STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION

BRUCE KING
GOVERNOR

ANITA LOCKWOOD
CABINET SECRETARY

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87504
(505) 827-5800

May 9, 1994

OXY USA, Inc.
P.O. Box 50250
Midland, TX 79710

Attention: Robert P. Elliot

Administrative Order DD-92

Dear Mr. Elliot:

Under the provisions of General Rule 111 (c), (d) and (e), OXY USA, Inc. made application to the New Mexico Oil Conservation Division on April 11, 1994, for authorization to directionally drill its proposed Government "AB" Well No. 9, Eddy County, New Mexico.

The Division Director Finds That:

(1) The application has been duly filed under the provisions of Rule 111(d) and (e) of the Division General Rules and Regulations;

(2) Satisfactory information has been provided that all offset operators have been duly notified;

(3) The applicant has presented satisfactory evidence that all requirements prescribed in General Rule 111 will be met; and

(4) A waiver of objection from the only other offset operator other than OXY was received by the Division.

IT IS THEREFORE ORDERED THAT:

(1) The applicant, OXY USA, Inc., is hereby authorized to directionally drill its Government "AB" Well No. 9 from an unorthodox surface oil well location 330 feet from the North line and 230 feet from the East line (Unit A) of Section 10, Township 20 South, Range 28 East, NMPM, Old Millman Ranch-Bone Spring Associated Pool, Eddy County, New Mexico, by kicking off from the vertical at a depth of approximately 3700 feet, and drilling in such a manner as to bottom in the Bone Spring formation at a standard oil well location within the NE/4 NE/4 of said Section 10.

PROVIDED HOWEVER THAT prior to commencing directional drilling operations into said wellbore, the applicant shall establish the location of the kick-off point by means of a directional survey acceptable to the Division.

PROVIDED HOWEVER THAT during or upon completion of directional drilling operations, the applicant shall conduct an accurate wellbore survey from the kick-off point to total depth in order that the subsurface bottomhole location, as well as the wellbore's true depth and course, may be determined.

(2) The applicant shall notify the supervisor of the Artesia district office of the Division of the date and time said wellbore surveys are to be conducted so that they may be witnessed. The applicant shall further provide a copy of said wellbore surveys to the Santa Fe and Artesia offices of the Division upon completion.

(3) Form C-105 shall be filed in accordance with Division Rule 1105 and the operator shall indicate thereon true vertical depth in addition to measured depths.

(4) The E/2 NE/4 of said Section 10 shall be dedicated to the well forming a standard 80-acre oil spacing and proration unit for the subject pool.

(5) Jurisdiction of this cause is retained for the entry of such further orders as the Division may deem necessary.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION

WILLIAM J. LEMAY
Director

S E A L

WJL/MES/amg

cc: Oil Conservation Division - Artesia
US Bureau of Land Management - Carlsbad

OXY USA INC.
Box 50250, Midland, TX 79710

June 21, 1994

State of New Mexico
Oil Conservation Division
Attn: Michael Stogner
310 Old Santa Fe Trail
Santa Fe, New Mexico 87501

Re: Amended Application to Directionally Drill
Government AB #9
Administrative Order No. DD-92

Mr. Stogner:

OXY USA has completed the drilling of the Government AB #9 in Sec. 10, T-20-S , R-28-E Eddy County, New Mexico. Due to difficulties encountered in steering the well, the bottom hole location was more than 50 feet from the originally-planned bottom hole location. However, the bottom hole location, and the target location remained orthodox according to field rules. The top of the 1st Bone Spring Sand was encountered at 708' FNL and 621' FEL of Sec. 10. The bottom hole location was at 772' FNL and 660' FEL of Sec. 10.

In response to our telephone conversation of June 20, the actual directional surveys and an amended C-102 are enclosed to amend our original application to directionally drill the Government AB #9. If you require additional information, please contact me at (915) 685-5821. Thank you for your consideration in this matter.

Sincerely,
OXY USA Inc.

Robert P. Elliott

Operations Engineer
Western Region

660
150
810

Attachments

cc: D. Stewart
RPE
Well File

RECEIVED

'94 JUN 24 AM 11 36

STATE LAND OFFICE
SANTA FE, N.M.

