

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB NO. 1004-0136
Expires: November 30, 2000

APPLICATION FOR PERMIT TO DRILL OR REENTER

HOBBS OGD

JUL 20 2011

1a. Type of Work ☒ DRILL ☐ REENTER		5. Lease Serial No. NMNM 86024
1b. Type of Well ☒ Oil Well ☐ Gas Well ☐ Other ☒ Single Zone ☐ 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	3b. Phone No. (include area code) 16696 432-685-5717	8. Lease Name and Well No. (304798) Cypress 34 Federal #7H
4. Location of Well (Report location clearly and in accordance with any State requirements)* At surface 500 FNL 2080 FWL NENW(C) At proposed prod. zone 400 FSL 2000 FWL SESW(N)		9. API Well No. 30-015-39219
14. Distance in miles and direction from nearest town or post office* 6 miles northeast from Loving, NM		10. Field and Pool, or Exploratory Undsg. Nash Draw Delaware, SW
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drg. unit line, if any) 400'		11. Sec., T., R., M., or Blk. and Survey or Area Sec 34 T23S R29E
16. No. of Acres in lease 640		12. County or Parish Eddy
17. Spacing Unit dedicated to this well 160		13. State NM
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. 1383'		20. BLM/BIA Bond No. on file ES0136
21. Elevations (Show whether DF, KDB, RT, GL, etc) 3038.2' GL		22. Approximate date work will start* 5/1/11
		23. Estimated duration 45

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 	Name (Printed/Typed) David Stewart	Date 2/7/11
Title Sr. Regulatory Analyst		
Approved by (Signature) 	Name (Printed/Typed) Michael Tupper	Date 5-19-11
Title Fof 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

SEE ATTACHED FOR
CONDITIONS OF APPROVAL

APPROVAL SUBJECT TO
GENERAL REQUIREMENTS
AND SPECIAL STIPULATIONS
ATTACHED

DRILLING PROGRAM

Operator Name/Number:	OXY USA Inc.	16696
Lease Name/Number:	Cypress 34 Federal #7H	304799
Pool Name/Number:	Undesignated Nash Draw Delaware, SE	97148
Surface Location:	500 FNL 2080 FWL NENW(C) Sec 34 T23S R29E	
Bottom Hole Location:	400 FSL 2000 FWL SESW(N) Sec 34 T23S R29E	

Proposed TD: 6735' TVD 10561' TMD Elevation: 3038.2' GL

SL - Lat: 32.2670949 Long: 103.9739504 X= 611082.9 Y= 461072.9 NAD - 1927
BH - Lat: 32.2549946 Long: 103.9740299 X= 611073.1 Y= 456671.0 NAD - 1927

1. Geologic Name of Surface Formation:

a. Permian

2. Estimated Tops of Geological Markers & Depths of Anticipated Fresh Water, Oil or Gas:

<u>Geological Marker</u>	<u>Depth</u>	<u>Type</u>
a. Upper Permian Sand	170'	Water
b. Anhydrite	337'	---
c. Top Salt	648'	---
c. Base Salt	2840'	---
d. Delaware	3080'	---
e. Bell Canyon	3120'	Oil
f. Cherry Canyon	3980'	Oil
g. Brushy Canyon	6500'	Oil

3. Casing Program:

<u>Hole Size</u>	<u>Interval</u>	<u>OD Csg</u>	<u>Weight</u>	<u>Collar</u>	<u>Grade</u>	<u>Condition</u>	<u>Collapse Design Factor</u>	<u>Burst Design Factor</u>	<u>Tension Design Factor</u>
17-1/2"	300' - 550'	13-3/8"	48	ST&C	H-40	New	2.8	6.27	2.62
				Hole filled with 8.4# Mud			770#	1730#	
12-1/4"	3100'	9-5/8"	40	LT&C	J-55	New	1.57	1.23	2.53
				Hole filled with 10# Mud			2570#	3950#	
8-3/4"	10561' M	5-1/2"	17	LT&C	N-80	New	2.11	1.22	1.7
DVT @ 5000' - POST @ 3150'				Hole filled with 8.6# Mud			6280#	7740#	

Collapse and burst loads calculated using Stress Check with anticipated loads

4. Cement Program

- a. 13-3/8" Surface Circulate cement to surface w/ 485sx PP cmt w/ 4% Bentonite + .125#/sx Poly-E-Flake + 2% CaCl₂, 13.5ppg 1.75 yield 165% Excess followed by 200sx PP cmt w/ 2% CaCl₂ 14.8ppg 1.35 yield 165% Excess
- b. 9-5/8" Intermediate Circulate cement to surface w/ 770sx HES light PP cmt w/ 5% Salt + .125#/sx Poly-E-Flake + 5#/sx Gilsontite, 12.4ppg 2.10 yield 105% Excess followed by 200sx PP cmt w/ 1% CaCl₂, 14.8ppg 1.34 yield 105% Excess

8. Logging, Coring and Testing Program: *See COA*

- a. Drill stem tests are not anticipated but if done will be based on geological sample shows.
- b. The open hole electrical logging program will consist of a GR.
- c. No coring program is planned but if done will be sidewall rotary cores.
- d. No mudloggers are currently programmed for this well.

9. Potential Hazards:

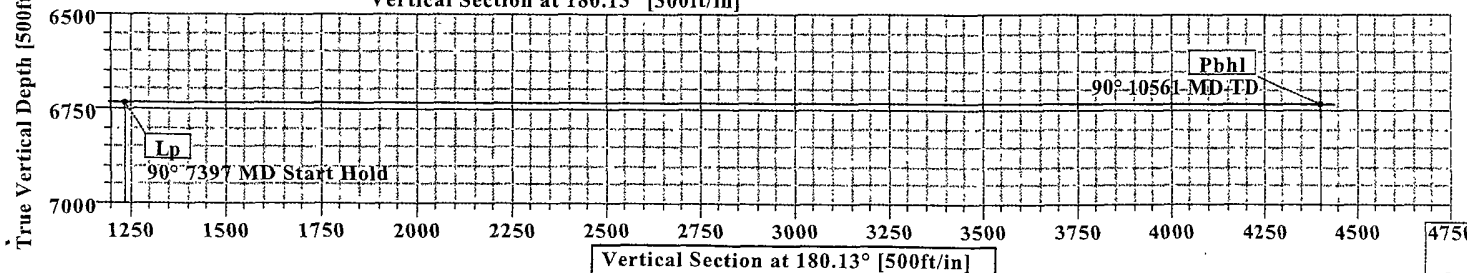
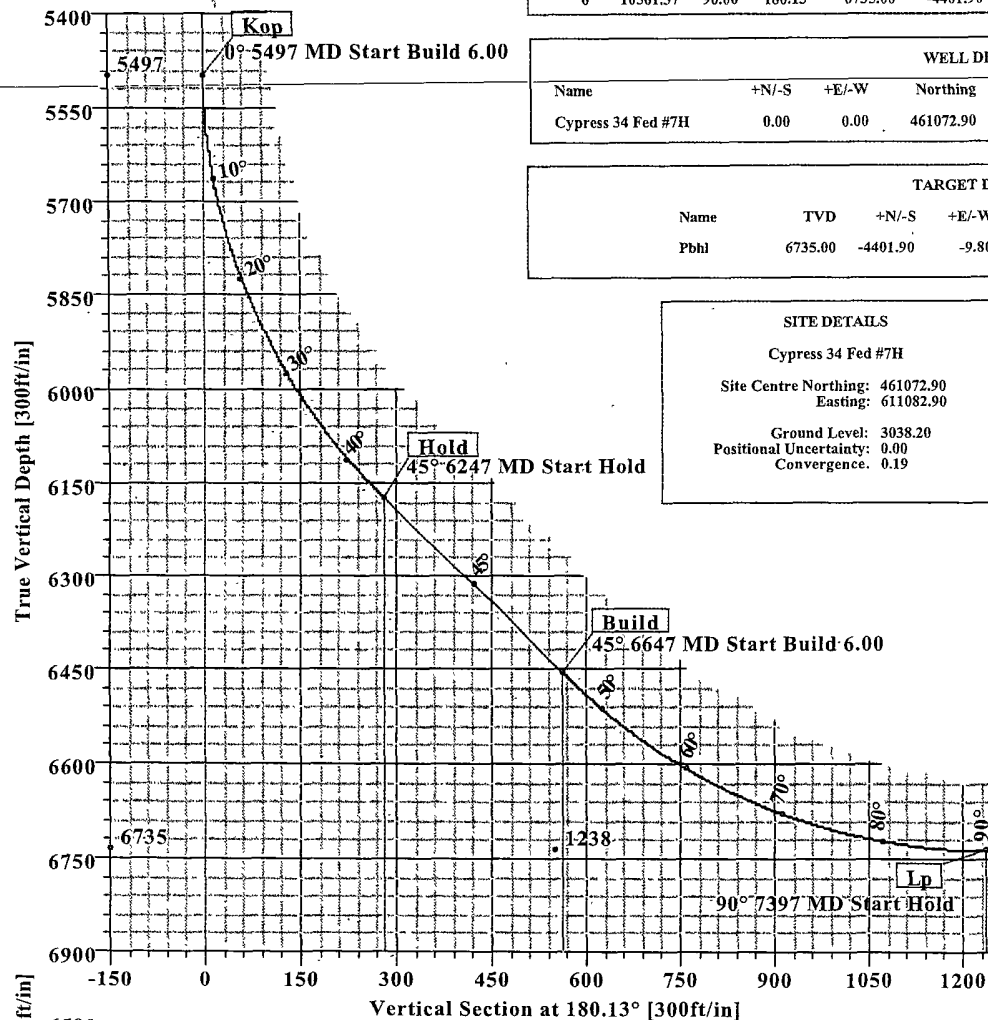
No abnormal pressures, temperatures or H₂S gas are expected. The highest anticipated pressure gradient would be 0.54psi/ft or 3700psi. If H₂S is encountered the operator will comply with the provisions of Onshore Oil & Gas Order No.6. No lost circulation is expected to occur. All personnel will be familiar with all aspects of safe operation of equipment being used to drill this well. Adequate flare lines will be installed off the mud/gas separator where gas may be flared safely.

