State of New Mexico Form C-103 Submit 3 Copies To Appropriate District Office Energy, Minerals and Natural Resources Revised March 25, 1999 District I WELL API NO. 1625 N. French Dr., Hobbs, NM 87240 30-025-36445 District II OIL CONSERVATION DIVISION 811 South First, Artesia, NM 87210 5. Indicate Type of Lease 2040 South Pacheco District III 1000 Rio Brazos Rd., Aztec, NM 87410 STATE | FEE X Santa Fe, NM 87505 District IV 6. State Oil & Gas Lease No. 2040 South Pacheco, Santa Fe, NM 87505 SUNDRY NOTICES AND REPORTS ON WELLS 7. Lease Name or Unit Agreement Name: (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.) Bvers B 1. Type of Well: Oil Well X Gas Well Other 2. Name of Operator 8. Well No. OXY USA WTP Limited Partnership 192463 7 3. Address of Operator 9. Pool name or Wildcat P.O. Box 50250 Midland, TX 79710-0250 Skaggs. Abo. East 4. Well Location Unit Letter J: 1650 feet from the south line and 1980 east feet from the Section Township 20S Range 38E NMPM County Lea 10. Elevation (Show whether DR, RKB, RT, GR, etc.) 35621 11. Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data NOTICE OF INTENTION TO: SUBSEQUENT REPORT OF: PERFORM REMEDIAL WORK PLUG AND ABANDON ALTERING CASING REMEDIAL WORK **PLUG AND** CHÂNGE PLANS COMMENCE DRILLING OPNS. X **TEMPORARILY ABANDON** ABANDONMENT XCASING TEST AND **PULL OR ALTER CASING MULTIPLE** CEMENT JOB COMPLETION OTHER: 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. For Multiple Completions: Attach wellbore diagram of proposed completion or recompilation. Well Location See Attached I hereby certify that the information above is true and complete to the best of my knowledge and belief. TITLE Sr. Regulatory Analyst DATE relulos SIGNATURE // Type or print name David Stewart Telephone No. 432-685-5717 OC DISTRICT SUPERVISOR/GENERAL MANAGER (This space for State use) DFC 1 0 7448 _ DATE_ APPROVED BY

Conditions of approval, if any:

BYERS B NO. 7

11/09/2003 CMIC: BOB LANGE

LOCATION STAKED BY BASIN SURVEYORS 1650' FSL, 1980' FEL, SECTION 7, T20S, R38E, EDDY COUNTY, NEW MEXICO. BUILT LOCATION AND ROAD. DUG AND LINED RESERVE PIT. SET 14" CONDUCTOR AT 40' AND CEMENTED WITH READY-MIX. DUG MOUSEHOLE AND RATHOLE. MIRU MCVAY DRILLING RIG 8. HELD PRE-SPUD SAFETY MEETING. SPUDDED 12 1/4" HOLE AT 0615 HOURS MST 11-08-03. DRILLED TO 1500'. PUMPED SWEEP AND DROPPED TOTCO. TOOH WITH BIT AND BHA. RU CASING CREW. RUNNING 8 5/8" CASING AT REPORT TIME. NMOCD NOTIFIED OF SPUD BUT DID NOT WITNESS.

11/10/2003 CMIC: BOB LANGE

FRIH WITH 8 5/8" CASING AND SET AT 1500'. CLEARED CASING WITH RIG PUMP. RU HOWCO. CEMENTED WITH 415 SX HOWCO LIGHT CONTAINING 5# SALT, AND 1/4# FLOCELE. TAILED IN WITH 320 SX CLASS C CONTAINING 2% CACL2. DISPLACED CEMENT TO FLOAT WITH F.W. P.D. WITH 1120#. RELEASED PRESSURE AND FLOAT HELD O.K. CIRCULATED 120 SX TO PIT. R.D. HOWCO. WOC 5 HOURS. CUT OFF CASING. WELDED ON 11" 3-M STARTING HEAD. TESTED HEAD TO 500#. O.K. NU BOP. TESTED BLIND RAMS AND CASING TO 1000#. O.K. TIH WITH BIT AND BHA. TESTED PIPE RAMS TO 1000# AND HYDRIL TO 1000#. O.K. DRILLED CEMENT AND SHOE. DRILLING AHEAD AT REPORT TIME WITH NO PROBLEMS. SYLVIA WITH NMOCD NOTIFIED OF CEMENT JOB BUT DID NOT WITNESS.

11/11/2003 CMIC: BOWKER

DRILLING F/ 1848' TO 2916' W/ SURVEYS. NO PROBLEMS AT REPORT TIME.

11/12/2003 CMIC: BOWKER

DRILLING F/ 2916' TO 3784' W/ SURVEYS. NO PROBLEMS AT REPORT TIME.

