



OXY USA Inc.

2779

North Indian Basin Exploratory Unit
Federal Agreement No. NM70998X
2022 Plan of Development

Feb 17, 2022

VIA FEDERAL EXPRESS

Bureau of Land Management
Carlsbad Field Office
620 E. Greene Street
Carlsbad, New Mexico 88220 – 6292

Bureau of Land Management
New Mexico State Office
Attn: Ben Barton
301 Dinosaur Trail
Santa Fe, NM 87508

RE: North Indian Basin Exploratory Unit
Federal Agreement No. NM70998X
2022 Plan of Development
Eddy County, New Mexico

OXY USA WTP LTD, as Unit Operator of the North Indian Basin Unit, hereby submits for your approval, the 2022 Plan of Development.

Items are included as follows: Planned 2022 operations, previous year's operations, current status of all wells within the unit, production graphs for the unit. Also attached are the current maps that show the wells within the unit, structural interpretation, locations of wells, flow-lines, and roads.

It is understood that approval of this plan does not approve the work covered by the plan. Individual approval is still required for such items as APDs/ROWS/etc.

Any modifications or additions to this Plan of Development will be filed as supplements to the plan.

Sincerely,

Derek Andel
PEOR BAE WCL/Anton Engineering Advisor

cc: State Land Office

Previous Year Operations

Drilling

There was no new or replacement well drilling done in the North Indian Basin Unit in 2021.

Completions

There were no new or replacement well completions done in the North Indian Basin Unit in 2021.

Recompletions

There were no recompletions done in the North Indian Basin Unit in 2021.

Conversions

No well conversions were done in the North Indian Basin Unit in 2021.

Abandonment

There was one well abandonment done in the North Indian Basin Unit in 2021.

Well Name	Legal Location	API Number	Abandonment Date
NORTH INDIAN BASIN UNIT NO 20	K-02-21S-23E 1650 FSL & 2310 FWL	30-015-28384	12/29/2021

Other Surface Operations

There were no surface disturbing operations in the North Indian Basin Unit in 2021.

2022 Planned Operations

Drilling

There is no new or replacement well drilling planned for the North Indian Basin Unit in 2022.

Completions

There are no new or replacement well completions planned for the North Indian Basin Unit in 2022.

Recompletions

There are no recompletions planned for the North Indian Basin Unit in 2022.

Conversions

No well conversions are planned for the North Indian Basin Unit in 2022.

Abandonment

There are no well abandonments planned in the North Indian Basin Unit in 2022.

Other Surface Operations

There are no surface disturbing operations anticipated in 2022.

Planned Year Operations

After the Indian Basin Gas Plant was shut down in 2020, multiple attempts to restore production have been attempted. Negotiations for a 3rd party gas take-away contract were underway with Lucid Energy Group in 2021 until they sold their infrastructure in this area to Durango Midstream LLC. Currently working on a 3rd party gas take-away contract with Durango Midstream LLC. Contract and upgrades to Durango's infrastructure should be complete by August 2022. Currently trying to acquire NACE certified compressor(s), which currently have a long lead time to build, to transport gas to Durango's gas collection system. Notification of the shut-in of the Unit was provided to the BLM via email in July 2020 (as requested by James Glover). Oxy's land department has remained in close communication with the New Mexico State Land Office, providing updates and submitting shut-in payments and extensions as needed. Currently State leases are extended through 2022. Oxy's regulatory department has filed shut in sundries with the BLM Carlsbad office. Additional sundry extensions will be filed as necessary.

Status of all Wells within the Unit:

WELL NAME & No.	API #	Perforation	Producing Reservoir	Participating Area	STATUS	Sundry Status
NORTH INDIAN BASIN UNIT NO 01	30-015-10065	7470' - 7596'	Upper Penn	NMNM 070998B	SHUT IN	Shut-in approved until 07/2022
NORTH INDIAN BASIN UNIT NO 01	30-015-10065	9118' - 9172'	Morrow	N/A	SHUT IN	Shut-in approved until 07/2022
NORTH INDIAN BASIN UNIT GAS COM 3	30-015-10557	7432' - 7650'	Upper Penn	N/A	SHUT IN	Shut-in approved until 07/2022
NORTH INDIAN BASIN UNIT NO 04	30-015-10558	7306' - 7598'	Upper Penn	N/A	SHUT IN	
NORTH INDIAN BASIN UNIT NO 05	30-015-10559	7376' - 7620'	Upper Penn	NMNM 070998B	SHUT IN	Shut-in approved until 07/2022
NORTH INDIAN BASIN UNIT GAS COM A 6	30-015-20061	7230' - 7404'	Upper Penn	N/A	P&A	
NORTH INDIAN BASIN UNIT NO 07	30-015-20089	7781' - 7827'	Upper Penn	NMNM 070998B	P&A	
NORTH INDIAN BASIN UNIT NO 08	30-015-26324	7294' - 7624'	Upper Penn	NMNM 070998B	SHUT IN	Shut-in approved until 07/2022
NORTH INDIAN BASIN UNIT NO 09	30-015-27917	7237' - 7408'	Upper Penn	N/A	SHUT IN	
NORTH INDIAN BASIN UNIT NO 12	30-015-28258	7428' - 7806'	Upper Penn	NMNM 070998B	P&A	
NORTH INDIAN BASIN UNIT NO 13	30-015-28068	7418' - 7794'	Upper Penn	NMNM 070998B	P&A	
NORTH INDIAN BASIN UNIT NO 14	30-015-28143	7494' - 9236'	Upper Penn	NMNM 070998B	P&A	
NORTH INDIAN BASIN UNIT NO 15	30-015-28305	7450' - 9384'	Upper Penn	NMNM 070998B	SHUT IN	Shut-in approved until 07/2022
NORTH INDIAN BASIN UNIT NO 15	30-015-28305	7450' - 9384'	Morrow	N/A	TA	Shut-in approved until 07/2022
NORTH INDIAN BASIN UNIT NO 16	30-015-28287	7556' - 7930'	Upper Penn	NMNM 070998B	P&A	
NORTH INDIAN BASIN UNIT NO 17	30-015-28386	7576' - 7922'	Upper Penn	NMNM 070998B	P&A	
NORTH INDIAN BASIN UNIT NO 18	30-015-28435	7464' - 7825'	Upper Penn	NMNM 070998B	P&A	
NORTH INDIAN BASIN UNIT NO 19	30-015-28385	7520' - 7920'	Upper Penn	NMNM 070998B	P&A	
NORTH INDIAN BASIN UNIT NO 20	30-015-28384	7604' - 7786'	Upper Penn	NMNM 070998B	P&A	
NORTH INDIAN BASIN UNIT NO 20	30-015-28384	9480' - 9512'	Morrow	N/A	P&A	
NORTH INDIAN BASIN UNIT NO 22	30-015-28583	7060' - 7824'	Upper Penn	NMNM 070998B	P&A	
NORTH INDIAN BASIN UNIT NO 22	30-015-28583	9070' - 9448'	Morrow	N/A	SHUT IN	Shut-in approved until 10/2021
NORTH INDIAN BASIN UNIT NO 21	30-015-28621	7442' - 7828'	Upper Penn	NMNM 070998B	SHUT IN	Shut-in approved until 07/2022
NORTH INDIAN BASIN UNIT NO 23	30-015-28578	7629' - 7828'	Upper Penn	NMNM 070998B	P&A	
NORTH INDIAN BASIN UNIT NO 25	30-015-28857	7698' - 7850'	Upper Penn	NMNM 070998B	P&A	

