

BEFORE THE  
OIL CONSERVATION DIVISION

NEW MEXICO DEPARTMENT OF ENERGY, MINERALS AND NATURAL RESOURCES

IN THE MATTER OF THE APPLICATION OF  
OXY U.S.A., INC. FOR COMPULSORY POOLING,  
EDDY COUNTY, NEW MEXICO.

RECEIVED

OIL CONSERVATION DIVISION

CASE NO. 10200

**APPLICATION**

COMES NOW OXY U.S.A., INC., by its undersigned attorneys, and as provided by N.M.Stat. Ann. § 70-2-17, (1978), hereby makes application for an order pooling all of the mineral interests from the base of the Wolfcamp formation to the base of the Morrow formation in and under the E/2 of Section 29, Township 21 South, Range 27 East, N.M.P.M., Eddy County, New Mexico, and in support thereof would show the Division:

1. Applicant owns or represents in excess of 99% of the working interest in and under the E/2 of Section 29, which lands were pooled by Division Order No. R-9247, and Applicant has the right to drill thereon.

2. Applicant has dedicated the above-referenced pooled unit to a well located at a standard location in the NW/4 SE/4 of Section 29, which has been drilled to a depth of approximately 11,810 feet to test all zones in the Pennsylvanian formation.

3. Following the entry of Order No. R-9247, OXY discovered that Arselia G. Ogas and Robert D. Ogas, 503 South Lake, Carlsbad, New Mexico 88220 own the working interest under .25-acres in the E/2 of said Section 29. Applicant has sought and

has been unable to obtain either voluntary agreement for pooling or farmout from Arselia G. Ogas and Robert D. Ogas.

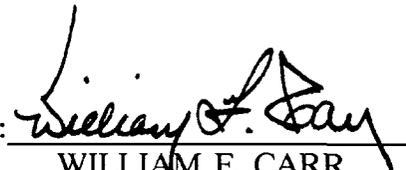
4. Said pooling of interests will avoid the drilling of unnecessary wells, will prevent waste and will protect correlative rights.

5. In order to permit the Applicant to obtain its just and fair share of the oil and gas underlying the subject lands, the mineral interests should be pooled, and Applicant should be designated the operator of the well to be drilled.

WHEREFORE, Applicant prays that this application be set for hearing before a duly appointed Examiner of the Oil Conservation Division on January 10, 1991 and, that after notice and hearing as required by law, the Division enter its order pooling the lands, including provisions for Applicant to recover its costs of drilling, equipping and completing the well, its costs of supervision while drilling and after completion, including overhead charges, and imposing a risk factor for the risk assumed by the Applicant in drilling, completing and equipping the well, and making such other and further provisions as may be proper.

Respectfully submitted,

CAMPBELL & BLACK, P.A.

By: 

WILLIAM F. CARR  
Post Office Box 2208  
Santa Fe, New Mexico 87504  
Telephone: (505) 988-4421

ATTORNEYS FOR OXY U.S.A., INC.

Submit 3 Copies  
to Appropriate  
District Office

OIL CONSERVATION DIVISION

State of New Mexico  
Energy, Minerals and Natural Resources Department

Form C-103  
Revised 1-1-89

DISTRICT I  
P.O. Box 1980, Hobbs, NM 88240

OIL CONSERVATION DIVISION  
P.O. Box 2088  
Santa Fe, New Mexico 87504-2088

DISTRICT II  
P.O. Drawer DD, Artesia, NM 88210

DISTRICT III  
1000 Rio Brazos Rd., Aztec, NM 87410

NOV 14 1990

WELL API NO.	30-015-26506
5. Indicate Type of Lease	STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>
6. State Oil & Gas Lease No.	
7. Lease Name or Unit Agreement Name	Simpson A
8. Well No.	2Y
9. Pool name or Wildcat	Burton Flat Morrow
10. Elevation (Show whether DF, RKB, RT, GR, etc.)	3138.9'

**SUNDRY NOTICES AND REPORTS ON WELLS**  
(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)

1. Type of Well: OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER	
2. Name of Operator	OXY USA Inc.
3. Address of Operator	P.O. Box 50250 Midland, TX. 79710
4. Well Location Unit Letter <u>J</u> : <u>1880</u> Feet From The <u>South</u> Line and <u>1980</u> Feet From The <u>East</u> Line Section <u>29</u> Township <u>21S</u> Range <u>27E</u> NMPM <u>Eddy</u> County	

11. Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>	PLUG AND ABANDONMENT <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>		CASING TEST AND CEMENT JOB <input type="checkbox"/>	
OTHER: _____ <input type="checkbox"/>		OTHER: <u>Plug hole - Skid rig</u> <input type="checkbox"/>	

12. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work) SEE RULE 1103.

