

DATE IN 11-21-05	SUSPENSE 12/6/05	ENGINEER JWS	LOGGED IN 11-22-05	TYPE SWD	APP NO. PSEM0532627884
------------------	------------------	--------------	--------------------	----------	------------------------

ABOVE THIS LINE FOR DIVISION USE ONLY

## NEW MEXICO OIL CONSERVATION DIVISION

- Engineering Bureau -

1220 South St. Francis Drive, Santa Fe, NM 87505



### 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 \_\_\_\_\_

#### [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  
 Print or Type Name

*[Signature]*  
 Signature


SE. Reg. Analyst  
 Title

11/16/05  
 Date

david\_stewart@oxy.com  
 e-mail Address

2005 NOV 21 PM 2 29

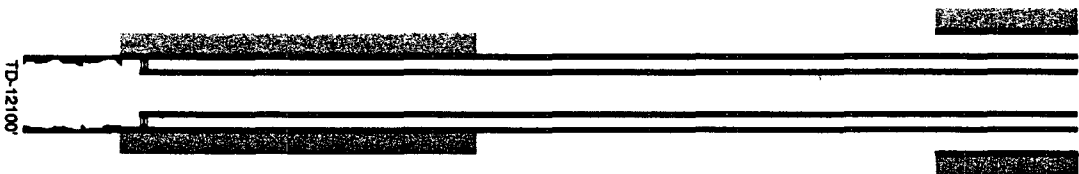
**APPLICATION FOR AUTHORIZATION TO INJECT**

- I. PURPOSE: \_\_\_\_\_ Secondary Recovery \_\_\_\_\_ Pressure Maintenance X Disposal \_\_\_\_\_ Storage  
Application qualifies for administrative approval? X Yes \_\_\_\_\_ No
- II. OPERATOR: OXY USA WTP Limited Partnership - 192463  
ADDRESS: P.O. Box 50250 Midland, TX 79710-0250  
CONTACT PARTY: David Stewart PHONE: 432-685-5717
- III. WELL DATA: Complete the data required on the reverse side of this form for each well proposed for injection.  
Additional sheets may be attached if necessary.
- IV. Is this an expansion of an existing project? \_\_\_\_\_ Yes X No  
If yes, give the Division order number authorizing the project: \_\_\_\_\_
- V. Attach a map that identifies all wells and leases within two miles of any proposed injection well with a one-half mile radius circle drawn around each proposed injection well. This circle identifies the well's area of review.
- VI. Attach a tabulation of data on all wells of public record within the area of review which penetrate the proposed injection zone. Such data shall include a description of each well's type, construction, date drilled, location, depth, record of completion, and a schematic of any plugged well illustrating all plugging detail.
- VII. Attach data on the proposed operation, including:
1. Proposed average and maximum daily rate and volume of fluids to be injected;
  2. Whether the system is open or closed;
  3. Proposed average and maximum injection pressure;
  4. Sources and an appropriate analysis of injection fluid and compatibility with the receiving formation if other than reinjected produced water; and,
  5. If injection is for disposal purposes into a zone not productive of oil or gas at or within one mile of the proposed well, attach a chemical analysis of the disposal zone formation water (may be measured or inferred from existing literature, studies, nearby wells, etc.).
- \*VIII. Attach appropriate geologic data on the injection zone including appropriate lithologic detail, geologic name, thickness, and depth. Give the geologic name, and depth to bottom of all underground sources of drinking water (aquifers containing waters with total dissolved solids concentrations of 10,000 mg/l or less) overlying the proposed injection zone as well as any such sources known to be immediately underlying the injection interval.
- IX. Describe the proposed stimulation program, if any.
- \*X. Attach appropriate logging and test data on the well. (If well logs have been filed with the Division, they need not be resubmitted).
- \*XI. Attach a chemical analysis of fresh water from two or more fresh water wells (if available and producing) within one mile of any injection or disposal well showing location of wells and dates samples were taken.
- XII. Applicants for disposal wells must make an affirmative statement that they have examined available geologic and engineering data and find no evidence of open faults or any other hydrologic connection between the disposal zone and any underground sources of drinking water.
- XIII. Applicants must complete the "Proof of Notice" section on the reverse side of this form.
- XIV. Certification: I hereby certify that the information submitted with this application is true and correct to the best of my knowledge and belief.
- NAME: David Stewart TITLE: Sr. Regulatory Analyst  
SIGNATURE:  DATE: 11/14/05  
E-MAIL ADDRESS: david\_stewart@oxy.com
- \* If the information required under Sections VI, VIII, X, and XI above has been previously submitted, it need not be resubmitted. Please show the date and circumstances of the earlier submittal: \_\_\_\_\_

## INJECTION WELL DATA SHEET

OPERATOR: OXY USA WTP Limited Partnership - 192463WELL NAME & NUMBER: Righthand Canyon 35 Federal #7WELL LOCATION: 1975 FSL 2405 FWL K (NESW) 35 21S 24E  
FOOTAGE LOCATION UNIT LETTER SECTION TOWNSHIP RANGEWELLBORE SCHEMATICWELL CONSTRUCTION DATA  
Surface CasingOXY USA WTP LP  
Righthand Canyon 35 Federal #7  
1975 FSL 2405 FWL (NESW) 35-21S-24E  
API No. 30-015-17-1/2" hole @ 1700'  
13-3/8" csg @ 1700'  
w/1000sx-TOC-Surf-CircHole Size: 17-1/2" Casing Size: 13-3/8" @ 1700'  
Cemented with: 1000 sx. or          ft<sup>3</sup>  
Top of Cement: Surface Method Determined: CirculatedIntermediate CasingHole Size:          Casing Size:           
Cemented with:          sx. or          ft<sup>3</sup>  
Top of Cement:          Method Determined:         Production CasingHole Size: 12-1/4" Casing Size: 8-5/8" @ 11000'  
Cemented with: 1400 sx. or          ft<sup>3</sup>  
Top of Cement: +/-6900' Method Determined: Temp Svy  
Total Depth: 12100'12-1/4" hole @ 11000'  
8-5/8" csg @ 11000'  
w/1400sx-TOC-8800'-Calc7" FJ Tubing @ 10900'  
7" PC Baker Lok-Set @ 10900'

