

Well Name: ARKENSTONE 31 FEDERAL	Well Location: T23S / R31E / SEC 31 / NWNE / 32.267822 / -103.81681	County or Parish/State: EDDY / NM
Well Number: 3H	Type of Well: OIL WELL	Allottee or Tribe Name:
Lease Number: NMNM0546732A	Unit or CA Name:	Unit or CA Number:
US Well Number: 3001546618	Well Status: Drilling Well	Operator: OXY USA INCORPORATED

Notice of Intent

Sundry ID: 2646466

Type of Submission: Notice of Intent	Type of Action: Other
Date Sundry Submitted: 12/01/2021	Time Sundry Submitted: 02:39
Date proposed operation will begin: 12/08/2021	

Procedure Description: OXY USA INC. respectfully requests approval to amend the approved APD. The sundry is to include the below updates: - Update Bone Spring pool - from Ingle Wells BS (33740) to Cotton Draw Bs (13367) - per OCD geologist, Kate Pickford - Update well trajectory from 5k to 10k foot lateral - Update C-102 and drill path to reflect updated wellbore trajectory and HSU - Update drill plan (including casing, cementing, etc.), directional plot, directional plan, and casing attachments

Surface Disturbance

Is any additional surface disturbance proposed?: No

NOI Attachments

- Procedure Description
- Arkenstone31Federal3H_DrillPlan_v3_20211206081652.pdf
 - New_KPLA_3S_Wellbore_Schematic_20211206081651.pdf
 - Arkenstone31Federal3H_TNSWedge461_5.500in_20_20211201124223.00
 - Arkenstone31Federal3H_TNSWedge441_5.500in_20_20211201124223.00
 - Arkenstone31Federal3H__DRILL_PATH_20211201124220.pdf
 - Arkenstone31Federal3H_DirectPlan_20211201124219.pdf

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Arkenstone31Federal3H_DirectPlot_20211201124219.pdf

Arkenstone31Federal3H__C102_20211201124219.pdf

Arkenstone31Federal3H_TNSWedge425_5.500in_20_20211201124219.00

Conditions of Approval

Additional Reviews

Arkenstone_31_Federal_3H_Sundry_ID_2646466_20211208083749.pdf

Operator Certification

I certify that the foregoing is true and correct. Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction. Electronic submission of Sundry Notices through this system satisfies regulations requiring a submission of Form 3160-5 or a Sundry Notice.

Operator Electronic Signature: EMILY MESSER	Signed on: DEC 06, 2021 08:17 AM
Name: OXY USA INCORPORATED	
Title: REGULATORY LEAD	
Street Address: 5 Greenway Plaza, Suite 110	
City: Houston	State: TX
Phone: (713) 497-2076	
Email address: emily_messer@oxy.com	

Field Representative

Representative Name:		
Street Address:		
City:	State:	Zip:
Phone:		
Email address:		

BLM Point of Contact

BLM POC Name: CHRISTOPHER WALLS	BLM POC Title: Petroleum Engineer
BLM POC Phone: 5752342234	BLM POC Email Address: cwalls@blm.gov
Disposition: Approved	Disposition Date: 12/17/2021
Signature: Cody R. Layton	

PECOS DISTRICT DRILLING CONDITIONS OF APPROVAL

OPERATOR'S NAME:	OXY USA Incorporated
LEASE NO.:	NMNM0546732A
LOCATION:	Section 31, T.23 S., R.31 E., NMPM
COUNTY:	Eddy County, New Mexico

WELL NAME & NO.:	Arkenstone 31 Federal 3H
SURFACE HOLE FOOTAGE:	130'/N & 2613'/E
BOTTOM HOLE FOOTAGE:	20'/S & 1730'/W

COA

H2S	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	
Potash	<input type="checkbox"/> None	<input type="checkbox"/> Secretary	<input checked="" type="checkbox"/> R-111-P
Cave/Karst Potential	<input checked="" type="checkbox"/> Low	<input type="checkbox"/> Medium	<input type="checkbox"/> High
Cave/Karst Potential	<input type="checkbox"/> Critical		
Variance	<input type="checkbox"/> None	<input checked="" type="checkbox"/> Flex Hose	<input type="checkbox"/> Other
Wellhead	<input type="checkbox"/> Conventional	<input type="checkbox"/> Multibowl	<input checked="" type="checkbox"/> Both
Wellhead Variance	<input type="checkbox"/> Diverter		
Other	<input type="checkbox"/> 4 String Area	<input type="checkbox"/> Capitan Reef	<input type="checkbox"/> WIPP
Other	<input type="checkbox"/> Fluid Filled	<input type="checkbox"/> Pilot Hole	<input checked="" type="checkbox"/> Open Annulus
Cementing	<input checked="" type="checkbox"/> Cement Squeeze	<input checked="" type="checkbox"/> EchoMeter	
Special Requirements	<input type="checkbox"/> Water Disposal	<input checked="" type="checkbox"/> COM	<input type="checkbox"/> Unit
Special Requirements Variance	<input checked="" type="checkbox"/> Break Testing	<input checked="" type="checkbox"/> Offline Cementing	

A. HYDROGEN SULFIDE

Hydrogen Sulfide (H2S) monitors shall be installed prior to drilling out the surface shoe. If H2S is detected in concentrations greater than 100 ppm, the Hydrogen Sulfide area shall meet Onshore Order 6 requirements, which includes equipment and personnel/public protection items. If Hydrogen Sulfide is encountered, provide measured values and formations to the BLM.

B. CASING

1. The **13-3/8** inch surface casing shall be set at approximately **418 feet** (a minimum of **70 feet (Eddy County)** into the Rustler Anhydrite and above the salt) and cemented to the surface.
 - a. If cement does not circulate to the surface, the appropriate BLM office shall be notified and a temperature survey utilizing an electronic type temperature

- survey with surface log readout will be used or a cement bond log shall be run to verify the top of the cement. Temperature survey will be run a minimum of six hours after pumping cement and ideally between 8-10 hours after completing the cement job.
- b. Wait on cement (WOC) time for a primary cement job will be a minimum of **24 hours in the Potash Area** or 500 pounds compressive strength, whichever is greater. (This is to include the lead cement)
 - c. Wait on cement (WOC) time for a remedial job will be a minimum of 4 hours after bringing cement to surface or 500 pounds compressive strength, whichever is greater.
 - d. If cement falls back, remedial cementing will be done prior to drilling out that string.
2. The minimum required fill of cement behind the **9-5/8** inch intermediate casing shall be set at approximately **4140 feet** is:
- Cement to surface. If cement does not circulate see B.1.a, c-d above.
Wait on cement (WOC) time for a primary cement job is to include the lead cement slurry due to cave/karst or potash.
Cement excess is less than 25%, more cement might be required.
3. The minimum required fill of cement behind the **5-1/2** inch production casing is:
- Cement should tie-back at least **500 feet** into previous casing string. Operator shall provide method of verification.
Cement excess is less than 25%, more cement might be required.

Operator has proposed to pump down 9-5/8" X 5-1/2" annulus post completion. Operator must run Echo-meter to verify Cement Slurry top in the annulus. Submit results to the BLM. No displacement fluid shall be utilized at top of the cement slurry during second stage BH.

Operator has proposed an open annulus completion in R111P. Operator shall provide a method of verification pre-completion top of cement. Submit results to the BLM. Pressure monitoring device and Pressure Safety Valves must be installed at surface on the 9-5/8" x 5-1/2" annulus for the life of the well.

In the event of a casing failure during completion, the operator must contact the BLM at (575-706-2779) and (575-361-2822 Eddy County).

C. PRESSURE CONTROL

1. Variance approved to use flex line from BOP to choke manifold. Manufacturer's specification to be readily available. No external damage to flex line. Flex line to be installed as straight as possible (no hard bends).'
- 2.

Option 1:

- a. Minimum working pressure of the blowout preventer (BOP) and related equipment (BOPE) required for drilling below the surface casing shoe shall be **3000 (3M)** psi.
- b. Minimum working pressure of the blowout preventer (BOP) and related equipment (BOPE) required for drilling below the **9-5/8** inch intermediate casing shoe shall be **5000 (5M)** psi.

Option 2:

Operator has proposed a multi-bowl wellhead assembly. This assembly will only be tested when installed on the surface casing. Minimum working pressure of the blowout preventer (BOP) and related equipment (BOPE) required for drilling below the surface casing shoe shall be **5000 (5M)** psi.

- a. Wellhead shall be installed by manufacturer's representatives, submit documentation with subsequent sundry.
- b. If the welding is performed by a third party, the manufacturer's representative shall monitor the temperature to verify that it does not exceed the maximum temperature of the seal.
- c. Manufacturer representative shall install the test plug for the initial BOP test.
- d. If the cement does not circulate and one inch operations would have been possible with a standard wellhead, the well head shall be cut off, cementing operations performed and another wellhead installed.
- e. Whenever any seal subject to test pressure is broken, all the tests in OOGO2.III.A.2.i must be followed.

D. SPECIAL REQUIREMENT (S)**Communitization Agreement**

- The operator will submit a Communitization Agreement to the Santa Fe Office, 301 Dinosaur Trail Santa Fe, New Mexico 87508, at least 90 days before the anticipated date of first production from a well subject to a spacing order issued by the New Mexico Oil Conservation Division. The Communitization Agreement will include the signatures of all working interest owners in all Federal and Indian leases subject to the Communitization Agreement (i.e., operating rights owners and lessees of record),

or certification that the operator has obtained the written signatures of all such owners and will make those signatures available to the BLM immediately upon request.

- If the operator does not comply with this condition of approval, the BLM may take enforcement actions that include, but are not limited to, those specified in 43 CFR 3163.1.
- In addition, the well sign shall include the surface and bottom hole lease numbers. When the Communitization Agreement number is known, it shall also be on the sign.

BOPE Break Testing Variance

- BOPE Break Testing is ONLY permitted for 5M BOPE or less. **(Annular preventer must be tested to a minimum of 70% of BOPE working pressure and shall be higher than the MASP)**
- BOPE Break Testing is NOT permitted to drilling the production hole section.
- While in transfer between wells, the BOPE shall be secured by the hydraulic carrier or cradle.
- Any well control event while drilling require notification to the BLM Petroleum Engineer **(575-706-2779)** prior to the commencement of any BOPE Break Testing operations.
- A full BOPE test is required prior to drilling the first deep intermediate hole section. If any subsequent hole interval is deeper than the first, a full BOPE test will be required.
- The BLM is to be contacted **(575-361-2822 Eddy County)** 4 hours prior to BOPE tests.
- As a minimum, a full BOPE test shall be performed at 21-day intervals.
- In the event any repairs or replacement of the BOPE is required, the BOPE shall test as per Onshore Oil and Gas Order No. 2.

Offline Cementing

Contact the BLM prior to the commencement of any offline cementing procedure.

GENERAL REQUIREMENTS

The BLM is to be notified in advance for a representative to witness:

- a. Spudding well (minimum of 24 hours)
- b. Setting and/or Cementing of all casing strings (minimum of 4 hours)
- c. BOPE tests (minimum of 4 hours)

☒ Eddy County

Call the Carlsbad Field Office, 620 East Greene St., Carlsbad, NM 88220,
(575) 361-2822

☒ Lea County

Call the Hobbs Field Station, 414 West Taylor, Hobbs NM 88240, (575)
393-3612

1. Unless the production casing has been run and cemented or the well has been properly plugged, the drilling rig shall not be removed from over the hole without prior approval.
 - a. In the event the operator has proposed to drill multiple wells utilizing a skid/walking rig. Operator shall secure the wellbore on the current well, after installing and testing the wellhead, by installing a blind flange of like pressure rating to the wellhead and a pressure gauge that can be monitored while drilling is performed on the other well(s).
 - b. When the operator proposes to set surface casing with Spudder Rig
 - Notify the BLM when moving in and removing the Spudder Rig.
 - Notify the BLM when moving in the 2nd Rig. Rig to be moved in within 90 days of notification that Spudder Rig has left the location.
 - BOP/BOPE test to be conducted per Onshore Oil and Gas Order No. 2 as soon as 2nd Rig is rigged up on well.
2. Floor controls are required for 3M or Greater systems. These controls will be on the rig floor, unobstructed, readily accessible to the driller and will be operational at all times during drilling and/or completion activities. Rig floor is defined as the area immediately around the rotary table; the area immediately above the substructure on which the draw works are located, this does not include the dog house or stairway area.
3. The record of the drilling rate along with the GR/N well log run from TD to surface (horizontal well – vertical portion of hole) shall be submitted to the BLM office as well as all other logs run on the borehole 30 days from completion. If available, a digital copy of the logs is to be submitted in addition to the paper copies. The Rustler top and top and bottom of Salt are to be recorded on the Completion Report.

