

ABOVE THIS LINE FOR DIVISION USE ONLY

**NEW MEXICO OIL CONSERVATION DIVISION**  
 - Engineering Bureau -  
 1220 South St. Francis Drive, Santa Fe, NM 87505



NOV 08 2013  
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**ADMINISTRATIVE APPLICATION CHECKLIST**

THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

**Application Acronyms:**

- [NSL-Non-Standard Location] [NSP-Non-Standard Proration Unit] [SD-Simultaneous Dedication]  
 [DHC-Downhole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling]  
 [PC-Pool Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measurement]  
 [WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion]  
 [SWD-Salt Water Disposal] [IPI-Injection Pressure Increase]  
 [EOR-Qualified Enhanced Oil Recovery Certification] [PPR-Positive Production Response]

- [1] **TYPE OF APPLICATION** - Check Those Which Apply for [A]  
 [A] Location - Spacing Unit - Simultaneous Dedication  
 NSL  NSP  SD  
 Check One Only for [B] or [C]  
 [B] Commingling - Storage - Measurement  
 DHC  CTB  PLC  PC  OLS  OLM  
 [C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery  
 WFX  PMX  SWD  IPI  EOR  PPR  
 [D] Other: Specify [CTB-355]

OXY USA WTP LP  
 Tracy D #1  
 30-015-21631

- [2] **NOTIFICATION REQUIRED TO:** - Check Those Which Apply, or Does Not Apply  
 [A]  Working, Royalty or Overriding Royalty Interest Owners  
 [B]  Offset Operators, Leaseholders or Surface Owner  
 [C]  Application is One Which Requires Published Legal Notice  
 [D]  Notification and/or Concurrent Approval by BLM or SLO  
U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office  
 [E]  For all of the above, Proof of Notification or Publication is Attached, and/or,  
 [F]  Waivers are Attached

[3] **SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED ABOVE.**

[4] **CERTIFICATION:** I hereby certify that the information submitted with this application for administrative approval is **accurate** and **complete** to the best of my knowledge. I also understand that **no action** will be taken on this application until the required information and notifications are submitted to the Division.

**Note:** Statement must be completed by an individual with managerial and/or supervisory capacity.

David Stewart \_\_\_\_\_ SR. Regulatory Advisor \_\_\_\_\_ 10/30/13  
 Print or Type Name Signature Title Date  
 david\_stewart@oxy.com  
 e-mail Address

OXY USA WTP LP  
 Tracy D #1  
 30-015-21631

District I  
1625 N. French Drive, Hobbs, NM 88240

State of New Mexico  
Energy, Minerals and Natural Resources Department

Form C-107A  
Revised August 1, 2011

District II  
811 S. First St., Artesia, NM 88210

Oil Conservation Division  
1220 South St. Francis Dr.  
Santa Fe, New Mexico 87505

APPLICATION TYPE  
 Single Well  
 Establish Pre-Approved Pools  
EXISTING WELLBORE  
 Yes  No

District III  
1000 Rio Brazos Road, Aztec, NM 87410

District IV  
1220 S. St. Francis Dr., Santa Fe, NM 87505

APPLICATION FOR DOWNHOLE COMMINGLING

Operator OXY USA WTP LP Address P.O. Box 50250 Midland, TX 79710  
Lease Tracy D Well No. 1 Unit Letter-Section-Township-Range K-33-215-27E County Eddy  
OGRID No. 192463 Property Code 27674 API No. 30015-21631 Lease Type:  Federal  State  Fee

DATA ELEMENT	UPPER ZONE	INTERMEDIATE ZONE	LOWER ZONE
Pool Name	<u>Combsand Wolfcamp East (Gas)</u>	<u>Cedar Hills, Upper Perm (Gas)</u>	<u>Lattentke Strawn (Gas)</u>
Pool Code	<u>74160</u>	<u>NA 74520</u>	<u>79720</u>
Top and Bottom of Pay Section (Perforated or Open-Hole Interval)	<u>8719-9574'</u>	<u>9720-9974'</u>	<u>10062-10277'</u> ✓
Method of Production (Flowing or Artificial Lift)	<u>Flowing</u>	<u>Flowing</u>	<u>Flowing</u>
Bottomhole Pressure (Note: Pressure data will not be required if the bottom perforation in the lower zone is within 150% of the depth of the top perforation in the upper zone)	<u>NA</u>	<u>NA</u>	<u>NA</u>
Oil Gravity or Gas BTU (Degree API or Gas BTU)	<u>NA</u>	<u>NA</u>	<u>NA</u>
Producing, Shut-In or New Zone	<u>New Zone</u>	<u>New Zone</u>	<u>New Zone</u>
Date and Oil/Gas/Water Rates of Last Production. (Note: For new zones with no production history, applicant shall be required to attach production estimates and supporting data.)	<u>To Be Supplied</u> Date: Rates:	<u>To Be Supplied</u> Date: Rates:	<u>To Be Supplied</u> Date: Rates:
Fixed Allocation Percentage (Note: If allocation is based upon something other than current or past production, supporting data or explanation will be required.)	Oil <u>To Be Supplied</u> % Gas <u>To Be Supplied</u> %	Oil <u>To Be Supplied</u> % Gas <u>To Be Supplied</u> %	Oil <u>To Be Supplied</u> % Gas <u>To Be Supplied</u> %

