

Reservoir Development

Drilling & Measurements (Extreme Engineering)

6724 Corporation Pkwy Suite 100

Fort Worth, TX 76126

Phone: (817) 717-1820

Fax: (817) 546-7551

September 14, 2012

Occidental Permian Ltd

5 Greenway Plaza Suite 110

Houston, Texas 77046

RECEIVED

NOV 09 2012

NMOCD ARTESIA

Attention: Luis Tarazona

Re:

CLIENT: OXY Permian
WELL: McHam 34 State 2
FIELD: Permian Basin
RIG: Savanna 415
COUNTY: Eddy
API NO: 30-015-40248
JOB NO: NM-OXY-0011

Enclosed, please find the original copy of the survey performed on the referenced well by Drilling & Measurements (formerly Extreme), a division of Schlumberger Technology Corporation (P-5 No. 754900).

Other information required by your office is as follows.

<u>Name & Title of Surveyor</u>	<u>Drainhole Number</u>	<u>Surveyed Depths</u>	<u>Dates Performed</u>	<u>Type of Survey</u>
Dillon Ash FST-1	McHam 34 State 2 Original Hole	392.00 Ft to 5058.00 Ft	August 16, 2012 to August 23, 2012	SlimPulse

A plat of the bottom hole location is oriented both to the surface location and to the lease lines (or until line in case of pooling), is attached to the survey report.

If any other information is required, please contact the undersigned at the above letterhead and phone number.
Sincerely,

Scott Haymond
Field Service Manager

CC: OXY Permian
Enclosures: [2]
County of Eddy
State of New Mexico

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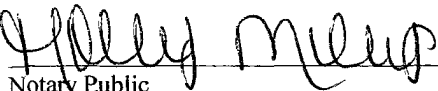
I, Dillon Ash certify that; I am employed by Drilling & Measurements (formerly Extreme), a division of Schlumberger Technology Corporation; that I did on the day(s) of August 16, 2012 through August 23, 2012, conduct or supervise the taking of the SlimPulse surveys from a depth of 392.00 feet to a depth of 5058.00 feet; that the data is true, correct, complete and within the limitations of the tool as set forth by Drilling & Measurements, a division of Schlumberger Technology Corporation; that I am authorized and qualified to make this report; that this survey was conducted at the request of OXY Permain for the McHam 34 State 2 Well (Original Hole) API No. 30-015-402248 in New Mexico; and that I have reviewed this report and find that it conforms to the principals and procedures as set forth by Drilling & Measurements, a division of Schlumberger Technology Corporation.



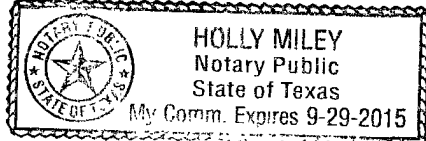
Dillon Ash
FST-1

Before me, Dillon Ash, on this day personally appeared Dillon Ash, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he/she executed the same for the purposes and consideration therein expressed.

Given under my hand and seal of office this 17 day of September (year). 2012



Notary Public



NM-OXY-0011 McHam 34 State 2 MWD 0' to 5058' Survey Report

(Def Survey)

Report Date: August 23, 2012 - 07:52 PM
Client: Oxy Permian
Field: Eddy (NAD27) 2011
Structure / Slot: Oxy Permian (McHam 34 State 2) Savanna 415 / McHam 34 State 2
Well: McHam 34 State 2
Borehole: Original Hole
UWI / API#: Unknown / McHam 34 State 2
Survey Name: McHam 34 State 2 MWD 0' to 5058'
Survey Date: August 23, 2012
Tort / AHD / DDI / ERD Ratio: 13 370' / 86.411 ft / 3.063 / 0.017
Coordinate Reference System: NAD27 Universal Transverse Mercator, Zone 13 North, US Feet
Location Lat / Long: N 32° 47' 37.32000", W 104° 9' 38.52000"
Location Gnd N/E Y/X: N 11904629 163 ftUS, E 1898253 251 ftUS
CRS Grid Convergence Angle: 0.45460144 °
Grid Scale Factor: 0.99967615
Survey / DLS Computation:
Vertical Section Azimuth: 0.000 ° (Gnd North)
Vertical Section Origin: 0.000 ft, 0.000 ft
TVD Reference Datum: RKB
TVD Reference Elevation: 3684.000 ft above Unknown
Seabed / Ground Elevation: 3670.000 ft above Unknown
Magnetic Declination: 7.890 °
Total Field Strength: 48782.657 nT
Magnetic Dip Angle: 60.538 °
Declination Date: August 23, 2012
Magnetic Declination Model: BGGM 2011
North Reference: Gnd North
Grid Convergence Used: 7.890 °
Total Corr Mag North->Gnd North: 0.000 °
Local Coord Referenced To: Well Head