A. CASING

1. Changes to the approved APD casing program need prior approval if the items substituted are of lesser grade or different casing size or are Non-API. The Operator can exchange the components of the proposal with that of superior strength (i.e. changing from J-55 to N-80, or from 36# to 40#). Changes to the approved cement program need prior approval if the altered cement plan has less volume or strength or if the changes are substantial (i.e. Multistage tool, ECP, etc.). The initial wellhead installed on the well will remain on the well with spools used as needed.
2. Wait on cement (WOC) for Potash Areas: After cementing but before commencing any tests, the casing string shall stand cemented under pressure until both of the following conditions have been met: 1) cement reaches a minimum compressive strength of 500 psi for all cement blends, 2) until cement has been in place at least 24 hours. WOC time will be recorded in the driller's log. The casing integrity test can be done (prior to the cement setting up) immediately after bumping the plug.
3. Wait on cement (WOC) for Water Basin: After cementing but before commencing any tests, the casing string shall stand cemented under pressure until both of the following conditions have been met: 1) cement reaches a minimum compressive strength of 500 psi at the shoe, 2) until cement has been in place at least 8 hours. WOC time will be recorded in the driller's log. See individual casing strings for details regarding lead cement slurry requirements. The casing integrity test can be done (prior to the cement setting up) immediately after bumping the plug.
4. Provide compressive strengths including hours to reach required 500 pounds compressive strength prior to cementing each casing string. Have well specific cement details onsite prior to pumping the cement for each casing string.
5. No pea gravel permitted for remedial or fall back remedial without prior authorization from the BLM engineer.
6. On that portion of any well approved for a 5M BOPE system or greater, a pressure integrity test of each casing shoe shall be performed. Formation at the shoe shall be tested to a minimum of the mud weight equivalent anticipated to control the formation pressure to the next casing depth or at total depth of the well. This test shall be performed before drilling more than 20 feet of new hole.
7. If hardband drill pipe is rotated inside casing, returns will be monitored for metal. If metal is found in samples, drill pipe will be pulled and rubber protectors which have a larger diameter than the tool joints of the drill pipe will be installed prior to continuing drilling operations.
8. Whenever a casing string is cemented in the R-111-P potash area, the NMOCD requirements shall be followed.

B. PRESSURE CONTROL

1. All blowout preventer (BOP) and related equipment (BOPE) shall comply with well control requirements as described in Onshore Oil and Gas Order No. 2 and API RP 53 Sec. 17.
2. If a variance is approved for a flexible hose to be installed from the BOP to the choke manifold, the following requirements apply: The flex line must meet the requirements of API 16C. Check condition of flexible line from BOP to choke manifold, replace if exterior is damaged or if line fails test. Line to be as straight as possible with no hard bends and is to be anchored according to Manufacturer's requirements. The flexible hose can be exchanged with a hose of equal size and equal or greater pressure rating. Anchor requirements, specification sheet and hydrostatic pressure test certification matching the hose in service, to be onsite for review. These documents shall be posted in the company man's trailer and on the rig floor.
3. 5M or higher system requires an HCR valve, remote kill line and annular to match. The remote kill line is to be installed prior to testing the system and tested to stack pressure.
4. If the operator has proposed a multi-bowl wellhead assembly in the APD. The following requirements must be met:
 - a. Wellhead shall be installed by manufacturer's representatives, submit documentation with subsequent sundry.
 - b. If the welding is performed by a third party, the manufacturer's representative shall monitor the temperature to verify that it does not exceed the maximum temperature of the seal.
 - c. Manufacturer representative shall install the test plug for the initial BOP test.
 - d. Whenever any seal subject to test pressure is broken, all the tests in OOGO2.III.A.2.i must be followed.
 - e. If the cement does not circulate and one inch operations would have been possible with a standard wellhead, the well head shall be cut off, cementing operations performed and another wellhead installed.
5. The appropriate BLM office shall be notified a minimum of 4 hours in advance for a representative to witness the tests.
 - a. In a water basin, for all casing strings utilizing slips, these are to be set as soon as the crew and rig are ready and any fallback cement remediation has been done. The casing cut-off and BOP installation can be initiated four hours after installing the slips, which will be approximately six hours after bumping the plug. For those casing strings not using slips, the minimum wait time before cut-off is eight hours after bumping the plug. BOP/BOPE testing can begin after cut-off or once cement reaches 500 psi compressive strength (including lead when specified), whichever is greater. However, if the float does not

hold, cut-off cannot be initiated until cement reaches 500 psi compressive strength (including lead when specified).

- b. In potash areas, for all casing strings utilizing slips, these are to be set as soon as the crew and rig are ready and any fallback cement remediation has been done. For all casing strings, casing cut-off and BOP installation can be initiated at twelve hours after bumping the plug. However, **no tests** shall commence until the cement has had a minimum of 24 hours setup time, except the casing pressure test can be initiated immediately after bumping the plug (only applies to single stage cement jobs).
- c. The tests shall be done by an independent service company utilizing a test plug not a cup or J-packer. The operator also has the option of utilizing an independent tester to test without a plug (i.e. against the casing) pursuant to Onshore Order 2 with the pressure not to exceed 70% of the burst rating for the casing. Any test against the casing must meet the WOC time for water basin (8 hours) or potash (24 hours) or 500 pounds compressive strength, whichever is greater, prior to initiating the test (see casing segment as lead cement may be critical item).
- d. The test shall be run on a 5000 psi chart for a 2-3M BOP/BOP, on a 10000 psi chart for a 5M BOP/BOPE and on a 15000 psi chart for a 10M BOP/BOPE. If a linear chart is used, it shall be a one hour chart. A circular chart shall have a maximum 2 hour clock. If a twelve hour or twenty-four hour chart is used, tester shall make a notation that it is run with a two hour clock.
- e. The results of the test shall be reported to the appropriate BLM office.
- f. All tests are required to be recorded on a calibrated test chart. A copy of the BOP/BOPE test chart and a copy of independent service company test will be submitted to the appropriate BLM office.
- g. The BOP/BOPE test shall include a low pressure test from 250 to 300 psi. The test will be held for a minimum of 10 minutes if test is done with a test plug and 30 minutes without a test plug. This test shall be performed prior to the test at full stack pressure.
- h. BOP/BOPE must be tested by an independent service company within 500 feet of the top of the Wolfcamp formation if the time between the setting of the intermediate casing and reaching this depth exceeds 20 days. This test does not exclude the test prior to drilling out the casing shoe as per Onshore Order No. 2.

C. DRILLING MUD

Mud system monitoring equipment, with derrick floor indicators and visual and audio alarms, shall be operating before drilling into the Wolfcamp formation, and shall be used until production casing is run and cemented.

D. WASTE MATERIAL AND FLUIDS

All waste (i.e. drilling fluids, trash, salts, chemicals, sewage, gray water, etc.) created as a result of drilling operations and completion operations shall be safely contained and disposed of properly at a waste disposal facility. No waste material or fluid shall be disposed of on the well location or surrounding area.

Porto-johns and trash containers will be on-location during fracturing operations or any other crew-intensive operations.

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) 476-3460 Fax: (505) 476-3462

State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 SOUTH ST. FRANCIS DR.
Santa Fe, New Mexico 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 30-015-46618	Pool Code 13367	Pool Name COTTON DRAW; BONE SPRING
Property Code 326150	Property Name ARKENSTONE 31 FEDERAL	Well Number 3H
OGRID No. 16696	Operator Name OXY USA INC.	Elevation 3344.4'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
B	31	23-S	31-E		130	NORTH	2613	EAST	EDDY

Bottom Hole Location If Different From Surface

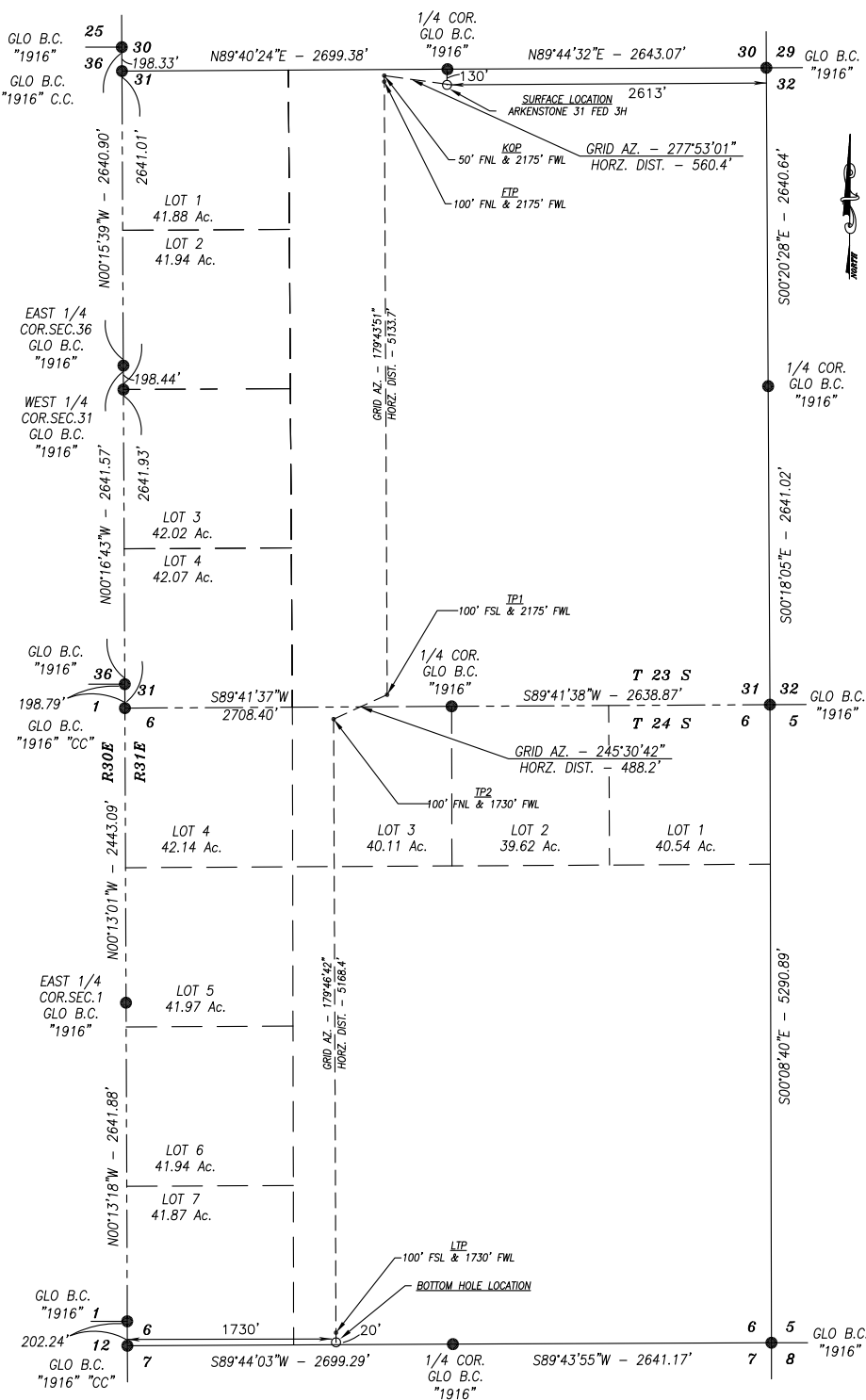
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
N	6	24-S	31-E		20	SOUTH	1730	WEST	EDDY

Dedicated Acres 320	Joint or Infill	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

