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DISTRICT II-ARTESIA O.C.D.

Form 3160-3
(June 2015)

FORM APPROVED
OMB No. 1004-0137
Expires: January 31, 2018

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR REENTER

5. Lease Serial No.
NMNM021640

6. If Indian, Allotee or Tribe Name

1a. Type of work: ☑ DRILL ☐ REENTER

1b. Type of Well: ☑ Oil Well ☐ Gas Well ☐ Other

1c. Type of Completion: ☐ Hydraulic Fracturing ☐ Single Zone ☑ Multiple Zone

7. If Unit or CA Agreement, Name and No.

8. Lease Name and Well No.
PRECIOUS 30-18 FEDERAL COM
10H 326187

2. Name of Operator
OXY USA INCORPORATED

9. API Well No.
30-015-46463

3a. Address	3b. Phone No. *(include area code)*	10. Field and Pool, or Exploratory
5 Greenway Plaza, Suite 110 Houston TX 77046	(713)366-5716	~~MESA VERDE / WOLFCAMP~~ Eagle Wells BSPG 98236

4. Location of Well *(Report location clearly and in accordance with any State requirements.*)*

At surface NENE / 520 FNL / 730 FEL / LAT 32.266748 / LONG -103.810716

At proposed prod. zone NESE / 2625 FSL / 430 FEL / LAT 32.304416 / LONG -103.809779

11. Sec., T. R. M. or Blk. and Survey or Area
SEC 31 / T23S / R31E / NMP

14. Distance in miles and direction from nearest town or post office*	12. County or Parish	13. State
8 miles	EDDY	NM

15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any)	16. No of acres in lease	17. Spacing Unit dedicated to this well
20 feet	323.59	800

18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft.	19. Proposed Depth	20. BLM/BIA Bond No. in file
35 feet	9883 feet / 23383 feet	FED: ESB000226

21. Elevations (Show whether DF, KDB, RT, GL, etc.)	22. Approximate date work will start*	23. Estimated duration
3347 feet	12/31/2019	20 days

24. Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1, and the Hydraulic Fracturing rule per 43 CFR 3162.3-3 (as applicable)

1. Well plat certified by a registered surveyor.
2. A Drilling Plan.
3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO must 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).
5. Operator certification.
6. Such other site specific information and/or plans as may be requested by the BLM.

25. Signature	Name *(Printed/Typed)*	Date
(Electronic Submission)	Sarah Chapman / Ph: (713)350-4997	01/25/2019

Title
Regulatory Specialist

Approved by *(Signature)*	Name *(Printed/Typed)*	Date
(Electronic Submission)	Christopher Walls / Ph: (575)234-2234	11/20/2019

Title	Office
Petroleum Engineer	CARLSBAD

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.

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.

APPROVED WITH CONDITIONS

Approval Date: 11/20/2019

RWP 12-5-19

(Continued on page 2)

*(Instructions on page 2)

Additional Operator Remarks

Location of Well

1. SHL: NENE / 520 FNL / 730 FEL / TWSP: 23S / RANGE: 31E / SECTION: 31 / LAT: 32.266748 / LONG: -103.810716 (TVD: 0 feet, MD: 0 feet)
PPP: SESE / 10 FSL / 427 FEL / TWSP: 23S / RANGE: 31E / SECTION: 18 / LAT: 32.267224 / LONG: -103.809773 (TVD: 9895 feet, MD: 20700 feet)
PPP: SESE / 100 FSL / 440 FEL / TWSP: 23S / RANGE: 31E / SECTION: 30 / LAT: 32.268452 / LONG: -103.809748 (TVD: 9943 feet, MD: 10299 feet)
PPP: SENE / 2639 FSL / 431 FEL / TWSP: 23S / RANGE: 31E / SECTION: 30 / LAT: 32.275431 / LONG: -103.809755 (TVD: 9932 feet, MD: 12800 feet)
PPP: NESE / 1320 FSL / 430 FEL / TWSP: 23S / RANGE: 31E / SECTION: 19 / LAT: 32.286326 / LONG: -103.809764 (TVD: 9913 feet, MD: 16800 feet)
PPP: NENE / 1312 FNL / 430 FEL / TWSP: 23S / RANGE: 31E / SECTION: 19 / LAT: 32.293592 / LONG: -103.80977 (TVD: 9901 feet, MD: 19400 feet)
BHL: NESE / 2625 FSL / 430 FEL / TWSP: 23S / RANGE: 31E / SECTION: 18 / LAT: 32.304416 / LONG: -103.809779 (TVD: 9883 feet, MD: 23383 feet)

BLM Point of Contact

Name: Deborah Ham
Title: Legal Landlaw Examiner
Phone: 5752345965
Email: dham@blm.gov

Approval Date: 11/20/2019

Review and Appeal Rights

A person contesting a decision shall request a State Director review. This request must be filed within 20 working days of receipt of the Notice with the appropriate State Director (see 43 CFR 3165.3). The State Director review decision may be appealed to the Interior Board of Land Appeals, 801 North Quincy Street, Suite 300, Arlington, VA 22203 (see 43 CFR 3165.4). Contact the above listed Bureau of Land Management office for further information.

PECOS DISTRICT
DRILLING CONDITIONS OF APPROVAL

OPERATOR'S NAME:	Oxy USA Incorporated
LEASE NO.:	NMNM0546732A
WELL NAME & NO.:	10H - PRECIOUS 30-18 FEDERAL COM
SURFACE HOLE FOOTAGE:	520'/N & 730'/E
BOTTOM HOLE FOOTAGE	2625'/S & 430'/E
LOCATION:	SECTION 31, T23S, R31E, NMPM
COUNTY:	EDDY

COA

H2S	○ Yes	○ No	
Potash	○ None	○ Secretary	◉ R-111-P
Cave/Karst Potential	◉ Low	○ Medium	○ High
Variance	○ None	◉ Flex Hose	○ Other
Wellhead	○ Conventional	○ Multibowl	◉ Both
Other	☐ 4 String Area	☐ Capitan Reef	☐ WIPP
Other	☑ Fluid Filled	☑ Cement Squeeze	☐ Pilot Hole
Special Requirements	☐ Water Disposal	☑ COM	☐ Unit

Break Testing	○ Yes	◉ No

A. HYDROGEN SULFIDE

Hydrogen Sulfide (H2S) monitors shall be installed prior to drilling out the surface shoe. If H2S is detected in concentrations greater than 100 ppm, the Hydrogen Sulfide area shall meet Onshore Order 6 requirements, which includes equipment and personnel/public protection items. If Hydrogen Sulfide is encountered, provide measured values and formations to the BLM.

B. CASING

Primary Casing Design:

1. The **13-3/8** inch surface casing shall be set at approximately **434** feet (a minimum of **70 feet (Eddy County)** into the Rustler Anhydrite and above the salt) and cemented to the surface.

    a. If cement does not circulate to the surface, the appropriate BLM office shall be notified and a temperature survey utilizing an electronic type temperature survey with surface log readout will be used or a cement bond log shall be run to verify the top of the cement. Temperature survey will be run a minimum of

six hours after pumping cement and ideally between 8-10 hours after completing the cement job.

b. Wait on cement (WOC) time for a primary cement job will be a minimum of **24 hours in the Potash Area** or 500 pounds compressive strength, whichever is greater. (This is to include the lead cement)
c. Wait on cement (WOC) time for a remedial job will be a minimum of 4 hours after bringing cement to surface or 500 pounds compressive strength, whichever is greater.
d. If cement falls back, remedial cementing will be done prior to drilling out that string.

2. The minimum required fill of cement behind the **9-5/8** inch intermediate casing is:

Option 1 (Single Stage):

- Cement to surface. If cement does not circulate see B.1.a, c-d above. **Wait on cement (WOC) time for a primary cement job is to include the lead cement slurry due to cave/karst or potash.**

Option 2:

Operator has proposed a DV tool, the depth may be adjusted as long as the cement is changed proportionally. The DV tool may be cancelled if cement circulates to surface on the first stage.

a. First stage to DV tool: Cement to circulate. If cement does not circulate off the DV tool, contact the appropriate BLM office before proceeding with second stage cement job.

b. Second stage above DV tool:

- Cement to surface. If cement does not circulate, contact the appropriate BLM office.
  Wait on cement (WOC) time for a primary cement job is to include the lead cement slurry due to cave/karst or potash.

3. The minimum required fill of cement behind the **5-1/2** inch production casing is:

Option 1 (Single Stage):

- Cement to surface. If cement does not circulate, contact the appropriate BLM office.

Option 2:

Operator has proposed a DV tool, the depth may be adjusted as long as the cement is changed proportionally. The DV tool may be cancelled if cement circulates to surface on the first stage.

a. First stage to DV tool: Cement to circulate. If cement does not circulate off the DV tool, contact the appropriate BLM office before proceeding with second stage cement job.

b. Second stage above DV tool:

- Cement to surface. If cement does not circulate, contact the appropriate BLM office.

Operator has proposed to pump down 9-5/8" X 5-1/2" annulus. Operator must run a CBL from TD of the 5-1/2" casing to surface. Submit results to BLM. Excess calculates to 6% - additional cement might be required.

Alternate Casing Design:

2nd Intermediate casing must be kept fluid filled to meet BLM minimum collapse requirement.

3. The minimum required fill of cement behind the **7-5/8** inch 2nd intermediate casing is:

Option 1 (Single Stage):

- Cement to surface. If cement does not circulate see B.1.a, c-d above. **Wait on cement (WOC) time for a primary cement job is to include the lead cement slurry due to cave/karst or potash.**

Option 2:

Operator has proposed a DV tool, the depth may be adjusted as long as the cement is changed proportionally. The DV tool may be cancelled if cement circulates to surface on the first stage.

c. First stage to DV tool: Cement to circulate. If cement does not circulate off the DV tool, contact the appropriate BLM office before proceeding with second stage cement job.

d. Second stage above DV tool:

- Cement to surface. If cement does not circulate, contact the appropriate BLM office.
  Wait on cement (WOC) time for a primary cement job is to include the lead cement slurry due to cave/karst or potash.

Operator has proposed to pump down 9-5/8" X 7-5/8" annulus. Operator must run a CBL from TD of the 7-5/8" casing to surface. Submit results to BLM. Excess calculates to negative 6% - additional cement might be required.

4. The minimum required fill of cement behind the **5-1/2** inch production casing is:

    - Cement should tie-back **500 feet** into the previous casing. Operator shall provide method of verification. **Excess calculates to 20% - additional cement might be required.**

C. PRESSURE CONTROL

1. Variance approved to use flex line from BOP to choke manifold. Manufacturer's specification to be readily available. No external damage to flex line. Flex line to be installed as straight as possible (no hard bends).'

2.

Option 1:

a. Minimum working pressure of the blowout preventer (BOP) and related equipment (BOPE) required for drilling below the surface casing shoe shall be **3000 (3M)** psi.

b. Minimum working pressure of the blowout preventer (BOP) and related equipment (BOPE) required for drilling below the intermediate casing shoe shall be **3000 (3M)** psi.

Option 2:

1. Operator has proposed a multi-bowl wellhead assembly. This assembly will only be tested when installed on the surface casing. Minimum working pressure of the blowout preventer (BOP) and related equipment (BOPE) required for drilling below the surface casing shoe shall be **3000 (3M)** psi.

    a. Wellhead shall be installed by manufacturer's representatives, submit documentation with subsequent sundry.
    b. If the welding is performed by a third party, the manufacturer's representative shall monitor the temperature to verify that it does not exceed the maximum temperature of the seal.
    c. Manufacturer representative shall install the test plug for the initial BOP test.
    d. If the cement does not circulate and one inch operations would have been possible with a standard wellhead, the well head shall be cut off, cementing operations performed and another wellhead installed.

e. Whenever any seal subject to test pressure is broken, all the tests in OOGO2.III.A.2.i must be followed.

D. SPECIAL REQUIREMENT (S)

Communitization Agreement

- The operator will submit a Communitization Agreement to the Carlsbad Field Office, 620 E Greene St. Carlsbad, New Mexico 88220, at least 90 days before the anticipated date of first production from a well subject to a spacing order issued by the New Mexico Oil Conservation Division. The Communitization Agreement will include the signatures of all working interest owners in all Federal and Indian leases subject to the Communitization Agreement (i.e., operating rights owners and lessees of record), or certification that the operator has obtained the written signatures of all such owners and will make those signatures available to the BLM immediately upon request.
- If the operator does not comply with this condition of approval, the BLM may take enforcement actions that include, but are not limited to, those specified in 43 CFR 3163.1.
- In addition, the well sign shall include the surface and bottom hole lease numbers. When the Communitization Agreement number is known, it shall also be on the sign.

Offline Cementing

Contact the BLM prior to the commencement of any offline cementing procedure.

BOP Break Testing Variance

- BOP break testing is not permitted on this well pending submittion of break testing sundry.

GENERAL REQUIREMENTS

The BLM is to be notified in advance for a representative to witness:

a. Spudding well (minimum of 24 hours)
b. Setting and/or Cementing of all casing strings (minimum of 4 hours)
c. BOPE tests (minimum of 4 hours)

☒ Eddy County
Call the Carlsbad Field Office, 620 East Greene St., Carlsbad, NM 88220, (575) 361-2822

☒ Lea County
Call the Hobbs Field Station, 414 West Taylor, Hobbs NM 88240, (575) 393-3612

1. Unless the production casing has been run and cemented or the well has been properly plugged, the drilling rig shall not be removed from over the hole without prior approval.

   a. In the event the operator has proposed to drill multiple wells utilizing a skid/walking rig. Operator shall secure the wellbore on the current well, after installing and testing the wellhead, by installing a blind flange of like pressure rating to the wellhead and a pressure gauge that can be monitored while drilling is performed on the other well(s).
   b. When the operator proposes to set surface casing with Spudder Rig
      - Notify the BLM when moving in and removing the Spudder Rig.
      - Notify the BLM when moving in the 2nd Rig. Rig to be moved in within 90 days of notification that Spudder Rig has left the location.
      - BOP/BOPE test to be conducted per Onshore Oil and Gas Order No. 2 as soon as 2nd Rig is rigged up on well.

2. Floor controls are required for 3M or Greater systems. These controls will be on the rig floor, unobstructed, readily accessible to the driller and will be operational at all times during drilling and/or completion activities. Rig floor is defined as the area immediately around the rotary table; the area immediately above the substructure on which the draw works are located, this does not include the dog house or stairway area.

3. The record of the drilling rate along with the GR/N well log run from TD to surface (horizontal well – vertical portion of hole) shall be submitted to the BLM office as well as all other logs run on the borehole 30 days from completion. If available, a digital copy of the logs is to be submitted in addition to the paper copies. The Rustler top and top and bottom of Salt are to be recorded on the Completion Report.

A. CASING

1. Changes to the approved APD casing program need prior approval if the items substituted are of lesser grade or different casing size or are Non-API. The Operator can exchange the components of the proposal with that of superior strength (i.e. changing from J-55 to N-80, or from 36# to 40#). Changes to the approved cement program need prior approval if the altered cement plan has less volume or strength or if the changes are substantial (i.e. Multistage tool, ECP, etc.). The initial wellhead installed on the well will remain on the well with spools used as needed.

2. Wait on cement (WOC) for Potash Areas: After cementing but before commencing any tests, the casing string shall stand cemented under pressure until both of the following conditions have been met: 1) cement reaches a minimum compressive strength of 500 psi for all cement blends, 2) until cement has been in place at least 24 hours. WOC time will be recorded in the driller's log. The casing intergrity test can be done (prior to the cement setting up) immediately after bumping the plug.

3. Wait on cement (WOC) for Water Basin: After cementing but before commencing any tests, the casing string shall stand cemented under pressure until both of the following conditions have been met: 1) cement reaches a minimum compressive strength of 500 psi at the shoe, 2) until cement has been in place at least 8 hours. WOC time will be recorded in the driller's log. See individual casing strings for details regarding lead cement slurry requirements. The casing intergrity test can be done (prior to the cement setting up) immediately after bumping the plug.

4. Provide compressive strengths including hours to reach required 500 pounds compressive strength prior to cementing each casing string. Have well specific cement details onsite prior to pumping the cement for each casing string.

5. No pea gravel permitted for remedial or fall back remedial without prior authorization from the BLM engineer.

6. On that portion of any well approved for a 5M BOPE system or greater, a pressure integrity test of each casing shoe shall be performed. Formation at the shoe shall be tested to a minimum of the mud weight equivalent anticipated to control the formation pressure to the next casing depth or at total depth of the well. This test shall be performed before drilling more than 20 feet of new hole.

7. If hardband drill pipe is rotated inside casing, returns will be monitored for metal. If metal is found in samples, drill pipe will be pulled and rubber protectors which have a larger diameter than the tool joints of the drill pipe will be installed prior to continuing drilling operations.
8. Whenever a casing string is cemented in the R-111-P potash area, the NMOCD requirements shall be followed.

B. PRESSURE CONTROL

1. All blowout preventer (BOP) and related equipment (BOPE) shall comply with well control requirements as described in Onshore Oil and Gas Order No. 2 and API RP 53 Sec. 17.

2. If a variance is approved for a flexible hose to be installed from the BOP to the choke manifold, the following requirements apply: Check condition of flexible line from BOP to choke manifold, replace if exterior is damaged or if line fails test. Line to be as straight as possible with no hard bends and is to be anchored according to Manufacturer's requirements. The flexible hose can be exchanged with a hose of equal size and equal or greater pressure rating. Anchor requirements, specification sheet and hydrostatic pressure test certification matching the hose in service, to be onsite for review. These documents shall be posted in the company man's trailer and on the rig floor.

3. 5M or higher system requires an HCR valve, remote kill line and annular to match. The remote kill line is to be installed prior to testing the system and tested to stack pressure.

4. If the operator has proposed a multi-bowl wellhead assembly in the APD. The following requirements must be met:

    a. Wellhead shall be installed by manufacturer's representatives, submit documentation with subsequent sundry.
    b. If the welding is performed by a third party, the manufacturer's representative shall monitor the temperature to verify that it does not exceed the maximum temperature of the seal.
    c. Manufacturer representative shall install the test plug for the initial BOP test.
    d. Whenever any seal subject to test pressure is broken, all the tests in OOGO2.III.A.2.i must be followed.
    e. If the cement does not circulate and one inch operations would have been possible with a standard wellhead, the well head shall be cut off, cementing operations performed and another wellhead installed.

5. The appropriate BLM office shall be notified a minimum of 4 hours in advance for a representative to witness the tests.

    a. In a water basin, for all casing strings utilizing slips, these are to be set as soon as the crew and rig are ready and any fallback cement remediation has been done. The casing cut-off and BOP installation can be initiated four hours after installing the slips, which will be approximately six hours after bumping the plug. For those casing strings not using slips, the minimum wait time before cut-off is eight hours after bumping the plug. BOP/BOPE testing can begin after cut-off or once cement reaches 500 psi compressive strength (including

lead when specified), whichever is greater. However, if the float does not hold, cut-off cannot be initiated until cement reaches 500 psi compressive strength (including lead when specified).

b. In potash areas, for all casing strings utilizing slips, these are to be set as soon as the crew and rig are ready and any fallback cement remediation has been done. For all casing strings, casing cut-off and BOP installation can be initiated at twelve hours after bumping the plug. However, **no tests** shall commence until the cement has had a minimum of 24 hours setup time, except the casing pressure test can be initiated immediately after bumping the plug (only applies to single stage cement jobs).

c. The tests shall be done by an independent service company utilizing a test plug not a cup or J-packer. The operator also has the option of utilizing an independent tester to test without a plug (i.e. against the casing) pursuant to Onshore Order 2 with the pressure not to exceed 70% of the burst rating for the casing. Any test against the casing must meet the WOC time for water basin (8 hours) or potash (24 hours) or 500 pounds compressive strength, whichever is greater, prior to initiating the test (see casing segment as lead cement may be critical item).

d. The test shall be run on a 5000 psi chart for a 2-3M BOP/BOP, on a 10000 psi chart for a 5M BOP/BOPE and on a 15000 psi chart for a 10M BOP/BOPE. If a linear chart is used, it shall be a one hour chart. A circular chart shall have a maximum 2 hour clock. If a twelve hour or twenty-four hour chart is used, tester shall make a notation that it is run with a two hour clock.

e. The results of the test shall be reported to the appropriate BLM office.

f. All tests are required to be recorded on a calibrated test chart. A copy of the BOP/BOPE test chart and a copy of independent service company test will be submitted to the appropriate BLM office.

g. The BOP/BOPE test shall include a low pressure test from 250 to 300 psi. The test will be held for a minimum of 10 minutes if test is done with a test plug and 30 minutes without a test plug. This test shall be performed prior to the test at full stack pressure.

h. BOP/BOPE must be tested by an independent service company within 500 feet of the top of the Wolfcamp formation if the time between the setting of the intermediate casing and reaching this depth exceeds 20 days. This test does not exclude the test prior to drilling out the casing shoe as per Onshore Order No. 2.

C. DRILLING MUD

Mud system monitoring equipment, with derrick floor indicators and visual and audio alarms, shall be operating before drilling into the Wolfcamp formation, and shall be used until production casing is run and cemented.

D. WASTE MATERIAL AND FLUIDS

All waste (i.e. drilling fluids, trash, salts, chemicals, sewage, gray water, etc.) created as a result of drilling operations and completion operations shall be safely contained and disposed of properly at a waste disposal facility. No waste material or fluid shall be disposed of on the well location or surrounding area.

Porto-johns and trash containers will be on-location during fracturing operations or any other crew-intensive operations.

NMK11132019

PECOS DISTRICT
SURFACE USE
CONDITIONS OF APPROVAL

OPERATOR'S NAME:	OXY USA INCORPORATED
LEASE NO.:	
WELL NAME & NO.:	10H - PRECIOUS 30-18 FEDERAL COM
SURFACE HOLE FOOTAGE:	520'/N & 1295'/E
BOTTOM HOLE FOOTAGE	2625'/S & 940'/E
LOCATION:	SECTION 31, T23S, R31E, NMPM
COUNTY:	EDDY

TABLE OF CONTENTS

Standard Conditions of Approval (COA) apply to this APD. If any deviations to these standards exist or special COAs are required, the section with the deviation or requirement will be checked below.

I. GENERAL PROVISIONS

The approval of the Application For Permit To Drill (APD) is in compliance with all applicable laws and regulations: 43 Code of Federal Regulations 3160, the lease terms, Onshore Oil and Gas Orders, Notices To Lessees, New Mexico Oil Conservation Division (NMOCD) Rules, National Historical Preservation Act As Amended, and instructions and orders of the Authorized Officer. Any request for a variance shall be submitted to the Authorized Officer on Form 3160-5, Sundry Notices and Report on Wells.

