

298
N.M. Oil Cons. V-Dist. 2
1301 W. Grand Avenue
Artesia, NM 88210
UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

LEASE DESIGNATION AND SERIAL NO.

NM-025527-A

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

29847

7. UNIT AGREEMENT NAME

OXY Sweet & Sour
Federal

8. FARM OR LEASE NAME, WELL NO.

3

9. API WELL NO.

30-015- 32335

10. FIELD AND POOL, OR WILDCAT

Undsg. ~~Logan-Dawson~~ Wolfcamp
Empire

11. SEC., T., R., M., OR B.L.K.
AND SURVEY OR AREA

Sec 24 T17S R27E

12. COUNTY OR PARISH

Eddy

13. STATE

NM

1a. TYPE OF WORK

DRILL ☒

DEEPEN ☐

b. TYPE OF WELL

OIL WELL ☒

GAS WELL ☐

OTHER

SINGLE ZONE ☒

MULTIPLE ZONE ☐

2. NAME OF OPERATOR

OXY USA WTP Limited Partnership

192463

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

660 FSL 1730 FEL SWSE(O)

At proposed prod. zone

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*

10 miles east of Artesia, NM

15. DISTANCE FROM PROPOSED*

LOCATION TO NEAREST

PROPERTY OR LEASE LINE, FT.

(Also to nearest drlg. unit line, if any) 660' (410')

16. NO. OF ACRES IN LEASE

320

17. NO. OF ACRES ASSIGNED
TO THIS WELL

40

18. DISTANCE FROM PROPOSED LOCATION*

TO NEAREST WELL, DRILLING, COMPLETED,

OR APPLIED FOR, ON THIS LEASE, FT.

1343'

19. PROPOSED DEPTH

7200'

20. ROTARY OR CABLE TOOLS

R

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

3499'

Regional Controlled Water Basin

22. APPROX. DATE WORK WILL START*

8/1/02

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#	300' 400'	360sx - circulate
11"	8-5/8" K55	32#	1800'	550sx - circulate
7-7/8"	5-1/2" L80	17#	7200'	400sx - EST TOC 5200'



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 Sr. Regulatory Analyst DATE 2/13/02

(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

/s/ JOE G. LARA

TITLE

ACTING FIELD MANAGER

DATE

JUN 11 2002

*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.

APPROVAL FOR 1 YEAR

OXY Sweet & Sour Federal #3
660 FSL 1730 FEL SWSE(O) SEC 24 T17S R27E Eddy County, NM
FEDERAL LEASE No. NM-025527-A

PROPOSED TD: 7200' TVD

BOP PROGRAM: 0-400' None
400-1800' 11" 5M blind and pipe rams with 5M annular
preventer.
1800-7200' 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'
17-1/2" hole
Intermediate: 8-5/8" OD 32# K55 ST&C new casing from 0-1800'
11" hole
Production: 5-1/2" OD 17# N80 LT&C new casing from 0-7200'
7-7/8" hole

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 350sx 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 300sx 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 5200'.

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
400-1800' 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.
1800-5000' Fresh water. Lime for pH control(9-9.5).
Paper for seepage.
Wt 8.3-8.5 ppg, Vis 28-29 sec
5000-7200' Cut brine. Lime for pH control (10-10.5).
Wt 9.6-10.0 ppg, Vis 28-29sec

RECEIVED
FEDERAL OIL AND GAS
REVENUE OFFICE

2007 FEB 14 AM 8:33

RECEIVED

DISTRICT I
1625 N. French Dr., Hobbs, NM 88240

DISTRICT II
811 South First, Artesia, NM 88210

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 Department

Form C-102
Revised March 17, 1999

Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

OIL CONSERVATION DIVISION

2040 South Pacheco
Santa Fe, New Mexico 87504-2088

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-015-	Pool Code 96960	Pool Name Undesignated Logan Draw Wolfcamp
Property Code 27699	Property Name OXY SWEET AND SOUR FEDERAL	Well Number 3
OGRID No. 192463	Operator Name OXY USA WTP LIMITED PARTNERSHIP	Elevation 3499'

Surface Location

UL or lot No. 0	Section 24	Township 17 S	Range 27 E	Lot Idn	Feet from the 660	North/South line SOUTH	Feet from the 1730	East/West line EAST	County EDDY
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Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
Dedicated Acres 40	Joint or Infill No	Consolidation Code	Order No.						

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

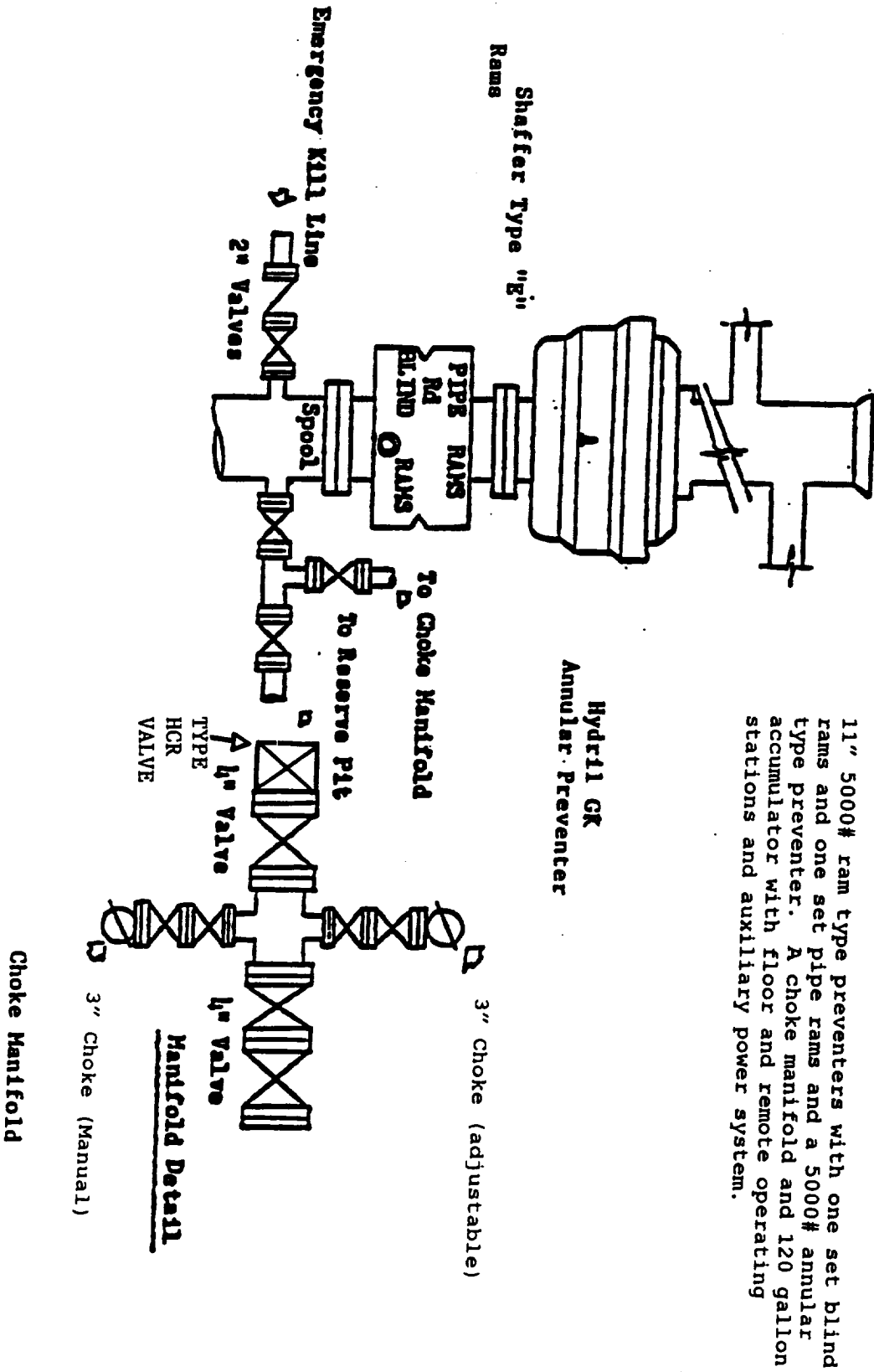
<p>OSSF#2 3001532177</p> <p>OSSF#4 3001532099 Lat - N32°48'50.9" Lon - W104°13'45.5" 1343'</p> <p>3001531314 OSSF#1</p> <p>Distances: 3495.5', 3495.2', 410', 1730', 3505.2', 3504.2', 660'</p>	<p>OPERATOR CERTIFICATION</p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</p> <p><i>David Stewart</i> Signature</p> <p>David Stewart Printed Name</p> <p>Sr. Regulatory Analyst Title</p> <p>2/13/02 Date</p>
	<p>SURVEYOR CERTIFICATION</p> <p>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.</p> <p>November 05, 2001 Date Surveyed</p> <p><i>[Signature]</i> Signature & Seal of Professional Surveyor</p> <p>W.O. No. 2014A</p> <p>Certificate No. Gary L. Jones 7977</p> <p>BASIN SURVEYS</p>