<p><u>NAD83 SURFACE LOCATION</u> Y=461550.8 N X=700987.5 E LAT.=32.267822° N LONG.=103.816810° W</p> <p><u>KOP NAD83</u> 50' FNL & 2175' FWL Y=461627.6 N X=700432.4 E LAT.=32.268040° N LONG.=103.818604° W</p> <p><u>FTP NAD83</u> 100' FNL & 2175' FWL Y=461577.6 N X=700432.7 E LAT.=32.267903° N LONG.=103.818604° W</p> <p><u>TP1 NAD83</u> 100' FSL & 2175' FWL Y=456494.0 N X=700456.5 E LAT.=32.253929° N LONG.=103.818606° W</p> <p><u>POINT LEGEND NAD83</u></p> <table border="1" style="width: 100%; border-collapse: collapse;"> <tr><td>1</td><td>Y=461673.1 N</td></tr> <tr><td>2</td><td>X=699637.3 E</td></tr> <tr><td>3</td><td>Y=456389.8 N</td></tr> <tr><td>4</td><td>X=699670.1 E</td></tr> <tr><td>5</td><td>Y=451101.5 N</td></tr> <tr><td>6</td><td>X=699680.6 E</td></tr> <tr><td>7</td><td>Y=451107.7 N</td></tr> <tr><td>8</td><td>X=701001.4 E</td></tr> <tr><td>9</td><td>Y=456396.8 N</td></tr> <tr><td>10</td><td>X=700980.4 E</td></tr> <tr><td>11</td><td>Y=461680.6 N</td></tr> <tr><td>12</td><td>X=700956.6 E</td></tr> </table> <p><u>TP2 NAD83</u> 100' FNL & 1730' FWL Y=456291.6 N X=700012.2 E LAT.=32.253378° N LONG.=103.820046° W</p> <p><u>LTP NAD83</u> 100' FSL & 1730' FWL Y=451203.2 N X=700031.9 E LAT.=32.239391° N LONG.=103.820061° W</p> <p><u>NAD83 PROPOSED BOTTOM HOLE LOCATION</u> Y=451123.2 N X=700032.2 E LAT.=32.239171° N LONG.=103.820061° W</p>	1	Y=461673.1 N	2	X=699637.3 E	3	Y=456389.8 N	4	X=699670.1 E	5	Y=451101.5 N	6	X=699680.6 E	7	Y=451107.7 N	8	X=701001.4 E	9	Y=456396.8 N	10	X=700980.4 E	11	Y=461680.6 N	12	X=700956.6 E	<p><u>NAD27 SURFACE LOCATION</u> Y=461491.5 N X=659803.9 E LAT.=32.267699° N LONG.=103.816323° W</p> <p><u>KOP NAD27</u> 50' FNL & 2175' FWL Y=461568.3 N X=659248.9 E LAT.=32.267917° N LONG.=103.818118° W</p> <p><u>FTP NAD27</u> 100' FNL & 2175' FWL Y=461518.3 N X=659249.1 E LAT.=32.267780° N LONG.=103.818118° W</p> <p><u>TP1 NAD27</u> 100' FSL & 2175' FWL Y=456434.8 N X=659272.8 E LAT.=32.253806° N LONG.=103.818120° W</p> <p><u>POINT LEGEND NAD27</u></p> <table border="1" style="width: 100%; border-collapse: collapse;"> <tr><td>1</td><td>Y=461613.8 N</td></tr> <tr><td>2</td><td>X=658453.8 E</td></tr> <tr><td>3</td><td>Y=456330.6 N</td></tr> <tr><td>4</td><td>X=658486.4 E</td></tr> <tr><td>5</td><td>Y=451042.5 N</td></tr> <tr><td>6</td><td>X=658496.8 E</td></tr> <tr><td>7</td><td>Y=451048.6 N</td></tr> <tr><td>8</td><td>X=659817.5 E</td></tr> <tr><td>9</td><td>Y=456397.7 N</td></tr> <tr><td>10</td><td>X=659806.7 E</td></tr> <tr><td>11</td><td>Y=461621.3 N</td></tr> <tr><td>12</td><td>X=659773.0 E</td></tr> </table> <p><u>TP2 NAD27</u> 100' FNL & 1730' FWL Y=456232.4 N X=658828.5 E LAT.=32.253255° N LONG.=103.819560° W</p> <p><u>LTP NAD27</u> 100' FSL & 1730' FWL Y=451144.1 N X=658848.0 E LAT.=32.239268° N LONG.=103.819576° W</p> <p><u>NAD27 PROPOSED BOTTOM HOLE LOCATION</u> Y=451064.1 N X=658848.3 E LAT.=32.239048° N LONG.=103.819576° W</p>	1	Y=461613.8 N	2	X=658453.8 E	3	Y=456330.6 N	4	X=658486.4 E	5	Y=451042.5 N	6	X=658496.8 E	7	Y=451048.6 N	8	X=659817.5 E	9	Y=456397.7 N	10	X=659806.7 E	11	Y=461621.3 N	12	X=659773.0 E	<p style="text-align: center;">OPERATOR CERTIFICATION</p> <p><i>I hereby certify that the information herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased 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 mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</i></p> <p style="text-align: right;">12/01/21</p> <p>Signature _____ Date _____</p> <p>Printed Name _____</p> <p>emily_messer@oxy.com</p> <p>E-mail Address _____</p> <p style="text-align: center;">SURVEYOR CERTIFICATION</p> <p><i>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.</i></p> <p style="text-align: right;">JULY 10, 2019</p> <p style="text-align: right;">Date of Survey _____</p> <p>Signature & Seal of Professional Surveyor _____</p> <div style="text-align: center;"> <p>CHAD L. HARCROW NEW MEXICO 17777 LICENSED PROFESSIONAL SURVEYOR</p> </div> <p style="text-align: right;">11/17/21</p> <p>Certificate No. CHAD HARCROW 17777</p> <p>W.O. #21-971 DRAWN BY: DS</p>
1	Y=461673.1 N																																																	
2	X=699637.3 E																																																	
3	Y=456389.8 N																																																	
4	X=699670.1 E																																																	
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1	Y=461613.8 N																																																	
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3	Y=456330.6 N																																																	
4	X=658486.4 E																																																	
5	Y=451042.5 N																																																	
6	X=658496.8 E																																																	
7	Y=451048.6 N																																																	
8	X=659817.5 E																																																	
9	Y=456397.7 N																																																	
10	X=659806.7 E																																																	
11	Y=461621.3 N																																																	
12	X=659773.0 E																																																	

SECTION 31, TOWNSHIP 23 SOUTH, RANGE 31 EAST, N.M.P.M.,
EDDY COUNTY,
NEW MEXICO.



DIRECTIONS TO LOCATION:
BEGINNING AT THE
INTERSECTION OF N.M.
STATE HWY. 128 AND
EDDY COUNTY ROAD 787
(TWIN WELLS ROAD), GO
SOUTH-SOUTHWEST ON
EDDY COUNTY ROAD 787
FOR APPROX. 2.5 MILES
TO PROPOSED ROAD; TURN
RIGHT AT PROPOSED ROAD
AND GO WEST-SOUTHWEST
APPROX. 184 FEET; BEND
RIGHT AND CONTINUE
WEST-NORTHWEST APPROX
0.31 MILES; TURN RIGHT
AND GO NORTH APPROX.
0.15 MILES; TURN RIGHT
AND GO EAST APPROX.
261 FEET TO THE
SOUTHWEST CORNER
PROPOSED PAD. THIS WELL
IS EAST-NORTHEAST 1048
FEET.

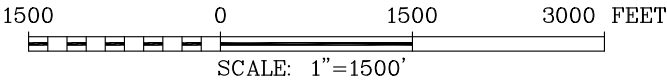
BASIS OF BEARING:
BEARINGS SHOWN HEREON ARE MERCATOR GRID AND CONFORM TO
THE NEW MEXICO COORDINATE SYSTEM "NEW MEXICO EAST ZONE"
NORTH AMERICAN DATUM 1983. DISTANCES ARE GRID VALUES.

CERTIFICATION
I, CHAD HARCROW, A NEW MEXICO REGISTERED PROFESSIONAL SURVEYOR
CERTIFY THAT I DIRECTED AND AM RESPONSIBLE FOR THIS SURVEY, THAT
THIS SURVEY IS TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE
AND BELIEF, AND THIS SURVEY AND PLAT MEET THE MINIMUM STANDARDS
FOR SURVEYING IN NEW MEXICO.

CHAD L. HARCROW
NEW MEXICO
17777
LICENSED PROFESSIONAL SURVEYOR

Chad Harcrow
CHAD HARCROW N.M.P.S. NO. 17777

HARCROW SURVEYING, LLC
2316 W. MAIN ST, ARTESIA, N.M. 88210
PH: (575) 746-2158
c.harcrow@harcrowsurveying.com



OXY USA INC.	
ARKENSTONE 31 FEDERAL 3H SECTION 31, TOWNSHIP 23 SOUTH, RANGE 31 EAST, NMPM, EDDY COUNTY, NEW MEXICO	
SURVEY DATE: JULY 10, 2019	DRILL PATH
DRAFTING DATE: NOVEMBER 12, 2021	PAGE 1 OF 1
APPROVED BY: CH	DRAWN BY: DS
FILE: 21-971	

OXY

PRD NM DIRECTIONAL PLANS (NAD 1983)

Arkenstone 31 Federal

Arkenstone 31 Federal 3H

WB00

Plan: Permitting Plan

Standard Planning Report

18 November, 2021

OXY

Planning Report

Database:	HOPSPP	Local Co-ordinate Reference:	Well Arkenstone 31 Federal 3H
Company:	ENGINEERING DESIGNS	TVD Reference:	RKB=26.5' @ 3370.90ft
Project:	PRD NM DIRECTIONAL PLANS (NAD 1983)	MD Reference:	RKB=26.5' @ 3370.90ft
Site:	Arkenstone 31 Federal	North Reference:	Grid
Well:	Arkenstone 31 Federal 3H	Survey Calculation Method:	Minimum Curvature
Wellbore:	WB00		
Design:	Permitting Plan		

Project	PRD NM DIRECTIONAL PLANS (NAD 1983)		
Map System:	US State Plane 1983	System Datum:	Mean Sea Level
Geo Datum:	North American Datum 1983		
Map Zone:	New Mexico Eastern Zone		Using geodetic scale factor

Site		Arkenstone 31 Federal			
Site Position:		Northing:	461,540.55 usft	Latitude:	32° 16' 4.142175 N
From:	Map	Easting:	699,187.86 usft	Longitude:	103° 49' 21.474809 W
Position Uncertainty:	0.00 ft	Slot Radius:	13.200 in	Grid Convergence:	0.27 °

Well	Arkenstone 31 Federal 3H					
Well Position	+N/-S	10.25 ft	Northing:	461,550.80 usft	Latitude:	32° 16' 4.158375 N
	+E/-W	1,799.76 ft	Easting:	700,987.50 usft	Longitude:	103° 49' 0.514076 W
Position Uncertainty		1.00 ft	Wellhead Elevation:	0.00 ft	Ground Level:	3,344.40 ft

Wellbore	WB00				
Magnetics	Model Name	Sample Date	Declination (°)	Dip Angle (°)	Field Strength (nT)
	HDGM	11/13/2018	6.88	60.00	48,012.30000000

Design	Permitting Plan			
Audit Notes:				
Version:	Phase:	PROTOTYPE	Tie On Depth:	0.00
Vertical Section:	Depth From (TVD) (ft)	+N/-S (ft)	+E/-W (ft)	Direction (°)
	0.00	0.00	0.00	185.23

Plan Survey Tool Program	Date	11/18/2021		
Depth From (ft)	Depth To (ft)	Survey (Wellbore)	Tool Name	Remarks
1	0.00	20,650.60	Permitting Plan (WB00)	B001Mb_MWD+HRGM OWSG MWD + HRGM

Plan Sections										
Measured Depth (ft)	Inclination (°)	Azimuth (°)	Vertical Depth (ft)	+N/-S (ft)	+E/-W (ft)	Dogleg Rate (°/100ft)	Build Rate (°/100ft)	Turn Rate (°/100ft)	TFO (°)	Target
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
5,600.00	0.00	0.00	5,600.00	0.00	0.00	0.00	0.00	0.00	0.00	
6,600.00	10.00	307.00	6,594.93	52.39	-69.52	1.00	1.00	0.00	307.00	
9,449.50	10.00	307.00	9,401.14	350.17	-464.69	0.00	0.00	0.00	0.00	
10,406.89	89.70	179.73	10,028.26	-217.05	-549.55	10.00	8.32	-13.29	-126.89	
13,661.89	89.70	179.73	10,045.30	-3,471.97	-534.21	0.00	0.00	0.00	0.00	
14,662.35	89.70	189.73	10,050.55	-4,467.73	-616.65	1.00	0.00	1.00	90.02	
16,255.14	89.70	189.73	10,058.88	-6,037.57	-885.96	0.00	0.00	0.00	0.00	
17,250.60	89.70	179.78	10,064.10	-7,028.34	-968.42	1.00	0.00	-1.00	-90.03	
20,650.60	89.70	179.78	10,081.90	-10,428.26	-955.36	0.00	0.00	0.00	0.00	PBHL (Arkenstone)