II. PERMIT EXPIRATION

If the permit terminates prior to drilling and drilling cannot be commenced within 60 days after expiration, an operator is required to submit Form 3160-5, Sundry Notices and Reports on Wells, requesting surface reclamation requirements for any surface disturbance. However, if the operator will be able to initiate drilling within 60 days after the expiration of the permit, the operator must have set the conductor pipe in order to allow for an extension of 60 days beyond the expiration date of the APD. (Filing of a Sundry Notice is required for this 60 day extension.)

III. ARCHAEOLOGICAL, PALEONTOLOGY & HISTORICAL SITES

Any cultural and/or paleontological resource discovered by the operator or by any person working on the operator's behalf shall immediately report such findings to the Authorized Officer. The operator is fully accountable for the actions of their contractors and subcontractors. The operator shall suspend all operations in the immediate area of such discovery until written authorization to proceed is issued by the Authorized Officer. An evaluation of the discovery shall be made by the Authorized Officer to determine the appropriate actions that shall be required to prevent the loss of significant cultural or scientific values of the discovery. The operator shall be held responsible for the cost of the proper mitigation measures that the Authorized Officer assesses after consultation with the operator on the evaluation and decisions of the discovery. Any unauthorized collection or disturbance of cultural or paleontological resources may result in a shutdown order by the Authorized Officer.

IV. NOXIOUS WEEDS

The operator shall be held responsible if noxious weeds become established within the areas of operations. Weed control shall be required on the disturbed land where noxious weeds exist, which includes the roads, pads, associated pipeline corridor, and adjacent land affected by the establishment of weeds due to this action. The operator shall consult with the Authorized Officer for acceptable weed control methods, which include following EPA and BLM requirements and policies.

V. SPECIAL REQUIREMENT(S)

Timing Limitation Stipulation / Condition of Approval for lesser prairie-chicken: Oil and gas activities including 3-D geophysical exploration, and drilling will not be allowed in lesser prairie-chicken habitat during the period from March 1st through June 15th annually. During that period, other activities that produce noise or involve human activity, such as the maintenance of oil and gas facilities, pipeline, road, and well pad construction, will be allowed except between 3:00 am and 9:00 am. The 3:00 am to 9:00 am restriction will not apply to normal, around-the-clock operations, such as venting, flaring, or pumping, which do not require a human presence during this period. Additionally, no new drilling will be allowed within up to 200 meters of leks known at the time of permitting. Normal vehicle use on existing roads will not be restricted. Exhaust noise from pump jack engines must be muffled or otherwise controlled so as not to exceed 75 db measured at 30 feet from the source of the noise.

Ground-level Abandoned Well Marker to avoid raptor perching: Upon the plugging and subsequent abandonment of the well, the well marker will be installed at ground level on a plate containing the pertinent information for the plugged well. For more installation details, contact the Carlsbad Field Office at 575-234-5972.

This authorization is subject to your Certificate of Participation and/or Certificate of Inclusion under the New Mexico Candidate Conservation Agreement. Because it involves surface disturbing activities covered under your Certificate, your Habitat Conservation Fund Account with the Center of Excellence for Hazardous Materials Management (CEHMM) will be debited according to Exhibit B Part 2 of the Certificate of Participation.

Timing Limitation Exceptions:
The Carlsbad Field Office will publish an annual map of where the LPC timing and noise stipulations and conditions of approval (Limitations) will apply for the identified year (between March 1 and June 15) based on the latest survey information. The LPC Timing Area map will identify areas which are Habitat Areas (HA), Isolated Population Area (IPA), and Primary Population Area (PPA). The LPC Timing Area map will also have an area in red crosshatch. The red crosshatch area is the only area where an operator is required to submit a request for exception to the LPC Limitations. If an operator is operating outside the red crosshatch area, the LPC Limitations do not apply for that year and an exception to LPC Limitations is not required.

Cattleguards
Where a permanent cattlegaurd is approved, an appropriately sized cattleguard(s) sufficient to carry out the project shall be installed and maintained at fence crossing(s). Any existing cattleguard(s) on the access road shall be repaired or replaced if they are damaged or have deteriorated beyond practical use. The operator shall be responsible for the condition of the existing cattleguard(s) that are in place and are utilized during lease operations. A gate shall be constructed on one side of the cattleguard and fastened securely to H-braces.

Fence Requirement
Where entry granted across a fence line, the fence must be braced and tied off on both sides of the passageway prior to cutting. Once the work is completed, the fence will be restored to its prior condition, or better. The operator shall notify the private surface landowner or the grazing allotment holder prior to crossing any fence(s).

Livestock Watering Requirement
Structures that provide water to livestock, such as windmills, pipelines, drinking troughs, and earthen reservoirs, will be avoided by moving the proposed action

Potash Minerals
Measures to minimize impacts to potash mineral reserves have been considered during the BLM's planning process by establishment of the Twin Wells Drill Island. No additional special mitigation or requirements have been identified by the BLM.

VI. CONSTRUCTION

A. NOTIFICATION

The BLM shall administer compliance and monitor construction of the access road and well pad. Notify the Carlsbad Field Office at (575) 234-5909 at least 3 working days prior to commencing construction of the access road and/or well pad.

When construction operations are being conducted on this well, the operator shall have the approved APD and Conditions of Approval (COA) on the well site and they shall be made available upon request by the Authorized Officer.

B. TOPSOIL

The operator shall strip the top portion of the soil (root zone) from the entire well pad area and stockpile the topsoil along the edge of the well pad as depicted in the APD. The root zone is typically six (6) inches in depth. All the stockpiled topsoil will be redistributed over the interim reclamation areas. Topsoil shall not be used for berming the pad or facilities. For final reclamation, the topsoil shall be spread over the entire pad area for seeding preparation.

Other subsoil (below six inches) stockpiles must be completely segregated from the topsoil stockpile. Large rocks or subsoil clods (not evident in the surrounding terrain) must be buried within the approved area for interim and final reclamation.

C. CLOSED LOOP SYSTEM

Tanks are required for drilling operations: No Pits.

The operator shall properly dispose of drilling contents at an authorized disposal site.

D. FEDERAL MINERAL MATERIALS PIT

Payment shall be made to the BLM prior to removal of any federal mineral materials. Call the Carlsbad Field Office at (575) 234-5972.

E. WELL PAD SURFACING

Surfacing of the well pad is not required.

If the operator elects to surface the well pad, the surfacing material may be required to be removed at the time of reclamation. The well pad shall be constructed in a manner which creates the smallest possible surface disturbance, consistent with safety and operational needs.

F. EXCLOSURE FENCING (CELLARS & PITS)

AFMSS

U.S. Department of the Interior
BUREAU OF LAND MANAGEMENT

Application Data Report
11/20/2019

APD ID: 10400038453
Submission Date: 01/25/2019
Operator Name: OXY USA INCORPORATED
Well Name: PRECIOUS 30-18 FEDERAL COM
Well Number: 10H
Well Type: OIL WELL
Well Work Type: Drill

Highlighted data reflects the most recent changes

Show Final Text

Section 1 - General

APD ID: 10400038453
Tie to previous NOS? N
Submission Date: 01/25/2019
BLM Office: CARLSBAD
User: Sarah Chapman
Title: Regulatory Specialist
Federal/Indian APD: FED
Is the first lease penetrated for production Federal or Indian? FED
Lease number: NMNM021640
Lease Acres: 323.59
Surface access agreement in place?
Allotted?
Reservation:
Agreement in place? NO
Federal or Indian agreement:
Agreement number:
Agreement name:
Keep application confidential? NO
Permitting Agent? NO
APD Operator: OXY USA INCORPORATED
Operator letter of designation:

Operator Info

Operator Organization Name: OXY USA INCORPORATED
Operator Address: 5 Greenway Plaza, Suite 110
Zip: 77046
Operator PO Box:
Operator City: Houston
State: TX
Operator Phone: (713)366-5716
Operator Internet Address:

Section 2 - Well Information

Well in Master Development Plan? NO
Master Development Plan name:
Well in Master SUPO? NO
Master SUPO name:
Well in Master Drilling Plan? NO
Master Drilling Plan name:
Well Name: PRECIOUS 30-18 FEDERAL COM
Well Number: 10H
Well API Number:
Field/Pool or Exploratory? Field and Pool
Field Name: MESA VERDE
Pool Name: WOLFCAMP
Is the proposed well in an area containing other mineral resources? POTASH

Operator Name: OXY USA INCORPORATED

Well Name: PRECIOUS 30-18 FEDERAL COM **Well Number:** 10H

Is the proposed well in an area containing other mineral resources? POTASH

Is the proposed well in a Helium production area? N **Use Existing Well Pad?** NO **New surface disturbance?**

Type of Well Pad: MULTIPLE WELL **Multiple Well Pad Name:** PRECIOUS 30-18 FED COM **Number:** 5H

Well Class: HORIZONTAL **Number of Legs:**

Well Work Type: Drill

Well Type: OIL WELL

Describe Well Type:

Well sub-Type: INFILL

Describe sub-type:

Distance to town: 8 Miles **Distance to nearest well:** 35 FT **Distance to lease line:** 20 FT

Reservoir well spacing assigned acres Measurement: 800 Acres

Well plat: Precious30_18FdCom10H_c_102Supplemental_20190903132101.pdf

Precious30_18FdCom10H_SitePlan_20190903132101.pdf

Well work start Date: 12/31/2019 **Duration:** 20 DAYS

Section 3 - Well Location Table

Survey Type: RECTANGULAR

Describe Survey Type:

Datum: NAD83 **Vertical Datum:** NAVD88

Survey number: 17777 **Reference Datum:**

Wellbore	NS-Foot	NS Indicator	EW-Foot	EW Indicator	Twsp	Range	Section	Aliquot/Lot/Tract	Latitude	Longitude	County	State	Meridian	Lease Type	Lease Number	Elevation	MD	TVD	Will this well produce
SHL Leg #1	520	FNL	730	FEL	23S	31E	31	Aliquot NENE	32.266748	-103.810716	EDDY	NEW MEXICO	NEW MEXICO	F	NMNM 054673 2A	3347	0	0	
KOP Leg #1	50	FSL	430	FEL	23S	31E	30	Aliquot SESE	32.268313	-103.809748	EDDY	NEW MEXICO	NEW MEXICO	F	NMNM 021640	-6123	9496	9470	

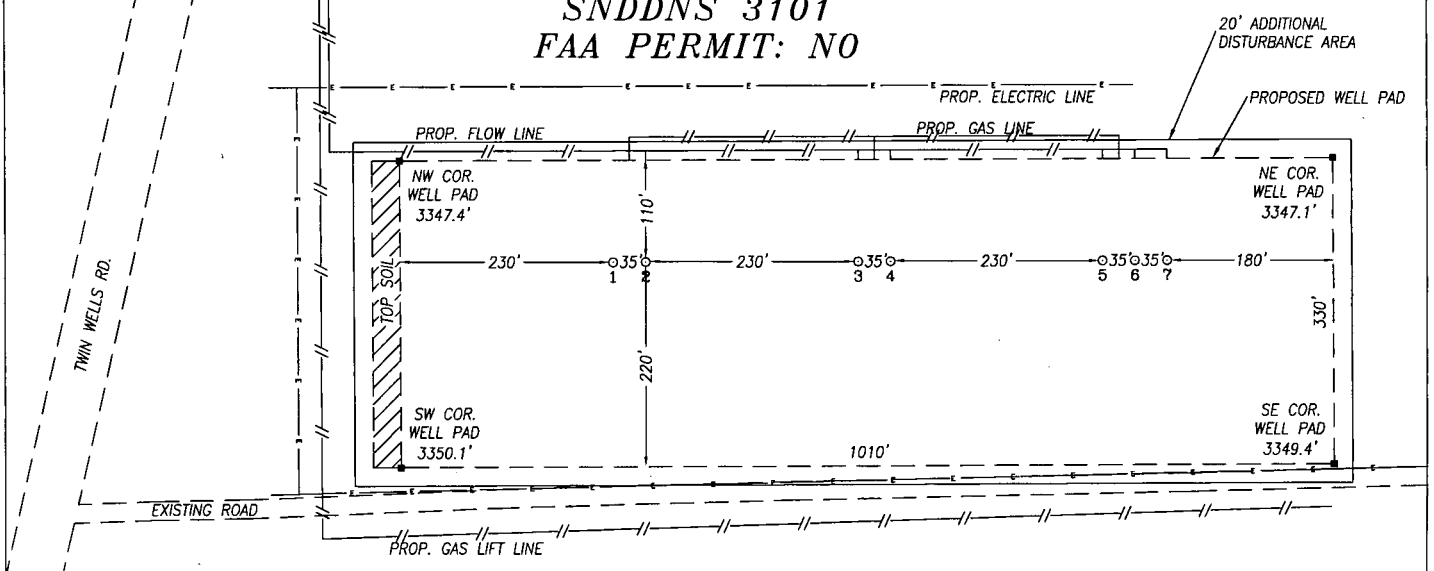
Operator Name: OXY USA INCORPORATED

Well Name: PRECIOUS 30-18 FEDERAL COM **Well Number:** 10H

Wellbore	NS-Foot	NS Indicator	EW-Foot	EW Indicator	Twsp	Range	Section	Aliquot/Lot/Tract	Latitude	Longitude	County	State	Meridian	Lease Type	Lease Number	Elevation	MD	TVD	Will this well produce
PPP Leg #1-1	1312	FNL	430	FEL	23S	31E	19	Aliquot NENE	32.293592	-103.80977	EDDY	NEW MEXICO	NEW MEXICO	F	NMNM 017057	-6554	19400	9901	
PPP Leg #1-2	1320	FSL	430	FEL	23S	31E	19	Aliquot NESE	32.286326	-103.809764	EDDY	NEW MEXICO	NEW MEXICO	F	NMNM 021639	-6566	16800	9913	
PPP Leg #1-3	2639	FSL	431	FEL	23S	31E	30	Aliquot SENE	32.275431	-103.809755	EDDY	NEW MEXICO	NEW MEXICO	F	NMNM 053317 7	-6585	12800	9932	
PPP Leg #1-4	100	FSL	440	FEL	23S	31E	30	Aliquot SESE	32.268452	-103.809748	EDDY	NEW MEXICO	NEW MEXICO	F	NMNM 021640	-6596	10299	9943	
PPP Leg #1-5	10	FSL	427	FEL	23S	31E	18	Aliquot SESE	32.267224	-103.809773	EDDY	NEW MEXICO	NEW MEXICO	F	NMNM 054623 7	-6548	20700	9895	
EXIT Leg #1	2545	FSL	430	FEL	23S	31E	18	Aliquot NESE	32.304197	-103.81143	EDDY	NEW MEXICO	NEW MEXICO	F	NMNM 054623 7	-6536	23380	9883	
BHL Leg #1	2625	FSL	430	FEL	23S	31E	18	Aliquot NESE	32.304416	-103.809779	EDDY	NEW MEXICO	NEW MEXICO	F	NMNM 054623 7	-6536	23383	9883	

OXY USA INC.

SITE PLAN
SNDDNS 3101
FAA PERMIT: NO



NO.	WELL	FOOTAGE	LAT.	LONG.	ELEV.	ID#
1	PRECIOUS 30_18 FED COM #45H	520' FNL & 1330' FEL	32.266748° N	103.812657° W	3349.1'	IP-SMS-2426
2	PRECIOUS 30_18 FED COM #46H	520' FNL & 1295' FEL	32.266749° N	103.812544° W	3348.6'	IP-SMS-2427
3	PRECIOUS 30_18 FED COM #175H	520' FNL & 1065' FEL	32.266748° N	103.811800° W	3349.0'	N/A
4	PRECIOUS 30_18 FED COM #176H	520' FNL & 1030' FEL	32.266748° N	103.811687° W	3348.0'	N/A
5	PRECIOUS 30_18 FED COM #5H	520' FNL & 800' FEL	32.266748° N	103.810943° W	3346.9'	IP-SMS-2429
6	PRECIOUS 30_18 FED COM #6H	520' FNL & 765' FEL	32.266748° N	103.810829° W	3347.2'	IP-SMS-2430
7	PRECIOUS 30_18 FED COM #10H	520' FNL & 730' FEL	32.266748° N	103.810716° W	3347.0'	IP-SMS-2416

NOTES:

1) LATS & LONGS SHOWN HEREON ARE MERCATOR GRID AND CONFORM TO THE NEW MEXICO COORDINATE SYSTEM "NEW MEXICO EAST ZONE" NORTH AMERICAN DATUM 1983.

2) DISTANCES ARE GRID VALUES.

3) ALL FEATURES ARE EXISTING UNLESS OTHERWISE NOTED

CERTIFICATION
I, CHAD HARCROW, A NEW MEXICO REGISTERED PROFESSIONAL SURVEYOR CERTIFY THAT I DIRECTED AND AM RESPONSIBLE FOR THIS SURVEY, THAT THIS SURVEY IS TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.

Chad Harcrow 7/27/19
CHAD HARCROW N.M.P.S. NO. 17777 DATE

HARCROW SURVEYING, LLC
2316 W. MAIN ST, ARTESIA, N.M. 88210
PH: (575) 746-2158
c.harcrow@harcrowsurveying.com

200 0 200 400 Feet
Scale: 1"=200'

OXY USA INC.		
SURVEY DATE: JULY 10, 2019		SITE PLAN
DRAFTING DATE: JULY 24, 2019		PAGE: 1 OF 1
APPROVED BY: CH	DRAWN BY: WN	FILE: 19-1295

APD ID: 10400038453 **Submission Date:** 01/25/2019

Operator Name: OXY USA INCORPORATED

Well Name: PRECIOUS 30-18 FEDERAL COM **Well Number:** 10H

Well Type: OIL WELL **Well Work Type:** Drill

Highlighted data reflects the most recent changes

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Section 1 - Geologic Formations

Formation ID	Formation Name	Elevation	True Vertical Depth	Measured Depth	Lithologies	Mineral Resources	Producing Formation
1	RUSTLER	3347	384	384	ANHYDRITE,SHALE,DOLOMITE	USEABLE WATER	N
2	SALADO	2635	712	712	HALITE,ANHYDRITE,SHALE,DOLOMITE	OTHER : SALT	N
3	CASTILE	741	2606	2606	ANHYDRITE	OTHER : salt	N
4	LAMAR	-738	4085	4085	LIMESTONE,SILTSTONE,SANDSTONE	OTHER,NATURAL GAS,OIL : BRINE	N
5	BELL CANYON	-775	4122	4122	SILTSTONE,SANDSTONE	USEABLE WATER,OTHER,NATURAL GAS,OIL : BRINE	N
6	CHERRY CANYON	-1657	5004	5004	SILTSTONE,SANDSTONE	OTHER,NATURAL GAS,OIL : BRINE	N
7	BRUSHY CANYON	-2937	6284	6284	LIMESTONE,SILTSTONE,SANDSTONE	OTHER,NATURAL GAS,OIL : BRINE	N
8	BONE SPRING	-4619	7966	8000	LIMESTONE,SILTSTONE,SANDSTONE	NATURAL GAS,OIL	N
9	BONE SPRING 1ST	-5652	8999	9005	LIMESTONE,SILTSTONE,SANDSTONE	NATURAL GAS,OIL	Y
10	BONE SPRING 2ND	-6294	9641	9700	LIMESTONE,SILTSTONE,SANDSTONE	NATURAL GAS,OIL	Y

Section 2 - Blowout Prevention

Pressure Rating (PSI): 5M **Rating Depth:** 9836

Equipment: 13-5/8" 5M Annular, Blind Ram, Double Ram

Requesting Variance? YES

Variance request: Request for the use of a flexible choke line from the BOP to Choke Manifold.

Testing Procedure: BOP/BOPE will be tested by an independent service company to 250 psi low and the high pressure indicated above per Onshore Order 2 requirements. The System may be upgraded to a higher pressure but still tested to the working pressure listed in the table above. If the system is upgraded all the components installed will be functional and tested. Pipe rams will be operationally checked each 24 hour period. Blind rams will be operationally checked on each trip out of the hole. These checks will be noted on the daily tour sheets. Other accessories to the BOP equipment will include a Kelly cock and floor safety valve (inside BOP) and choke lines and choke manifold. A multibowl wellhead or a unionized multibowl wellhead system will be employed. The wellhead and connection to the BOPE will meet all API 6A requirements. The BOP will be tested per Onshore Order #2 after installation on the surface casing which will cover testing requirements for a

maximum of 30 days. If any seal subject to test pressure is broken the system will be tested. We will test the flange connection of the wellhead with a test port that is directly in the flange. BOP Break Testing Request - As per the agreement reached in the OXY/BLM meeting on Feb 22, 2018, OXY requests permission to allow BOP Break Testing under the following conditions: 1. After a full BOP test is conducted on the first well on the pad. 2. When skidding to drill an intermediate section that the casing point is either shallower than the 3rd Bone Spring or 10000' TVD. 3. Full BOP test will be required prior to drilling any production section.