7-7/8" hole @ 11000-12100'

☒ Perforated or Open Hole; indicate which)

Other Type of Tubing/Casing Seal (if applicable): N/A

1. Is this a new well drilled for injection? X Yes      No

4. Has the well ever been perforated in any other zone(s)? List all such perforated intervals and give plugging detail, i.e. sacks of cement or plug(s) used. No

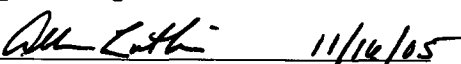
5. Give the name and depths of any oil or gas zones underlying or overlying the proposed injection zone in this area: Morrow-9700' Cisco/Canyon - 7900'

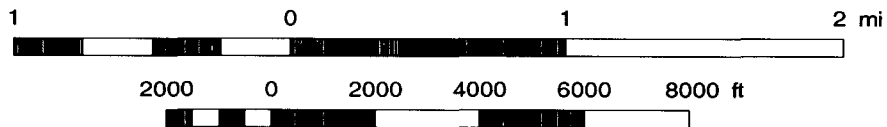
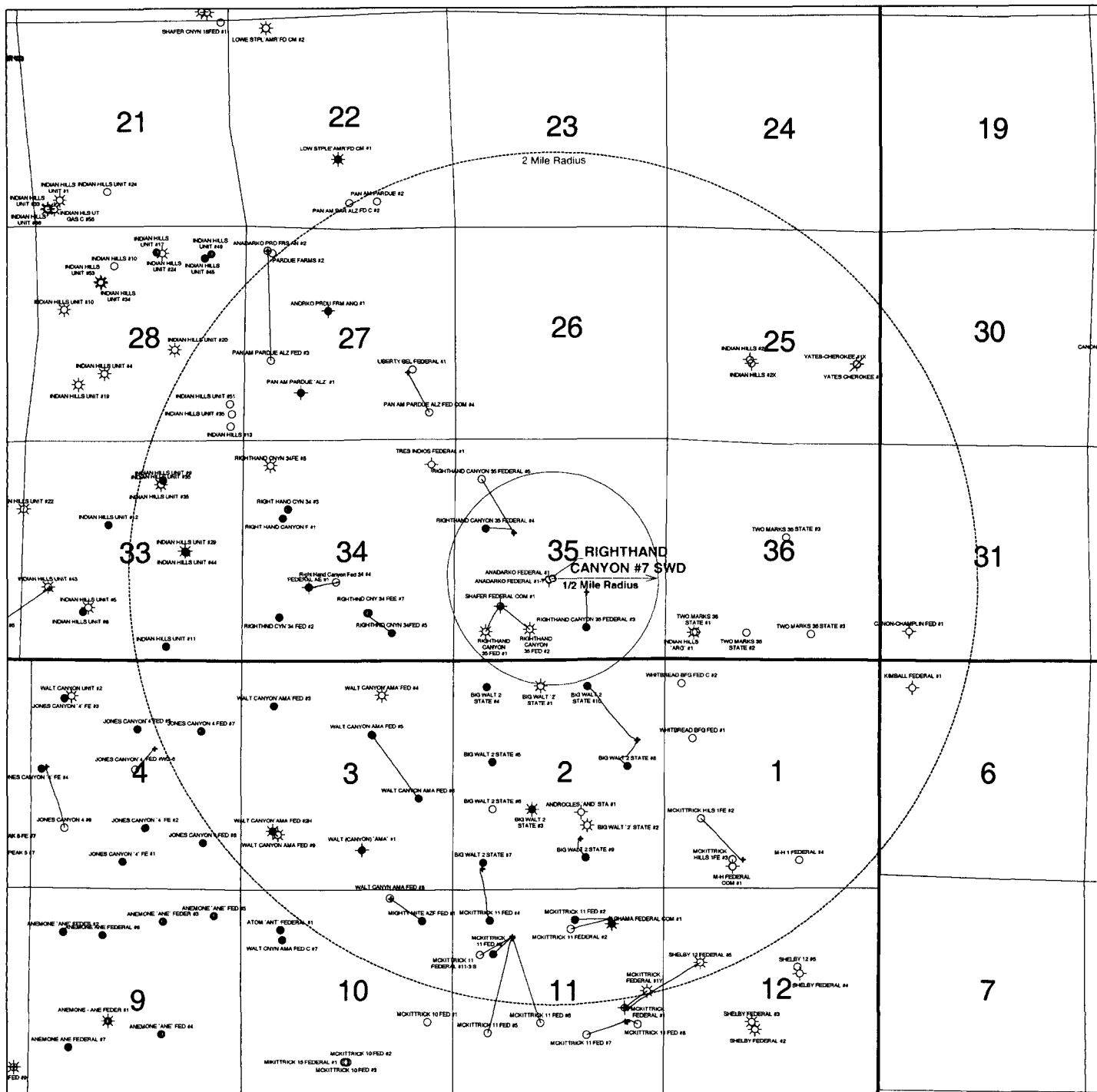
---

