #1 (OH)	MWD	MWD - Standard	



Company:	OXY Permittan	Local Co-ordinate Reference:	Well Well #19
Project:	Eddy County, NM	TVD Reference:	RKB to MSL @ 3482.60ft (Flex 4)
Site:	Lost Tank 3 Federal Pad	MD Reference:	RKB to MSL @ 3482.60ft (Flex 4)
Well:	Well #19.	North Reference:	Grid
Wellbore:	OH	Survey Calculation Method:	Minimum Curvature
Design:	Plan #1	Database:	Landmark Network DB

Planned Survey	MD (ft)	Inc (ft)	AZI (ft)	TVD (ft)	TVSS (ft)	V-Sec (ft)	Northing (ft)	Easting (ft)	Dileg (\$/100ft)
Delaware	4,153.00	0.00	0.00	4,153.00	-670.40	0.00	517,203.00	672,847.60	0.00
	4,200.00	0.00	0.00	4,200.00	-717.40	0.00	517,203.00	672,847.60	0.00
	4,300.00	2.00	167.28	4,299.98	-817.38	1.75	517,201.30	672,847.98	2.00
	4,400.00	4.00	167.28	4,399.84	-917.24	6.98	517,196.19	672,849.14	2.00
	4,500.00	6.00	167.28	4,499.45	-1,016.85	15.69	517,187.69	672,851.06	2.00
	4,600.00	8.00	167.28	4,598.70	-1,116.10	27.88	517,175.80	672,853.74	2.00
	4,700.00	10.00	167.28	4,697.47	-1,214.87	43.52	517,160.55	672,857.19	2.00
	4,800.00	12.00	167.28	4,795.62	-1,313.02	62.60	517,141.93	672,861.39	2.00
	4,900.00	14.00	167.28	4,893.06	-1,410.46	85.10	517,119.99	672,866.34	2.00
	5,000.00	16.00	167.28	4,989.64	-1,507.04	110.98	517,094.75	672,872.04	2.00
	5,100.00	18.00	167.28	5,085.27	-1,602.67	140.21	517,066.23	672,878.48	2.00
	5,200.00	20.00	167.28	5,179.82	-1,697.22	172.77	517,034.47	672,885.65	2.00
	5,300.00	22.00	167.28	5,273.17	-1,790.57	208.60	516,999.52	672,893.54	2.00
	5,400.00	24.00	167.28	5,365.21	-1,882.61	247.67	516,961.41	672,902.15	2.00
	5,500.00	26.00	167.28	5,455.84	-1,973.24	289.93	516,920.18	672,911.46	2.00
	5,600.00	28.00	167.28	5,544.94	-2,062.34	335.33	516,875.90	672,921.45	2.00
	5,700.00	30.00	167.28	5,632.39	-2,149.79	383.81	516,828.61	672,932.13	2.00
	5,800.00	32.00	167.28	5,718.11	-2,235.51	435.31	516,778.38	672,943.47	2.00
	5,900.00	34.00	167.28	5,801.97	-2,319.37	489.77	516,725.25	672,955.47	2.00
	6,000.00	36.00	167.28	5,883.88	-2,401.28	547.13	516,669.31	672,968.10	2.00
	6,068.15	37.36	167.28	5,938.54	-2,455.94	587.84	516,629.59	672,977.07	2.00
	6,100.00	37.36	167.28	5,963.85	-2,481.25	607.17	516,610.74	672,981.32	0.00
	6,200.00	37.36	167.28	6,043.33	-2,560.73	667.85	516,551.55	672,994.69	0.00
	6,300.00	37.36	167.28	6,122.81	-2,640.21	728.54	516,492.35	673,008.05	0.00
	6,400.00	37.36	167.28	6,202.29	-2,719.69	789.22	516,433.15	673,021.42	0.00
	6,500.00	37.36	167.28	6,281.77	-2,799.17	849.91	516,373.96	673,034.79	0.00