11/13/2003 CMIC: BOWKER

DRILLING F/ 3784' TO 4661' W/ SURVEY. STARTED LOSING FLUID IN SAN ANDRES, PUMPED SOME SWEEPS, NOT LOSING ANY FLUID AT REPORT TIME.

11/14/2003 CMIC: BOWKER

DRILLED TO 4924' AND LOST RETURNS. MIXED 5-200 BBL LCM PILLS CONTAINING 12-15#/BBL LCM AND COULD NOT GET RETURNS. HAD 5-10% RETURNS INTERMITTENTLY. DRY DRILLED TO 5018'. TOOH WITH BIT AND BHA. TIH WITH 8-JOINTS 2 3/8" FIBERGLASS TBG, HOWCO TRT TOOL ON 4 1/2" D.P. TO 4990'. RU HOWCO. SPOTTING LOST CIRCULATION PLUG AT REPORT TIME.

11/15/2003 CMIC: LANGE

SPOTTED 150 SX THIXOTROPIC FOLLOWED BY 150 SX CLASS C WITH 2% CACL2. DISPLACED CEMENT WITH F.W. DROPPED BALL AND PRESSURED D.P. TO 3200# AND SHEARED TRT TOOL. POOH WITH D.P. AND RECOVERED TRT TOOL AND 8 JOINTS FIBERGLASS TBG. WOC 5 HOURS. FILLED HOLE WITH B.W. O.K. TIH WITH BIT AND BHA. TAGGED CEMENT AT 4340'. DRILLED CEMENT TO 5018'. DRILLING AHEAD AT REPORT TIME LOSING 30-40 BBLS/HOUR WITH NO PROBLEMS.

11/16/2003 CMIC: LANGE

DRILLING AHEAD AT REPORT TIME LOSING 5-10 BBLS/HOUR. STARTED LIGHT MUD UP AT 5600.

11/17/2003 CMIC: LOVE

DRILLED TO 5963' AND WELL STARTED TAKING FLUID. P.U. TO MIX LCM PILL AND GOT WALL STUCK. SPOTTED 100 BBLS OIL AND CAME FREE. DRILLING AHEAD AT REPORT TIME WITH NO PROBLEMS. CURRENTLY HAVE NO FLUID LOSS.

11/18/2003 CMIC: LANGE

DRILLING AHEAD AT REPORT THE NO SHOEN BY BBLS/HOUR WITH NO PROBLEMS. CHRIS WILLIAMS

11/19/2003 CMIC: LANGE OC DISTRICT SUPERVISOR/GENERAL MANAGER
DRILLING AHEAD AT REPORT TIME WITH NO PROBLEMS AND NO FLUID LOSSES.

11/20/2003 CMIC: LANGE

DRILLING F/ 6534' TO 6752' W/ SURVEY. NO PROBLEMS AT REPORT TIME. FLUID LOSS 0

11/21/2003 CMIC: LOVE

DRILLING F/ 6752' TO 7061'. NO PROBLEMS AT REPORT TIME.

11/22/2003 CMIC: LOVE

DRILLING F/ 7061' TO 7103'. DROP SURVEY & TRIP FOR BIT. CHANGE BIT & TRIP IN HOLE. DRILLING F/ 7103' TO 7198'. LOSING +- 15 BBLS/HR.

11/23/2003 CMIC: LOVE

DRILLING F/ 7198' TO 7400', TD. CIRCULATE & CONDITION HOLE FOR LOGS.

11/24/2003 CMIC: LOVE/BOWKER

CIRCULATE & CONDITION MUD & HOLE FOR LOGS. STRAP OUT FOR LOGS. RU BAKER ATLAS & LOG WELL. RD LOGGERS. TRIP IN HOLE. CIRCULATE & WAIT ON ORDERS. RU LAYDOWN MACHINE & LAYDOWN DRILL PIPE & COLLARS. LOGGERS TD 7404!. STRAP 7408!.

11/25/2003 CMIC: BOWKER

FINISH LAY DOWN DRILL COLLARS. RU & RUN 168 JTS 5 1/2" 17# N-80 CASING. TOTAL PIPE 7408', SET AT 7405'. CIRCULATE CASING VOLUME W/ RIG PUMP. RU HALLIBURTON & CEMENT W/ 830 SX LEAD INTERFILL C, TAILED W/ 650 SX 50/50 POZ. CIRCULATED 28 SX TO PIT. NIPPLE DOWN BOP & SET SLIPS W/ 95,000#. CUTOFF & NU TBG HEAD & TEST TO 3000 PSI. JET & CLEAN PITS. RIG RELEASED AT 11:30 PM MST 11-24-03. NMOCD ANSWERING MACHINE NOTIFIED ABOUT CEMENT JOB, DID NOT WITNESS.