See other side

1. 3001500509
Sam Sanders
Berry #12
TD-480'
2. 3001500503
Marbob Energy Corp.
Berry A #16
TD-447'
3. 3001500501
SDX Resources
Berry A #26
TD-1230'
4. 3001500502
Sam Sanders
Berry #14
TD-487'

BLOWOUT PREVENTOR SCHEME

EXHIBIT A



MULTI-POINT SURFACE USE AND OPERATIONS PLAN

OXY USA WTP Limited Partnership
OXY Sweet & Sour Federal Com. #3
Eddy County, New Mexico
Lease No. NM-025527-A

This plan is submitted with the Application for Permit to Drill the above described well. The purpose of the plan is to identify the location of the proposed well, the proposed construction activities and operations plan, the magnitude of necessary surface disturbance involved and the procedures to be followed in rehabilitating the surface after completion of the operation so that a complete appraisal may be made of the environmental effects associated with the operation.

The well, and work area have been staked by a registered New Mexico land surveyor. Geo-Marine Inc. has been engaged to make an archaeological reconnaissance of the work area. Their findings concerning cultural resources will be reported to the Bureau of Land Management.

1. Existing Roads

A copy of a USGS "Red Lake, SE New Mexico" quadrangle map is attached showing the proposed location. The well location is spotted on this map, which also shows the existing road system. Exhibit B.

Directions to location:

From the junction of USH 82 and CR 203, go northeast on CR 203 .4 miles to a proposed lease road.

2. Planned Access Road

- A. A new access road will be built. The access road will run approximately 432' west from an existing lease road to the location. Exhibit B.
- B. Surfacing material: Six inches of caliche and water, compacted and graded.
- C. Maximum Grade: Less than 3%.
- D. Turnouts: None needed.
- E. Drainage Design: N/A
- F. Culverts: None needed.
- G. Cuts and Fills: Leveling the location will require minimal cuts or fills.
- H. Gates or Cattleguards: None required.

3. Existing wells within a one mile radius of the proposed development well are shown on Exhibit C.

Multi-Point Surface Use and Operations Plan
OXY Sweet & Sour Federal Com. #3
Page 2

4. Location of Existing and/or Proposed Facilities

- A. If the well is productive, production facilities will be constructed on the well pad. The facility will consist of a stack pack, one 300 bbl oil tank and one 300 bbl fiberglass water tank. All permanent above ground facilities will be painted in accordance with the BLM's painting guidelines simulating the color of sandstone brown.
- B. All site security guidelines identified in 43 CFR 3162.7 regulations will be adhered to and a site security plan will be submitted for the OXY Sweet & Sour Federal Com. #3 tank battery. All product lines entering and leaving hydrocarbon storage tanks will be effectively sealed.

5. Location and Type of Water Supply

Fresh water and brine water will be used to drill this well. It will be purchased from a supply in Loco Hills and transported to the well site.

6. Source of Construction Materials

Caliche for surfacing the well pad will be obtained from a Federal pit located in Section 12, T20S, R27E, Eddy County, New Mexico.

7. Method of Handling Waste Disposal

- A. Drill Cuttings will be disposed of in drilling pits.
- B. Drilling fluids will be allowed to evaporate in the drilling pits until pits are dry.
- C. Water produced during tests will be disposed of in the drilling pits. Oil produced during tests will be stored in test tanks until sold.
- D. Current laws and regulations pertaining to the disposal of human waste will be complied with.
- E. Trash, waste paper, garbage and junk will be collected in steel trash bins and removed after drilling and completion operations are completed. All waste material will be contained to prevent scattering by the wind.
- F. All trash and debris will be removed from the wellsite within 30 days after finishing drilling and/or completion operations.

8. Ancillary Facilities

- A. None needed.

9. Wellsite Layout

- A. The location and dimensions of the well pad, mud pits, reserve pit and location of major rig components are shown on the well site layout sketch. The V-door will be to the east and the pits to the north. Exhibit D.
- B. Leveling of the wellsite will be required with minimal cuts or fills anticipated.

- C. The reserve pit will be plastic lined.
- D. While constructing the pits and material is encountered at a depth which would not allow the pits to meet the BLM stipulations without blasting, OXY requests a variance. There will be an adequate amount of material to reclaim the pit per the stipulations.
- E. The pad and pit area have been staked and flagged.