10. Anticipated Starting Date and Duration of Operations:

Road and location construction will begin after the BLM has approved the APD. Anticipated spud date will be as soon as possible after BLM approval and as soon as a rig will be available. Move in operations and drilling is expected to take 45 days. If production casing is run, then an additional 30 days will be needed to complete the well and construct surface facilities and/or lay flow lines in order to place well on production.

Cypress 28 Fed #7H Eddy Co, New Mexico

KB ELEV: 3062.20
GL ELEV: 3038.20



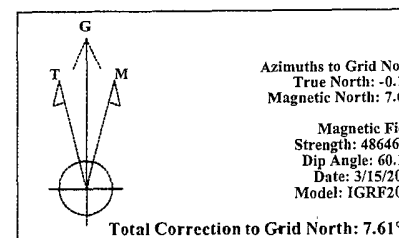
SECTION DETAILS									
Sec	MD	Inc	Azi	TVD	+N/-S	+E/-W	DLeg	TFace	VSec
1	0.00	0.00	180.13	0.00	0.00	0.00	0.00	0.00	0.00
2	5497.23	0.00	180.13	5497.23	0.00	0.00	0.00	0.00	0.00
3	6247.23	45.00	180.13	6172.46	-279.69	-0.62	6.00	180.13	279.69
4	6647.23	45.00	180.13	6455.31	-562.53	-1.25	0.00	0.00	562.54
5	7397.23	90.00	180.13	6735.00	-1237.77	-2.76	6.00	0.00	1237.77
6	10561.37	90.00	180.13	6735.00	-4401.90	-9.80	0.00	0.00	4401.91

WELL DETAILS							
Name	+N/-S	+E/-W	Northing	Easting	Latitude	Longitude	Slot
Cypress 34 Fed #7H	0.00	0.00	461072.90	611082.90	32°16'01.542N	103°58'26.222W	N/A

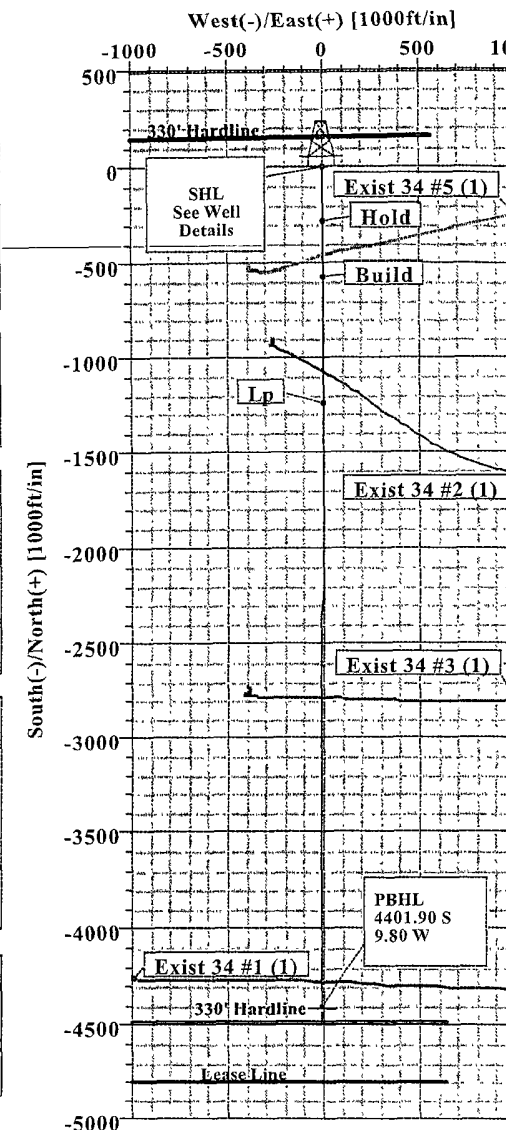
TARGET DETAILS						
Name	TVD	+N/-S	+E/-W	Northing	Easting	Shape
Pbhl	6735.00	-4401.90	-9.80	456671.00	611073.10	Point

SITE DETAILS	
Cypress 34 Fed #7H	
Site Centre Northing:	461072.90
Easting:	611082.90
Ground Level:	3038.20
Positional Uncertainty:	0.00
Convergence:	0.19

FIELD DETAILS	
Eddy Co, NM (Nad 27)	
Geodetic System:	US State Plane Coordinate System 1927
Ellipsoid:	NAD27 (Clarke 1866)
Zone:	New Mexico, Eastern Zone
Magnetic Model:	IGRF2010
System Datum:	Mean Sea Level
Local North:	Grid North



LEGEND	
Exist 34 #1 (1)	
Exist 34 #2 (1)	
Exist 34 #3 (1)	
Exist 34 #5 (1)	
Plan #1	



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WFT Plan Report - X & Y's



Weatherford

Company: Occidental Permian Ltd.		Date: 12/9/2010	Time: 09:55:40	Page: 1
Field: Eddy Co, NM (Nad 27)		Co-ordinate(NE) Reference:	Well: Cypress 34 Fed #7H	Grid North:
Site: Cypress 34 Fed #7H		Vertical (TVD) Reference:	SITE 3062.2	
Well: Cypress 34 Fed #7H		Section (VS) Reference:	Well (0:00N:0:00E:180.13Azi)	
Wellpath: 1		Survey Calculation Method:	Minimum Curvature	Db: Sybase

Plan: Plan #1	Date Composed: 12/9/2010
Principal: Yes	Version: 1
	Tied-to: From Surface

Field: Eddy Co, NM (Nad 27)
Map System: US State Plane Coordinate System 1927
Geo Datum: NAD27 (Clarke 1866)
Sys Datum: Mean Sea Level
Map Zone: New Mexico, Eastern Zone
Coordinate System: Well Centre
Geomagnetic Model: IGRF2010

Site: Cypress 34 Fed #7H
Site Position: Northing: 461072.90 ft Latitude: 32 16 1.542 N
From: Map Easting: 611082.90 ft Longitude: 103 58 26.222 W
Position Uncertainty: 0.00 ft North Reference: Grid
Ground Level: 3038.20 ft Grid Convergence: 0.19 deg

Well: Cypress 34 Fed #7H	Slot Name:
Well Position: +N/-S 0.00 ft Northing: 461072.90 ft Latitude: 32 16 1.542 N	
+E/-W 0.00 ft Easting: 611082.90 ft Longitude: 103 58 26.222 W	
Position Uncertainty: 0.00 ft	

Wellpath: 1	Drilled From: Surface
Current Datum: SITE	Tie-on Depth: 0.00 ft
Magnetic Data: 3/15/2011	Above System Datum: Mean Sea Level
Field Strength: 48646 nT	Declination: 7.81 deg
Vertical Section: Depth From (TVD)	Mag Dip Angle: 60.16 deg
ft	+N/-S ft
ft	+E/-W ft
ft	Direction deg
0.00	0.00
0.00	0.00
0.00	180.13