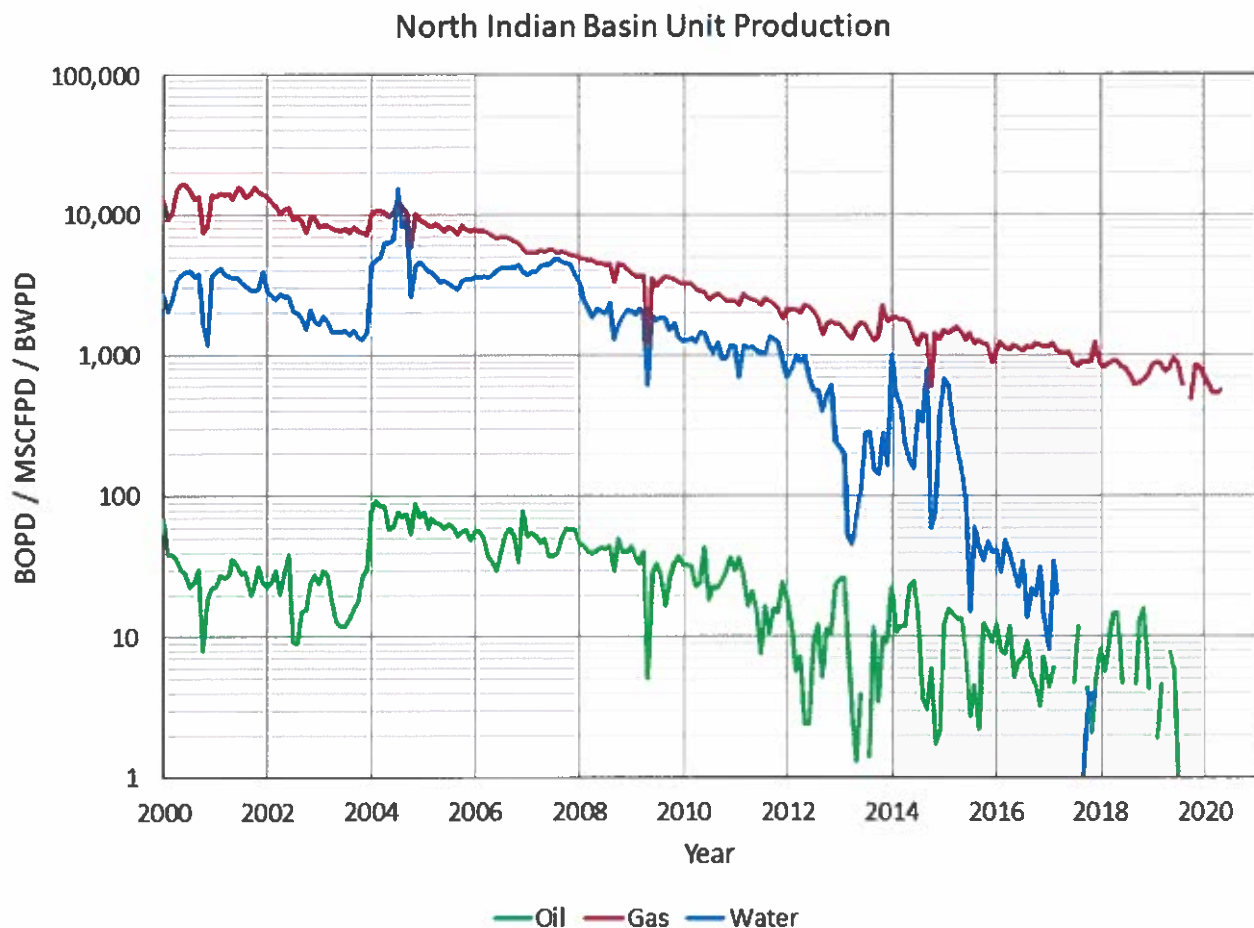


NORTH INDIAN BASIN UNIT NO 26	30-015-28752	7710' - 7780'	Upper Penn	NMNM 070998B	P&A	
NORTH INDIAN BASIN UNIT NO 27	30-015-28977	7684' - 7860'	Upper Penn	NMNM 070998B	P&A	
NORTH INDIAN BASIN UNIT NO 24	30-015-28814	7484' - 7866'	Upper Penn	NMNM 070998B	SHUT IN	Shut-in approved until 07/2022
NORTH INDIAN BASIN UNIT NO 30	30-015-29059	9044' - 9310'	Morrow	N/A	P&A	
NORTH INDIAN BASIN UNIT NO 30	30-015-29059	7650' - 7766'	Upper Penn	NMNM 070998B	SHUT IN	Shut-in approved until 07/2022
NORTH INDIAN BASIN UNIT GAS COM 32	30-015-29305	7490' - 7728'	Upper Penn	NMNM 070998B	P&A	
NORTH INDIAN BASIN UNIT NO 31	30-015-30111	7370' - 9691'	Upper Penn	NMNM 070998B	SHUT IN	Shut-in approved until 07/2022
NORTH INDIAN BASIN UNIT NO 34	30-015-29296	8262' - 9034'	Morrow	N/A	P&A	
NORTH INDIAN BASIN UNIT NO 36	30-015-31048	7350' - 7610'	Upper Penn	NMNM 070998B	SHUT IN	