10. Plans for Restoration of the Surface

- A. After completion of drilling and/or completion operations, all equipment and other materials not needed for operations will be removed.
- B. Pits will be filled and location cleaned of all trash and junk to leave the well site in as aesthetically pleasing condition as possible. Any plastic material used to line the pits or sumps will be cut off below ground level as far as possible and disposed of before the pits are covered. All unattended pits containing liquid will be fenced and the liquid portion allowed to evaporate before the pits are broken and backfilled.
- C. After abandonment of the well, surface restoration will be in accordance with the land owner. This will be accomplished as expeditiously as possible. Barring unforeseen problems, all pits will be filled and leveled within 90 days after abandonment.

11. Surface Ownership

The wellsite is on federal owned surface. The surface is leased to: Bogle Ltd., P.O. Box 460, Dexter, NM 88230. They will be notified of our intention to drill prior to any activity.

12. Other Information

- A. Topography: The location is a flat plain. GL elevation is 3499'.
- B. Soil: Sandy clay loams.
- C. Flora and Fauna: The vegetative cover is generally sparse consisting of mesquite, yucca, shinnery oak, sandsage and perennial native range grasses. Wildlife in the area is also sparse consisting of coyotes, rabbits, rodents, reptiles, dove and quail.
- D. Ponds and Streams: There are no rivers, streams, lakes or ponds in the area.
- E. Residences and Other Structures: There are no occupied dwellings within a 2 miles radius of the location.
- F. Archaeological, Historical and Cultural Sites: Cultural resources have been recorded in the area. Geo-Marine Inc. will be engaged to make an archaeological reconnaissance of the work area.
- G. Land Use: Cattle ranching.

- H. The well site, if a producer, will be maintained and kept clean of all trash and litter which detracts from the surrounding environment. Equipment will be maintained in accordance with good operating practice.
- I. After the wellsite is cleaned and pits and sumps backfilled, any obstruction to the natural drainage will be corrected by ditching or terracing. All disturbed areas, including any access road no longer needed, will be ripped. Those areas will be reseeded with grass if, in the opinion of the land owner, it is required.

13. Operator's Representatives and Certification

The field representative responsible for assuring compliance with the approved surface use and operations plan are as follows:

John Erickson
Production Coordinator
P.O. Box 69
Hobbs, New Mexico 88240
Office Phone: 505-393-2174
Cellular: 505-390-6426

Joe Fleming
Drilling Coordinator
P.O. Box 50250
Midland, TX 79710-0250
Office Phone: 915-685-5858

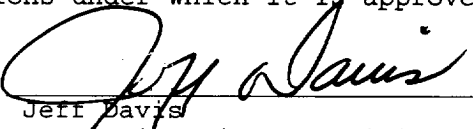
Calvin C. (Dusty) Weaver
Operation Specialist
P.O. Box 2000
Levelland, TX 79336
Office Phone: 806-229-9467
Cellular: 806-893-3067

Terry Asel
Operation Specialist
1017 W. Stanolind Rd.
Hobbs, NM 88240
Office Phone: 505-397-8217
Cellular: 505-631-0393

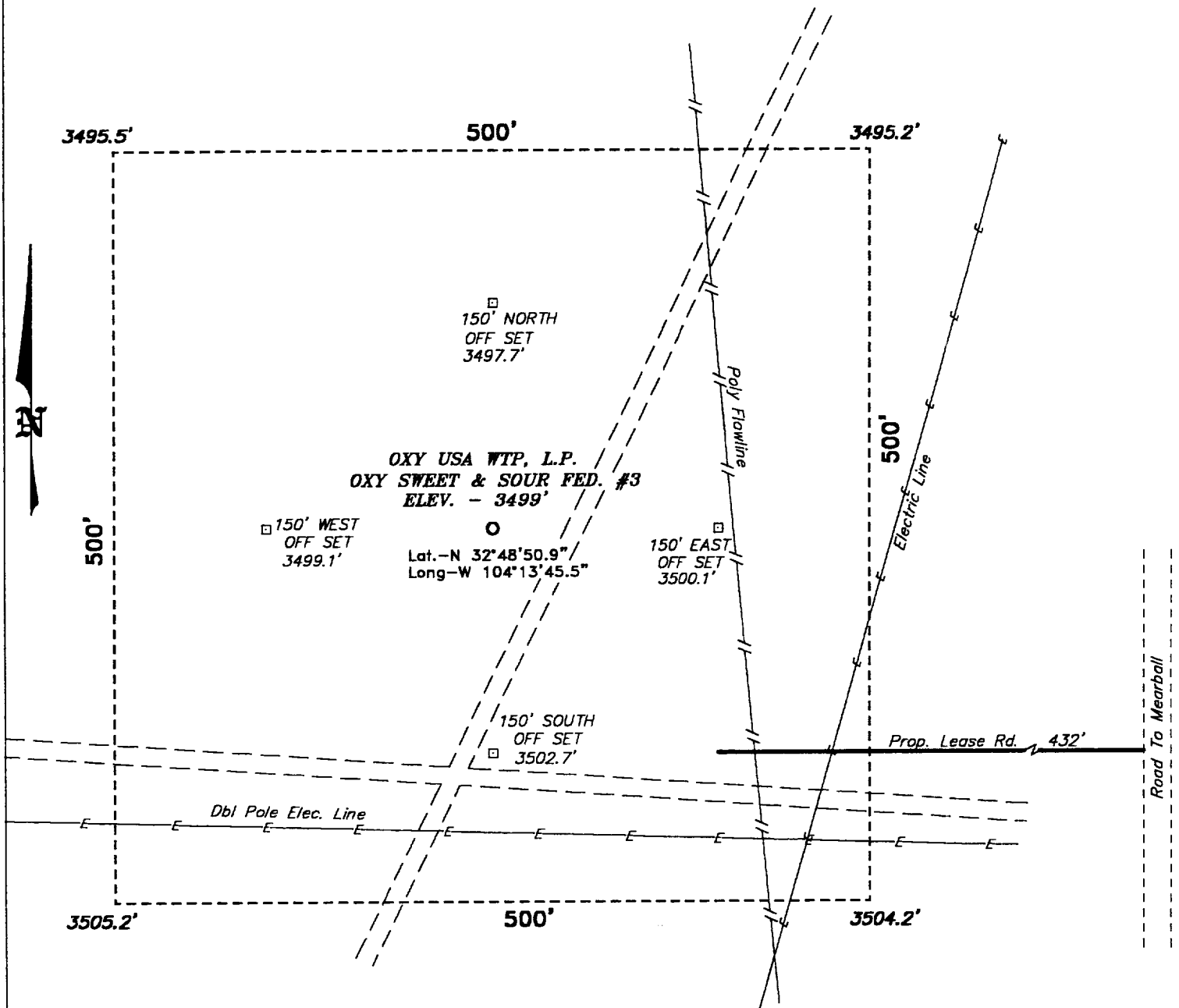
I hereby certify that I, or persons under my direct supervision, have inspected the proposed drill site and access route; that I am familiar with the conditions which presently exist; that the statements made in this plan are, to the best of my knowledge, true and correct; and, that the work associated with the operations proposed herein will be performed by OXY USA WTP Limited Partnership and its contractors and sub-contractors in conformity with this plan and the terms and conditions under which it is approved.