SPERRY-SUN DRILLING SERVICES
SURVEY DATA

OXY
GOVAB

16-JUN-1994
10:38:28

MEASURED DEPTH	ANGLE DEG	DIRECTION DEG	VERTICAL DEPTH	LATITUDE FEET	DEPARTURE FEET	VERTICAL SECTION	DOG LEG
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
100.00	0.42	304.47	100.00	0.21 N	0.30 W	0.11	0.42
200.00	0.83	329.05	199.99	1.04 N	0.98 W	0.14	0.48
300.00	1.00	328.52	299.98	2.41 N	1.81 W	-0.03	0.17
400.00	0.83	307.04	399.97	3.59 N	2.84 W	0.07	0.38
500.00	1.00	309.61	499.95	4.58 N	4.10 W	0.46	0.17
600.00	1.17	38.26	599.94	5.94 N	4.14 W	-0.33	1.52
700.00	1.50	50.63	699.92	7.57 N	2.50 W	-2.63	0.44
800.00	1.83	55.20	799.87	9.31 N	0.17 W	-5.53	0.36
900.00	1.83	54.67	899.82	11.15 N	2.45 E	-8.73	0.02
1000.00	1.42	59.23	999.78	12.71 N	4.81 E	-11.56	0.44
1100.00	1.17	65.80	1099.76	13.76 N	6.81 E	-13.77	0.29
1200.00	1.00	62.45	1199.74	14.58 N	8.51 E	-15.63	0.18
1300.00	1.08	70.13	1299.72	15.30 N	10.17 E	-17.38	0.16
1400.00	1.08	79.64	1399.70	15.79 N	11.99 E	-19.13	0.18
1500.00	1.00	79.13	1499.69	16.13 N	13.78 E	-20.75	0.08
1600.00	1.17	91.48	1599.67	16.27 N	15.65 E	-22.32	0.29
1700.00	1.17	96.80	1699.65	16.12 N	17.68 E	-23.84	0.11
1800.00	1.00	96.21	1799.63	15.90 N	19.56 E	-25.20	0.17
1900.00	1.00	100.46	1899.62	15.65 N	21.29 E	-26.41	0.07
2000.00	0.92	111.94	1999.60	15.19 N	22.88 E	-27.41	0.21
2100.00	0.92	103.85	2099.59	14.70 N	24.40 E	-28.31	0.13
2200.00	0.42	126.25	2199.58	14.30 N	25.47 E	-28.91	0.55
2300.00	0.25	175.58	2299.58	13.86 N	25.79 E	-28.90	0.32
2400.00	0.33	198.94	2399.58	13.37 N	25.71 E	-28.53	0.14
2500.00	0.17	204.35	2499.58	12.96 N	25.55 E	-28.16	0.17
2600.00	0.17	207.81	2599.58	12.70 N	25.42 E	-27.90	0.01
2700.00	0.42	192.30	2699.58	12.22 N	25.28 E	-27.49	0.26
2800.00	0.33	221.91	2799.57	11.65 N	25.01 E	-26.93	0.21
2900.00	0.33	243.72	2899.57	11.30 N	24.55 E	-26.36	0.13
3000.00	0.33	225.31	2999.57	10.97 N	24.09 E	-25.79	0.11
3100.00	0.25	222.89	3099.57	10.60 N	23.73 E	-25.28	0.08
3200.00	0.25	146.41	3199.57	10.26 N	23.70 E	-25.05	0.31
3300.00	0.33	137.99	3299.57	9.87 N	24.02 E	-25.06	0.09
3400.00	0.17	47.57	3399.57	9.75 N	24.32 E	-25.23	0.37
3500.00	0.25	320.23	3499.57	10.01 N	24.29 E	-25.36	0.29
3550.00	0.50	325.11	3549.57	10.28 N	24.09 E	-25.37	0.50
3600.00	0.90	263.90	3599.56	10.41 N	23.58 E	-25.04	1.58
3630.00	1.75	245.30	3629.55	10.20 N	22.93 E	-24.40	3.14
3662.00	2.75	240.00	3661.53	9.61 N	21.82 E	-23.16	3.19