PathFinder Energy Services  
Global X&Y Report



Company:	OXY Permian	Local Co-ordinate Reference:	Well Well #19
Project:	Eddy County, NM	TVD Reference:	RKB to MSL @ 3482.60ft (Flex 4)
Site:	Lost Tank 3 Federal Pad	MD Reference:	RKB to MSL @ 3482.60ft (Flex 4)
Well:	OH	North Reference:	Grid
Wellbore:	OH	Survey/Calculation Method:	Minimum Curvature
Design:	Plan #1	Database:	Landmark Network DB

MD (ft)	Inc (ft)	Azi (°)	TVD (ft)	(TVDSS) (ft)	V. Sec (ft)	Northing (ft)	Easting (ft)	(DLeg) (ft/100ft)
6,600.00	37.36	167.28	6,361.25	-2,878.65	910.60	516,314.76	673,048.15	0.00
6,700.00	37.36	167.28	6,440.73	-2,958.13	971.28	516,255.57	673,061.52	0.00
6,800.00	37.36	167.28	6,520.21	-3,037.61	1,031.97	516,196.37	673,074.88	0.00
6,900.00	37.36	167.28	6,599.69	-3,117.09	1,092.66	516,137.17	673,088.25	0.00
7,000.00	37.36	167.28	6,679.17	-3,196.57	1,153.34	516,077.98	673,101.61	0.00
7,100.00	37.36	167.28	6,758.65	-3,276.05	1,214.03	516,018.78	673,114.98	0.00
7,200.00	37.36	167.28	6,838.13	-3,355.53	1,274.72	515,959.58	673,128.35	0.00
7,300.00	37.36	167.28	6,917.61	-3,435.01	1,335.40	515,900.39	673,141.71	0.00
7,400.00	37.36	167.28	6,997.09	-3,514.49	1,396.09	515,841.19	673,155.08	0.00
7,500.00	37.36	167.28	7,076.57	-3,593.97	1,456.78	515,781.99	673,168.44	0.00
7,600.00	37.36	167.28	7,156.06	-3,673.46	1,517.46	515,722.80	673,181.81	0.00
7,700.00	37.36	167.28	7,235.54	-3,752.94	1,578.15	515,663.60	673,195.17	0.00
7,800.00	37.36	167.28	7,315.02	-3,832.42	1,638.84	515,604.41	673,208.54	0.00
7,900.00	37.36	167.28	7,394.50	-3,911.90	1,699.52	515,545.21	673,221.91	0.00
8,000.00	37.36	167.28	7,473.98	-3,991.38	1,760.21	515,486.01	673,235.27	0.00
8,100.00	37.36	167.28	7,553.46	-4,070.86	1,820.90	515,426.82	673,248.64	0.00
8,200.00	37.36	167.28	7,632.94	-4,150.34	1,881.58	515,367.62	673,262.00	0.00
8,300.00	37.36	167.28	7,712.42	-4,229.82	1,942.27	515,308.42	673,275.37	0.00
8,315.83	37.36	167.28	7,725.00	-4,242.40	1,951.87	515,299.05	673,277.48	0.00
<b>BC A Target:</b>								
8,400.00	37.36	167.28	7,791.90	-4,309.30	2,002.95	515,249.23	673,288.73	0.00
8,500.00	37.36	167.28	7,871.38	-4,388.78	2,063.64	515,190.03	673,302.10	0.00
8,600.00	37.36	167.28	7,950.86	-4,468.26	2,124.33	515,130.83	673,315.47	0.00
8,685.73	37.36	167.28	8,019.00	-4,536.40	2,176.36	515,080.08	673,326.92	0.00
<b>Bone Springs</b>								
8,700.00	37.36	167.28	8,030.34	-4,547.74	2,185.01	515,071.64	673,328.83	0.00



Company	OXY Permian	Local Co-ordinate Reference	Well Well #19
Project	Eddy County, NM	TVD Reference	RKB to MSL @ 3482.60ft (Flex 4)
Site	Lost Tank 3 Federal Pad	MD Reference	RKB to MSL @ 3482.60ft (Flex 4)
Well	Well #19	North Reference	Grid
Wellbore	OH	Survey/Calculation Method	Minimum Curvature
Design	Plan #1	Database	Landmark Network DB