OXY

Planning Report

Database:	HOPSPP	Local Co-ordinate Reference:	Well Arkenstone 31 Federal 3H
Company:	ENGINEERING DESIGNS	TVD Reference:	RKB=26.5' @ 3370.90ft
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Site:	Arkenstone 31 Federal	North Reference:	Grid
Well:	Arkenstone 31 Federal 3H	Survey Calculation Method:	Minimum Curvature
Wellbore:	WB00		
Design:	Permitting Plan		

Planned Survey									
Measured Depth (ft)	Inclination (°)	Azimuth (°)	Vertical Depth (ft)	+N/-S (ft)	+E/-W (ft)	Vertical Section (ft)	Dogleg Rate (°/100ft)	Build Rate (°/100ft)	Turn Rate (°/100ft)
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
100.00	0.00	0.00	100.00	0.00	0.00	0.00	0.00	0.00	0.00
200.00	0.00	0.00	200.00	0.00	0.00	0.00	0.00	0.00	0.00
300.00	0.00	0.00	300.00	0.00	0.00	0.00	0.00	0.00	0.00
400.00	0.00	0.00	400.00	0.00	0.00	0.00	0.00	0.00	0.00
500.00	0.00	0.00	500.00	0.00	0.00	0.00	0.00	0.00	0.00
600.00	0.00	0.00	600.00	0.00	0.00	0.00	0.00	0.00	0.00
700.00	0.00	0.00	700.00	0.00	0.00	0.00	0.00	0.00	0.00
800.00	0.00	0.00	800.00	0.00	0.00	0.00	0.00	0.00	0.00
900.00	0.00	0.00	900.00	0.00	0.00	0.00	0.00	0.00	0.00
1,000.00	0.00	0.00	1,000.00	0.00	0.00	0.00	0.00	0.00	0.00
1,100.00	0.00	0.00	1,100.00	0.00	0.00	0.00	0.00	0.00	0.00
1,200.00	0.00	0.00	1,200.00	0.00	0.00	0.00	0.00	0.00	0.00
1,300.00	0.00	0.00	1,300.00	0.00	0.00	0.00	0.00	0.00	0.00
1,400.00	0.00	0.00	1,400.00	0.00	0.00	0.00	0.00	0.00	0.00
1,500.00	0.00	0.00	1,500.00	0.00	0.00	0.00	0.00	0.00	0.00
1,600.00	0.00	0.00	1,600.00	0.00	0.00	0.00	0.00	0.00	0.00
1,700.00	0.00	0.00	1,700.00	0.00	0.00	0.00	0.00	0.00	0.00
1,800.00	0.00	0.00	1,800.00	0.00	0.00	0.00	0.00	0.00	0.00
1,900.00	0.00	0.00	1,900.00	0.00	0.00	0.00	0.00	0.00	0.00
2,000.00	0.00	0.00	2,000.00	0.00	0.00	0.00	0.00	0.00	0.00
2,100.00	0.00	0.00	2,100.00	0.00	0.00	0.00	0.00	0.00	0.00
2,200.00	0.00	0.00	2,200.00	0.00	0.00	0.00	0.00	0.00	0.00
2,300.00	0.00	0.00	2,300.00	0.00	0.00	0.00	0.00	0.00	0.00
2,400.00	0.00	0.00	2,400.00	0.00	0.00	0.00	0.00	0.00	0.00
2,500.00	0.00	0.00	2,500.00	0.00	0.00	0.00	0.00	0.00	0.00
2,600.00	0.00	0.00	2,600.00	0.00	0.00	0.00	0.00	0.00	0.00
2,700.00	0.00	0.00	2,700.00	0.00	0.00	0.00	0.00	0.00	0.00
2,800.00	0.00	0.00	2,800.00	0.00	0.00	0.00	0.00	0.00	0.00
2,900.00	0.00	0.00	2,900.00	0.00	0.00	0.00	0.00	0.00	0.00
3,000.00	0.00	0.00	3,000.00	0.00	0.00	0.00	0.00	0.00	0.00
3,100.00	0.00	0.00	3,100.00	0.00	0.00	0.00	0.00	0.00	0.00
3,200.00	0.00	0.00	3,200.00	0.00	0.00	0.00	0.00	0.00	0.00
3,300.00	0.00	0.00	3,300.00	0.00	0.00	0.00	0.00	0.00	0.00
3,400.00	0.00	0.00	3,400.00	0.00	0.00	0.00	0.00	0.00	0.00
3,500.00	0.00	0.00	3,500.00	0.00	0.00	0.00	0.00	0.00	0.00
3,600.00	0.00	0.00	3,600.00	0.00	0.00	0.00	0.00	0.00	0.00
3,700.00	0.00	0.00	3,700.00	0.00	0.00	0.00	0.00	0.00	0.00
3,800.00	0.00	0.00	3,800.00	0.00	0.00	0.00	0.00	0.00	0.00
3,900.00	0.00	0.00	3,900.00	0.00	0.00	0.00	0.00	0.00	0.00
4,000.00	0.00	0.00	4,000.00	0.00	0.00	0.00	0.00	0.00	0.00
4,100.00	0.00	0.00	4,100.00	0.00	0.00	0.00	0.00	0.00	0.00
4,200.00	0.00	0.00	4,200.00	0.00	0.00	0.00	0.00	0.00	0.00
4,300.00	0.00	0.00	4,300.00	0.00	0.00	0.00	0.00	0.00	0.00
4,400.00	0.00	0.00	4,400.00	0.00	0.00	0.00	0.00	0.00	0.00
4,500.00	0.00	0.00	4,500.00	0.00	0.00	0.00	0.00	0.00	0.00
4,600.00	0.00	0.00	4,600.00	0.00	0.00	0.00	0.00	0.00	0.00
4,700.00	0.00	0.00	4,700.00	0.00	0.00	0.00	0.00	0.00	0.00
4,800.00	0.00	0.00	4,800.00	0.00	0.00	0.00	0.00	0.00	0.00
4,900.00	0.00	0.00	4,900.00	0.00	0.00	0.00	0.00	0.00	0.00
5,000.00	0.00	0.00	5,000.00	0.00	0.00	0.00	0.00	0.00	0.00
5,100.00	0.00	0.00	5,100.00	0.00	0.00	0.00	0.00	0.00	0.00
5,200.00	0.00	0.00	5,200.00	0.00	0.00	0.00	0.00	0.00	0.00
5,300.00	0.00	0.00	5,300.00	0.00	0.00	0.00	0.00	0.00	0.00
5,400.00	0.00	0.00	5,400.00	0.00	0.00	0.00	0.00	0.00	0.00

OXY

Planning Report

Database:	HOPSPP	Local Co-ordinate Reference:	Well Arkenstone 31 Federal 3H
Company:	ENGINEERING DESIGNS	TVD Reference:	RKB=26.5' @ 3370.90ft
Project:	PRD NM DIRECTIONAL PLANS (NAD 1983)	MD Reference:	RKB=26.5' @ 3370.90ft
Site:	Arkenstone 31 Federal	North Reference:	Grid
Well:	Arkenstone 31 Federal 3H	Survey Calculation Method:	Minimum Curvature
Wellbore:	WB00		
Design:	Permitting Plan		

Planned Survey									
Measured Depth (ft)	Inclination (°)	Azimuth (°)	Vertical Depth (ft)	+N/-S (ft)	+E/-W (ft)	Vertical Section (ft)	Dogleg Rate (°/100ft)	Build Rate (°/100ft)	Turn Rate (°/100ft)
5,500.00	0.00	0.00	5,500.00	0.00	0.00	0.00	0.00	0.00	0.00
5,600.00	0.00	0.00	5,600.00	0.00	0.00	0.00	0.00	0.00	0.00
5,700.00	1.00	307.00	5,700.00	0.53	-0.70	-0.46	1.00	1.00	0.00
5,800.00	2.00	307.00	5,799.96	2.10	-2.79	-1.84	1.00	1.00	0.00
5,900.00	3.00	307.00	5,899.86	4.73	-6.27	-4.13	1.00	1.00	0.00
6,000.00	4.00	307.00	5,999.68	8.40	-11.15	-7.35	1.00	1.00	0.00
6,100.00	5.00	307.00	6,099.37	13.12	-17.41	-11.48	1.00	1.00	0.00
6,200.00	6.00	307.00	6,198.90	18.89	-25.07	-16.52	1.00	1.00	0.00
6,300.00	7.00	307.00	6,298.26	25.70	-34.11	-22.48	1.00	1.00	0.00
6,400.00	8.00	307.00	6,397.40	33.56	-44.53	-29.35	1.00	1.00	0.00
6,500.00	9.00	307.00	6,496.30	42.45	-56.34	-37.14	1.00	1.00	0.00
6,600.00	10.00	307.00	6,594.93	52.39	-69.52	-45.82	1.00	1.00	0.00
6,700.00	10.00	307.00	6,693.41	62.84	-83.39	-54.97	0.00	0.00	0.00
6,800.00	10.00	307.00	6,791.89	73.29	-97.25	-64.11	0.00	0.00	0.00
6,900.00	10.00	307.00	6,890.37	83.74	-111.12	-73.25	0.00	0.00	0.00
7,000.00	10.00	307.00	6,988.85	94.19	-124.99	-82.39	0.00	0.00	0.00
7,100.00	10.00	307.00	7,087.33	104.64	-138.86	-91.53	0.00	0.00	0.00
7,200.00	10.00	307.00	7,185.82	115.09	-152.73	-100.68	0.00	0.00	0.00
7,300.00	10.00	307.00	7,284.30	125.54	-166.59	-109.82	0.00	0.00	0.00
7,400.00	10.00	307.00	7,382.78	135.99	-180.46	-118.96	0.00	0.00	0.00
7,500.00	10.00	307.00	7,481.26	146.44	-194.33	-128.10	0.00	0.00	0.00
7,600.00	10.00	307.00	7,579.74	156.89	-208.20	-137.24	0.00	0.00	0.00
7,700.00	10.00	307.00	7,678.22	167.34	-222.07	-146.38	0.00	0.00	0.00
7,800.00	10.00	307.00	7,776.70	177.79	-235.94	-155.53	0.00	0.00	0.00
7,900.00	10.00	307.00	7,875.18	188.24	-249.80	-164.67	0.00	0.00	0.00
8,000.00	10.00	307.00	7,973.66	198.69	-263.67	-173.81	0.00	0.00	0.00
8,100.00	10.00	307.00	8,072.14	209.14	-277.54	-182.95	0.00	0.00	0.00
8,200.00	10.00	307.00	8,170.62	219.59	-291.41	-192.09	0.00	0.00	0.00
8,300.00	10.00	307.00	8,269.10	230.04	-305.28	-201.23	0.00	0.00	0.00
8,400.00	10.00	307.00	8,367.58	240.49	-319.14	-210.38	0.00	0.00	0.00
8,500.00	10.00	307.00	8,466.07	250.94	-333.01	-219.52	0.00	0.00	0.00
8,600.00	10.00	307.00	8,564.55	261.39	-346.88	-228.66	0.00	0.00	0.00
8,700.00	10.00	307.00	8,663.03	271.84	-360.75	-237.80	0.00	0.00	0.00
8,800.00	10.00	307.00	8,761.51	282.29	-374.62	-246.94	0.00	0.00	0.00
8,900.00	10.00	307.00	8,859.99	292.74	-388.49	-256.08	0.00	0.00	0.00
9,000.00	10.00	307.00	8,958.47	303.19	-402.35	-265.23	0.00	0.00	0.00
9,100.00	10.00	307.00	9,056.95	313.65	-416.22	-274.37	0.00	0.00	0.00
9,200.00	10.00	307.00	9,155.43	324.10	-430.09	-283.51	0.00	0.00	0.00
9,300.00	10.00	307.00	9,253.91	334.55	-443.96	-292.65	0.00	0.00	0.00
9,400.00	10.00	307.00	9,352.39	345.00	-457.83	-301.79	0.00	0.00	0.00
9,449.50	10.00	307.00	9,401.14	350.17	-464.69	-306.32	0.00	0.00	0.00
9,500.00	8.04	276.79	9,451.04	353.23	-471.71	-308.72	10.00	-3.87	-59.81
9,600.00	12.01	220.91	9,549.70	346.17	-485.50	-300.44	10.00	3.97	-55.89
9,700.00	20.56	201.65	9,645.67	321.92	-498.83	-275.08	10.00	8.54	-19.26
9,800.00	29.99	193.75	9,736.02	281.22	-511.28	-233.41	10.00	9.44	-7.90
9,900.00	39.69	189.42	9,818.01	225.30	-522.47	-176.70	10.00	9.69	-4.33
10,000.00	49.49	186.57	9,889.14	155.86	-532.07	-106.67	10.00	9.80	-2.85
10,100.00	59.34	184.46	9,947.27	75.01	-539.78	-25.45	10.00	9.85	-2.11
10,200.00	69.22	182.74	9,990.61	-14.80	-545.37	64.49	10.00	9.88	-1.72
10,300.00	79.12	181.23	10,017.86	-110.82	-548.67	160.41	10.00	9.89	-1.51
10,400.00	89.02	179.83	10,028.18	-210.16	-549.58	259.42	10.00	9.90	-1.41
10,406.89	89.70	179.73	10,028.26	-217.05	-549.55	266.27	10.00	9.90	-1.39
10,500.00	89.70	179.73	10,028.75	-310.15	-549.11	358.95	0.00	0.00	0.00
10,600.00	89.70	179.73	10,029.27	-410.15	-548.64	458.49	0.00	0.00	0.00
10,700.00	89.70	179.73	10,029.80	-510.15	-548.17	558.03	0.00	0.00	0.00

