

UNITED STATES DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
N.M. Oil Conservation District 2
1001 W. Grand Avenue
Artesia, NM 88210
FORM APPROVED
OMB NO. 1004-0136
Expires: February 28, 1995
DESIGNATION AND SERIAL NO.
NM-54113

APPLICATION FOR PERMIT TO DRILL OR DEEPEN		
1a. TYPE OF WORK DRILL <input checked="" type="checkbox"/> DEEPEN <input checked="" type="checkbox"/>		
b. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input type="checkbox"/> SINGLE ZONE <input checked="" type="checkbox"/> MULTIPLE ZONE <input type="checkbox"/>		
2. NAME OF OPERATOR 192463 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 1130 per SN (SH) 1980 FSL 1930 FEL NWSE (J) At proposed prod. zone POTASH		
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE* 14 miles northeast of Carlsbad, NM		
15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest dde. unit line, if any)	16. NO. OF ACRES IN LEASE 320	17. NO. OF ACRES ASSIGNED TO THIS WELL 320
18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. N/A	19. PROPOSED DEPTH 12300'	20. ROTARY OR CABLE TOOLS R
21. ELEVATIONS (Show whether DF, RT, GR, etc.) 3455' Capitan Controlled Water Basin		22. APPROX. DATE WORK WILL START* 4/2/02

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#	650'	520sx - circulate
12-1/4"	9-5/8" K55	36#	3200'	850sx - circulate
8-3/4"	5-1/2" N80-S95	17#	12300'	1300sx - EST TOC 6000'

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 2/5/02

(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/ RICHARD A. WHITLEY TITLE ASSOC. STATE DIRECTOR DATE MAR 13 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.

OXY Shortcake Federal #1
1980 FSL 1830 FEL NWSE SEC 7 T19S R31E
Federal Lease No. NM-54113

PROPOSED TD: 12300' TVD

BOP PROGRAM: 0-650' None

650-3200' 13-3/8" 3M annular preventer.

3200-12300' 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 650'
17-1/2" hole

Intermediate: 9-5/8" OD 36# K55 ST&C new casing from 0-3200'
12-1/4" hole

Production: 5-1/2" OD 17# N80-S95 LT&C new casing from 0-12300'
8-3/4" hole

CEMENT: Surface - Circulate cement with 320sx 35:65 POZ/C with 6% Bentonite
+ 2% CaCl₂ + .25#/sx Cello-Flake followed by 200sx Cl C w/ 2% CaCl₂.

Intermediate - Circulate cement with 650sx 35:65 POZ/C with 6%
Bentonite + 2% CaCl₂ + .25 #/sx Cello-Flake followed by 200sx Cl C
with 2% CaCl₂.

Production - Cement with 1100sx 15:61:11 POZ/C/CSE with .5% FL-52
+ .5% FL-25 + 8#/sx Gilsonite followed by 200sx Cl C with .7%
FL-25.

Estimated top of cement is 6000'.

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

MUD:

0-650' Fresh water/native mud. Lime for pH control
(9-10). Paper for seepage.
Wt 8.7-9.2 ppg, Vis 32-34 sec

650-3200' 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 increases to 20000PPM.

3200-6000' Fresh water. Lime for pH control (9-9.5).
Paper for seepage.
Wt 8.4 ppg, Vis 28-29 sec

6000-11100' Cut brine. Lime for pH control (10-10.5).
Wt 9.6 - 10.0 ppg, Vis 28-29sec

11100-12300' Mud up with an Duo Vis/Flo Trol mud system.
Wt 10-10.2ppg, Vis 34-38sec, WL<8cc

BUREAU OF LAND MANAGEMENT
ROSWELL OFFICE

2002 FEB -6 AM 9:30

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