Comments	MD (ft)	Incl (°)	Azim Grid (°)	TVD (ft)	VSEC (ft)	NS (ft)	EW (ft)	DLS (°/100ft)	Northing (ftUS)	Easting (ftUS)	Latitude (N/S ° ' '')	Longitude (E/W ° ' '')
Tie-In	0.00	0.00	0.00	0.00	0.00	0.00	0.00	N/A	11904629.16	1898253.25	N 32 47 37.32	W 104 9 38 52
Assumed Vertical	392.00	2.40	0.00	391.89	8.21	8.21	0.00	0.61	11904637.37	1898253.25	N 32 47 37.40	W 104 9 38 52
Begin MWD	509.00	1.71	174.51	508.86	8.92	8.92	0.17	3.51	11904638.08	1898253.42	N 32 47 37.41	W 104 9 38 52
Surveys	718.00	1.41	184.92	717.78	3.26	3.26	0.24	0.20	11904632.42	1898253.50	N 32 47 37.35	W 104 9 38 52
	765.00	1.19	185.71	764.77	2.19	2.19	0.15	0.47	11904631.36	1898253.40	N 32 47 37.34	W 104 9 38 52
	853.00	1.00	191.10	852.75	0.53	0.53	-0.09	0.25	11904629.69	1898253.16	N 32 47 37.33	W 104 9 38 52
	1006.00	0.62	204.39	1005.74	-1.53	-1.53	-0.69	0.28	11904627.63	1898252.56	N 32 47 37.30	W 104 9 38 53
	1168.00	0.48	199.20	1167.73	-2.97	-2.97	-1.28	0.09	11904626.19	1898251.98	N 32 47 37.29	W 104 9 38 54
	1299.00	0.40	206.72	1298.73	-3.90	-3.90	-1.66	0.08	11904625.27	1898251.59	N 32 47 37.28	W 104 9 38 54
	1515.00	0.40	227.81	1514.72	-5.08	-5.08	-2.56	0.07	11904624.09	1898250.89	N 32 47 37.27	W 104 9 38 55
	1731.00	0.48	243.28	1730.71	-5.99	-5.99	-3.93	0.07	11904623.17	1898249.33	N 32 47 37.26	W 104 9 38 57
	1948.00	0.48	273.69	1947.71	-6.34	-6.34	-5.65	0.12	11904622.82	1898247.61	N 32 47 37.26	W 104 9 38 59
	2165.00	0.48	302.70	2164.70	-5.79	-5.79	-7.32	0.11	11904623.37	1898245.94	N 32 47 37.26	W 104 9 38 61
	2336.00	0.31	359.91	2335.70	-4.94	-4.94	-7.92	0.24	11904624.22	1898245.33	N 32 47 37.27	W 104 9 38 61
	2552.00	0.62	80.60	2551.69	-4.17	-4.17	-6.77	0.30	11904625.00	1898246.48	N 32 47 37.28	W 104 9 38 60
	2681.00	0.48	72.29	2680.68	-3.89	-3.89	-5.57	0.12	11904625.27	1898247.69	N 32 47 37.28	W 104 9 38 59
	2896.00	0.48	33.40	2895.68	-2.86	-2.86	-4.21	0.15	11904626.30	1898249.04	N 32 47 37.29	W 104 9 38 57
	3069.00	0.79	24.39	3068.67	-1.17	-1.17	-3.32	0.19	11904627.99	1898249.93	N 32 47 37.31	W 104 9 38 56
	3245.00	1.00	14.01	3244.65	1.42	1.42	-2.45	0.15	11904630.59	1898250.80	N 32 47 37.33	W 104 9 38 55
	3373.00	1.10	13.32	3372.62	3.70	3.70	-1.89	0.08	11904632.86	1898251.36	N 32 47 37.36	W 104 9 38 54
	3501.00	1.10	8.48	3500.60	6.11	6.11	-1.43	0.07	11904635.27	1898251.82	N 32 47 37.38	W 104 9 38 54
	3631.00	1.19	6.22	3630.57	8.68	8.68	-1.05	0.07	11904637.84	1898252.20	N 32 47 37.41	W 104 9 38 53
	3806.00	1.19	2.99	3805.54	12.30	12.30	-0.70	0.06	11904641.46	1898252.55	N 32 47 37.44	W 104 9 38 53
	4022.00	1.32	5.32	4021.48	17.01	17.01	-0.35	0.06	11904646.17	1898252.90	N 32 47 37.49	W 104 9 38 52
	4197.00	1.20	359.40	4196.44	20.85	20.85	-0.18	0.10	11904650.01	1898253.07	N 32 47 37.53	W 104 9 38 52
	4323.00	1.41	353.80	4322.41	23.71	23.71	-0.36	0.19	11904652.87	1898252.89	N 32 47 37.55	W 104 9 38 52
	4496.00	1.49	346.62	4495.35	28.02	28.02	-1.11	0.11	11904657.17	1898252.14	N 32 47 37.60	W 104 9 38 53
	4670.00	1.58	334.38	4669.29	32.38	32.38	-2.66	0.20	11904661.54	1898250.59	N 32 47 37.64	W 104 9 38 55
	4884.00	2.29	339.79	4883.17	39.06	39.06	-5.41	0.34	11904668.21	1898247.84	N 32 47 37.71	W 104 9 38 58
Final MWD Survey	5058.00	2.50	338.29	5057.02	45.85	45.85	-8.02	0.13	11904674.99	1898245.24	N 32 47 37.77	W 104 9 38 61

Survey Type: Def Survey

Survey Error Model: ISCWSA Rev 0 *** 3-D 95.000% Confidence 2.7955 sigma
Survey Program

Description	MD From (ft)	MD To (ft)	EOU Freq (ft)	Survey Tool Type	Borehole / Survey
	0.000	14.000	1/14.000	SLB_BLIND+TREND-Depth Only	Original Hole / McHam 34 State 2 MWD 0' to 5058'
	14.000	392.000	1/378.000	SLB_BLIND+TREND	Original Hole / McHam 34 State 2 MWD 0' to 5058'
	392.000	392.000	Act Stns	SLB_BLIND+TREND	Original Hole / McHam 34 State 2 MWD 0' to 5058'
	392.000	5058.000	1/4666.000	SLB_MWD-STD	Original Hole / McHam 34 State 2 MWD 0' to 5058'