SPERRY-SUN DRILLING SERVICES
SURVEY DATA

OXY
GOVAB

16-JUN-1994
10:38:28

MEASURED DEPTH	ANGLE DEG	DIRECTION DEG	VERTICAL DEPTH	LATITUDE FEET	DEPARTURE FEET	VERTICAL SECTION	DOG LEG
3692.00	3.81	238.70	3691.48	8.73 N	20.34 E	-21.45	3.54
3723.00	5.10	235.90	3722.39	7.42 N	18.32 E	-19.06	4.22
3754.00	6.53	233.20	3753.23	5.59 N	15.77 E	-15.92	4.70
3783.00	7.63	233.90	3782.00	3.47 N	12.90 E	-12.34	3.80
3812.00	7.11	229.70	3810.76	1.18 N	9.97 E	-8.63	2.58
3844.00	7.54	231.00	3842.50	1.42 S	6.83 E	-4.55	1.44
3875.00	8.50	233.00	3873.20	4.08 S	3.42 E	-0.23	3.22
3904.00	9.60	233.20	3901.84	6.82 S	0.23 W	4.34	3.79
3935.00	10.60	233.80	3932.36	10.05 S	4.60 W	9.77	3.24
3966.00	10.93	232.30	3962.81	13.53 S	9.23 W	15.56	1.40
3997.00	11.10	232.40	3993.24	17.15 S	13.92 W	21.48	0.55
4026.00	11.60	231.80	4021.67	20.66 S	18.42 W	27.19	1.77
4095.00	13.00	231.60	4089.09	29.77 S	29.95 W	41.89	2.03
4181.00	13.00	230.10	4172.88	41.98 S	44.96 W	61.22	0.39
4275.00	12.75	231.60	4264.52	55.21 S	61.20 W	82.16	0.44
4366.00	12.50	233.60	4353.32	67.29 S	76.99 W	102.05	0.55
4611.00	11.50	231.60	4592.97	98.20 S	117.47 W	152.98	0.44
4733.00	11.00	231.60	4712.62	112.98 S	136.13 W	176.77	0.41
4825.00	11.00	230.60	4802.93	124.00 S	149.79 W	194.32	0.21
4950.00	10.50	228.60	4925.74	139.10 S	167.55 W	217.61	0.50
5041.00	11.00	231.60	5015.14	149.98 S	180.57 W	234.56	0.82
5131.00	11.00	229.60	5103.49	160.88 S	193.84 W	251.72	0.42
5225.00	10.25	226.60	5195.88	172.44 S	206.75 W	269.00	0.99
5318.00	10.25	227.60	5287.39	183.70 S	218.87 W	285.47	0.19
5354.00	10.25	229.10	5322.82	187.96 S	223.65 W	291.86	0.74
5385.00	11.00	231.60	5353.28	191.60 S	228.06 W	297.57	2.84
5415.00	11.25	234.60	5382.72	195.07 S	232.68 W	303.36	2.10
5445.00	11.50	239.60	5412.13	198.28 S	237.65 W	309.25	3.39
5477.00	12.25	239.60	5443.45	201.62 S	243.33 W	315.78	2.34
5508.00	12.00	236.60	5473.76	205.05 S	248.86 W	322.26	2.19
5539.00	10.50	229.60	5504.16	208.66 S	253.70 W	328.30	6.54
5570.00	10.25	224.60	5534.65	212.45 S	257.79 W	333.85	3.01
5601.00	11.00	221.60	5565.12	216.63 S	261.69 W	339.49	3.01
5631.00	11.50	221.60	5594.55	221.01 S	265.57 W	345.23	1.67
5685.00	12.75	224.10	5647.34	229.31 S	273.29 W	356.41	2.51
5747.00	14.25	223.60	5707.63	239.75 S	283.32 W	370.72	2.43
5810.00	15.25	223.60	5768.55	251.37 S	294.38 W	386.57	1.59
5872.00	16.25	220.60	5828.22	263.86 S	305.65 W	403.11	2.08
5934.00	17.25	218.60	5887.59	277.63 S	317.03 W	420.53	1.86
5964.00	17.25	219.60	5916.24	284.53 S	322.64 W	429.18	0.99

RECEIVED

'84 JUN 24 AM 11 36

STATE [illegible] OFFICE
SANTA [illegible], N.M.

