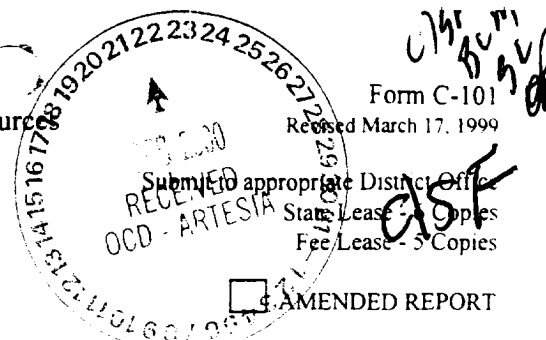


District I
1625 N. French Dr., Hobbs, NM 88240
District II
811 South First, Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico
Energy Minerals and Natural Resources

Oil Conservation Division
2040 South Pacheco
Santa Fe, NM 87505



APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE

¹ Operator Name and Address OXY USA Inc. P.O. Box 50250 Midland, TX 79710-0250		² OGRID Number 16696
		³ API Number 30-015- 31522
⁴ Property Code 27101	⁵ Property Name OXY Pea Shooter State	⁶ Well No. 1

⁷ Surface Location									
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
L	17	23S	26E		1980	South	660	West	Eddy

⁸ Proposed Bottom Hole Location If Different From Surface									
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

⁹ Proposed Pool 1 Undesignated Delaware	¹⁰ Proposed Pool 2
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¹¹ Work Type Code N	¹² Well Type Code O	¹³ Cable/Rotary R	¹⁴ Lease Type Code S VB-466	¹⁵ Ground Level Elevation 3394
¹⁶ Multiple No	¹⁷ Proposed Depth 2100'	¹⁸ Formation Delaware	¹⁹ Contractor WLA	²⁰ Spud Date 1/5/01

²¹ Proposed Casing and Cement Program					
Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
12 1/4" ✓	8 7/8"	32 #	700'	250	Surface
8 1/2" ✓	4 1/2"	11.6 #	2100'	450	Surface
TD 12 1/4" Hole above Salado @ 350'					

22 Describe the proposed program. If this application is to DEEPEN or PLUG BACK, give the data on the present productive zone and proposed new productive zone. Describe the blowout prevention program, if any. Use additional sheets if necessary.

SEE OTHER SIDE

Operator to comply with all FAA rules that may apply.

²³ I hereby certify that the information given above is true and complete to the best of my knowledge and belief. Signature: <i>David Stewart</i> Printed name: David Stewart Title: Regulatory Analyst Date: 12/21/00		<p>OIL CONSERVATION DIVISION</p> <p>Approved by: ORIGINAL SIGNED BY TIM W. GUM DISTRICT II SUPERVISOR <i>BEN</i></p> <p>Title:</p> <p>Approval Date: DEC 26 2000 Expiration Date: DEC 26 2001</p> <p>Conditions of Approval:</p> <p>Attached <input type="checkbox"/></p>	
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OXY Pea Shooter State #1
1980 FSL 660 FWL SEC 17 T23S R26E Eddy County, NM
State Lease No. VB466

PROPOSED TD: 2100' TVD

BOP PROGRAM: 0-700' None

700-2100' 11" 3M blind pipe rams with 3M annular preventer

CASING: Surface: 8-5/8" OD 32# K55 ST&C new casing set at 700'
11" hole

Production: 4-1/2" OD 11.6# N80 ST&C new casing from 0-2100'
7-7/8" hole

CEMENT: Surface - Circulate cement with 150sx 35:65 POZ/C with 6% Bentonite + 2%
CaCl₂ + .25#/sx Cello-Seal followed by 100sx Cl C with 2% CaCl₂.

Production - Circulate cement with 250sx 35:65 POZ/C with 6% Bentonite +
2% CaCl₂ + .25#/sx Cello-Seal + 5#/sx Gilsonite followed by 200sx Cl C
with 2% CaCl₂.

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

MUD: 0-700' Fresh water/native mud. Lime for pH control
(9-10). Paper for seepage.
Wt 8.7-9.2 ppg, Vis 32-34 sec

700-2100' 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.

FYI

7-19-01

BRYAN, this well was originally
permitted AS A Delaware Completion
API #30-015-31522 By OXY CARBON
TRF Pea Shooter State #1. WE ARE
now going to drill & go to this
formation.

THANKS!

CARLA CUSTAN