---

---

**ATTACHMENT C-108**  
**OXY USA WTP LP**  
**Righthand Canyon 35 Federal #7**  
**Sec 35 T21S R24E**

- V. See Attachment A
- VI. No wells within the ½ mile Area of Review penetrate the proposed Devonian disposal interval. See Attachment B
- VII. Proposed Operations
1. Injection Rate - Average-30000BWPD - Maximum-40000BWPD
  2. Closed System
  3. Injection Pressure - Average-1500psi - Maximum-2200psi
  4. See Attachment C for copy of Cisco/Canyon Water Analysis
  5. See Attachment D for copy of Devonian Water Analysis
- VIII. Injection Zone
- The proposed disposal interval consists of fractured, vuggy dolomite with 3-14% porosity. The gross depth interval is +/- 1000' at a depth of 11070' MD, 7125' TVDSS. There are no prospective commercial oil or gas bearing zones within this interval in this borehole or in any boreholes within a ½ mile radius of this proposed well. Specifically, the proposed intervals for disposal are as follows:
- Devonian: 11070 - 12100' MD +/-1000'  
7125-8155' TVDSS
- Fresh Water Zones
- The base of near surface aquifer is estimated to be approximately 650' in the Grayburg formation. No freshwater zones exist at or below the proposed disposal interval.
- IX. 30000 gallons acid
- X. Not available, this well has not been drilled yet and will not be drilled until this application is approved.
- XI. No fresh water wells within one mile of the proposed location. The nearest fresh water well is located 1.4 miles northeast of the proposed location.
- XII. I have examined available geologic and engineering data and find no evidence of open faults or any other hydrologic connection between the disposal zone and any underground sources of drinking water.
-   
Allen Luthi - Staff Geologist
- XIII. See attached for service list. A copy of this application has been sent certified mail, return receipt requested, to all parties on the service list. The legal advertisement has been requested and proof of publication will be forwarded as soon as it is received.



N



OXY		
Proposed Righthand Canyon #7 SWD		
Devonian Salt Water Disposal Well		
Author:		Date:
Allen Luthi		29 September, 2005

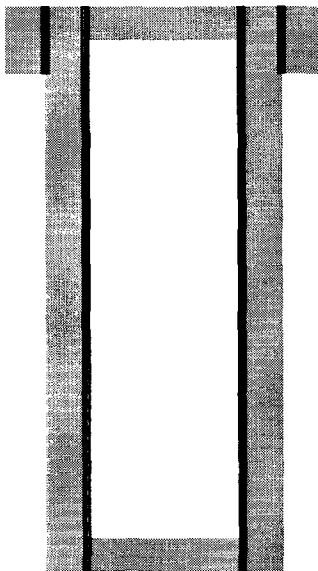
C-108 - ATTACHMENT B  
RIGHTHAND CANYON 35 FED #6  
AREA OF REVIEW

OPERATOR	LEASE	WELL NO.	PLAT	LOCATION	DATE DRILLED	TD	PERFS	CASING-CEMENT	STATUS	API NO.
*William Barnhill	Anadarko Fd	1	1	1980S 2310W 35-21-24	1/26/79	190'	---	---	UEA	22774
*Harvey Yates Co.	Anadarko Fd	1Y	2	1960S 2310W 35-21-24	3/14/79	7994'	7928-7990'	13-3/8" @ 180'w/180sx 8-5/8" @ 2600'w/1200sx 4-1/2" @ 7994'w/350sx	D&A	22881
*OXY USA WTP LP	Big Walt 2 St	1	3	660N 2130W 2-22-24	7/1/79 8/27/93	7975'	7902-7914'	13-3/8" @ 200'w/250sx-TOC-Surf-Circ 8-5/8" @ 1600'w/950sx-TOC-Surf-Circ 4-1/2" @ 7994'w/300sx-TOC-6243'-Calc	TA	22947
*OXY USA WTP LP	Righthand Canyon 35 Fee	1	4	SL-1328S 1160W BHL-737S 747W 35-21-24	6/21/89 8/6/03	8500'	7834-7860'	13-3/8" @ 367'w/400sx-TOC-Surf-Circ 9-5/8" @ 2469'w/1000sx-TOC-Surf-Circ 7" @ 8504'w/590sx-TOC-4579'-Calc	Act	26126
*OXY USA WTP LP	Righthand Canyon 35 Fee	2	5	SL-1347S 1177W BHL-660S 1980W 35-21-24	10/21/03	8592'	7894-8043'	9-5/8" @ 1620'w/500sx-TOC-Surf-Circ 7" @ 8592'w/550sx-TOC-4933'-Calc	Act	32827
*OXY USA WTP LP	Righthand Canyon 35 Fd	3	6	SL-1650S 1980E BHL-912S 1987E 35-21-24	3/2/04	8684'	8030-8088'	9-5/8" @ 1595'w/1150sx-TOC-Surf-Circ 7" @ 8684'w/1510sx-TOC-Surf-Circ	Act	33217
*OXY USA WTP LP	Righthand Canyon 35 Fd	4	7	SL-2310N 1475W BHL-2222N 780W 35-21-24	3/29/04	8523'	7837-8050'	9-5/8" @ 1590'w/1150sx-TOC-Surf-Circ 7" @ 8518'w/1600sx-TOC-Surf-Circ	Act	33290