SPERRY-SUN DRILLING SERVICES
SURVEY DATA

OXY
GOVAB

16-JUN-1994
10:38:28

MEASURED DEPTH	ANGLE DEG	DIRECTION DEG	VERTICAL DEPTH	LATITUDE FEET	DEPARTURE FEET	VERTICAL SECTION	DOG LEG
5995.00	17.75	218.60	5945.81	291.77 S	328.52 W	438.25	1.88
6057.00	17.50	216.60	6004.90	306.64 S	339.97 W	456.39	1.06
6120.00	17.00	215.60	6065.06	321.73 S	350.98 W	474.31	0.92
6182.00	16.50	216.60	6124.43	336.17 S	361.51 W	491.45	0.93
6245.00	16.00	215.60	6184.92	350.41 S	371.89 W	508.36	0.91
6308.00	15.50	214.60	6245.55	364.40 S	381.73 W	524.68	0.90
6370.00	14.75	213.60	6305.40	377.79 S	390.80 W	540.03	1.28
6431.00	14.50	211.60	6364.43	390.77 S	399.10 W	554.51	0.92
6492.00	14.25	211.60	6423.52	403.66 S	407.03 W	568.66	0.41
6554.00	14.25	211.60	6483.61	416.66 S	415.03 W	582.92	0.00
6678.00	13.50	209.10	6603.99	442.31 S	430.07 W	610.46	0.77

THE DOGLEG SEVERITY IS IN DEGREES PER 100 FEET
THE VERTICAL SECTION WAS COMPUTED ALONG 232.50½

BASED UPON MINIMUM CURVATURE TYPE CALCULATIONS. THE BOTTOM HOLE DISPLACEMENT IS 616.92 FEET IN THE DIRECTION OF 224.20½
COORDINATE VALUES ARE GIVEN RELATIVE TO THE PLATFORM REFERENCE POINT
VERTICAL SECTION IS GIVEN RELATIVE TO THE WELLHEAD LOCATION

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'94 JUN 24 AM 11 36

STATE LAND OFFICE
SANTA FE, N.M.

sperry-sun
DRILLING SERVICES

OKLAHOMA CITY, OKLAHOMA
(800)447-7845

OXY U.S.A.

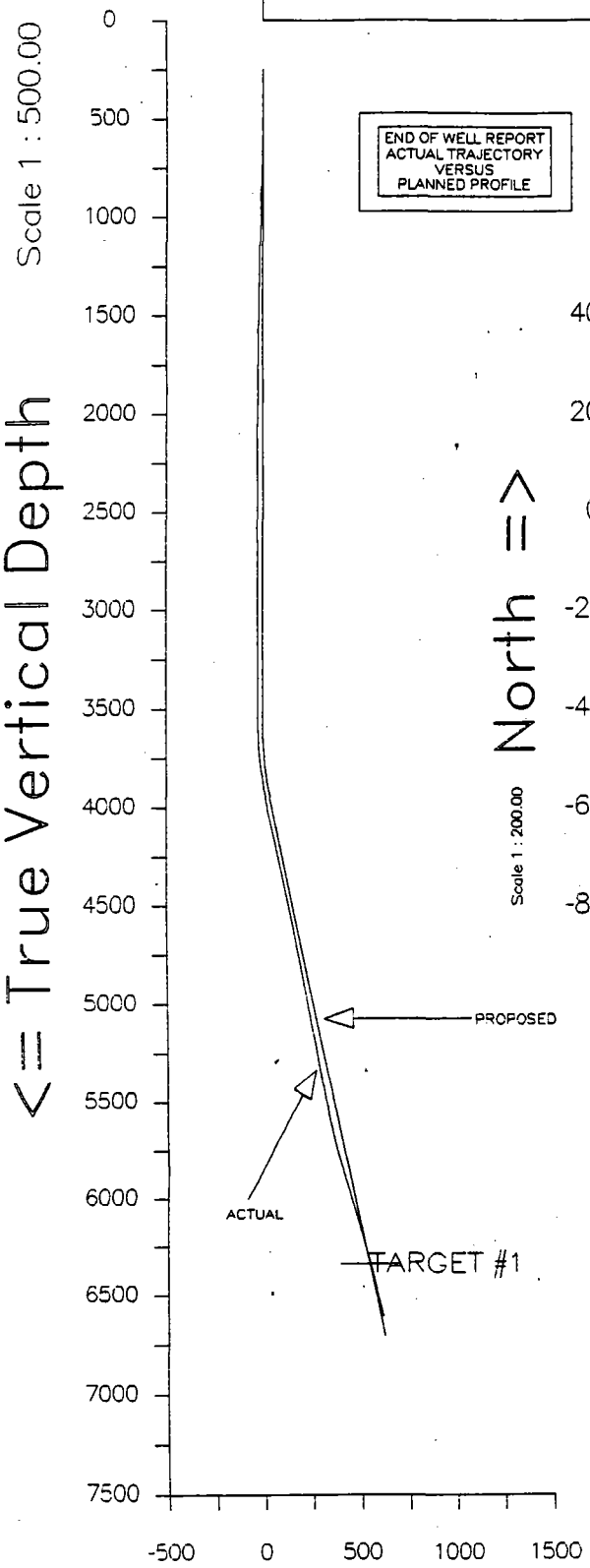
Structure : SEC 10-T20S-R28E Well : Government AB #9

