

OXY USA INC.  
Lucky Dog St. #1  
Eddy Co., NM

STATE OF NEW MEXICO  
DEVIATION REPORT

|       |       |
|-------|-------|
| 215   | 1/2   |
| 276   | 1     |
| 632   | 1     |
| 1,014 | 1-1/4 |
| 1,300 | 1     |
| 1,748 | 1     |
| 2,226 | 1     |
| 2,701 | 1     |
| 3,176 | 3/4   |
| 3,571 | 3/4   |
| 3,718 | 1/4   |
| 4,161 | 1/4   |
| 4,637 | 1/2   |
| 5,112 | 3/4   |
| 5,526 | 1/2   |
| 6,001 | 3/4   |
| 6,183 | 1/4   |
| 6,653 | 1/2   |
| 7,129 | 3/4   |
| 7,606 | 1     |
| 7,944 | 1     |
| 8,438 | 1     |
| 8,650 | 1     |
| 8,941 | 2-1/4 |

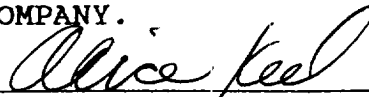


By: Ray Peterson

STATE OF TEXAS

COUNTY OF MIDLAND

The foregoing instrument was acknowledged before me  
this 15th day of March, 1999, by RAY PETERSON  
on behalf of PETERSON DRILLING COMPANY.



Notary Public for Midland

My Commission Expires: 8/2/2000 County, Texas

Submit 3 Copies To Appropriate District Office  
District I  
1625 N. French Dr., Hobbs, NM 87240  
District II  
811 South First, Artesia, NM 87210  
District III  
1000 Rio Brazos Rd., Aztec, NM 87410  
District IV  
2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico  
Energy, Minerals and Natural Resources

Form C-103  
Revised March 25, 1999

cl 51  
up

OIL CONSERVATION DIVISION  
2040 South Pacheco  
Santa Fe, NM 87505

|                                                                                                     |
|-----------------------------------------------------------------------------------------------------|
| WELL API NO.<br>30-015- 30576                                                                       |
| 5. Indicate Type of Lease<br>STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/> |
| 6. State Oil & Gas Lease No.<br>UA-1417                                                             |
| 7. Lease Name or Unit Agreement Name:<br>OXY Lucky Dog State                                        |
| 8. Well No.<br>1                                                                                    |
| 9. Pool name or Wildcat<br>Unders Crow Flats Morrow                                                 |

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

|                                                                                                          |
|----------------------------------------------------------------------------------------------------------|
| 1. Type of Well:<br>Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other |
| 2. Name of Operator ✓<br>OXY USA Inc. 16696                                                              |
| 3. Address of Operator<br>P.O. BOX 50250 MIDLAND, TX 79710-0250                                          |
| 4. Well Location                                                                                         |

Unit Letter N : 660 feet from the South line and 2080 feet from the West line  
Section 33 Township 16S Range 27E NMPM EDDY County

10. Elevation (Show whether DR, RKB, RT, GR, etc.)  
3367'

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

NOTICE OF INTENTION TO:

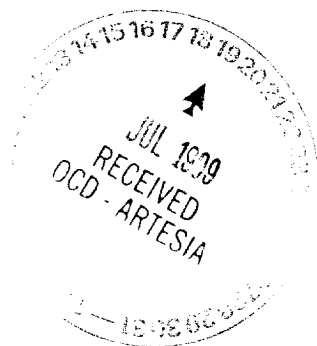
|                                                |                                              |
|------------------------------------------------|----------------------------------------------|
| PERFORM REMEDIAL WORK <input type="checkbox"/> | PLUG AND ABANDON <input type="checkbox"/>    |
| TEMPORARILY ABANDON <input type="checkbox"/>   | CHANGE PLANS <input type="checkbox"/>        |
| PULL OR ALTER CASING <input type="checkbox"/>  | MULTIPLE COMPLETION <input type="checkbox"/> |
| OTHER: <input type="checkbox"/>                |                                              |

SUBSEQUENT REPORT OF:

|                                                              |                                               |
|--------------------------------------------------------------|-----------------------------------------------|
| REMEDIAL WORK <input type="checkbox"/>                       | ALTERING CASING <input type="checkbox"/>      |
| COMMENCE DRILLING OPNS. <input type="checkbox"/>             | PLUG AND ABANDONMENT <input type="checkbox"/> |
| CASING TEST AND CEMENT JOB <input type="checkbox"/>          |                                               |
| OTHER: <u>Completion</u> <input checked="" type="checkbox"/> |                                               |

12. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompilation.

