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

UL - Lot

1220 S. St Francis Dr., Santa Fe, NM 87505 Phone: (505) 476-3470 Fax: (505) 476-3462

Section

32

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 271501

		AP	PLICATION	FOR PERMIT T	O DRILL, RE	-ENTER, DEEPE	N, PLUGBACI	K, OR ADD A Z	ONE		
1. Operator Name and Address OXY USA INC					2. C	2. OGRID Number 16696					
P.O. Box 4294 Houston, TX 77210-4294											
4. Property Code 5. Property Name 326058 VANADIUM 32 STATE				6. V	6. Well No. 177H						
					7. Su	rface Location					
UL - Lot	Section	Town	nship	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County	
Р	2	29	23S	31E		515	S	980	E		Eddy
					8. Proposed	Bottom Hole Locatio	n				

9 Pool Information

Feet From

20

N/S Line

Feet From

440

E/W Line

County

Eddy

Lot Idn

	3.1 commonitation	
ING	SEE WELLS:BONE SPRING	33740

Additional Well Information

11. Work Type	12. Well Type	13. Cable/Rotary	14. Lease Type	15. Ground Level Elevation
New Well	OIL		Federal	3361
16. Multiple	17. Proposed Depth	18. Formation	19. Contractor	20. Spud Date
N	15400	2nd Bone Spring Sand		9/15/2019
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

Township

23S

Range

31E

21. Proposed Casing and Cement Program

Type	Hole Size	Casing Size	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
Surf	17.5	13.375	54.5	454	486	0
Int1	12.25	9.625	40	4212	980	0
Prod	8.5	5.5	20	15400	1301	9300

Casing/Cement Program: Additional Comments

*Oxy requests the option to run the 7.625" Intermediate II as a contingency string to be run only if severe hole conditions dictate an additional casing string necessary. *Oxy requests the option to run production casing with DQX and/or SF TORQ connections to accommodate hole conditions or drilling operations. *Contingency design will only be employed if Oxy elects to run 7.625" Intermediate II string. *Proposed Mud Program: 0-454' Water Based, 454'-4212' Saturated Brine Based Mud, 4212'-15400' Saturated Brine Based or Oil - Based Mud. BOP Program: 135/8 10M three ram stack with 5M annular preventer, 10M choke manifold. Additional information will be sent along with the H2S and Gas Capture Plan.

22. Proposed Blowout Prevention Program

22. Froposed blowdut Frevention Frogram						
Type	Working Pressure	Test Pressure	Manufacturer			
Annular	5000	5000				
Blind	5000	5000				
Pine	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 CONSERVATIO	ON DIVISION
			Approved By:	Raymond Podany	
Title:	Manager Regulatory		Title:	Geologist	
Email Address:	mail Address: kelley_montgomery@oxy.com			8/26/2019	Expiration Date: 8/26/2021
Date:	8/26/2019 Phone: 713-366-5716			oval Attached	

District I
1625 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Pax: (575) 393-0720
District II
811 S. First St., Artesia, NM 88210
Phone: (575) 748-1283 Fax: (575) 748-9720
District III
1000 Rio Brancs Road, Aztec, NM 87410
Phone: (505) 334-6178 Fax: (505) 334-6170
District IV
1220 S. St. Francis Dr., Santa Fc, NM 87505
Phone: (505) 476-3460 Fax: (505) 476-3462

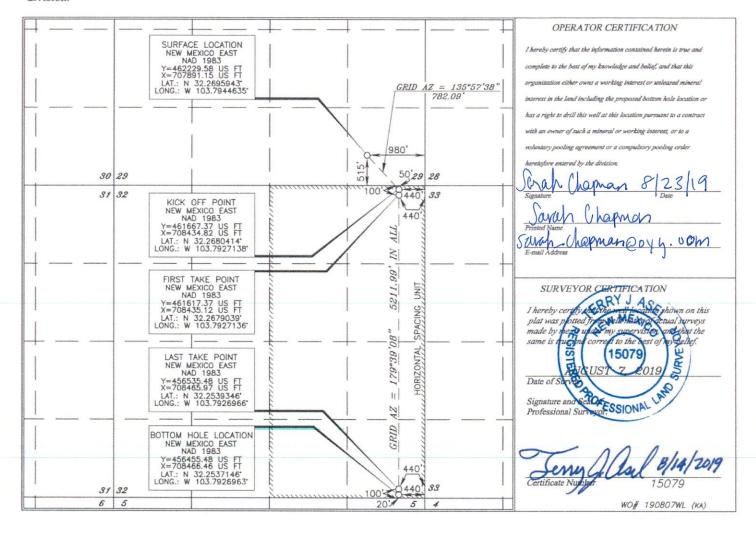
State of New Mexico Energy, Minerals & Natural Resources Department OIL CONSERVATION DIVISION 1220 South St. Francis Dr. Santa Fe, NM 87505