\* WELLBORE DOES NOT PENETRATE PROPOSED INJECTION INTERVAL

Harvey Yates Co.  
Anadarko Federal #1y  
API No. 30-015-22881  
P&A - 11/15/79

25sx @ Surface



17-1/2" hole @ 180'  
13-3/8" csg @ 180'  
w/180sx-TOC-Surf-Circ

35sx @ 2568-2468'

12-1/4" hole @ 2600'  
8-5/8" csg @ 2600'  
w/1200sx-TOC-Surf-Circ

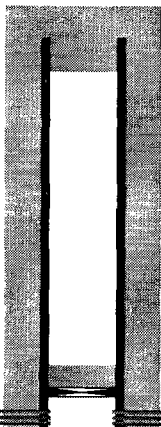
35sx @ 3716-3616'



35sx @ 4900-4800'



55sx @ 6375-6225'



Cut & Pull 4-1/2" csg @ 6300'

CIBP @ 7800' w/ 35' cmt

7-7/8" hole @ 7994"  
4-1/2" csg @ 7994"  
w/350sx-TOC-6300'-Calc

Dev Perfs @ 7928-7990'

TD-7994"





FW01W145

# **BJ SERVICES COMPANY** **WATER ANALYSIS #FW01W145**

ARTESIA, NM LAB

Sec 2 T22S R24E

*Well File*  
*C2, D4*

## **GENERAL INFORMATION**

OPERATOR:	NEARBURG PRODUCING	DEPTH:	8100+/-
WELL:	BIG WALT 2 ST. #3	DATE SAMPLED:	01/21/97
FIELD:		DATE RECEIVED:	01/21/97
SUBMITTED BY:	MATT LEE	COUNTY:	EDDY
WORKED BY:	JAIME LOPEZ	STATE:	NM
PHONE NUMBER:	FAX #748-1125	FORMATION:	CC. (CISCO-CANYON)

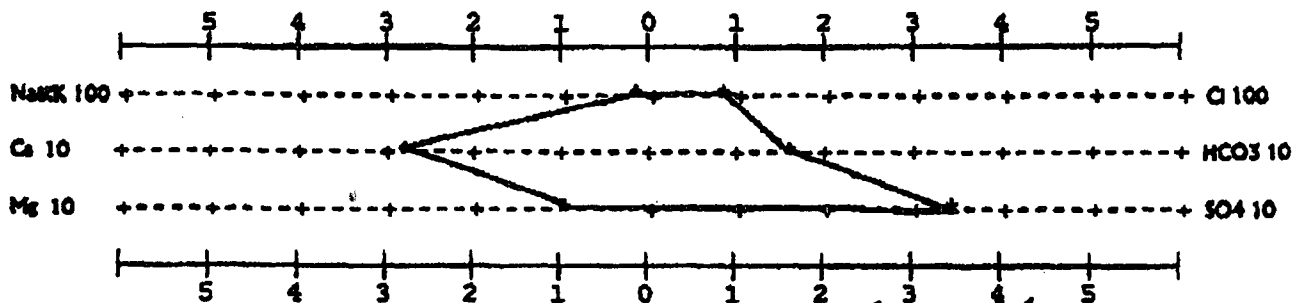
## **SAMPLE DESCRIPTION**

### **PHYSICAL AND CHEMICAL DETERMINATIONS**

SPECIFIC GRAVITY:	1.005	@ 74°F	PH:	7.07
RESISTIVITY (CALCULATED):	0.735	ohms @ 75°F		
IRON (FE++) :	1 ppm	SULFATE:		1,592 ppm
CALCIUM:	566 ppm	TOTAL HARDNESS		1,892 ppm
MAGNESIUM:	116 ppm	BICARBONATE:		935 ppm
CHLORIDE:	2,488 ppm	SODIUM CHLORIDE (Calc)		4,093 ppm
SODIUM+POTASS:	245 ppm	TOT. DISSOLVED SOLIDS:		7,152 ppm
IODINE:		POTASSIUM CHLORIDE:		

## **REMARKS**

### **STIFF TYPE PLOT (IN MEQ/L)**



ANALYST

*Jaime Lopez*  
**JAIME LOPEZ**



# Water Analysis

Date: 08-Jan-04

2708 West County Road, Hobbs NM 88240

Phone (505) 392-5556 Fax (505) 392-7307

## Analyzed For

30-015-21010

Company	Well Name	County	State
Nearburg Production	McKittrick 14 Fed SWD 1	Eddy	New Mexico

Sample Source	Swab Sample	Sample #	
Formation		Depth	11,500
Specific Gravity	1.004	SG @ 60 °F	1.006
pH	6.95	Sulfides	
Temperature (°F)	68	Reducing Agents	

## Cations

Sodium (Calc)	in Mg/L	5,491	in PPM	5,461
Calcium	in Mg/L	1,200	in PPM	1,193
Magnesium	in Mg/L	384	in PPM	382
Soluble Iron (FE2)	in Mg/L	500.0	in PPM	497

## Anions

Chlorides	in Mg/L	12,000	in PPM	11,933
Sulfates	in Mg/L	400	in PPM	398
Bicarbonates	in Mg/L	24	in PPM	24
Total Hardness (as CaCO3)	in Mg/L	4,600	in PPM	4,574
Total Dissolved Solids (Calc)	in Mg/L	20,000	in PPM	19,888
Equivalent NaCl Concentration	in Mg/L	19,497	in PPM	19,388

## Scaling Tendencies

**Attachment C-108 - Service List**  
**OXY USA WTP LP**  
**Righthand Canyon 35 Federal #7**  
**Sec 35 T21S R34**

New Mexico Oil Conservation Division  
1301 W. Grand Ave.  
Artesia, NM 88210

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

**Offset Operators Within ¼ Mile:**

OXY USA WTP LP  
P.O. Box 50250  
Midland, TX 79710-0250

**Surface Owner:**

United States Department of the Interior  
Bureau of Land Management  
Roswell District Office  
2909 West Second Street  
Roswell, New Mexico 88201

**Surface Lessee:**

Stacey Biebelle  
646 Queen Route  
Carlsbad, NM 88220.

