

State of New Mexico
Energy, Minerals and Natural Resources
Oil Conservation Division
1220 S. St Francis Dr.
Santa Fe, NM 87505

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE

1. Operator Name and Address OCCIDENTAL PERMIAN LTD PO Box 4294 Houston, TX 77210		2. OGRID Number 157984
		3. API Number 30-025-38071
4. Property Code 19520	5. Property Name NORTH HOBBS G&A UNIT	6. Well No. 646

7. Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
M	13	18S	37E	M	335	S	120	W	LEA

8. Pool Information

HOBBS,GRAYBURG-SAN ANDRES	31920
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Additional Well Information

9. Work Type New Well	10. Well Type OIL	11. Cable/Rotary	12. Lease Type State	13. Ground Level Elevation 3681
14. Multiple N	15. Proposed Depth 4600	16. Formation San Andres	17. Contractor	18. Spud Date 11/2/2006
Depth to Ground water 50		Distance from nearest fresh water well > 1000		Distance to nearest surface water > 1000
Pit: Liner: Synthetic <input checked="" type="checkbox"/> 12 _____ miles thick Clay <input type="checkbox"/> Pit Volume: 8000 _____ bbls Drilling Method: Closed Loop System <input type="checkbox"/> Fresh Water <input checked="" type="checkbox"/> Brine <input type="checkbox"/> Diesel/Oil-based <input type="checkbox"/> Gas/Air <input type="checkbox"/>				

19. Proposed Casing and Cement Program

Type	Hole Size	Casing Type	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
Surf	12.25	8.625	24	1585	850	0
Prod	7.875	5.5	15.5	4600	1000	0

Casing/Cement Program: Additional Comments

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Proposed Blowout Prevention Program

Type	Working Pressure	Test Pressure	Manufacturer
Annular	3000	1100	
DoubleRam	3000	1100	

I hereby certify that the information given above is true and complete to the best of my knowledge and belief. I further certify that the drilling pit will be constructed according to NMOCD guidelines <input checked="" type="checkbox"/> a general permit <input type="checkbox"/> or an (attached) alternative OCD-approved plan <input type="checkbox"/>.	OIL CONSERVATION DIVISION
Printed Name: Electronically filed by Elizabeth Bush-Ivie	Approved By: Paul Kautz
Title: Regulatory Team Leader	Title: Geologist
Email Address: Elizabeth_Bush@oxy.com	Approved Date: 8/17/2006 Expiration Date: 8/17/2007
Date: 8/16/2006 Phone: 713-366-5303	Conditions of Approval Attached

District I
1625 N. French Dr., Hobbs, NM 88240
Phone:(505) 393-6161 Fax:(505) 393-0720
District II
1301 W. Grand Ave., Artesia, NM 88210
Phone:(505) 748-1283 Fax:(505) 748-9720
District III
1000 Rio Brazos Rd., Aztec, NM 87410
Phone:(505) 334-6178 Fax:(505) 334-6170
District IV
1220 S. St Francis Dr., Santa Fe, NM 87505
Phone:(505) 476-3470 Fax:(505) 476-3462

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Form C-102
Permit 36278

WELL LOCATION AND ACREAGE DEDICATION PLAT

1. API Number 30-025-38071	2. Pool Code 31920	3. Pool Name HOBBS;GRAYBURG-SAN ANDRES
4. Property Code 19520	5. Property Name NORTH HOBBS G/SA UNIT	6. Well No. 646
7. OGRID No. 157984	8. Operator Name OCCIDENTAL PERMIAN LTD	9. Elevation 3681

10. Surface Location

UL - Lot M	Section 13	Township 18S	Range 37E	Lot Idn	Feet From 335	N/S Line S	Feet From 120	E/W Line W	County LEA
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11. Bottom Hole Location If Different From Surface

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
12. Dedicated Acres 40.00	13. Joint or Infill	14. Consolidation Code	15. Order No.						

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

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Permit Comments

Operator: OCCIDENTAL PERMIAN LTD , 157984

Well: NORTH HOBBS G/SA UNIT #646

API: 30-025-38071

Created By	Comment	Comment Date
MSTEPHENS	The BOP for this well will include an annular, a double ram (pipe & blind), and a rotating head.	8/15/2006
MSTEPHENS	This well will be drilled with open pits.	8/15/2006
MSTEPHENS	Surface hole will be drilled with fresh water using a 2000 bbl open pit. Production hole will be drilled with brine using a 6000 bbl open pit.	8/15/2006
MSTEPHENS	In the event that hydrogen sulfide is encountered, an H2S Contingency Plan has been prepared and a copy of this document will be mailed to the Hobbs Office of the NMOCD.	8/15/2006
MSTEPHENS	Form C-144 for this well will be faxed to the OCD's Hobbs Office.	8/15/2006

Permit Conditions of Approval

Operator: OCCIDENTAL PERMIAN LTD , 157984

Well: NORTH HOBBS G/SA UNIT #646

API: 30-025-38071

OCD Reviewer	Condition
pkautz	Pit construction and closure must satisfy all requirements of your approved plan, O.C.D. Rule 19.15.2.50, and the Pit and Below-Grade Tank Guidelines
pkautz	prior to any pit construction notify Gary Wink at 505-393-6161 ext 114