Natural Pressurized Fluid in Salt Section

- **Well Name:** White Swan 9 Federal No. 3
- **API:** 30-025-32301
- **Drilling Operator:** Santa Fe Energy Operating Partners, LP
- **Current Operator:** Devon Energy Production Company, LP

BEFORE THE OIL CONVERSATION DIVISION
Santa Fe, New Mexico
Exhibit No. 35
Submitted by: **OXY USA Inc.**
Hearing Date: March 29, 2016

- Drilling program submitted on 11/09/1994 indicates presence of brine water flows & associated H_2S from the Salt Section

DRILLING PROGRAM
White Swan "9" Federal No.3
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Logging:

Dual Laterolog w/MSFL and Gamma Ray	4500'- 8800'
Compensated Neutron/Litho-Density/Gamma Ray	4500'- 8800'
Compensated Neutron/Gamma Ray (thru csg)	Surface-4500'

Coring: ± 25 Rotary Sidewall Cores taken at different intervals in Delaware.

9. **Abnormal Conditions, Pressures, Temperatures, & Potential Hazards:**

No abnormal pressures or temperatures are anticipated. The estimated bottom hole temperature is 135 °F and the estimated bottom hole pressure is 3500 psi. It has been reported that some offset wells encountered brine water flows and associated H_2S from the Salt Section at around 3300'. Brine rates have been 200-300 barrels per hour and H_2S was measured at 60 ppm. Lost circulation has also been experienced while drilling the Salt Section at approximately 3800'. We have enclosed a Hydrogen Sulfide Drilling Operations Plan to address the potential situation.

10. **Anticipated Starting Date and Duration of Operations:**

Road and location work will not begin until approval has been received from the BLM. The anticipated spud date is December 15, 1994. Once spudded, the drilling operation should be completed in approximately 18 days. If the well is productive. an additional 30 days will be required for completion and testing before permanent facilities are installed.

White Swan 9 Federal #3 located ~7.9 miles from AOI.
Red dots represented as wells identified with shallow pressure in Oxy study.