Plan Section Information										
MD	Incl	Azim	TVD	+N/-S	+E/-W	DLS	Build	Turn	TFO	Target
ft	deg	deg	ft	ft	ft	deg/100ft	deg/100ft	deg/100ft	deg	
0.00	0.00	180.13	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
5497.23	0.00	180.13	5497.23	0.00	0.00	0.00	0.00	0.00	0.00	
6247.23	45.00	180.13	6172.46	-279.69	-0.62	6.00	6.00	0.00	180.13	
6647.23	45.00	180.13	6455.31	-562.53	-1.25	0.00	0.00	0.00	0.00	
7397.23	90.00	180.13	6735.00	-1237.77	-2.76	6.00	6.00	0.00	0.00	
10561.37	90.00	180.13	6735.00	-4401.90	-9.80	0.00	0.00	0.00	0.00	Pbhl

Survey										
MD	Incl	Azim	TVD	N/S	E/W	VS	DLS	MapN	MapE	Comment
ft	deg	deg	ft	ft	ft	ft	deg/100ft	ft	ft	
5400.00	0.00	180.13	5400.00	0.00	0.00	0.00	0.00	461072.90	611082.90	
5497.23	0.00	180.13	5497.23	0.00	0.00	0.00	0.00	461072.90	611082.90	Kop
5500.00	0.17	180.13	5500.00	0.00	0.00	0.00	6.00	461072.90	611082.90	
5600.00	6.17	180.13	5599.80	-5.52	-0.01	5.53	6.00	461067.38	611082.89	
5700.00	12.17	180.13	5698.48	-21.45	-0.05	21.45	6.00	461051.45	611082.85	
5800.00	18.17	180.13	5794.95	-47.60	-0.11	47.60	6.00	461025.30	611082.79	
5900.00	24.17	180.13	5888.16	-83.69	-0.19	83.69	6.00	460989.21	611082.71	
6000.00	30.17	180.13	5977.09	-129.33	-0.29	129.33	6.00	460943.57	611082.61	
6100.00	36.17	180.13	6060.76	-184.01	-0.41	184.01	6.00	460888.89	611082.49	
6200.00	42.17	180.13	6138.26	-247.14	-0.55	247.14	6.00	460825.76	611082.35	
6247.23	45.00	180.13	6172.46	-279.69	-0.62	279.69	6.00	460793.21	611082.28	Hold
6300.00	45.00	180.13	6209.78	-317.01	-0.71	317.01	0.00	460755.89	611082.19	
6400.00	45.00	180.13	6280.49	-387.72	-0.86	387.72	0.00	460685.18	611082.04	
6500.00	45.00	180.13	6351.20	-458.43	-1.02	458.43	0.00	460614.47	611081.88	
6600.00	45.00	180.13	6421.91	-529.14	-1.18	529.14	0.00	460543.76	611081.72	

Weatherford International Ltd.

WFT Plan Report - X & Y's



Weatherford

Company: Occidental Permian Ltd.	Date: 12/9/2010	Time: 09:55:40	Page: 2
Field: Eddy Co. NM (Nad 27)	Co-ordinate (NE) Reference:	Well: Cypress 34 Fed #7H	Grid: North
Site: Cypress 34 Fed #7H	Vertical (TVD) Reference:	SITE 3062.2	
Well: Cypress 34 Fed #7H	Section (VS) Reference:	Well (0.00N:0.00E:180.13Azi)	
Wellpath: 1	Survey Calculation Method:	Minimum Curvature	Db: Sybase

Survey

MD ft	Incl deg	Azim deg	TVD ft	N/S ft	E/W ft	VS ft	DLS deg/100ft	MapN ft	MapE ft	Comment
6647.23	45.00	180.13	6455.31	-562.53	-1.25	562.54	0.00	460510.37	611081.65	Build
6700.00	48.17	180.13	6491.57	-600.86	-1.34	600.86	6.00	460472.04	611081.56	
6800.00	54.17	180.13	6554.25	-678.72	-1.51	678.72	6.00	460394.18	611081.39	
6900.00	60.17	180.13	6608.45	-762.71	-1.70	762.71	6.00	460310.19	611081.20	
7000.00	66.17	180.13	6653.57	-851.90	-1.90	851.90	6.00	460221.00	611081.00	
7100.00	72.17	180.13	6689.12	-945.32	-2.10	945.32	6.00	460127.58	611080.80	
7200.00	78.17	180.13	6714.70	-1041.94	-2.32	1041.94	6.00	460030.96	611080.58	
7300.00	84.17	180.13	6730.05	-1140.71	-2.54	1140.71	6.00	459932.19	611080.36	
7397.23	90.00	180.13	6735.00	-1237.77	-2.76	1237.77	6.00	459835.13	611080.14	Lp
7400.00	90.00	180.13	6735.00	-1240.54	-2.76	1240.54	0.00	459832.36	611080.14	
7500.00	90.00	180.13	6735.00	-1340.54	-2.98	1340.54	0.00	459732.36	611079.92	
7600.00	90.00	180.13	6735.00	-1440.54	-3.21	1440.54	0.00	459632.36	611079.69	
7700.00	90.00	180.13	6735.00	-1540.54	-3.43	1540.54	0.00	459532.36	611079.47	
7800.00	90.00	180.13	6735.00	-1640.54	-3.65	1640.54	0.00	459432.36	611079.25	
7900.00	90.00	180.13	6735.00	-1740.54	-3.87	1740.54	0.00	459332.36	611079.03	
8000.00	90.00	180.13	6735.00	-1840.54	-4.10	1840.54	0.00	459232.36	611078.80	
8100.00	90.00	180.13	6735.00	-1940.54	-4.32	1940.54	0.00	459132.36	611078.58	
8200.00	90.00	180.13	6735.00	-2040.54	-4.54	2040.54	0.00	459032.36	611078.36	
8300.00	90.00	180.13	6735.00	-2140.54	-4.77	2140.54	0.00	458932.36	611078.13	
8400.00	90.00	180.13	6735.00	-2240.54	-4.99	2240.54	0.00	458832.36	611077.91	
8500.00	90.00	180.13	6735.00	-2340.54	-5.21	2340.54	0.00	458732.36	611077.69	
8600.00	90.00	180.13	6735.00	-2440.54	-5.43	2440.54	0.00	458632.36	611077.47	
8700.00	90.00	180.13	6735.00	-2540.54	-5.66	2540.54	0.00	458532.36	611077.24	
8800.00	90.00	180.13	6735.00	-2640.54	-5.88	2640.54	0.00	458432.36	611077.02	
8900.00	90.00	180.13	6735.00	-2740.54	-6.10	2740.54	0.00	458332.36	611076.80	
9000.00	90.00	180.13	6735.00	-2840.54	-6.32	2840.54	0.00	458232.36	611076.58	
9100.00	90.00	180.13	6735.00	-2940.54	-6.55	2940.54	0.00	458132.36	611076.35	
9200.00	90.00	180.13	6735.00	-3040.54	-6.77	3040.54	0.00	458032.36	611076.13	
9300.00	90.00	180.13	6735.00	-3140.54	-6.99	3140.54	0.00	457932.36	611075.91	
9400.00	90.00	180.13	6735.00	-3240.54	-7.21	3240.54	0.00	457832.36	611075.69	
9500.00	90.00	180.13	6735.00	-3340.54	-7.44	3340.54	0.00	457732.36	611075.46	
9600.00	90.00	180.13	6735.00	-3440.54	-7.66	3440.54	0.00	457632.36	611075.24	
9700.00	90.00	180.13	6735.00	-3540.54	-7.88	3540.54	0.00	457532.36	611075.02	
9800.00	90.00	180.13	6735.00	-3640.54	-8.10	3640.54	0.00	457432.36	611074.80	
9900.00	90.00	180.13	6735.00	-3740.54	-8.33	3740.54	0.00	457332.36	611074.57	
10000.00	90.00	180.13	6735.00	-3840.54	-8.55	3840.54	0.00	457232.36	611074.35	
10100.00	90.00	180.13	6735.00	-3940.54	-8.77	3940.54	0.00	457132.36	611074.13	
10200.00	90.00	180.13	6735.00	-4040.53	-9.00	4040.54	0.00	457032.37	611073.90	
10300.00	90.00	180.13	6735.00	-4140.53	-9.22	4140.54	0.00	456932.37	611073.68	
10400.00	90.00	180.13	6735.00	-4240.53	-9.44	4240.54	0.00	456832.37	611073.46	
10500.00	90.00	180.13	6735.00	-4340.53	-9.66	4340.54	0.00	456732.37	611073.24	
10561.37	90.00	180.13	6735.00	-4401.90	-9.80	4401.91	0.00	456671.00	611073.10	Pbhl

Targets

Name	Description	TVD	N/S	E/W	Map Northing	Map Easting	Latitude	Longitude
Dip	Dir	ft	ft	ft	ft	ft	Deg Min Sec	Deg Min Sec
Pbhl		6735.00	-4401.90	-9.80	456671.00	611073.10	32 15 17.980 N	103 58 26.508 W

Weatherford International Ltd.