(See other side) *TD 1907*

I hereby certify that the information above is true and complete to the best of my knowledge and belief.  
SIGNATURE [Signature] TITLE Region Operations Manager DATE 11/8/90  
TYPE OR PRINT NAME F.A. Vitrano (Prepared by David Stewart) TELEPHONE NO. 9156855717

(This space for State Use)  
APPROVED BY ORIGINAL SIGNED BY MIKE WILLIAMS SUPERVISOR, DISTRICT I TITLE \_\_\_\_\_ DATE NOV 16 1990  
CONDITIONS OF APPROVAL, IF ANY:

Attachment C-103  
OXY USA Inc.  
Simpson A #2Y  
Sec 29 T218 R27E  
Eddy County, New Mexico

Drill to a TD of 1907', having hole problems. POOH, LD BHA. RIH w/ open-ended DP and tag @ 1820', PU to 1810'. Spot 100sx Cl C w/ 10# Gilsonite + .5# Flocele + 4% CaCl<sub>2</sub>, POOH WOC 2hrs, RIH tag @ 1820'. Spot 100sx Cl C w/ same additives, POOH WOC 2hrs, RIH tag @ 1816'. Spot 100sx Cl C w/ same additives, POOH WOC 2hrs, RIH tag @ 1816'. Spot 100sx Cl C w/ same additives, POOH WOC 2hrs, RIH tag @ 1815'. PU to 1624', spot 100sx Cl C w/ same additives, POOH WOC 2hrs, RIH tag @ 1815'. PU to 1624', spot 100sx Cl C w/ same additives, POOH WOC 2hrs, RIH tag @ 1815'. PU to to 978', spot 75 sx Cl C w/ 3% CaCl<sub>2</sub>, POOH WOC 2hrs. RIH didn't tag. Spot 75sx Cl C w/ 3% CaCl<sub>2</sub> @ 978', POOH WOC 2hrs, RIH didn't tag. Spot 100sx Thickset w/ 3% CaCl<sub>2</sub> @ 978', POOH WOC 2-1/2hrs, RIH didn't tag. Spot 100sx Thickset w/ 3% CaCl<sub>2</sub> @ 978', POOH WOC 2hrs, RIH didn't tag. Spot 100sx Thickset w/ 3% CaCl<sub>2</sub> @ 978', POOH WOC 3hrs, RIH to 1400', didn't tag, POOH. Dump 16yds 3/4" gravel down hole, RIH , spot 100sx Cl C w/ 3%, POOH WOC 2hrs, RIH didn't tag, POOH. Dump 16yds 3/4" gravel down hole, RIH to 1400', didn't tag, POOH. Dump 32yds 3/4" gravel down hole, RIH tag @ 1085', POOH. Dump 16yds 3/4" gravel down hole, RIH Tag @ 995'. Spot 100sx Cl C w/ 3% CaCl<sub>2</sub> @ 978', POOH WOC 2 hrs, RIH tag @ 968'. Spot 100sx Cl C w/ 3% CaCl<sub>2</sub> @ 941', POOH WOC 3-1/2hrs, RIH tag @ 968'. Spot 100sx Cl C w/ 3% CaCl<sub>2</sub> @ 941', POOH WOC 2hrs, RIH tag @ 865'. Dump 30yds 3/4" gravel down hole, RIH tag @ 580'. Spot 150sx Cl C w/ 3% CaCl<sub>2</sub> @ 575', POOH WOC 2hrs, RIH tag @ 443', POOH LD DP. All plugs approved and witnessed by Mike Stubblefield-NMOCD. Rel rig @ 2300hrs MDT 10/22/90. Spot 10sx Cl C from 50' to surface.

Submit 3 Copies  
to Appropriate  
District Office

State of New Mexico  
Energy, Minerals and Natural Resources Department

Form C-103  
Revised 1-1-89

DISTRICT I  
P.O. Box 1980, Hobbs, NM 88240  
DISTRICT II  
P.O. Drawer DD, Artesia, NM 88210  
DISTRICT III  
1000 Rio Brazos Rd., Aztec, NM 87410

10 59  
OIL CONSERVATION DIVISION  
P.O. Box 2088  
Santa Fe, New Mexico 87504-2088

NOV 14 1990

WELL API NO.	30-015-26506
5. Indicate Type of Lease	STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>
6. State Oil & Gas Lease No.	