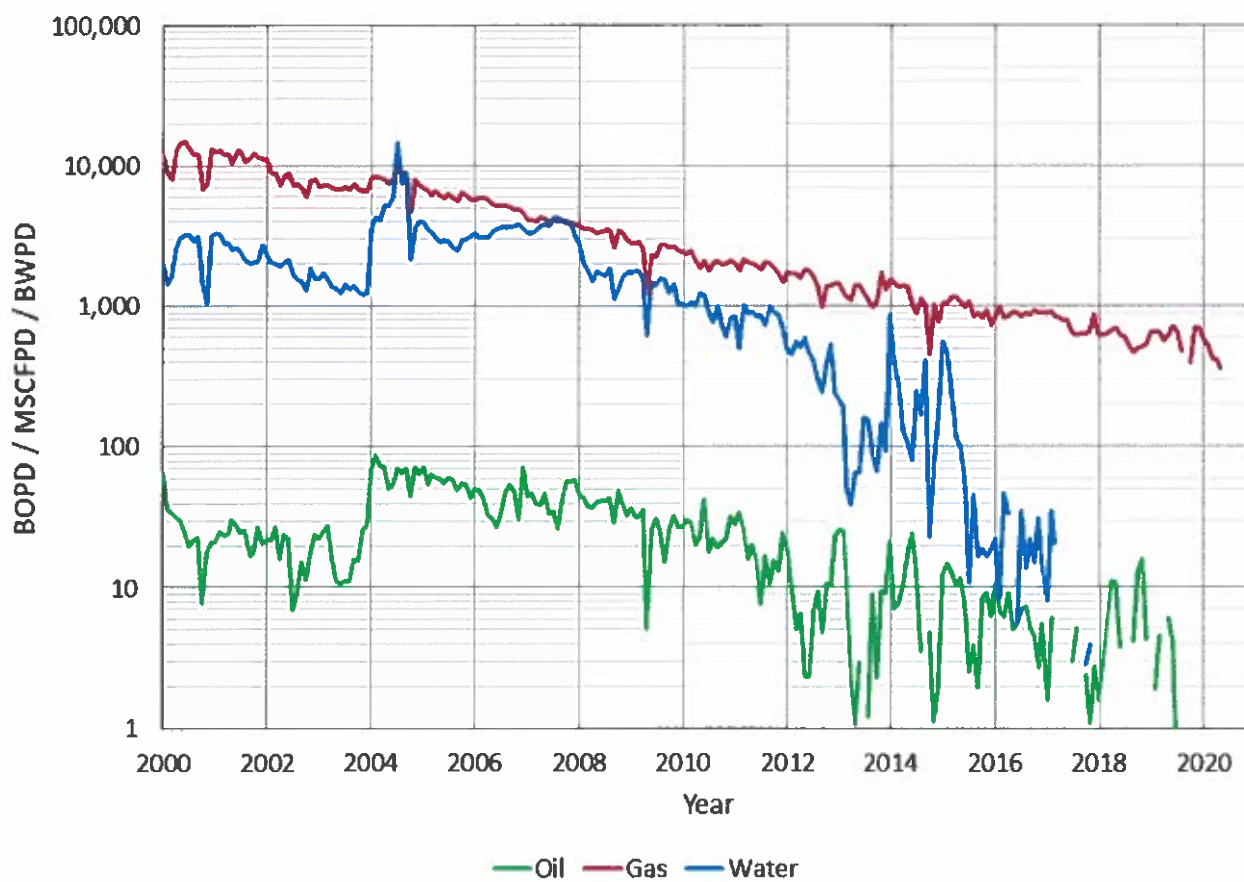
Production History, North Indian Basin Unit

In 2020, monthly production of the unit averaged 0 BOPD x 596 MCFD x 0.2 BWPD. Production was shut-in May 2020 due to Indian Basin Gas Plant being shut down. Current plan is to return the unit to production by taking the gas to a 3rd party gas plant by Q1 2023 or sooner if possible.