WFT Plan Report - X & Y's



Weatherford

Company:	Occidental Permian Ltd.	Date:	12/9/2010	Time:	09:55:40	Page:	3
Field:	Eddy Co. NM (Nad 27)	Co-ordinate (NE) Reference:	Well: Cypress 34 Fed #7H	Grid North			
Site:	Cypress 34 Fed #7H	Vertical (TVD) Reference:	SITE 3062.2				
Well:	Cypress 34 Fed #7H	Section (VS) Reference:	Well (0:00N,0:00E,180:13Azi)				
Wellpath:	1	Survey Calculation Method:	Minimum Curvature	Db:	Sybase		

Casing Points

MD	TVD	Diameter	Hole Size	Name

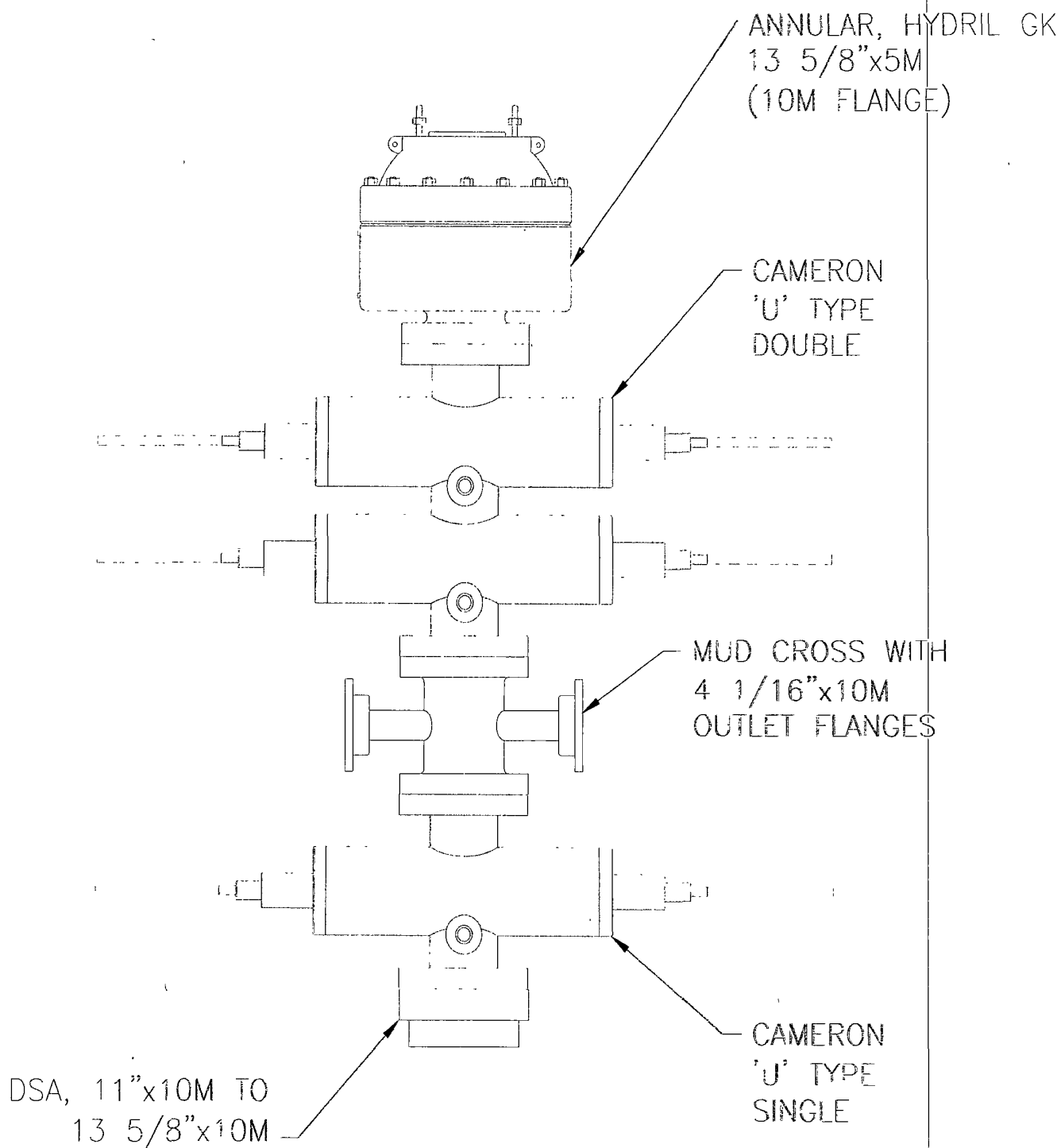
Annotation

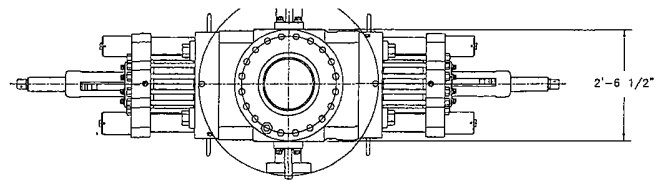
MD ft	TVD ft	
5497.23	5497.23	Kop
6247.23	6172.47	Hold
6647.23	6455.31	Build
7397.23	6735.00	Lp
10561.36	6735.00	Pbhl

Formations

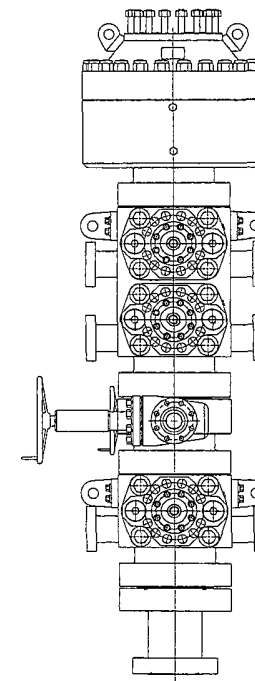
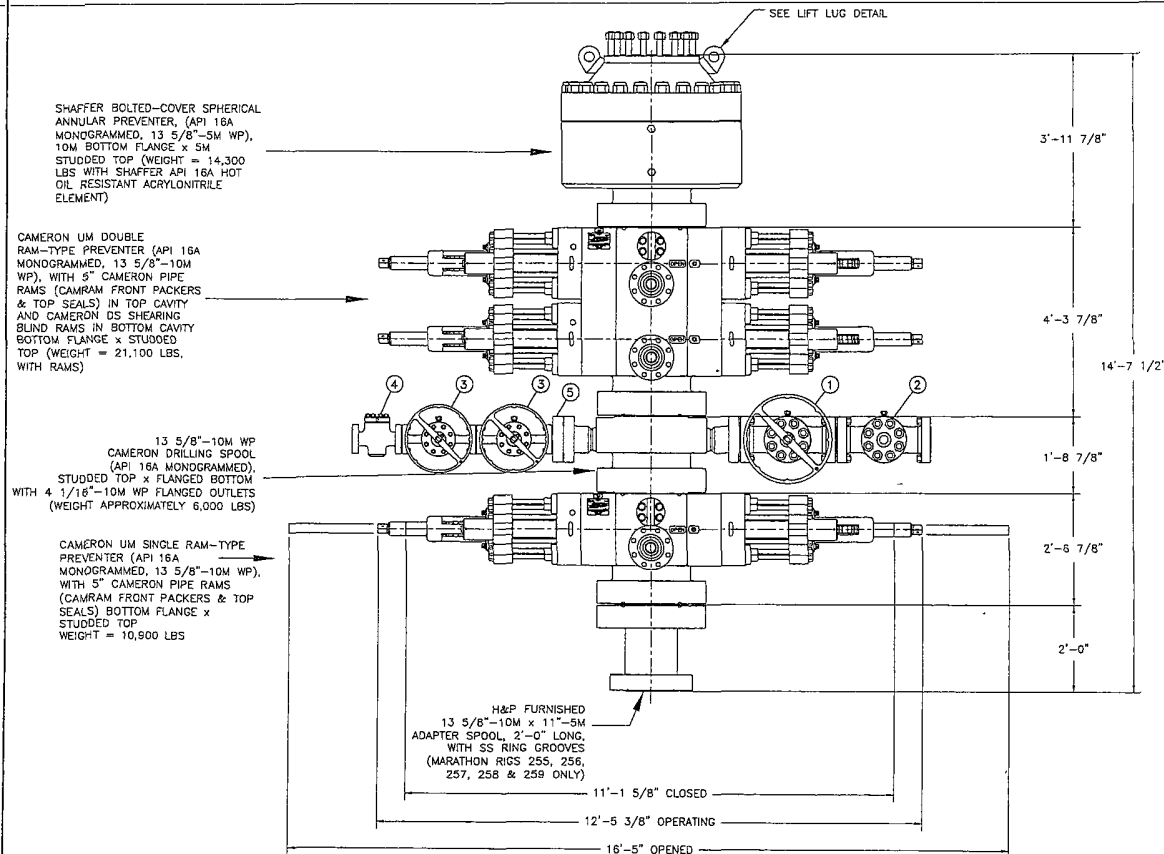
MD	TVD	Formations	Lithology	Dip Angle	Dip Direction