<b>SUNDRY NOTICES AND REPORTS ON WELLS</b> (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)	
1. Type of Well: OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER	7. Lease Name or Unit Agreement Name Simpson A
2. Name of Operator OXY USA Inc.	8. Well No. 2Y
3. Address of Operator P.O. Box 50250 Midland, TX. 79710	9. Pool name or Wildcat Burton Flat Morrow
4. Well Location Unit Letter <u>J</u> : <u>1830</u> Feet From The <u>South</u> Line and <u>1980</u> Feet From The <u>East</u> Line Section <u>29</u> Township <u>21S</u> Range <u>27E</u> <u>NMPM</u> <u>Eddy</u> County	10. Elevation (Show whether DF, RKB, RT, GR, etc.) 3138.9'

11. Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data

<b>NOTICE OF INTENTION TO:</b>		<b>SUBSEQUENT REPORT OF:</b>	
PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input checked="" type="checkbox"/>	PLUG AND ABANDONMENT <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>		CASING TEST AND CEMENT JOB <input checked="" type="checkbox"/>	
OTHER: _____ <input type="checkbox"/>		OTHER: _____ <input type="checkbox"/>	

12. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work) SEE RULE 1103.

Received verbal approval 10/5/90 from Mike Williams - NMOCD to skid rig from the Simpson A #2. Skidded Grace Rig #303, spudded 17-1/2" hole @ 1800hrs CDT 10/7/90. Drill to a TD of 600' @ 0845hrs CDT 10/8/90. Run 13-3/8" (14jts) 48# H40 casing, set @ 600'. Cement w/ 750sx Cl C w/ 2% CaCl2 + 1/4#/sx cellophane flakes. Plug down @ 1308hrs CDT 10/8/90. Circulate 123sx to pit, WOC 8hrs. NUBOP, test BOP to 1000#, held OK. Resume drilling 12-1/4" hole.

I hereby certify that the information above is true and complete to the best of my knowledge and belief.  
SIGNATURE [Signature] TITLE Region Operations Manager DATE 11/8/90  
TYPE OR PRINT NAME F.A. Vitrano (Prepared by David Stewart) TELEPHONE NO. 155855717

(This space for State Use)  
APPROVED BY [Signature] TITLE SUPERVISOR, DISTRICT II DATE NOV 16 1990  
CONDITIONS OF APPROVAL, IF ANY:

DISTRICT I  
 P.O. Box 1980, Hobbs, NM 88240

DISTRICT II  
 P.O. Drawer DD, Artesia, NM 88210

DISTRICT III  
 1000 Rio Brazos Rd., Aztec, NM 87410

CONSERVATION DIVISION  
 P.O. Box 2088  
 Santa Fe, New Mexico 87504-2088

OCT 18 '90

API NO. (assigned by OCD on New Wells)  
**30-015-26506**

5. Indicate Type of Lease  
 STATE  FEE

6. State Oil & Gas Lease No.

**APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK**

1a. Type of Work: DRILL  RE-ENTER  DEEPEN  PLUG BACK

b. Type of Well: OIL WELL  GAS WELL  OTHER  SINGLE ZONE  MULTIPLE ZONE

2. Name of Operator: OXY USA Inc.

3. Address of Operator: P.O. Box 50250 Midland, TX. 79710

4. Well Location: Unit Letter J : 1880 Feet From The South Line and 1980 Feet From The East Line  
 Section 29 Township 21S Range 27E NMPM Eddy County

7. Lease Name or Unit Agreement Name  
 Simpson A

8. Well No.  
 2Y

9. Pool name or Wildcat  
 Burton Flat Morrow

10. Proposed Depth: 11810'

11. Formation: Morrow

12. Rotary or C.T.: Rotary

13. Elevations (Show whether DF, RT, GR, etc.): 3138.9

14. Kind & Status Plug. Bond: Required/Approved

15. Drilling Contractor: Grace

16. Approx. Date Work will start: ASAP

17. PROPOSED CASING AND CEMENT PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	SACKS OF CEMENT	EST. TOP
17 1/2"	13 3/8"	48#	600'	650	Surface
12 1/4"	8 5/8"	24-32#	3000'	1400	Surface
7 7/8"	5 1/2"	17-20#	11810'	1300	Top of Wolfcamp

It is proposed to drill this well to a TD of 11810' and test the Morrow formation. The blowout prevention program is as follows:

- 0-600' None
- 600'-3000' 12" 3000# WP blind & pipe rams
- 3000'-11810' 10" 5000# WP blind & pipe rams  
 3000# WP annular preventor, and rotating head below 3500'.