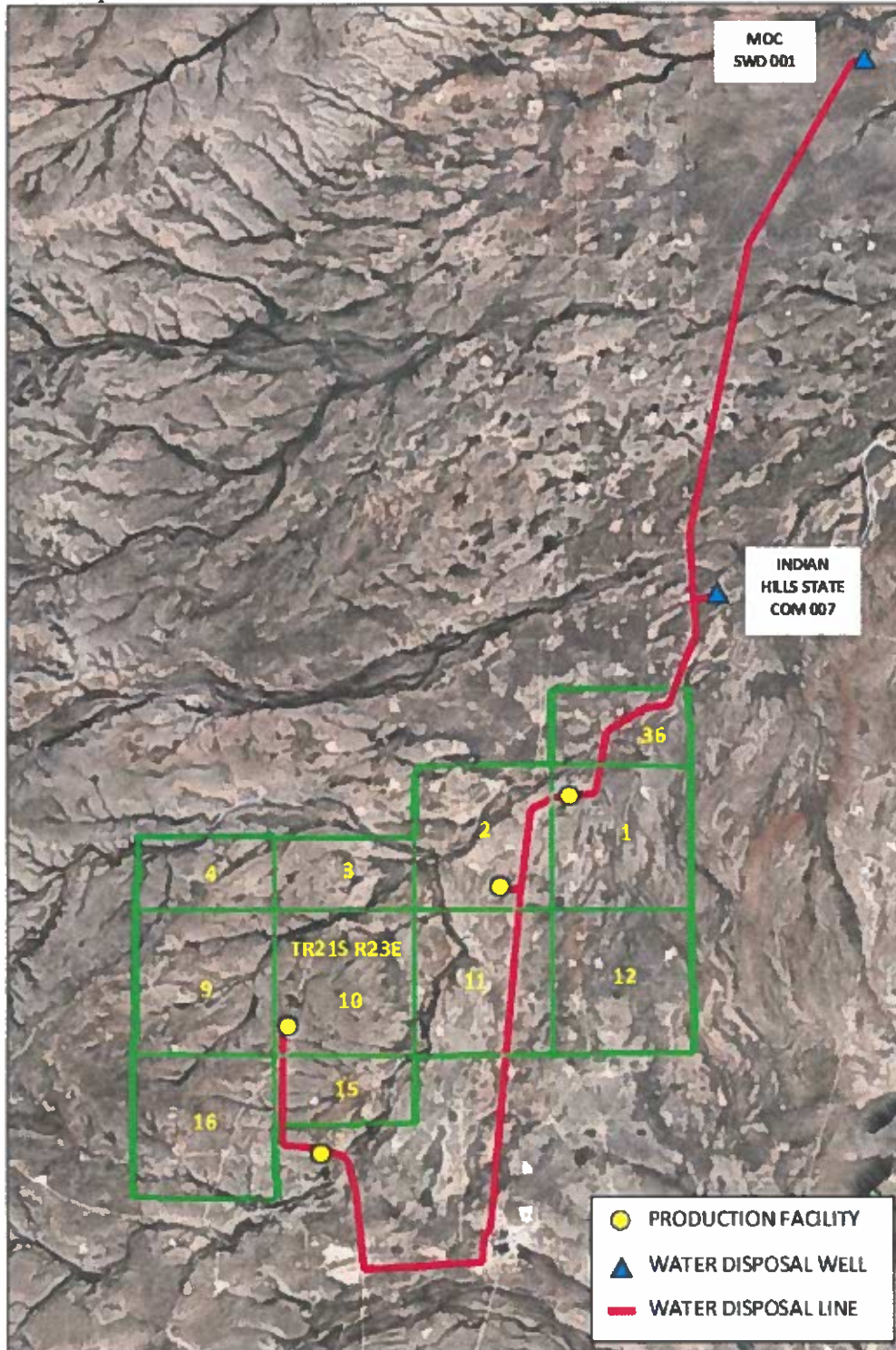
PA - NMNM 070998B





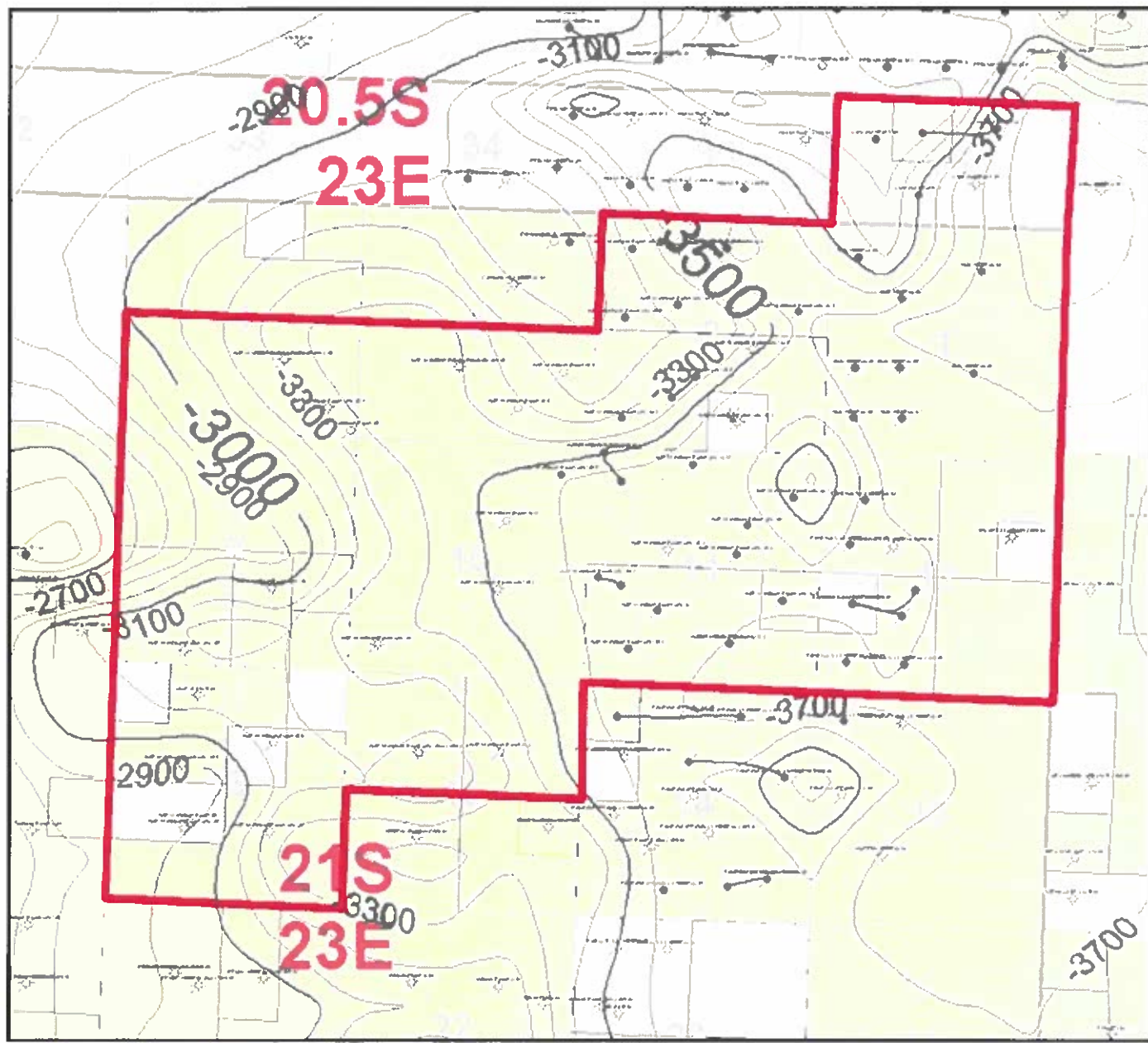
Current and Planned Water Usage, North Indian Basin Unit

Currently all produced water is disposed of utilizing the Indian Basin water disposal loop system. Plan to continue disposing of all produced water utilizing the Indian Basin water disposal loop system in 2022. All produced water will be disposed of in 2022. No planned drilling or fracturing operations in 2022 that would use produced or fresh water.