DATE

2/13/2002


Jeff Davis
Sr. Engineering Technician
915-685-5710
South Permian Asset Team
OXY USA WTP Limited Partnership

**SECTION 24, TOWNSHIP 17 SOUTH, RANGE 27 EAST, N.M.P.M.,
EDDY COUNTY, NEW MEXICO.**



Directions to Location:

FROM THE JUNCTION OF US HWY 82 AND CO. RD.
203, GO NORTHEASTERLY ON 203 FOR APPROX. 0.4
MILE TO A PROPOSED LEASE ROAD.

BASIN SURVEYS P.O. BOX 1786 - HOBBS, NEW MEXICO

W.O. Number: 2014

Drawn By: **K. GOAD**

Date: 11-06-2001

Disk: KJG CD#5 - 2014A.DWG

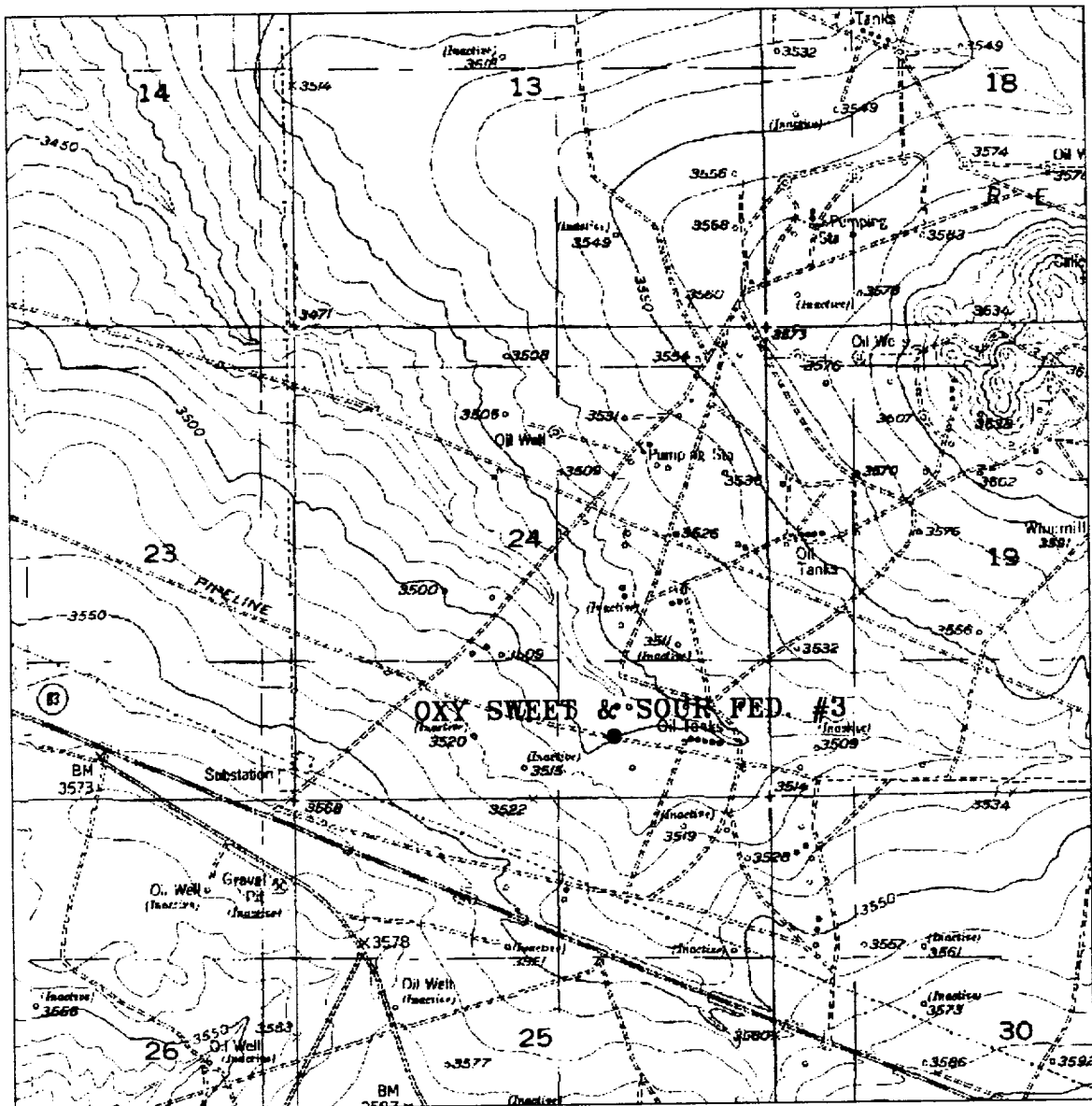
OXY USA WTP, L.P.

REF: OXY SWEET & SOUR FED. #3 / Well Pad Topo

THE OXY SWEET & SOUR FED. No. 3 LOCATED 660' FROM
THE SOUTH LINE AND 1730' FROM THE EAST LINE OF
SECTION 24, TOWNSHIP 17 SOUTH, RANGE 27 EAST,
N.M.P.M., EDDY COUNTY, NEW MEXICO.

Survey Date: 11-05-2001

Sheet 1 of 1 Sheets



OXY SWEET & SOUR FED. #3
 Located at 660' FSL and 1730' FEL
 Section 24, Township 17 South, Range 27 East,
 N.M.P.M., Eddy County, New Mexico.

basin
surveys

focused on excellence
 in the oilfield

P.O. Box 1786
 1120 N. West County Rd.
 Hobbs, New Mexico 88241
 (505) 393-7316 - Office
 (505) 392-3074 - Fax
 basinsurveys.com