This is a replacement well for the Simpson A #2 API #30-015-26442. Received verbal approval from Mike Williams - NMOCD - Artesia to skid rig to new location.

APPROVAL VALID FOR 30 DAYS  
 PERMIT EXPIRES NOV 14 1990  
 UNLESS DRILLING UNDERWAY

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: IF PROPOSAL IS TO DEEPEN OR PLUG BACK, GIVE DATA ON PRESENT PRODUCTIVE ZONE AND PROPOSED NEW PRODUCTIVE ZONE. GIVE BLOWOUT PREVENTER PROGRAM, IF ANY.

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

SIGNATURE F.A. Vitrano TITLE Region Operations Mgr. DATE 10/15/90

TYPE OR PRINT NAME F.A. Vitrano (Prepared by David Stewart) TELEPHONE NO. 9156855717

(This space for State Use)

APPROVED BY Mike Williams TITLE SUPERVISOR, DISTRICT II DATE OCT 23 1990

CONDITIONS OF APPROVAL, IF ANY:

Submit to Appropriate District Office  
 State Lease - 4 copies  
 Fee Lease - 3 copies

State of New Mexico  
 Energy, Minerals and Natural Resources Department

Form C-102  
 Revised 1-1-89

RECEIVED

OIL CONSERVATION DIVISION

P.O. Box 2088  
 Santa Fe, New Mexico 87504-2088

OCT 18 1990

DISTRICT I  
 P.O. Box 1980, Hobbs, NM 88240

DISTRICT II  
 P.O. Drawer DD, Artesia, NM 88210

DISTRICT III  
 1000 Rio Brazos Rd., Aztec, NM 87410

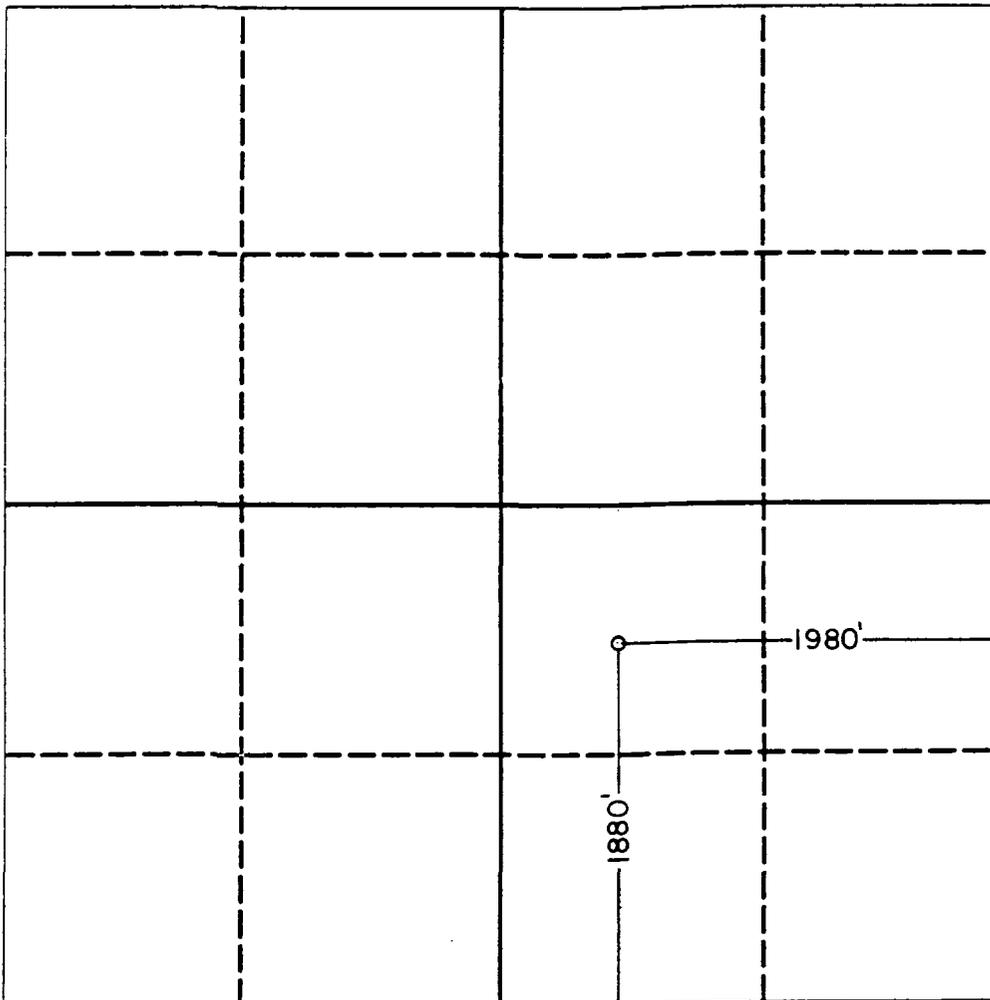
WELL LOCATION AND ACREAGE DEDICATION PLAT

All Distances must be from the outer boundaries of the section

O. C. D.  
 ARTESIA OFFICE

Operator OXY USA, INC.			Lease Simpson "A"			Well No. 2-Y		
Unit Letter J	Section 29	Township 21 South	Range 27 East	County Eddy		NMPM		
Actual Footage Location of Well: 1880 feet from the South line and 1980 feet from the East line								
Ground level Elev. 3138.9		Producing Formation Morrow			Pool Burton Flat		Dedicated Acreage: 320 Acres	

- Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.
- If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
- If more than one lease of different ownership is dedicated to the well, have the interest of all owners been consolidated by communitization, unitization, force-pooling, etc.?
  - Yes       No      If answer is "yes" type of consolidation \_\_\_\_\_