Choke Diagram Attachment:

Precious30_18FedCom10H_ChkManifold_20190125081818.pdf

BOP Diagram Attachment:

Precious30_18FedCom10H_BOP_5M__20190125081908.pdf

Precious30_18FedCom10H_FlexHoseCert_20190125081949.pdf

Section 3 - Casing

Casing ID	String Type	Hole Size	Csg Size	Condition	Standard	Tapered String	Top Set MD	Bottom Set MD	Top Set TVD	Bottom Set TVD	Top Set MSL	Bottom Set MSL	Calculated casing length MD	Grade	Weight	Joint Type	Collapse SF	Burst SF	Joint SF Type	Joint SF	Body SF Type	Body SF
1	SURFACE	17.5	13.375	NEW	API	N	0	434	0	434			434	J-55	54.5	BUTT	1.125	1.2	BUOY	1.4	BUOY	1.4
2	INTERMEDIATE	12.25	9.625	NEW	API	N	0	4135	0	4135			4135	L-80	40	BUTT	1.125	1.2	BUOY	1.4	BUOY	1.4
3	PRODUCTION	8.5	5.5	NEW	API	N	0	23383	0	9883			23383	P-110	20	OTHER - DQX/SFTORQ	1.125	1.2	BUOY	1.4	BUOY	1.4

Casing Attachments

Operator Name: OXY USA INCORPORATED

Well Name: PRECIOUS 30-18 FEDERAL COM **Well Number:** 10H

Casing Attachments

Casing ID: 1 **String Type:** SURFACE

Inspection Document:

Spec Document:

Tapered String Spec:

Casing Design Assumptions and Worksheet(s):

Precious30_18FedCom10H_CsgCriteria_20190125082200.pdf

Casing ID: 2 **String Type:** INTERMEDIATE

Inspection Document:

Spec Document:

Tapered String Spec:

Casing Design Assumptions and Worksheet(s):

Precious30_18FedCom10H_CsgCriteria_20190125082218.pdf

Casing ID: 3 **String Type:** PRODUCTION

Inspection Document:

Spec Document:

Tapered String Spec:

Casing Design Assumptions and Worksheet(s):

Precious30_18FedCom10H_CsgCriteria_20190125082304.pdf

Precious30_18FedCom10H_5.5_20_P_110_DQX_20190125082310.pdf

Precious30_18FedCom10H_5.5_20_P110_HCSF_TORQ_20190125082320.pdf

Operator Name: OXY USA INCORPORATED

Well Name: PRECIOUS 30-18 FEDERAL COM **Well Number:** 10H

Section 4 - Cement

String Type	Lead/Tail	Stage Tool Depth	Top MD	Bottom MD	Quantity(sx)	Yield	Density	Cu Ft	Excess%	Cement type	Additives
SURFACE	Lead		0	434	465	1.33	14.8	618	100	Cl C	Accelerator
INTERMEDIATE	Lead		0	3635	964	1.73	12.9	1668	50	Cl Possolan	Retarder
INTERMEDIATE	Tail		3635	4135	155	1.33	14.8	206	20	Cl C	Accelerator
PRODUCTION	Lead		6534	23383	2945	1.38	13.2	4064	5	Cl H	Retarder, Dispersant, Salt
PRODUCTION	Tail		0	6534	944	1.87	12.9	1765	25	Cl C	Accelerator

Section 5 - Circulating Medium

Mud System Type: Closed

Will an air or gas system be Used? NO

Description of the equipment for the circulating system in accordance with Onshore Order #2:

Diagram of the equipment for the circulating system in accordance with Onshore Order #2:

Describe what will be on location to control well or mitigate other conditions: Sufficient mud materials to maintain mud properties and meet minimum lost circulation and weight increase requirements. The following is a general list of products: Barite, Bentonite, Gypsum, Lime, Soda Ash, Caustic Soda, Nut Plug, Cedar Fiber, Cotton Seed Hulls, Drilling Paper, Salt Water Clay, CaCl2.

Describe the mud monitoring system utilized: PVT/MD Totco/Visual Monitoring

Circulating Medium Table

Top Depth	Bottom Depth	Mud Type	Min Weight (lbs/gal)	Max Weight (lbs/gal)	Density (lbs/cu ft)	Gel Strength (lbs/100 sqft)	PH	Viscosity (CP)	Salinity (ppm)	Filtration (cc)	Additional Characteristics
434	4135	OTHER : Saturated Brine Based Mud	9.8	10							

Operator Name: OXY USA INCORPORATED

Well Name: PRECIOUS 30-18 FEDERAL COM **Well Number:** 10H

Top Depth	Bottom Depth	Mud Type	Min Weight (lbs/gal)	Max Weight (lbs/gal)	Density (lbs/cu ft)	Gel Strength (lbs/100 sqft)	PH	Viscosity (CP)	Salinity (ppm)	Filtration (cc)	Additional Characteristics
4135	23383	OTHER : Water-Based and/or Oil-Based Mud	8	9.6							
0	434	WATER-BASED MUD	8.6	8.8							

Section 6 - Test, Logging, Coring

List of production tests including testing procedures, equipment and safety measures:

GR from TD to surface (horizontal well – vertical portion of hole). Mud Log from intermediate shoe to TD.

List of open and cased hole logs run in the well:

GR,MUDLOG

Coring operation description for the well:

No coring is planned at this time.

Section 7 - Pressure

Anticipated Bottom Hole Pressure: 4964 **Anticipated Surface Pressure:** 2776.54

Anticipated Bottom Hole Temperature(F): 160

Anticipated abnormal pressures, temperatures, or potential geologic hazards? NO

Describe:

Contingency Plans geoharzards description:

Contingency Plans geohazards attachment:

Hydrogen Sulfide drilling operations plan required? YES

Hydrogen sulfide drilling operations plan:

Precious30_18FedCom10H_EmergencyContacts_20190125082834.pdf

Precious30_18FedCom10H_H2S1_20190125082844.pdf

Precious30_18FedCom10H_H2S2_20190125082851.pdf

Operator Name: OXY USA INCORPORATED

Well Name: PRECIOUS 30-18 FEDERAL COM **Well Number:** 10H

Section 8 - Other Information

Proposed horizontal/directional/multi-lateral plan submission:

Precious30_18FdCom10H_DirectPlan_20190903134550.pdf

Precious30_18FdCom10H_DirectPlot_20190903134551.pdf

Other proposed operations facets description:

OXY respectfully requests a variance to cement the 9-5/8" and/or 7-5/8" intermediate casing strings offline, see attached for additional information.

OXY requests the option to set casing shallower yet still below the salts if losses or hole conditions require this. Cement volumes may be adjusted if casing is set shallower and a DV tool will be run in case a contingency second stage is required for cement to reach surface. If cement circulated to surface during first stage we will drop a cancelation cone and not pump the second stage.

OXY requests the option to run production casing with DQX, and/or SF TORQ connections to accommodate hole conditions or drilling operations.

OXY requests to pump a two stage cement job on the intermediate II casing string with the first stage being pumped conventionally with the calculated TOC @ the Bone Spring and the second stage performed as a bradenhead squeeze with planned cement from the Bone Spring to surface.

Annular Clearance Variance Request - As per the agreement reached in the Oxy/BLM meeting on Feb 22, 2018, Oxy requests permission to allow deviation from the 0.422" annular clearance requirement from Onshore Order #2 under the following conditions:
1. Annular clearance to meet or exceed 0.422" between intermediate casing ID and production casing coupling only on the first 500' overlap between both casings.
2. Annular clearance less than 0.422" is acceptable for the curve and lateral portions of the production open hole section.

Well will be drilled with a walking/skidding operation. Plan to drill the multiple well pad in batch by section: all surface sections, intermediate sections and production sections. The wellhead will be secured with a night cap whenever the rig is not over the well.

OXY requests the option to contract a Surface Rig to drill, set surface casing, and cement for this well. If the timing between rigs is such that OXY would not be able to preset surface, the Primary Rig will MIRU and drill the well in its entirety per the APD. Please see the attached document for information on the spudder rig.

Other proposed operations facets attachment:

Precious30_18FedCom10H_SpudRigData_20190125082945.pdf

Precious30_18FdCom10H_DrillPlan_20190903134607.pdf

Precious30_18FdCom10H_GasCapPlan_20190903134607.pdf

Other Variance attachment:

OXY's Minimum Design Criteria

Burst, Collapse, and Tensile SF are calculated using Landmark's Stress Check (Casing Design) software. A sundry will be requested if any lesser grade or different size casing is substituted.

1) Casing Design Assumptions

a) Burst Loads

CSG Test (Surface)

- Internal: Displacement fluid + pressure required to comply with regulatory casing test pressures. This will comply with both Onshore Oil and Gas Order No. 2 and 19.15.16 of the OCD Rules.
- External: Pore pressure in open hole.

CSG Test (Intermediate)

- Internal: Displacement fluid + pressure required to comply with regulatory casing test pressures. This will comply with both Onshore Oil and Gas Order No. 2 and 19.15.16 of the OCD Rules.
- External: Mud Weight to TOC, cement mix water gradient (8.4 ppg) below TOC, and pore pressure in open hole.

CSG Test (Production)

- Internal:
  - For Drilling: Displacement fluid + pressure required to comply with regulatory casing test pressures. This will comply with both Onshore Oil and Gas Order No. 2 and 19.15.16 of the OCD Rules.
  - For Production: The design pressure test should be the greater of (1) the planned test pressure prior to stimulation down the casing. (2) the regulatory test pressure, and (3) the expected gas lift system pressure. The design test fluid should be the fluid associated with pressure test having the greatest pressure.
- External:
  - For Drilling: Mud Weight to TOC, cement mix water gradient (8.4 ppg) below TOC, and pore pressure in open hole.
  - For Production: Mud base-fluid density to TOC, cement mix water gradient (8.4 ppg) below TOC, and pore pressure in open hole.

Gas Column (Surface)

- Internal: Assumes a full column of gas in the casing with a Gas/Oil Gradient of 0.1 psi/ft in the absence of better information. It is limited to the controlling pressure based on the fracture pressure at the shoe or the maximum expected pore pressure within the next drilling interval, whichever results in a lower surface pressure.
- External: Fluid gradient below TOC, pore pressure from the TOC to the Intermediate CSG shoe (if applicable), and MW of the drilling mud that was in the hole when the CSG was run from Intermediate CSG shoe to surface.

Bullheading (Surface / Intermediate)

- Internal: The string must be designed to withstand a pressure profile based on the fracture pressure at the casing shoe with a column of water above the shoe plus an additional surface pressure (in psi) of 0.02 X MD of the shoe to account for pumping friction pressure.
- External: Mud weight to TOC, cement mix water gradient (8.4 ppg) below TOC, and pore pressure in open hole.

Gas Kick (Intermediate)

- The string must be designed to at least a gas kick load case unless the rig is unable to detect a kick. For the gas kick load case, the internal pressure profile must be based on a minimum volume of 50 bbl or the minimum kick detection capability of the rig, whichever is greater, and a kick intensity of 2.0 ppg for Class 1, 1.0 ppg of Class 2, and 0.5 ppg for Class 3 and 4 wells.
- Internal: Influx depth of the maximum pore pressure of 0.55 "gas kick gravity" of gas to surface while drilling the next hole section.
- External: Mud weight to the TOC, cement mix water gradient below TOC, and pore pressure in open hole.

Tubing Leak Near Surface While Producing (Production)

- Internal: SITP plus a packer fluid gradient to the shoe or top of packer.
- External: Mud base-fluid density to TOC, cement mix water gradient (8.4 ppg) below TOC, and pore pressure in open hole.

Tubing Leak Near Surface While Stimulating (Production)

- Internal: Surface pressure or pressure-relief system pressure, whichever is lower plus packer fluid gradient.
- External: Mud base-fluid density to TOC, cement mix water gradient (8.4 ppg) below TOC, and pore pressure in open hole.

Injection / Stimulation Down Casing (Production)

- Internal: Surface pressure plus injection fluid gradient.
- External: Mud base-fluid density to TOC, cement mix water gradient (8.4 ppg) below TOC, and pore pressure in open hole.

b) Collapse Loads

Lost Circulation (Surface / Intermediate)

- Internal: Lost circulation at the TD of the next hole section, and the fluid level falls to a depth where the hydrostatic of the mud equals pore pressure at the depth of the lost circulation zone.
- External: MW of the drilling mud that was in the hole when the casing was run.

Cementing (Surface / Intermediate / Production)

- Internal: Displacement fluid density.
- External: Mud weight from TOC to surface and cement slurry weight from TOC to casing shoe.

Full Evacuation (Production)

- Internal: Full void pipe.
- External: MW of drilling mud in the hole when the casing was run.

c) Tension Loads

Running Casing (Surface / Intermediate / Production)

- Axial: Buoyant weight of the string plus the lesser of 100,000 lb or the string weight in air.

Green Cement (Surface / Intermediate / Production)

- Axial: Buoyant weight of the string plus cement plug bump pressure load.

OXY's Minimum Design Criteria

Burst, Collapse, and Tensile SF are calculated using Landmark's Stress Check (Casing Design) software. A sundry will be requested if any lesser grade or different size casing is substituted.

1) Casing Design Assumptions

a) Burst Loads

CSG Test (Surface)

- Internal: Displacement fluid + pressure required to comply with regulatory casing test pressures. This will comply with both Onshore Oil and Gas Order No. 2 and 19.15.16 of the OCD Rules.
- External: Pore pressure in open hole.

CSG Test (Intermediate)

- Internal: Displacement fluid + pressure required to comply with regulatory casing test pressures. This will comply with both Onshore Oil and Gas Order No. 2 and 19.15.16 of the OCD Rules.
- External: Mud Weight to TOC, cement mix water gradient (8.4 ppg) below TOC, and pore pressure in open hole.

CSG Test (Production)

- Internal:
  - For Drilling: Displacement fluid + pressure required to comply with regulatory casing test pressures. This will comply with both Onshore Oil and Gas Order No. 2 and 19.15.16 of the OCD Rules.
  - For Production: The design pressure test should be the greater of (1) the planned test pressure prior to stimulation down the casing. (2) the regulatory test pressure, and (3) the expected gas lift system pressure. The design test fluid should be the fluid associated with pressure test having the greatest pressure.
- External:
  - For Drilling: Mud Weight to TOC, cement mix water gradient (8.4 ppg) below TOC, and pore pressure in open hole.
  - For Production: Mud base-fluid density to TOC, cement mix water gradient (8.4 ppg) below TOC, and pore pressure in open hole.

Gas Column (Surface)

- Internal: Assumes a full column of gas in the casing with a Gas/Oil Gradient of 0.1 psi/ft in the absence of better information. It is limited to the controlling pressure based on the fracture pressure at the shoe or the maximum expected pore pressure within the next drilling interval, whichever results in a lower surface pressure.
- External: Fluid gradient below TOC, pore pressure from the TOC to the Intermediate CSG shoe (if applicable), and MW of the drilling mud that was in the hole when the CSG was run from Intermediate CSG shoe to surface.

Bullheading (Surface / Intermediate)

- Internal: The string must be designed to withstand a pressure profile based on the fracture pressure at the casing shoe with a column of water above the shoe plus an additional surface pressure (in psi) of 0.02 X MD of the shoe to account for pumping friction pressure.
- External: Mud weight to TOC, cement mix water gradient (8.4 ppg) below TOC, and pore pressure in open hole.

Gas Kick (Intermediate)

- The string must be designed to at least a gas kick load case unless the rig is unable to detect a kick. For the gas kick load case, the internal pressure profile must be based on a minimum volume of 50 bbl or the minimum kick detection capability of the rig, whichever is greater, and a kick intensity of 2.0 ppg for Class 1, 1.0 ppg of Class 2, and 0.5 ppg for Class 3 and 4 wells.
- Internal: Influx depth of the maximum pore pressure of 0.55 "gas kick gravity" of gas to surface while drilling the next hole section.
- External: Mud weight to the TOC, cement mix water gradient below TOC, and pore pressure in open hole.

Tubing Leak Near Surface While Producing (Production)

- Internal: SITP plus a packer fluid gradient to the shoe or top of packer.
- External: Mud base-fluid density to TOC, cement mix water gradient (8.4 ppg) below TOC, and pore pressure in open hole.

Tubing Leak Near Surface While Stimulating (Production)

- Internal: Surface pressure or pressure-relief system pressure, whichever is lower plus packer fluid gradient.
- External: Mud base-fluid density to TOC, cement mix water gradient (8.4 ppg) below TOC, and pore pressure in open hole.

Injection / Stimulation Down Casing (Production)

- Internal: Surface pressure plus injection fluid gradient.
- External: Mud base-fluid density to TOC, cement mix water gradient (8.4 ppg) below TOC, and pore pressure in open hole.

b) Collapse Loads

Lost Circulation (Surface / Intermediate)

- Internal: Lost circulation at the TD of the next hole section, and the fluid level falls to a depth where the hydrostatic of the mud equals pore pressure at the depth of the lost circulation zone.
- External: MW of the drilling mud that was in the hole when the casing was run.

Cementing (Surface / Intermediate / Production)

- Internal: Displacement fluid density.
- External: Mud weight from TOC to surface and cement slurry weight from TOC to casing shoe.

Full Evacuation (Production)

- Internal: Full void pipe.
- External: MW of drilling mud in the hole when the casing was run.

c) Tension Loads

Running Casing (Surface / Intermediate / Production)

- Axial: Buoyant weight of the string plus the lesser of 100,000 lb or the string weight in air.

Green Cement (Surface / Intermediate / Production)

- Axial: Buoyant weight of the string plus cement plug bump pressure load.

OXY's Minimum Design Criteria

Burst, Collapse, and Tensile SF are calculated using Landmark's Stress Check (Casing Design) software. A sundry will be requested if any lesser grade or different size casing is substituted.

1) Casing Design Assumptions

a) Burst Loads

CSG Test (Surface)

- Internal: Displacement fluid + pressure required to comply with regulatory casing test pressures. This will comply with both Onshore Oil and Gas Order No. 2 and 19.15.16 of the OCD Rules.
- External: Pore pressure in open hole.

CSG Test (Intermediate)

- Internal: Displacement fluid + pressure required to comply with regulatory casing test pressures. This will comply with both Onshore Oil and Gas Order No. 2 and 19.15.16 of the OCD Rules.
- External: Mud Weight to TOC, cement mix water gradient (8.4 ppg) below TOC, and pore pressure in open hole.

CSG Test (Production)

- Internal:
  - For Drilling: Displacement fluid + pressure required to comply with regulatory casing test pressures. This will comply with both Onshore Oil and Gas Order No. 2 and 19.15.16 of the OCD Rules.
  - For Production: The design pressure test should be the greater of (1) the planned test pressure prior to stimulation down the casing. (2) the regulatory test pressure, and (3) the expected gas lift system pressure. The design test fluid should be the fluid associated with pressure test having the greatest pressure.
- External:
  - For Drilling: Mud Weight to TOC, cement mix water gradient (8.4 ppg) below TOC, and pore pressure in open hole.
  - For Production: Mud base-fluid density to TOC, cement mix water gradient (8.4 ppg) below TOC, and pore pressure in open hole.

Gas Column (Surface)

- Internal: Assumes a full column of gas in the casing with a Gas/Oil Gradient of 0.1 psi/ft in the absence of better information. It is limited to the controlling pressure based on the fracture pressure at the shoe or the maximum expected pore pressure within the next drilling interval, whichever results in a lower surface pressure.
- External: Fluid gradient below TOC, pore pressure from the TOC to the Intermediate CSG shoe (if applicable), and MW of the drilling mud that was in the hole when the CSG was run from Intermediate CSG shoe to surface.

Bullheading (Surface / Intermediate)

- Internal: The string must be designed to withstand a pressure profile based on the fracture pressure at the casing shoe with a column of water above the shoe plus an additional surface pressure (in psi) of 0.02 X MD of the shoe to account for pumping friction pressure.
- External: Mud weight to TOC, cement mix water gradient (8.4 ppg) below TOC, and pore pressure in open hole.

Gas Kick (Intermediate)

- The string must be designed to at least a gas kick load case unless the rig is unable to detect a kick. For the gas kick load case, the internal pressure profile must be based on a minimum volume of 50 bbl or the minimum kick detection capability of the rig, whichever is greater, and a kick intensity of 2.0 ppg for Class 1, 1.0 ppg of Class 2, and 0.5 ppg for Class 3 and 4 wells.
- Internal: Influx depth of the maximum pore pressure of 0.55 "gas kick gravity" of gas to surface while drilling the next hole section.
- External: Mud weight to the TOC, cement mix water gradient below TOC, and pore pressure in open hole.

Tubing Leak Near Surface While Producing (Production)

- Internal: SITP plus a packer fluid gradient to the shoe or top of packer.
- External: Mud base-fluid density to TOC, cement mix water gradient (8.4 ppg) below TOC, and pore pressure in open hole.

Tubing Leak Near Surface While Stimulating (Production)

- Internal: Surface pressure or pressure-relief system pressure, whichever is lower plus packer fluid gradient.
- External: Mud base-fluid density to TOC, cement mix water gradient (8.4 ppg) below TOC, and pore pressure in open hole.

Injection / Stimulation Down Casing (Production)

- Internal: Surface pressure plus injection fluid gradient.
- External: Mud base-fluid density to TOC, cement mix water gradient (8.4 ppg) below TOC, and pore pressure in open hole.

b) Collapse Loads

Lost Circulation (Surface / Intermediate)

- Internal: Lost circulation at the TD of the next hole section, and the fluid level falls to a depth where the hydrostatic of the mud equals pore pressure at the depth of the lost circulation zone.
- External: MW of the drilling mud that was in the hole when the casing was run.

Cementing (Surface / Intermediate / Production)

- Internal: Displacement fluid density.
- External: Mud weight from TOC to surface and cement slurry weight from TOC to casing shoe.

Full Evacuation (Production)

- Internal: Full void pipe.
- External: MW of drilling mud in the hole when the casing was run.

c) Tension Loads

Running Casing (Surface / Intermediate / Production)

- Axial: Buoyant weight of the string plus the lesser of 100,000 lb or the string weight in air.

Green Cement (Surface / Intermediate / Production)

- Axial: Buoyant weight of the string plus cement plug bump pressure load.