Planned Survey									
MD	Inc	AZ	TVD	TVDSS	V. Sec	Northing	Easting	Dip	
(ft)	(°)	(°)	(ft)	(ft)	(ft)	(ft)	(ft)	(°/100ft)	
8,749.90	37.36	167.28	8,070.00	-4,587.40	2,215.30	515,042.10	673,335.50	0.00	
LT 3 Fed #19 BHL									

Targets									
Target Name	Dip Angle	Dip Dir	TVD	+N/-S	E/W	Northing	Easting	Latitude	Longitude
Shape	(°)	(°)	(ft)	(ft)	(ft)	(ft)	(ft)	(ft)	(ft)
LT 3 Fed #19 BHL	0.00	0.00	8,070.00	-2,160.90	487.90	515,042.10	673,335.50	32° 24' 52.96516 N	03° 46' 17.89685 W
- Plan hits target center									
- Point									

Formations									
Measured Depth	Vertical Depth	Name	Lithology	Dip	Dip Direction				
(ft)	(ft)			(°)	(°)				
8,315.83	7,725.00	BC A Target		0.00					
8,685.73	8,019.00	Bone Springs		0.00					
4,153.00	4,153.00	Delaware		0.00					

Checked By: \_\_\_\_\_ Approved By: \_\_\_\_\_ Date: \_\_\_\_\_

**SENDER: COMPLETE THIS SECTION**

- 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.

1. Article Addressed to:

STATE OF NEW MEXICO  
ENERGY & MINERALS DEPARTMENT  
OIL CONSERVATION DIVISION  
1220 SOUTH ST. FRANCIS DR.  
SANTA FE, NM 87505

**COMPLETE THIS SECTION ON DELIVERY**

A. Signature  Agent  
 Addressee

B. Received by (Printed Name) C. Date of Delivery

D. Is delivery address different from item 1?  Yes  
If YES, enter delivery address below:  No

3. Service Type  
 Certified Mail  Express Mail  
 Registered  Return Receipt for Merchandise  
 Insured Mail  C.O.D.

4. Restricted Delivery? (Extra Fee)  Yes

2. Article Number (Transfer from service label) 7005 0390 0002 9920 7856

PS Form 3811, February 2004 Domestic Return Receipt 102595-02-M-1540

**SENDER: COMPLETE THIS SECTION**

- 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.

1. Article Addressed to:

STATE OF NEW MEXICO  
ENERGY & MINERALS DEPARTMENT  
OIL CONSERVATION DIVISION  
1301 W. GRAND AVE.  
ARTESIA, NM 88210

**COMPLETE THIS SECTION ON DELIVERY**

A. Signature  Agent  
 Addressee

B. Received by (Printed Name) C. Date of Delivery

D. Is delivery address different from item 1?  Yes  
If YES, enter delivery address below:  No

3. Service Type  
 Certified Mail  Express Mail  
 Registered  Return Receipt for Merchandise  
 Insured Mail  C.O.D.

4. Restricted Delivery? (Extra Fee)  Yes

2. Article Number (Transfer from service label) 7005 0390 0002 9920 7863

PS Form 3811, February 2004 Domestic Return Receipt 102595-02-M-1540

**SENDER: COMPLETE THIS SECTION**

- 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.

1. Article Addressed to:

BLM  
620 E. Greene St.  
Carrizosa, NM 88820

**COMPLETE THIS SECTION ON DELIVERY**

A. Signature  Agent  
 Addressee

B. Received by (Printed Name) C. Date of Delivery

D. Is delivery address different from item 1?  Yes  
If YES, enter delivery address below:  No

3. Service Type  
 Certified Mail  Express Mail  
 Registered  Return Receipt for Merchandise  
 Insured Mail  C.O.D.

4. Restricted Delivery? (Extra Fee)  Yes

2. Article Number (Transfer from service label) 7005 0390 0002 9920 7870

PS Form 3811, February 2004 Domestic Return Receipt 102595-02-M-1540

**SENDER: COMPLETE THIS SECTION**

- 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.