W.O. Number: 2014AA - KJG CD#4

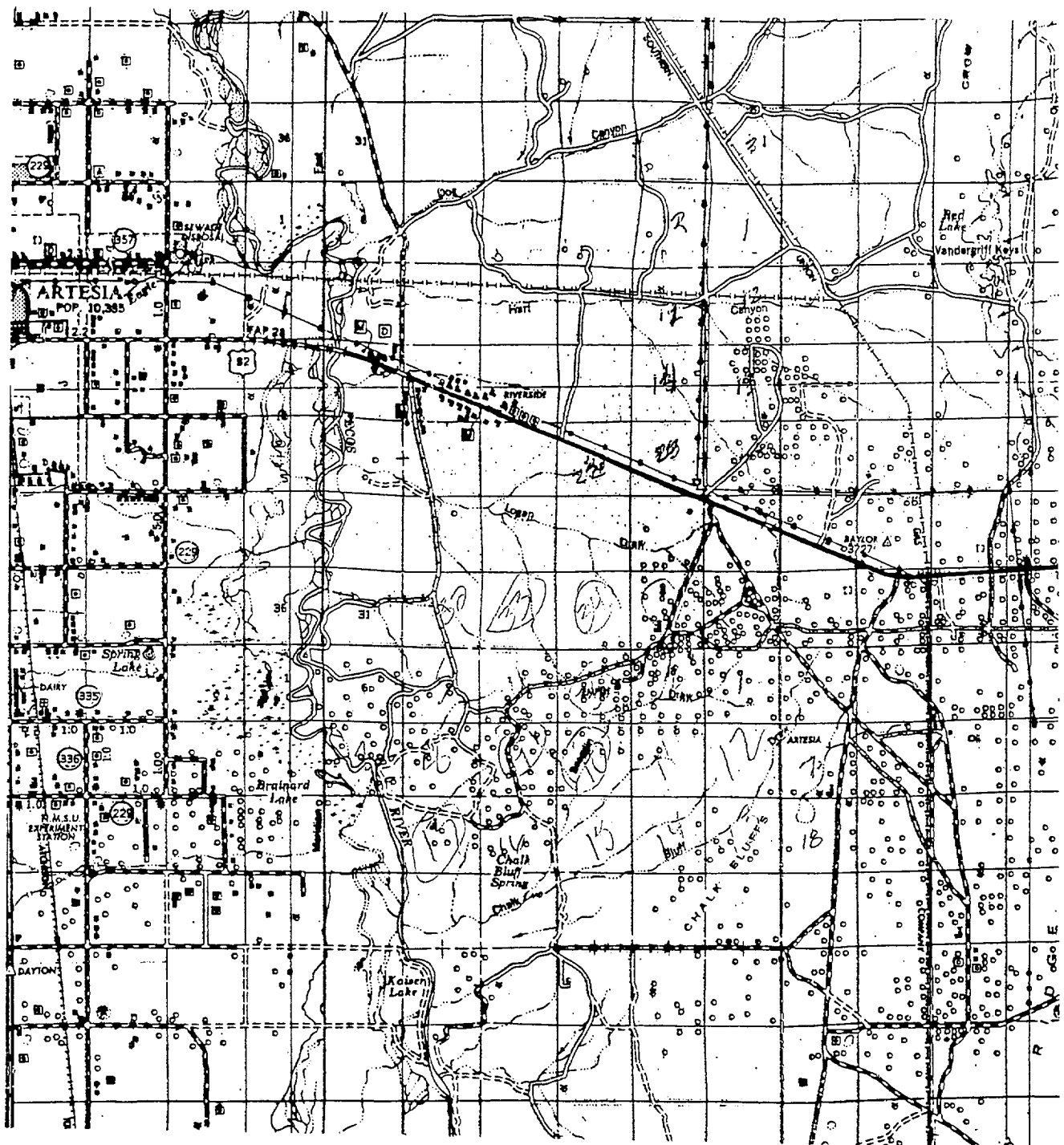
Survey Date: 11-05-2001

Scale: 1" = 2000'

Date: 10-06-2001

OXY USA
WTP, L.P.

EXHIBIT B



OXY SWEET & SOUR FED. #3
 Located at 660' FSL and 1730' FEL
 Section 24, Township 17 South, Range 27 East,
 N.M.P.M., Eddy County, New Mexico.

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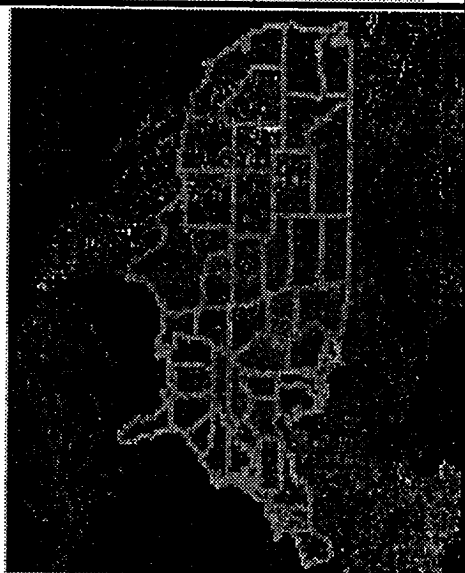
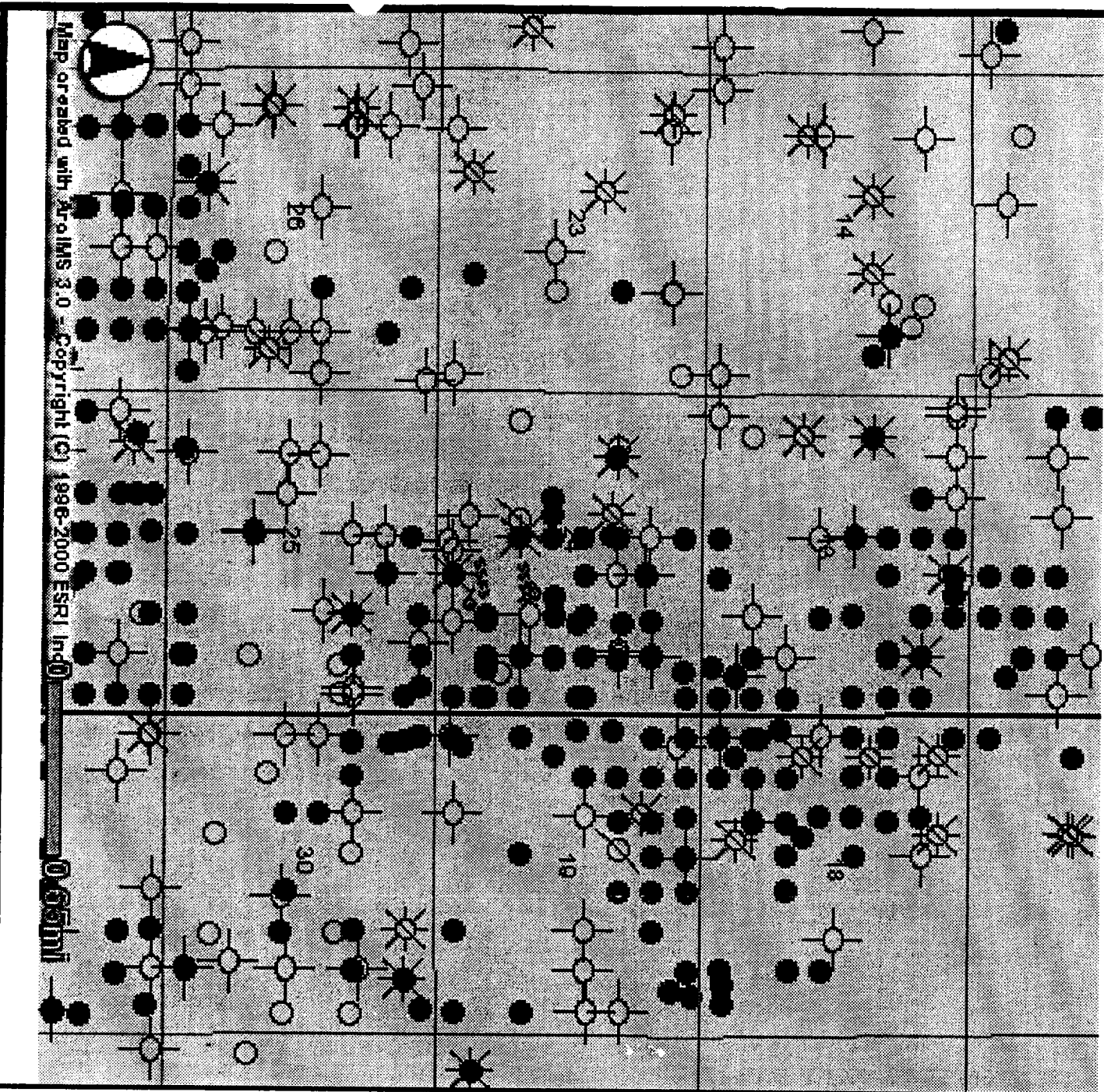
Survey Date: 10-05-2001

