Form 3160-3 (July 1992)

CONDITIONS OF APPROVAL, IF ANY:

(68)G, 8940.0 % LEMP 4 1 2 12

JUBMIT IN TRIPLICATE. UNITED STATES ACREET INSTRUCTIONS ON TEVERSE Side

N. M. O'CONE DISSION

FORM APPROVED OMB NO. 1004-0136

Expires: February 28, 1995

FEB 22 2000

BUREAU OF LAND MANAGEMENT									5. LEASE DESIGNATION AND SERIAL NO LCOS6302A029438A			
A. TYPE OF WORK	LL 🔀		DEEPEN					T. UNIT AGREE	MENT NA	W.P.		
DRI). Tipe of well	ILL LX		DEEPEN	_				1		== 1 /~∵⊃ ==		
A.:	ELL X	THER	•		NGLE X	MULTIPI	E	8. FARM OR LEASE	NAME WELL	<u> </u>		
MAME OF OPERATOR	<u> </u>	1658			<u> </u>	ZONE		OXY Liber		_		
OXY USA Inc. 16696							6	9. AT WELL NO				
3. ADDRESS AND TELEPHONE NO.								30-015- 30979				
P.O. BOX 50250 MIDLAND, TX 79710-0250 915-685-5717									10. FIELD AND POOL, OR WILDCAT			
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.*) At wursace									Undesignated Morrow			
880 FSL 1140 FEL SESE (P)									11. SEC., T., B. M., OR BLE. AND SPEVET OR AREA			
At proposed prod. sone								Sec 35 T16S R31E				
·					- renimor	row. N	IE -	1				
DIRTANCE IN MILES				OFFIC	* '	3 -		12. COUNTY OR	PARISH	13. STATE		
6 miles	north of I	oco Hi	lls, NM	10 -				EDDY	<u> </u>	NM		
S. DISTANCE FROM PROPOSED LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drig, unit line, if any) S. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL. DRILLING, COMPLETED. OR APPLIED FOR, ON THIS LEASE, FT. 21. ELEVATIONS (Show whether DF, RT, GR, etc.)			((2)	10. NO	320			TO THIS WELL				
			660'					320				
			NT / A	19 PH				20. ROTARY OR CABLE TOULS				
			N/A					R 22. APPROX. DATE WORK WILL START*				
LEVATIONS (SECTIONS)	ether Dr. KI, G	u. 40c.)	404	7'				22. APPROX.	3/15/			
·		1	PROPOSED CASI	NG ANI	CEMENTING	PROGRAM	drea	of colled	Lowis	on 1/25		
SIZE OF HOLE	ORADE, SIZE OF	CASING	WEIGHT PER PO	DOT	SETTING DE	<u> </u>		QUANTITY (
7-1/2"	13-3/8"	H40	48#	W	1625	800'		x - Circul				
11"	8-5/8" K55		32#		4500 '		<u>1000s</u>	00sx - Circulate				
7-7/8"	5-1/2" N	180-S9 5	17#		12400'		665s	x - EST TO	C 9000)'		
274 P. 16 17 16 1	**************************************		SEE OTHER	SIDE		APPRO GENER	VAL SI VAL REI VL STIF	NTROLLED JBJECT TO QUIREMEN' PULATIONS	TS ANI			
BIGNED (This space for Federal	Sometic data on subsur	rface location	proposal is to deepen, is and measured and t	D.	a on present producted depths. Give bloom AVID STEWA EGULATORY	NOUI preven	nter program	ed new productive z n, if any. DATE		oposal is to drill o		
PERMIT No.					APPROVAL DATE							

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agence of the

*See Instructions On Reverse Side

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 thereor.

Assistant Field Manager, Lands And Minerals

ATTACHMENT 3160-3 OXY USA Inc. OXY Liberator Federal #1 SEC 35 T16S R31E Eddy County, NM

PROPOSED TD:

12400' TVD

BOP PROGRAM:

0' - 625'

None

625' - 4500'

11" 5M blind and pipe rams with 5M annular

preventer.

4500' - 12400'

11" 5M blind pipe rams with 5M annular

preventer and rotating head below 8500'.

CASING:

Surface:

13-3/8" OD 48# H40 ST&C new casing set at 625'

Intermediate: 8-5/8" OD 32# K55 ST&C new casing from 0-4500'

Production:

5-1/2" OD 17# N80-S95 LT&C new casing from 0-12400'

N80-8800' S95-3600'

CEMENT:

Surface - Circulate cement with 350sx 35:65 POZ/C with 6% Bentonite + 2% CaCl₂ + .25#/sx Cello-Seal followed by 150sx Cl C with 2% CaCl₂.

Intermediate - Circulate cement with 840sx 35:65 POZ/C with 6% Bentonite + 2% CaCl₂ + .25#/sx Cello-Seal followed by 165sx Cl C with 2% CaCl2.

Production - Cement with 565sx 15:61:11 POZ/C/CSE with .5% FL-52 + .5% FL-25 + 8#/sx Gilsonite followed by 100sx Cl C with .7% FL-25. Estimated top of cement is 9000'.

Note: Cement volumes may need to be adjusted to hole caliper.

MUD:

0 - 625'

Fresh water/native mud. Lime for pH control

(9-10). Paper for seepage. Wt 8.7-9.2 ppg, Vis 32-34 sec

625' - 4500'

Fresh/*Brine water. Lime for pH control

(10.0-10.5). Paper for seepage.

Wt 8.3-9.0/10.0-10.1ppg, Vis 28-29 sec

*Fresh water will be used unless chlorides in

the mud system increases to 20000PPM.

4500' - 9500'

Fresh water. Lime for pH control(9-9.5).

Paper for seepage.

Wt 8.3-8.5 ppg, Vis 28-29 sec

9500' - 11000'

Cut brine. Lime for pH control (10-10.5).

Wt 9.6-10.0 ppg, Vis 28-29sec

11000' - 12400'

Mud up with an Duo Vis/Flo Trol mud system. Wt 9.6-10.0ppg, Vis 32-36sec, WL<10cc