

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 247441

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 |
| 4. Property Code 19552 | | 3. API Number 30-025-44389 |
| 5. Property Name SOUTH HOBBS G/SA UNIT | | 6. Well No. 293 |

7. Surface Location

| | | | | | | | | | |
|----------|---------|----------|-------|---------|-----------|----------|-----------|----------|--------|
| UL - Lot | Section | Township | Range | Lot Idn | Feet From | N/S Line | Feet From | E/W Line | County |
| G | 6 | 19S | 38E | G | 2480 | N | 2310 | E | Lea |

8. Proposed Bottom Hole Location

| | | | | | | | | | |
|----------|---------|----------|-------|---------|-----------|----------|-----------|----------|--------|
| UL - Lot | Section | Township | Range | Lot Idn | Feet From | N/S Line | Feet From | E/W Line | County |
| G | 6 | 19S | 38E | G | 2480 | N | 2310 | E | Lea |

9. Pool Information

| | |
|---------------------------|-------|
| HOBBS;GRAYBURG-SAN ANDRES | 31920 |
|---------------------------|-------|

Additional Well Information

| | | | | |
|---------------------------|----------------------------|--|-------------------------|------------------------------------|
| 11. Work Type New Well | 12. Well Type OIL | 13. Cable/Rotary | 14. Lease Type State | 15. Ground Level Elevation 3631 |
| 16. Multiple N | 17. Proposed Depth 5700 | 18. Formation San Andres | 19. Contractor | 20. Spud Date 2/1/2018 |
| 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 | 12.25 | 9.625 | 36 | 1600 | 690 | 0 |
| Prod | 8.75 | 7 | 26 | 5700 | 1000 | 0 |

Casing/Cement Program: Additional Comments

| |
|--|
| |
|--|

22. Proposed Blowout Prevention Program

| Type | Working Pressure | Test Pressure | Manufacturer |
|---------|------------------|---------------|--------------|
| Annular | 5000 | 3000 | |

| | |
|--|---|
| 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 <input checked="" type="checkbox"/> and/or 19.15.14.9 (B) NMAC <input checked="" type="checkbox"/> if applicable. Signature: | OIL CONSERVATION DIVISION |
| Printed Name: Electronically filed by KELLEY MONTGOMERY | Approved By: Paul Kautz |
| Title: Manager Regulatory | Title: Geologist |
| Email Address: kelley_montgomery@oxy.com | Approved Date: 1/26/2018 Expiration Date: 1/26/2020 |
| Date: 1/24/2018 Phone: 713-366-5716 | Conditions of Approval Attached |

District I:
1425 N. French Dr., Hobbs, NM 88240
Phone: (505) 393-6161 Fax: (505) 393-0729
District II:
817 S. First St., Artesia, NM 88210
Phone: (505) 748-1287 Fax: (505) 748-9723
District III:
1000 Rio Pecos Road, Artesia, NM 87410
Phone: (505) 334-6178 Fax: (505) 334-6170
District IV:
1220 S. St. Francis Dr., Santa Fe, NM 87505
Phone: (505) 476-3460 Fax: (505) 476-3462

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 | Pool Code | Pool Name |
| | 31920 | Hobbs; Grayburg - San Orders |
| Property Code | Property Name | Well Number |
| 19552 | SOUTH HOBBS G/SA UNIT | 293 |
| OGRID No. | Operator Name | Elevation |
| 157984 | OCCIDENTAL PERMIAN LTD. | 3631.8' |

Surface Location

| UL or lot no. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
|---------------|---------|----------|-------------------|---------|---------------|------------------|---------------|----------------|--------|
| G | 6 | 19 SOUTH | 38 EAST, N.M.P.M. | | 2480' | NORTH | 2310' | EAST | LEA |

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 |
|-----------------|---------|-----------------|--------------------|---------|---------------|------------------|---------------|----------------|--------|
| | | | | | | | | | |
| Dedicated Acres | | Joint or Infill | 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.

| | |
|--|--|
| | <p>OPERATOR CERTIFICATION</p> <p>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 undivided 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.</p> <p>Signature: <u>April Hood</u> Date: <u>01/22/18</u></p> <p>Printed Name: <u>April Hood</u></p> <p>E-mail Address: <u>April.Hood@oxy.com</u></p> |
| | <p>SURVEYOR CERTIFICATION</p> <p>I hereby certify that the well location shown on this plat was plotted from actual surveys made by me or under my supervision and that the same is true and correct to the best of my belief.</p> <p>Date of Survey: <u>JUNE 18, 2017</u></p> <p>Signature and Seal of Professional Surveyor: <u>[Signature]</u></p> <p>Certificate Number: <u>15079</u></p> |

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

Form APD Comments

Permit 247441

PERMIT COMMENTS

| | | |
|---|--|-------------------------------------|
| Operator Name and Address: OCCIDENTAL PERMIAN LTD [157984] PO Box 4294 Houston, TX 77210 | | API Number: 30-025-44389 |
| | | Well: SOUTH HOBBS G/SA UNIT #293 |

| | | |
|------------|---------|--------------|
| Created By | Comment | Comment Date |
|------------|---------|--------------|

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Form APD Conditions

Permit 247441

PERMIT CONDITIONS OF APPROVAL

| | |
|---|-------------------------------------|
| Operator Name and Address: OCCIDENTAL PERMIAN LTD [157984] PO Box 4294 Houston, TX 77210 | API Number: 30-025-44389 |
| | Well: SOUTH HOBBS G/SA UNIT #293 |

| OCD Reviewer | Condition |
|--------------|---|
| pkautz | Will require a deviation survey with C-104 |
| pkautz | SURFACE & PRODUCTION CASING - Cement must circulate to surface |
| pkautz | If cement does not circulate to surface, must run temperature survey or other log to determine top of cement |
| pkautz | Surface casing must be set 25' below top of Rustler Anhydrite in order to seal off protectable water |
| pkautz | 1)- The Operator is to notify NMOCD by sundry (Form C-103) within ten (10) days of the well being spud 2)- Drilling Sundries Form C-103 (Casing and Cement test are to be submitted within 10 days 3)- Completion Reports & Logs are to be submitted within 45 days 4)- Deviation / Directional Drill Survey are to be filed with or prior to C-104 |
| pkautz | It is the operator's responsibility to monitor cancellation dates of approved APDs. APD's are good for 2 years and may be extended for one year. Only one 1 year extension will be granted if submitted by C-103 before expiration date. After expiration date or after a 1 year extension must submit new APD. |
| pkautz | Stage Tool - 1) Must notify OCD Hobbs Office prior to running Stage Tool at 575-370-3186 2) If using Stage Tool on Surface casing, Stage Tool must be set greater than 350' from surface and a minimum of 200 feet above surface shoe. 3) When using a Stage Tool on Intermediate or Production Casing Stage must be a minimum of 50 feet below previous casing shoe. |