Scale: 1" = 2 MILES

Date: 10-06-2001

OXY USA
 WTP, L.P.

OXY SWEET & SOUR FEDERAL #3

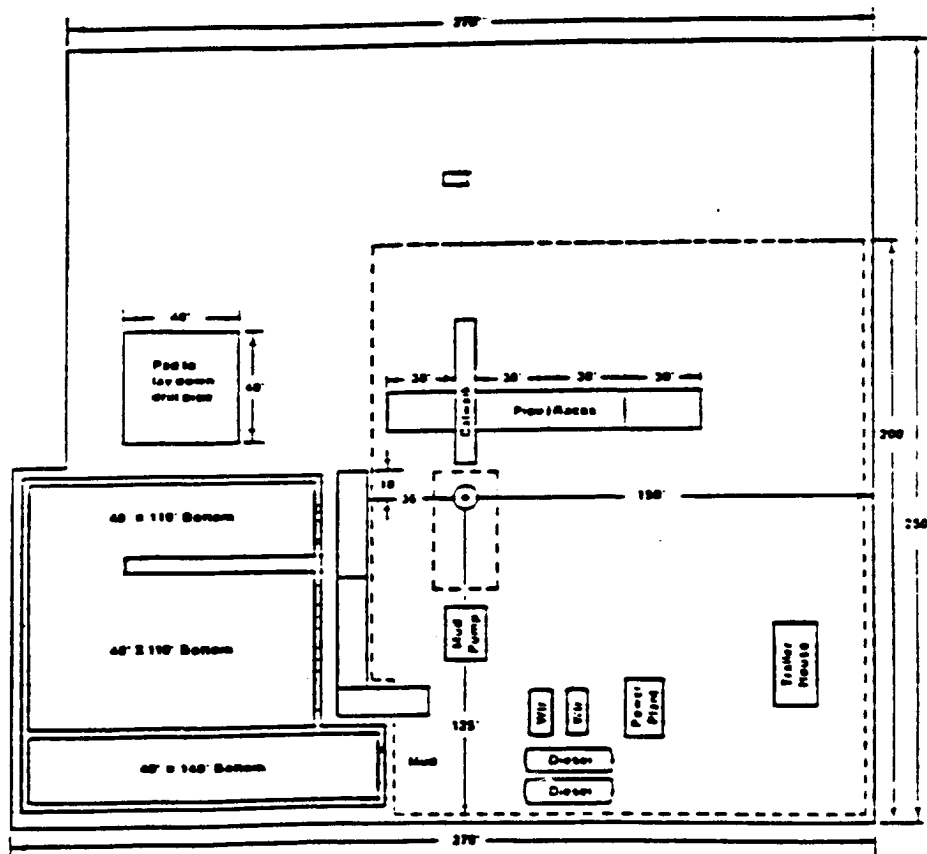


Legend

- State Outlines
- County Outlines
- Jeffersonian Townships
- Township Labels
- Jeffersonian Sections
- Section Labels
- IHS Well Surface Location
- Oil
- Abandoned Location
- Dry Hole, Temp Abnd
- Gas
- Injection
- Junk & Abandoned
- Suspended
- Location
- Well Start
- Multi Completion

Map created with ArcIMS 3.0 - Copyright (c) 1996-2000 ESRI Inc.

EXHIBIT D
LOCATION PLAT



United States Department of the Interior
Bureau of Land Management
Roswell District
2909 W. Second Street
Roswell, New Mexico 88202

Attention: Armando A. Lopez

RE: OXY Sweet & Sour Federal #3
Section 24, T17S R27E
Eddy County, New Mexico

STATEMENT ACCEPTING RESPONSIBILITY FOR OPERATIONS

OPERATOR NAME: OXY USA WTP Limited Partnership
ADDRESS: P. O. Box 50250
Midland, Texas 79710

The undersigned accepts all applicable terms, conditions, stipulations, and restrictions concerning operations conducted on the leased land or portion thereof, as described below:

LEASE NO.: NM-025527-A
LEGAL DESCRIPTION: 660' FSL 1730' FEL Section 24
T17S-R27E
Eddy County, New Mexico
FORMATIONS: All
BOND COVERAGE: Nationwide
BLM BOND FILE NO.: ES 0136

OXY USA WTP Limited Partnership

AUTHORIZED SIGNATURE:

BY:



David R. Evans

TITLE: Landman Advisor
DATE: February 11, 2002

cc: David Stewart

**TITLE PAGE/ABSTRACT/
NEGATIVE SITE REPORT
CFO/RFO**

1/95

1. BLM Report No.	2. (ACCEPTED) (REJECTED)	3. NMCRIS No. 76905
4. Title of Report (Project Title) Addendum to the Class III Archaeological Survey of the Proposed Oxy Sweet and Sour Federal #3 Well Pad Location and Associated Access Road in Section 24, Township 17 South, Range 27 East in Eddy County, New Mexico for OXY USA WTP LP		5. Project Date(s) <u>12-11-01</u> to _____
7. Consultant Name & Address: Direct Charge: Mark C. Slaughter Name: Geo-Marine Inc. Address: 150-A N. Festival Drive, El Paso, TX 79912 Authors Name: C.K. Burt Field Personnel Names: R.C. Medlock Phone: (915)585-0168		6. Report Date 12-12-01
10. Sponsor Name and Address: Indiv. Responsible: Dusty Weaver Name: OXY USA Address: 2028 Buffalo Lovelland, TX 79336 Phone: (806)894-8307		8. Permit No. 103-2920-01-O
		9. Consultant Report No. 480EP
		11. For BLM Use Only.
		12. ACREAGE: Total No. of acres surveyed: <u>3.36</u> SURFACE OWNERSHIP: Federal: <u>3.36</u> State: <u>0.00</u> , Private: <u>0.00</u>
<p>13. Location: (Maps Attached if Negative Survey)</p> <p>a. State: New Mexico</p> <p>b. County: Eddy</p> <p>c. BLM Office Carlsbad</p> <p>d. Nearest City or Town: Loco Hills</p> <p>e. Legal Location: T <u>17 South</u> R <u>27 East</u> Sec. <u>24</u> From SW corner of Section 24: Well Pad Location; NW SW SE, NE SW SE, SE SW SE, SW SW SE, Access Road; SE SW SE, SW SE SE</p> <p style="padding-left: 40px;">Well Footages: 660' FSL & 1730' FEL</p> <p>f. USGS 7.5 Map Name(s) and Code Number(s): Red Lake 1975 (32104-G2)</p> <p>g. Area: Block: surveyed: 2.87 acres (500' x 500' well pad location was staked and surveyed, however, for acreage calculations the western half of the relocated pad (2.87 acres) had been previously included in the acreage calculations in the original report, as the two proposed locations overlap.</p> <p style="padding-left: 40px;">Impact: within the surveyed area</p> <p style="padding-left: 40px;">Linear: Surveyed: 0.76 acres (432' long access road x 100' wide ROW was surveyed, however, for acreage calculations the last 100' of access road fell within the staked survey boundary for the proposed well pad location, thus excluding the 100' of road from total acreage calculations</p> <p style="padding-left: 40px;">Impact: Maximum linear impact will be an 432' long access road x 50' wide impact zone.</p>		

14. a. Records Search; ARMS: Date(s): 10-16-01 Name(s): C.K. Burt
BLM Office: Date(s): 10-05-01 Name(s): D. Boone
List Sites within .25 miles of Project: LA 80220
Show sites within 500' on Project Map

b. Description of Undertaking:

OXY USA WTP LP proposes to construct the Oxy Sweet and Sour Federal #3 well pad location and associated access road. The original staked location for the proposed pad at 660' FSL & 1980' FEL and 1761' long access road encountered a previously recorded prehistoric site. Due to the presence of the archaeological site the proposed pad was restaked 250' directly east of the original centerstake. The relocated centerstake is located 660' FSL & 1730' FEL in Section 24, Township 17 South, Range 27 East in Eddy County, New Mexico. A 500' x 500' area was surveyed for the relocated pad location, as was a 432' long access road. The relocated access road runs east from the SE corner of the relocated pad location to connect to an existing N-S trending caliche capped road. An existing E-W trending double pole electric line with associated two-track road crosses the extreme southern portion of the surveyed area for the relocated pad location. A NE-SW trending two-track road crosses in the east central area of the surveyed area. A N-S trending poly flowline crosses the eastern portion of the surveyed area. A NE-SW trending electric line cuts the extreme southeastern corner of the surveyed area.

c. Environmental Setting (NRCS soil designation; vegetative community; etc.):

Project is set on a rolling plain flat on a NE trending slope. Vegetation consists of mesquite, broom snakeweed, yucca elata, prickly pear cactus, and various grasses. Surface visibility at the time of survey was approximately 50-25% due to heavy thick grasses. Soils are designated as Reeves-Gypsum land complex.

d. Field Methods:

Parallel pedestrian transects were surveyed at a maximum of 15m intervals to encompass the staked 500' x 500' well pad location. Access road was surveyed at a maximum of 15m intervals to encompass a 100' wide ROW zone.

15. Cultural Resource Findings:

a. Identification and description

No cultural resources were identified at the time of this survey.

16. Management Summary (Recommendations):

Archaeological clearance for the proposed and relocated Oxy Sweet and Sour Federal #3 well pad location and associated 432' long access road located 660' FSL & 1730' FEL in Section 24, Township 17 South, Range 27 East in Eddy County, New Mexico is recommended as currently restaked. The Bureau of Land Management (Carlsbad Field Office) and Geo-Marine, Inc. should be immediately notified if cultural resources are encountered at any time during construction activities.

I certify that the information provided above is correct and accurate and meets all appreciable BLM standards.

Responsible Archaeologist

Signature

Date

NOV-14-01 05:10 PM

DISTRICT I

1000 N. Fourth St., Suite 200, Santa Fe, NM 87500

DISTRICT II

611 South First, Artesia, NM 88210

DISTRICT III

1000 N. Fourth St., Suite 200, Santa Fe, NM 87500

DISTRICT IV

1000 N. Fourth St., Suite 200, Santa Fe, NM 87500

State of New Mexico

Energy, Minerals and Natural Resources Department

Form C-102

Revised March 17, 1999

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 1 Copy

OIL CONSERVATION DIVISION

2040 South Penasco

Santa Fe, New Mexico 87504-2080

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number	Pool Code	Pool Name
Property Code	Property Name OXY SWEET AND SOUR FEDERAL	Well Number 3
OGED No.	Operator Name OXY USA WTP, L.P.	Elevation 3499'

Surface Location

UL or lot No.	Section	Township	Range	Lot No.	Feet from the	North/South Line	Feet from the	East/West line	County
0	24	17 S	27 E		660	SOUTH	1730	EAST	EDDY

Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot No.	Feet from the	North/South Line	Feet from the	East/West line	County
Dedicated Acres	Joint or Infill	Consolidation Code	Order No.						

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and correct to the best of my knowledge and belief.

Signature

Printed Name

Title

Date

SURVEYOR CERTIFICATION

I hereby certify that the well location shown on this plat was plotted from plane tables of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.

November 05, 2001

Date Surveyed

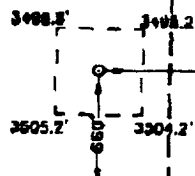
Signature & Seal of
Professional Surveyor