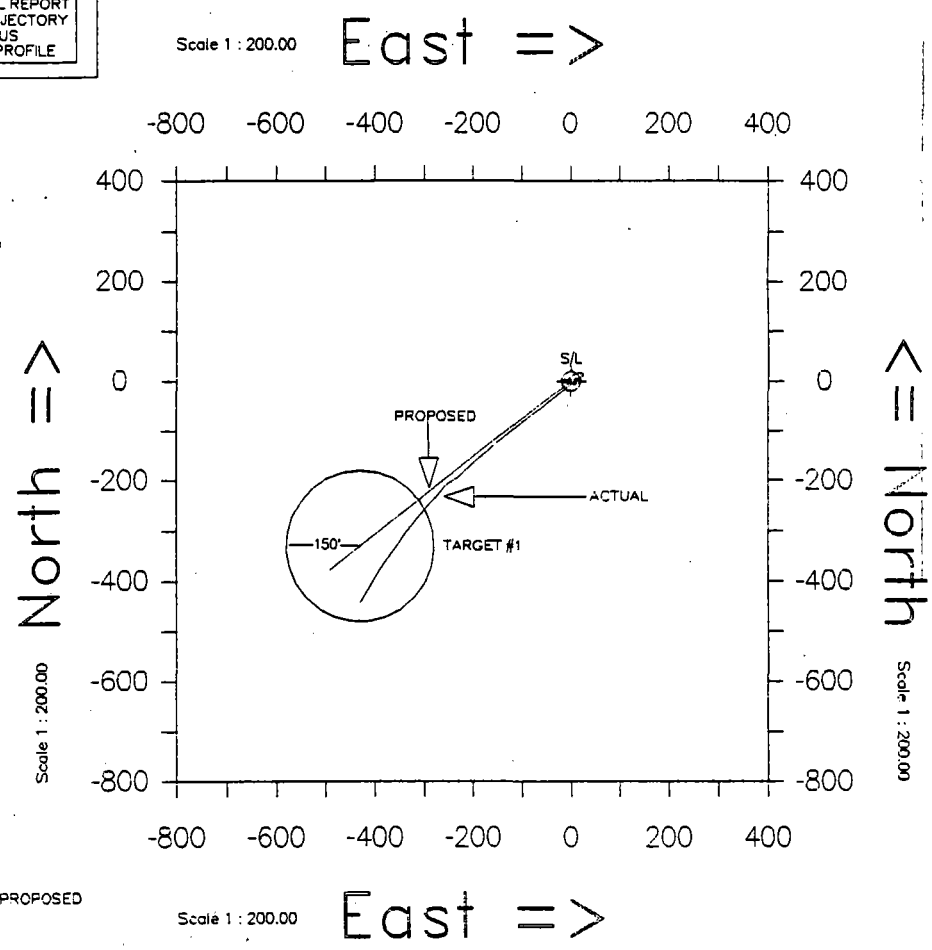
Location : Eddy County, NM

TRUE NORTH

DECLINATION: 9.58 DEG. EAST

END OF WELL REPORT
ACTUAL TRAJECTORY
VERSUS
PLANNED PROFILE





Created by : ssds
Date plotted : 16-Jun-94
Plot Reference is PROPOSAL #1.
Coordinates are in feet reference slot #1.
True Vertical Depths are reference wellhead.