1. Article Addressed to:

Conoco Phillips Co.  
ATTN: Tom Scarborough  
550 Westlake Park Blvd.  
Houston, TX 77252

**COMPLETE THIS SECTION ON DELIVERY**

A. Signature  Agent  
 Addressee

B. Received by (Printed Name) C. Date of Delivery

D. Is delivery address different from item 1?  Yes  
If YES, enter delivery address below:  No

3. Service Type  
 Certified Mail  Express Mail  
 Registered  Return Receipt for Merchandise  
 Insured Mail  C.O.D.

4. Restricted Delivery? (Extra Fee)  Yes

2. Article Number (Transfer from service label) 7005 0390 0002 9920 7887

PS Form 3811, February 2004 Domestic Return Receipt 102595-02-M-1540

**Brooks, David K., EMNRD**

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**From:** Brooks, David K., EMNRD  
**Sent:** Monday, August 30, 2010 11:51 AM  
**To:** 'David\_Stewart@oxy.com'  
**Subject:** Lost Tank 5 Fed #19; NSL Application

Dear Mr. Stewart

Neither of the C-102 forms attached to the referenced application designates a "project area" pursuant to Rule 16.7.I.

Is this a "directional" well that will be completed only in the SW/4 SW/4 of Section 3, or will it be a "horizontal" well that will be completed along the lateral portion of the wellbore. If it is a horizontal well, we will need a C-102 designating a project area.

Thanks  
David K. Brooks  
Legal Examiner

**Brooks, David K., EMNRD**

---

**From:** David\_Stewart@oxy.com  
**Sent:** Monday, August 30, 2010 12:13 PM  
**To:** Brooks, David K., EMNRD  
**Subject:** RE: Lost Tank 3 Fed #19; NSL Application  
**Attachments:** img-830114800-0001.pdf

This is a directional well in which the proposed producing interval will be completed in the SW/4SW/4. But due to the well being in the Potash area and where the BLM required us to stake the surface location, when the well is actually drilled part of the producing interval could also be in the NW/4SW/4. Please see attached for a copy of the amended C-102 that was filed with the District office designating the project/producing area for Section 3. If you need any additional information, please let me know and I appreciate your help.

Thanks,  
David Stewart  
Sr. Regulatory Analyst  
OXY Permian  
432-685-5717  
Fax-432-685-5742

---

**From:** Brooks, David K., EMNRD [mailto:david.brooks@state.nm.us]  
**Sent:** Monday, August 30, 2010 12:51 PM  
**To:** Stewart, David  
**Subject:** Lost Tank 5 Fed #19; NSL Application

Dear Mr. Stewart

Neither of the C-102 forms attached to the referenced application designates a "project area" pursuant to Rule 16.7.I.

Is this a "directional" well that will be completed only in the SW/4 SW/4 of Section 3, or will it be a "horizontal" well that will be completed along the lateral portion of the wellbore. If it is a horizontal well, we will need a C-102 designating a project area.

Thanks  
David K. Brooks  
Legal Examiner

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ATTN: David Brooks - 505-476-3462

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

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 October 12, 2005  
Submit to Appropriate District Office  
State Lease- 4 Copies  
Fee Lease- 3 Copies

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number <b>30-015-37952</b>	Pool Code <b>96582</b>	Pool Name <b>LOST TANK DELAWARE, WEST</b>
Property Code <b>304875</b>	Property Name <b>LOST TANK 3 FEDERAL</b>	
OCRID No. <b>16696</b>	Operator Name <b>OXY USA INC.</b>	Well Number : <b>19</b>
		Elevation

