+-		State of New Energy, Minerals and Natural		Form C-103 Revised 1-1-89
	DISTRICT I P.O. Box 1980, Hobbe, NM 88240 DISTRICT II P.O. Drawer DD, Artesia, NM 88210 DISTRICT III 1000 Rio Brazos Rd., Azzec, NM 87410	OIL CONSERVAT P.O. Box 2 Santa Fe, New Mexic	2088	WELL API NO. 3/-3/5-2/108 5. Indicate Type of Lease STATE FEE 6. State Oil & Gas Lease No.
	( DO NOT USE THIS FORM FOR PRO DIFFERENT RESER	ICES AND REPORTS ON W DPOSALS TO DRILL OR TO DEEP RVOIR. USE "APPLICATION FOR -101) FOR SUCH PROPOSALS.)	EN OR PLUG BACK TO A	7. Lesse Name or Unit Agreement Name
	1. Type of Well: OR VILL ANS WELL	OTHER		Simpson A
ľ	2. Name of Operator OXY USA I:	nc.		8. Well No.
Ì	3. Address of Operator P.O. Box	50250 Midland, TX.	79710	9. Pool same or Wildest Burton Flat Morrow
Ī		0_ Feet From The North		
	Section 29		Rangs 27E ther DF, RKB, RT, GR, etc.)	NMPM Eddy Cousty
Ľ	11. Check	Appropriate Box to Indicat		eport, or Other Data SEQUENT REPORT OF:
1				ALTERING CASING
1		CHANGE PLANS		3 OPNS.
I	PULL OR ALTER CASING	_	CASING TEST AND C	
(	OTHER: Directionally	Drill X		

12. Describe Proposed or Completed Operations (Clearly state all persinent details, and give persinent dates, including estimated date of starting any proposed work). SEE RULE 1103.

00.45 A

Operator proposes to re-enter the P&A'd Simpson A #1 wellbore (shown on attached plat), and directionally drill to an orthodox location in the NW/4 SE/4 of Sec29-T21S-R27E. Operator has attempted to drill a vertical well in NW/4 SE/4 of said section, but massive lost circulation problems have prevented drilling below 2000'. The Simpson A wells #2 and #2Y were the attempted vertical wells. To allow the operator to keep drilling rig under contract, the re-entry will begin as soon as the #2Y well is properly plugged, which should occur no later than November 1, 1990.

I hereby certify that the information above in-true and complete to the best of my knowledge and belief.					
SKONATURE AVALAND	Region Operations Manager	_ DATE			
TYPEOR PRINT NAME F.A. Vitrano	(Prepared by David Stewart)	TELEPHONE NO. 9156855717			
(This space for State Ues)					
APPROVED BY CONDITIONS OF APPROVAL, IF ANY:	TITLE	DATE			