--- Sperry-Sun Drilling Services ---

Scale 1 : 500.00

Vertical Section on 232.50 azimuth with reference 0.00 N, 0.00 E from slot #1

RECEIVED
'94 JUN 24 AM 11 36
STATE LAND OFFICE
SANTA FE, N.M.

District I
PO Box 1980, Hobbs, NM 88241-1980
District II
PO Drawer DD, Artesia, NM 88211-0719
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
PO Box 2088, Santa Fe, NM 87504-2088

State of New Mexico
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION
PO Box 2088
Santa Fe, NM 87504-2088

Form C-102
Revised February 10, 1994
Instructions on back
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

[X] AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

1 API Number	2 Pool Code	3 Pool Name
30-015-27964		Old Millman Ranch Bone Springs Association

4 Property Code	5 Property Name	6 Well Number
	Government AB	9

7 OGRID No.	8 Operator Name	9 Elevation
	OXY USA Inc.	3268'

10 Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
A	10	20S	28E		330	North	230	East	Eddy

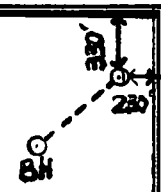
11 Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
A	10	20S	28E		772	North	660.07	East	Eddy

12 Dedicated Acres	13 Joint or Infill	14 Consolidation Code	15 Order No.
80			

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

16



17 OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief

Signature

Robert P. Elliott
Printed Name

Operations Engineer
Title

June 20, 1994
Date

18 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.

Date of Survey

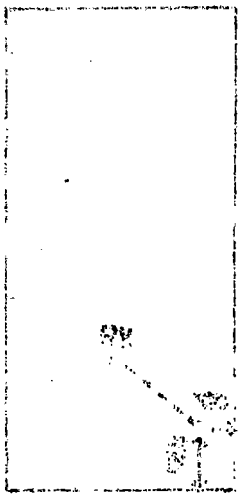
Signature and Seal of Professional Surveyor:

Certificate Number

RECEIVED

'54 JUN 24 AM 11 36

STATE LAND OFFICE
SANTA FE, N.M.



STATE OF NEW MEXICO

ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION

GARREY CARRUTHERS
GOVERNOR

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87504
(505) 827-5800

July 26, 1990

~~Union Oil Company of California~~
~~3300 North Butler Avenue~~
~~Suite 200~~
~~Farmington, NM 87401~~

OXY USA INC.
Box 50250
Midland, Texas 79710

Attention: ~~Bill Hering, District Petroleum Engineer~~
Robert P. Elliott

Administrative Order DD-~~88~~ 92

Dear Mr. ~~Hering~~: Elliott

Under the provisions of General Rule 111 (c), (d) and (e), Unocal made application to the New Mexico Oil Conservation Division on ~~July 5, 1990,~~ April 11, 1994 for authorization to directionally drill its proposed ~~Bay "B"~~ Government "AB" Well No. ~~8~~ 9, ~~San Juan~~ Eddy County, New Mexico.

The Division Director Finds That:

(1) The application has been duly filed under the provisions of Rule 111(d) and (e) of the Division General Rules and Regulations;

(2) Satisfactory information has been provided that all offset operators have been duly notified;

(3) The applicant has presented satisfactory evidence that all requirements prescribed in General Rule 111 will be met; and

~~(4) No objections have been received within the waiting period prescribed by said rule.~~

(4) A waiver of objection from the only other off-set operator other than OXY was ~~submitted~~ received by the Division.