8719' x 1.5' = 13,078'

ADDITIONAL DATA

Are all working, royalty and overriding royalty interests identical in all commingled zones? Yes  No   
If not, have all working, royalty and overriding royalty interest owners been notified by certified mail? Yes  No   
Are all produced fluids from all commingled zones compatible with each other? Yes  No   
Will commingling decrease the value of production? Yes  No   
If this well is on, or communitized with, state or federal lands, has either the Commissioner of Public Lands or the United States Bureau of Land Management been notified in writing of this application? Yes  No   
NMOCD Reference Case No. applicable to this well: \_\_\_\_\_

Attachments:  
C-102 for each zone to be commingled showing its spacing unit and acreage dedication.  
Production curve for each zone for at least one year. (If not available, attach explanation.)  
For zones with no production history, estimated production rates and supporting data.  
Data to support allocation method or formula.  
Notification list of working, royalty and overriding royalty interests for uncommon interest cases.  
Any additional statements, data or documents required to support commingling.

PRE-APPROVED POOLS

If application is to establish Pre-Approved Pools, the following additional information will be required:

List of other orders approving downhole commingling within the proposed Pre-Approved Pools  
List of all operators within the proposed Pre-Approved Pools  
Proof that all operators within the proposed Pre-Approved Pools were provided notice of this application.  
Bottomhole pressure data.

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE David Stewart TITLE Sr. Reg. Advisor DATE 10/30/13  
TYPE OR PRINT NAME David Stewart TELEPHONE NO. (432) 685-5717  
E-MAIL ADDRESS david\_stewart@oxy.com

**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 Road, Aztec, NM 87410  
 Phone: (505) 334-6178 Fax: (505) 334-6170  
**District IV**  
 1220 S. St. Francis Dr., Santa Fe, NM 87505  
 Phone: (505) 476-3460 Fax: (505) 476-3462

State of New Mexico

Form C-101  
 Revised July 18, 2013

Energy Minerals and Natural Resources

Oil Conservation Division

AMENDED REPORT

1220 South St. Francis Dr.

Santa Fe, NM 87505

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

<sup>1</sup> Operator Name and Address OKY USA WTP LP P.O. Box 50250 Midland, TX 79710		<sup>2</sup> OGRID Number 192463
		<sup>3</sup> API Number 30015-21631
<sup>4</sup> Property Code 27674	<sup>5</sup> Property Name Tracy D	<sup>6</sup> Well No. 1

<sup>7</sup> Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet from	N/S Line	Feet From	E/W Line	County
K	33	21S	27E		1980	South	1980	West	Eddy

<sup>8</sup> Proposed Bottom Hole Location

UL - Lot	Section	Township	Range	Lot Idn	Feet from	N/S Line	Feet From	E/W Line	County

<sup>9</sup> Pool Information

La Huenta Strawn (Gas) Carlsbad Wolfcamp, East (Gas) Wildcat Upper Penn (Gas)	<sup>10</sup> Pool Name	<sup>11</sup> Pool Code 79720 74160 N/A
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Additional Well Information

<sup>12</sup> Work Type P	<sup>13</sup> Well Type G	<sup>14</sup> Cable/Rotary R	<sup>15</sup> Lease Type P	<sup>16</sup> Ground Level Elevation 3119'
<sup>17</sup> Multiple DHC	<sup>18</sup> Proposed Depth 10980'	<sup>19</sup> Formation Strawn/Wolfcamp/Penn	<sup>20</sup> Contractor N/A	<sup>21</sup> Spud Date After Approval
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

<sup>22</sup> Proposed Casing and Cement Program

Type	Hole Size	Casing Size	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
Sunt	17 1/2"	13 7/8"	48	400'	500	Sunt-Cinc
Int	12 1/4"	9 5/8"	36	3000'	1000	Sunt-Cinc
Prod.	8 3/4"	5 1/2"	17-20	11575'	1300	5710'-TS

