

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1a. TYPE OF WORK

DRILL ☒

DEEPEN ☐

b. TYPE OF WELL

OIL
WELL ☐

GAS
WELL ☒

OTHER

SINGLE
ZONE ☒

MULTIPLE
ZONE ☐

2. NAME OF OPERATOR

OXY USA Inc.

16696

3. ADDRESS AND TELEPHONE NO.

P.O. BOX 50250 MIDLAND, TX 79710-0250

915-685-5717

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)*

At surface

1980 FNL 660 FWE SENE(H)

At proposed prod. zone

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*

8 miles southeast from Artesia, NM

15. DISTANCE FROM PROPOSED*

LOCATION TO NEAREST

PROPERTY OR LEASE LINE, FT.

(Also to nearest drlg. unit line, if any)

660'

16. NO. OF ACRES IN LEASE

320

17. NO. OF ACRES ASSIGNED

TO THIS WELL

320

18. DISTANCE FROM PROPOSED LOCATION*

TO NEAREST WELL, DRILLING, COMPLETED,

OR APPLIED FOR, ON THIS LEASE, FT.

N/A

19. PROPOSED DEPTH

9800'

20. ROTARY OR CABLE TOOLS

Rotary

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

3515'

22. APPROX. DATE WORK WILL START*

5/1/98

23. PROPOSED CASING AND CEMENTING PROGRAM CONTROLLED WATER BASIN

SIZE OF HOLE	GRADE, SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
17-1/2"	13-3/8" H40	48#	400'	420sx - circulated
11"	8-5/8" K55	24#	1800'	515sx - circulated
7-7/8"	4-1/2" N80	11.6#	9800'	642sx - Est TOC 6000'

SEE OTHER SIDE

APPROVAL SUBJECT TO
GENERAL REQUIREMENTS AND
SPECIAL STIPULATIONS
ATTACHED

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24.

SIGNED

David Stewart

TITLE

DAVID STEWART

REGULATORY ANALYST

DATE

4/14/98

(This space for Federal or State office use)

PERMIT NO.

APPROVAL DATE

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:

(ORIG 300) JOHN B. SIMITZ

ADM MINERALS

APPROVED BY

TITLE

Academy

DATE

5-20-98

*See Instructions On Reverse Side

ATTACHMENT 3160-3
OXY USA Inc.
OXY Duke Federal #1
SEC 13 T17S R27E
Eddy County, NM

PROPOSED TD: 9800' TVD

BOP PROGRAM: 0' - 400' None

400'-1800' 13-3/8" 5M blind and pipe rams with 5M annular preventer.

1800'-9800' 13-3/8" 5M blind and pipe rams with 5M annular preventer and rotating head below 8500'.

CASING: 13-3/8" 48# H40 ST&C casing @ 400'. 17-1/2" hole.

8-5/8" 24# K55 ST&C casing @ 1800'. 11" hole.

4-1/2" 11.6# N80 LT&C casing @ 9800'. 7-7/8" hole.

CEMENT: Surface - Circulate cement with 220sx 35:65 POZ/Class C with 6% gel + 2% CaCl₂ + 0.25 #/sx Cello-Seal and 200sx Class C with 2% CaCl₂.

Intermediate - Circulate cement with 315sx 35:65 POZ/Class C with 6% gel + 5% salt + 0.25 #/sx Cello-Seal and 200sx Class C with 2% CaCl₂.

Production - Cement with 642sx Super C Modified cement with 0.5#/sx FL-25 + 0.2 #/sx CD-32 + 0.5 #/sx gilsonite. Estimated top of cement is 6000'. Cement volumes may be adjusted to hole caliper.

MUD: 0' - 400' FW/Native Mud. Lime for pH control (9-10). Paper for seepage. Wt. 8.7-9.2ppg, vis 32-34sec.

400' - 1800' Brine water. Caustic for pH control (10-10.5). Paper for seepage. Wt. 10-10.1ppg, vis 28-29sec.

1800' - 6300' Fresh water. Caustic for pH control (9-9.5). Paper for seepage. Wt. 8.4ppg, vis 28-29sec

6300' - 9000' Cut brine. Caustic for pH control (10-10.5). Wt. 9.2-9.4ppg, vis 28-29sec

9000' - 9800' Mud up with a XCD Polymer system Wt. 9-9.6ppg, vis 32-34sec WL 8cc.