 If answer is "no" list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) \_\_\_\_\_  
 No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interest, has been approved by the Division.



**OPERATOR CERTIFICATION**  
 I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Signature: *F.A. Vitrano*  
 Printed Name: F.A. Vitrano  
 Position: Region Operations Mgr.  
 Company: OXY USA Inc.  
 Date: 10/15/90

**SURVEYOR CERTIFICATION**  
 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 knowledge and belief.

Date Surveyed: October 5, 1990

Signature & Seal of Professional Surveyor  
*John W. West*

REGISTRATION No. JOHN W. WEST 676  
 RONALD J. EIDSON 3239  
 NEW MEXICO  
 JOHN W. WEST

125630



Submit 3 Copies to Appropriate District Office

State of New Mexico Energy, Minerals and Natural Resources Department

Form C-103 Revised 1-1-89

DISTRICT I P.O. Box 1980, Hobbs, NM 88240

DISTRICT II P.O. Drawer DD, Artesia, NM 88210

DISTRICT III 1000 Rio Brazos Rd., Aztec, NM 87410

OIL CONSERVATION DIVISION P.O. Box 2088 Santa Fe, New Mexico 87504-2088

WELL API NO. 30-015-26442

5. Indicate Type of Lease STATE [ ] FEE [X]

6. State Oil & Gas Lease No.

SUNDRY NOTICES AND REPORTS ON WELLS (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)

7. Lease Name or Unit Agreement Name

Simpson A

1. Type of Well: OIL WELL [ ] GAS WELL [X] OTHER

8. Well No. 2

2. Name of Operator OXY USA Inc. [check]

9. Pool name or Wildcat Burton Flat Morrow

3. Address of Operator P.O. Box 50250

4. Well Location Unit Letter J : 1980 Feet From The South Line and 1930 Feet From The East Line Section 29 Township 21S Range 27E NMPM Eddy Country

10. Elevation (Show whether DF, RKB, RT, GR, etc.) 3136.4' GR

11. Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:

SUBSEQUENT REPORT OF:

PERFORM REMEDIAL WORK [ ] PLUG AND ABANDON [ ] TEMPORARILY ABANDON [ ] CHANGE PLANS [ ] PULL OR ALTER CASING [ ] OTHER: [ ]

REMEDIAL WORK [ ] ALTERING CASING [ ] COMMENCE DRILLING OPNS. [ ] PLUG AND ABANDONMENT [ ] CASING TEST AND CEMENT JOB [ ] OTHER: Plug hole - Skid rig [X]

12. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work) SEE RULE 1103.