Casing/Cement Program: Additional Comments

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<sup>23</sup> Proposed Blowout Prevention Program

Type	Working Pressure	Test Pressure	Manufacturer
Double Ram	5000	5000	

<sup>23</sup> I hereby certify that the information given above is true and complete to the best of my knowledge and belief.  
 I further certify that I have complied with 19.15.14.9 (A) NMAC  and/or 19.15.14.9 (B) NMAC  if applicable.  
 Signature:

Printed name: David Stewart  
 Title: Sr. Regulatory Advisor  
 E-mail Address: david\_stewart@oky.com  
 Date: \_\_\_\_\_ Phone: 432-685-5717

OIL CONSERVATION DIVISION

Approved By:

Title:

Approved Date:

Expiration Date:

Conditions of Approval Attached

**OXY USA WTP LP**  
**Tracy D #1 – 30-015-21631**

**Procedure:**

- 1) Clean Location and set anchors
- 2) RU DDPU, ND WH and NU BOP.
- 3) POOH w/Tbg and packer and LD Tbg and Packer. RD DDPU.
- 4) RU WLU
- 5) Run CBL and Casing Inspection Log from 10500' to surface. RD WLU unit and send log to engineer.
  - **NOTE: Do not go forward with prog until CBL and casing inspection log have been evaluated.**
- 6) RIH w/ WL and set a CIBP in 5-1/2" casing at 11083'. RD WLU.
- 7) RU DDPU and PU work string and RIH and spot 25sx cement on CIBP. POOH w/ work string and LD.
- 8) ND BOP and NU frac valve. RD DDPU.
- 9) Test casing to 2000psi and hold for 5 minutes.
- 10) RU WLU & RIH and perforate Strawn @ 10277-10273, 10212-10208, 10148-10144, 10066-10062'  
Total 44 holes.
- 11) RU Halliburton and Frac Strawn down casing at first available frac date per Halliburton frac program.
- 12) RU WLU & RIH and set CBP and perforate Penn @ 9974-9970, 9902-9898, 9811-9807, 9724-9720'  
Total 44 holes.
- 13) RU Halliburton and Frac Penn down casing at first available frac date per Halliburton frac program.
- 14) RU WLU & RIH and set CBP and perforate Wolfcamp @ 9574-6570, 6474-9470, 9362-9258, 9227-9223' Total 44 holes.
- 15) RU Halliburton and Frac Wolfcamp down casing at first available frac date per Halliburton frac program.
- 16) RU WLU & RIH and set CBP and perforate Wolfcamp @ 9072-9068, 8944-8940, 8872-8868, 8723-8719' Total 44 holes.
- 17) RU Halliburton and Frac Wolfcamp down casing at first available frac date per Halliburton frac program.
- 18) RD Halliburton.
- 19) ND Frac valve and NU BOP. RU DDPU.
- 20) PU work string and clean out to PBTD'. POOH and LD work string.
- 21) PU 2 3/8" production tbg BHA and RIH as follows;
  - Re Entry guide
  - 1.81" profile nipple w/plug inserted
  - 5 1/2" Packer SA 8600'
  - 1.87" profile nipple in On/Off tool
  - 2 x 7/8" tubing to surface
- 22) Unlatch from on/off tool and circ inhibited packer fluid on back side.
- 23) Latch on/off tool and test backside to 1000psi and hold for 5 minutes.
- 24) Test tubing to 1000psi and hold 5 minutes.
- 25) ND BOP and NU WH. RD DDPU.
- 26) RU SLU and RIH and pull plug from 1.81" profile nipple.
- 27) Swab well in as needed and place well on production.
- 28) Report results to engineer.

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District IV  
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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

<sup>1</sup> API Number 30-015-21631	<sup>2</sup> Pool Code 74160	<sup>3</sup> Pool Name Carrlsbad Wolfcamp East (Gas)
<sup>4</sup> Property Code 27674	<sup>5</sup> Property Name Tracy D	
<sup>7</sup> OGRID No. 192463	<sup>8</sup> Operator Name OKY USA WTP LP	<sup>6</sup> Well Number 1
<sup>9</sup> Elevation 3119'		

<sup>10</sup> Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
K	33	21S	27E		1980	South	1980	west	Eddy

<sup>11</sup> 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

<sup>12</sup> Dedicated Acres 320	<sup>13</sup> Joint or Infill N	<sup>14</sup> Consolidation Code	<sup>15</sup> 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.