PERFORMANCE DATA

TMK UP DQX **5.500 in** **20.00 lbs/ft** **P-110**
Technical Data Sheet

Tubular Parameters

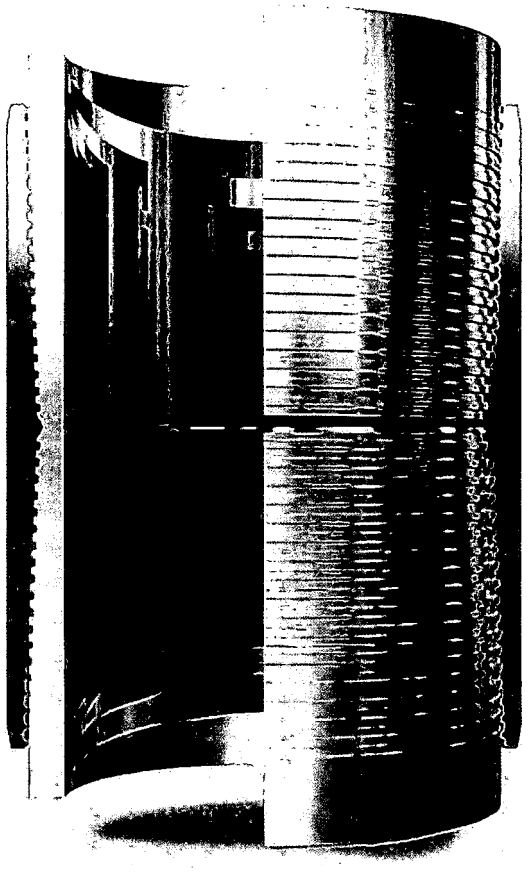
Size	5.500	in	Minimum Yield	110,000	psi
Nominal Weight	20.00	lbs/ft	Minimum Tensile	125,000	psi
Grade	P-110		Yield Load	641,000	lbs
PE Weight	19.81	lbs/ft	Tensile Load	729,000	lbs
Wall Thickness	0.361	in	Min. Internal Yield Pressure	12,600	psi
Nominal ID	4.778	in	Collapse Pressure	11,100	psi
Drift Diameter	4.653	in			
Nom. Pipe Body Area	5.828	in²			

Connection Parameters

Connection OD	6.050	in
Connection ID	4.778	in
Make-Up Loss	4.122	in
Critical Section Area	5.828	in²
Tension Efficiency	100.0	%
Compression Efficiency	100.0	%
Yield Load In Tension	641,000	lbs
Min. Internal Yield Pressure	12,600	psi
Collapse Pressure	11,100	psi

Make-Up Torques

Min. Make-Up Torque	11,600	ft-lbs
Opt. Make-Up Torque	12,900	ft-lbs
Max. Make-Up Torque	14,100	ft-lbs
Yield Torque	20,600	ft-lbs



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TMK IPSCO

PERFORMANCE DATA

TMK UP SF TORQ™ **5.500 in** **20.00 lbs/ft** **P110 HC**

Technical Data Sheet

Tubular Parameters

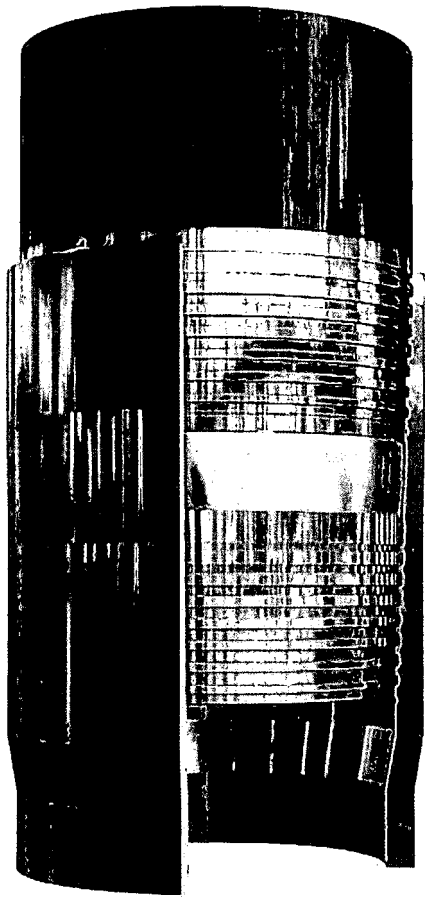
Size	5.500	in	Minimum Yield	110,000	psi
Nominal Weight	20.00	lbs/ft	Minimum Tensile	125,000	psi
Grade	P110 HC		Yield Load	641,000	lbs
PE Weight	19.81	lbs/ft	Tensile Load	728,000	lbs
Wall Thickness	0.361	in	Min. Internal Yield Pressure	12,640	psi
Nominal ID	4.778	in	Collapse Pressure	12,780	psi
Drift Diameter	4.653	in			
Nom. Pipe Body Area	5.828	in²			

Connection Parameters

Connection OD	5.777	in
Connection ID	4.734	in
Make-Up Loss	5.823	in
Critical Section Area	5.875	in²
Tension Efficiency	90.0	%
Compression Efficiency	90.0	%
Yield Load In Tension	576,000	lbs
Min. Internal Yield Pressure	12,640	psi
Collapse Pressure	12,780	psi
Uniaxial Bending	83	°/ 100 ft

Make-Up Torques

Min. Make-Up Torque	15,700	ft-lbs
Opt. Make-Up Torque	19,600	ft-lbs
Max. Make-Up Torque	21,600	ft-lbs
Operating Torque	29,000	ft-lbs
Yield Torque	36,000	ft-lbs



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TMK IPSCO

OXY Permian Delaware NM Basin Drilling & Completions Incident Reporting

OXY Permian Crisis Team Hotline Notification

Person	Location	Office Phone	Cell/Mobile Phone	Home Phone	Pager Number
Drilling & Completions Department					
Drilling & Completions Manager: John Willis	Houston	(713) 366-5556	(713) 259-1417		
Drilling Superintendent: Simon Benavides	Houston	(713) 215-7403	(832) 528-3547		
Completions Superintendent: Chris Winter	Houston	(713) 366-5212	(806) 239-8774		
Drilling Eng. Supervisor: Diego Tellez	Houston	(713) 350-4602	(713) 303-4932		
Drilling Eng. Supervisor: Randy Neel	Houston	(713) 215-7987	(713) 517-5544		
Completions Eng. Supervisor: Evan Hinkel	Houston	(713) 366-5436	(281) 236-6153		
Drilling & Completions HES Lead. Ryan Green	Houston	(713) 336-5753	(281) 520-5216		
Drilling & Completions HES Advisor:Kenny Williams	Carlsbad	(432) 686-1434	(337) 208-0911		
Drilling & Completions HES Advisor:Kyle Holden	Carlsbad	(432) 686-1435	(661) 369-5328		
Drilling & Completions HES Advisor Sr:Dave Schmidt	Carlsbad		(559) 310-8572		
Drilling & Completions HES Advisor. :Seth Doyle	Carlsbad		(337) 499-0756		
HES / Enviromental & Regulatory Department	Location	Office	Cell Phone		
Jon Hamil-HES Manager	Houston	(713) 497-2494	(832) 537-9885		
Mark Birk-HES Manager	Houston	(713) 350-4615	(949) 413-3127		
Austin Tramell	Midland	(432) 699-4208	(575) 499-4919		
Rico Munoz	Midland	(432) 699-8366	(432) 803-4116		
Amber DuckWorth	Midland		(832) 966-1879		
Kelley Montgomery- Regulatory Manager	Houston	(713) 366-5716	(832) 454-8137		
Sandra Musallam -Regulatory Lead	Houston	+1 (713) 366-5106	+1 (713) 504-8577		
Bishop, Steve-DOT Pipeline Coordinator	Midland	432-685-5614			
Wilson, Dusty-Safety Advisor	Midland	432-685-5771	(432) 254-2336		
John W Dittrich Enviromental Advisor	Midland		(575) 390-2828		
William (Jack) Calhoun-Environmental Lead	Houston	713 (350) 4906	(281) 917-8571		
Robert Barrow-Risk Engineer Manager	Houston	(713) 366-5611	(832) 867-5336		
Sarah Holmes-HSE Cordinator	Midland	(432) 685-5758			
Administrative	Location	Office			
Sarah Holmes	Midland	(432) 685-5830			
Robertson, Debbie	Midland	(432) 685-5812			
Laci Hollaway	Midland	(432) 685-5716	(432) 631-6341		
Administrative	Location	Office			
Rosalinda Escajeda	Midland	(432) 685-5831			
Moreno, Leslie (contract)	Hobbs	(575) 397-8247			
Sehon, Angela (contractor)	Levelland	(806) 894-8347			
Vasquez, Claudia (contractor)	North Cowden	(432) 385-3120			
XstremeMD	Location	Office			
Medical Case Management	Orla, TX	(337) 205-9314			
Axiom Medical Consulting	Location	Office			
Medical Case Management		(877) 502-9466			
Regulatory Agencies					
Bureau of Land Management	Carlsbad, NM	(505) 887-6544			
Bureau of Land Management	Hobbs, NM	(505) 393-3612			
Bureau of Land Management	Roswell, NM	(505) 393-3612			
Bureau of Land Management	Santa Fe, NM	(505) 988-6030			
DOT Juisdictional Pipelines-Incident Reporting New Mexico Public Regulaion Commission	Santa Fe, NM	(505) 827-3549 (505) 490-2375			
DOT Juisdictional Pipelines-Incident Reporting Texas Railroad Commission	Austin, TX	(512) 463-6788			
EPA Hot Line	Dallas, Texas	(214) 665-6444			
Federal OSHA, Area Office	Lubbock, Texas	(806) 472-7681			
National Response Center	Washington, D. C.	(800) 424-8802			
National Infrastructure Coordinator Center		(202) 282-9201			
New Mexico Air Quality Bureau	Santa Fe, NM	(505) 827-1494			
New Mexico Oil Conservation Division	Artesia, NM	(505) 748-1283	After Hours (505) 370-7545		
New Mexico Oil Conservation Division	Hobbs, NM	(505) 393-6161			
New Mexico Oil Conservation Division	Santa Fe, NM	(505) 471-1068			
New Mexico OCD Environmental Bureau	Santa Fe, NM	(505) 827-7152 (505) 476-3470			
New Mexico Environmental Department	Hobbs, NM	(505) 827-9329			
NM State Emergency Response Center	Santa Fe, NM	(505) 827-9222			
Railroad Commission of TX	District 1 San Antonio, TX	(210) 227-1313			
Railroad Commission of TX	District 7C San Angelo, TX	(325) 657-7450			
Railroad Commission of TX	District 8, 8A Midland, TX	(432) 684-5581			
Texas Emergency Response Center	Austin, TX	(512) 463-7727			
TCEQ Air	Region 2 Lubbock, TX	(806) 796-3494			
TCEQ Water/Waste/Air	Region 3 Abilene, TX	(325) 698-9674			
TCEQ Water/Waste/Air	Region 7 Midland, TX	(432) 570-1359			
TCEQ Water/Waste/Air	Region 9 San Antonio, TX	(512) 734-7981			
TCEQ Water/Waste/Air	Region 8 San Angelo	(325) 655-9479			

Medical Facilities					
Abernathy Medical Clinic	Abernathy, TX	(806) 298-2524			
Alliance Hospital	Odessa, TX	(432) 550-1000			
Artesia General Hospital	Artesia, NM	(505) 748-3333			
Brownfield Regional Medical Center	Brownfield, TX	(806) 637-3551			
Cogdell Memorial Hospital	Snyder, TX	(325) 573-6374			
Covenant Hospital Levelland	Levelland, TX	(806) 894-4963			
Covenant Medical Center	Lubbock, TX	(806) 725-1011			
Covenant Medical Center Lakeside	Lubbock, TX	(806) 725-6000			
Covenant Family Health	Synder, TX	(325) 573-1300			
Crockett County Hospital	Ozona, TX	(325) 392-2671			
Guadalupe Medical Center	Carlsbad, NM	(505) 887-6633			
Lea Regional Hospital	Hobbs, NM	(505) 492-5000			
McCamey Hospital	McCamey, TX	(432) 652-8626			
Medical Arts Hospital	Lamesa, TX	(806) 872-2183			
Medical Center Hospital	Odessa, TX	(432) 640-4000			
Medi Center Hospital	San Angelo, TX	(325) 653-6741			
Memorial Hospital	Ft. Stockton	(432) 336-2241			
Memorial Hospital	Seminole, TX	(432) 758-5811			
Midland Memorial Hospital	Midland, TX	(432) 685-1111			
Nor-Lea General Hospital	Lovington, NM	(505) 396-6611			
Odessa Regional Hospital	Odessa, TX	(432) 334-8200			
Permian General Hospital	Andrews, TX	(432) 523-2200			
Reagan County Hospital	Big Lake, TX	(325) 884-2561			
Reeves County Hospital	Pecos, TX	(432) 447-3551			
Shannon Medical Center	San Angelo, TX	(325) 653-6741			
Union County General Hospital	Clayton, NM	(505) 374-2585			
University Medical Center	Lubbock, TX	(806) 725-8200			
Val Verde Regional Medical Center	Del Rio, TX	(830) 775-8566			
Ward Memorial Hospital	Monahans, TX	(432) 943-2511			
Yoakum County Hospital	Denver City, TX	(806) 592-5484			
Law Enforcement - Sheriff					
Andrews Cty Sheriff's Department	Andrews County(Andrews)	(432) 523-5545			
Crane Cty Sheriff's Department	Crane, County (Crane)	(432) 558-3571			
Crockett Cty Sheriff's Department	Crockett County (Ozona)	(325) 392-2661			
Dawson Cty Sheriff's Department	Dawson County (Lamesa)	(806) 872-7560			
Ector Cty Sheriff's Department	Ector County (Odessa)	(432) 335-3050			
Eddy Cty Sheriff's Department	Eddy County (Artesia)	(505) 746-2704			
Eddy Cty Sheriff's Department	Eddy County (Carlsbad)	(505) 887-7551			
Gaines Cty Sheriff's Department	Gaines County (Seminole)	(432) 758-9871			
Hockley Cty Sheriff's Department	Hockley County(Levelland)	(806) 894-3126			
Kent Cty (Jayton City Sheriff's Dept.)	Kent County(Jayton)	(806) 237-3801			
Lea Cty Sheriff's Department	Lea County (Eunice)	(505) 384-2020			
Lea Cty Sheriff's Department	Lea County (Hobbs)	(505) 393-2515			
Lea Cty Sheriff's Department	Lea County (Lovington)	(505) 396-3611			
Lubbock Cty Sheriff's Department	Lubbock Cty (Abernathy)	(806) 296-2724			
Midland Cty Sheriff's Department	Midland County (Midland)	(432) 688-1277			
Pecos Cty Sheriff's Department	Pecos County (Iraan)	(432) 639-2251			
Reeves Cty Sheriff's Department	Reeves County (Pecos)	(432) 445-4901			
Scurry Cty Sheriff's Department	Scurry County (Snyder)	(325) 573-3551			
Terry Cty Sheriff's Department	Terry County (Brownfield)	(806) 637-2212			
Union Cty Sheriff's Department	Union County (Clayton)	(505) 374-2583			
Upton Cty Sheriff's Department	Upton County (Rankin)	(432) 693-2422			
Ward Cty Sheriff's Department	Ward County (Monahans)	(432) 943-3254			
Yoakum City Sheriff's Department	Yoakum Co. (Denever City)	(806) 456-2377			

Law Enforcement - Police					
Abernathy City Police	Abernathy, TX	(806) 298-2545			
Andrews City Police	Andrews, TX	(432) 523-5675			
Artesia City Police	Artesia, NM	(505) 746-2704			
Brownfield City Police	Brownfield, TX	(806) 637-2544			
Carlsbad City Police	Carlsbad, NM	(505) 885-2111			
Clayton City Police	Clayton, NM	(505) 374-2504			
Denver City Police	Denver City, TX	(806) 592-3516			
Eunice City Police	Eunice, NM	(505) 394-2112			
Hobbs City Police	Hobbs, NM	(505) 397-9265 (505) 393-2677			
Jal City Police	Jal, NM	(505) 395-2501			
Jayton City Police	Jayton, TX	(806) 237-3801			
Lamesa City Police	Lamesa, TX	(806) 872-2121			
Levelland City Police	Levelland, TX	(806) 894-6164			
Lovington City Police	Lovington, NM	(505) 396-2811			
Midland City Police	Midland, TX	(432) 685-7113			
Monahans City Police	Monahans, TX	(432) 943-3254			
Odessa City Police	Odessa, TX	(432) 335-3378			
Seminole City Police	Seminole, TX	(432) 758-9871			
Snyder City Police	Snyder, TX	(325) 573-2611			
Sundown City Police	Sundown, TX	(806) 229-8241			
Law Enforcement - FBI					
FBI	Alburqueque, NM	(505) 224-2000			
FBI	Midland, TX	(432) 570-0255			
Law Enforcement - DPS					
NM State Police	Artesia, NM	(505) 746-2704			
NM State Police	Carlsbad, NM	(505) 885-3137			
NM State Police	Eunice, NM	(505) 392-5588			
NM State Police	Hobbs, NM	(505) 392-5588			
NM State Police	Clayton, NM	(505) 374-2473; 911			
TX Dept of Public Safety	Andrews, TX	(432) 524-1443			
TX Dept of Public Safety	Big Lake, TX	(325) 884-2301			
TX Dept of Public Safety	Brownfield, TX	(806) 637-2312			
TX Dept of Public Safety	Iraan, TX	(432) 639-3232			
TX Dept of Public Safety	Lamesa, TX	(806) 872-8675			
TX Dept of Public Safety	Levelland, TX	(806) 894-4385			
TX Dept of Public Safety	Lubbock, TX	(806) 747-4491			
TX Dept of Public Safety	Midland, TX	(432) 697-2211			
TX Dept of Public Safety	Monahans, TX	(432) 943-5857			
TX Dept of Public Safety	Odessa, TX	(432) 332-6100			
TX Dept of Public Safety	Ozona, TX	(325) 392-2621			
TX Dept of Public Safety	Pecos, TX	(432) 447-3533			
TX Dept of Public Safety	Seminole, TX	(432) 758-4041			
TX Dept of Public Safety	Snyder, TX	(325) 573-0113			
TX Dept of Public Safety	Terry County TX	(806) 637-8913			
TX Dept of Public Safety	Yoakum County TX	(806) 456-2377			

Firefighting & Rescue					
Abernathy	Abernathy, TX	(806) 298-2022			
Amistad/Rosebud	Amistad/Rosebud, NM	(505) 633-9113			
Andrews	Andrews, TX	(432) 523-4820 (432) 523-3111			
Artesia	Artesia, NM	(505) 746-5051			
Big Lake	Big Lake, TX	(325) 884-3650			
Brownfield-Administrative & other calls	Brownfield, TX	(816) 637-4547			
Brownfield emergency only	Brownfield, TX	911			
Carlsbad	Carlsbad, NM	(505) 885-3125			
Clayton	Clayton, NM	(505) 374-2435			
Cotton Center	Cotton Center, TX	(806) 879-2157			
Crane	Crane, TX	(432) 558-2361			
Del Rio	Del Rio, TX	(830) 774-8650			
Denver City	Denver City, TX	(806) 592-3516			
Eldorado	Eldorado, TX	(325) 853-2691			
Eunice	Eunice, NM	(505) 394-2111			
Garden City	Garden City, TX	(432) 354-2404			
Goldsmith	Goldsmith, TX	(432) 827-3445			
Hale Center	Hale Center, TX	(806) 839-2411			
Halfway	Halfway, TX				
Hobbs	Hobbs, NM	(505) 397-9308			
Jal	Jal, NM	(505) 395-2221			
Jayton	Jayton, TX	(806) 237-3801			
Kermit	Kermit, TX	(432) 586-3468			
Lamesa	Lamesa, TX	(806) 872-4352			
Levelland	Levelland, TX	(806) 894-3154			
Lovington	Lovington, NM	(505) 396-2359			
Maljamar	Maljamar, NM	(505) 676-4100			
McCamey	McCamey, TX	(432) 652-8232			
Midland	Midland, TX	(432) 685-7346			
Monahans	Monahans, TX	(432) 943-4343			
Nara Visa	Nara Visa, NM	(505) 461-3300			
Notrees	Notress, TX	(432) 827-3445			
Odessa	Odessa, TX	(432) 335-4659			
Ozona	Ozona, TX	(325) 392-2626			
Pecos	Pecos, TX	(432) 445-2421			
Petersburg	Petersburg, TX	(806) 667-3461			
Plains	Plains, TX	(806) 456-8067			
Plainview	Plainview, TX	(806) 296-1170			
Rankin	Rankin, TX	(432) 693-2252			
San Angelo	San Angelo, TX	(325) 657-4355			
Sanderson	Sanderson, TX	(432) 345-2525			
Seminole	Seminole, TX	(432) 758-3676 (432) 758-9871			
Smyer	Smyer, TX	(806) 234-3861			
Snyder	Snyder, TX	(325) 573-6215			
Sundown	Sundown, TX	911			
Tucumcari	Tucumcari, NM	911			
West Odessa	Odessa, TX	(432) 381-3033			

