

District I
1625 N. French Dr., Hobbs, NM 88240
Phone:(575) 393-6161 Fax:(575) 393-0720

District II
811 S. First St., Artesia, NM 88210
Phone:(575) 748-1283 Fax:(575) 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

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

Form C-101
August 1, 2011
Permit 181065

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

1. Operator Name and Address OXY USA INC PO Box 4294 Houston, TX 77210		2. OGRID Number 16696
4. Property Code 39668		3. API Number 30-015-42055
5. Property Name CEDAR CANYON 16 STATE		6. Well No. 010H

7. Surface Location

UL - Lot C	Section 16	Township 24S	Range 29E	Lot Idn	Feet From 260	N/S Line N	Feet From 1470	E/W Line W	County Eddy
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8. Proposed Bottom Hole Location

UL - Lot N	Section 16	Township 24S	Range 29E	Lot Idn N	Feet From 330	N/S Line S	Feet From 1980	E/W Line W	County Eddy
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9. Pool Information

PIERCE CROSSING; BONE SPRING, EAST	96473
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Additional Well Information

11. Work Type New Well	12. Well Type OIL	13. Cable/Rotary	14. Lease Type State	15. Ground Level Elevation 2927
16. Multiple N	17. Proposed Depth 14435	18. Formation 3rd Bone Spring Sand	19. Contractor	20. Spud Date 4/30/2014
Depth to Ground water		Distance from nearest fresh water well		Distance to nearest surface water

☒ We will be using a closed-loop system in lieu of lined pits

21. Proposed Casing and Cement Program

Type	Hole Size	Casing Size	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
Surf	14.75	11.75	47	400	320	0
Int1	10.625	8.625	32	3100	830	0
Prod	7.875	5.5	17	14435	1580	2000

Casing/Cement Program: Additional Comments

Proposed Mud Program: 0-400' Fresh/Spud Mud - 400-3100' Fresh Water/NaCl Brine - 3100-10022' Cut Brine/Sweeps - 9270-14435' Cut Brine/Sweeps. BOP Program 13-5/8" 10M three ram stack w/ 5M annular, 5M choke manifold. Additional information will be sent along with the H2S plan.

22. Proposed Blowout Prevention Program

Type	Working Pressure	Test Pressure	Manufacturer
Double Ram	10000	10000	
Annular	5000	5000	

23. I hereby certify that the information given above is true and complete to the best of my knowledge and belief. I further certify I have complied with 19.15.14.9 (A) NMAC ☒ and/or 19.15.14.9 (B) NMAC ☒ , if applicable. Signature:	OIL CONSERVATION DIVISION
Printed Name: Electronically filed by Keith Barton	Approved By: Randy Dade
Title: Regulatory Team Leader	Title: District Supervisor
Email Address: keith_barton@oxy.com	Approved Date: 2/6/2014 Expiration Date: 2/6/2016
Date: 2/5/2014 Phone: 713-350-4959	Conditions of Approval Attached

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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 August 1, 2011
Submit one copy to appropriate
District Office

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-015-	Pool Code 96473	Pool Name Pierce Crossing Bone Spring East
Property Code 39668	Property Name CEDAR CANYON "16" STATE	Well Number 10H
OGRID No. 16696	Operator Name OXY USA INC.	Elevation 2926.9'

Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
C	16	24 SOUTH	29 EAST, N.M.P.M.		260'	NORTH	1470'	WEST	EDDY

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
N	16	24 SOUTH	29 EAST, N.M.P.M.		330'	SOUTH	1980'	WEST	EDDY
Dedicated Acres 160		Joint or Infill Yes	Consolidation Code	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.

1470' 1655' SURFACE LOCATION NEW MEXICO EAST NAD 1927 Y=445385.0 X=605309.0 LAT.: N 32.2240216° LONG.: W 103.9927913° GRID AZ = 110°20'45" 198.23' PENETRATION POINT NEW MEXICO EAST NAD 1927 Y=445316.1 X=605494.9 LAT.: N 32.2238306° LONG.: W 103.9921910° 330' 4661.43' GRID AZ = 175°34'05" PRODUCING AREA PROJECT AREA 330' 1980' BOTTOM HOLE LOCATION NEW MEXICO EAST NAD 1927 Y=440668.7 X=605855.0 LAT.: N 32.2110519° LONG.: W 103.9910745°	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. <i>[Signature]</i> 2/5/14 Signature Date David Stewart SR. Reg. ALU. Printed Name david.stewart@oxy.com E-mail Address 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. 15079 DECEMBER 4, 2013 Date of Survey Signature and Seal of Professional Surveyor <i>[Signature]</i> 12/17/2013 Certificate Number 15079 WO# 131204WL-e (KA)
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Santa Fe, NM 87505

Form APD Comments

Permit 181065

PERMIT COMMENTS

Operator Name and Address: OXY USA INC [16696] PO Box 4294 Houston, TX 77210	API Number: 30-015-42055
	Well: CEDAR CANYON 16 STATE #010H

Created By	Comment	Comment Date
STEWARTD	Penetration Point - 330 FNL 1655 FWL C Sec 16 T24S R29E - Lat:32.2240216 Long:103.9921910. A pilot hole will be drilled to the Wolfcamp @ +/- 10022', logged and plugged back to +/-8722' w/ 630sx cmt. The lateral will be drilled to the 3rd Bone Spring to +/- 14435'M 9843'V. A closed loop system will be utilized consisting of above ground steel tanks and haul-off bins. Disposal of liquids, drilling fluids and cuttings will be disposed of at an approved facility.	2/5/2014
STEWARTD	The wells listed below are either completed or permitted to be drilled in the following pools and formations. 1. H. Buck State #3-30-015-33820-Pierce Crossing Bone Spring, E.(96473) 1st Bone Spring-TVD 7675' Ut A-B-C 2. H. Buck State #4H-30-015-34444-Pierce Crossing Bone Spring, E.(96473) 1st Bone Spring-TVD 7703' Ut H-G-F 3. H. Buck State #3-30-015-34695-Pierce Crossing Bone Spring, E.(96473) 1st Bone Spring-TVD 7723' Ut P-O-N-M 4. Cedar Canyon 16 State #2H-30-015-41024-Corral Draw Bone Spring (96238) 2nd Bone Spring-TVD 8634' Ut P-O-N-M 5. Cedar Can	2/5/2014
CSHAPARD	Land p/s	2/5/2014

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Form APD Conditions
Permit 181065

PERMIT CONDITIONS OF APPROVAL

Operator Name and Address: OXY USA INC [16696] PO Box 4294 Houston, TX 77210		API Number: 30-015-42055
		Well: CEDAR CANYON 16 STATE #010H
OCD Reviewer	Condition	
CSHAPARD	Once the well is spud, to prevent ground water contamination through whole or partial conduits from the surface, the operator shall drill without interruption through the fresh water zone or zones and shall immediately set in cement the water protection string	