16				<p><b><sup>17</sup> OPERATOR CERTIFICATION</b></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 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.</p> <p><i>David Stewart</i> 10/30/13 Signature Date</p> <p>David Stewart Sr. Reg. A.G.O. Printed Name</p> <p>david_stewart@oky.com E-mail Address</p>
<p><b><sup>18</sup> SURVEYOR CERTIFICATION</b></p> <p>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.</p> <p>Date of Survey</p> <p>Signature and Seal of Professional Surveyor:</p> <p>Certificate Number</p>				

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

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

<sup>1</sup> API Number 30-015-21631	<sup>2</sup> Pool Code 74520	<sup>3</sup> Pool Name W. L. Cat Penn (Gas)
<sup>4</sup> Property Code 27674	<sup>5</sup> Property Name Tracy D	<sup>6</sup> Well Number 1
<sup>7</sup> OGRID No. 192463	<sup>8</sup> Operator Name OKY USA WTP LP	<sup>9</sup> Elevation 3119'

<sup>10</sup> Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
K	33	21S	27E		1980	South	1980	West	Eddy

<sup>11</sup> 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

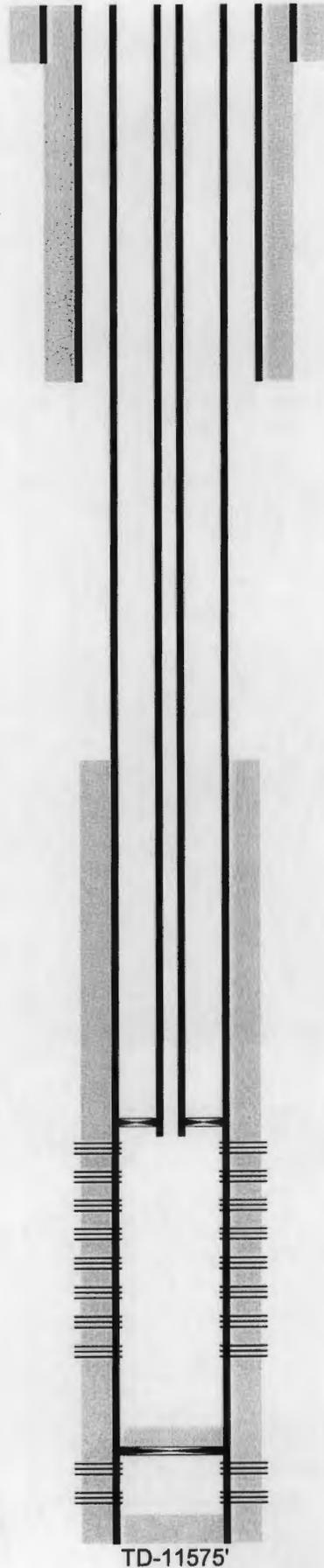
<sup>12</sup> Dedicated Acres 320	<sup>13</sup> Joint or Infill N	<sup>14</sup> Consolidation Code	<sup>15</sup> Order No.
--------------------------------------	------------------------------------	----------------------------------	-------------------------

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><sup>16</sup></p>	<p><b><sup>17</sup> OPERATOR CERTIFICATION</b></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 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</p> <p><i>David Stewart</i> 10/30/13 Signature Date</p> <p>David Stewart Sr. Reg. A.G.U. Printed Name</p> <p>david_stewart@oky.com E-mail Address</p>
	<p><b><sup>18</sup> SURVEYOR CERTIFICATION</b></p> <p>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.</p> <p>Date of Survey Signature and Seal of Professional Surveyor:</p> <p>Certificate Number</p>



OXY USA WTP LP - Proposed  
Tracy D #1  
API No. 30-015-21631



17-1/2" hole @ 400'  
13-3/8" csg @ 400'  
w/ 500sx-TOC-Surf-Circ

12-1/4" hole @ 3000'  
9-5/8" csg @ 3000'  
w/ 1000sx-TOC-Surf-Circ

2-7/8" tbg w/ pkr @ 8650'