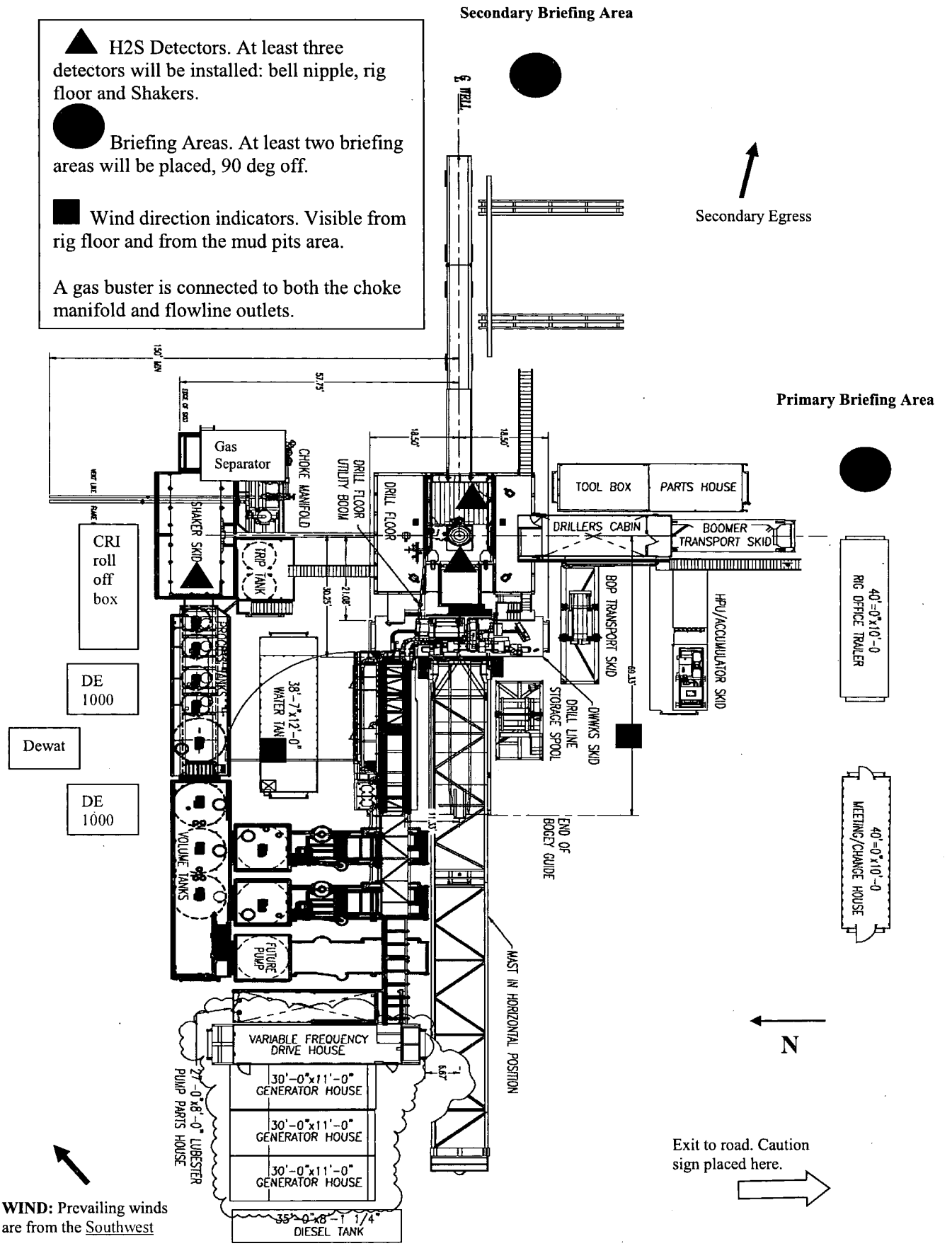
Ambulance					
Abernathy Ambulance	Abernathy, TX	(806) 298-2241			
Amistad/Rosebud	Amistad/Rosebud, NM	(505) 633-9113			
Andrews Ambulance	Andrews, TX	(432) 523-5675			
Artesia Ambulance	Artesia, NM	(505) 746-2701			
Big Lake Ambulance	Big Lake, TX	(325) 884-2423			
Big Spring Ambulance	Big Spring, TX	(432) 264-2550			
Brownfield Ambulance	Brownfield, TX	(806) 637-2511			
Carlsbad Ambulance	Carlsbad, NM	(505) 885-2111; 911			
Clayton, NM	Clayton, NM	(505) 374-2501			
Denver City Ambulance	Denver City, TX	(806) 592-3516			
Eldorado Ambulance	Eldorado, TX	(325) 853-3456			
Eunice Ambulance	Eunice, NM	(505) 394-3258			
Goldsmith Ambulance	Goldsmith, TX	(432) 827-3445			
Hobbs, NM	Hobbs, NM	(505) 397-9308			
Jal, NM	Jal, NM	(505) 395-2501			
Jayton Ambulance	Jayton, TX	(806) 237-3801			
Lamesa Ambulance	Lamesa, TX	(806) 872-3464			
Levelland Ambulance	Levelland, TX	(806) 894-8855			
Lovington Ambulance	Lovington, NM	(505) 396-2811			
McCamey Hospital	McCamey, TX	(432) 652-8626			
Midland Ambulance	Midland, TX	(432) 685-7499			
Monahans Ambulance	Monahans, TX	(432) 943-3385 or 3731			
Nara Visa, NM	Nara Visa, NM	(505) 461-3300			
Odessa Ambulance	Odessa, TX	(432) 335-3378			
Ozona Ambulance	Ozona, TX	(325) 392-2671			
Pecos Ambulance	Pecos, TX	(432) 445-4444			
Rankin Ambulance	Rankin, TX	(432) 693-2443			
San Angelo Ambulance	San Angelo, TX	(325) 657-4357			
Seminole Ambulance	Seminole, TX	(432) 758-8816 (432) 758-9871			
Snyder Ambulance	Snyder, TX	(325) 573-1911			
Stanton Ambulance	Stanton, TX	(432) 756-2211			
Sundown Ambulance	Sundown, TX	911			
Tucumcari, NM	Tucumcari, NM	911			
Medical Air Ambulance Service					
AEROCARE - Methodist Hospital	Lubbock, TX	(800) 627-2376			
San Angelo Med-Vac Air Ambulance	San Angelo, TX	(800) 277-4354			
Southwest Air Ambulance Service	Stanford, TX	(800) 242-6199			
Southwest MediVac	Snyder, TX	(800) 242-6199			
Southwest MediVac	Hobbs, NM	(800) 242-6199			
Odessa Care Star	Odessa, TX	(888) 624-3571			
NWTH Medivac	Amarillo, TX	(800) 692-1331			

Permian Drilling
Hydrogen Sulfide Drilling Operations Plan
Precious 30_18 Fed Com 10H

Open drill site. No homes or buildings are near the proposed location.

1. Escape

   Personnel shall escape upwind of wellbore in the event of an emergency gas release. Escape can take place through the lease road on the Southeast side of the location. Personnel need to move to a safe distance and block the entrance to location. If the primary route is not an option due to the wind direction, then a secondary egress route should be taken.


H2S Detectors. At least three detectors will be installed: bell nipple, rig floor and Shakers.
Briefing Areas. At least two briefing areas will be placed, 90 deg off.
Wind direction indicators. Visible from rig floor and from the mud pits area.
A gas buster is connected to both the choke manifold and flowline outlets.
Secondary Briefing Area
Secondary Egress
Primary Briefing Area
Gas Separator
CHOKE MANIFOLD
DRILL FLOOR UTILITY BOOM
DRILL FLOOR
TOOL BOX
PARTS HOUSE
DRILLERS CABIN
BOOMER TRANSPORT SKID
SHAKER SKID
TRIP TANK
CRI roll off box
DE 1000
Dewat
DE 1000
PROCESS TANKS
38'-7"x12'-0" WATER TANK
VOLUME TANKS
FUTURE PUMP
BOP TRANSPORT SKID
HPU/ACCUMULATOR SKID
DRILL LINE STORAGE SPOOL
DWKS SKID
END OF BOGEY GUIDE
MAST IN HORIZONTAL POSITION
40'=0"x10'-0 RIG OFFICE TRAILER
40'=0"x10'-0 MEETING/CHANGE HOUSE
VARIABLE FREQUENCY DRIVE HOUSE
30'-0"x11'-0" GENERATOR HOUSE
30'-0"x11'-0" GENERATOR HOUSE
30'-0"x11'-0" GENERATOR HOUSE
27'-0"x8'-0" LUBESTER PUMP PARTS HOUSE
35'-0"x8'-1 1/4" DIESEL TANK
N
Exit to road. Caution sign placed here.
WIND: Prevailing winds are from the Southwest

Permian Drilling
Hydrogen Sulfide Drilling Operations Plan
New Mexico

Scope

This contingency plan establishes guidelines for the public, all company employees, and contract employees who's work activities may involve exposure to hydrogen sulfide (H2S) gas.
While drilling this well, it is possible to encounter H2S bearing formations. At all times, the first barrier to control H2S emissions will be the drilling fluid, which will have a density high enough to control influx.

Objective

1. Provide an immediate and predetermined response plan to any condition when H2S is detected. All H2S detections in excess of 10 parts per million (ppm) concentration are considered an Emergency.

2. Prevent any and all accidents, and prevent the uncontrolled release of hydrogen sulfide into the atmosphere.

3. Provide proper evacuation procedures to cope with emergencies.

4. Provide immediate and adequate medical attention should an injury occur.

Discussion

Implementation:	This plan with all details is to be fully implemented before drilling to commence.
Emergency response Procedure:	This section outlines the conditions and denotes steps to be taken in the event of an emergency.
Emergency equipment Procedure:	This section outlines the safety and emergency equipment that will be required for the drilling of this well.
Training provisions:	This section outlines the training provisions that must be adhered to prior to drilling.
Drilling emergency call lists:	Included are the telephone numbers of all persons to be contacted should an emergency exist.
Briefing:	This section deals with the briefing of all people involved in the drilling operation.
Public safety:	Public safety personnel will be made aware of any potential evacuation and any additional support needed.
Check lists:	Status check lists and procedural check lists have been included to insure adherence to the plan.
General information:	A general information section has been included to supply support information.

Hydrogen Sulfide Training

All personnel, whether regularly assigned, contracted, or employed on an unscheduled basis, will receive training from a qualified instructor in the following areas prior to commencing drilling operations on the well:

1. The hazards and characteristics of H2S.
2. Proper use and maintenance of personal protective equipment and life support systems.
3. H2S detection.
4. Proper use of H2S detectors, alarms, warning systems, briefing areas, evacuation procedures and prevailing winds.
5. Proper techniques for first aid and rescue procedures.
6. Physical effects of hydrogen sulfide on the human body.
7. Toxicity of hydrogen sulfide and sulfur dioxide.
8. Use of SCBA and supplied air equipment.
9. First aid and artificial respiration.
10. Emergency rescue.

In addition, supervisory personnel will be trained in the following areas:

1. The effects of H2S on metal components. If high tensile strength tubular is to be used, personnel will be trained in their special maintenance requirements.
2. Corrective action and shut-in procedures when drilling a well, blowout prevention and well control procedures.
3. The contents and requirements of the H2S Drilling Operations Plan.

H2S training refresher must have been taken within one year prior to drilling the well. Specifics on the well to be drilled will be discussed during the pre-spud meeting. H2S and well control (choke) drills will be performed while drilling the well, at least on a weekly basis. This plan shall be available in the well site. All personnel will be required to carry the documentation proving that the H2S training has been taken.

Service company and visiting personnel

A. Each service company that will be on this well will be notified if the zone contains H2S.

B. Each service company must provide for the training and equipment of their employees before they arrive at the well site.

C. Each service company will be expected to attend a well site briefing

Emergency Equipment Requirements

1. Well control equipment

The well shall have hydraulic BOP equipment for the anticipated pressures. Equipment is to be tested on installation and follow Oxy Well Control standard, as well as BLM Onshore Order #2.

Special control equipment:

A. Hydraulic BOP equipment with remote control on ground. Remotely operated choke.
B. Rotating head
C. Gas buster equipment shall be installed before drilling out of surface pipe.

2. Protective equipment for personnel

A. Four (4) 30-minute positive pressure air packs (2 at each briefing area) on location.

B. Adequate fire extinguishers shall be located at strategic locations.

C. Radio / cell telephone communication will be available at the rig.

- Rig floor and trailers.
- Vehicle.

3. Hydrogen sulfide sensors and alarms

A. H2S sensor with alarms will be located on the rig floor, at the bell nipple, and at the flow line. These monitors will be set to alarm at 10 ppm with strobe light, and audible alarm.
B. Hand operated detectors with tubes.
C. H2S monitor tester (to be provided by contract Safety Company.)
D. There shall be one combustible gas detector on location at all times.

4. Visual Warning Systems

A. One sign located at each location entrance with the following language:

Caution – potential poison gas
Hydrogen sulfide
No admittance without authorization

Wind sock – wind streamers:

A. One 36" (in length) wind sock located at protection center, at height visible from rig floor.
B. One 36" (in length) wind sock located at height visible from pit areas.

Condition flags

A. One each condition flag to be displayed to denote conditions.

green – normal conditions
yellow – potential danger
red – danger, H2S present

B. Condition flag shall be posted at each location sign entrance.

5. Mud Program

The mud program is designed to minimize the risk of having H2S and other formation fluids at surface. Proper mud weight and safe drilling practices will be applied. H2S scavengers will be used to minimize the hazards while drilling. Below is a summary of the drilling program.

Mud inspection devices:

Garrett gas train or hatch tester for inspection of sulfide concentration in mud system.

6. Metallurgy

A. Drill string, casing, tubing, wellhead, blowout preventers, drilling spools or adapters, kill lines, choke manifold, lines and valves shall be suitable for the H2S service.
B. All the elastomers, packing, seals and ring gaskets shall be suitable for H2S service.

7. Well Testing

No drill stem test will be performed on this well.

8. Evacuation plan

Evacuation routes should be established prior to well spud for each well and discussed with all rig personnel.

9. Designated area

   A. Parking and visitor area: all vehicles are to be parked at a predetermined safe distance from the wellhead.
   B. There will be a designated smoking area.
   C. Two briefing areas on either side of the location at the maximum allowable distance from the well bore so they offset prevailing winds perpendicularly, or at a 45-degree angle if wind direction tends to shift in the area.

Emergency procedures

A. In the event of any evidence of H2S level above 10 ppm, take the following steps:

   1. The Driller will pick up off bottom, shut down the pumps, slow down the pipe rotation.

   2. Secure and don escape breathing equipment, report to the upwind designated safe briefing / muster area.

   3. All personnel on location will be accounted for and emergency search should begin for any missing, the Buddy System will be implemented.

   4. Order non-essential personnel to leave the well site, order all essential personnel out of the danger zone and upwind to the nearest designated safe briefing / muster area.

   5. Entrance to the location will be secured to a higher level than our usual "Meet and Greet" requirement, and the proper condition flag will be displayed at the entrance to the location.

   6. Take steps to determine if the H2S level can be corrected or suppressed and, if so, proceed as required.

B. If uncontrollable conditions occur:

   1. Take steps to protect and/or remove any public in the down-wind area from the rig – partial evacuation and isolation. Notify necessary public safety personnel and appropriate regulatory entities (i.e. BLM) of the situation.

2. Remove all personnel to the nearest upwind designated safe briefing / muster area or off location.

3. Notify public safety personnel of safe briefing / muster area.

4. An assigned crew member will blockade the entrance to the location. No unauthorized personnel will be allowed entry to the location.

5. Proceed with best plan (at the time) to regain control of the well. Maintain tight security and safety procedures.

C. Responsibility:

1. Designated personnel.

a. Shall be responsible for the total implementation of this plan.
b. Shall be in complete command during any emergency.
c. Shall designate a back-up.

All personnel:	1. On alarm, don escape unit and report to the nearest upwind designated safe briefing / muster area upw 2. Check status of personnel (buddy system). 3. Secure breathing equipment. 4. Await orders from supervisor.
Drill site manager:	1. Don escape unit if necessary and report to nearest upwind designated safe briefing / muster area. 2. Coordinate preparations of individuals to return to point of release with tool pusher and driller (using the buddy system). 3. Determine H2S concentrations. 4. Assess situation and take control measures.
Tool pusher:	1. Don escape unit Report to up nearest upwind designated safe briefing / muster area. 2. Coordinate preparation of individuals to return to point of release with tool pusher drill site manager (using the buddy system). 3. Determine H2S concentration. 4. Assess situation and take control measures.
Driller:	1. Don escape unit, shut down pumps, continue

		rotating DP.
	2.	Check monitor for point of release.
	3.	Report to nearest upwind designated safe briefing / muster area.
	4.	Check status of personnel (in an attempt to rescue, use the buddy system).
	5.	Assigns least essential person to notify Drill Site Manager and tool pusher by quickest means in case of their absence.
	6.	Assumes the responsibilities of the Drill Site Manager and tool pusher until they arrive should they be absent.
Derrick man Floor man #1 Floor man #2	1.	Will remain in briefing / muster area until instructed by supervisor.
Mud engineer:	1.	Report to nearest upwind designated safe briefing / muster area.
	2.	When instructed, begin check of mud for ph and H2S level. (Garett gas train.)
Safety personnel:	1.	Mask up and check status of all personnel and secure operations as instructed by drill site manager.

Taking a kick

When taking a kick during an H2S emergency, all personnel will follow standard Well control procedures after reporting to briefing area and masking up.

Open-hole logging

All unnecessary personnel off floor. Drill Site Manager and safety personnel should monitor condition, advise status and determine need for use of air equipment.

Running casing or plugging

Following the same "tripping" procedure as above. Drill Site Manager and safety personnel should determine if all personnel have access to protective equipment.

Ignition procedures

The decision to ignite the well is the responsibility of the operator (Oxy Drilling Management). The decision should be made only as a last resort and in a situation where it is clear that:

1. Human life and property are endangered.
2. There is no hope controlling the blowout under the prevailing conditions at the well.

Instructions for igniting the well

1. Two people are required for the actual igniting operation. They must wear self-contained breathing units and have a safety rope attached. One man (tool pusher or safety engineer) will check the atmosphere for explosive gases with the gas monitor. The other man is responsible for igniting the well.
2. Primary method to ignite: 25 mm flare gun with range of approximately 500 feet.
3. Ignite upwind and do not approach any closer than is warranted.
4. Select the ignition site best for protection, and which offers an easy escape route.
5. Before firing, check for presence of combustible gas.
6. After lighting, continue emergency action and procedure as before.
7. All unassigned personnel will remain in briefing area until instructed by supervisor or directed by the Drill Site Manager.

Remember: After well is ignited, burning hydrogen sulfide will convert to sulfur dioxide, which is also highly toxic. **Do not assume the area is safe after the well is ignited.**

Status check list

Note: All items on this list must be completed before drilling to production casing point.

1. H2S sign at location entrance.
2. Two (2) wind socks located as required.
3. Four (4) 30-minute positive pressure air packs (2 at each Briefing area) on location for all rig personnel and mud loggers.
4. Air packs inspected and ready for use.
5. Cascade system and hose line hook-up as needed.
6. Cascade system for refilling air bottles as needed.
7. Condition flag on location and ready for use.
8. H2S detection system hooked up and tested.
9. H2S alarm system hooked up and tested.
10. Hand operated H2S detector with tubes on location.
11. 1 – 100' length of nylon rope on location.
12. All rig crew and supervisors trained as required.
13. All outside service contractors advised of potential H2S hazard on well.
14. No smoking sign posted and a designated smoking area identified.
15. Calibration of all H2S equipment shall be noted on the IADC report.

Checked by:_____ Date:_____

Procedural check list during H2S events

Perform each tour:

1. Check fire extinguishers to see that they have the proper charge.

2. Check breathing equipment to ensure that it in proper working order.

3. Make sure all the H2S detection system is operative.

Perform each week:

1. Check each piece of breathing equipment to make sure that demand or forced air regulator is working. This requires that the bottle be opened and the mask assembly be put on tight enough so that when you inhale, you receive air or feel air flow.

2. BOP skills (well control drills).

3. Check supply pressure on BOP accumulator stand by source.

4. Check breathing equipment mask assembly to see that straps are loosened and turned back, ready to put on.

5. Check pressure on breathing equipment air bottles to make sure they are charged to full volume. (Air quality checked for proper air grade "D" before bringing to location)

6. Confirm pressure on all supply air bottles.

7. Perform breathing equipment drills with on-site personnel.

8. Check the following supplies for availability.

   A. Emergency telephone list.
   B. Hand operated H2S detectors and tubes.

General evacuation plan

1. When the company approved supervisor (Drill Site Manager, consultant, rig pusher, or driller) determines the H2S gas cannot be limited to the well location and the public will be involved, he will activate the evacuation plan.

2. Drill Site Manager or designee will notify local government agency that a hazardous condition exists and evacuation needs to be implemented.

3. Company or contractor safety personnel that have been trained in the use of H2S detection equipment and self-contained breathing equipment will monitor H2S concentrations, wind directions, and area of exposure. They will delineate the outer perimeter of the hazardous gas area. Extension to the evacuation area will be determined from information gathered.

4. Law enforcement personnel (state police, police dept., fire dept., and sheriff's dept.) Will be called to aid in setting up and maintaining road blocks. Also, they will aid in evacuation of the public if necessary.

5. After the discharge of gas has been controlled, company safety personnel will determine when the area is safe for re-entry.

Important: Law enforcement personnel will not be asked to come into a contaminated area. Their assistance will be limited to uncontaminated areas. Constant radio contact will be maintained with them.

Emergency actions

Well blowout – if emergency

1. Evacuate all personnel to "Safe Briefing / Muster Areas" or off location if needed.

2. If sour gas – evacuate rig personnel.

3. If sour gas – evacuate public within 3000 ft radius of exposure.

4. Don SCBA and shut well in if possible using the buddy system.

5. Notify Drilling Superintendent and call 911 for emergency help (fire dept and ambulance) if needed.
6. Implement the Blowout Contingency Plan, and Drilling Emergency Action Plan.

6. Give first aid as needed.

Person down location/facility

1. If immediately possible, contact 911. Give location and wait for confirmation.

2. Don SCBA and perform rescue operation using buddy system.

Toxic effects of hydrogen sulfide

Hydrogen sulfide is extremely toxic. The acceptable ceiling concentration for eight-hour exposure is 10 ppm, which is .001% by volume. Hydrogen sulfide is heavier than air (specific gravity – 1.192) and colorless. It forms an explosive mixture with air between 4.3 and 46.0 percent by volume. Hydrogen sulfide is almost as toxic as hydrogen cyanide and is between five and six times more toxic than carbon monoxide. Toxicity data for hydrogen sulfide and various other gases are compared in table i. Physical effects at various hydrogen sulfide exposure levels are shown in table ii.

Table i
Toxicity of various gases

Common name	Chemical formula	Specific gravity (sc=1)	Threshold limit (1)	Hazardous limit (2)	Lethal concentration (3)
Hydrogen Cyanide	Hcn	0.94	10 ppm	150 ppm/hr	300 ppm
Hydrogen Sulfide	H2S	1.18	10 ppm	250 ppm/hr	600 ppm
Sulfur Dioxide	So2	2.21	5 ppm	-	1000 ppm
Chlorine	Cl2	2.45	1 ppm	4 ppm/hr	1000 ppm
Carbon Monoxide	Co	0.97	50 ppm	400 ppm/hr	1000 ppm
Carbon Dioxide	Co2	1.52	5000 ppm	5%	10%
Methane	Ch4	0.55	90,000 ppm	Combustible above 5% in air	

1) threshold limit – concentration at which it is believed that all workers may be repeatedly exposed day after day without adverse effects.

2) hazardous limit – concentration that will cause death with short-term exposure.

3) lethal concentration – concentration that will cause death with short-term exposure.

Toxic effects of hydrogen sulfide

Table ii
Physical effects of hydrogen sulfide

Concentration			Physical effects
Percent (%)	Ppm	Grains 100 std. Ft3*	
0.001	<10	00.65	Obvious and unpleasant odor.

0.002	10	01.30	Safe for 8 hours of exposure.
0.010	100	06.48	Kill smell in 3 – 15 minutes. May sting eyes and throat.
0.020	200	12.96	Kills smell shortly; stings eyes and throat.
0.050	500	32.96	Dizziness; breathing ceases in a few minutes; needs prompt artificial respiration.
0.070	700	45.36	Unconscious quickly; death will result if not rescued promptly.
0.100	1000	64.30	Unconscious at once; followed by death within minutes.

*at 15.00 psia and 60'f.

Use of self-contained breathing equipment (SCBA)

1. Written procedures shall be prepared covering safe use of SCBA's in dangerous atmosphere, which might be encountered in normal operations or in emergencies. Personnel shall be familiar with these procedures and the available SCBA.

2 SCBA's shall be inspected frequently at random to insure that they are properly used, cleaned, and maintained.

3. Anyone who may use the SCBA's shall be trained in how to insure proper face-piece to face seal. They shall wear SCBA's in normal air and then wear them in a test atmosphere. (note: such items as facial hair {beard or sideburns} and eyeglasses will not allow proper seal.) Anyone that may be reasonably expected to wear SCBA's should have these items removed before entering a toxic atmosphere. A special mask must be obtained for anyone who must wear eyeglasses or contact lenses.