# Affidavit of Publication

State of New Mexico,  
County of Eddy, ss.

Dawn Higgins, being first duly sworn, on oath says:

That she is Business Manager of the Carlsbad Current-Argus, a newspaper published daily at the City of Carlsbad, in said county of Eddy, state of New Mexico and of general paid circulation in said county; that the same is a duly qualified newspaper under the laws of the State wherein legal notices and advertisements may be published; that the printed notice attached hereto was published in the regular and entire edition of said newspaper and not in supplement thereof on the date as follows, to wit:

November 4	2005
_____	2005
_____	2005
_____	2005

That the cost of publication is \$36.29  
and that payment thereof has been made and will be  
assessed as court costs.

Dawn Higgins

Subscribed and sworn to before me this

4 day of November 2005

Stephanie Wilson

My commission Expires on 12-13-05

Notary Public

November 4, 2005

## NOTICE OF APPLICATION FOR FLUID DISPOS- AL

**Applicant:**  
OXY USA WTP  
Limited Partnership  
P.O. Box 50250  
Midland, TX 79710-  
0250  
432-685-5717  
ATTN: David Stewart

**Purpose-Well:**  
Disposal of produced  
water into a zone not  
productive of oil and  
gas. Righthand Canyon  
35 Federal #7  
1975 FSL 2405 FWL  
(K) Sec 35 T21S R34E  
Eddy County

**Formation:**  
Name- Devonian  
Interval-11000-12100'  
Maximum Injection  
Rate-40000 BWPD  
Maximum Injection  
Pressure- 2200psi

Interested parties must  
file objections or re-  
quests for hearing with  
the Oil Conservation  
Division, 1220 South  
St. Francis Dr., Santa  
Fe, New Mexico 87505,  
within 15 days of this

2005, in the principal

SENDER: COMPLETE THIS SECTION		COMPLETE THIS SECTION ON DELIVERY	
<p>1. Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.</p> <p>2. Print your name and address on the reverse so that we can return the card to you.</p> <p>3. Attach this card to the back of the mailpiece or on the front if space permits.</p>		<p>A. Signature X _____ <input type="checkbox"/> Agent <input type="checkbox"/> Addressee</p>	
<p>4. Article Addressed to:</p> <p><b>STATE OF NEW MEXICO ENERGY &amp; MINERALS DEPARTMENT OIL CONSERVATION DIVISION 1220 SOUTH ST. FRANCIS DR. SANTA FE, NM 87505</b></p>		<p>B. Received by (Printed Name) _____ C. Date of Delivery _____</p>	
<p>5. Article Number (Transfer from service label)</p> <p><b>7002 2410 0000 0033 9395</b></p>		<p>D. Is delivery address different from item 4? <input type="checkbox"/> Yes If YES, enter delivery address below: <input type="checkbox"/> No</p>	
<p>PS Form 3811, August 2001</p>		<p>Domestic Return Receipt</p>	

SENDER: COMPLETE THIS SECTION		COMPLETE THIS SECTION ON DELIVERY	
<p>1. Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.</p> <p>2. Print your name and address on the reverse so that we can return the card to you.</p> <p>3. Attach this card to the back of the mailpiece or on the front if space permits.</p>		<p>A. Signature X _____ <input type="checkbox"/> Agent <input type="checkbox"/> Addressee</p>	
<p>4. Article Addressed to:</p> <p><b>STATE OF NEW MEXICO ENERGY &amp; MINERALS DEPARTMENT OIL CONSERVATION DIVISION 1301 W. GRAND AVE. ARTESIA, NM 88210</b></p>		<p>B. Received by (Printed Name) _____ C. Date of Delivery _____</p>	
<p>5. Article Number (Transfer from service label)</p> <p><b>7002 2410 0000 0033 9401</b></p>		<p>D. Is delivery address different from item 4? <input type="checkbox"/> Yes If YES, enter delivery address below: <input type="checkbox"/> No</p>	
<p>PS Form 3811, August 2001</p>		<p>Domestic Return Receipt</p>	

SENDER: COMPLETE THIS SECTION		COMPLETE THIS SECTION ON DELIVERY	
<p>1. Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.</p> <p>2. Print your name and address on the reverse so that we can return the card to you.</p> <p>3. Attach this card to the back of the mailpiece or on the front if space permits.</p>		<p>A. Signature X _____ <input type="checkbox"/> Agent <input type="checkbox"/> Addressee</p>	
<p>4. Article Addressed to:</p> <p><b>UNITED STATES DEPT OF INTERIOR BUREAU OF LAND MANAGEMENT 2909 WEST SECOND STREET ROSWELL, NM 88201</b></p>		<p>B. Received by (Printed Name) _____ C. Date of Delivery _____</p>	
<p>5. Article Number (Transfer from service label)</p> <p><b>7002 2410 0000 0033 9418</b></p>		<p>D. Is delivery address different from item 4? <input type="checkbox"/> Yes If YES, enter delivery address below: <input type="checkbox"/> No</p>	
<p>PS Form 3811, August 2001</p>		<p>Domestic Return Receipt</p>	

