

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

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 Inc.

16696

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

~~1370' - 660 FSL 660 FWL SWSW(14)~~

At proposed prod. zone

910/5 860/W ut, m

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

21 miles southeast of Artesia, NM

15. DISTANCE FROM PROPOSED*

LOCATION TO NEAREST
PROPERTY OR LEASE LINE, FT.
(Also to nearest drig. unit line, if any.)

660'

18. DISTANCE FROM PROPOSED LOCATION*

TO NEAREST WELL, DRILLING, COMPLETED,
OR APPLIED FOR, ON THIS LEASE, FT.

N/A

16. NO. OF ACRES IN LEASE

320

17. NO. OF ACRES ASSIGNED
TO THIS WELL

320

19. PROPOSED DEPTH

11700'

20. ROTARY OR CABLE TOOLS

R

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

3450'

22. APPROX. DATE WORK WILL START*

1/15/00

23. PROPOSED CASING AND CEMENTIN

CAPTAIN CONTROLLED WATER BASIN

| SIZE OF HOLE | GRADE SIZE OF CASING | WEIGHT PER FOOT | SETTING DEPTH | QUANTITY OF CEMENT |
|--------------|----------------------|-----------------|---------------|-----------------------|
| 17-1/2" | 13-3/8" H40 | 48# | 400' | 60sx - Circulate |
| 11" | 8-5/8" K55 | 32# | 3200' | 995sx - Circulate |
| 7-7/8" | 4-1/2" N80 | 11.6# | 11700' | 935sx - Est TOC 8500' |

all oil, water, gas bearing
zones.
Bm - ocd

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

David Stewart

TITLE

DAVID STEWART
REGULATORY ANALYST

DATE

12/10/99

(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:

Acting

Assistant Field Manager,
Lands And Minerals

APPROVED BY

ARMANDO A. LOPEZ

TITLE

DATE

*See Instructions On Reverse Side

APPROVED FOR 1 YEAR

ATTACHMENT 3160-3

OXY USA Inc.

OXY Chocolate Cookies Federal #1

SEC 25 T18S R29E

Eddy County, NM

PROPOSED TD: 11700' TVD

BOP PROGRAM: 0' - 400' None

400' - 3200' 11" 5M blind and pipe rams with 5M annular preventer.

3200' - 11700' 11" 5M blind pipe rams with 5M annular preventer and rotating head below 8500'.

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

Intermediate: 8-5/8" OD 32# K55 ST&C new casing from 0-3200'

Production: 4-1/2" OD 11.6# N80 LT&C new casing from 0-11700'

CEMENT: Surface - Circulate cement with 160sx 35:65 POZ/C with 6% Bentonite + 2% CaCl₂ + .25#/sx Cello-Seal followed by 200sx Cl C with 2% CaCl₂.

Intermediate - Circulate cement with 795sx 35:65 POZ/C with 6% Bentonite + 2% CaCl₂ + .25#/sx Cello-Seal + 5#/sx Gilsonite followed by 200sx Cl C with 2% CaCl₂.

Production - Cement with 860sx 15:61:11 POZ/C/CSE with .5% FL-52 + .5% FL-25 + 8#/sx Gilsonite followed by 75sx Cl C with .7% FL-25.

Estimated top of cement is 8500'.

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' - 3200' 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 increase to 20000PPM.

3200' - 8300' Fresh water. Lime for pH control (9-9.5). Paper for seepage. Wt 8.3-8.5 ppg, Vis 28-29 sec

8300' - 10000' Cut brine. Lime for pH control (10-10.5). Wt 9.6-10.0 ppg, Vis 28-29sec

10000' - 11700' Mud up with an Duo Vis/Flo Trol mud system. Wt 9.6-10.0ppg, Vis 32-36sec, WL<10cc