BOP Diagram





- ① - 1/10"-10M FLANGED END GATE VALVE WITH DOUBLE ACTING HYDRAULIC ACTUATOR
- ② - 2 1/16"-10M FLANGED END GATE VALVE
- ③ - 2 1/16"-10M FLANGED END CHECK VALVE
- ④ - DOUBLE STUDDED ADAPTER



ISSUED FOR FABRICATION
December-18-2007
DRAFTSMAN
ENGINEER

API 6A MONOGRAMMED CAMERON CHOKE AND KILL WING VALVE ASSEMBLIES ARE NOT SHOWN FOR CLARITY

WEIGHTS DO NOT INCLUDE HOSES, ADAPTER SPOOLS OR QUICK CONNECT FITTINGS

HELMERICH & PAYNE
INTERNATIONAL DRILLING CO

ENGINEERING APPROVAL	DATE	TITLE
ADDED SHEET 03	JAV	13 5/8"---10M BOP 3 RAM STACK FLEXRIG3
REVISED DOUBLE STUDDED ADAPTER VALVES 1, 2, & 3 AND US CHECK VALVE ADDED	JBG	
8" ADDED TO SPACER ADAPTER SPOOL	JBG	CUSTOMER H&P
ADDED ADAPTER SPOOL	MWL	PROJECT FLEXRIG3
CORRECTED BOP STACK	MWL	DRAWN MTS
DESCRIPTION	BY	DATE 8-5-02
		OWG NO.
		SHEET 1 OF 2
		210-P1-07

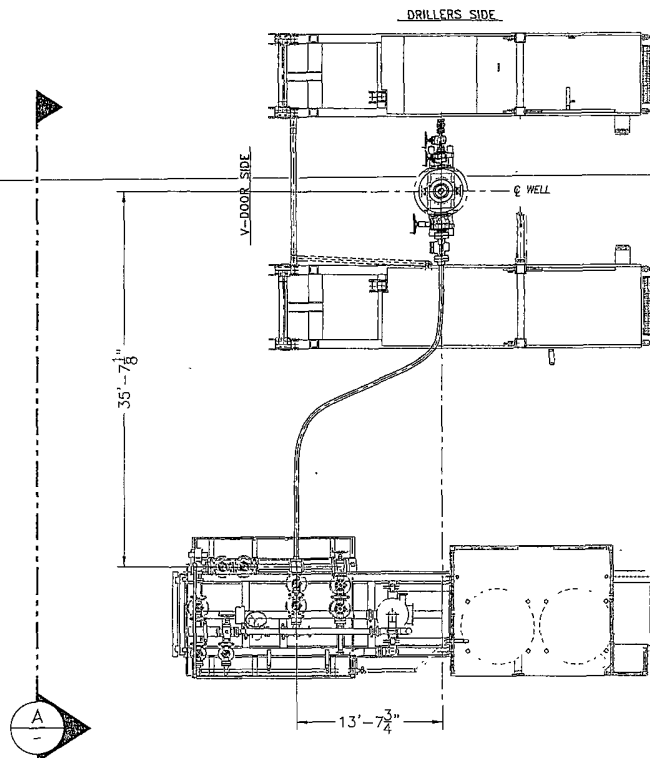
13 5/8"-10M BOP 3 RAM STACK
FLEXRIG3

CUSTOMER H&P
PROJECT FLEXRIG3
DRAWN MTS DATE 5-5-02 DWG NO. 210-P1-07
SCALE 3/4"=1' SHEET 1 OF 1

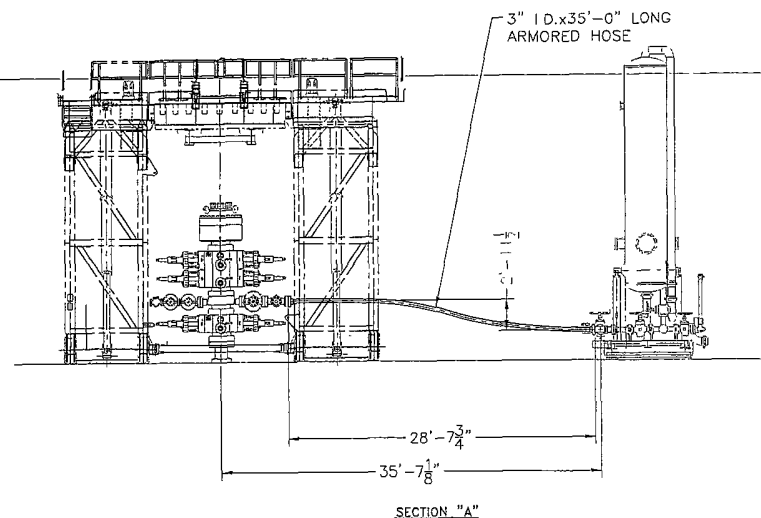
PROPRIETARY

THIS DRAWING AND THE IDEAS AND INFORMATION INCLUDED IN THIS DRAWING ARE PROPRIETARY AND ARE NOT TO BE REPRODUCED, DISTRIBUTED OR DISCLOSED IN ANY MANNER, WITHOUT THE PRIOR, WRITTEN CONSENT OF A QUALIFIED OFFICER OF HELMERICH & PAYNE INT'L DRILLING CO

13 5/8-10M STACK



PLAN VIEW



ISSUED FOR FABRICATION
December-19-2007
DRAFTSMAN _____
ENGINEER _____

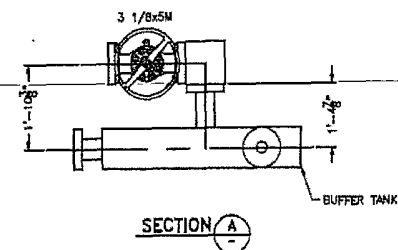
PROPRIETARY

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HELMERICH & PAYNE
INTERNATIONAL DRILLING CO.