Surface Location

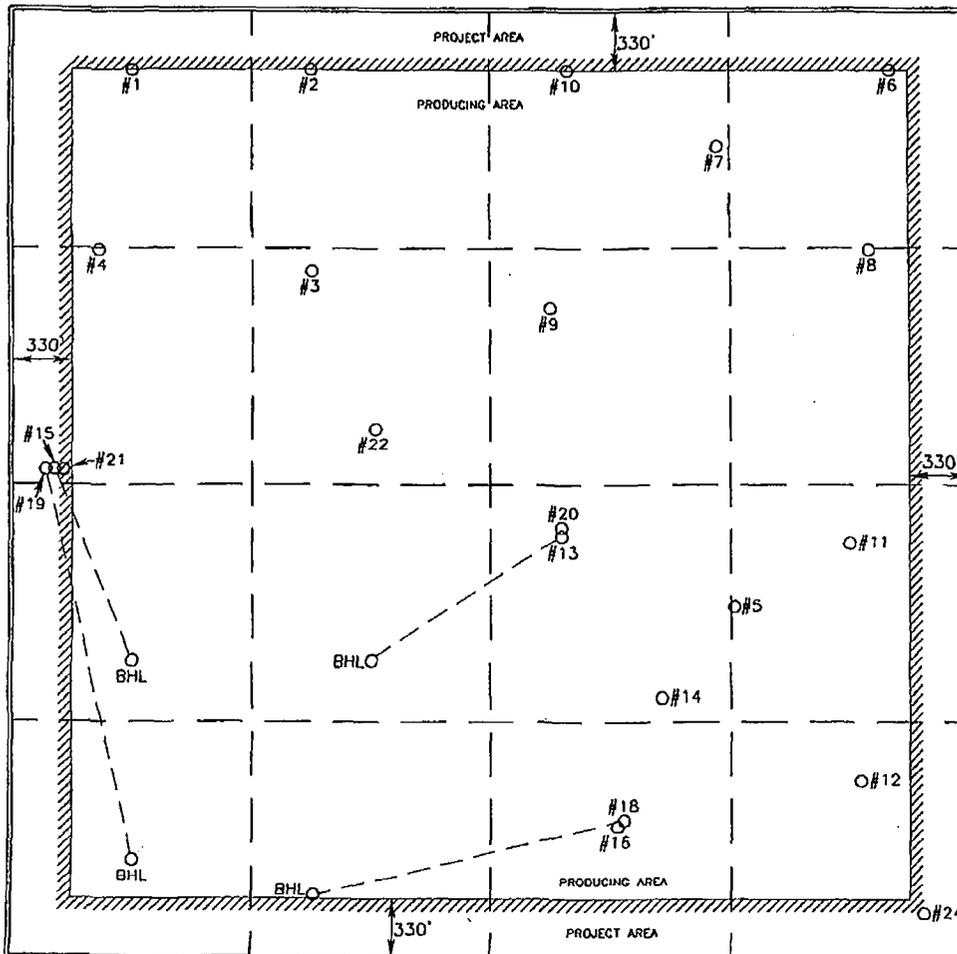
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
<b>E</b>	<b>3</b>	<b>22 SOUTH</b>	<b>31 EAST, N.M.P.M.</b>		<b>2553</b>	<b>North</b>	<b>185</b>	<b>west</b>	<b>EDDY</b>

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
<b>M</b>	<b>3</b>	<b>22S</b>	<b>31E</b>		<b>549</b>	<b>South</b>	<b>661</b>	<b>west</b>	<b>Eddy</b>

Dedicated Acres <b>640</b>	Joint or Infill <b>Y</b>	Consolidation Code	Order No. <b>NSL</b>
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No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.



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.

*David Stewart* 8/23/10  
Signature Date

David Stewart  
Printed Name  
david\_stewart@oxy.com

SURVEYOR CERTIFICATION

I hereby certify that the well location shown on this plat was plotted from field notes and actual surveys made by me or under my supervision and that the same is true and correct to the best of my knowledge.

August 3, 2010  
Date of Survey  
*James J. Noel* 8/4/2010  
Signature and Seal of Professional Surveyor  
Certificate Number 15079

WO# Lost Tank 3 Fed. (NA)