

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK DRILL <input type="checkbox"/> DEEPEN <input type="checkbox"/> PLUG BACK <input checked="" type="checkbox"/>			5. LEASE DESIGNATION AND SERIAL NO. NMNM82091 3001523562	
b. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER <input type="checkbox"/> SINGLE ZONE <input checked="" type="checkbox"/> RECEIVED <input type="checkbox"/> DOUBLE ZONE <input type="checkbox"/>			6. IF INDIAN, ALLOTTEE OR TRIBE NAME NM-13232-A	
2. NAME OF OPERATOR OXY USA Inc. ✓			7. UNIT AGREEMENT NAME	
3. ADDRESS OF OPERATOR P.O. Box 50250 Midland, TX. 79710			8. FARM OR LEASE NAME Government AN	
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.) At surface 660 FNL 1980 FWL Sec 3 (NENW) T20S R28E At proposed prod. zone			9. WELL NO. 1	
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE* 11-1/2 miles from Carlsbad, NM			10. FIELD AND POOL, OR WILDCAT Undesignated-Bone Springs	
15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any) 660		16. NO. OF ACRES IN LEASE 317.2		17. NO. OF ACRES ASSIGNED TO THIS WELL 317.2
18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. N/A		19. PROPOSED DEPTH 7500'		20. ROTARY OR CABLE TOOLS
21. ELEVATIONS (Show whether DF, RT, GR, etc.) 3284.2'				22. APPROX. DATE WORK WILL START* ASAP
23. PROPOSED CASING AND CEMENTING PROGRAM				
SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
17-1/2"	13-3/8"	48#	425'	600
12-1/4"	8-5/8"	24-32#	2995'	1610
7-7/8"	5-1/2"	17-20#	11275'	1000

TD-11275' PBTD-10428' It is proposed to plug off the Wolfcamp perms 8947'-9299' and test the Bone Springs in the following manner:

(Please see other side)

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen or plug back, 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 Production Accountant DATE 3/20/91
David Stewart - 915-685-5717
(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____
APPROVED BY _____ TITLE _____ DATE 4/3/91
CONDITIONS OF APPROVAL, IF ANY:

*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

1. MIRU PU. Kill well w/produced wtr. ND WH, NU BOP. TOO H w/tbg and pkr.
2. RU wireline, TIH w/5-1/2" CIBP and set @ 8920'. Dump 4 sx cmt on top of CIBP. Shut BOP's, RU pump truck to csg and pressure test CIBP and csg to 1500#.
3. Perforate squeeze holes @ 7600' and 7599' w/2 JSPF. Establish injection rate through squeeze holes. RIH w/5-1/2" cmt retainer on wireline and set retainer @ 7580'.
4. TIH w/tbg and sting into retainer. RU pump truck, press csg to 1000#. Open bradenhead, attempt to establish circulation. Pump 100 sx Class H + 0.6% Halad 9. If circulation is not established, block squeeze perfs w/100 sx Class H + 0.6% Halad 9. SION. Run temperature survey after 8 hours to determine top of cmt.
5. RU wireline, RU full lubricator, run GR-CCL correlation log. Perforate Lower Bone Springs formation (7464' - 7471') 2 JSPF using premium charges in a 4" csg gun at the following depths: 7464', 65, 66', 67', 68', 69', 70', 7471'. Total of 16 holes. Depth reference log Schlumberger Compensated Neutron-Formation Density Log dated August 26, 1981.
6. TIH w/treating pkr on 2-7/8" tbg and set pkr @ 7400'. Swab test Lower Bone Springs perfs.
7. If necessary, acidize Lower Bone Springs perfs (7464' - 7471') w/4000 gals 7-1/2% NeFe HCl containing 32 - 7/8" RCNBS and 1000 SCF N₂ per bbl. Flush w/2% KCl wtr containing 1000 SCF per bbl N₂. SI well 1 hr. Open well, recover load, and test well.
8. Put well on production.
9. If test of Lower Bone Springs is unsuccessful, TOO H w/tbg, set CIBP @ 7420' and dump 4 sx cmt on top of CIBP.
10. Run free point survey. Cut off 5-1/2" csg @ ± 6000'. RU csg crew and TOO H w/5-1/2" csg. Inspect csg. TIH w/open ended tbg to 6050'. Spot 30 sx Class H cmt plug 5950' - 6050' (half in and half out of 5-1/2" csg stub). TOO H w/tbg to 5200'. Spot 80 sx Class H cmt plug 5000' - 5200'. WOC 4 hrs. TIH w/tbg and tag plug.
11. RIH w/5-1/2" csg and set csg @ 5000' (or top of cmt plug) utilizing a guide shoe, float collar and 6 - centralizers. Cement 5-1/2" csg w/700 sx Class C + 3% Econolite + 6# salt + 0.25 lb/sk Flocele. Tail in w/250 sx Class C + 5# salt + 0.3% Halad 4. Set slips and cut off csg.
12. RU wireline, RU full lubricator, run GR-CCL⁶⁴ correlation log. Perforate Upper Bone Springs formation (4386' - 4422') 2 JSPF using premium charges in a 4" csg gun at the following depths: 4386', 87', 88', 89', 90', 91', 92', 93', 94', 4414', 15', 16', 17', 18', 19', 20', 21', 4422'. Total 36 holes. Depth reference log Schlumberger Compensated Neutron-Formation Density Log dated August 26, 1981.
13. If necessary, acidize Upper Bone Springs perfs (4386' - 4422') w/6000 gals 7-1/2" NeFe HCl containing 54 - 7/8" RCNBS and 1000 SCF N₂ per bbl. Flush w/2% KCl wtr containing 1000 SCF per bbl N₂. SI well 1 hr. Open well, recover load, and test well.
14. Put well on production.

TAG
STUB
PLUG

NOTE: Plugback procedure was verbally approved by BLM representative Adam Salameh 3/18/91.