

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

December 9, 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 Pistachio RSG Federal #1
Eddy County, New Mexico
Lease No. LC-049998A

Gentlemen:

OXY USA WTP Limited Partnership respectfully requests permission to drill our OXY Pistachio RSG Federal #1 located 660 FNL and 660 FEL of Section 17, T17S, R31E, Eddy County, New Mexico, Federal Lease No. LC-049998A. The proposed well will be drilled to a TD of approximately 12400' (TVD). The location and work area has been staked. It is approximately 7 miles northeast of Loco Hills, 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 22, 2002.
3. The elevation of the unprepared ground is 3764 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 12400' (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 12400' TVD.
7. Estimated tops of important geologic markers.

Wolfcamp	8200' TVD
Strawn	10500' TVD
Atoka	10750' TVD
Morrow	11050' TVD

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

Primary Objective:	Morrow	11050' TVD
Secondary Objective:	Atoka	10750' TVD