SENDER: COMPLETE THIS SECTION		COMPLETE THIS SECTION ON DELIVERY	
<p>1. Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.</p> <p>2. Print your name and address on the reverse so that we can return the card to you.</p> <p>3. Attach this card to the back of the mailpiece or on the front if space permits.</p>		<p>A. Signature X _____ <input type="checkbox"/> Agent <input type="checkbox"/> Addressee</p>	
<p>4. Article Addressed to:</p> <p><b>Sharon Biebel 646 Angus Route Covington, NM 88220</b></p>		<p>B. Received by (Printed Name) _____ C. Date of Delivery _____</p>	
<p>5. Article Number (Transfer from service label)</p> <p><b>7002 2410 0000 0033 9425</b></p>		<p>D. Is delivery address different from item 4? <input type="checkbox"/> Yes If YES, enter delivery address below: <input type="checkbox"/> No</p>	
<p>PS Form 3811, August 2001</p>		<p>Domestic Return Receipt</p>	

# OPERATOR'S COPY

Form 3160-3  
(August 1999)

## UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

FORM APPROVED  
OMB NO. 1004-0136  
Expires: November 30, 2000

### APPLICATION FOR PERMIT TO DRILL OR REENTER

1a. Type of Work <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		5. Lease Serial No. NM-53218	
1b. Type of Well <input type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other <input checked="" type="checkbox"/> Single Zone <input type="checkbox"/> Multiple Zone		6. If Indian, Allottee or Tribe Name	
2. Name of Operator OXY USA WTP Limited Partnership		7. Unit or CA Agreement Name and No.	
3a. Address P.O. Box 50250 Midland, TX 79710-0250	3b. Phone No. (include area code) 192463 432-685-5717	8. Lease Name and Well No. Righthand Canyon 35 Federal #7	
4. Location of Well (Report location clearly and in accordance with any State requirements)* At surface 1975 FSL 2405 FWL NESW(K)  At proposed prod. zone		9. API Well No. 30-015-	
14. Distance in miles and direction from nearest town or post office* 12 miles west from Carlsbad, NM		10. Field and Pool, or Exploratory SWD Devonian	
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drg. unit line, if any) 1975'		11. Sec., T., R., M., or Blk. and Survey or Area Sec 35 T21S R24E	
16. No. of Acres in lease		12. County or Parish Eddy	13. State NM
17. Spacing Unit dedicated to this well N/A		20. BLM/BIA Bond No. on file ES0136	
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft.		21. Estimated duration 30 days	
21. Elevations (Show whether DF, KDB, RT, GL, etc.) 3917'		22. Approximate date work will start* 12/20/05	

### 24. Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1, shall be attached to this form:

- |   |   |
|---|---|
| 1. Well plat certified by a registered surveyor.<br>2. A Drilling Plan<br>3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office). | 4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).<br>5. Operator certification.<br>6. Such other site specific information and/or plans as may be required by the authorized officer. |
|---|---|

25. Signature 	Name (Printed/Typed) David Stewart	Date 10/26/05
-------------------	---------------------------------------	------------------

Title Sr. Regulatory Analyst		
Approved by (Signature) 	Name (Printed/Typed) Joe G. Lara	Date 12/29/05
Title Acting FIELD MANAGER	Office CARLSBAD FIELD OFFICE	

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.  
Conditions of approval, if any, are attached.

APPROVAL FOR 1 YEAR

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

\*(Instructions on Reverse)

**APPROVAL SUBJECT TO  
GENERAL REQUIREMENTS AND  
SPECIAL STIPULATIONS  
ATTACHED**

Carlsbad Controlled Water Basin

WITNESS : 13 3/8" CEMENT JOB

## DISTRICT I

1820 N. FRENCH DR., BOSS, NM 88240

## DISTRICT II

1301 W. GRAND AVENUE, ARTESIA, NM 88210

## DISTRICT III

1000 Rio Brazos Rd., Artec, NM 87410

## DISTRICT IV

1220 S. ST. FRANCIS DR., SANTA FE, NM 87505

## State of New Mexico

Energy, Minerals and Natural Resources Department

## OIL CONSERVATION DIVISION

1220 SOUTH ST. FRANCIS DR.  
Santa Fe, New Mexico 87505

Form C-102

Revised JUNE 10, 2003

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

## WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

API Number 30-015	Pool Code 96101	Pool Name SWD Devonian
Property Code 301312	Property Name RIGHTHAND CANYON 35 FEDERAL	Well Number 7
GRID No. 192463	Operator Name OXY U.S.A. W.T.P., LP	Elevation 3917'

## 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	35	21-S	24-E		1975	SOUTH	2405	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
Dedicated Acres ---	Joint or Infill N	Consolidation Code	Order No.						

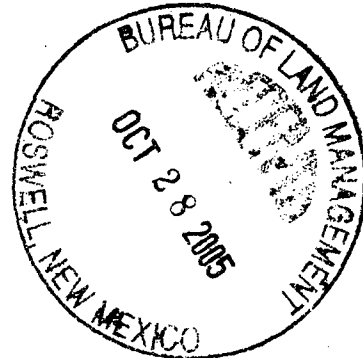
NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED  
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