4. Maintenance and care of SCBA's:

   a. A program for maintenance and care of SCBA's shall include the following:
      1. Inspection for defects, including leak checks.
      2. Cleaning and disinfecting.
      3. Repair.
      4. Storage.

   b. Inspection, self-contained breathing apparatus for emergency use shall be inspected monthly.
      1. Fully charged cylinders.
      2. Regulator and warning device operation.
      3. Condition of face piece and connections.
      4. Rubber parts shall be maintained to keep them pliable and prevent deterioration.

   c. Routinely used SCBA's shall be collected, cleaned and disinfected as frequently as necessary to insure proper protection is provided.

5. Persons assigned tasks that requires use of self-contained breathing equipment shall be certified physically fit (medically cleared) for breathing equipment usage at least annually.

6. SCBA's should be worn when:

   A. Any employee works near the top or on top of any tank unless test reveals less than 10 ppm of H2S.

B. When breaking out any line where H2S can reasonably be expected.

C. When sampling air in areas to determine if toxic concentrations of H2S exists.

D. When working in areas where over 10 ppm H2S has been detected.

E. At any time there is a doubt as to the H2S level in the area to be entered.

Rescue
First aid for H2S poisoning

Do not panic!

Remain calm – think!

1. Don SCBA breathing equipment.

2. Remove victim(s) utilizing buddy system to fresh air as quickly as possible. (go up-wind from source or at right angle to the wind. Not down wind.)

3. Briefly apply chest pressure – arm lift method of artificial respiration to clean the victim's lungs and to avoid inhaling any toxic gas directly from the victim's lungs.

4. Provide for prompt transportation to the hospital, and continue giving artificial respiration if needed.

5. Hospital(s) or medical facilities need to be informed, before-hand, of the possibility of H2S gas poisoning – no matter how remote the possibility is.

6. Notify emergency room personnel that the victim(s) has been exposed to H2S gas.

Besides basic first aid, everyone on location should have a good working knowledge of artificial respiration.

Revised CM 6/27/2012

OXY

PRD NM DIRECTIONAL PLANS (NAD 1983)
Precious 30_18
Precious 30_18 Federal Com 10H

WB00

Plan: Permitting Plan

Standard Planning Report

26 August, 2019

Oxy Inc.

Planning Report

Database:	HOPSPP	**Local Co-ordinate Reference:**	Well Precious 30_18 Federal Com 10H
Company:	ENGINEERING DESIGNS	**TVD Reference:**	RKB=26.5' @ 3373.50ft
Project:	PRD NM DIRECTIONAL PLANS (NAD 1983)	**MD Reference:**	RKB=26.5' @ 3373.50ft
Site:	Precious 30_18	**North Reference:**	Grid
Well:	Precious 30_18 Federal Com 10H	**Survey Calculation Method:**	Minimum Curvature
Wellbore:	WB00		
Design:	Permitting Plan		

Project	PRD NM DIRECTIONAL PLANS (NAD 1983)		
Map System:	US State Plane 1983	**System Datum:**	Mean Sea Level
Geo Datum:	North American Datum 1983		
Map Zone:	New Mexico Eastern Zone		Using geodetic scale factor

Site	Precious 30_18				
Site Position:		**Northing:**	461,098.38 usft	**Latitude:**	32° 15' 59.784416 N
From:	Map	**Easting:**	698,809.83 usft	**Longitude:**	103° 49' 25.902124 W
Position Uncertainty:	0.00 ft	**Slot Radius:**	13.200 in	**Grid Convergence:**	0.27 °

Well	Precious 30_18 Federal Com 10H				
Well Position	**+N/-S**	70.82 ft	**Northing:**	461,169.20 usft	**Latitude:**	32° 16' 0.291901 N
	+E/-W	4,063.13 ft	**Easting:**	702,872.70 usft	**Longitude:**	103° 48' 38.579075 W
Position Uncertainty		1.00 ft	**Wellhead Elevation:**	0.00 ft	**Ground Level:**	3,347.00 ft

Wellbore WB00

Magnetics	**Model Name**	**Sample Date**	**Declination (°)**	**Dip Angle (°)**	**Field Strength (nT)**
	HDGM_FILE	11/12/2018	6.87	59.98	48,012.30000000

Design Permitting Plan

Audit Notes:

Version:	**Phase:**	PROTOTYPE	**Tie On Depth:**	0.00

Vertical Section:	**Depth From (TVD) (ft)**	**+N/-S (ft)**	**+E/-W (ft)**	**Direction (°)**
	0.00	0.00	0.00	358.80

Plan Survey Tool Program **Date** 8/26/2019

	Depth From (ft)	**Depth To (ft)**	**Survey (Wellbore)**	**Tool Name**	**Remarks**
1	0.00	23,383.83	Permitting Plan (WB00)	B001Mb_MWD+HRGM OWSG MWD + HRGM	

Plan Sections

Measured Depth (ft)	**Inclination (°)**	**Azimuth (°)**	**Vertical Depth (ft)**	**+N/-S (ft)**	**+E/-W (ft)**	**Dogleg Rate (°/100ft)**	**Build Rate (°/100ft)**	**Turn Rate (°/100ft)**	**TFO (°)**	**Target**
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
7,163.00	0.00	0.00	7,163.00	0.00	0.00	0.00	0.00	0.00	0.00	
7,662.99	10.00	91.52	7,660.45	-1.16	43.50	2.00	2.00	0.00	91.52	
8,780.14	10.00	91.52	8,760.64	-6.31	237.42	0.00	0.00	0.00	0.00	
9,496.73	10.00	359.68	9,470.04	54.57	299.60	2.00	0.00	-12.82	-135.48	
10,299.36	90.26	359.68	9,943.50	621.44	296.42	10.00	10.00	0.00	0.00	FTP (Precious
23,383.83	90.26	359.68	9,883.50	13,705.56	222.91	0.00	0.00	0.00	0.00	PBHL (Precious

Database:	HOPSPP	**Local Co-ordinate Reference:**	Well Precious 30_18 Federal Com 10H
Company:	ENGINEERING DESIGNS	**TVD Reference:**	RKB=26.5' @ 3373.50ft
Project:	PRD NM DIRECTIONAL PLANS (NAD 1983)	**MD Reference:**	RKB=26.5' @ 3373.50ft
Site:	Precious 30_18	**North Reference:**	Grid
Well:	Precious 30_18 Federal Com 10H	**Survey Calculation Method:**	Minimum Curvature
Wellbore:	WB00		
Design:	Permitting Plan		

Planned Survey

Measured Depth (ft)	Inclination (°)	Azimuth (°)	Vertical Depth (ft)	+N/-S (ft)	+E/-W (ft)	Vertical Section (ft)	Dogleg Rate (°/100ft)	Build Rate (°/100ft)	Turn Rate (°/100ft)
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
100.00	0.00	0.00	100.00	0.00	0.00	0.00	0.00	0.00	0.00
200.00	0.00	0.00	200.00	0.00	0.00	0.00	0.00	0.00	0.00
300.00	0.00	0.00	300.00	0.00	0.00	0.00	0.00	0.00	0.00
400.00	0.00	0.00	400.00	0.00	0.00	0.00	0.00	0.00	0.00
500.00	0.00	0.00	500.00	0.00	0.00	0.00	0.00	0.00	0.00
600.00	0.00	0.00	600.00	0.00	0.00	0.00	0.00	0.00	0.00
700.00	0.00	0.00	700.00	0.00	0.00	0.00	0.00	0.00	0.00
800.00	0.00	0.00	800.00	0.00	0.00	0.00	0.00	0.00	0.00
900.00	0.00	0.00	900.00	0.00	0.00	0.00	0.00	0.00	0.00
1,000.00	0.00	0.00	1,000.00	0.00	0.00	0.00	0.00	0.00	0.00
1,100.00	0.00	0.00	1,100.00	0.00	0.00	0.00	0.00	0.00	0.00
1,200.00	0.00	0.00	1,200.00	0.00	0.00	0.00	0.00	0.00	0.00
1,300.00	0.00	0.00	1,300.00	0.00	0.00	0.00	0.00	0.00	0.00
1,400.00	0.00	0.00	1,400.00	0.00	0.00	0.00	0.00	0.00	0.00
1,500.00	0.00	0.00	1,500.00	0.00	0.00	0.00	0.00	0.00	0.00
1,600.00	0.00	0.00	1,600.00	0.00	0.00	0.00	0.00	0.00	0.00
1,700.00	0.00	0.00	1,700.00	0.00	0.00	0.00	0.00	0.00	0.00
1,800.00	0.00	0.00	1,800.00	0.00	0.00	0.00	0.00	0.00	0.00
1,900.00	0.00	0.00	1,900.00	0.00	0.00	0.00	0.00	0.00	0.00
2,000.00	0.00	0.00	2,000.00	0.00	0.00	0.00	0.00	0.00	0.00
2,100.00	0.00	0.00	2,100.00	0.00	0.00	0.00	0.00	0.00	0.00
2,200.00	0.00	0.00	2,200.00	0.00	0.00	0.00	0.00	0.00	0.00
2,300.00	0.00	0.00	2,300.00	0.00	0.00	0.00	0.00	0.00	0.00
2,400.00	0.00	0.00	2,400.00	0.00	0.00	0.00	0.00	0.00	0.00
2,500.00	0.00	0.00	2,500.00	0.00	0.00	0.00	0.00	0.00	0.00
2,600.00	0.00	0.00	2,600.00	0.00	0.00	0.00	0.00	0.00	0.00
2,700.00	0.00	0.00	2,700.00	0.00	0.00	0.00	0.00	0.00	0.00
2,800.00	0.00	0.00	2,800.00	0.00	0.00	0.00	0.00	0.00	0.00
2,900.00	0.00	0.00	2,900.00	0.00	0.00	0.00	0.00	0.00	0.00
3,000.00	0.00	0.00	3,000.00	0.00	0.00	0.00	0.00	0.00	0.00
3,100.00	0.00	0.00	3,100.00	0.00	0.00	0.00	0.00	0.00	0.00
3,200.00	0.00	0.00	3,200.00	0.00	0.00	0.00	0.00	0.00	0.00
3,300.00	0.00	0.00	3,300.00	0.00	0.00	0.00	0.00	0.00	0.00
3,400.00	0.00	0.00	3,400.00	0.00	0.00	0.00	0.00	0.00	0.00
3,500.00	0.00	0.00	3,500.00	0.00	0.00	0.00	0.00	0.00	0.00
3,600.00	0.00	0.00	3,600.00	0.00	0.00	0.00	0.00	0.00	0.00
3,700.00	0.00	0.00	3,700.00	0.00	0.00	0.00	0.00	0.00	0.00
3,800.00	0.00	0.00	3,800.00	0.00	0.00	0.00	0.00	0.00	0.00
3,900.00	0.00	0.00	3,900.00	0.00	0.00	0.00	0.00	0.00	0.00
4,000.00	0.00	0.00	4,000.00	0.00	0.00	0.00	0.00	0.00	0.00
4,100.00	0.00	0.00	4,100.00	0.00	0.00	0.00	0.00	0.00	0.00
4,200.00	0.00	0.00	4,200.00	0.00	0.00	0.00	0.00	0.00	0.00
4,300.00	0.00	0.00	4,300.00	0.00	0.00	0.00	0.00	0.00	0.00
4,400.00	0.00	0.00	4,400.00	0.00	0.00	0.00	0.00	0.00	0.00
4,500.00	0.00	0.00	4,500.00	0.00	0.00	0.00	0.00	0.00	0.00
4,600.00	0.00	0.00	4,600.00	0.00	0.00	0.00	0.00	0.00	0.00
4,700.00	0.00	0.00	4,700.00	0.00	0.00	0.00	0.00	0.00	0.00
4,800.00	0.00	0.00	4,800.00	0.00	0.00	0.00	0.00	0.00	0.00
4,900.00	0.00	0.00	4,900.00	0.00	0.00	0.00	0.00	0.00	0.00
5,000.00	0.00	0.00	5,000.00	0.00	0.00	0.00	0.00	0.00	0.00
5,100.00	0.00	0.00	5,100.00	0.00	0.00	0.00	0.00	0.00	0.00
5,200.00	0.00	0.00	5,200.00	0.00	0.00	0.00	0.00	0.00	0.00
5,300.00	0.00	0.00	5,300.00	0.00	0.00	0.00	0.00	0.00	0.00

Oxy Inc.

Planning Report

Database:	HOPSPP	**Local Co-ordinate Reference:**	Well Precious 30_18 Federal Com 10H
Company:	ENGINEERING DESIGNS	**TVD Reference:**	RKB=26.5' @ 3373.50ft
Project:	PRD NM DIRECTIONAL PLANS (NAD 1983)	**MD Reference:**	RKB=26.5' @ 3373.50ft
Site:	Precious 30_18	**North Reference:**	Grid
Well:	Precious 30_18 Federal Com 10H	**Survey Calculation Method:**	Minimum Curvature
Wellbore:	WB00		
Design:	Permitting Plan		

Planned Survey

Measured Depth (ft)	Inclination (°)	Azimuth (°)	Vertical Depth (ft)	+N/-S (ft)	+E/-W (ft)	Vertical Section (ft)	Dogleg Rate (°/100ft)	Build Rate (°/100ft)	Turn Rate (°/100ft)
5,400.00	0.00	0.00	5,400.00	0.00	0.00	0.00	0.00	0.00	0.00
5,500.00	0.00	0.00	5,500.00	0.00	0.00	0.00	0.00	0.00	0.00
5,600.00	0.00	0.00	5,600.00	0.00	0.00	0.00	0.00	0.00	0.00
5,700.00	0.00	0.00	5,700.00	0.00	0.00	0.00	0.00	0.00	0.00
5,800.00	0.00	0.00	5,800.00	0.00	0.00	0.00	0.00	0.00	0.00
5,900.00	0.00	0.00	5,900.00	0.00	0.00	0.00	0.00	0.00	0.00
6,000.00	0.00	0.00	6,000.00	0.00	0.00	0.00	0.00	0.00	0.00
6,100.00	0.00	0.00	6,100.00	0.00	0.00	0.00	0.00	0.00	0.00
6,200.00	0.00	0.00	6,200.00	0.00	0.00	0.00	0.00	0.00	0.00
6,300.00	0.00	0.00	6,300.00	0.00	0.00	0.00	0.00	0.00	0.00
6,400.00	0.00	0.00	6,400.00	0.00	0.00	0.00	0.00	0.00	0.00
6,500.00	0.00	0.00	6,500.00	0.00	0.00	0.00	0.00	0.00	0.00
6,600.00	0.00	0.00	6,600.00	0.00	0.00	0.00	0.00	0.00	0.00
6,700.00	0.00	0.00	6,700.00	0.00	0.00	0.00	0.00	0.00	0.00
6,800.00	0.00	0.00	6,800.00	0.00	0.00	0.00	0.00	0.00	0.00
6,900.00	0.00	0.00	6,900.00	0.00	0.00	0.00	0.00	0.00	0.00
7,000.00	0.00	0.00	7,000.00	0.00	0.00	0.00	0.00	0.00	0.00
7,100.00	0.00	0.00	7,100.00	0.00	0.00	0.00	0.00	0.00	0.00
7,163.00	0.00	0.00	7,163.00	0.00	0.00	0.00	0.00	0.00	0.00
7,200.00	0.74	91.52	7,200.00	-0.01	0.24	-0.01	2.00	2.00	0.00
7,300.00	2.74	91.52	7,299.95	-0.09	3.27	-0.16	2.00	2.00	0.00
7,400.00	4.74	91.52	7,399.73	-0.26	9.79	-0.47	2.00	2.00	0.00
7,500.00	6.74	91.52	7,499.22	-0.53	19.79	-0.94	2.00	2.00	0.00
7,600.00	8.74	91.52	7,598.31	-0.88	33.25	-1.58	2.00	2.00	0.00
7,662.99	10.00	91.52	7,660.45	-1.16	43.50	-2.07	2.00	2.00	0.00
7,700.00	10.00	91.52	7,696.90	-1.33	49.93	-2.37	0.00	0.00	0.00
7,800.00	10.00	91.52	7,795.38	-1.79	67.29	-3.20	0.00	0.00	0.00
7,900.00	10.00	91.52	7,893.87	-2.25	84.65	-4.02	0.00	0.00	0.00
8,000.00	10.00	91.52	7,992.35	-2.71	102.00	-4.85	0.00	0.00	0.00
8,100.00	10.00	91.52	8,090.83	-3.17	119.36	-5.67	0.00	0.00	0.00
8,200.00	10.00	91.52	8,189.31	-3.64	136.72	-6.50	0.00	0.00	0.00
8,300.00	10.00	91.52	8,287.79	-4.10	154.08	-7.32	0.00	0.00	0.00
8,400.00	10.00	91.52	8,386.27	-4.56	171.44	-8.15	0.00	0.00	0.00
8,500.00	10.00	91.52	8,484.75	-5.02	188.80	-8.97	0.00	0.00	0.00
8,600.00	10.00	91.52	8,583.23	-5.48	206.15	-9.79	0.00	0.00	0.00
8,700.00	10.00	91.52	8,681.71	-5.94	223.51	-10.62	0.00	0.00	0.00
8,780.14	10.00	91.52	8,760.64	-6.31	237.42	-11.28	0.00	0.00	0.00
8,800.00	9.72	89.87	8,780.20	-6.35	240.82	-11.39	2.00	-1.41	-8.31
8,900.00	8.46	80.02	8,878.95	-5.06	256.51	-10.43	2.00	-1.26	-9.85
9,000.00	7.52	67.27	8,977.99	-1.26	269.79	-6.90	2.00	-0.94	-12.76
9,100.00	7.03	51.89	9,077.19	5.05	280.64	-0.83	2.00	-0.48	-15.38
9,200.00	7.10	35.59	9,176.44	13.86	289.06	7.80	2.00	0.07	-16.30
9,300.00	7.70	20.72	9,275.62	25.15	295.03	18.97	2.00	0.60	-14.87
9,400.00	8.73	8.66	9,374.60	38.91	298.54	32.66	2.00	1.03	-12.07
9,496.73	10.00	359.68	9,470.04	54.57	299.60	48.29	2.00	1.32	-9.28
9,500.00	10.33	359.68	9,473.26	55.14	299.59	48.86	10.00	10.00	0.00
9,600.00	20.33	359.68	9,569.58	81.54	299.45	75.26	10.00	10.00	0.00
9,700.00	30.33	359.68	9,659.85	124.27	299.21	117.98	10.00	10.00	0.00
9,800.00	40.33	359.68	9,741.34	182.02	298.89	175.72	10.00	10.00	0.00
9,900.00	50.33	359.68	9,811.55	253.04	298.50	246.74	10.00	10.00	0.00
10,000.00	60.33	359.68	9,868.37	335.17	298.04	328.86	10.00	10.00	0.00
10,100.00	70.33	359.68	9,910.06	425.93	297.54	419.61	10.00	10.00	0.00
10,200.00	80.33	359.68	9,935.36	522.54	297.00	516.21	10.00	10.00	0.00
10,299.36	90.26	359.68	9,943.50	621.44	296.42	615.10	10.00	10.00	0.00

Database:	HOPSPP	**Local Co-ordinate Reference:**	Well Precious 30_18 Federal Com 10H
Company:	ENGINEERING DESIGNS	**TVD Reference:**	RKB=26.5' @ 3373.50ft
Project:	PRD NM DIRECTIONAL PLANS (NAD 1983)	**MD Reference:**	RKB=26.5' @ 3373.50ft
Site:	Precious 30_18	**North Reference:**	Grid
Well:	Precious 30_18 Federal Com 10H	**Survey Calculation Method:**	Minimum Curvature
Wellbore:	WB00		
Design:	Permitting Plan		