OXY

Planning Report

Database:	HOPSPP	Local Co-ordinate Reference:	Well Arkenstone 31 Federal 3H
Company:	ENGINEERING DESIGNS	TVD Reference:	RKB=26.5' @ 3370.90ft
Project:	PRD NM DIRECTIONAL PLANS (NAD 1983)	MD Reference:	RKB=26.5' @ 3370.90ft
Site:	Arkenstone 31 Federal	North Reference:	Grid
Well:	Arkenstone 31 Federal 3H	Survey Calculation Method:	Minimum Curvature
Wellbore:	WB00		
Design:	Permitting Plan		

Planned Survey									
Measured Depth (ft)	Inclination (°)	Azimuth (°)	Vertical Depth (ft)	+N/-S (ft)	+E/-W (ft)	Vertical Section (ft)	Dogleg Rate (°/100ft)	Build Rate (°/100ft)	Turn Rate (°/100ft)
10,800.00	89.70	179.73	10,030.32	-610.15	-547.70	657.57	0.00	0.00	0.00
10,900.00	89.70	179.73	10,030.84	-710.14	-547.23	757.10	0.00	0.00	0.00
11,000.00	89.70	179.73	10,031.37	-810.14	-546.76	856.64	0.00	0.00	0.00
11,100.00	89.70	179.73	10,031.89	-910.14	-546.28	956.18	0.00	0.00	0.00
11,200.00	89.70	179.73	10,032.41	-1,010.14	-545.81	1,055.72	0.00	0.00	0.00
11,300.00	89.70	179.73	10,032.94	-1,110.13	-545.34	1,155.25	0.00	0.00	0.00
11,400.00	89.70	179.73	10,033.46	-1,210.13	-544.87	1,254.79	0.00	0.00	0.00
11,500.00	89.70	179.73	10,033.99	-1,310.13	-544.40	1,354.33	0.00	0.00	0.00
11,600.00	89.70	179.73	10,034.51	-1,410.13	-543.93	1,453.87	0.00	0.00	0.00
11,700.00	89.70	179.73	10,035.03	-1,510.12	-543.46	1,553.40	0.00	0.00	0.00
11,800.00	89.70	179.73	10,035.56	-1,610.12	-542.99	1,652.94	0.00	0.00	0.00
11,900.00	89.70	179.73	10,036.08	-1,710.12	-542.51	1,752.48	0.00	0.00	0.00
12,000.00	89.70	179.73	10,036.60	-1,810.12	-542.04	1,852.02	0.00	0.00	0.00
12,100.00	89.70	179.73	10,037.13	-1,910.11	-541.57	1,951.55	0.00	0.00	0.00
12,200.00	89.70	179.73	10,037.65	-2,010.11	-541.10	2,051.09	0.00	0.00	0.00
12,300.00	89.70	179.73	10,038.17	-2,110.11	-540.63	2,150.63	0.00	0.00	0.00
12,400.00	89.70	179.73	10,038.70	-2,210.11	-540.16	2,250.17	0.00	0.00	0.00
12,500.00	89.70	179.73	10,039.22	-2,310.10	-539.69	2,349.70	0.00	0.00	0.00
12,600.00	89.70	179.73	10,039.74	-2,410.10	-539.22	2,449.24	0.00	0.00	0.00
12,700.00	89.70	179.73	10,040.27	-2,510.10	-538.74	2,548.78	0.00	0.00	0.00
12,800.00	89.70	179.73	10,040.79	-2,610.10	-538.27	2,648.32	0.00	0.00	0.00
12,900.00	89.70	179.73	10,041.32	-2,710.09	-537.80	2,747.86	0.00	0.00	0.00
13,000.00	89.70	179.73	10,041.84	-2,810.09	-537.33	2,847.39	0.00	0.00	0.00
13,100.00	89.70	179.73	10,042.36	-2,910.09	-536.86	2,946.93	0.00	0.00	0.00
13,200.00	89.70	179.73	10,042.89	-3,010.09	-536.39	3,046.47	0.00	0.00	0.00
13,300.00	89.70	179.73	10,043.41	-3,110.08	-535.92	3,146.01	0.00	0.00	0.00
13,400.00	89.70	179.73	10,043.93	-3,210.08	-535.45	3,245.54	0.00	0.00	0.00
13,500.00	89.70	179.73	10,044.46	-3,310.08	-534.97	3,345.08	0.00	0.00	0.00
13,600.00	89.70	179.73	10,044.98	-3,410.08	-534.50	3,444.62	0.00	0.00	0.00
13,661.89	89.70	179.73	10,045.30	-3,471.97	-534.21	3,506.22	0.00	0.00	0.00
13,700.00	89.70	180.11	10,045.50	-3,510.07	-534.16	3,544.17	1.00	0.00	1.00
13,800.00	89.70	181.11	10,046.03	-3,610.07	-535.23	3,643.84	1.00	0.00	1.00
13,900.00	89.70	182.11	10,046.55	-3,710.02	-538.04	3,743.64	1.00	0.00	1.00
14,000.00	89.70	183.11	10,047.08	-3,809.92	-542.59	3,843.53	1.00	0.00	1.00
14,100.00	89.70	184.11	10,047.60	-3,909.72	-548.89	3,943.49	1.00	0.00	1.00
14,200.00	89.70	185.11	10,048.13	-4,009.39	-556.93	4,043.48	1.00	0.00	1.00
14,300.00	89.70	186.11	10,048.65	-4,108.91	-566.71	4,143.47	1.00	0.00	1.00
14,400.00	89.70	187.11	10,049.18	-4,208.24	-578.22	4,243.44	1.00	0.00	1.00
14,500.00	89.70	188.11	10,049.70	-4,307.36	-591.46	4,343.35	1.00	0.00	1.00
14,600.00	89.70	189.11	10,050.23	-4,406.23	-606.44	4,443.18	1.00	0.00	1.00
14,662.35	89.70	189.73	10,050.55	-4,467.73	-616.65	4,505.36	1.00	0.00	1.00
14,700.00	89.70	189.73	10,050.75	-4,504.84	-623.01	4,542.89	0.00	0.00	0.00
14,800.00	89.70	189.73	10,051.27	-4,603.40	-639.92	4,642.58	0.00	0.00	0.00
14,900.00	89.70	189.73	10,051.79	-4,701.96	-656.83	4,742.27	0.00	0.00	0.00
15,000.00	89.70	189.73	10,052.32	-4,800.52	-673.74	4,841.96	0.00	0.00	0.00
15,100.00	89.70	189.73	10,052.84	-4,899.08	-690.65	4,941.65	0.00	0.00	0.00
15,200.00	89.70	189.73	10,053.36	-4,997.64	-707.55	5,041.34	0.00	0.00	0.00
15,300.00	89.70	189.73	10,053.88	-5,096.19	-724.46	5,141.03	0.00	0.00	0.00
15,400.00	89.70	189.73	10,054.41	-5,194.75	-741.37	5,240.72	0.00	0.00	0.00
15,500.00	89.70	189.73	10,054.93	-5,293.31	-758.28	5,340.41	0.00	0.00	0.00
15,600.00	89.70	189.73	10,055.45	-5,391.87	-775.19	5,440.11	0.00	0.00	0.00
15,700.00	89.70	189.73	10,055.98	-5,490.43	-792.10	5,539.80	0.00	0.00	0.00
15,800.00	89.70	189.73	10,056.50	-5,588.99	-809.00	5,639.49	0.00	0.00	0.00
15,900.00	89.70	189.73	10,057.02	-5,687.55	-825.91	5,739.18	0.00	0.00	0.00
16,000.00	89.70	189.73	10,057.54	-5,786.11	-842.82	5,838.87	0.00	0.00	0.00

OXY

Planning Report

Database:	HOPSPP	Local Co-ordinate Reference:	Well Arkenstone 31 Federal 3H
Company:	ENGINEERING DESIGNS	TVD Reference:	RKB=26.5' @ 3370.90ft
Project:	PRD NM DIRECTIONAL PLANS (NAD 1983)	MD Reference:	RKB=26.5' @ 3370.90ft
Site:	Arkenstone 31 Federal	North Reference:	Grid
Well:	Arkenstone 31 Federal 3H	Survey Calculation Method:	Minimum Curvature
Wellbore:	WB00		
Design:	Permitting Plan		

Planned Survey									
Measured Depth (ft)	Inclination (°)	Azimuth (°)	Vertical Depth (ft)	+N/-S (ft)	+E/-W (ft)	Vertical Section (ft)	Dogleg Rate (°/100ft)	Build Rate (°/100ft)	Turn Rate (°/100ft)
16,100.00	89.70	189.73	10,058.07	-5,884.66	-859.73	5,938.56	0.00	0.00	0.00
16,200.00	89.70	189.73	10,058.59	-5,983.22	-876.64	6,038.25	0.00	0.00	0.00
16,255.14	89.70	189.73	10,058.88	-6,037.57	-885.96	6,093.22	0.00	0.00	0.00
16,300.00	89.70	189.29	10,059.11	-6,081.81	-893.37	6,137.95	1.00	0.00	-1.00
16,400.00	89.70	188.29	10,059.64	-6,180.64	-908.65	6,237.76	1.00	0.00	-1.00
16,500.00	89.70	187.29	10,060.16	-6,279.71	-922.19	6,337.65	1.00	0.00	-1.00
16,600.00	89.70	186.29	10,060.68	-6,379.01	-934.01	6,437.61	1.00	0.00	-1.00
16,700.00	89.70	185.29	10,061.21	-6,478.50	-944.09	6,537.61	1.00	0.00	-1.00
16,800.00	89.70	184.29	10,061.73	-6,578.14	-952.43	6,637.60	1.00	0.00	-1.00
16,900.00	89.70	183.29	10,062.26	-6,677.92	-959.04	6,737.57	1.00	0.00	-1.00
17,000.00	89.70	182.29	10,062.78	-6,777.80	-963.90	6,837.47	1.00	0.00	-1.00
17,100.00	89.70	181.29	10,063.31	-6,877.75	-967.01	6,937.29	1.00	0.00	-1.00
17,200.00	89.70	180.29	10,063.83	-6,977.74	-968.39	7,036.99	1.00	0.00	-1.00
17,250.60	89.70	179.78	10,064.10	-7,028.34	-968.42	7,087.37	1.00	0.00	-1.00
17,300.00	89.70	179.78	10,064.36	-7,077.74	-968.23	7,136.55	0.00	0.00	0.00
17,400.00	89.70	179.78	10,064.88	-7,177.74	-967.84	7,236.10	0.00	0.00	0.00
17,500.00	89.70	179.78	10,065.40	-7,277.73	-967.46	7,335.64	0.00	0.00	0.00
17,600.00	89.70	179.78	10,065.93	-7,377.73	-967.07	7,435.19	0.00	0.00	0.00
17,700.00	89.70	179.78	10,066.45	-7,477.73	-966.69	7,534.74	0.00	0.00	0.00
17,800.00	89.70	179.78	10,066.97	-7,577.73	-966.31	7,634.28	0.00	0.00	0.00
17,900.00	89.70	179.78	10,067.50	-7,677.72	-965.92	7,733.83	0.00	0.00	0.00
18,000.00	89.70	179.78	10,068.02	-7,777.72	-965.54	7,833.37	0.00	0.00	0.00
18,100.00	89.70	179.78	10,068.55	-7,877.72	-965.15	7,932.92	0.00	0.00	0.00
18,200.00	89.70	179.78	10,069.07	-7,977.72	-964.77	8,032.47	0.00	0.00	0.00
18,300.00	89.70	179.78	10,069.59	-8,077.72	-964.39	8,132.01	0.00	0.00	0.00
18,400.00	89.70	179.78	10,070.12	-8,177.71	-964.00	8,231.56	0.00	0.00	0.00
18,500.00	89.70	179.78	10,070.64	-8,277.71	-963.62	8,331.10	0.00	0.00	0.00
18,600.00	89.70	179.78	10,071.16	-8,377.71	-963.23	8,430.65	0.00	0.00	0.00
18,700.00	89.70	179.78	10,071.69	-8,477.71	-962.85	8,530.19	0.00	0.00	0.00
18,800.00	89.70	179.78	10,072.21	-8,577.71	-962.47	8,629.74	0.00	0.00	0.00
18,900.00	89.70	179.78	10,072.73	-8,677.70	-962.08	8,729.29	0.00	0.00	0.00
19,000.00	89.70	179.78	10,073.26	-8,777.70	-961.70	8,828.83	0.00	0.00	0.00
19,100.00	89.70	179.78	10,073.78	-8,877.70	-961.31	8,928.38	0.00	0.00	0.00
19,200.00	89.70	179.78	10,074.30	-8,977.70	-960.93	9,027.92	0.00	0.00	0.00
19,300.00	89.70	179.78	10,074.83	-9,077.70	-960.55	9,127.47	0.00	0.00	0.00
19,400.00	89.70	179.78	10,075.35	-9,177.69	-960.16	9,227.02	0.00	0.00	0.00
19,500.00	89.70	179.78	10,075.88	-9,277.69	-959.78	9,326.56	0.00	0.00	0.00
19,600.00	89.70	179.78	10,076.40	-9,377.69	-959.39	9,426.11	0.00	0.00	0.00
19,700.00	89.70	179.78	10,076.92	-9,477.69	-959.01	9,525.65	0.00	0.00	0.00
19,800.00	89.70	179.78	10,077.45	-9,577.68	-958.63	9,625.20	0.00	0.00	0.00
19,900.00	89.70	179.78	10,077.97	-9,677.68	-958.24	9,724.75	0.00	0.00	0.00
20,000.00	89.70	179.78	10,078.49	-9,777.68	-957.86	9,824.29	0.00	0.00	0.00
20,100.00	89.70	179.78	10,079.02	-9,877.68	-957.48	9,923.84	0.00	0.00	0.00
20,200.00	89.70	179.78	10,079.54	-9,977.68	-957.09	10,023.38	0.00	0.00	0.00
20,300.00	89.70	179.78	10,080.06	-10,077.67	-956.71	10,122.93	0.00	0.00	0.00
20,400.00	89.70	179.78	10,080.59	-10,177.67	-956.32	10,222.48	0.00	0.00	0.00
20,500.00	89.70	179.78	10,081.11	-10,277.67	-955.94	10,322.02	0.00	0.00	0.00
20,600.00	89.70	179.78	10,081.64	-10,377.67	-955.56	10,421.57	0.00	0.00	0.00
20,650.60	89.70	179.78	10,081.90	-10,428.26	-955.36	10,471.93	0.00	0.00	0.00

OXY

Planning Report

Database:	HOPSPP	Local Co-ordinate Reference:	Well Arkenstone 31 Federal 3H
Company:	ENGINEERING DESIGNS	TVD Reference:	RKB=26.5' @ 3370.90ft
Project:	PRD NM DIRECTIONAL PLANS (NAD 1983)	MD Reference:	RKB=26.5' @ 3370.90ft
Site:	Arkenstone 31 Federal	North Reference:	Grid
Well:	Arkenstone 31 Federal 3H	Survey Calculation Method:	Minimum Curvature
Wellbore:	WB00		
Design:	Permitting Plan		

Design Targets									
Target Name - hit/miss target - Shape	Dip Angle (°)	Dip Dir. (°)	TVD (ft)	+N/-S (ft)	+E/-W (ft)	Northing (usft)	Easting (usft)	Latitude	Longitude
TP2 (Arkenstone 31 - plan misses target center by 5349.21ft at 0.00ft MD (0.00 TVD, 0.00 N, 0.00 E) - Point	0.00	0.00	0.00	-5,259.54	-975.36	456,291.60	700,012.20	32° 15' 12.161697 N	103° 49' 12.166170
TP1 (Arkenstone 31 - plan misses target center by 5084.93ft at 0.00ft MD (0.00 TVD, 0.00 N, 0.00 E) - Point	0.00	0.00	0.00	-5,057.12	-531.03	456,494.00	700,456.50	32° 15' 14.143520 N	103° 49' 6.980988
FTP (Arkenstone 31 - plan misses target center by 50.42ft at 10178.85ft MD (9982.75 TVD, 4.81 N, -544.38 E) - Point	0.00	0.00	10,026.90	26.80	-554.84	461,577.60	700,432.70	32° 16' 4.449955 N	103° 49' 6.974257
PBHL (Arkenstone 31 - plan hits target center - Point	0.00	0.00	10,081.90	-10,428.26	-955.36	451,123.20	700,032.20	32° 14' 21.016168 N	103° 49' 12.220954

Formations						
Measured Depth (ft)	Vertical Depth (ft)	Name	Lithology	Dip (°)	Dip Direction (°)	
357.90	357.90	RUSTLER				
674.90	674.90	SALADO				
2,602.90	2,602.90	CASTILE				
4,039.90	4,039.90	DELAWARE				
4,075.90	4,075.90	BELL CANYON				
4,968.90	4,968.90	CHERRY CANYON				
6,260.36	6,258.90	BRUSHY CANYON				
7,967.75	7,941.90	BONE SPRING				
9,015.67	8,973.90	BONE SPRING 1ST				
9,667.44	9,614.90	BONE SPRING 2ND				

Plan Annotations					
Measured Depth (ft)	Vertical Depth (ft)	Local Coordinates			
		+N/-S (ft)	+E/-W (ft)	Comment	
5,600.00	5,600.00	0.00	0.00	Build 1°/100'	
6,600.00	6,594.93	52.39	-69.52	Hold 10° Tangent	
9,449.50	9,401.14	350.17	-464.69	KOP, Build & Turn 10°/100'	
10,406.89	10,028.26	-217.05	-549.55	Landing Point	
13,661.89	10,045.30	-3,471.97	-534.21	Turn 1°/100'	
14,662.35	10,050.55	-4,467.73	-616.65	Hold	
16,255.14	10,058.88	-6,037.57	-885.96	Turn 1°/100'	
17,250.60	10,064.10	-7,028.34	-968.42	Hold	
20,650.60	10,081.90	-10,428.26	-955.36	TD at 20650.60' MD	



Project: PRD NM DIRECTIONAL PLANS (NAD 1983)
 Site: Arkenstone 31 Federal
 Well: Arkenstone 31 Federal 3H
 Wellbore: WB00
 Design: Permitting Plan

PROJECT DETAILS: NM DIRECTIONAL PLANS (NAD 1983)

Geodetic System: US State Plane 1983
 Datum: North American Datum 1983
 Ellipsoid: GRS 1980
 Zone: New Mexico Eastern Zone

System Datum: Mean Sea Level

WELL DETAILS: Arkenstone 31 Federal 3H

+N/-S	+E/-W	Northing	Ground Level: Easting	3344.40	Latitude	Longitude
0.00	0.00	461550.80	700987.50		32° 16' 4.158375 N	103° 49' 0.514076 W

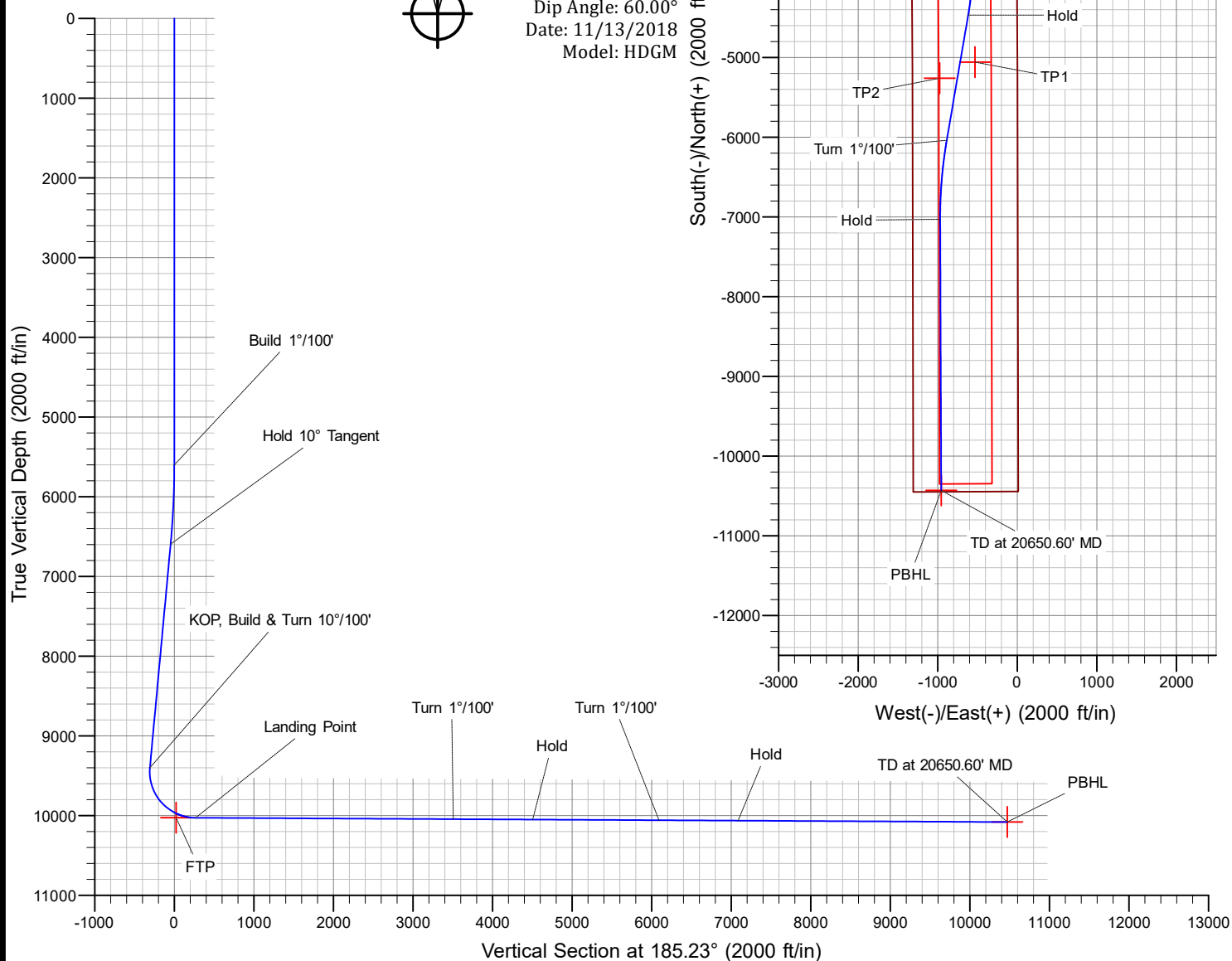
SECTION DETAILS

MD	Inc	Azi	TVD	+N/-S	+E/-W	Dleg	TFace	Vsect	Annotation
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
5600.00	0.00	0.00	5600.00	0.00	0.00	0.00	0.00	0.00	Build 1°/100'
6600.00	10.00	307.00	6594.93	52.39	-69.52	1.00	307.00	-45.82	Hold 10° Tangent
9449.50	10.00	307.00	9401.14	350.17	-464.69	0.00	0.00	-306.32	KOP, Build & Turn 10°/100'
10406.89	89.70	179.73	10028.26	-217.05	-549.55	10.00	-126.89	266.27	Landing Point
13661.89	89.70	179.73	10045.30	-3471.97	-534.21	0.00	0.00	3506.22	Turn 1°/100'
14662.35	89.70	189.73	10050.55	-4467.73	-616.65	1.00	90.02	4505.36	Hold
16255.14	89.70	189.73	10058.88	-6037.57	-885.96	0.00	0.00	6093.22	Turn 1°/100'
17250.60	89.70	179.78	10064.10	-7028.34	-968.42	1.00	-90.03	7087.37	Hold
20650.60	89.70	179.78	10081.90	-10428.26	-955.36	0.00	0.00	10471.93	TD at 20650.60' MD



