Form 3160-3
(July 1992)

- SUBMIT IN TRIPLICATE*
(Other instructions on reverse side)

FORM APPROVED
OMB NO. 1004-0136
Expires: February 28, 1995

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1a. TYPE OF WORK
DRILL [X] DEEPEN [ ]

b. TYPE OF WELL
OIL WELL [ ] GAS WELL [X] OTHER SINGLE ZONE [XX] MULTIPLE ZONE [ ]

2. NAME OF OPERATOR
OXY USA Inc. 16696 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 1650 FNL 990 FWL SWNW(E)
At proposed prod. zone

5. LEASE DESIGNATION AND SERIAL NO.
~~NM~~ LC045254

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME
25893

8. FARM OR LEASE NAME, WELL NO.
OXY Bad Dog Federal #1

9. API WELL NO.
30-015- 31153

10. FIELD AND POOL, OR WILDCAT
Undsg. Crow Flats Morrow

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA
Sec 28 T16S R27E

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*
6 miles northwest of Artesia, NM

12. COUNTY OR PARISH: Eddy
13. STATE: NM

15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any): 990'

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: 8900'

20. ROTARY OR CABLE TOOLS: R

21. ELEVATIONS (Show whether DF, RT, GR, etc.): 3495'

22. APPROX. DATE WORK WILL START*: 5/10/00

23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	GRADE, SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
17-1/2"	13-3/8" H40	48#	400'	360 sx - Circulate
11"	8-5/8" K55	32#	WITNESS ~~1500'~~ 1100'	515sx - Circulate
7-7/8"	4-1/2" N80	11.6#	8900'	690sx - Est TOC-5500'

MAY 2000 RECEIVED OCD - ARTESIA

Notify OCD at SPUD & TIME to witness cementing the ~~8 5/8~~ casing.

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 [signature] TITLE David Stewart Regulatory Analyst DATE 4/10/00

(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:

APPROVED BY ~~ARMANDO A. LOPEZ~~ TITLE Assistant Field Manager, Lands And Minerals DATE MAY 16 2000

*See Instructions On Reverse Side

Title 18 U.S.C. Section 1001, 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.

ATTACHMENT 3160-3
OXY USA Inc.
OXY Bad Dog Federal #1
SEC 28 T16S R27E
Eddy County, NM

PROPOSED TD: 8900' TVD

BOP PROGRAM:

0' - 400'	None
400' - 1500'	11" 5M blind and pipe rams with 5M annular preventer.
1500' - 8900'	11" 5M blind pipe rams with 5M annular preventer and rotating head below 6000'.

CASING:

Surface:	13-3/8" OD 48# H40 ST&C new casing set at 400'
Intermediate:	8-5/8" OD 32# K55 ST&C new casing from 0-1500'
Production:	4-1/2" OD 11.7# N80 LT&C new casing from 0-8900'

CEMENT:

Surface - Circulate cement with 160sx 35:65 POZ/C with 6% Bentonite + 2% $CaCl_2$ + .25#/sx Cello-Seal followed by 200sx Cl C with 2% $CaCl_2$.

Intermediate - Circulate cement with 315sx 35:65 POZ/C with 6% Bentonite + 2% $CaCl_2$ + .25#/sx Cello-Seal followed by 200sx Cl C with 2% $CaCl_2$.

Production - Cement with 615sx 15:61:11 POZ/C/CSE with .5% FL-52 + .5% FL-25 + 8#/sx Gilsonite followed by 75sx Cl C with .7% FL-25.
Estimated top of cement is 5500'.

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

MUD:

0 - 400'	Fresh water/native mud. Lime for pH control (9-10). Paper for seepage. Wt 8.7-9.2 ppg, Vis 32-34 sec
400' - 1500'	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 increase to 20000PPM.
1500' - 5800'	Fresh water. Lime for pH control (9-9.5) Paper for seepage. Wt 8.3-8.5 ppg, Vis 28-29 sec
5800' - 8200'	Cut brine. Lime for pH control (10-10.5). Wt 9.6-10.0 ppg, Vis 28-29sec
8200' - 8900'	Mud up with an Duo Vis/Flo Trol mud system. Wt 9.6-10.0ppg, Vis 32-36sec, WL<10cc