*Wolfcamp Perfs @ 8719-9574'*

*Penn Perfs @ 9720-9974'*

*Strawn Perfs @ 10062-10277'*

8-3/4" hole @ 11575'  
5-1/2" csg @ 11575'  
w/ 1300sx-TOC-5910'-TS

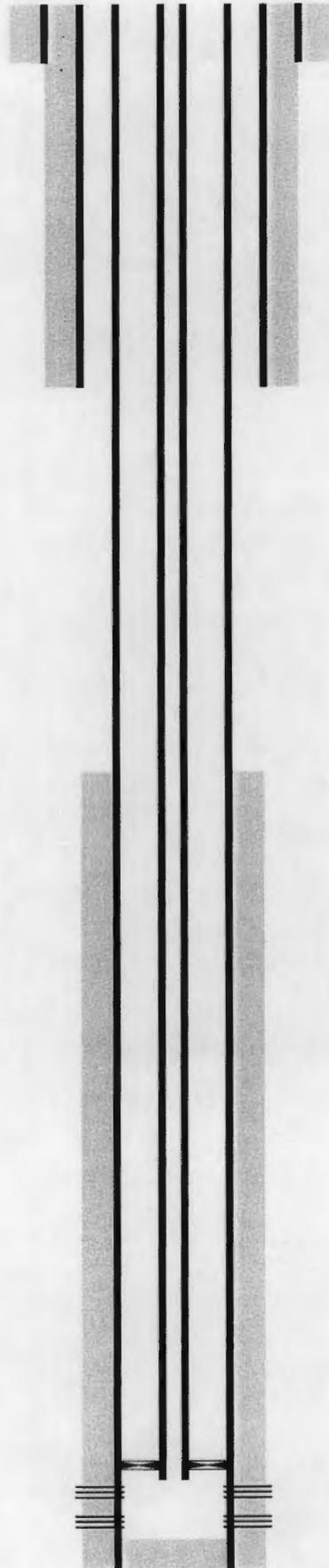
*Perfs @ 11133-11441'*

*CIBP @ 11083' w/ 25sx cmt*

PB-11540'

TD-11575'

OXY USA WTP LP - Current  
Tracy D #1  
API No. 30-015-21631



17-1/2" hole @ 400'  
13-3/8" csg @ 400'  
w/ 500sx-TOC-Surf-Circ

12-1/4" hole @ 3000'  
9-5/8" csg @ 3000'  
w/ 1000sx-TOC-Surf-Circ

8-3/4" hole @ 11575'  
5-1/2" csg @ 11575'  
w/ 1300sx-TOC-5910'-TS

2-3/8" tbg w/ pkr @ 11080'

Perfs @ 11133-11441'

PB-11540'

TD-11575'

OXY USA WTP-LP - DTC Application  
Track #1 - 30015-21631

SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY
<ul style="list-style-type: none"><li>Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.</li><li>Print your name and address on the reverse so that we can return the card to you.</li><li>Attach this card to the back of the mailpiece, or on the front if space permits.</li></ul>	A. Signature <b>X</b> <input type="checkbox"/> Agent <input type="checkbox"/> Addressee
1. Article Addressed to:  NMOCD 1220 South St. Francis Dr. Santa Fe, NM 87505	B. Received by (Printed Name) C. Date of Delivery
2. Article Number (Transfer from service label) 7011 3500 0002 4988 3984	D. Is delivery address different from item 1? <input type="checkbox"/> Yes If YES, enter delivery address below: <input type="checkbox"/> No
PS Form 3811, February 2004	Domestic Return Receipt 102595-02-M-1540

SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY
<ul style="list-style-type: none"><li>Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.</li><li>Print your name and address on the reverse so that we can return the card to you.</li><li>Attach this card to the back of the mailpiece, or on the front if space permits.</li></ul>	A. Signature <b>X</b> <input type="checkbox"/> Agent <input type="checkbox"/> Addressee
1. Article Addressed to:  NMOCD 811 S. First St. Antesia, NM 88210	B. Received by (Printed Name) C. Date of Delivery
2. Article Number (Transfer from service label) 7011 3500 0002 4988 3991	D. Is delivery address different from item 1? <input type="checkbox"/> Yes If YES, enter delivery address below: <input type="checkbox"/> No
PS Form 3811, February 2004	Domestic Return Receipt 102595-02-M-1540

SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY
<ul style="list-style-type: none"><li>Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.</li><li>Print your name and address on the reverse so that we can return the card to you.</li><li>Attach this card to the back of the mailpiece, or on the front if space permits.</li></ul>	A. Signature <b>X</b> <input type="checkbox"/> Agent <input type="checkbox"/> Addressee
1. Article Addressed to:  BLM 620 E. Greene St. Cankband, NM 88220	B. Received by (Printed Name) C. Date of Delivery
2. Article Number (Transfer from service label) 7011 3500 0002 4988 4004	D. Is delivery address different from item 1? <input type="checkbox"/> Yes If YES, enter delivery address below: <input type="checkbox"/> No
PS Form 3811, February 2004	Domestic Return Receipt 102595-02-M-1540