Azimuths to Grid North
 True North: -0.28°
 Magnetic North: 6.61°

Magnetic Field
 Strength: 48012.3nT
 Dip Angle: 60.00°
 Date: 11/13/2018
 Model: HDGM



Oxy USA Inc. - Arkenstone 31 Federal 3H

Drill Plan

1. Geologic Formations

TVD of Target (ft):	10082	Pilot Hole Depth (ft):	
Total Measured Depth (ft):	20651	Deepest Expected Fresh Water (ft):	358

Delaware Basin

Formation	MD-RKB (ft)	TVD-RKB (ft)	Expected Fluids
Rustler	358	358	
Salado	675	675	Salt
Castile	2603	2603	Salt
Delaware	4040	4040	Oil/Gas/Brine
Bell Canyon	4076	4076	Oil/Gas/Brine
Cherry Canyon	4969	4969	Oil/Gas/Brine
Brushy Canyon	6260	6259	Losses
Bone Spring	7968	7942	Oil/Gas
Bone Spring 1st	9016	8974	Oil/Gas
Bone Spring 2nd	9667	9615	Oil/Gas
Bone Spring 3rd			Oil/Gas
Wolfcamp			Oil/Gas
Penn			Oil/Gas
Strawn			Oil/Gas

*H2S, water flows, loss of circulation, abnormal pressures, etc.

2. Casing Program

Section	Hole Size (in)	MD		TVD		Csg. OD (in)	Csg Wt. (ppf)	Grade	Conn.
		From (ft)	To (ft)	From (ft)	To (ft)				
Surface	17.5	0	418	0	418	13.375	54.5	J-55	BTC
Salt	12.25	0	4140	0	4140	9.625	40	L-80 HC	BTC
Production	8.5	0	20651	0	10082	5.5	20	P-110	DQX

All casing strings will be tested in accordance with Onshore Oil and Gas Order #2 III.B.1.h

*Oxy requests the option to run production casing with DQX, TORQ DQW, Wedge 425, Wedge 461, and/or Wedge 441 connections to accommodate hole conditions or drilling operations.

*Oxy requests the option to run the 7.625" Intermediate II as a contingency string to be run only if severe hole conditions dictate an additional casing string necessary.

All Casing SF Values will meet or exceed those below			
SF Collapse	SF Burst	Body SF Tension	Joint SF Tension
1.125	1.2	1.4	1.4

Annular Clearance Variance Request

As per the agreement reached in the Oxy/BLM face-to-face meeting on Feb 22, 2018, Oxy requests permission to allow deviation from the 0.422" annular clearance requirement from Onshore Order #2 under the following conditions:

1. Annular clearance to meet or exceed 0.422" between intermediate casing ID and production casing coupling only on the first 500' overlap between both casings.
2. Annular clearance less than 0.422" is acceptable for the curve and lateral portions of the production open hole section.

	Y or N
Is casing new? If used, attach certification as required in Onshore Order #1	Y
Does casing meet API specifications? If no, attach casing specification sheet.	Y
Is premium or uncommon casing planned? If yes attach casing specification sheet.	Y
Does the above casing design meet or exceed BLM's minimum standards? If not provide justification (loading assumptions, casing design criteria).	Y
Will the intermediate pipe be kept at a minimum 1/3 fluid filled to avoid approaching the collapse pressure rating of the casing?	Y
Is well located within Capitan Reef?	N
If yes, does production casing cement tie back a minimum of 50' above the Reef?	
Is well within the designated 4 string boundary.	
Is well located in SOPA but not in R-111-P?	N
If yes, are the first 2 strings cemented to surface and 3 rd string cement tied back 500' into previous casing?	
Is well located in R-111-P and SOPA?	Y
If yes, are the first three strings cemented to surface?	Y
Is 2 nd string set 100' to 600' below the base of salt?	Y
Is well located in high Cave/Karst?	N
If yes, are there two strings cemented to surface?	
(For 2 string wells) If yes, is there a contingency casing if lost circulation occurs?	
Is well located in critical Cave/Karst?	N
If yes, are there three strings cemented to surface?	

3. Cementing Program

Section	Stage	Slurry:	Capacities	ft ³ /ft	Excess:	From	To	Sacks	Volume (ft ³)	Placement
Surface	1	Surface - Tail	OH x Csg	0.6946	100%	418	-	437	581	Circulate
Int.	1	Intermediate - Tail	OH x Csg	0.3132	20%	4,140	3,640	141	188	Circulate
Int.	1	Intermediate - Lead	OH x Csg	0.3132	50%	3,640	418	875	1514	Circulate
Int.	1	Intermediate - Lead	Csg x Csg	0.3627	0%	418	-	88	152	Circulate
Prod.	1	Production - Tail	OH x Csg	0.2291	5%	20,651	8,068	2193	3027	Circulate
Prod.	2	Production 2S - Tail BH	OH x Csg	0.2291	0%	8,068	4,140	469	900	Bradenhead (Post Frac)
Prod.	2	Production 2S - Tail BH	Csg x Csg	0.2608	0%	4,140	3,640	68	130	Bradenhead (Post Frac)

Description	Density (lb/gal)	Yield (ft ³ /sk)	Water (gal/sk)	500psi Time (hh:mm)	Cmt. Class	Accelerator	Retarder	Dispersant	Salt
Intermediate - Lead	12.9	1.73	8.784	15:26	Pozz		x		
Intermediate - Tail	14.8	1.33	6.368	7:11	C	x			
Production - Tail	13.2	1.38	6.686	3:39	H		x	x	x
Production 2S - Tail BH	12.9	1.92	10.41	23:10	C	x			
Surface - Tail	14.8	1.33	6.365	5:26	C	x			

Offline Cementing

Oxy requests a variance to cement the 9.625" and/or 7.625" intermediate casing strings offline in accordance to the approved variance, EC Tran 461365.

The summarized operational sequence will be as follows:

Run casing as per normal operations. While running casing, conduct negative pressure test and confirm integrity of the float equipment (float collar and shoe).

Land casing.

Fill pipe with kill weight fluid, and confirm well is static.

If well Oxy requests a variance to cement the 9.625" and/or 7.625" intermediate casing strings offline in accordance to the approved variance, EC Tran 461365.

The summarized operational sequence will be as follows:

1. Run casing as per normal operations. While running casing, conduct negative pressure test and confirm integrity of the float equipment (float collar and shoe).
2. Land casing.
3. Fill pipe with kill weight fluid, and confirm well is static.
 - a. If well is not static notify BLM and kill well.
 - b. Once well is static notify BLM with intent to proceed with nipple down and offline cementing.
4. Set and pressure test annular packoff.
5. After confirmation of both annular barriers and internal barriers, nipple down BOP and install cap flange. If any barrier fails to test, the BOP stack will not be nipped down until after the cement job is completed.
6. Skid rig to next well on pad.
7. Confirm well is static before removing cap flange.
8. If well is not static notify BLM and kill well prior to cementing or nipping up for further remediation.
9. Install offline cement tool.
10. Rig up cement equipment.
 - a. Notify BLM prior to cement job.
11. Perform cement job.
12. Confirm well is static and floats are holding after cement job.
13. Remove cement equipment, offline cement tools and install night cap with pressure gauge for monitoring.

4. Pressure Control Equipment

BOP installed and tested before drilling which hole?	Size?	Min. Required WP	Type	✓	Tested to:	TVD Depth (ft) per Section:
12.25" Hole	13-5/8"	3M	Annular	✓	70% of working pressure	4140
		3M	Blind Ram	✓	250 psi / 3000 psi	
			Pipe Ram			
			Double Ram	✓		
			Other*			
8.5" Hole	13-5/8"	5M	Annular	✓	70% of working pressure	10082
		5M	Blind Ram	✓	250 psi / 5000 psi	
			Pipe Ram			
			Double Ram	✓		
			Other*			

*Specify if additional ram is utilized

BOP/BOPE will be tested by an independent service company to 250 psi low and the high pressure indicated above per Onshore Order 2 requirements. The System may be upgraded to a higher pressure but still tested to the working pressure listed in the table above. If the system is upgraded all the components installed will be functional and tested.

Pipe rams will be operationally checked each 24 hour period. Blind rams will be operationally checked on each trip out of the hole. These checks will be noted on the daily tour sheets. Other accessories to the BOP equipment will include a Kelly cock and floor safety valve (inside BOP) and choke lines and choke manifold.

	Formation integrity test will be performed per Onshore Order #2.
	On Exploratory wells or on that portion of any well approved for a 5M BOPE system or greater, a pressure integrity test of each casing shoe shall be performed. Will be tested in accordance with Onshore Oil and Gas Order #2 III.B.1.i.
	A variance is requested for the use of a flexible choke line from the BOP to Choke Manifold. See attached for specs and hydrostatic test chart.
Y	Are anchors required by manufacturer?
	A multibowl or a unionized multibowl wellhead system will be employed. The wellhead and connection to the BOPE will meet all API 6A requirements. The BOP will be tested per Onshore Order #2 after installation on the surface casing which will cover testing requirements for a maximum of 30 days. If any seal subject to test pressure is broken the system must be tested. We will test the flange connection of the wellhead with a test port that is directly in the flange. We are proposing that we will run the wellhead through the rotary prior to cementing surface casing as discussed with the BLM on October 8, 2015. See attached schematics.

BOP Break Testing Request

Oxy requests permission to adjust the BOP break testing requirements as per the agreement reached in the OXY/BLM meeting on September 5, 2019.

BOP break test under the following conditions:

- After a full BOP test is conducted
- When skidding to drill an intermediate section where ICP is set into the third Bone Spring or shallower.

If the kill line is broken prior to skid, two tests will be performed.

- 1) Wellhead flange, co-flex hose, kill line connections and upper pipe rams
- 2) Wellhead flange, HCR valve, check valve, upper pipe rams

If the kill line is not broken prior to skid, only one test will be performed.

- 1) Wellhead flange, co-flex hose, check valve, upper pipe rams

5. Mud Program

Section	Depth		Depth - TVD		Type	Weight (ppg)	Viscosity	Water Loss
	From (ft)	To (ft)	From (ft)	To (ft)				
Surface	0	418	0	418	Water-Based Mud	8.6 - 8.8	40-60	N/C
Intermediate	418	4140	418	4140	Saturated Brine-Based or Oil-Based Mud	8.0 - 10.0	35-45	N/C
Production	4140	20651	4140	10082	Water-Based or Oil-Based Mud	8.0 - 9.6	38-50	N/C

Sufficient mud materials to maintain mud properties and meet minimum lost circulation and weight increase requirements will be kept on location at all times. The following is a general list of products: Barite, Bentonite, Gypsum, Lime, Soda Ash, Caustic Soda, Nut Plug, Cedar Fiber, Cotton Seed Hulls, Drilling Paper, Salt Water Clay, CACL2. Oxy will use a closed mud system.

What will be used to monitor the loss or gain of fluid?	PVT/MD Totco/Visual Monitoring
---	--------------------------------

6. Logging and Testing Procedures

Logging, Coring and Testing.	
Yes	Will run GR from TD to surface (horizontal well – vertical portion of hole).
	Stated logs run will be in the Completion Report and submitted to the BLM.
No	Logs are planned based on well control or offset log information.
No	Drill stem test? If yes, explain
No	Coring? If yes, explain

Additional logs planned		Interval
No	Resistivity	
No	Density	
No	CBL	
Yes	Mud log	Bone Spring – TD
No	PEX	

7. Drilling Conditions

Condition	Specify what type and where?
BH Pressure at deepest TVD	5033 psi
Abnormal Temperature	No
BH Temperature at deepest TVD	161°F

Pump high viscosity sweeps as needed for hole cleaning. The mud system will be monitored visually/manually as well as with an electronic PVT. The necessary mud products for additional weight and fluid loss control will be on location at all times. Appropriately weighted mud will be used to isolate potential gas, oil, and water zones until such time as casing can be cemented into place for zonal

Hydrogen Sulfide (H2S) monitors will be installed prior to drilling out the surface shoe. If H2S is detected in concentrations greater than 100 ppm, the operator will comply with the provisions of Onshore Oil and Gas Order #6. If Hydrogen Sulfide is encountered, measured values and formations will be provided to the BLM.

