Submit 3 Copies to Appropriate District Office

State of New Mexico Euroby, Minerals and Natural Resources Departme.

| Form C-103 | C |
|----------------|---|
| Revised 1-1-89 | |

DISTRICT I P.O. Box 1980, Hobbs, NM 88240

OIL CONSERVATION DIVISION P.O. Box 2088

| ELL API NO. | / |
|-------------|--------------|
| | 30-015-29376 |

DISTRICT II
P.O. Drawer DD, Artesia, NM 88210

Santa Fe, New Mexico 87504-2088

5. Indicate Type of Lease STATE FEE

DISTRICT III 1000 Rio Brazos Rd., Aziec, NM 87410

CONDITIONS OF AFFROVAL, IF ANY:

6. State Oil & Gas Lease No.

| (DO NOT USE THI | S FORM FOR PROPOSAL | AND REPORTS ON LS TO DRILL OR TO DEE USE "APPLICATION FOR OR SUCH PROPOSALS.) | PERMIT | Tiesse Name or Unit Agreement Name OXY Mustang State Com. |
|--------------------------------------|----------------------------|---|--|--|
| 1. Type of Well: | MET X | OTHER | | & Well No. |
| 2. Name of Operator | OXY USA Inc. | | 16696 | |
| 3. Address of Operator | P.O. Box 50250 | Midland, TX | 79710-0250 | 9. Pool name or Wildcat Undesig. N. Turkey Track Mourow |
| 4. Well Location Unit Letter | I : 1980 F | set From TheSouth | Line and 66 | CO Feet From The <u>Fast</u> Line |
| Section | /6 To | ownship 185 | Range 39E mether DF, RKB, RT, GR, etc.) | NMPM Eddy County |
| | | 10. Elevation (Show wi | 35/9' | |
| 11. | Check Appro | _ | cate Nature of Notice, R | Report, or Other Data BSEQUENT REPORT OF: |
| NC PERFORM REMEDIA | | PLUG AND ABANDON | REMEDIAL WORK | ALTERING CASING |
| TEMPORARILY ABA | | CHANGE PLANS | COMMENCE DRILLIN | IG OPNS. 🛛 PLUG AND ABANDONMENT |
| PULL OR ALTER CA | SING | | CASING TEST AND C | EMENT JOB |
| OTHER: | | · · · · · · · · · · · · · · · · · · · | OTHER: | |
| 12. Describe Proposed work) SEE RULE | or Completed Operations (C | learly state all pertinent dei | ails, and give pertinent dates, inc | luding estimated date of starting any proposed |

See other side

| I hereby certify that the in | formston above is true and complete to the best of my | | Regulatory Analyst | DATE4/16/97 |
|------------------------------|---|------|--------------------|------------------------|
| TYPE OR PRINT NAME | David Stewart | | | тецелноме но. 91568557 |
| (This space for State Use) | | | | APR 1 7 1997 |
| APPROVED BY | | TILE | | DATE |

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ATTACHMENT C-103 OXY USA INC. OXY MUSTANG STATE #1 SEC 16 T188 R29E EDDY COUNTY, NM

MIRU NABORS #967, NOTIFIED NMOCD, SPUD WELL @ 2300hrs MST 2/28/97. DRILL 17-1/2" HOLE TO 244' & LOST CIRCULATION, M&P LCM PILL, DID NOT REGAIN CIRC, DRY DRILL TO TD @ 401'. RIH W/ 13-3/8" 48# CSG & SET @ 401'. M&P 200sx CL H THIX W/ 10# A-11 + 10# GILSONITE + .25#/sx CELLOFLAKE + 1% CACL2, FOLLOWED BY 220sx Cl C CMT W/ 65/35POZ + 6% GEL + 2% CaCl2 + .25#/sx CELLOFLAKE, FOLLOWED BY 200sx Cl C CMT W/ 2% CACL2, DISP W/ FW, PLUG DOWN @ 2245hrs MST 3/1/97, CEMENT DID NOT CIRC, WOC-8hrs. NMOCD NOTIFIED, BUT DID NOT WITNESS. RIH W/ 1" & TAG @ 270', M&P 50sx CL C W/ 4% CaCl2, WOC. RIH W/ 1" & TAG @ 128', M&P 100sx CL C W/ 4% CaCl2, WOC. RIH W/ 1" & TAG @ 60', M&P 50sx CL C W/ 4% CaCl2, CIRC 10sx TO PIT, WOC. CUT OFF CSG & WELD ON WELLHEAD, NU BOP & TEST TO 1000#, OK. RIH & TAG CMT @ 344', DO CMT, TEST CSG TO 500#, HELD OK, DRILL AHEAD.

DRILL 11" HOLE & TWISTED OFF @ 3182', TOF @ 2550', RIH W/ FISHING TOOLS & POOH W/ FISH. CONTACT NMOCD & RECEIVED APPROVAL TO CASING @ 3182'. RIH W/ 8-5/8" 24-32# CSG & SET @ 3164', M&P 1225sx CL C W/ 65/35POZ + 6% GEL + 5#/sx SALT + 5#/sx GILSONITE + .25#/sx CELLOFLAKE, FOLLOWED BY 200sx Cl C CMT W/ 2% CaCl2, DISP W/ FW, PLUG DOWN @ 1730hrs MST 3/7/97, CIRC 232sx CMT TO PIT, WOC-18hrs. NMOCD NOTIFIED, BUT DID NOT WITNESS. NDBOP, SET SLIPS, CUT CSG, NU BOP, TEST BOP & WH TO 5000#, HELD OK. RIH & TAG CMT @ 3073', DO CMT, TEST CSG TO 1000#, HELD OK, DRILL AHEAD.

DRILL 7-7/8" HOLE TO TD @ 11300', 4/1/97, CHC. RIH W/ PLATFORM EXPRESS GR-DLL-MSFL-CNL-LDT-CAL LOGS. RIH W/ SIDE WALL CORING TOOL & CORE SAMPLES @ 8567, 8573, 8707, 8789, 8798, 8900, 8910, 10682, 11035, 11044, 11051, 11057, 11090, 11098, 11114, 11116, 11124, & 11138', POOH. RIH W/ 4-1/2" 11.6# CSG & SET @ 11300'. M&P 270sx SUPER C MODIFIED CMT W/ 500gals WMW-1 + 500gal SURA BOND 61:15:11 + .5%/sx R-25 + .5% RL-52 + 8# GILSONITE, DISP W/ FW, PLUG DOWN @ 2130hrs MST 4/3/97, CEMENT DID NOT CIRCULATE, WOC. NMOCD WAS NOTIFIED BUT DID NOT WITNESS. ND BOP, SET SLIPS & CUT CSG. RELEASE RIG @ 0600hrs MST 4/4/97. SI WOCU.