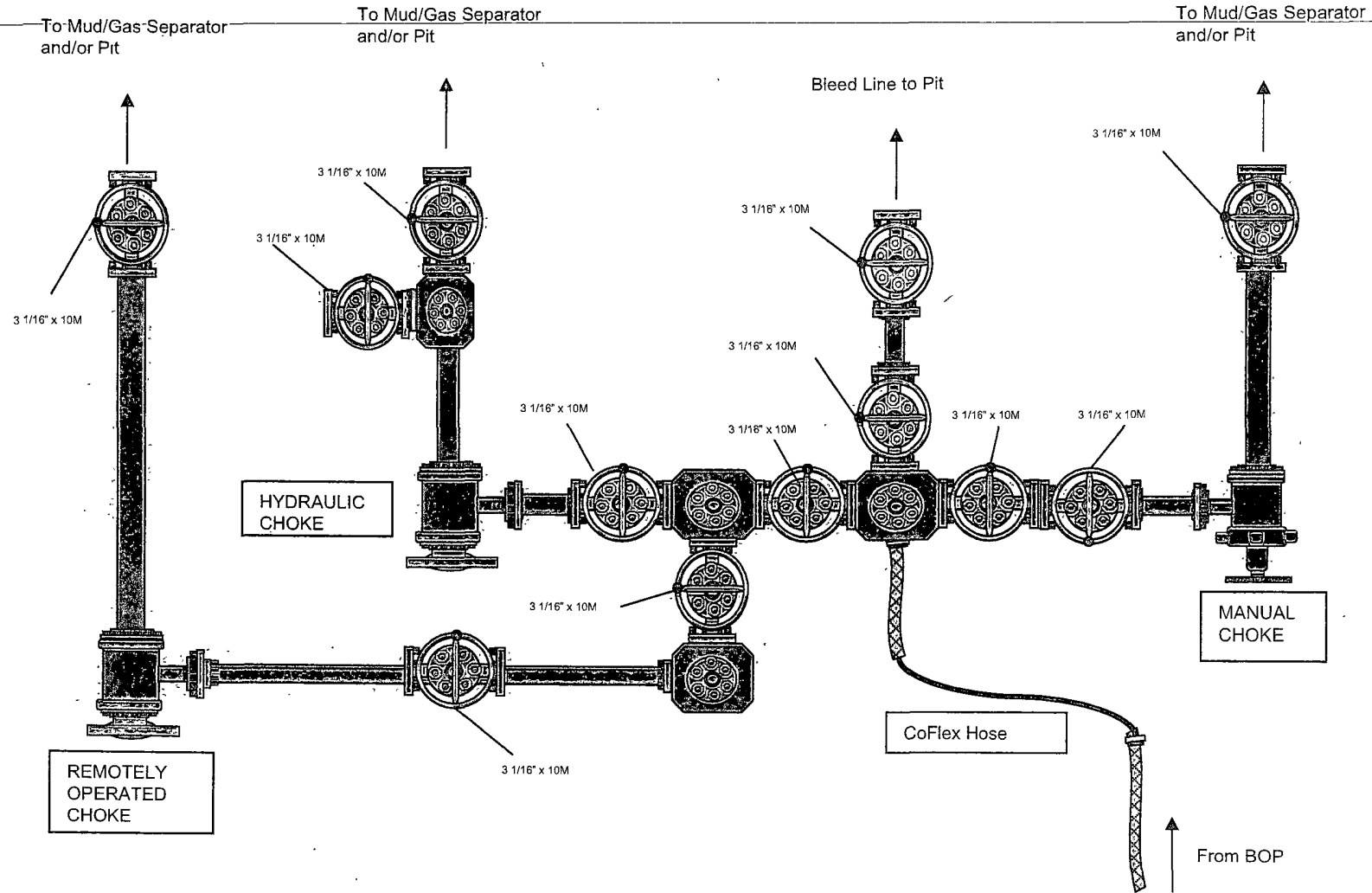
CHOKE LINE SYSTEM
FLEXRIG3

ENGINEERING APPROVAL		DATE	TITLE	
△			CUSTOMER	
△			PROJECT	
△			DRAWN JBG	
△	12/18/07	REMOVED SHEET TOTAL CALLOUT	JAV	DATE 4-10-07
REV	DATE	DESCRIPTION	BY	DWG NO
				SCALE 3/16"=1'
				SHEET 2 OF 1
				210-P1-07
				REV A



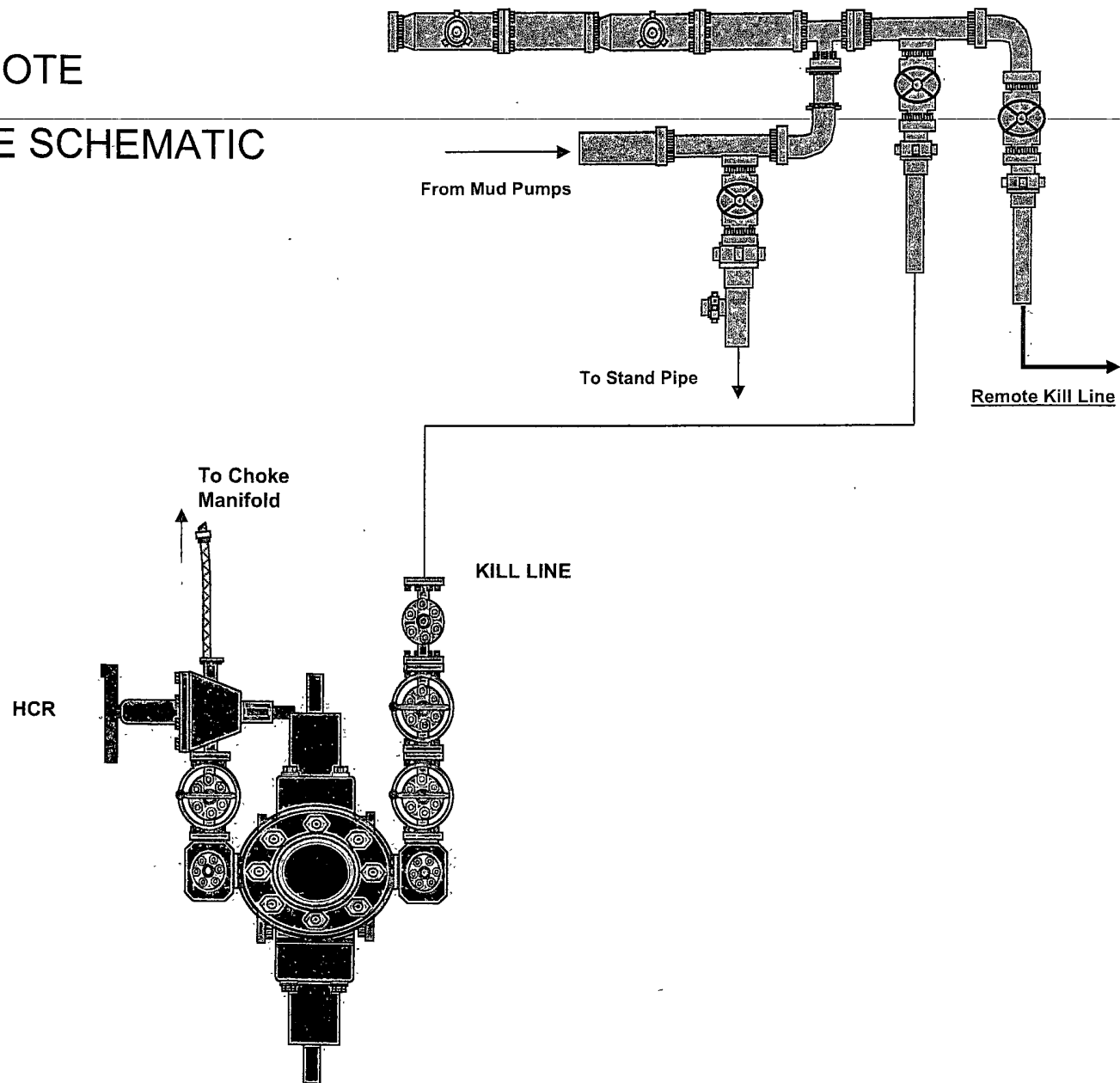
ENGINEERING APPROVAL		DATE		TITLE	
				CHOKE MANIFOLD	
				CUSTOMER: H&P	
				PROJECT: FLEXINGS	
BY		DATE		DWG. NO.	
DRAWN		MTS		2-28-02	
BY		SCALE		SHEET	
DESCRIPTION		3/4"=1'		1 OF 1	
				216-P1-05	