Planned Survey

Measured Depth (ft)	Inclination (°)	Azimuth (°)	Vertical Depth (ft)	+N/-S (ft)	+E/-W (ft)	Vertical Section (ft)	Dogleg Rate (°/100ft)	Build Rate (°/100ft)	Turn Rate (°/100ft)
10,300.00	90.26	359.68	9,943.50	622.08	296.42	615.74	0.00	0.00	0.00
10,400.00	90.26	359.68	9,943.04	722.08	295.85	715.73	0.00	0.00	0.00
10,500.00	90.26	359.68	9,942.58	822.08	295.29	815.72	0.00	0.00	0.00
10,600.00	90.26	359.68	9,942.12	922.07	294.73	915.70	0.00	0.00	0.00
10,700.00	90.26	359.68	9,941.66	1,022.07	294.17	1,015.69	0.00	0.00	0.00
10,800.00	90.26	359.68	9,941.20	1,122.07	293.61	1,115.68	0.00	0.00	0.00
10,900.00	90.26	359.68	9,940.75	1,222.07	293.04	1,215.66	0.00	0.00	0.00
11,000.00	90.26	359.68	9,940.29	1,322.06	292.48	1,315.65	0.00	0.00	0.00
11,100.00	90.26	359.68	9,939.83	1,422.06	291.92	1,415.64	0.00	0.00	0.00
11,200.00	90.26	359.68	9,939.37	1,522.06	291.36	1,515.63	0.00	0.00	0.00
11,300.00	90.26	359.68	9,938.91	1,622.05	290.80	1,615.61	0.00	0.00	0.00
11,400.00	90.26	359.68	9,938.45	1,722.05	290.24	1,715.60	0.00	0.00	0.00
11,500.00	90.26	359.68	9,937.99	1,822.05	289.67	1,815.59	0.00	0.00	0.00
11,600.00	90.26	359.68	9,937.54	1,922.05	289.11	1,915.58	0.00	0.00	0.00
11,700.00	90.26	359.68	9,937.08	2,022.04	288.55	2,015.56	0.00	0.00	0.00
11,800.00	90.26	359.68	9,936.62	2,122.04	287.99	2,115.55	0.00	0.00	0.00
11,900.00	90.26	359.68	9,936.16	2,222.04	287.43	2,215.54	0.00	0.00	0.00
12,000.00	90.26	359.68	9,935.70	2,322.04	286.86	2,315.52	0.00	0.00	0.00
12,100.00	90.26	359.68	9,935.24	2,422.03	286.30	2,415.51	0.00	0.00	0.00
12,200.00	90.26	359.68	9,934.78	2,522.03	285.74	2,515.50	0.00	0.00	0.00
12,300.00	90.26	359.68	9,934.33	2,622.03	285.18	2,615.49	0.00	0.00	0.00
12,400.00	90.26	359.68	9,933.87	2,722.03	284.62	2,715.47	0.00	0.00	0.00
12,500.00	90.26	359.68	9,933.41	2,822.02	284.06	2,815.46	0.00	0.00	0.00
12,600.00	90.26	359.68	9,932.95	2,922.02	283.49	2,915.45	0.00	0.00	0.00
12,700.00	90.26	359.68	9,932.49	3,022.02	282.93	3,015.43	0.00	0.00	0.00
12,800.00	90.26	359.68	9,932.03	3,122.02	282.37	3,115.42	0.00	0.00	0.00
12,900.00	90.26	359.68	9,931.57	3,222.01	281.81	3,215.41	0.00	0.00	0.00
13,000.00	90.26	359.68	9,931.12	3,322.01	281.25	3,315.40	0.00	0.00	0.00
13,100.00	90.26	359.68	9,930.66	3,422.01	280.69	3,415.38	0.00	0.00	0.00
13,200.00	90.26	359.68	9,930.20	3,522.01	280.12	3,515.37	0.00	0.00	0.00
13,300.00	90.26	359.68	9,929.74	3,622.00	279.56	3,615.36	0.00	0.00	0.00
13,400.00	90.26	359.68	9,929.28	3,722.00	279.00	3,715.35	0.00	0.00	0.00
13,500.00	90.26	359.68	9,928.82	3,822.00	278.44	3,815.33	0.00	0.00	0.00
13,600.00	90.26	359.68	9,928.36	3,921.99	277.88	3,915.32	0.00	0.00	0.00
13,700.00	90.26	359.68	9,927.91	4,021.99	277.31	4,015.31	0.00	0.00	0.00
13,800.00	90.26	359.68	9,927.45	4,121.99	276.75	4,115.29	0.00	0.00	0.00
13,900.00	90.26	359.68	9,926.99	4,221.99	276.19	4,215.28	0.00	0.00	0.00
14,000.00	90.26	359.68	9,926.53	4,321.98	275.63	4,315.27	0.00	0.00	0.00
14,100.00	90.26	359.68	9,926.07	4,421.98	275.07	4,415.26	0.00	0.00	0.00
14,200.00	90.26	359.68	9,925.61	4,521.98	274.51	4,515.24	0.00	0.00	0.00
14,300.00	90.26	359.68	9,925.15	4,621.98	273.94	4,615.23	0.00	0.00	0.00
14,400.00	90.26	359.68	9,924.70	4,721.97	273.38	4,715.22	0.00	0.00	0.00
14,500.00	90.26	359.68	9,924.24	4,821.97	272.82	4,815.20	0.00	0.00	0.00
14,600.00	90.26	359.68	9,923.78	4,921.97	272.26	4,915.19	0.00	0.00	0.00
14,700.00	90.26	359.68	9,923.32	5,021.97	271.70	5,015.18	0.00	0.00	0.00
14,800.00	90.26	359.68	9,922.86	5,121.96	271.14	5,115.17	0.00	0.00	0.00
14,900.00	90.26	359.68	9,922.40	5,221.96	270.57	5,215.15	0.00	0.00	0.00
15,000.00	90.26	359.68	9,921.95	5,321.96	270.01	5,315.14	0.00	0.00	0.00
15,100.00	90.26	359.68	9,921.49	5,421.96	269.45	5,415.13	0.00	0.00	0.00
15,200.00	90.26	359.68	9,921.03	5,521.95	268.89	5,515.12	0.00	0.00	0.00
15,300.00	90.26	359.68	9,920.57	5,621.95	268.33	5,615.10	0.00	0.00	0.00
15,400.00	90.26	359.68	9,920.11	5,721.95	267.76	5,715.09	0.00	0.00	0.00
15,500.00	90.26	359.68	9,919.65	5,821.94	267.20	5,815.08	0.00	0.00	0.00
15,600.00	90.26	359.68	9,919.19	5,921.94	266.64	5,915.06	0.00	0.00	0.00

Database:	HOPSPP	**Local Co-ordinate Reference:**	Well Precious 30_18 Federal Com 10H
Company:	ENGINEERING DESIGNS	**TVD Reference:**	RKB=26.5' @ 3373.50ft
Project:	PRD NM DIRECTIONAL PLANS (NAD 1983)	**MD Reference:**	RKB=26.5' @ 3373.50ft
Site:	Precious 30_18	**North Reference:**	Grid
Well:	Precious 30_18 Federal Com 10H	**Survey Calculation Method:**	Minimum Curvature
Wellbore:	WB00		
Design:	Permitting Plan		

Planned Survey

Measured Depth (ft)	Inclination (°)	Azimuth (°)	Vertical Depth (ft)	+N/-S (ft)	+E/-W (ft)	Vertical Section (ft)	Dogleg Rate (°/100ft)	Build Rate (°/100ft)	Turn Rate (°/100ft)
15,700.00	90.26	359.68	9,918.74	6,021.94	266.08	6,015.05	0.00	0.00	0.00
15,800.00	90.26	359.68	9,918.28	6,121.94	265.52	6,115.04	0.00	0.00	0.00
15,900.00	90.26	359.68	9,917.82	6,221.93	264.96	6,215.03	0.00	0.00	0.00
16,000.00	90.26	359.68	9,917.36	6,321.93	264.39	6,315.01	0.00	0.00	0.00
16,100.00	90.26	359.68	9,916.90	6,421.93	263.83	6,415.00	0.00	0.00	0.00
16,200.00	90.26	359.68	9,916.44	6,521.93	263.27	6,514.99	0.00	0.00	0.00
16,300.00	90.26	359.68	9,915.98	6,621.92	262.71	6,614.98	0.00	0.00	0.00
16,400.00	90.26	359.68	9,915.53	6,721.92	262.15	6,714.96	0.00	0.00	0.00
16,500.00	90.26	359.68	9,915.07	6,821.92	261.59	6,814.95	0.00	0.00	0.00
16,600.00	90.26	359.68	9,914.61	6,921.92	261.02	6,914.94	0.00	0.00	0.00
16,700.00	90.26	359.68	9,914.15	7,021.91	260.46	7,014.92	0.00	0.00	0.00
16,800.00	90.26	359.68	9,913.69	7,121.91	259.90	7,114.91	0.00	0.00	0.00
16,900.00	90.26	359.68	9,913.23	7,221.91	259.34	7,214.90	0.00	0.00	0.00
17,000.00	90.26	359.68	9,912.77	7,321.91	258.78	7,314.89	0.00	0.00	0.00
17,100.00	90.26	359.68	9,912.32	7,421.90	258.21	7,414.87	0.00	0.00	0.00
17,200.00	90.26	359.68	9,911.86	7,521.90	257.65	7,514.86	0.00	0.00	0.00
17,300.00	90.26	359.68	9,911.40	7,621.90	257.09	7,614.85	0.00	0.00	0.00
17,400.00	90.26	359.68	9,910.94	7,721.89	256.53	7,714.83	0.00	0.00	0.00
17,500.00	90.26	359.68	9,910.48	7,821.89	255.97	7,814.82	0.00	0.00	0.00
17,600.00	90.26	359.68	9,910.02	7,921.89	255.41	7,914.81	0.00	0.00	0.00
17,700.00	90.26	359.68	9,909.56	8,021.89	254.84	8,014.80	0.00	0.00	0.00
17,800.00	90.26	359.68	9,909.11	8,121.88	254.28	8,114.78	0.00	0.00	0.00
17,900.00	90.26	359.68	9,908.65	8,221.88	253.72	8,214.77	0.00	0.00	0.00
18,000.00	90.26	359.68	9,908.19	8,321.88	253.16	8,314.76	0.00	0.00	0.00
18,100.00	90.26	359.68	9,907.73	8,421.88	252.60	8,414.75	0.00	0.00	0.00
18,200.00	90.26	359.68	9,907.27	8,521.87	252.04	8,514.73	0.00	0.00	0.00
18,300.00	90.26	359.68	9,906.81	8,621.87	251.47	8,614.72	0.00	0.00	0.00
18,400.00	90.26	359.68	9,906.35	8,721.87	250.91	8,714.71	0.00	0.00	0.00
18,500.00	90.26	359.68	9,905.90	8,821.87	250.35	8,814.69	0.00	0.00	0.00
18,600.00	90.26	359.68	9,905.44	8,921.86	249.79	8,914.68	0.00	0.00	0.00
18,700.00	90.26	359.68	9,904.98	9,021.86	249.23	9,014.67	0.00	0.00	0.00
18,800.00	90.26	359.68	9,904.52	9,121.86	248.66	9,114.66	0.00	0.00	0.00
18,900.00	90.26	359.68	9,904.06	9,221.86	248.10	9,214.64	0.00	0.00	0.00
19,000.00	90.26	359.68	9,903.60	9,321.85	247.54	9,314.63	0.00	0.00	0.00
19,100.00	90.26	359.68	9,903.14	9,421.85	246.98	9,414.62	0.00	0.00	0.00
19,200.00	90.26	359.68	9,902.69	9,521.85	246.42	9,514.60	0.00	0.00	0.00
19,300.00	90.26	359.68	9,902.23	9,621.84	245.86	9,614.59	0.00	0.00	0.00
19,400.00	90.26	359.68	9,901.77	9,721.84	245.29	9,714.58	0.00	0.00	0.00
19,500.00	90.26	359.68	9,901.31	9,821.84	244.73	9,814.57	0.00	0.00	0.00
19,600.00	90.26	359.68	9,900.85	9,921.84	244.17	9,914.55	0.00	0.00	0.00
19,700.00	90.26	359.68	9,900.39	10,021.83	243.61	10,014.54	0.00	0.00	0.00
19,800.00	90.26	359.68	9,899.93	10,121.83	243.05	10,114.53	0.00	0.00	0.00
19,900.00	90.26	359.68	9,899.48	10,221.83	242.49	10,214.52	0.00	0.00	0.00
20,000.00	90.26	359.68	9,899.02	10,321.83	241.92	10,314.50	0.00	0.00	0.00
20,100.00	90.26	359.68	9,898.56	10,421.82	241.36	10,414.49	0.00	0.00	0.00
20,200.00	90.26	359.68	9,898.10	10,521.82	240.80	10,514.48	0.00	0.00	0.00
20,300.00	90.26	359.68	9,897.64	10,621.82	240.24	10,614.46	0.00	0.00	0.00
20,400.00	90.26	359.68	9,897.18	10,721.82	239.68	10,714.45	0.00	0.00	0.00
20,500.00	90.26	359.68	9,896.72	10,821.81	239.11	10,814.44	0.00	0.00	0.00
20,600.00	90.26	359.68	9,896.27	10,921.81	238.55	10,914.43	0.00	0.00	0.00
20,700.00	90.26	359.68	9,895.81	11,021.81	237.99	11,014.41	0.00	0.00	0.00
20,800.00	90.26	359.68	9,895.35	11,121.81	237.43	11,114.40	0.00	0.00	0.00
20,900.00	90.26	359.68	9,894.89	11,221.80	236.87	11,214.39	0.00	0.00	0.00
21,000.00	90.26	359.68	9,894.43	11,321.80	236.31	11,314.37	0.00	0.00	0.00

Database:	HOPSPP	**Local Co-ordinate Reference:**	Well Precious 30_18 Federal Com 10H
Company:	ENGINEERING DESIGNS	**TVD Reference:**	RKB=26.5' @ 3373.50ft
Project:	PRD NM DIRECTIONAL PLANS (NAD 1983)	**MD Reference:**	RKB=26.5' @ 3373.50ft
Site:	Precious 30_18	**North Reference:**	Grid
Well:	Precious 30_18 Federal Com 10H	**Survey Calculation Method:**	Minimum Curvature
Wellbore:	WB00		
Design:	Permitting Plan		

Planned Survey

Measured Depth (ft)	Inclination (°)	Azimuth (°)	Vertical Depth (ft)	+N/-S (ft)	+E/-W (ft)	Vertical Section (ft)	Dogleg Rate (°/100ft)	Build Rate (°/100ft)	Turn Rate (°/100ft)
21,100.00	90.26	359.68	9,893.97	11,421.80	235.74	11,414.36	0.00	0.00	0.00
21,200.00	90.26	359.68	9,893.51	11,521.79	235.18	11,514.35	0.00	0.00	0.00
21,300.00	90.26	359.68	9,893.06	11,621.79	234.62	11,614.34	0.00	0.00	0.00
21,400.00	90.26	359.68	9,892.60	11,721.79	234.06	11,714.32	0.00	0.00	0.00
21,500.00	90.26	359.68	9,892.14	11,821.79	233.50	11,814.31	0.00	0.00	0.00
21,600.00	90.26	359.68	9,891.68	11,921.78	232.94	11,914.30	0.00	0.00	0.00
21,700.00	90.26	359.68	9,891.22	12,021.78	232.37	12,014.29	0.00	0.00	0.00
21,800.00	90.26	359.68	9,890.76	12,121.78	231.81	12,114.27	0.00	0.00	0.00
21,900.00	90.26	359.68	9,890.30	12,221.78	231.25	12,214.26	0.00	0.00	0.00
22,000.00	90.26	359.68	9,889.85	12,321.77	230.69	12,314.25	0.00	0.00	0.00
22,100.00	90.26	359.68	9,889.39	12,421.77	230.13	12,414.23	0.00	0.00	0.00
22,200.00	90.26	359.68	9,888.93	12,521.77	229.56	12,514.22	0.00	0.00	0.00
22,300.00	90.26	359.68	9,888.47	12,621.77	229.00	12,614.21	0.00	0.00	0.00
22,400.00	90.26	359.68	9,888.01	12,721.76	228.44	12,714.20	0.00	0.00	0.00
22,500.00	90.26	359.68	9,887.55	12,821.76	227.88	12,814.18	0.00	0.00	0.00
22,600.00	90.26	359.68	9,887.09	12,921.76	227.32	12,914.17	0.00	0.00	0.00
22,700.00	90.26	359.68	9,886.64	13,021.76	226.76	13,014.16	0.00	0.00	0.00
22,800.00	90.26	359.68	9,886.18	13,121.75	226.19	13,114.14	0.00	0.00	0.00
22,900.00	90.26	359.68	9,885.72	13,221.75	225.63	13,214.13	0.00	0.00	0.00
23,000.00	90.26	359.68	9,885.26	13,321.75	225.07	13,314.12	0.00	0.00	0.00
23,100.00	90.26	359.68	9,884.80	13,421.74	224.51	13,414.11	0.00	0.00	0.00
23,200.00	90.26	359.68	9,884.34	13,521.74	223.95	13,514.09	0.00	0.00	0.00
23,300.00	90.26	359.68	9,883.88	13,621.74	223.38	13,614.08	0.00	0.00	0.00
23,383.83	90.26	359.68	9,883.50	13,705.56	222.91	13,697.90	0.00	0.00	0.00

Design Targets

Target Name - hit/miss target - Shape	Dip Angle (°)	Dip Dir. (°)	TVD (ft)	+N/-S (ft)	+E/-W (ft)	Northing (usft)	Easting (usft)	Latitude	Longitude
PBHL (Precious 30_18 - plan hits target center - Point	0.00	0.00	9,883.50	13,705.56	222.91	474,873.90	703,095.60	32° 18' 15.896754 N	103° 48' 35.203949
FTP (Precious 30_18 - plan hits target center - Point	0.00	0.00	9,943.50	621.44	296.42	461,790.60	703,169.10	32° 16' 6.426720 N	103° 48' 35.091681

Plan Annotations

Measured Depth (ft)	Vertical Depth (ft)	Local Coordinates +N/-S (ft)	Local Coordinates +E/-W (ft)	Comment
7,163.00	7,163.00	0.00	0.00	Build 2.00°/100'
7,662.99	7,660.46	-1.16	43.51	Hold 10.00° Tangent
8,780.14	8,760.63	-6.31	237.42	Turn 2.00°/100'
9,496.73	9,470.04	54.57	299.60	KOP, Build 10.00°/100'
10,299.36	9,943.50	621.44	296.42	Landing Point
23,383.83	9,883.50	13,705.56	222.91	TD at 23383.83' MD

Project: PRD NM DIRECTIONAL PLANS (NAD 1983)
Site: Precious 30_18
Well: Precious 30_18 Federal Com 10H
Wellbore: WB00
Design: Permitting Plan

PROJECT DETAILS: NM DIRECTIONAL PLANS (NAD 1983)

Geodetic System: US State Plane 1983
Datum: North American Datum 1983
Ellipsoid: GRS 1980
Zone: New Mexico Eastern Zone

System Datum: Mean Sea Level

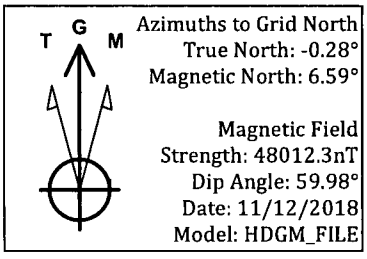
WELL DETAILS: Precious 30_18 Federal Com 10H

Ground Level: 3347.00

+N/-S	+E/-W	Northing	Easting	Latitude	Longitude
0.00	0.00	461169.20	702872.70	32° 16' 0.291901 N	103° 48' 38.579075 W

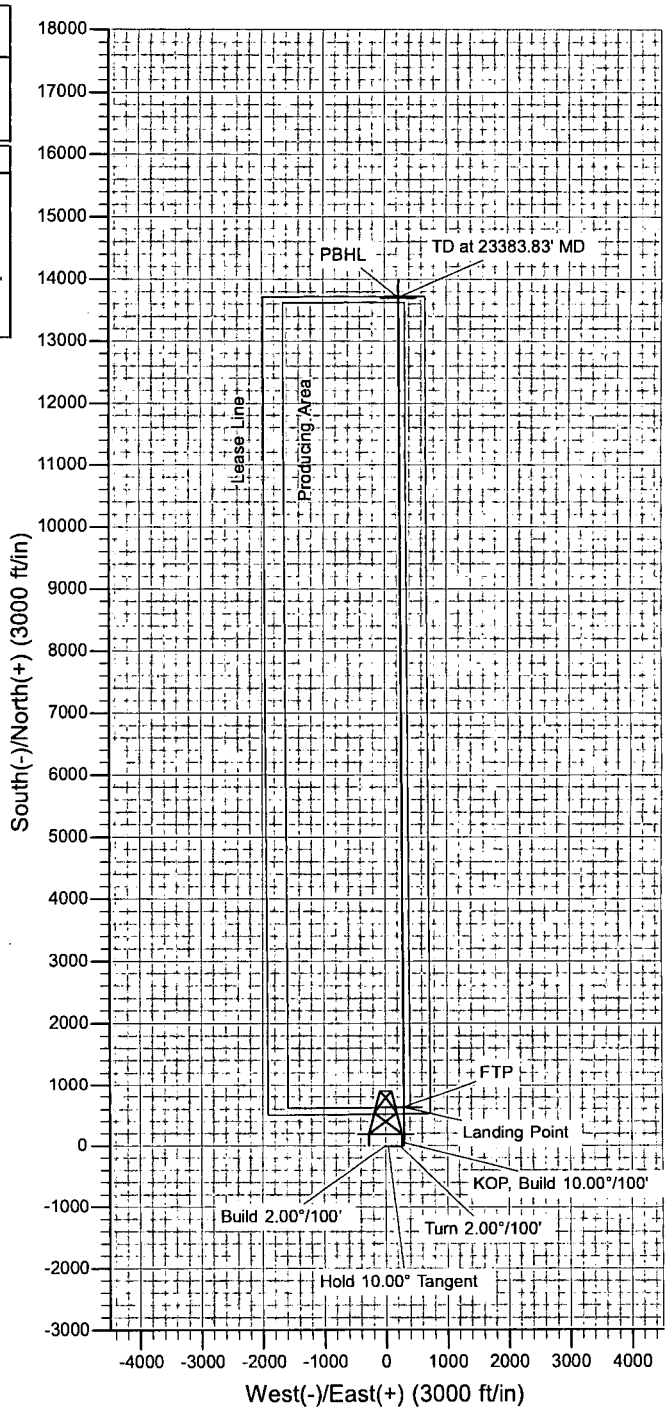
SECTION DETAILS

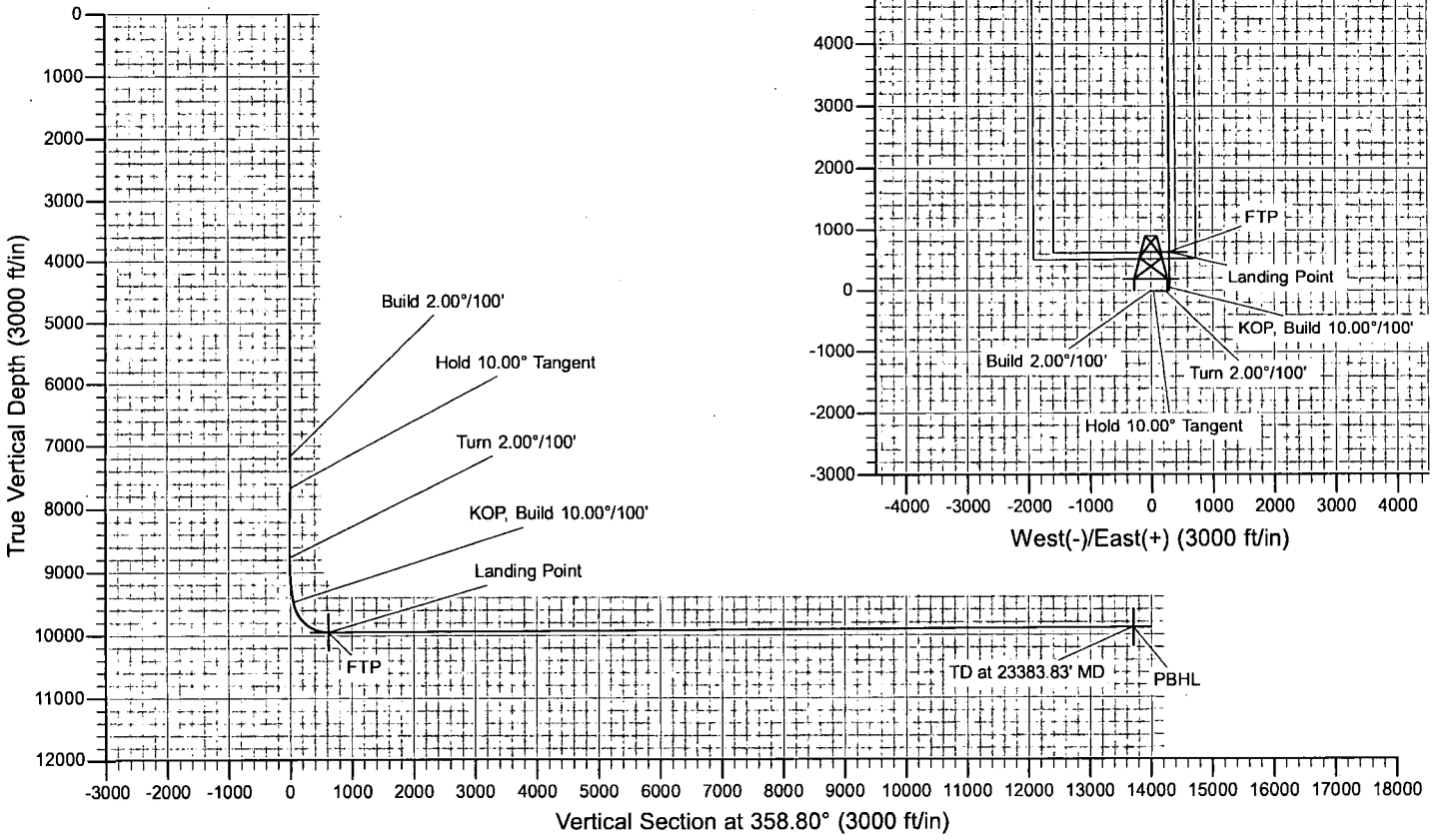
MD	Inc	Azi	TVD	+N/-S	+E/-W	Dleg	TFace	VSect	Annotation
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
7163.00	0.00	0.00	7163.00	0.00	0.00	0.00	0.00	0.00	Build 2.00°/100'
7662.99	10.00	91.52	7660.45	-1.16	43.50	2.00	91.52	-2.07	Hold 10.00° Tangent
8780.14	10.00	91.52	8760.64	-6.31	237.42	0.00	0.00	-11.28	Turn 2.00°/100'
9496.73	10.00	359.68	9470.04	54.57	299.60	2.00	-135.48	48.29	KOP, Build 10.00°/100'
10299.36	90.26	359.68	9943.50	621.44	296.42	10.00	0.00	615.10	Landing Point
23383.83	90.26	359.68	9883.50	13705.56	222.91	0.00	0.00	13697.90	TD at 23383.83' MD



