

OXY USA WTP Limited Partnership
P.O. Box 50250, Midland, TX 79710-0250

March 29, 2001

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 WTP Limited Partnership
OXY Wallace Federal Com. #5
Eddy County, New Mexico
Lease No. NM98810

Gentlemen:

OXY USA WTP Limited Partnership respectfully requests permission to drill our OXY Wallace Federal Com. #5 located 760 FSL and 660 FEL of Section 9, T17S, R27E, Eddy County, New Mexico, Federal Lease No. NM98810. The proposed well will be drilled to a TD of approximately 9200' (TVD). The location and work area has been staked. It is approximately 6 miles west 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 November 15, 2000.
3. The elevation of the unprepared ground is 3407 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 9200' (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 9200' TVD.
7. Estimated tops of important geologic markers.

Wolfcamp	5900' TVD
Strawn	8200' TVD
Atoka	8500' TVD
Morrow	8800' TVD