Form C-102 Revised August 1, 2011 Submit one copy to appropriate District Office

☐ AMENDED REPORT

API Number Pool Code 337 40				Ingte Well Eme Spring								
					operty Name M "32" STATE					ell Number 77H		
	OGRID No. Operator Name Eleva					Elevation 361.2'						
					Surfa	ace Lo	ocation					
L or lot no.	Section	Township	Rai	nge		Lot Idn	Feet from the	North/South line	Feet from the	East/Wes	t line	County
P	29	23 SOUTH	31 EAST,	N.M.	P.M.		515'	SOUTH	980'	EAST	n	EDDY
			Bottom .	Hole	Locatio	on If I	Different I	From Surfac	e			***************************************
L or lot no.	Section	Township	wnship Range		Lot Idn	Feet from the	North/South line	Feet from the	East/Wesi	line	County	
P	32	23 SOUTH	UTH 31 EAST, N.M.P.M.				20'	SOUTH	440'	EAST	"	EDDY
Dedicated	Acres	Joint or Infill	Consolidation Co.	de	Order No.	4			<u> </u>			

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.



Intent As Drilled		
API#		
Operator Name:	Property Name:	Well Number
bxy USA Inc.	Vanadium 32 State	1774
Kick Off Point (KOP)		
UL Section Township Range Lot Feet A 32 235 316 50 Latitude Longitu - 62	2227	
First Take Point (FTP)		
UL Section Township Range Lot Feet A 32 25 316 100 Latitude Longitu 32.2679639	From N/S Feet From E/W County ADKTH 440 est ED de NAD VAN	DY 83
Last Take Point (LTP)		
UL Section Township Range Lot Feet V 32 285 315 100 Latitude Longitude Longitude -103	From N/S Feet From E/W County South 440 least EDDY de NAD	
		,
Is this well the defining well for the Horizontal Sp	acing Unit?	
Is this well an infill well?	8	
If infill is yes please provide API if available, Opera Spacing Unit.	ator Name and well number for Defining well fo	r Horizontal
API#		
Operator Name:	Property Name:	Well Number

KZ 06/29/2018

Form APD Comments

<u>District I</u> 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

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**

Permit 271501

PERMIT COMMENTS

Operator Name and Address:	API Number:		
OXY USA INC [16696]	30-015-46240		
P.O. Box 4294	Well:		
Houston, TX 77210-4294	VANADIUM 32 STATE #177H		

Created By	Comment	Comment Date
schapman	First Take Point/Top Perforated Interval: 100' FNL 440' FEL NENE 32-T23S-R31E EDDY COUNTY Lat. 32.2680414 Long 103.7927138 (NAD83). Last Take Point/Bottom Perforated Interval: 100' FSL 440' FEL SESE 313-T23SR31E EDDY COUNTY Lat. 32.2539346 Long 103.7926966 (NAD83). A closed loop system will be utilized consisting of above ground steel tanks and haul- off bins. Disposal of liquids, drilling fluids and cutting will be disposed of at an approved facility.	8/23/2019
rpodany	Bad BHL input. Both BHL inputs on completion page should be same BHL. Wrong section selected as producing Sec 29 and none selected in section 32 where lateral is.	8/23/2019
schapman	I have updated. Please let me know if there is anything else. Thank you.	8/26/2019
rpodany	GAS CAPTURE PLAN needed	8/26/2019

Form APD Conditions

<u>District I</u> 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

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**

Permit 271501

PERMIT CONDITIONS OF APPROVAL

Operator Name and Address:	API Number:
OXY USA INC [16696]	30-015-46240
P.O. Box 4294	Well:
Houston, TX 77210-4294	VANADIUM 32 STATE #177H

OCD Reviewer Condition