



OXY USA Inc.

P.O. Box 50250, Midland, TX 79710-0250  
April 20, 2000

United States Department of the Interior  
Bureau of Land Management  
Roswell District Office  
2909 West Second Street  
Roswell, New Mexico 88201

Re: Application for Permit to Drill  
OXY USA Inc.  
OXY Viper Federal #2  
Eddy County, New Mexico  
Lease No. LC057674-A

Gentlemen:

OXY USA Inc. respectfully requests permission to drill our OXY Viper Federal #2 located 660 FSL and 660 FWL of Section 3, T17S, R27E, Eddy County, New Mexico, Federal Lease No. LC057674-A. The proposed well will be drilled to a TD of approximately 9000' (TVD). The location and work area has been staked. It is approximately 7 miles northeast of Artesia, New Mexico.

In accordance with requirements stipulated in Federal Onshore Oil and Gas Order No. 1 under 43 CFR 3162.1, our Application for Permission to Drill and supporting evidence is hereby submitted.

I. Application for Permit to Drill:

1. Form 3160.3, Application for Permit to Drill.
2. Form C-102 Location and Acreage Dedication Plat certified by Gary L. Jones, Registered Land Surveyor No. 7977 in the State of New Mexico, dated March 23, 2000.
3. The elevation of the unprepared ground is 3446 feet above sea level.
4. The geologic name of the surface formation is Permian Rustler.
5. Rotary drilling equipment will be utilized to drill the well to TD 9000' (TVD), and run casing. This equipment will then be rigged down and the well will be completed with a pulling unit.
6. Proposed total depth is 9000' TVD.
7. Estimated tops of important geologic markers.

Wolfcamp	6100' TVD
Strawn	8400' TVD
Atoka	8650' TVD
Morrow	8800' TVD
8. Estimated depths at which anticipated water, oil, gas or other mineral bearing formations are expected to be encountered:

Primary Objective:	Morrow	8800' TVD
Secondary Objective:	Atoka	8650' TVD