<p>GEODETIC COORDINATES NAD 27 NME</p> <p>Y=521513.7 N X=458058.4 E</p> <p>LAT.=32°26'01.25" N LONG.=104°28'09.39" W</p>		<p>OPERATOR CERTIFICATION</p> <p>I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief.</p> <p><i>David Stewart</i> Signature</p> <p>David Stewart Printed Name</p> <p>Sr. Regulatory Analyst Title</p> <p>10/26/05 Date</p>
		<p>SURVEYOR CERTIFICATION</p> <p>I hereby certify that the well location shown on this plat was located from field notes of actual survey made by me under my supervision and that the same is true and correct to the best of my belief.</p> <p>SEPTEMBER 19, 2005 Date Surveyed</p> <p><i>Gary Eidson</i> Signature &amp; Seal of Professional Surveyor</p> <p>05.11.1437</p>
		<p>Certificate No. GARY EIDSON 12841</p>

**OXY USA WTP Limited Partnership**  
P.O. Box 50250, Midland, TX 79710-0250

October 26, 2005

United States Department of the Interior  
Bureau of Land Management  
Roswell District Office  
2909 West Second Street  
Roswell, New Mexico 88201



Re: Application for Permit to Drill  
OXY USA WTP Limited Partnership  
Righthand Canyon 35 Federal #7  
Eddy County, New Mexico  
Lease No. NM-53218

Gentlemen:

OXY USA WTP Limited Partnership respectfully requests permission to drill our Righthand Canyon 35 Federal #7 located at a surface location of 1975 FSL and 2405 FWL of Section 35, T21S, R24E, Eddy County, New Mexico, Federal Lease No. NM-53218. The proposed well will be drilled to a TD of approximately 12100' (TVD). The location and work area has been staked. It is approximately 12 miles west of Carlsbad, New Mexico.

In accordance with requirements stipulated in Federal Onshore Oil and Gas Order No. 1 under 43 CFR 3162.1, our Application for Permission to Drill and supporting evidence is hereby submitted.

I. Application for Permit to Drill:

1. Form 3160.3, Application for Permit to Drill.
2. Form C-102 Location and Acreage Dedication Plat certified by Gary G. Eidson, Registered Land Surveyor No. 12641 in the State of New Mexico, dated October 5, 2005.
3. The elevation of the unprepared ground is 3917 feet above sea level.
4. The geologic name of the surface formation is Permian Rustler.
5. Rotary drilling equipment will be utilized to drill the well to TD 12100' (TVD), and run casing. This equipment will then be rigged down and the well will be completed with a pulling unit.
6. Proposed total depth is 12100' (TVD).
7. Estimated tops of important geologic markers.

Glorieta	2800' TVD
Bone Spring	3700' TVD
Wolfcamp	7350' TVD
Cisco-Canyon	7900' TVD
Morrow	9700' TVD
Devonian	11000' TVD

8. Estimated depths at which anticipated water, oil, gas or other mineral bearing formations are expected to be encountered:

Primary Objective: Devonian 11000' TVD



**Jones, William V., EMNRD**

---

**From:** Arrant, Bryan, EMNRD  
**Sent:** Wednesday, January 04, 2006 1:27 PM  
**To:** David\_Stewart@oxy.com  
**Cc:** Jones, William V., EMNRD  
**Subject:** RE: SWD Application Righthand Canyon 35 Federal Well No. 7 30-015- <sup>52</sup> 34529

The API # for this well will be-----30-015-34529

---

**From:** David\_Stewart@oxy.com [mailto:David\_Stewart@oxy.com]  
**Sent:** Tue 1/3/2006 1:24 PM  
**To:** Arrant, Bryan, EMNRD  
**Subject:** FW: SWD Application Righthand Canyon 35 Federal Well No. 7 30-015-

Please see attached, I had something out of place on your e-mail address, when I sent the first time. Hope you had a Merry Christmas and a Happy New Year. Thanks, David S.

-----Original Message-----

**From:** Stewart, David  
**Sent:** Tuesday, 01 03, 2006 14:03  
**To:** 'Jones, William V., EMNRD'  
**Cc:** 'Arrant, Bryan'  
**Subject:** RE: SWD Application Righthand Canyon 35 Federal Well No. 7 30-015-

Please see below in red for answers to your questions. After reviewing the application and talking with the geologist, I believe I know how I caused the confusion. The proposed injection well is a vertical well, no deviation planned and will be an openhole completion. When the geologist prepared item VIII on the application, the 11070-12100' is both the TVD and TMD. The 7125-8155' TVDSS is the sub sea depth without the surface elevation, the surface elevation of the well is 3917' (C-102 plat attached). If you need anything else, please don't hesitate to let me know. We appreciate your help in this manner.

Thanks,  
David Stewart  
Sr. Regulatory Analyst  
OXY Permian  
432-685-5717  
Fax-432-685-5742

-----Original Message-----

**From:** Jones, William V., EMNRD [mailto:William.V.Jones@state.nm.us]  
**Sent:** Wednesday, 12 28, 2005 22:27  
**To:** Stewart, David  
**Subject:** FW: SWD Application Righthand Canyon 35 Federal Well No. 7 30-015-

**Trying this again...**

---

**From:** Jones, William V., EMNRD  
**Sent:** Wednesday, December 28, 2005 9:25 PM  
**To:** 'david.stewart@oxy.com'  
**Cc:** Arrant, Bryan, EMNRD; Ezeanyim, Richard, EMNRD  
**Subject:** SWD Application Righthand Canyon 35 Federal Well No. 7 30-015-

Hello David:

In order to proceed on this application, I have the following questions - non of them too critical. I looks like OXY operates everything within the 1/2 mile area of review and this to be an open hole Devonian injection well? That is correct, OXY operates all the active wells.