Azimuths to Grid North
True North: -0.28°
Magnetic North: 6.59°

Magnetic Field
Strength: 48012.3nT
Dip Angle: 59.98°
Date: 11/12/2018
Model: HDGM_FILE





OXY USA Inc
APD ATTACHMENT: SPUDDER RIG DATA

OPERATOR NAME / NUMBER: OXY USA Inc

1. SUMMARY OF REQUEST:

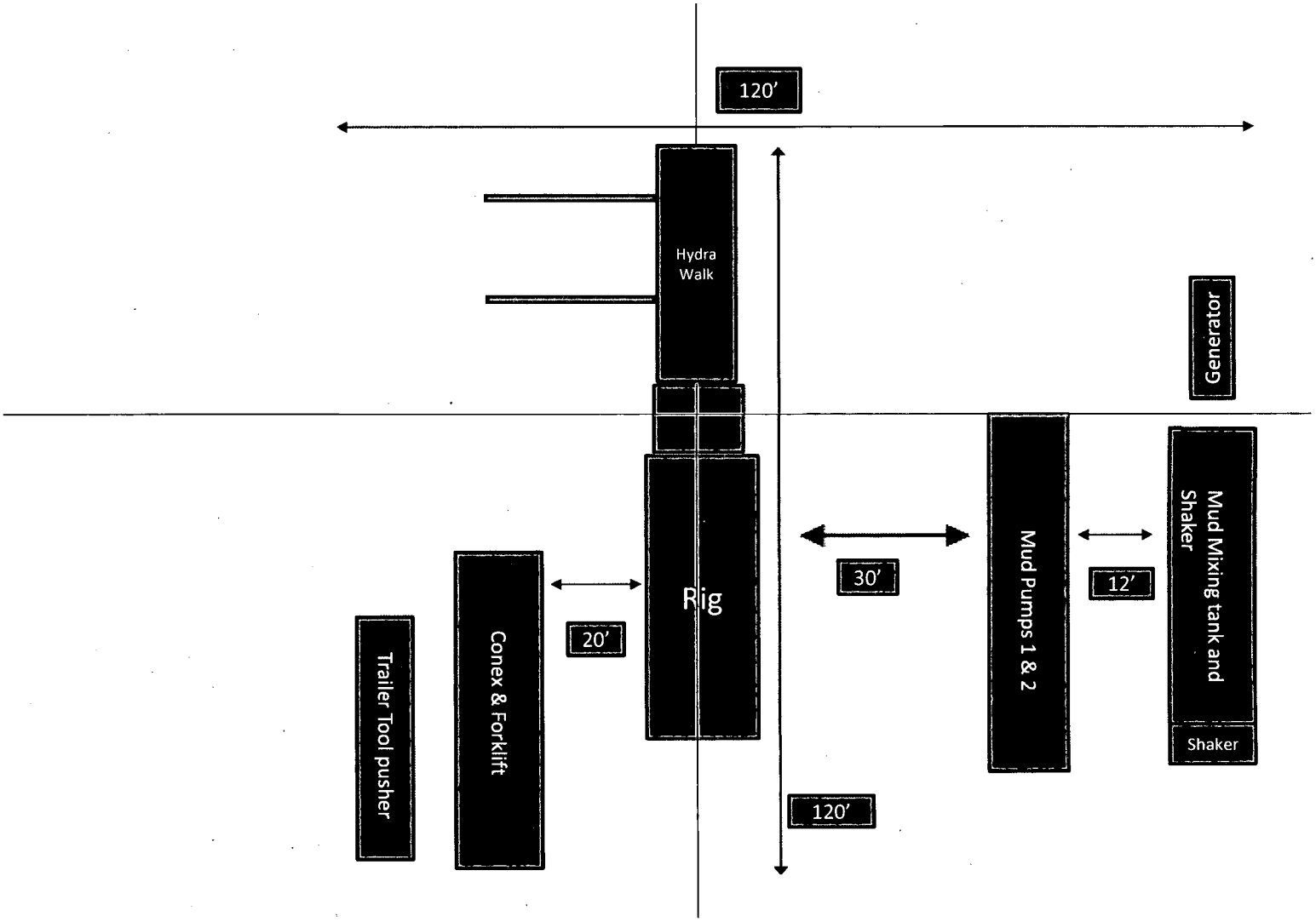
Oxy USA respectfully requests approval for the following operations for the surface hole in the drill plan:

1. Utilize a spudder rig to pre-set surface casing for time and cost savings.

2. Description of Operations

1. Spudder rig will move in to drill the surface hole and pre-set surface casing on the well.
    a. After drilling the surface hole section, the spudder rig will run casing and cement following all of the applicable rules and regulations (OnShore Order 2, all COAs and NMOCD regulations).
    b. The spudder rig will utilize fresh water-based mud to drill the surface hole to TD. Solids control will be handled entirely on a closed loop basis. No earth pits will be used.
2. The wellhead will be installed and tested as soon as the surface casing is cut off and the WOC time has been reached.
3. A blind flange at the same pressure rating as the wellhead will be installed to seal the wellbore. Pressure will be monitored with needle valves installed on two wingvalves.
    a. A means for intervention will be maintained while the drilling rig is not over the well.
4. Spudder rig operations are expected to take 2-3 days per well on the pad.
5. The BLM will be contacted and notified 24 hours prior to commencing spudder rig operations.
6. Drilling operations will begin with a larger rig and a BOP stack equal to or greater than the pressure rating that was permitted will be nippled up and tested on the wellhead before drilling operations resume on each well.
    a. The larger rig will move back onto the location within 90 days from the point at which the wells are secured and the spudder rig is moved off location.
    b. The BLM will be contacted / notified 24 hours before the larger rig moves back on the pre-set locations.
7. Oxy will have supervision on the rig to ensure compliance with all BLM and NMOCD regulations and to oversee operations.
8. Once the rig is removed, Oxy will secure the wellhead area by placing a guard rail around the cellar area.

Spudder Rig Layout



Oxy USA Inc. - Precious 30-18 Federal Com 10H

1. Geologic Formations

TVD of target	9943'	Pilot Hole Depth	N/A
MD at TD:	23383'	Deepest Expected fresh water:	384'

Delaware Basin

Formation	TVD - RKB	Expected Fluids
Rustler	384	
Salado	712	Brine
Castile	2,606	Brine
Lamar/Delaware	4,085	Brine
Bell Canyon	4,122	Oil/Gas
Cherry Canyon	5,004	Oil/Gas
Brushy Canyon	6,284	Losses
Bone Spring	7,966	Oil/Gas
1st Bone Spring	8,999	Oil/Gas
2nd Bone Spring	**9,641**	**Oil/Gas**

*H2S, water flows, loss of circulation, abnormal pressures, etc.

2. Casing Program

Primary Plan:

Hole Size (in)	Casing Interval		Csg. Size	Weight	Grade	Conn.	SF	SF Burst	Buoyant Body SF	Buoyant Joint SF
	From (ft)	To (ft)	(in)	(lbs)			Collapse		Tension	Tension
17.5	0	434	13.375	54.5	J-55	BTC	1.125	1.2	1.4	1.4
12.25	0	4135	9.625	40	L-80	BTC	1.125	1.2	1.4	1.4
8.5	0	23383	5.5	20	P-110	DQX	1.125	1.2	1.4	1.4
							SF Values will meet or Exceed			

Contingency Plan:

Hole Size (in)	Casing Interval		Csg. Size	Weight	Grade	Conn.	SF	SF Burst	Buoyant Body SF	Buoyant Joint SF
	From (ft)	To (ft)	(in)	(lbs)			Collapse		Tension	Tension
17.5	0	434	13.375	54.5	J-55	BTC	1.125	1.2	1.4	1.4
12.25	0	4135	9.625	40	L-80	BTC	1.125	1.2	1.4	1.4
8.5	0	9396	7.625	26.4	L-80 HC	SF (0 ft to 4000 ft) FJ (4000 ft to 9396 ft)	1.125	1.2	1.4	1.4
6.75	0	23383	5.5	20	P-110	DQX	1.125	1.2	1.4	1.4
							SF Values will meet or Exceed			

All casing strings will be tested in accordance with Onshore Oil and Gas Order #2 III.B.1.h

*Oxy requests the option to run the 7.625" Intermediate II as a contingency string to be run only if severe hole conditions dictate an additional casing string necessary.

*Oxy requests the option to run production casing with DQX and/or SF TORQ connections to accommodate hole conditions or drilling operations.

Oxy USA Inc. - Precious 30-18 Federal Com 10H

Annular Clearance Variance Request

As per the agreement reached in the Oxy/BLM face-to-face meeting on Feb 22, 2018, Oxy requests permission to allow deviation from the 0.422" annular clearance requirement from Onshore Order #2 under the following conditions:

1. Annular clearance to meet or exceed 0.422" between intermediate casing ID and production casing coupling only on the first 500' overlap between both casings.
2. Annular clearance less than 0.422" is acceptable for the curve and lateral portions of the production open hole section.

	Y or N
Is casing new? If used, attach certification as required in Onshore Order #1	Y
Does casing meet API specifications? If no, attach casing specification sheet.	Y
Is premium or uncommon casing planned? If yes attach casing specification sheet.	Y
Does the above casing design meet or exceed BLM's minimum standards? If not provide justification (loading assumptions, casing design criteria).	Y
Will the intermediate pipe be kept at a minimum 1/3 fluid filled to avoid approaching the collapse pressure rating of the casing?	Y
Is well located within Capitan Reef?	N
If yes, does production casing cement tie back a minimum of 50' above the Reef?	
Is well within the designated 4 string boundary.	
Is well located in SOPA but not in R-111-P?	N
If yes, are the first 2 strings cemented to surface and 3rd string cement tied back 500' into previous casing?	
Is well located in R-111-P and SOPA?	Y
If yes, are the first three strings cemented to surface?	Y
Is 2nd string set 100' to 600' below the base of salt?	Y
Is well located in high Cave/Karst?	N
If yes, are there two strings cemented to surface?	
(For 2 string wells) If yes, is there a contingency casing if lost circulation occurs?	
Is well located in critical Cave/Karst?	N
If yes, are there three strings cemented to surface?	

3. Cementing Program

Primary Plan:

Casing String	# Sks	Wt. (lb/gal)	Yld (ft3/sack)	H20 (gal/sk)	500# Comp. Strength (hours)	Slurry Description
Surface (Lead)	N/A	N/A	N/A	N/A	N/A	N/A
Surface (Tail)	465	14.8	1.33	6.365	5:26	Class C Cement, Accelerator
Intermediate (Lead)	961	12.9	1.73	8.784	15:26	Pozzolan Cement, Retarder
Intermediate (Tail)	155	14.8	1.33	6.368	7:11	Class C Cement, Accelerator
Production 1st Stage (Lead)	250	13.2	1.38	6.692	17:50	Class H Cement, Retarder, Dispersant, Salt
Production 1st Stage (Tail)	2695	13.2	1.38	6.686	3:49	Class H Cement, Retarder, Dispersant, Salt
2nd Stage Production Lead Slurry to be pumped as Bradenhead Squeeze from surface, down the Production annulus.						
Production 2nd Stage (Tail)	944	12.9	1.872	10.11	21:54	Class C Cement, Accelerator

Casing String	Top (ft)	Bottom (ft)	% Excess
Surface (Lead)	N/A	N/A	N/A
Surface (Tail)	0	434	100%
Intermediate (Lead)	0	3635	50%
Intermediate (Tail)	3635	4135	20%
Production 1st Stage (Lead)	6534	7966	5%
Production 1st Stage (Tail)	7966	23383	5%
Production 2nd Stage (Tail)	0	6534	25%

Contingency Plan:

Casing String	# Sks	Wt. (lb/gal)	Yld (ft3/sack)	H20 (gal/sk)	500# Comp. Strength (hours)	Slurry Description
Surface (Lead)	N/A	N/A	N/A	N/A	N/A	N/A
Surface (Tail)	465	14.8	1.33	6.365	5:26	Class C Cement, Accelerator
Intermediate (Lead)	884	12.9	1.88	10.130	14:22	Pozzolan Cement, Retarder
Intermediate (Tail)	155	14.8	1.33	6.370	12:45	Class C Cement, Accelerator
Intermediate II 1st Stage (Lead)	N/A	N/A	N/A	N/A	N/A	N/A
Intermediate II 1st Stage (Tail)	141	13.2	1.65	8.640	11:54	Class H Cement, Retarder, Dispersant, Salt
Intermediate II 2nd Stage (Tail Slurry) to be pumped as Bradenhead Squeeze from surface, down the Intermediate annulus						
Intermediate II 2nd Stage (Lead)	N/A	N/A	N/A	N/A	N/A	N/A
Intermediate II 2nd Stage (Tail)	360	12.9	1.92	10.410	23:10	Class C Cement, Accelerator
Production (Lead)	N/A	N/A	N/A	N/A	N/A	N/A
Production (Tail)	1060	13.2	1.38	6.686	3:49	Class H Cement, Retarder, Dispersant, Salt

Casing String	Top (ft)	Bottom (ft)	% Excess
Surface (Lead)	N/A	N/A	N/A
Surface (Tail)	0	434	100%
Intermediate (Lead)	0	3635	50%
Intermediate (Tail)	3635	4135	20%
Intermediate II 1st Stage (Lead)	N/A	N/A	N/A
Intermediate II 1st Stage (Tail)	6534	9396	5%
Intermediate II 2nd Stage (Lead)	N/A	N/A	N/A
Intermediate II 2nd Stage (Tail)	0	6534	25%
Production (Lead)	N/A	N/A	N/A
Production (Tail)	8896	23383	20%

*Contingency design will only be employed if Oxy elects to run 7.625" Intermediate II string.

Offline Cementing

Oxy requests a variance to cement the 9.625" and/or 7.625" intermediate casing strings offline in accordance to the approved variance, EC Tran 461365.

The summarized operational sequence will be as follows:

1. Run casing as per normal operations. While running casing, conduct negative pressure test and confirm integrity of the float equipment (float collar and shoe).
2. Land casing.
3. Fill pipe with kill weight fluid, and confirm well is static.
    a. If well is not static notify BLM and kill well.
    b. Once well is static notify BLM with intent to proceed with nipple down and offline cementing.
4. Set and pressure test annular packoff.
5. After confirmation of both annular barriers and internal barriers, nipple down BOP and install cap flange. If any barrier fails to test, the BOP stack will not be nippled down until after the cement job is completed.
6. Skid rig to next well on pad.
7. Confirm well is static before removing cap flange.
8. If well is not static notify BLM and kill well prior to cementing or nippling up for further remediation.
9. Install offline cement tool.
10. Rig up cement equipment.
    a. Notify BLM prior to cement job.
11. Perform cement job.
12. Confirm well is static and floats are holding after cement job.
13. Remove cement equipment, offline cement tools and install night cap with pressure gauge for monitoring.

4. Pressure Control Equipment

BOP installed and tested before drilling which hole?	Size?	Min. Required WP	Type	✓	Tested to:
12.25" Hole	13-5/8"	3M	Annular	✓	70% of working pressure
		3M	Blind Ram	✓	250 psi / 3000 psi
			Pipe Ram		
			Double Ram	✓	
			Other*		
8.5" Hole	13-5/8"	3M	Annular	✓	70% of working pressure
		3M	Blind Ram	✓	250 psi / 3000 psi
			Pipe Ram		
			Double Ram	✓	
			Other*		
6.75" Hole	13-5/8"	3M	Annular	✓	70% of working pressure
		3M	Blind Ram	✓	250 psi / 3000 psi
			Pipe Ram		
			Double Ram	✓	
			Other*		

*Specify if additional ram is utilized.

BOP/BOPE will be tested by an independent service company to 250 psi low and the high pressure indicated above per Onshore Order 2 requirements. The System may be upgraded to a higher pressure but still tested to the working pressure listed in the table above. If the system is upgraded all the components installed will be functional and tested.

Pipe rams will be operationally checked each 24 hour period. Blind rams will be operationally checked on each trip out of the hole. These checks will be noted on the daily tour sheets. Other accessories to the BOP equipment will include a Kelly cock and floor safety valve (inside BOP) and choke lines and choke manifold. See attached schematics.

	Formation integrity test will be performed per Onshore Order #2. On Exploratory wells or on that portion of any well approved for a 5M BOPE system or greater, a pressure integrity test of each casing shoe shall be performed. Will be tested in accordance with Onshore Oil and Gas Order #2 III.B.1.i.	
	A variance is requested for the use of a flexible choke line from the BOP to Choke Manifold. See attached for specs and hydrostatic test chart.	
	Y	Are anchors required by manufacturer?
	A multibowl or a unionized multibowl wellhead system will be employed. The wellhead and connection to the BOPE will meet all API 6A requirements. The BOP will be tested per Onshore Order #2 after installation on the surface casing which will cover testing requirements for a maximum of 30 days. If any seal subject to test pressure is broken the system must be tested. We will test the flange connection of the wellhead with a test port that is directly in the flange. We are proposing that we will run the wellhead through the rotary prior to cementing surface casing as discussed with the BLM on October 8, 2015. See attached schematics.	

BOP Break Testing Request

As per the agreement reached in the Oxy/BLM face-to-face meeting on Feb 22, 2018, Oxy requests permission to allow BOP Break Testing under the following conditions:

- After a full BOP test is conducted on the first well on the pad.
- When skidding to drill an intermediate section that the casing point is either shallower than the 3rd Bone Spring or 10000 TVD.
- Full BOP test will be required prior to drilling any production hole.

5. Mud Program

Depth		Type	Weight (ppg)	Viscosity	Water Loss
From (ft)	To (ft)				
0	434	Water-Based Mud	8.6-8.8	40-60	N/C
434	4135	Saturated Brine-Based Mud	9.8-10.0	35-45	N/C
4135	23383	Water-Based or Oil-Based Mud	8.0-9.6	38-50	N/C

Sufficient mud materials to maintain mud properties and meet minimum lost circulation and weight increase requirements will be kept on location at all times. The following is a general list of products: Barite, Bentonite, Gypsum, Lime, Soda Ash, Caustic Soda, Nut Plug, Cedar Fiber, Cotton Seed Hulls, Drilling Paper, Salt Water Clay, CACL2. Oxy will use a closed mud system.

What will be used to monitor the loss or gain of fluid?	PVT/MD Totco/Visual Monitoring

6. Logging and Testing Procedures

Logging, Coring and Testing.	
Yes	Will run GR from TD to surface (horizontal well – vertical portion of hole). Stated logs run will be in the Completion Report and submitted to the BLM.
No	Logs are planned based on well control or offset log information.
No	Drill stem test? If yes, explain
No	Coring? If yes, explain

Additional logs planned		**Interval**
No	Resistivity	
No	Density	
No	CBL	
Yes	Mud log	ICP - TD
No	PEX	

7. Drilling Conditions

Condition	Specify what type and where?
BH Pressure at deepest TVD	4964 psi
Abnormal Temperature	No
BH Temperature at deepest TVD	160°F

Pump high viscosity sweeps as needed for hole cleaning. The mud system will be monitored visually/manually as well as with an electronic PVT. The necessary mud products for additional weight and fluid loss control will be on location at all times. Appropriately weighted mud will be used to isolate potential gas, oil, and water zones until such time as casing can be cemented into place for zonal isolation.

Hydrogen Sulfide (H2S) monitors will be installed prior to drilling out the surface shoe. If H2S is detected in concentrations greater than 100 ppm, the operator will comply with the provisions of Onshore Oil and Gas Order #6. If Hydrogen Sulfide is encountered, measured values and formations will be provided to the BLM.	
N	H2S is present
Y	H2S Plan attached

8. Other facets of operation

	Yes/No
Will the well be drilled with a walking/skidding operation? If yes, describe. • We plan to drill the three well pad in batch by section: all surface sections, intermediate sections and production sections. The wellhead will be secured with a night cap whenever the rig is not over the well.	Yes
Will more than one drilling rig be used for drilling operations? If yes, describe. • Oxy requests the option to contract a Surface Rig to drill, set surface casing, and cement for this well. If the timing between rigs is such that Oxy would not be able to preset surface, the Primary Rig will MIRU and drill the well in its entirety per the APD. Please see the attached document for information on the spudder rig.	Yes

Total estimated cuttings volume: 2019.6 bbls.

Attachments
_x__ Directional Plan
_x__ H2S Contingency Plan
_x__ Flex III Attachments
_x__ Spudder Rig Attachment
_x__ Premium Connection Specs

9. Company Personnel

Name	Title	Office Phone	Mobile Phone
Linsay Earle	Drilling Engineer	713-350-4921	832-596-5507
Margaret Giltner	Drilling Engineer Supervisor	713-366-5026	210-683-8480
Simon Benavides	Drilling Superintendent	713-522-8652	281-684-6897
Diego Tellez	Drilling Manager	713-350-4602	713-303-4932