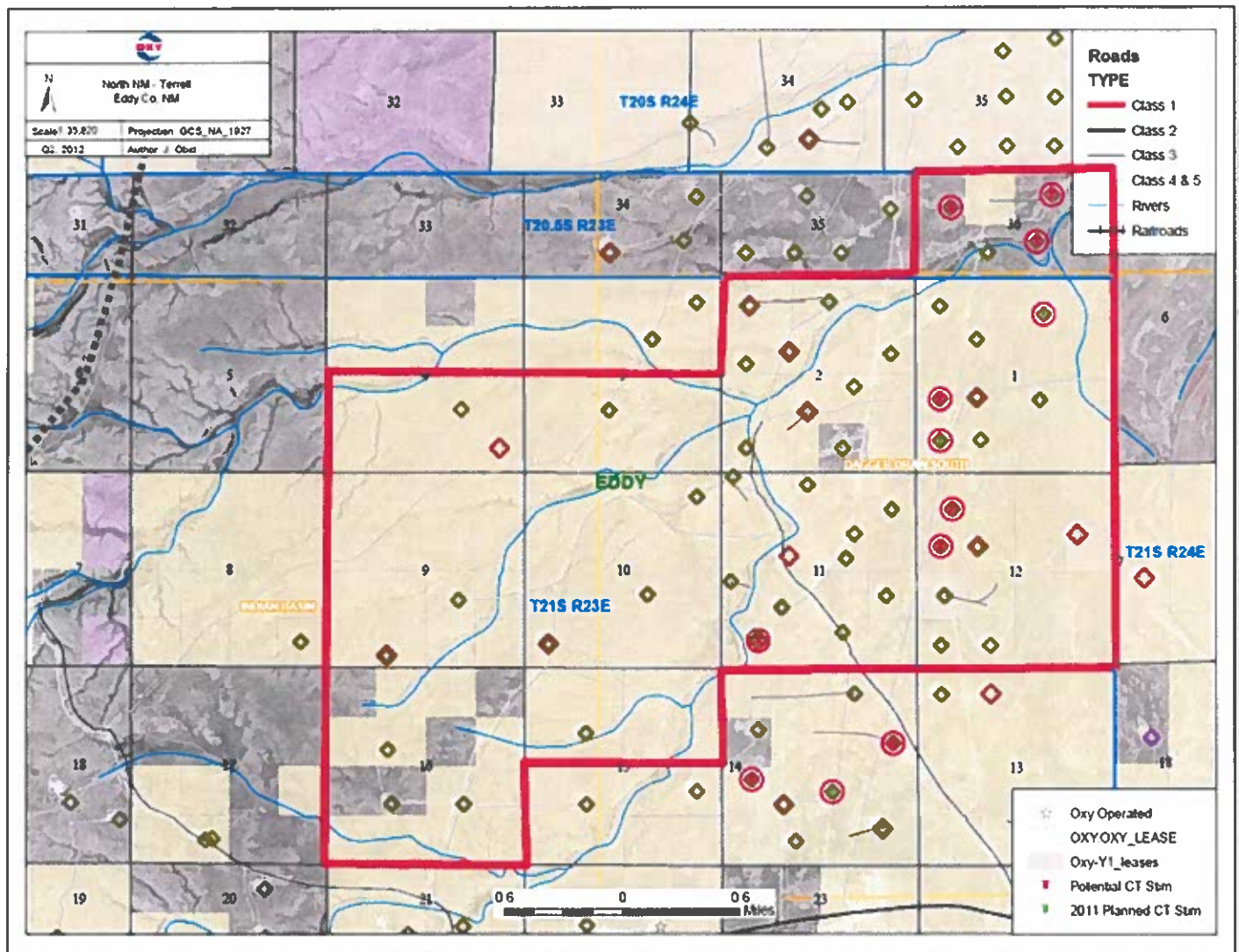




Map of structural and geologic interpretations (Upper Penn Formation) with North Indian Basin Unit boundaries



Map of Oxy Wells, Roads, Railroads, etc



Map of Participating area boundaries:

