

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTOCD-ARTESIA
JUL 17 2009FORM APPROVED
OMB NO. 1004-0135
Expires: November 30, 2000

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE - Other instructions on reverse side

1. Type of Well

☒ Oil Well ☐ Gas Well ☐ Other

2. Name of Operator

OXY USA Inc.

16696

3a. Address

P.O. Box 50250, Midland, TX 79710-0250

3b. Phone No. (include area code)

432-685-5717

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

740 FNL 2310 FEL NWNE(B) Sec 28 T23S R31E

5. Lease Serial No.

NM40659

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.

Pure Gold D Fed 9

9. API Well No.

30-015-35798

10. Field and Pool, or Exploratory Area

Sand Dunes Delaware, West

11. County or Parish, State

Eddy NM

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

☒ Notice of Intent☐ Subsequent Report☐ Final Abandonment Notice

TYPE OF ACTION

☐ Acidize☐ Alter Casing☐ Casing Repair☒ Change Plans☐ Convert to Injection☐ Deepen☐ Fracture Treat☐ New Construction☐ Plug and Abandon☐ Plug Back☐ Production (Start/Resume)☐ Reclamation☐ Recomplete☐ Temporarily Abandon☐ Water Disposal☐ Water Shut-Off☐ Well Integrity☒ Other AmendDrilling Plan

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the final site is ready for final inspection.)

See attached.

SEE ATTACHED FOR
CONDITIONS OF APPROVAL14. I hereby certify that the foregoing is true and correct
Name (Printed/Typed)

David Stewart

Title

Sr. Regulatory Analyst APPROVED

Date

7/6/09

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Title

Date

Conditions of approval, if any, are attached. Approval of this notice 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.

Office

WESLEY W. INGRAM
PETROLEUM ENGINEER

Title 18 U.S.C. Section 1001, and Title 43 U.S.C. Section 1212, makes 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.

**Oxy Permian
Pure Gold D # 9**

**740 FNL 2310 FEL NWNE(B) Sec 28 T23S R31E
Lat 32° 16' 49.9362"N Long 103° 46' 52.3194"W
Eddy County, New Mexico**

DRILLING PROGRAM

1. Geologic Name of Surface Location:

A. Permian

2. Estimated Tops of Geological Markers and Depth of Anticipated Fresh Water, Oil or Gas:

Formation	Depth	Expected Fluid
Rustler	480'	
Top Salt	820'	
Bottom Salt	4012'	
Delaware	4230'	
Bell Canyon	4250'	
Cherry Canyon	5140'	
Brushy Canyon	6340'	
Bone Spring	8060'	Oil
TD	8300'	

Only the target Bone Spring Sands are expected to yield oil or gas in measurable quantities. All freshwater sands will be protected by setting 11 3/4" casing @ 570', 25' into the Rustler formation, and circulating cement. The salt section will be protected by setting 8 5/8" intermediate casing @ 4250', 25' into the Delaware formation, and circulating cement to surface. Production casing will be 5 1/2" and the cement will be circulated to surface.

3. Casing Program. Design criteria and casing load assumptions:

Hole Size	Depth Interval	Casing OD	Weight PPF	Grade	Conn
14 3/4"	0' - 570'	11 3/4"	42	H-40	STC
10 5/8"	0' - 4250'	8 5/8"	32	J-55	LTC
7 7/8"	0' - 8300'	5 1/2"	17	J-55	LTC

All pipe will be new and manufactured to API specs.

see
CNA

Surface Casing

- Tension: A 1.6 design factor utilizing the effects of buoyancy (8.34ppg)
- Collapse: A 1.125 design factor with full internal evacuation and a collapse force equal to the mud gradient in which the casing will be run (0.433 psi/ft). The effects of axial load on collapse will be considered.
- Burst: A 1.2 design factor with a surface pressure equal to the fracture gradient at setting depth less a gas gradient to the surface. Internal burst force at the shoe will be fracture pressure at that depth. Back up pressure will be formation pore pressure.

Intermediate Casing:

- Tension: A 1.6 design factor utilizing the effects of buoyancy (10.0 ppg)
- Collapse: A 1.125 design factor with full internal evacuation, and a collapse force equal to the mud gradient in which the casing will be run (0.478 psi/ft). The effects of axial load on collapse will be considered.
- Burst: A 1.2 design factor with a surface pressure equivalent to the fracture gradient at setting depth less a gradient to the surface to 0.1 psi/ft. Internal burst force at the shoe will be fracture pressure at that depth. Back pressure will be formation pore pressure.

Production Casing:

- Tension: A 1.6 design factor utilizing the effects of buoyancy (8.6 ppg)
- Collapse: A 1.125 design factor with full internal evacuation, and a collapse force equal to the mud gradient in which the casing will be run (0.447 psi/ft). The effects of axial load on collapse will be considered.
- Burst: A 1.2 design factor with a surface pressure equivalent to the fracture gradient at setting depth less a gradient to the surface to 0.1 psi/ft. Internal burst force at the shoe will be fracture pressure at that depth. Back pressure will be formation pore pressure.

4. Cementing Program:

Interval	Amount sx	Ft of Fill	Type	Gal/Sx	PPG	Ft3/sx
Surface (TOC: Surface)						
Lead: 0'-270' (150% Excess)	170	270'	Halliburton Premium Plus + 4% Bentonite, 2% Calcium Chloride, 0.125 pps Poly-E-Flake	9.18	13.5	1.75
Tail 270' – 570 (150% Excess)	270	300'	Halliburton Premium Plus + 2% CaCl ₂	6.39	14.8	1.35

Intermediate (TOC: Surface)						
Lead: 0' – 3,771' (150% Excess)	980	3,771'	Halliburton Light Premium Plus cement + 5 pps Gilsonite, 0.125 pps Poly-E-Flake, 5% Salt	9.57	12.9	1.88
Tail: 3,771' - 4,250' (150% Excess)	200	479'	Halliburton Premium Plus	6.34	14.8	1.33
Two Stage DV Tool @ 4,300' and Circulate Cement to Surface						
Production (TOC: 4,300')						
1st Stage						
Lead: 4,300' – 6,000' (150% Excess)	270	1,700'	Halliburton Interfill H + 5 pps Gilsonite, and 0.125 pps Poly-E-Flake	16.26	11.5	2.80
Tail: 6,000 – 8,300' (100% Excess)	490	2,300'	Halliburton Super H Cement containing 0.5% LAP-1, 0.4% CFR-3, 0.25 pps D-Air 3000, and 5 pps Gilsonite	8.10	13.2	1.66
Production (TOC: Surface)						
2nd Stage						
Lead: 0' – 3,987' (35% Excess)	350	3,987'	Halliburton Interfill C + 0.5% LAP-1, 0.25 pps D-AIR 3000	16.64	11.5	2.79
Tail: 3,987' – 4,300' (150% Excess)	100	313'	Halliburton premium Plus	6.34	14.8	1.33

Cement Summary:

Casing	Hole Size	Interval	TOC	Comp.Strength (24 hrs)
11 3/4" 42# H-40, STC	14 3/4"	0' – 570'	Surface	689 psi Lead 2500 psi Tail
8 5/8" 32# J-55, LTC	10 5/8"	0' – 4,250'	Surface	650 psi Lead 1343 psi Tail
5 1/2" 17# J-55, LTC	7 7/8"	0' – 8,300'	Surface	118 psi Lead 1528 psi Tail

Surface casing will be centralized as per onshore Order 2.III.B.1.f.

Wait on cement time will be 24 hrs, or 500 psi compressive strength whichever is greater.

5. Pressure Control Equipment

Based on the maximum expected BHP of 3500 psi at 8300' TD (MASP= 2670 psi, 7 7/8" hole size), the blowout prevention equipment will have a working pressure rating of 5000 psi (11") and will consist of (1) a double ram blowout preventer (BOP) with the bottom rams as the blinds and the top rams sized for 4 1/2" drill pipe; (2) annular preventer; (3) rotating head; and (4) choke manifold. Both the ram and annular preventer will be hydraulically operated.

The 11" 5000 psi blowout prevention equipment will be installed and operational after setting the 11 3/4" surface casing; the rotating head body will be installed but the rubber will be installed when it becomes operationally necessary.

The BOP and ancillary BOPE will be tested by a third party upon installation to the 11 3/4" surface casing. Using a cup tester, all equipment will be tested to 1386 psi (high) which is 70% of internal yield pressure for the surface casing (11 3/4" H-40 42# LTC) as per Onshore Order 2 related to pressure control on Ram preventer and associated equipment when the BOP stack is not isolated from the casing, and 250 psi (low).

The BOP and ancillary BOPE will be tested by a third party upon installation to the 8 5/8" intermediate casing at 4250'. All equipment will be tested to 5000 psi (high) and 250 psi (low), except the annular will be tested to 70% of its rated working pressure (high) and also to 250 psi (low).

The pipe rams will be functionally tested during each 24 hour period; the blind rams will be functionally tested on each trip out of the hole. These functional tests will be documented on the Daily Driller's Log.

Other accessory equipment (BOPE) will include a safety valve and subs as needed to fit all drill strings, and a 2" kill line and valve.

Request variance to connect BOP outlet to the choke manifold a flex line that is manufactured by Contitech Rubber Industrial KFT. It is a 3" ID X 35' flexible hose rated to 10000psi working pressure. It has been tested to 15000psi and is built to API Spec 16C. Once the flex line is installed, it will be tied down with safety clamps, certification attached.

6. Mud Program

Interval	Type	MW	PV	FL
0 – 570'	FW – Gel Spud	8.4 – 8.8	2-4	NC
570' – 4250'	Brine w/ sweeps	9.8 – 9.9	2-3	NC
4250' – 8000'	Fresh Water/Gel	8.4 – 8.5	1	NC
8000' – 8300'	Fresh Water/Gel	8.5 – 8.6	6-8	15-20

The necessary mud products for weight addition and lost circulation control will be on location at all times.

7. Auxiliary Well Control and Monitoring Equipment:

- A. An upper and lower top drive valve will be in the Top Drive at all times.
- B. A full opening drill pipe safety valve having the correct connections for the string in use will be on the floor at all times.
- C. Hydrogen Sulfide monitoring equipment will be installed and operational before drilling out the surface casing shoe and remain operational until production casing is cemented. A H₂S Contingency Plan was included with the original permit filing.

8. Logging, Coring & Testing Program

A. No drill stem testing is planned.

B. Open Hole Logging

Total Depth to Intermediate Casing Shoe: Dual Laterlog – Microguard, DS Neutron / Spectral Density log with GR and Caliper.

Gamma-Ray Neutron logs shall be run from the base of the Salado formation to the surface. The logs shall be run at a speed which allows the logs to be eligible and no faster than the manufacturer of the logging recommended speed.

C. No conventional coring operations are planned.

9. Potential Hazards

No abnormally high pressured zones are expected. Hydrogen Sulfide is not expected to be encountered in this wellbore, however should this occur operations will comply with the provisions of Onshore Oil and Gas Order No. 6. BLM will be provided measured values and formations.

10. Anticipated Starting Date and Duration of Operations

Road and location construction have been completed. Commencement of operations will be dependent upon the availability of suitable equipment but may begin as early as the second week of July, 2009. Drilling operations are expected to require 19 days from spud to rig release. An additional 30 days may be needed for completion operations and construction of surface production facilities.



30-015-35798

OCD-ARTESIA

SUBMIT IN TP "CATE"
(Other instructions on reverse side)

ATB-02-513
E 11-01-1005
Form approved.
Budget Bureau No. 1004-0136
Expires August 31, 1985

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

C-51

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK
DRILL ☒ DEEPEN ☐ PLUG BACK ☐
b. TYPE OF WELL
OIL WELL ☒ GAS WELL ☐ OTHER ☐
R-111-POTASH SINGLE ZONE ☒ MULTIPLE ZONE ☐

2. NAME OF OPERATOR
POGO PRODUCING COMPANY

3. ADDRESS OF OPERATOR
P.O. BOX 10340, MIDLAND, TEXAS 79702

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)
At surface
740' FNL AND 2310' FEL OF SECTION 28
At proposed prod. zone

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*
CARLSBAD CONTROLLED WATER BASIN
18 MILES EAST OF LOVING, NEW MEXICO

10. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT.
(Also to nearest drlg. unit line, if any)
740'

18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.
1240'

21. ELEVATIONS (Show whether DF, RT, GR, etc.)
3358.5' GR

23. PROPOSED CASING AND CEMENTING PROGRAM

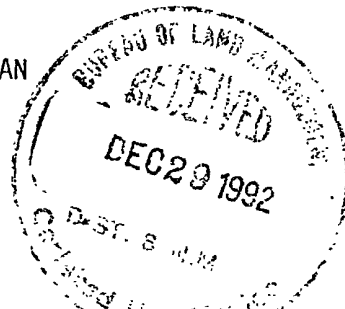
SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH
17-1/2"	13-3/8"	54.5#	550'
11"	8-5/8"	24# & 32#	4100'
7-7/8"	5-1/2"	15.5# & 17#	8300'

5. LEASE DESIGNATION AND SERIAL NO.
NM-40659 SEP 13 2007
OCD-ARTESIA
6. IF INDIAN, ALLOTTEE OR TRIBE NAME
7. UNIT AGREEMENT NAME
8. FARM OR LEASE NAME
PURE GOLD "D"
9. WELL NO.
9
10. FIELD AND POOL, OR WILDCAT
UNDESIGNATED DELAWARE
11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA
SEC. 28, T. 23 S., R. 31 E.
12. COUNTY OR PARISH
EDDY COUNTY
13. STATE
NEW MEXICO
17. NO. OF ACRES ASSIGNED TO THIS WELL
40
20. ROTARY OR CABLE TOOLS
ROTARY
22. APPROX. DATE WORK WILL START*
UPON APPROVAL

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If zone. If proposal is to drill or deepen direction preventer program. If any.

24. SIGNED Richard L. Wright
(This space for Federal or State office use)

If earthen pits are used in association with the drilling of this well, an OCD pit permit must be obtained prior to pit construction.



it productive zone and proposed new productive measured and true vertical depths. Give blowout

TITLE Division Operations Supr. DATE December 23, 1992

NOT RECD: 12/8/92

PERMIT NO. APPROVAL DATE
APPROVED BY Jesse J. Suen TITLE STATE DIRECTOR DATE 9-5-07

CONDITIONS OF APPROVAL, IF ANY:
APPROVAL SUBJECT TO APPROVAL FOR TWO YEARS APPROVAL SUBJECT TO
GENERAL REQUIREMENTS AND GENERAL REQUIREMENTS
SPECIAL STIPULATIONS AND SPECIAL STIPULATIONS

ATTACHED NO. 1004-0136 NO. 1004-0136
*See Instructions On Reverse Side
United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

State of New Mexico

DISTRICT I

1625 N. FRENCH DR., BOBBS, NM 86240

Energy, Minerals and Natural Resources Department

Form C-102

DISTRICT II

1301 W. GRAND AVENUE, ARTESIA, NM 88210

OIL CONSERVATION DIVISION

1220 SOUTH ST. FRANCIS DR.

Santa Fe, New Mexico 87505

Revised October 12, 2005

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

DISTRICT III

1000 Rio Brazos Rd., Aztec, NM 87410

DISTRICT IV

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

WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

API Number	Pool Code 53815	Pool Name Sand Dunes; Delaware, West
Property Code 36735	Property Name PURE GOLD D	Well Number 9
OGRID No. 233194	Operator Name POGO PRODUCING COMPANY	Elevation 3360'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
B	28	23-S	31-E		740	NORTH	2310	EAST	EDDY

Bottom Hole Location If Different From Surface

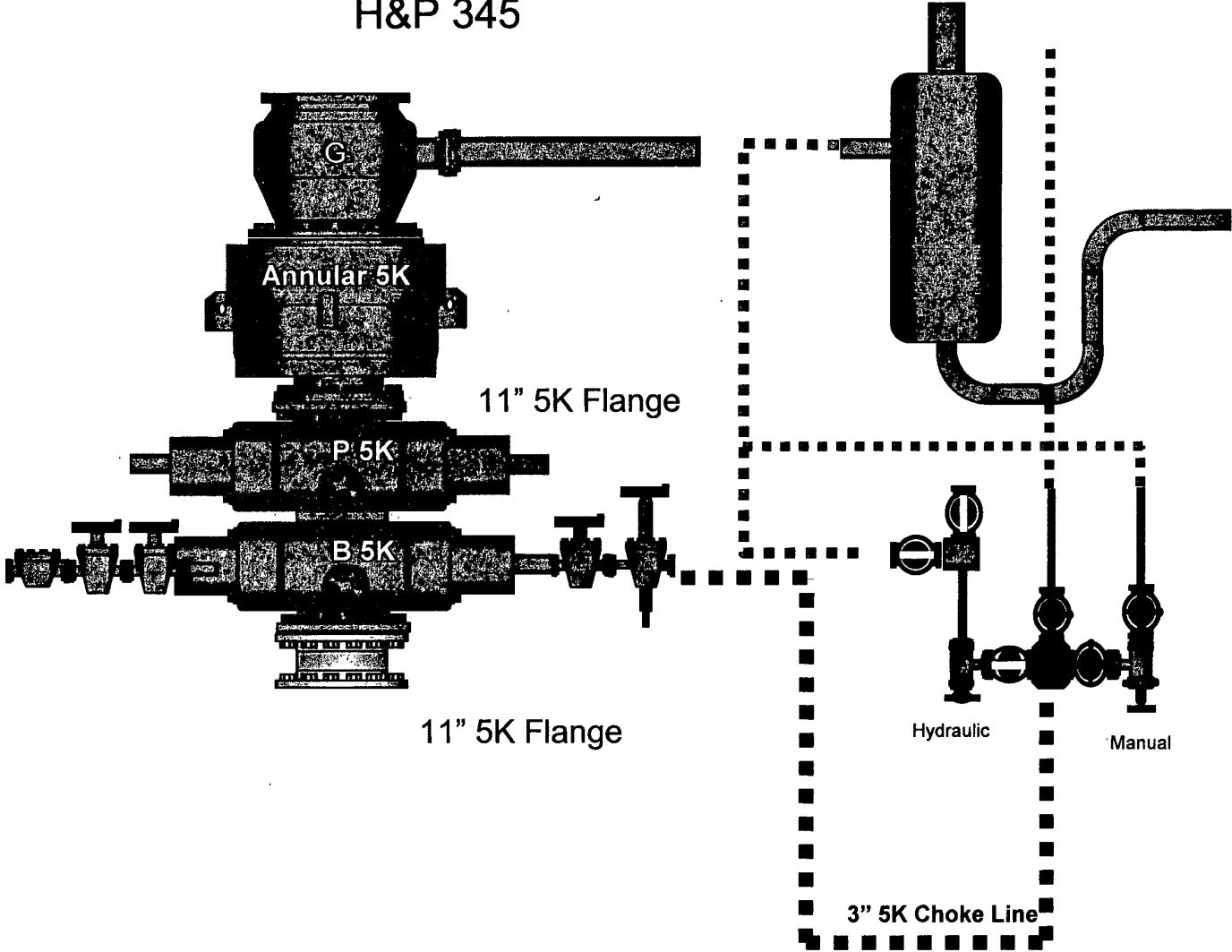
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
40									

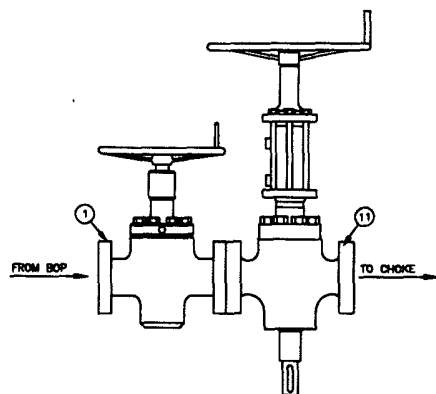
Dedicated Acres	Joint or Infill	Consolidation Code	Order No.
40			

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

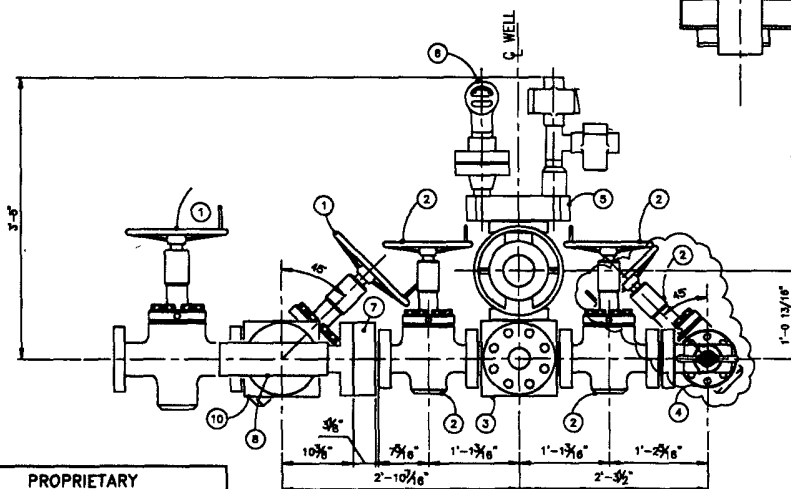
<p>GEODETIC COORDINATES NAD 27 NME</p> <p>Y=466216.3 N X=670636.2 E</p> <p>LAT.=32.280538° N LONG.=103.781200° W</p>		<h3>OPERATOR CERTIFICATION</h3> <p>I hereby certify that the information herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</p> <p><i>[Signature]</i> 6/12/07 Signature Date R. Scott McDaniel Printed Name</p>
		<h3>SURVEYOR CERTIFICATION</h3> <p>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.</p> <p>RONALD J. EIDSON Date Surveyed: 5/16/07 Signature & Seal of Professional Surveyor LA</p> <p>Certificate No. GARY EIDSON 12641 RONALD J. EIDSON 3239</p>

Class III (11" 5K) BOP
H&P 345





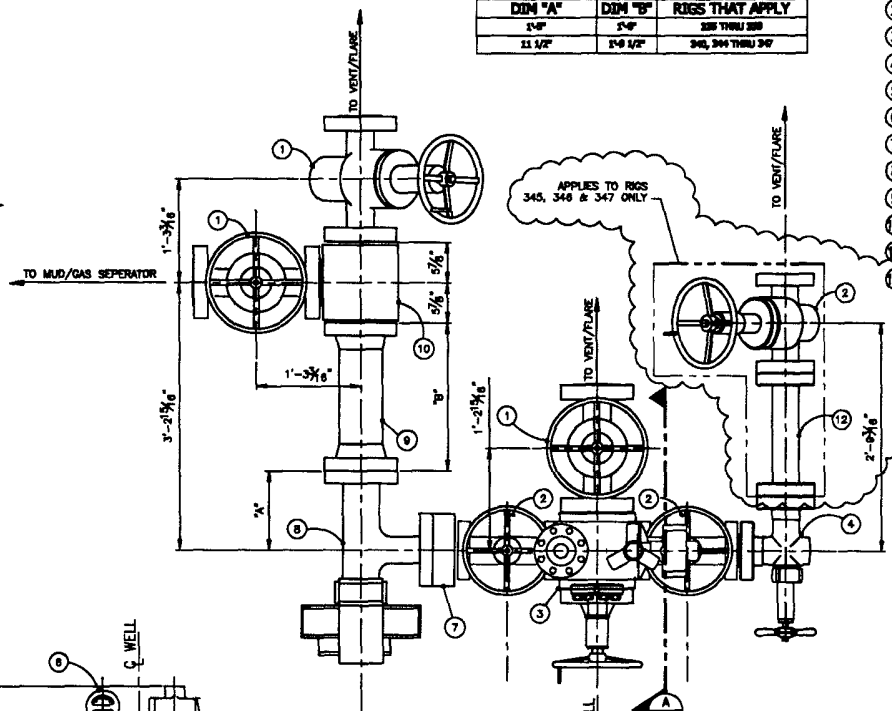
BOP SIDE OUTLET VALVES



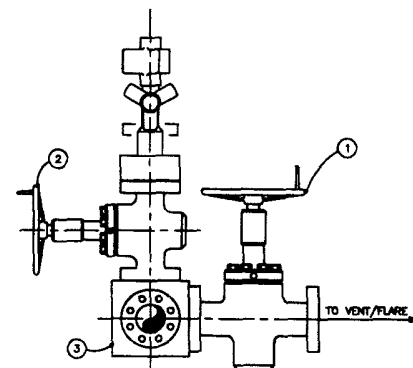
ELEVATION VIEW

DIMENSION NOTATION		
DIM "A"	DIM "B"	RIGS THAT APPLY
2'-0"	2'-0"	335 THRU 339
11 1/2"	2'-0 1/2"	340, 344 THRU 347

- LEGEND**
- ①—3 1/8"-5M FLANGED END GATE VALVE
 - ②—2 1/16"-5M FLANGED END GATE VALVE
 - ③—BLOCK WITH TRANSMITTER FLANGE AND PRESSURE GAUGE
 - ④—2 1/16"-5M ADJUSTABLE CHOKE
 - ⑤—TRANSMITTER FLANGE
 - ⑥—PRESSURE GAUGE
 - ⑦—DSA 2 1/16"-5M x 3 1/16"-10M
 - ⑧—3 1/16"-10M HYDRAULIC CHOKE
 - ⑨—3 1/8"-5M x 3 1/16"-10M SPOOL
 - ⑩—3 1/8"-5M x 3 1/8"-5M STUDDED TEE
 - ⑪—3 1/8"-5M FLANGED END HCR GATE VALVE
 - ⑫—2 1/16"-5M x 2 1/16"-5M SPOOL



PLAN VIEW
CHOKE MANIFOLD



VIEW A-A


ISSUED FOR FABRICATION
October-17-2008
DRAFTSMAN
ENGINEER

PROPRIETARY
THIS DRAWING AND THE DESIGN AND INFORMATION INCLUDED IN THIS DRAWING ARE PROPRIETARY AND ARE NOT TO BE REPRODUCED, DISTRIBUTED OR DISCLOSED IN ANY MANNER WITHOUT THE PRIOR, WRITTEN CONSENT OF A QUALITY AUTHORIZED OFFICER OF HELMERICH & PAYNE INT'L DRILLING CO.

ENGINEERING APPROVAL		DATE	TITLE
			CHOKE MANIFOLD DETAIL ARRANGEMENT
			CUSTOMER: OXY SOUTH AMERICA
			PROJECT: F4M
			DRAWN: JAV
			DATE: 01/07/08
			DRG. NO.: OX-D0079
			SCALE: 1 1/2"=1'
			SHEET: 2 OF
			REV: C

Supplier : CONTITECH RUBBER INDUSTRIAL KFT.
Equipment : 8 pos. Choke and Kill Hose with installed couplings
Type : 3" x 10,67 m WP: 10900 psi
Supplier File Number : 412638
Date of Shipment : April 2008
Customer : Phoenix Beattie Co.
Customer P.o. : 002481
Referenced Standards
/ Codes / Specifications : API Spec 18 C
Serial No.: 52754,52755,52777,52778,52782

We hereby certify that the above Items/equipment supplied by us are in conformity with the terms, conditions and specifications of the above Purchaser Order and that these Items/equipment were fabricated inspected and tested in accordance with the referenced standards, codes and specifications and meet the relevant acceptance criteria and design requirements.

Signed : 
Position: Q.C. Manager

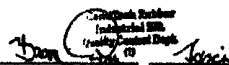
... on the Rainbow
Industrial Mill.
Quality Control Dept.
(6)

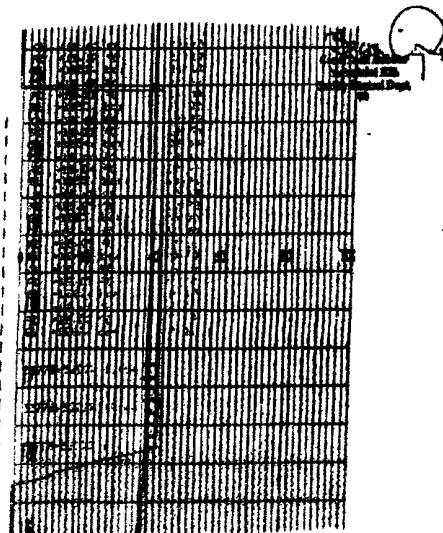
Date: 04. April. 2008

Part No		Description	Material Desc	Material Spec	Qty	Wgt No	Batch No	Test Cert No	Bin No	Dwg No	Issue No
SPR-001-001	1"	1/2" 1/2" 1/2" 1/2" 1/2" 1/2"			1	200	200000		2000		
SPR-001-002	1"	1/2" 1/2" 1/2" 1/2" 1/2" 1/2"			1	200	200000		2000		
SPR-001-003	1"	1/2" 1/2" 1/2" 1/2" 1/2" 1/2"			1	200	200000		2000		
SPR-001-004	1"	1/2" 1/2" 1/2" 1/2" 1/2" 1/2"			1	200	200000		2000		
SPR-001-005	1"	1/2" 1/2" 1/2" 1/2" 1/2" 1/2"			1	200	200000		2000		

We hereby certify that these goods have been inspected by our Quality Management System, and to the best of our knowledge are found to conform to relevant industry standards within the requirements of the purchase order as issued to Phoenix Bettle Corporation.

Osprey

QUALITY CONTROL INSPECTION AND TEST CERTIFICATE				CERT. NO:	748
PURCHASER: Phoenix Beattie Co.				P.O. NO:	002491
CONTITECH ORDER NO: 412838		HOSE TYPE: 3" ID		Choke and Kill Hose	
HOSE SERIAL NO: 52777		NOMINAL / ACTUAL LENGTH:		10,97 m	
W.P. 68,96 MPa 10000 psi		T.P. 103,4 MPa 15000 psi		Deviation: 90 - min.	
<p>Pressure test with water at ambient temperature</p> <p>See attachment (1 page)</p> <p>↑ 10 mpa = 10 MPa → 10 mpa = 25 MPa</p>					
COMPLIANCE					
Type	Serial NO	Quality	Test NO		
3" coupling with 4 1/16" Flange end	917 915	API 4130 API 4130	T7888A 28884		
INFOCHIP INSTALLED			API Spec 18 C Temperature rating: "B"		
All tested parts are finished					
WE CERTIFY THAT THE ABOVE HOSE HAS BEEN MANUFACTURED IN ACCORDANCE WITH THE TERMS OF THE ORDER AND PROBLEMS TESTED AS ABOVE WITH SATISFACTORY RESULT.					
Date:	Inspector:	Quality Control:			
04. April. 2008		 Continental Beattie Industrial SSB Quality Control Dept. 10			



**Phoenix Beattie Corp**

1288 Brittain Park Drive
Houston, TX 77055
Tel: (281) 327-6565
Fax: (281) 327-6566
E-mail: info@phoenixbeattie.com
www.phoenixbeattie.com

Form No 100/12

Delivery Note

Customer Order Number	375-369-001	Delivery Note Number	763676	Page	1
Customer / Invoice Address HELMERICH & PAYNE INT'L DRILLING CO 1407 SOUTH BOULDER TULSA, OK 74119		Delivery / Address HELMERICH & PAYNE LLC ATTN: JOE STEPHENSON - R36 376 13600 INDUSTRIAL ROAD HOUSTON, TX 77055			

Customer Acc No	Phoenix Beattie Contract Manager	Phoenix Beattie Reference	Date
001	J.L.	006338	05/23/2008

Item No	Beattie Part Number / Description	Qty Ordered	Qty Sent	Qty To Follow
1	HP10003A-35-4F1 3" 10K 10C C&K NOSE x 35PC OIL ON 4.1/16" API SPEC FLANGE E/ End 1: 4.1/16" 100psi API Spec 6A Type 6BX Flange End 2: 4.1/16" 100psi API Spec 6A Type 6BX Flange c/w 80155 Standard ring groove at each end Suitable for HES Service Working pressure: 10,000psi Test pressure: 12,000psi Standard: API 10C Full specification Armor Guarding: Included Fire Rating: Not Included Temperature rating: -29 Deg C to +100 Deg C	1	1	0
2	SE2K3-APPB LIFTING & SAFETY EQUIPMENT TO SUIT HP10003-35-F1 2 x 150mm ID Safety Clamps 2 x 24mm ID Lifting Collars & element C's 2 x 7/8 Stainless Steel wire rope 3/4" OD 4 x 7/8 Shockies	1	1	0
3	SC726-206C3 SAFETY CLAMP 200MM 7 2ST C/S GALVANIZED	1	1	0

**Phoenix Beattie Corp**

1288 Brittain Park Drive
Houston, TX 77055
Tel: (281) 327-6565
Fax: (281) 327-6566
E-mail: info@phoenixbeattie.com
www.phoenixbeattie.com

Form No 100/12

Delivery Note

Customer Order Number	375-369-001	Delivery Note Number	006376	Page	2
Customer / Invoice Address HELMERICH & PAYNE INT'L DRILLING CO 1407 SOUTH BOULDER TULSA, OK 74119		Delivery / Address HELMERICH & PAYNE LLC ATTN: JOE STEPHENSON - R36 376 13600 INDUSTRIAL ROAD HOUSTON, TX 77055			

Customer Acc No	Phoenix Beattie Contract Manager	Phoenix Beattie Reference	Date
001	J.L.	006338	05/23/2008

Item No	Beattie Part Number / Description	Qty Ordered	Qty Sent	Qty To Follow
4	SC726-130C3 SAFETY CLAMP 130MM 7 2ST C/S GALVANIZED C/W BOLTS	1	1	0
5	00002T-40000 HYDROSTATIC PRESSURE TEST CERTIFICATE	1	1	0
6	00002T-10000 LOAD TEST CERTIFICATES	1	1	0
7	00002T-10000 UNLOADING / OUTLOADING FREIGHT PRE-PAY & ADD TO FINAL INVOICE NOTE: MATERIAL MUST BE ACCOMPANIED BY PAPERWORK INCLUDING THE PURCHASE ORDER, RUN NUMBER TO ENSURE PROPER PAYMENT	1	1	0

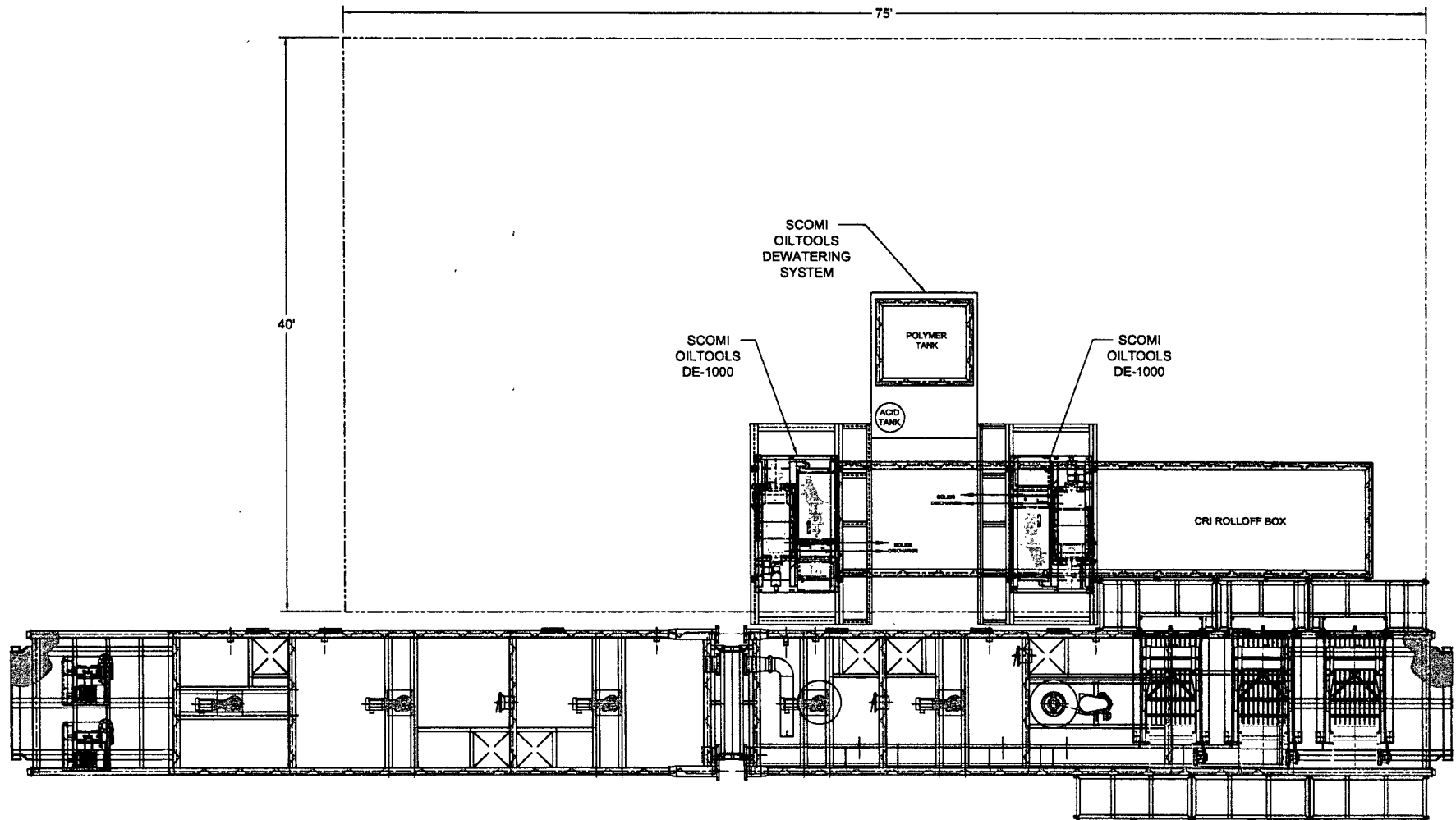
Phoenix Beattie Inspection Signature: 

Received in Good Condition: Signature

Date

All goods remain the property of Phoenix Beattie until paid for in full. Any damage or shortage on this delivery must be advised within 6 days.
Returns may be subject to a handling charge.

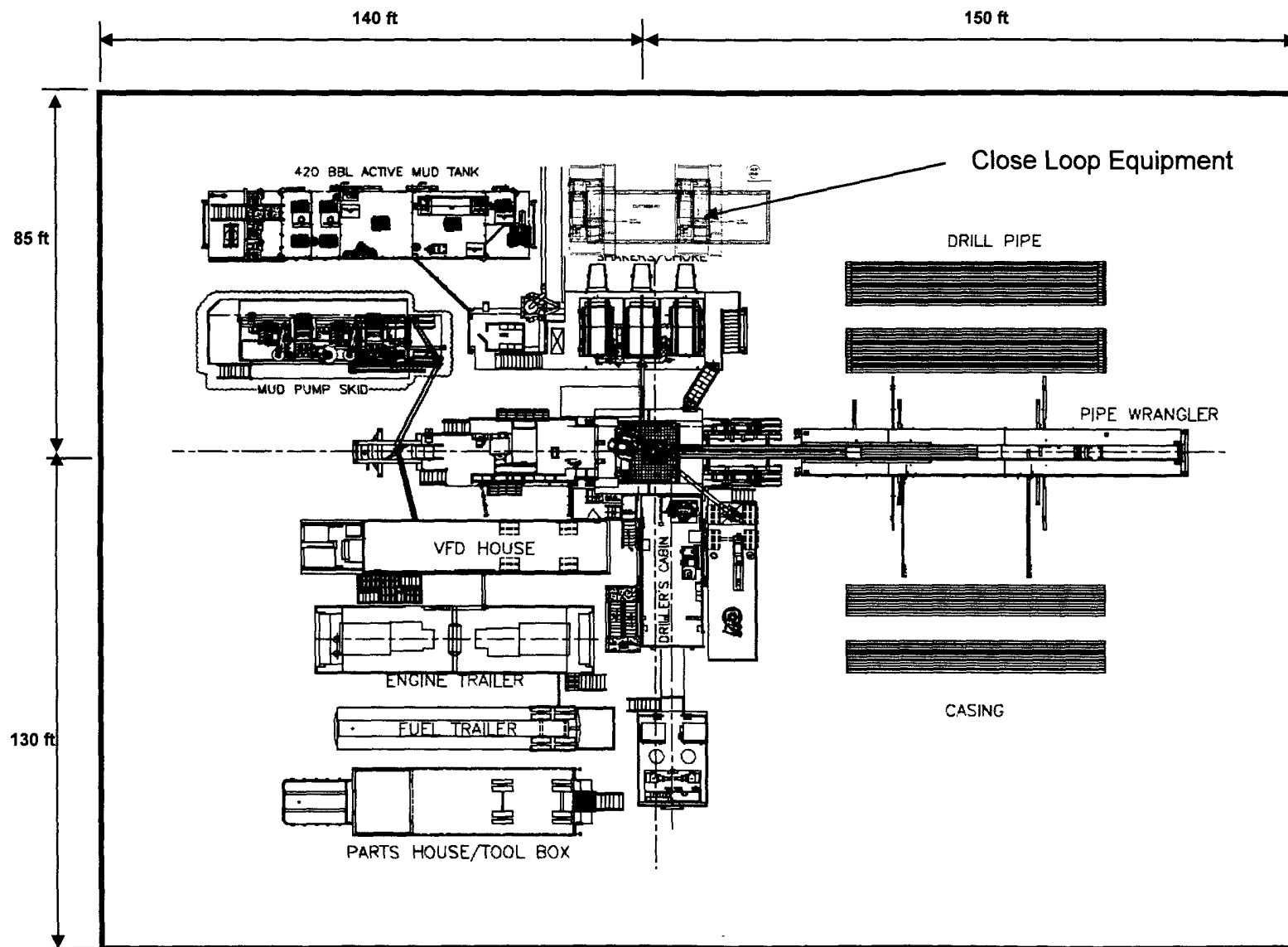
BILL OF MATERIAL			
ITEM	QTY.	DESCRIPTION	LENGTH
WEIGHT			



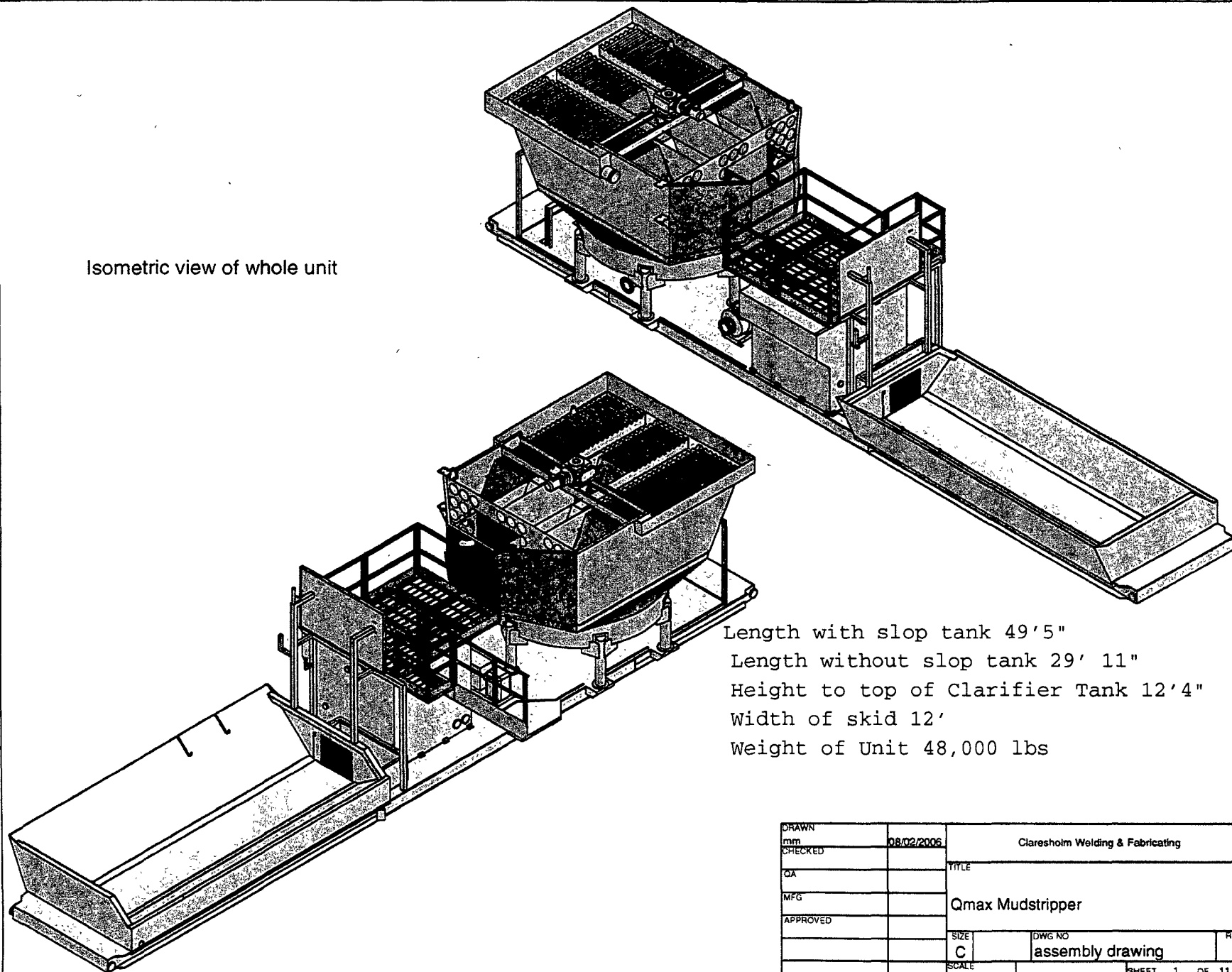
					1. ALL STRUCTURAL MATERIAL SHALL BE ASTM - A36. 2. ALL PIPE SCH. 40 MATERIAL, SA 105 OR B. 3. ALL FLANGES SHALL BE SCH. 150B & MATERIAL, SA 105. 4. ALL FITTINGS SCH. 40 MATERIAL SHALL BE SA 234 OR WPB. 5. TANK FABRICATION SHALL BE IN ACCORDANCE WITH API-650.					TITLE : CLOSED LOOP SYSTEM BASIC LAYOUT AND TIE IN OXY - H&P - FLEX RIGS		Scomi 801 N. Main Street, Porterville, Calif. 95667 Berkeley, Calif. 94709 PHONE: (916) 838-0515, FAX: (916) 838-0509	
The design, information and disclosures on this drawing or copies are the exclusive confidential property of Scomi International Limited and are not to be reproduced or disclosed to others by any means, in any form, or transmitted, or loaned into a machine language or used for manufacture or other purpose without the written permission of Scomi International Limited. In receipt of such permission, solely and directly for the purposes intended. This drawing and any copies shall be returned to Scomi International Limited upon request.					DRAWN BY PDL		DATE 10/30/08		CHECKED BY DATE		JOB NO. 521S-014		
					APPROVED DATE		SCALE NTS		ACID USED D		REV.		

OXY FLEX IV PAD (Closed Loop System)

Revised 05/14/2009

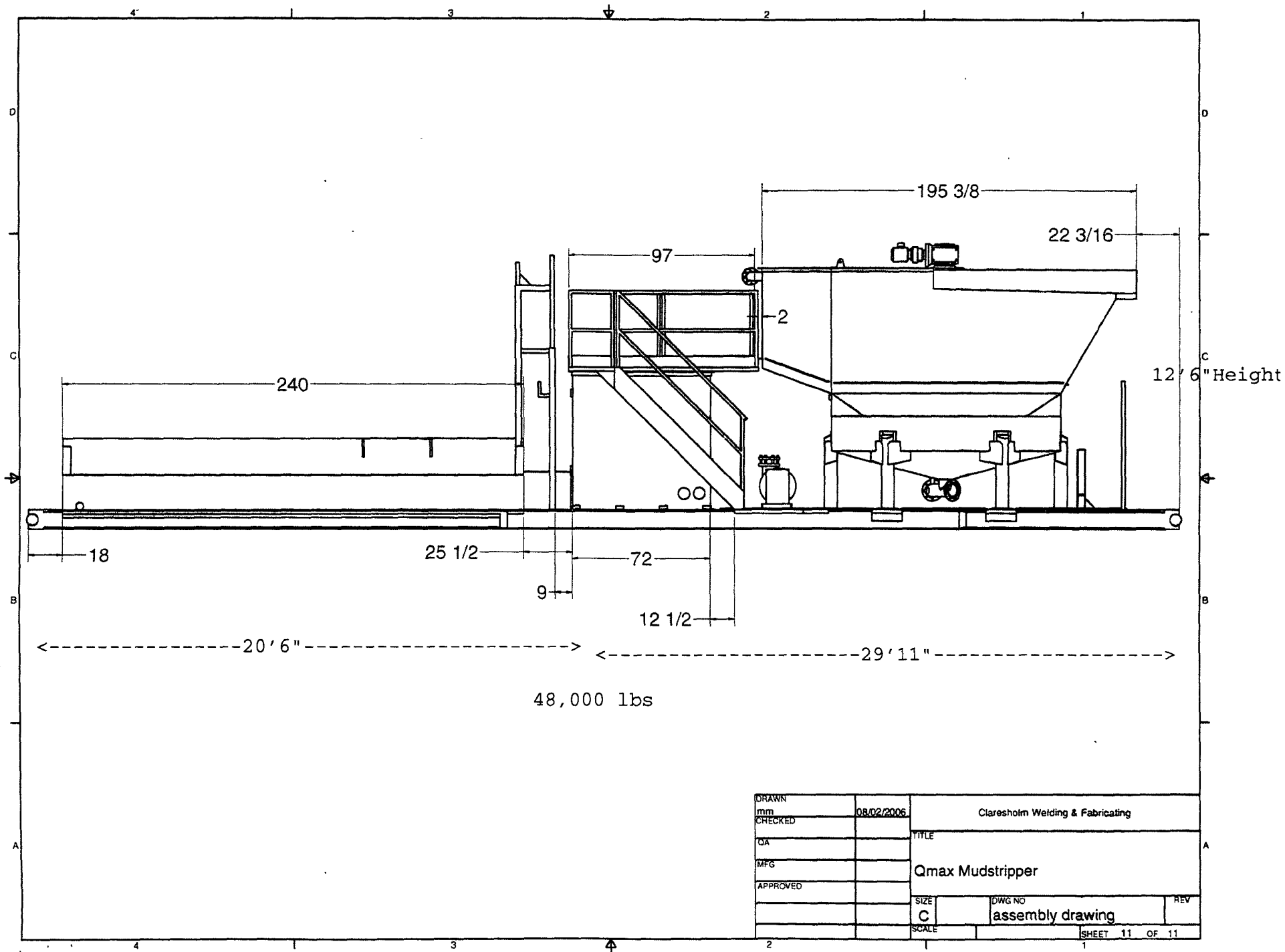


Isometric view of whole unit



Length with slop tank 49' 5"
 Length without slop tank 29' 11"
 Height to top of Clarifier Tank 12' 4"
 Width of skid 12'
 Weight of Unit 48,000 lbs

DRAWN		Claresholm Welding & Fabricating	
mm	08/02/2006		
CHECKED		TITLE	
QA		Qmax Mudstripper	
MFG			
APPROVED		SIZE	DWG NO
		C	assembly drawing
		SCALE	REV



PECOS DISTRICT CONDITIONS OF APPROVAL

OPERATOR'S NAME:	OXY USA, Inc.
LEASE NO.:	NMNM-40659
WELL NAME & NO.:	Pure Gold D Fed #9
SURFACE HOLE FOOTAGE:	0740' FNL & 2310' FEL
LOCATION:	Section 28, T. 23 S., R 31 E., NMPM
COUNTY:	Eddy County, New Mexico

I. DRILLING

A. DRILLING OPERATIONS REQUIREMENTS

The BLM is to be notified a minimum of 4 hours in advance for a representative to witness:

- a. Spudding well
- b. Setting and/or Cementing of all casing strings
- c. BOPE tests

☒ **Eddy County**

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

1. **Although there are no measured amounts of Hydrogen Sulfide reported, it is always a potential hazard. If Hydrogen Sulfide is encountered, please provide measured values and formations to the BLM.**
2. 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.
3. 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.
4. **Gamma-Ray/Neutron logs shall be run from the base of the Salado formation to the surface. The logs shall be run at a speed which allows the logs to be legible and no faster than manufacturer of the logging tools recommended speed. (R-111-P area only)**

B. CASING

Changes to the approved APD casing and cement program require submitting a sundry and receiving approval prior to work. Failure to obtain approval prior to work will result in an Incident of Non-Compliance being issued.

Centralizers required on surface casing per Onshore Order 2.III.B.1.f.

Wait on cement (WOC) time for a primary cement job will be a minimum 18 hours for a water basin, 24 hours in the potash area, or 500 pounds compressive strength, whichever is greater for all casing strings. Provide compressive strengths including hours to reach required 500 pounds compressive strength prior to cementing each casing string. See individual casing strings for details regarding lead cement slurry requirements.

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

Possible lost circulation in the Delaware and Bone Spring formations.

Possible water flows in the Salado, Castile, Delaware, and Bone Spring formations.

1. The 11-3/4 inch surface casing shall be set at approximately 570 feet (a minimum of 25 feet 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 a surface log readout will be used or a cement bond log shall be run to verify the top of the cement.
 - b. **Wait on cement (WOC) time for a primary cement job is to include the lead cement slurry.**
 - 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 **8-5/8** inch intermediate casing **(which is to be set in the Lamar Limestone, a minimum of 100' and not more than 600' below the salt)** is:

- ☒ 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 potash.

Formation below the 8-5/8" shoe to be tested according to Onshore Order 2.III.B.1.i. Test to be done as a mud equivalency test using the mud weight necessary for the pore pressure of the formation below the shoe (not the mud weight required to prevent dissolving the salt formation) and the mud weight for the bottom of the hole. Report results to BLM office.

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

- a. First stage to DV tool, cement shall:

- ☒ Cement to circulate. If cement does not circulate, contact the appropriate BLM office, before proceeding with second stage cement job.

- b. Second stage above DV tool, cement shall:

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

4. 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.
5. Whenever a casing string is cemented in the R-111-P potash area, the NMOCD requirements shall be followed.

C. 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. **Variance approved to use flex line from BOP to choke manifold. Check condition of 3" x 35' 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.**

3. Minimum working pressure of the blowout preventer (BOP) and related equipment (BOPE) required for drilling below the surface casing shoe shall be **2000 (2M) psi. Pressure test to 1386 psi (70%) by third party is approved.**
4. Minimum working pressure of the blowout preventer (BOP) and related equipment (BOPE) required for drilling below the **8-5/8"** intermediate casing shoe shall be **5000 (5M) psi. 5M 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.**
5. The appropriate BLM office shall be notified a minimum of 4 hours in advance for a representative to witness the tests.
 - a. The tests shall be done by an independent service company. **Operator to submit copies of test done for each casing string with the subsequent sundry detailing the casing/cementing details.**
 - b. The results of the test shall be reported to the appropriate BLM office.
 - c. 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.
 - d. 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.
 - e. **Effective November 1, 2008, no variances will be granted on reduced pressure tests on the surface casing and BOP/BOPE. Onshore Order 2 requirements will be in effect.**

D. DRILL STEM TEST

If drill stem tests are performed, Onshore Order 2.III.D shall be followed.

WWI 071109