Drill to a TD of 1640', having hole problems. POOH, LD BHA. RIH w/ open-ended DP to 1300'. Spot 100sx Cl C w/ 4% CaCl2, POOH WOC 2hrs, RIH to 1300', no fill. Spot 100sx Cl C w/ 4% CaCl2, POOH WOC 2hrs, RIH tag TOC @ 1250'. Spot 200sx Cl C Prem + thickset, POOH WOC 2hrs, RIH tag TOC @ 1180'. POOH to 550'. Spot 100sx Cl C w/ 4% CaCl2, POOH WOC 2hrs, RIH tag no cement. Spot 100sx Cl C w/ 4% CaCl2 + 5sx LCM ahead of cement, POOH WOC 2hrs, RIH tag TOC @ 1090'. Spot 100sx Cl C w/ 4% CaCl2 + 5sx LCM ahead of cement, POOH WOC 2hrs, RIH tag TOC @ 980'. Dump 8 yds pea gravel, tag @ 825'. RIH to 560', spot 20sx Cl C w/ 4% CaCl2, POOH WOC 2hrs. Put 65sx mud down 13-3/8" casing, RIH to 560', spot 100sx Cl C w/ 4% CaCl2. POOH WOC 2hrs, RIH tag @ 530'. Had total circulation during last plug w/ no fall back. All plugs witnessed & approved by NMOCD Mike Stubblefield & Darrell Moore. Rel rig @ 1500hrs CDT 10/5/90. Spot 10sx Cl C from 50' to surface. Skid rig to Simpson A #2Y.

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

SIGNATURE [Signature] TITLE Region Operations Manager DATE 10/25/90

TYPE OR PRINT NAME F.A. Vitranb (Prepared by David Stewart) TELEPHONE NO. 9156855 17

(This space for State Use)

APPROVED BY [Signature] TITLE SUPERVISOR, DISTRICT II DATE NOV 16 1990

CONDITIONS OF APPROVAL, IF ANY:

Submit 3 Copies  
to Appropriate  
District Office

State of New Mexico  
Energy, Minerals and Natural Resources Department

Form C-103  
Revised 1-1-89

DISTRICT I  
P.O. Box 1980, Hobbs, NM 88240

CONSERVATION DIVISION

OIL CONSERVATION DIVISION

DISTRICT II  
P.O. Drawer DD, Artesia, NM 88210

P.O. Box 2088,  
Santa Fe, New Mexico 87504-2088

DISTRICT III  
1000 Rio Brazos Rd., Aztec, NM 87410

OCT 26 '90

WELL API NO.  
30-015-26442

5. Indicate Type of Lease  
STATE  FEE

6. State Oil & Gas Lease No.

SUNDRY NOTICES AND REPORTS ON WELLS  
(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A  
DIFFERENT RESERVOIR. USE APPLICATION FOR PERMIT TO DRILL (FORM C-101) FOR SUCH PROPOSALS.)

7. Lease Name or Unit Agreement Name

Simpson A

1. Type of Well:  
OIL WELL  GAS WELL  OTHER

8. Well No. 2

2. Name of Operator  
OXY USA Inc. ✓

9. Pool name or Wildcat  
Burton Flat Morrow

3. Address of Operator  
P.O. Box 50250 Midland, TX. 79710

4. Well Location  
Unit Letter J : 1980 Feet From The South Line and 1980 Feet From The East Line  
Section 29 Township 21S Range 27E NMPM Eddy County

10. Elevation (Show whether DF, RKB, RT, GR, etc.)  
3136.4' GR

11. Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:	SUBSEQUENT REPORT OF:
PERFORM REMEDIAL WORK <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input checked="" type="checkbox"/>
OTHER: <input type="checkbox"/>	PLUG AND ABANDONMENT <input type="checkbox"/>
	CASING TEST AND CEMENT JOB <input checked="" type="checkbox"/>
	OTHER: <input type="checkbox"/>

12. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work) SEE RULE 1103.

MIRU Grace Rig #303, spudded 17-1/2" hole @ 1030hrs CDT 9/28/90. Drill to a TD of 595'. Run 13-3/8" 14 jts 48# H40 casing, set @ 583'. Cement w/ 650sx Cl C w/ 2% CaCl2, 1/4# cello-seal. Plug down @ 0800hrs CDT 9/29/90. NMOCD notified but did not witnessed. Cement did not circulate. WOC 6hrs, run temp svy-TOC-50'. Redi-mix cement to surface. NU BOP, test to 1200#, held OK. Resume drilling 12-1/4" hole.

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

SIGNATURE David Stewart TITLE Production Accountant DATE 10/24/90  
TYPE OR PRINT NAME David Stewart TELEPHONE NO. 9156855717

(This space for State Use)

APPROVED BY [Signature] TITLE SUPERVISOR, DISTRICT II DATE NOV 16 1990  
CONDITIONS OF APPROVAL, IF ANY:

Submit to Appropriate District Office  
 State Lease - 6 copies  
 Fee Lease - 5 copies

State of New Mexico

Energy, Minerals and Natural Resources Department

Form C-101  
 Revised 1-1-89

OIL CONSERVATION DIVISION  
 RECEIVED

OIL CONSERVATION DIVISION

DISTRICT I  
 P.O. Box 1980, Hobbs, NM, 88240

P.O. Box 2088  
 Santa Fe, New Mexico 87504-2088

DISTRICT II  
 P.O. Drawer DD, Artesia, NM 88210

DISTRICT III  
 1000 Rio Brazos Rd., Aztec, NM 87410

API NO. (assigned by OCD on New Wells)

5. Indicate Type of Lease

STATE  FEE

6. State Oil & Gas Lease No.

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. Type of Work:

DRILL  RE-ENTER  DEEPEN  PLUG BACK

b. Type of Well:

OIL WELL  GAS WELL  OTHER  SINGLE ZONE  MULTIPLE ZONE

2. Name of Operator

OXY USA Inc. ✓

8. Well No.

2

3. Address of Operator

P.O. Box 50250 Midland, TX. 79710

9. Pool name or Wildcat

Burton Flat Morrow

4. Well Location

Unit Letter J : 1980 Feet From The South Line and 1980 Feet From The East Line

Section 29 Township 21S Range 27E NMPM Eddy County

10. Proposed Depth

11810'

11. Formation

Morrow

12. Rotary or C.T.

Rotary

13. Elevations (Show whether DF, RT, GR, etc.)

3136.4 GR

14. Kind & Status Plug. Bond

Required/Approved

15. Drilling Contractor

Unknown

16. Approx. Date Work will start

After permit approval

17.

PROPOSED CASING AND CEMENT PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	SACKS OF CEMENT	EST. TOP
17 1/2"	13 3/8"	48#	600'	650	Circulated
12 1/4"	8 5/8"	24-32#	3000'	1400	Circulated
7 7/8"	5 1/2"	17-20#	11810'	1300	Top of Wolfcamp

It is proposed to drill this well to a TD of 11810' and test the Morrow formation. The Blowout Prevention program is as follows:

0-600'	None
600'-3000'	12" 3000# WP Blind & pipe rams
3000'-11810'	10" 5000# WP Blind & pipe rams, 3000# WP annular preventor, and rotating head below 8500'.

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: IF PROPOSAL IS TO DEEPEN OR PLUG BACK, GIVE DATA ON PRESENT PRODUCTIVE ZONE AND PROPOSED NEW PRODUCTIVE ZONE. GIVE BLOWOUT PREVENTER PROGRAM, IF ANY.

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

SIGNATURE David Stewart TITLE Production Accountant DATE 7/31/90

TYPE OR PRINT NAME David Stewart TELEPHONE NO. 9156855717

(This space for State Use)

APPROVED BY [Signature] TITLE SUPERVISOR, DISTRICT II DATE AUG 9 1990

CONDITIONS OF APPROVAL, IF ANY:

Submit to Appropriate  
District Office  
State Lease - 4 copies  
Fee Lease - 3 copies

State of New Mexico  
Energy, Minerals and Natural Resources Department

Form C-102  
Revised 1-1-89

**OIL CONSERVATION DIVISION**

P.O. Box 2088  
Santa Fe, New Mexico 87504-2088

**DISTRICT I**  
P.O. Box 1980, Hobbs, NM 88240

**DISTRICT II**  
P.O. Drawer DD, Artesia, NM 88210

**DISTRICT III**  
1000 Rio Brazos Rd., Aztec, NM 87410

**WELL LOCATION AND ACREAGE DEDICATION PLAT**

All Distances must be from the outer boundaries of the section

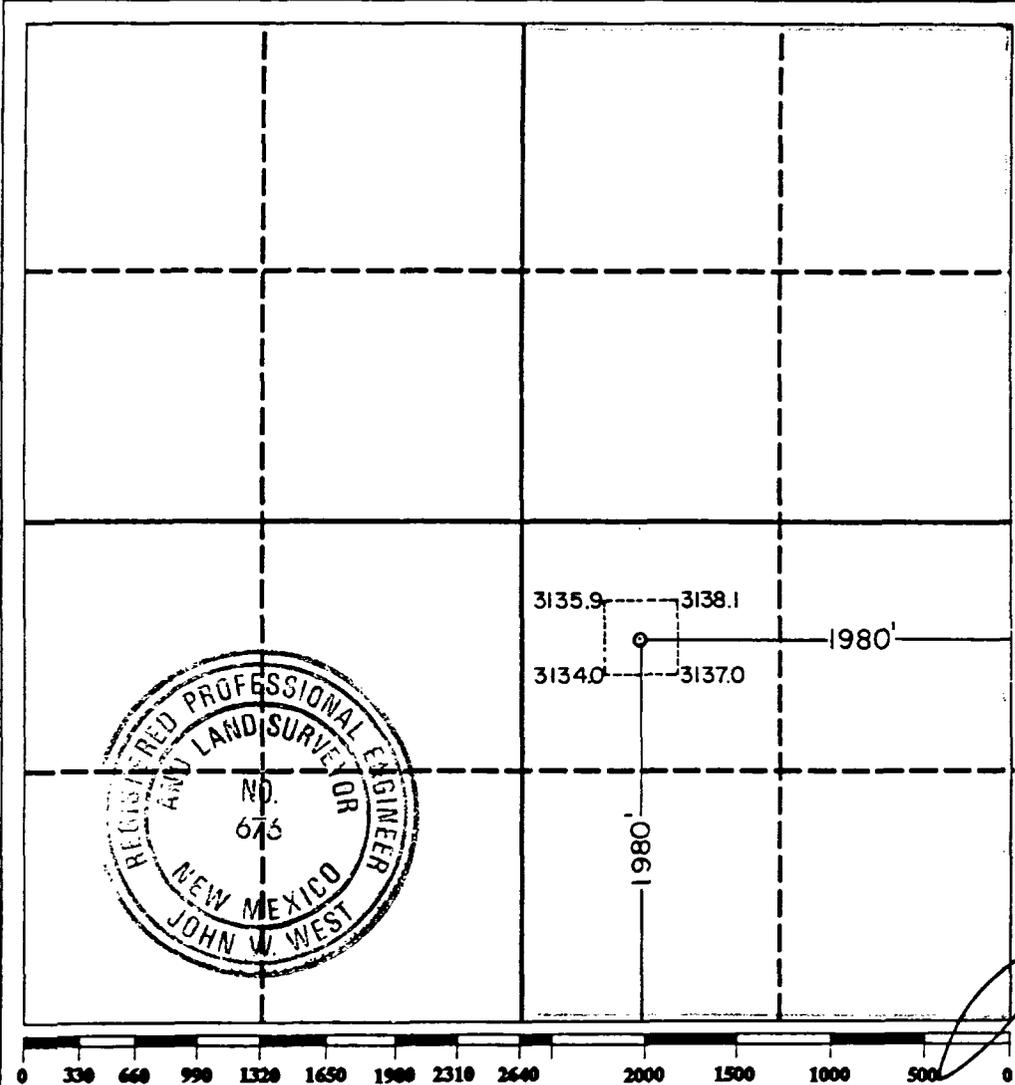
Operator OXY USA INC.			Lease Simpson "A"		Well No. 2
Unit Letter J	Section 29	Township 21 South	Range 27 East	County Eddy	
Actual Footage Location of Well: 1980 feet from the South line and 1980 feet from the East line					
Ground level Elev. 3136.4	Producing Formation Morrow	Pool Burton Flat		Dedicated Acreage: 320 Acres	

- Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.
- If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
- If more than one lease of different ownership is dedicated to the well, have the interest of all owners been consolidated by communitization, unitization, force-pooling, etc.?
 

Yes       No      If answer is "yes" type of consolidation \_\_\_\_\_

If answer is "no" list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) \_\_\_\_\_

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interest, has been approved by the Division.



**OPERATOR CERTIFICATION**

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

Signature: *David Stewart*

Printed Name: David Stewart

Position: Production Accountant

Company: OXY USA Inc.

Date: 7/30/90

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**SURVEYOR CERTIFICATION**

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 knowledge and belief.

Date Surveyed: May 15, 1990

Signature & Seal of Professional Surveyor: *John W. West*

Certificate No. JOHN W. WEST, 676  
RONALD J. EIDSON, 3239

125690