

District I
1625 N. French Dr., Hobbs, NM 88240
Phone:(575) 393-6161 Fax:(575) 393-0720

District II
811 S. First St., Artesia, NM 88210
Phone:(575) 748-1283 Fax:(575) 748-9720

District III
1000 Rio Brazos Rd., Aztec, NM 87410
Phone:(505) 334-6178 Fax:(505) 334-6170

District IV
1220 S. St Francis Dr., Santa Fe, NM 87505
Phone:(505) 476-3470 Fax:(505) 476-3462

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 252816

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

| | | |
|--|--|-------------------------------|
| 1. Operator Name and Address OCCIDENTAL PERMIAN LTD P.O. Box 4294 Houston , TX 77210-4294 | | 2. OGRID Number 157984 |
| 4. Property Code 19520 | | 3. API Number 30-025-44823 |
| 5. Property Name NORTH HOBBS G/SA UNIT | | 6. Well No. 670 |

7. Surface Location

| | | | | | | | | | |
|----------|---------|----------|-------|---------|-----------|----------|-----------|----------|--------|
| UL - Lot | Section | Township | Range | Lot Idn | Feet From | N/S Line | Feet From | E/W Line | County |
| L | 23 | 18S | 37E | L | 2493 | S | 1094 | W | Lea |

8. Proposed Bottom Hole Location

| | | | | | | | | | |
|----------|---------|----------|-------|---------|-----------|----------|-----------|----------|--------|
| UL - Lot | Section | Township | Range | Lot Idn | Feet From | N/S Line | Feet From | E/W Line | County |
| E | 23 | 18S | 37E | E | 2609 | N | 1005 | W | Lea |

9. Pool Information

| | |
|---------------------------|-------|
| HOBBS;GRAYBURG-SAN ANDRES | 31920 |
|---------------------------|-------|

Additional Well Information

| | | | | |
|---------------------------|----------------------------|--|-------------------------|------------------------------------|
| 11. Work Type New Well | 12. Well Type OIL | 13. Cable/Rotary | 14. Lease Type State | 15. Ground Level Elevation 3688 |
| 16. Multiple N | 17. Proposed Depth 6000 | 18. Formation San Andres | 19. Contractor | 20. Spud Date 10/1/2018 |
| 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 | 12.25 | 9.625 | 36 | 1700 | 600 | 0 |
| Prod | 8.75 | 7 | 26 | 6000 | 800 | 0 |

Casing/Cement Program: Additional Comments

| |
|--|
| |
|--|

22. Proposed Blowout Prevention Program

| Type | Working Pressure | Test Pressure | Manufacturer |
|---------|------------------|---------------|--------------|
| Annular | 5000 | 3000 | |

| | |
|--|---|
| 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 <input checked="" type="checkbox"/> and/or 19.15.14.9 (B) NMAC <input checked="" type="checkbox"/> if applicable. Signature: | OIL CONSERVATION DIVISION |
| Printed Name: Electronically filed by KELLEY MONTGOMERY | Approved By: Paul F Kautz |
| Title: Manager Regulatory | Title: Geologist |
| Email Address: kelley_montgomery@oxy.com | Approved Date: 5/25/2018 Expiration Date: 5/25/2020 |
| Date: 5/24/2018 Phone: 713-366-5716 | Conditions of Approval Attached |

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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 30-005- | Pool Code 31920 | Pool Name Hobbs; Grayburg - San Andres |
| Property Code 19552 | Property Name NORTH HOBBS G/SA UNIT | Well Number 670 |
| OGRID No. 157984 | Operator Name OCCIDENTAL PERMIAN LTD. | Elevation 3688.8' |

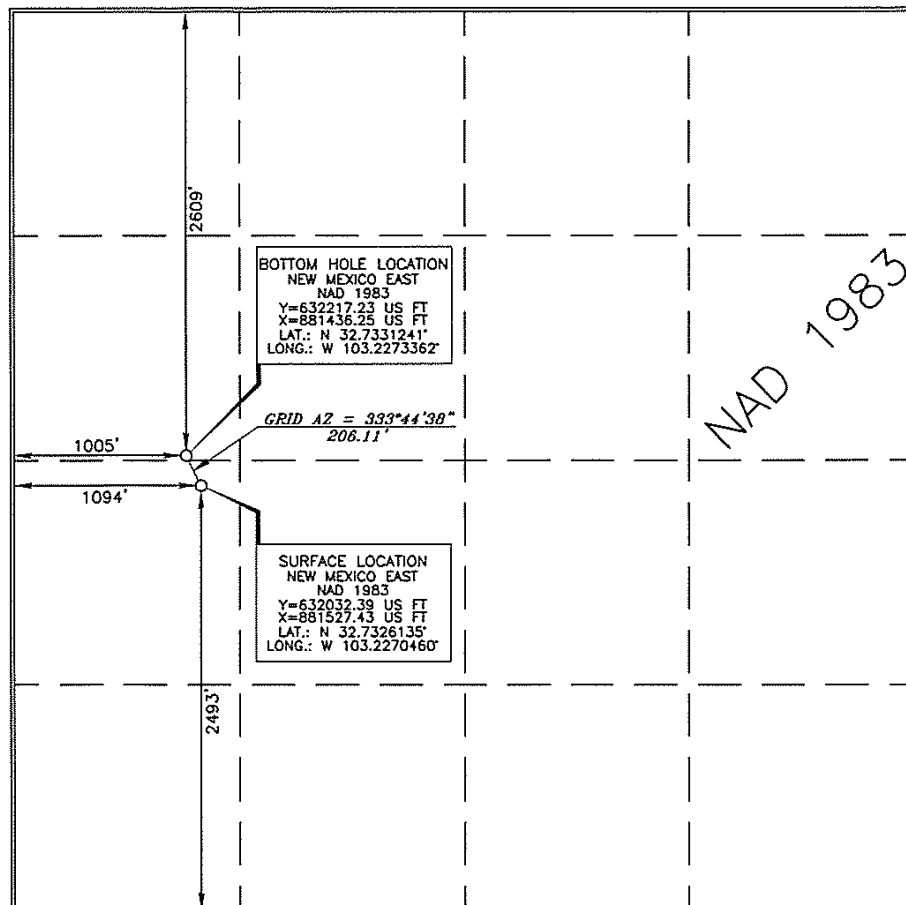
Surface Location

| UL or lot no. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
|---------------|---------|----------|-------------------|---------|---------------|------------------|---------------|----------------|--------|
| L | 23 | 18 SOUTH | 37 EAST, N.M.P.M. | | 2493' | SOUTH | 1094' | WEST | LEA |

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 |
|-----------------|---------|-----------------|--------------------|-----------|---------------|------------------|---------------|----------------|--------|
| E | 23 | 18 SOUTH | 37 EAST, N.M.P.M. | | 2609' | NORTH | 1005' | WEST | LEA |
| Dedicated Acres | | Joint or Infill | Consolidation Code | Order No. | | | | | |

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.

Signature: April Hood
Date: 5/22/18
Printed Name: April Hood
E-mail Address: April-Hood@oxy.com

SURVEYOR CERTIFICATION

I hereby certify that the well location shown on this plat was plotted from a review of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.

Date of Survey: APRIL 5, 2018
Signature and Seal of Professional Surveyor: Terry J. As...

Certificate Number: 15079
Date: 5/16/2018

WO# 180405WL-e (KA)

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Energy, Minerals and Natural Resources
Oil Conservation Division
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Santa Fe, NM 87505

Form APD Comments

Permit 252816

PERMIT COMMENTS

| | | |
|---|--|-------------------------------------|
| Operator Name and Address: OCCIDENTAL PERMIAN LTD [157984] P.O. Box 4294 Houston , TX 77210-4294 | | API Number: 30-025-44823 |
| | | Well: NORTH HOBBS G/SA UNIT #670 |

| | | |
|------------|---------|--------------|
| Created By | Comment | Comment Date |
|------------|---------|--------------|

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Form APD Conditions

Permit 252816

PERMIT CONDITIONS OF APPROVAL

| | |
|---|-------------------------------------|
| Operator Name and Address: OCCIDENTAL PERMIAN LTD [157984] P.O. Box 4294 Houston , TX 77210-4294 | API Number: 30-025-44823 |
| | Well: NORTH HOBBS G/SA UNIT #670 |

| OCD Reviewer | Condition |
|-----------------|---|
| pkautz | Will require a directional survey with the C-104 |
| pkautz | SURFACE & PRODUCTION CASING - Cement must circulate to surface |
| pkautz | If cement does not circulate to surface, must run temperature survey or other log to determine top of cement |
| pkautz | Surface casing must be set 25' below top of Rustler Anhydrite in order to seal off protectable water |
| pkautz | 1)- The Operator is to notify NMOCD by sundry (Form C-103) within ten (10) days of the well being spud 2)- Drilling Sundries Form C-103 (Casing and Cement test are to be submitted within 10 days 3)- Completion Reports & Logs are to be submitted within 45 days 4)- Deviation / Directional Drill Survey are to be filed with or prior to C-104 |
| pkautz | It is the operator's responsibility to monitor cancellation dates of approved APDs. APD's are good for 2 years and may be extended for one year. Only one 1 year extension will be granted if submitted by C-103 before expiration date. After expiration date or after a 1 year extension must submit new APD. |
| pkautz | Stage Tool - 1) Must notify OCD Hobbs Office prior to running Stage Tool at 575-370-3186 2) If using Stage Tool on Surface casing, Stage Tool must be set greater than 350' from surface and a minimum of 200 feet above surface shoe. 3) When using a Stage Tool on Intermediate or Production Casing Stage must be a minimum of 50 feet below previous casing shoe. |