N H2S is present

Y H2S Plan attached

8. Other facets of operation

	Yes/No
Will the well be drilled with a walking/skidding operation? If yes, describe. We plan to drill the 3 well pad in batch by section: all surface sections, intermediate sections and production sections. The wellhead will be secured with a night cap whenever the rig is not over the well.	Yes
Will more than one drilling rig be used for drilling operations? If yes, describe. Oxy requests the option to contract a Surface Rig to drill, set surface casing, and cement for this well. If the timing between rigs is such that Oxy would not be able to preset surface, the Primary Rig will MIRU and drill the well in its entirety per the APD. Please see the attached document for information on the spudder rig.	Yes

Total Estimated Cuttings Volume: 1826 bbls

Attachments

☒ Directional Plan

☒ H2S Contingency Plan

☒ Flex III Attachments

☒ Spudder Rig Attachment

☒ Premium Connection Specs

9. Company Personnel

Name	Title	Office Phone	Mobile Phone
Garrett Granier	Drilling Engineer	713-513-6633	832-265-0581
Filip Krneta	Drilling Engineer Supervisor	713-350-4751	832-244-4980
Simon Benavides	Drilling Superintendent	713-522-8652	281-684-6897
Diego Tellez	Drilling Manager	713-350-4602	713-303-4932



TenarisHydril Wedge 425[®]



Coupling	Pipe Body
Grade: P110-CY	Grade: P110-CY
Body: White	1st Band: White
1st Band: Grey	2nd Band: Grey
2nd Band: -	3rd Band: -
3rd Band: -	4th Band: -
	5th Band: -
	6th Band: -

Outside Diameter	5.500 in.	Wall Thickness	0.361 in.	Grade	P110-CY
Min. Wall Thickness	87.50 %	Pipe Body Drift	API Standard	Type	Casing
Connection OD Option	REGULAR				

Pipe Body Data

Geometry				Performance	
Nominal OD	5.500 in.	Wall Thickness	0.361 in.	Body Yield Strength	641 x1000 lb
Nominal Weight	20 lb/ft	Plain End Weight	19.83 lb/ft	Min. Internal Yield Pressure	12,640 psi
Drift	4.653 in.	OD Tolerance	API	SMYS	110,000 psi
Nominal ID	4.778 in.			Collapse Pressure	11,100 psi

Connection Data

Geometry		Performance		Make-Up Torques	
Connection OD	5.777 in.	Tension Efficiency	90 %	Minimum	15,700 ft-lb
Connection ID	4.734 in.	Joint Yield Strength	577 x1000 lb	Optimum	19,600 ft-lb
Make-up Loss	5.823 in.	Internal Pressure Capacity	12,640 psi	Maximum	21,600 ft-lb
Threads per inch	3.77	Compression Efficiency	90 %		
Connection OD Option	Regular	Compression Strength	577 x1000 lb	Operation Limit Torques	
		Max. Allowable Bending	82 °/100 ft	Operating Torque	29,000 ft-lb
		External Pressure Capacity	11,100 psi	Yield Torque	36,000 ft-lb

Notes

This connection is fully interchangeable with:
TORQ® SFW™ - 5.5 in. - 0.361 in.
Connections with Dopeless® Technology are fully compatible with the same connection in its Standard version

For the latest performance data, always visit our website: www.tenaris.com

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TenarisHydril Wedge 441®



Coupling	Pipe Body
Grade: P110-CY	Grade: P110-CY
Body: White	1st Band: White
1st Band: Grey	2nd Band: Grey
2nd Band: -	3rd Band: -
3rd Band: -	4th Band: -
	5th Band: -
	6th Band: -

Outside Diameter	5.500 in.	Wall Thickness	0.361 in.	Grade	P110-CY
Min. Wall Thickness	87.50 %	Drift	API Standard	Type	Casing
Connection OD Option	REGULAR				

Pipe Body Data

Geometry				Performance	
Nominal OD	5.500 in.	Wall Thickness	0.361 in.	Body Yield Strength	641 x1000 lb
Nominal Weight	20 lb/ft	Plain End Weight	19.83 lb/ft	Min. Internal Yield Pressure	12,640 psi
Drift	4.653 in.	OD Tolerance	API	SMYS	110,000 psi
Nominal ID	4.778 in.			Collapse Pressure	11,100 psi

Connection Data

Geometry		Performance		Make-Up Torques	
Connection OD	5.852 in.	Tension Efficiency	81.50 %	Minimum	15,000 ft-lb
Coupling Length	8.714 in.	Joint Yield Strength	522 x1000 lb	Optimum	16,000 ft-lb
Connection ID	4.778 in.	Internal Pressure Capacity	12,640 psi	Maximum	19,200 ft-lb
Make-up Loss	3.780 in.	Compression Efficiency	81.50 %	Operation Limit Torques	
Threads per inch	3.40	Compression Strength	522 x1000 lb	Operating Torque	32,000 ft-lb
Connection OD Option	Regular	Max. Allowable Bending	71 °/100 ft	Yield Torque	38,000 ft-lb
		External Pressure Capacity	11,100 psi	Buck-On	
				Minimum	19,200 ft-lb
				Maximum	20,700 ft-lb

Notes

This connection is fully interchangeable with:
Wedge 441® - 5.5 in. - 0.304 in.
Connections with Dopeless® Technology are fully compatible with the same connection in its Standard version

For the latest performance data, always visit our website: www.tenaris.com

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5.500" 20.00 lb/ft P110-CY
TenarisHydril Wedge 461™ Matched
Strength



Special Data Sheet
TH DS-20.0359
12 August 2020
Rev 00

Nominal OD	5.500 in.	Wall Thickness	0.361 in.	Grade	P110-CY
Min Wall Thickness	87.5%	Type	CASING	Connection OD Option	MATCHED STRENGTH

Pipe Body Data

Geometry			Performance		
Nominal OD	5.500 in.	Nominal ID	4.778 in.	Body Yield Strength	641 x 1000 lbs
Nominal Weight	20.00 lbs/ft	Wall Thickness	0.361 in.	Internal Yield	12640 psi
Standard Drift Diameter	4.653 in.	Plain End Weight	19.83 lbs/ft	SMYS	110000 psi
Special Drift Diameter	N/A	OD Tolerance	API	Collapse Pressure	11110 psi

Connection Data

Geometry		Performance		Make-up Torques	
Matched Strength OD	6.050 in.	Tension Efficiency	100%	Minimum	17000 ft-lbs
Make-up Loss	3.775 in.	Joint Yield Strength	641 x 1000 lbs	Optimum	18000 ft-lbs
Threads per in.	3.40	Internal Yield	12640 psi	Maximum	21600 ft-lbs
Connection OD Option	MATCHED STRENGTH	Compression Efficiency	100%	Operational Limit Torques	
Coupling Length	7.714 in.	Compression Strength	641 x 1000 lbs	Operating Torque	32000 ft-lbs
		Bending	92 °/100 ft	Yield Torque	38000 ft-lbs
		Collapse	11110 psi	Buck-On Torques	
				Minimum	21600 ft-lbs
				Maximum	23100 ft-lbs

Notes

*If you need to use torque values that are higher than the maximum indicated, please contact a local Tenaris technical sales representative

WORKING DRAFT ONLY – Sept 29, 2021

3-String Design – Open Production Casing Annulus

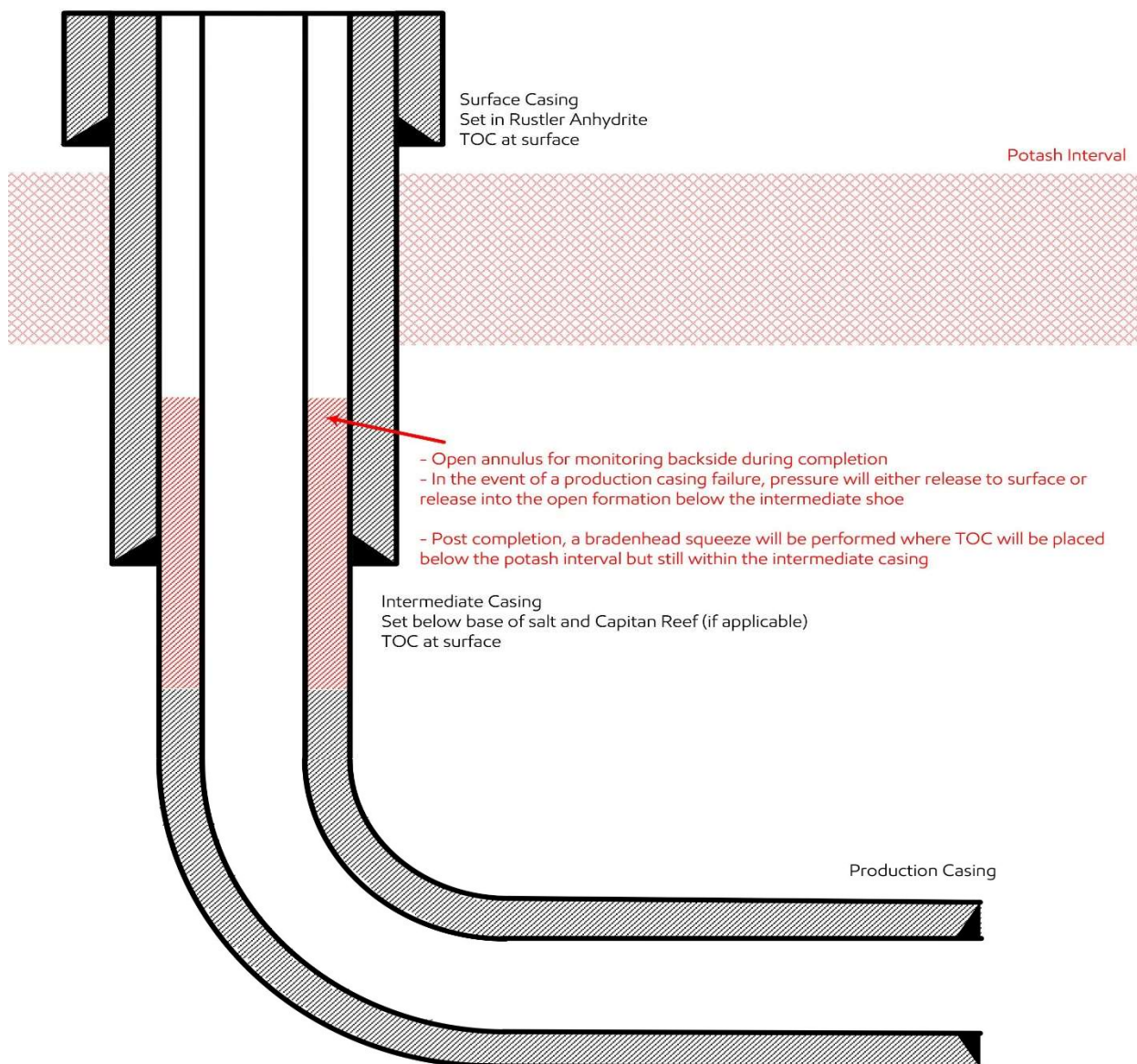


Figure A] 3 – String – Un Cemented Annulus

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

COMMENTS

Action 67833

COMMENTS

Operator: OXY USA INC P.O. Box 4294 Houston, TX 772104294	OGRID: 16696
	Action Number: 67833
	Action Type: [C-103] NOI Change of Plans (C-103A)

COMMENTS

Created By	Comment	Comment Date
kpickford	KP GEO Review 12/21/2021	12/21/2021

District I

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

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811 S. First St., Artesia, NM 88210
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CONDITIONS

Action 67833

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	Action Number: 67833
	Action Type: [C-103] NOI Change of Plans (C-103A)

CONDITIONS

Created By	Condition	Condition Date
jagarcia	None	12/22/2021