10M CHOKE MANIFOLD CONFIGURATION

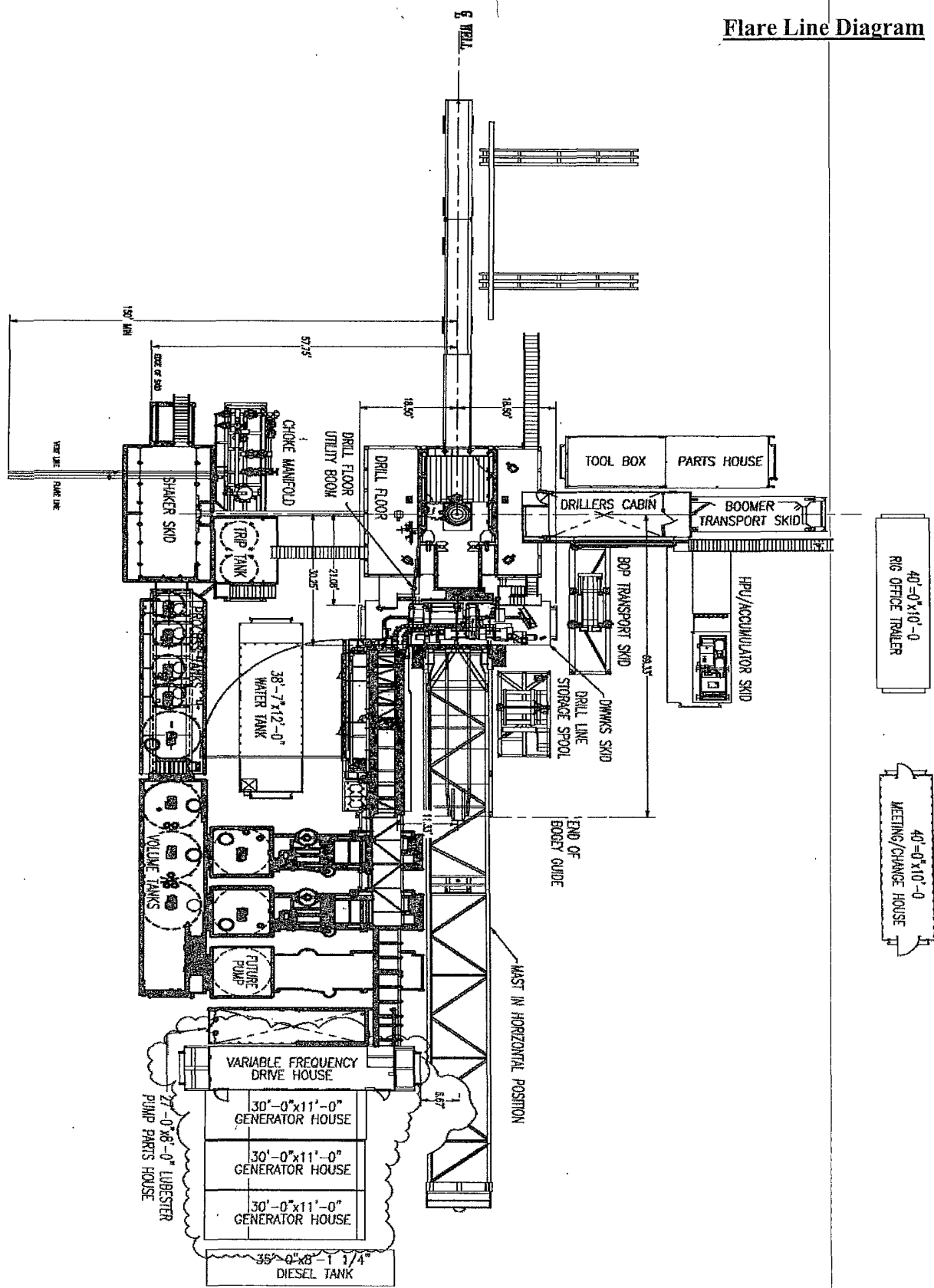


10M REMOTE

KILL LINE SCHEMATIC



Flare Line Diagram



CERTIFICATE OF CONFORMITY

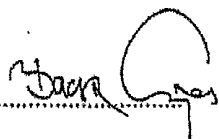
Supplier : CONTITECH RUBBER INDUSTRIAL KFT.
Equipment : 6 pcs. Choke and Kill Hose with installed couplings
Type : 3" x 10,67 m WP: 10000 psi
Supplier File Number : 412638
Date of Shipment : April. 2008
Customer : Phoenix Beattie Co.
Customer P.o. : 002491
Referenced Standards
/ Codes / Specifications : API Spec 16 C
Serial No.: 52754,52755,52776,52777,52778,52782

STATEMENT OF CONFORMITY

We hereby certify that the above items/equipment supplied by us are in conformity with the terms, conditions and specifications of the above Purchaser Order and that these items/equipment were fabricated inspected and tested in accordance with the referenced standards, codes and specifications and meet the relevant acceptance criteria and design requirements.

COUNTRY OF ORIGIN HUNGARY/EU

Signed :



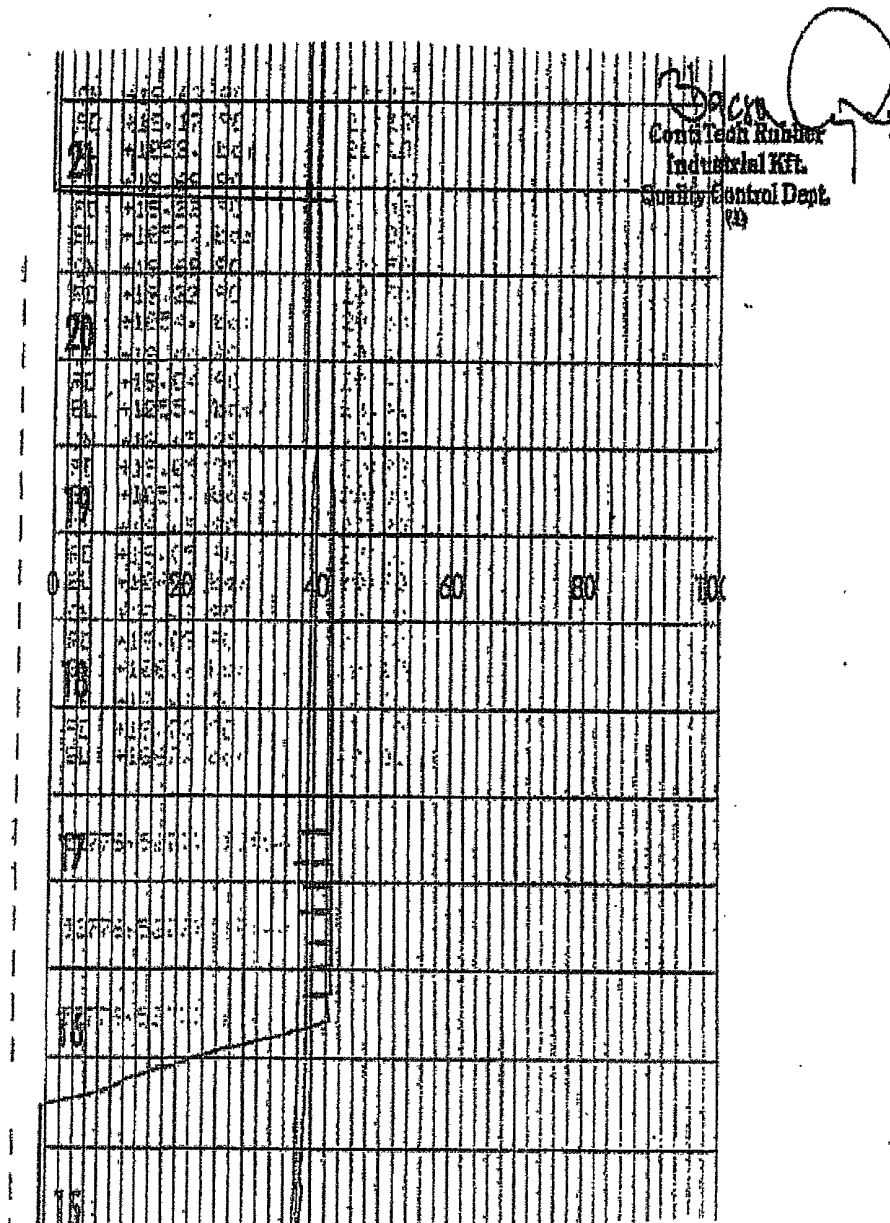
ContiTech Rubber
Industrial Kft.
Quality Control Dept.
(1)

Date: 04. April. 2008

Position: Q.C. Manager

Coflex Hose Certification

Page: 1/1



Coflex Hose Certification

Form No 100/12



Phoenix Beattie Corp

11535 Brittonmore Park Drive
Houston, TX 77041
Tel: (832) 327-0141
Fax: (832) 327-0148
E-mail: mail@phoenixbeattie.com
www.phoenixbeattie.com

Delivery Note

Customer Order Number	370-369-001	Delivery Note Number	003078	Page	1
Customer / Invoice Address HELMERICH & PAYNE INT'L DRILLING CO 1437 SOUTH BOULDER TULSA, OK 74129		Delivery / Address HELMERICH & PAYNE IDC ATTN: JOE STEPHENSON - RIG 370 13609 INDUSTRIAL ROAD HOUSTON, TX 77015			

Customer Acc No	Phoenix Beattie Contract Manager	Phoenix Beattie Reference	Date
H01	JJL	006330	05/23/2008

Item No	Beattie Part Number / Description	Qty Ordered	Qty Sent	Qty To Follow
1	HP10CK3A-35-4F1 3" 10K 16C C&K HOSE x 35ft OAL CW 4.1/16" API SPEC FLANGE E/ End 1: 4.1/16" 10Kpsi API Spec 6A Type 6BX Flange End 2: 4.1/16" 10Kpsi API Spec 6A Type 6BX Flange c/w BX155 Standard ring groove at each end Suitable for H2S Service Working pressure: 10,000psi Test pressure: 15,000psi Standard: API 16C Full specification Armor Guarding: Included Fire Rating: Not Included Temperature rating: -20 Deg C to +100 Deg C	1	1	0
2	SECK3-HPF3 LIFTING & SAFETY EQUIPMENT TO SUIT HP10CK3-35-F1 2 x 160mm ID Safety Clamps 2 x 244mm ID Lifting Collars & element C's 2 x 7ft Stainless Steel wire rope 3/4" OD 4 x 7.75t Shackles	1	1	0
3	SC725-200CS SAFETY CLAMP 200MM 7.25T C/S GALVANISED	1	1	0

Continued...