W.O. No. 2014A

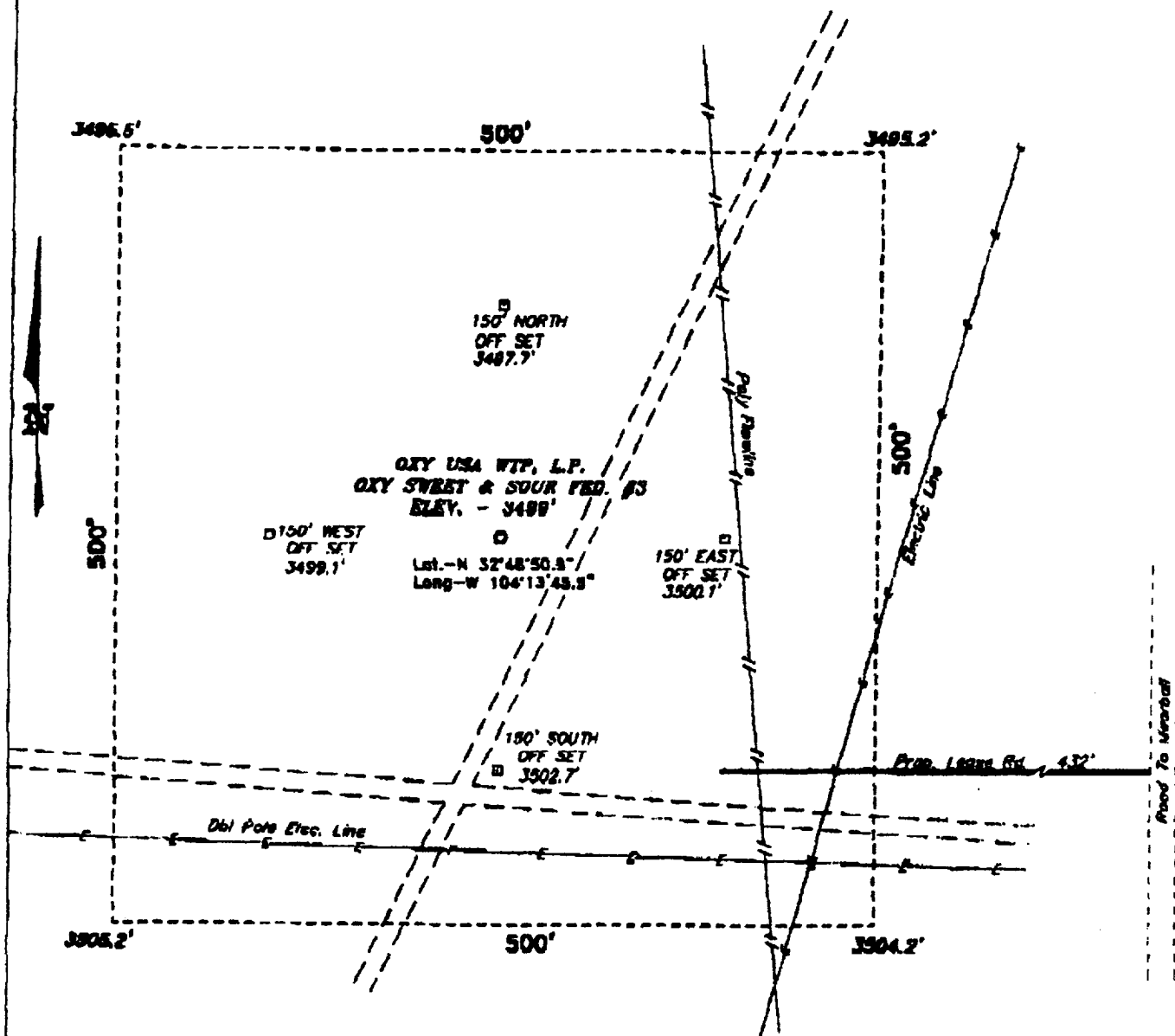
Certificate No. Gary L. Jones 7977

BARRY HURVYS

Lat - N32°48'50.9"
Lon - W104°13'45.5"



**SECTION 24, TOWNSHIP 17 SOUTH, RANGE 27 EAST, N.M.P.M.,
EDDY COUNTY, NEW MEXICO.**



Directions to Location:

FROM THE JUNCTION OF US HWY 82 AND CO. RD.
203, GO NORTHEASTERLY ON 203 FOR APPROX. 0.4
MILE TO A PROPOSED LEASE ROAD.

Basin Surveys P.O. BOX 1786 - HOBBS, NEW MEXICO

W.U. Number: 2014

Drawn By: K. GORD

Date: 11-08-2001

Dirk: KJG CD#5 - 2014A.DWG

OXY USA WTP, L.P.

REF: OXY SWEET & SOUR FED. #3 / Wet Poc Topo

THE OXY SWEET & SOUR FED. No. 3 LOCATED 660' FROM
THE SOUTH LINE AND 1730' FROM THE EAST LINE OF
SECTION 24, TOWNSHIP 17 SOUTH, RANGE 27 EAST.
N.M.P.M., EDDY COUNTY, NEW MEXICO.

Survey Date: 11-05-2001

Sheet 1 of 1 Sheets

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

February 13, 2002

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 Sweet & Sour Federal Com. #3
Eddy County, New Mexico
Lease No. NM-025527-A

Gentlemen:

OXY USA WTP Limited Partnership respectfully requests permission to drill our OXY Sweet & Sour Federal Com. #3 located 660 FSL and 1730 FEL of Section 24, T17S, R27E, Eddy County, New Mexico, Federal Lease No. NM-025527-A. The proposed well will be drilled to a TD of approximately 7200' (TVD). The location and work area has been staked. It is approximately 10 miles east 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 5, 2001.
3. The elevation of the unprepared ground is 3499 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 7200' (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 7200' TVD.
7. Estimated tops of important geologic markers.

Wolfcamp 6300' TVD
8. Estimated depths at which anticipated water, oil, gas or other mineral bearing formations are expected to be encountered:

Primary Objective: Wolfcamp 6300' TVD

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BUREAU OF LAND MGMT.
ROSEMILL OFFICE

9. The proposed casing program is as follows:

Surface: 13-3/8" 48# H40 ST&C new casing set at 400'

Intermediate: 8-5/8" 32# K55 ST&C new casing from 0-1800'

Production: 5-1/2" 17# L80 LT&C new casing from 0-7200'

10. Casing setting depth and cementing program:

- A. 13-3/8" surface casing set at 400' in 17-1/2" hole.
Circulate cement with 160sx 35:65 POZ/C w/ 6% Bentonite + 2% CaCl_2 + .25#/sx Cello-Seal followed by 200sx Class C w/ 2% CaCl_2 .

If cement does not circulate, a temperature survey will be run to find the TOC and then finish cementing to surface through 1" using Class C with 2% CaCl_2 .

- B. 8-5/8" intermediate casing set at 1800' in 11" hole.
Circulate cement with 350sx 35:65 POZ/C w/ 6% Bentonite + 2% CaCl_2 + .25#/sx Cello-Seal followed by 200sx Class C w/ 2% CaCl_2 .

If hole conditions dictate, a DV tool may be run to ensure that the intermediate string is cemented to surface.

If cement does not circulate, a temperature survey will be run to find the TOC and then finish cementing to surface through 1" using Class C with 2% CaCl_2 .

Note: Cement volumes may be adjusted according to fluid caliper.

- C. 5-1/2" production casing set at 7200'. Cement with 300sx 15:61:11 POZ/C/CSE w/ .5% FL-25 + .5% FL-52 + 8#/sx Gilsonite followed by 100sx Class C w/ .7% FL-25.

Estimated top of cement is 5200'.

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

11. Pressure Control Equipment

0-400'	None
400-1800'	11" 5000# ram type preventers with one set blind rams and one set pipe rams and a 5000# annular type preventer.
1800-7200'	11" 5000# ram type preventers with one set blind rams and one set pipe rams and a 5000# annular type preventer. A choke manifold and 120 gallon accumulator with floor and remote operating stations and auxiliary power system. Rotating head below 5000'. Exhibit A.