See Attached



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

SIGNATURE David Stewart TITLE REGULATORY ANALYST DATE 7/16/99

Type or print name DAVID STEWART Telephone No. 915-685-5717  
(This space for State use)

APPROVED BY For Record Only TITLE \_\_\_\_\_ DATE \_\_\_\_\_  
Conditions of approval, if any:

ATTACHMENT C-103  
 OXY USA INC.  
 OXY LUCKY DOG STATE #1  
 SEC 33 T16S R27E  
 EDDY COUNTY, NM

MIRU PU 4/14/99, RIH & TAG @ 8898', DO TO 8948', POOH, CHC, RDPU 4/15/99.  
 MIRU PU 4/19/99, RIH W/ TCP GUNS (8792'), BAKER LS PKR (8634') & 2-3/8" TBG @ 8647'. DROP BAR & PERF MORROW W/ 1 SPF @ 8790-8792 & 4SPF @ 8674-8680', TOTAL 31 HOLES. GAS TO SURFACE IN 3min, SITP-2700#, OPEN WELL TO PIT ON 13/64CHK @ 2500#, CLEANED UP IN 2½hrs W/ 2800#-FTP. 14hr-SITP-2950#, FLOW TEST TO PIT FOR 8hrs ON 15/64CHK @ 2650#-FTP. RDPU 4/22/99, SI WOPL. PWOL 5/6/99, AND TEST AS FOLLOWS:

| <u>HRS</u> | <u>FTP</u> | <u>GAS</u> | <u>OIL</u> | <u>WATER</u> | <u>CHOKE</u> |
|------------|------------|------------|------------|--------------|--------------|
| 24         | 2900       | 2049       | 40         | 0            | 15/64        |
| 24         | 2500       | 1964       | 29         | 0            | 16/64        |
| 24         | 2500       | 2597       | 30         | 0            | 16/64        |
| 24         | 2500       | 2812       | 30         | 0            | 16/64        |
| 24         | 2500       | 2909       | 44         | 2            | 16/64        |
| 24         | 2500       | 2917       | 35         | 0            | 16/64        |
| 24         | 2500       | 2908       | 38         | 0            | 16/64        |
| 24         | 2500       | 2906       | 35         | 0            | 16/64        |
| 24         | 2500       | 2890       | 35         | 0            | 16/64        |
| 24         | 2450       | 2872       | 35         | 0            | 16/64        |
| 24         | 2450       | 2885       | 35         | 0            | 16/64        |
| 24         | 2450       | 2865       | 34         | 0            | 16/64        |
| 24         | 2450       | 2852       | 39         | 0            | 16/64        |
| 24         | 2450       | 2859       | 45         | 0            | 16/64        |
| 24         | 2450       | 2868       | 28         | 2            | 16/64        |
| 24         | 2450       | 2865       | 44         | 0            | 16/64        |
| 24         | 2450       | 2675       | 22         | 0            | 16/64        |
| 24         | 2600       | 2768       | 40         | 0            | 14/64        |
| 24         | 2450       | 2943       | 32         | 0            | 14/64        |
| 24         | 2900       | 2937       | 42         | 2            | 14/64        |
| 24         | 2800       | 2989       | 35         | 0            | 14/64        |
| 24         | 2650       | 2976       | 33         | 0            | 14/64        |
| 24         | 2450       | 2712       | 34         | 0            | 14/64        |
| 24         | 2450       | 2796       | 35         | 0            | 14/64        |
| 24         | 2450       | 2785       | 37         | 0            | 14/64        |
| 24         | 2450       | 2760       | 32         | 0            | 14/64        |
| 24         | 2450       | 2748       | 27         | 2            | 14/64        |
| 24         | 2350       | 2737       | 40         | 0            | 14/64        |
| 24         | 2350       | 3097       | 40         | 0            | 17/64        |
| 24         | 2300       | 3243       | 31         | 0            | 17/64        |
| 24         | 2300       | 3080       | 38         | 2            | 17/64        |
| 24         | 2300       | 3008       | 42         | 0            | 17/64        |
| 24         | 2300       | 2970       | 40         | 0            | 17/64        |
| 24         | 2330       | 2979       | 38         | 2            | 17/64        |
| 24         | 2350       | 2965       | 33         | 0            | 17/64        |
| 24         | 2350       | 2938       | 29         | 2            | 17/64        |
| 24         | 2350       | 2911       | 31         | 0            | 17/64        |
| 24         | 2350       | 2878       | 32         | 0            | 17/64        |
| 24         | 2350       | 2848       | 33         | 0            | 17/64        |
| 24         | 2350       | 2858       | 37         | 0            | 17/64        |
| 24         | 2350       | 2832       | 30         | 0            | 17/64        |
| 24         | 2350       | 2800       | 23         | 0            | 17/64        |

6/18-6/21/99, RIH W/ BHP BOMBS, TAKE FLOW GRADIENTS, SIW FOR 4-PT TEST.  
 6/21/99 RUN 4-PT TEST AND CONTINUE TO TEST.

| <u>HRS</u>                        | <u>FTP</u> | <u>GAS</u> | <u>OIL</u> | <u>WATER</u> | <u>CHOKE</u> |
|-----------------------------------|------------|------------|------------|--------------|--------------|
| 24                                | 2550       | 1181       | 20         | 0            | 8/64         |
| 24                                | 2500       | 1533       | 16         | 0            | 9/64         |
| 24                                | 2500       | 1637       | 22         | 0            | 9/64         |
| 24                                | 2500       | 2115       | 20         | 0            | 10/64        |
| 24                                | 2500       | 2017       | 18         | 0            | 10/64        |
| 24                                | 2500       | 2211       | 20         | 0            | 10/64        |
| 24                                | 2500       | 2081       | 25         | 4            | 10/64        |
| 24                                | 2450       | 2066       | 20         | 0            | 12/64        |
| 24                                | 2400       | 2620       | 22         | 0            | 12/64        |
| NMOC D POTENTIAL TEST - 7/2/99    |            |            |            |              |              |
| 24                                | 2400       | 2706       | 38         | 2            | 12/64        |
| CAOF- 6612MCFD      GAS GRAV-.630 |            |            |            |              |              |