✓ 1) Please send the API number as soon as possible, all our records are indexed on this. I understand you must get a drilling permit from the BLM in Roswell and supply this to the Artesia district office. Please let me know as soon as you get this API number. I prefer not to release the permit until an API can be associated with it. Again, at this time, I see nothing that would prevent this from being approved. I just received the approved APD from the BLM today and was approved 12/29/05 (copy of first page attached). I would imagine the Artesia office should receive their copy within the next day or two, I will check with Bryan to find out and will provide the API No. ASAP.

*Zero AOR*  
2) The AOR wells and this well appear to be deviated, but this was not made clear in the application or on the wellbore diagram. The proposed injection well will not be deviated. Since these are deviated, please send Measured Depth AND True Vertical Depth numbers for the well you are applying for and all the AOR wells within 1/2 mile. Your application is for the Devonian, yet you say that none of the AOR wells penetrate this injection interval, and then show a table of AOR wells with completions in the Devonian at deeper intervals than the subject well is planned for. None of the wells in the 1/2 mile AOR penetrate the Devonian formation, they are all Cisco/Canyon wells. The injection well data sheet and the newspaper notice say 11,000 to 12,100 for the open hole injection interval and your discussion on Part VIII says 11,070 to 12,100? The plan is to set production casing at 11070', for the publication I used 11000', just to be on the safe side. I assume these depths are approximate and are measured depths? That is correct and they are also the TVD. Is the Devonian relatively flat throughout Section 35? or does it have a dramatic structure? Relatively flat monocline dipping east @ ~2deg.

3) Have your geologist list the formation tops near this proposed well (beginning with the formations just above the Devonian and going down) in True Vertical Depths so I can relate them to the proposed well and to the AOR wells. See attached.

4) Your newspaper notice did not mention that the well would be deviated and did not list the injection interval in TVD units. If it is true that this well will be deviated, please re-notice this ad in the newspaper with the estimated injection interval in TVD units. This will be a vertical hole and there are no plans to deviate the well, all intervals are TVD & TMD.

5) I see a Cisco water analysis. Which formation waters will be disposed of into this Devonian injection well? Cisco/Canyon formation water Will this be a commercial well, serving many other operators? No, only OXY operated properties.

Thank You,

William V. Jones

Engineering Bureau

Oil Conservation Division

Santa Fe

Confidentiality Notice: This e-mail, including all attachments is for the sole use of the intended recipient(s) and may contain confidential and privileged information. Any unauthorized review, use, disclosure or distribution is prohibited unless specifically provided under the New Mexico Inspection of Public Records Act. If you are not the intended recipient, please contact the sender and destroy all copies of this message. -- This email has been scanned by the Sybari - Antigen Email System.

1/10/2006

# 1022 Injection Permit Checklist

SWD Order Number 1022

Dates: Division Approved 12/28/05

District Approved ?

Well Name/Num: RIGHT HAND CANYON 35 FEDERAL #7

Date Spudded: Now Well

API Num: (30-) 015-

County: EDDY

Footages 1915 ESL/2405 FWL

Sec 35 Tsp 21S

Rge 24E

Operator Name: OXY USA WTP LIMITED PARTNERSHIP

Contact DAVID STEWART

Operator Address: P.O. BOX 50250 MIDLAND, TX, 79710-0250

	Hole/Pipe Sizes	Depths	Cement	Top/Method
Surface	<u>17 1/2 13 3/8</u>	<u>1700</u>	<u>1000</u>	<u>CIRC</u>
Intermediate				
Production	<u>12 1/4 - 8 5/8</u>	<u>11,000'</u>	<u>1400</u>	<u>Planned 6900 IS (7" TBG)</u>
Last DV Tool				
Open Hole/Liner		<u>11,000 - 12,100</u>		
Plug Back Depth				

Diagrams Included (Y/N): Before Conversion \_\_\_\_\_ After Conversion \_\_\_\_\_

Checks (Y/N): ELogs in Imaging \_\_\_\_\_ Well File Reviewed \_\_\_\_\_

Intervals:	Depths	Formation	Producing (Yes/No)
Salt/Potash			
Capitan Reef			
In Reef, Cliff House, Etc:			
Formation Above	<u>MORROW/CISCO/CANYON</u>		
Top Inj Interval	<u>11,070/7,125</u>	<u>DEVONIAN</u>	
Bottom Inj Interval	<u>12,100/8,155</u>	<u>"</u>	
Formation Below			

2200 PSI Max. WHIP

✓ Open Hole (Y/N)

NO Deviated Hole (Y/N)

Water Analysis Included (Y/N): Fresh Water ✓ Injection Zone ✓ Disposal Waters \_\_\_\_\_

Affirmative Statement Included (Y/N): \_\_\_\_\_

Surface Owner BLM Mineral Owner(s) \_\_\_\_\_

Checks (Y/N): Newspaper Notice ✓ Well Table ✓ Adequate Well Table ✓

Adequate Certified Notice: Surface Owner ✓ AOR Owners ✓ CID/Potash/Others \_\_\_\_\_

AOR Num Active Wells 0 Repairs? ✓ Producing in Injection Interval NO

AOR Number of P&A Wells 0 Diagrams Included? ✓ Repairs Required? \_\_\_\_\_

Data to Generate New AOR Table

✓ New Table Generated? (Y/N)

	STR	E-W Footages	N-S Footages
Wellsite			
Northeast			
North			
Northwest			
West			
Southwest			
South			
Southeast			
East			

Conditions of Approval:

1. \_\_\_\_\_
2. \_\_\_\_\_
3. \_\_\_\_\_

RBDMS Updated (Y/N) ✓

UIC Form Completed (Y/N) Y

This Form completed 12/28/05