All goods remain the property of Phoenix Beattie until paid for in full. Any damage or shortage on this delivery must be advised within 5 days. Returns may be subject to a handling charge.

Coflex Hose Certification



Fluid Technology

Quality Document

QUALITY CONTROL INSPECTION AND TEST CERTIFICATE				CERT. N°:	746	
PURCHASER: Phoenix Beattie Co.				P.O. N°:	002491	
CONTITECH ORDER N°: 412638		HOSE TYPE: 3" ID		Choke and Kill Hose		
HOSE SERIAL N°: 52777		NOMINAL / ACTUAL LENGTH: 10,67 m				
W.P. 68,96 MPa	10000	psi	T.P. 103,4 MPa	15000	psi	Duration: 60 ~ min.
Pressure test with water at ambient temperature See attachment. (1 page)						
↑ 10 mm = 10 Min. → 10 mm = 25 MPa						
COUPLINGS						
Type	Serial N°		Quality		Heat N°	
3" coupling with 4 1/16" Flange end	917	913	AISI 4130	AISI 4130	T7998A	26984
INFOCHIP INSTALLED				API Spec 16 C Temperature rate: "B"		
All metal parts are flawless						
WE CERTIFY THAT THE ABOVE HOSE HAS BEEN MANUFACTURED IN ACCORDANCE WITH THE TERMS OF THE ORDER AND PRESSURE TESTED AS ABOVE WITH SATISFACTORY RESULT.						
Date:	Inspector		Quality Control			
04. April. 2008			ContiTech Rubber Industrial Kit Quality Control Dept. (1)			

Coflex Hose Certification

Form No 100/12



Phoenix Beattie Corp

11535 Brittanore Park Drive
Houston, TX 77041
Tel: (832) 327-0141
Fax: (832) 327-0148
E-mail: mail@phoenixbeattie.com
www.phoenixbeattie.com

Delivery Note

Customer Order Number	370-369-001	Delivery Note Number	003078	Page	2
Customer / Invoice Address HELMERICH & PAYNE INT'L DRILLING CO 1437 SOUTH BOULDER TULSA, OK 74119		Delivery / Address HELMERICH & PAYNE IDC ATTN: JOE STEPHENSON - RIG 370 13609 INDUSTRIAL ROAD HOUSTON, TX 77015			

Customer Acc'No	Phoenix Beattie Contract Manager	Phoenix Beattie Reference	Date
H01	JJL	006330	05/23/2008

Item No	Beattie Part Number / Description	Qty Ordered	Qty Sent	Qty To Follow
4	SC725-132CS SAFETY CLAMP 132MM 7.25T C/S GALVANIZED C/W BOLTS	1	1	0
5	00CERT-HYDRO HYDROSTATIC PRESSURE TEST CERTIFICATE	1	1	0
6	00CERT-LOAD LOAD TEST CERTIFICATES	1	1	0
7	00FREIGHT INBOUND / OUTBOUND FREIGHT PRE-PAY & ADD TO FINAL INVOICE NOTE: MATERIAL MUST BE ACCOMPANIED BY PAPERWORK INCLUDING THE PURCHASE ORDER, RIG NUMBER TO ENSURE PROPER PAYMENT	1	1	0

Phoenix Beattie Inspection Signature :

Received In Good Condition : Signature

Print Name

Date

All goods remain the property of Phoenix Beattie until paid for in full. Any damage or shortage on this delivery must be advised within 5 days.
Returns may be subject to a handling charge.

United States Department of the Interior
Bureau of Land Management
Carlsbad Field Office
620 East Greene Street
Carlsbad, New Mexico 88220

Attention: Linda Denniston

RE: Cypress 34 Federal #7H
Eddy County, New Mexico

STATEMENT ACCEPTING RESPONSIBILITY FOR OPERATIONS

OPERATOR NAME: OXY USA Inc.
ADDRESS: P.O. Box 4294
Houston, Texas 77210-4294

The undersigned accepts all applicable terms, conditions, stipulations, and restrictions concerning operations conducted on the leased land or portion thereof, as described below:

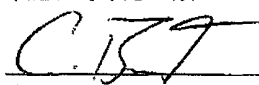
LEASE NO.: NMNM 086024

LEGAL DESCRIPTION: SL: 500 FNL 2080 FWL NENW(C)
PBHL: 400 FSL 2000 FWL SESW(N)
Section 34 T23S R29E
Eddy County, New Mexico

FORMATIONS: Delaware

BOND COVERAGE: Nationwide

BLM BOND FILE NO.: ES 0136

AUTHORIZED SIGNATURE: OXY USA Inc.

Colin D. Barnett

TITLE: Landman

DATE: January 7, 2011

cc: David Stewart



IN REPLY REFER TO

NM 86024
3160 (P0220)

United States Department of the Interior

BUREAU OF LAND MANAGEMENT

New Mexico State Office

P.O. Box 27115

Santa Fe, New Mexico 87502-0115

www.blm.gov/nm



May 19, 2011

HOBBS OCD

JUL 20 2011

RECEIVED

Your Reference:

NM 86024

Cypress 34 Federal #7H

SHL: 500'/N. & 2080'/W., sec. 34, T. 23 S., R. 29 E.

BHL: 400'/S. & 2000'/W., sec. 34, T. 23 S., R. 29 E.

Eddy County, New Mexico

CERTIFIED--RETURN RECEIPT REQUESTED

7008 3230 0002 0987 8432

OXY USA, Inc.

P. O. Box 50250

Midland, TX 79710-0250

Gentlemen:

We have approved your application at the well location requested. A copy of the approved application with stipulations is enclosed. Please contact our Carlsbad Field Office at (575) 234-5972, should you have any questions or if we can be of any additional help.

Sincerely,

For Linda S.C. Rundell
State Director

1 Enclosure

DISTRICT I --- CHECKLIST FOR INTENTS TO DRILL

Operator OXY USA INC OGRID # 16696
 309778 Well Name & # CYPRESS 34 FED # 7H Surface Type (F) (S) (P)
 Location: UL C, Sect 34 Township 23 s, RNG 29 e,
N 34 - 23 - 29 E Sub-surface Type (F) (S) (P)

A. Date C101 rec'd / / C101 reviewed / /

B. 1. Check mark, Information is OK on Forms:

OGRID X, BONDING FED, PROP CODE X, WELL # X, SIGNATURE

2. Inactive Well list as of: 7/21/11 # wells 181, # Inactive wells 8

a. District Grant APD but see number of inactive wells:

No letter required X; Sent Letter to Operator , to Santa Fe

3. Additional Bonding as of: 7/21/11

a. District Denial because operator needs addition bonding:

No Letter required X; Sent Letter to Operator , To Santa Fe

b. District Denial because of inactive well list and Financial Assurance:

No Letter required X; Sent Letter to Operator , To Santa Fe

C. C102 YES , NO , Signature

1. Pool NASH DRAW, DELAWARE, SW, Code 97148

a. Dedicated acreage 160, What Units CFKN

b. SUR. Location Standard X, Non-Standard Location

c. Well shares acres: Yes , No X, # of wells plus this well #

2. 2nd. Operator in same acreage, Yes , No X

Agreement Letter , Disagreement letter

3. Intent to Directional Drill Yes X, No

a. Dedicated acreage 160, What Units CFKN

b. Bottomhole Location Standard X, Non-Standard Bottomhole

4. Downhole Commingle: Yes , No X

a. Pool #2 , Code , Acres

Pool #3 , Code , Acres

Pool #4 , Code , Acres

5. POTASH Area Yes , No FED

D. Blowout Preventer Yes X, No

E. H2S Yes , No Part Red APD

F. C144 Pit Registration Yes , No need

G. Does APD require Santa Fe Approval:

1. Non-Standard Location: Yes , No X, NSL #

2. Non-Standard Proration: Yes , No X, NSP #

3. Simultaneous Dedication: Yes , No X, SD #

Number of wells Plus #

4. Injection order Yes , No X, RMX # or WFX #

5. SWD order Yes , NO X; SWD #

6. DHC from SF ; DHC-HOB ; Holding

7. OCD Approval Date / /

API #30-0 15--39219

8. Reviewers