

District I
1625 N. French Dr., Hobbs, NM 88240
Phone:(505) 393-8161 Fax:(505) 393-0720
District II
811 S. First St., Artesia, NM 88210
Phone:(505) 748-1283 Fax:(505) 748-9720
District III
1000 Rio Brazos Rd., Aztec, NM 87410
Phone:(505) 334-8178 Fax:(505) 334-8170
District IV
1220 S. St Francis Dr., Santa Fe, NM 87505
Phone:(505) 476-3470 Fax:(505) 476-3482

State of New Mexico
Energy, Minerals and Natural Resources
Oil Conservation Division
1220 S. St Francis Dr.
Santa Fe, NM 87505

Form C-101
August 1, 2011
Permit 221471

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

1. Operator Name and Address OXY USA INC PO Box 4294 Houston, TX 77210		2. OGRID Number 16696
4. Property Code 316274		3. API Number 30-015-43809
5. Property Name CEDAR CANYON 22 15 FEE		6. Well No. 031H

7. Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
C	22	24S	29E	C	1108	N	1603	W	Eddy

8. Proposed Bottom Hole Location

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
D	15	24S	29E	D	180	N	940	W	Eddy

9. Pool Information

PIERCE CROSSING; BONE SPRING, EAST	96473
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Additional Well Information

11. Work Type New Well	12. Well Type OIL	13. Cable/Rotary	14. Lease Type Private	15. Ground Level Elevation 2926
16. Multiple N	17. Proposed Depth 16133	18. Formation 3rd Bone Spring Sand	19. Contractor	20. Spud Date 7/1/2016
Depth to Ground water		Distance from nearest fresh water well		Distance to nearest surface water

☒ We will be using a closed-loop system in lieu of lined pits

21. Proposed Casing and Cement Program

Type	Hole Size	Casing Size	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
Surf	14.75	10.75	40.5	400	265	0
Int1	9.875	7.625	26.4	9445	2079	0
Prod	6.75	5.5	17	10200	605	8445
Prod	6.75	4.5	13.5	16133	605	8445

Casing/Cement Program: Additional Comments

Proposed Casing/Cementing Program: Intermediate 1 - Contingency DVT/ECP @ +/- 3013'. If cement circulates to surface during primary cementing operation, DVT cancellation cone will be run and 2nd stage cancelled. Proposed Production Casing consisting of 5-1/2" 17# P110 USF @ 0-10200' followed by 4-1/2" 13.5# P110 DQX @ 10200-16133'. Proposed Mud Program: 0-400' FW Gel - 400-3013' Saturated Brine - 3013-9445' EnerSeal (MMH) - 9445'-TD Oil Based Mud. BOP Program: 13-5/8" 5M three ram stack w/ 5M annular preventer, 5M choke manifold. Additional information will be sent along with the H2S plan.

22. Proposed Blowout Prevention Program

Type	Working Pressure	Test Pressure	Manufacturer
Double Ram	5000	5000	

23. I hereby certify that the information given above is true and complete to the best of my knowledge and belief. I further certify I have complied with 19.15.14.9 (A) NMAC ☒ and/or 19.15.14.9 (B) NMAC ☒ if applicable. Signature: Printed Name: Electronically filed by KELLEY MONTGOMERY Title: Manager Regulatory Email Address: kelley_montgomery@oxy.com Date: 5/23/2016 Phone: 713-366-5716	OIL CONSERVATION DIVISION Approved By: Karen Sharp Title: OCD Reviewer Approved Date: 6/7/2016 Expiration Date: 6/7/2018 Conditions of Approval Attached
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District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505
Phone: (505) 476-3460 Fax: (505) 476-3462

State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-102
Revised August 1, 2011
Submit one copy to appropriate
District Office

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-015-	Pool Code 96473	Pool Name Pierce Crossing Bone Spring, East
Property Code	Property Name CEDAR CANYON "22-15" FEE	Well Number 31H
OGRID No. 16696	Operator Name OXY USA INC.	Elevation 2925.8'

Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
C	22	24 SOUTH	29 EAST, N.M.P.M.		1108'	NORTH	1603'	WEST	EDDY

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
D	15	24 SOUTH	29 EAST, N.M.P.M.		180'	NORTH	940'	WEST	EDDY

Dedicated Acres 200	Joint or Infill Y	Consolidation Code	Order No.
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No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.

	OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or undivided mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division. <i>David Stewart</i> 5/23/16 Signature Date David Stewart Printed Name david_stewart@oxy.com E-mail Address
	SURVEYOR CERTIFICATION I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief. 15079 MAY 3, 2016 Date of Survey Signature and Seal of Professional Surveyor <i>Terry J. Paul</i> 5/17/2016 Certificate Number 15079 WD# 160503WL-a (Rev. A) (KA)

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Form APD Comments

Permit 221471

PERMIT COMMENTS

Operator Name and Address: OXY USA INC [16696] PO Box 4294 Houston, TX 77210		API Number: 30-015-43809
		Well: CEDAR CANYON 22 15 FEE #031H

Created By	Comment	Comment Date
stewartd	Top Perforated Interval: 980 FNL 939 FWL D 22-24S-29E - Lat: 32.2074606 Long: 103.9773484 Bottom Perforated Interval: 340 FNL 940 FWL D 15-24S-29E - Lat: 32.2238184 Long: 103.9773958 A closed loop system will be utilized consisting of above ground steel tanks and haul-off bins. Disposal of liquids, drilling fluids and cuttings will be disposed of at an approved facility.	5/23/2016

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Form APD Conditions

Permit 221471

PERMIT CONDITIONS OF APPROVAL

Operator Name and Address: OXY USA INC [16696] PO Box 4294 Houston, TX 77210	API Number: 30-015-43809
	Well: CEDAR CANYON 22 15 FEE #031H

OCD Reviewer	Condition
kjones	Will require a directional survey with the C-104
kjones	Once the well is spud, to prevent ground water contamination through whole or partial conduits from the surface, the operator shall drill without interruption through the fresh water zone or zones and shall immediately set in cement the water protection string
kjones	Cement is required to circulate on both surface and production strings of casing
kjones	Cement is required to circulate on both surface and intermediate1 strings of casing
kjones	If cement does not circulate to surface, must run temperature survey or other log to determine top of cement.