OPERATIONS LOG

DATE ______________

PAGE ______ of ______

INSTRUCTOR ______________

CHIEF OPS ______________

ASST. OPS ______________

TOW PLANES	Pawnee - 10Z (1)	Pawnee Z (2)
PILOT		
STOP		
START		
TOTAL TACH		

ACCT NO.	FLT NO.	PILOT (TO BE BILLED)	AIRCRAFT NO.	INSTRUCTOR (X)	TOW PILOT (1/2)	TOW RELEASE (AGL)	FLIGHT TIMES		REMARKS
							LAND : TAKEOFF :	FLT TIME :	
							LAND : TAKEOFF :	FLT TIME :	
							LAND : TAKEOFF :	FLT TIME :	ATTACHMENT 2-2
							LAND : TAKEOFF :	FLT TIME :	
							LAND : TAKEOFF :	FLT TIME :	
							LAND : TAKEOFF :	FLT TIME :	
							LAND : TAKEOFF :	FLT TIME :	
							LAND : TAKEOFF :	FLT TIME :	
							LAND : TAKEOFF :	FLT TIME :	
							LAND : TAKEOFF :	FLT TIME :	

IT IS THEREFORE ORDERED THAT:

(1) The applicant, Union Oil Company of California d/b/a Unocal is hereby authorized to directionally drill its Day "B" Well No. 8, the surface location of which shall be 734 feet from the North line and 1233 feet from the East line (Unit A) of Section 7, Township 27 North, Range 8 West, NMPM, San Juan County, New Mexico, by kicking off from the vertical at a depth of approximately 325 feet, and drilling in such a manner as to bottom in the Basin Fruitland Coal Gas Pool at a standard coal gas well location within the NE/4 of said Section 7.

( ) The applicant, OXY USA INC. is hereby authorized to directionally drill its Government "AB" Well No. 9 from an unorthodox surface oil well location 330 feet from the North line and 230 feet from the East line (Unit A) of ~~said~~ Section 10, Township 20 South, Range 28 East, NMPM, Old Millman Ranch - Bone Spring Associated Pool, Eddy County, New Mexico, by kicking off from the vertical at a depth of approximately 3700 feet, and drilling in such a manner as to bottom in the Bone Spring formation at a standard oil well location in the within the NE/4 NE/4 of said Section 10.

PROVIDED HOWEVER THAT prior to commencing directional drilling operations into said wellbore, the applicant shall establish the location of the kick-off point by means of a directional survey acceptable to the Division.

PROVIDED FURTHER THAT during or upon completion of directional drilling operations, the applicant shall conduct an accurate wellbore survey from the kick-off point to total depth in order that the subsurface bottomhole location, as well as the wellbore's true depth and course, may be determined.

(2) The applicant shall notify the supervisor of the ~~Aztec~~ Artesia district office of the Division of the date and time said wellbore surveys are to be conducted so that they may be witnessed. The applicant shall further provide a copy of said wellbore surveys to the Santa Fe and Aztec offices of the Division upon completion.

(3) Form C-105 shall be filed in accordance with Division Rule 1105 and the operator shall indicate thereon true vertical depth in addition to measured depths.

(4) The ~~E/2~~ E/2 NE/4 of said Section ~~7~~ 10 shall be dedicated to the well forming a standard ~~320~~ 80-acre ~~gas~~ oil spacing and proration unit for said pool.

(5) Jurisdiction of this cause is retained for the entry of such further orders as the Division may deem necessary.

4. To ensure that the stratigraphic test-hole is properly plugged upon completion of a stratigraphic test, and that the Commission receives information needed by it in the conduct of its affairs, the applicant shall:

   a. Have on file with the Commission a plugging bond in accordance with Rule 101 of the Rules and Regulations of the New Mexico Oil Conservation Commission;

   b. Within 30 days after completion of the stratigraphic test-hole, the operator shall submit to the Commission an affidavit that the stratigraphic test-hole has been properly plugged in such a manner as to confine permanently any water, oil, and gas in the separate strata originally containing them;

   c. Not later than one year from the date of completion of the stratigraphic test-hole, the operator shall file with the Commission Form C-103 and Form C-105 in accordance with Rules 1103 B. (4) and 1105, respectively, insofar as said rules are not inconsistent with this memorandum.

ir/

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION

WILLIAM J. LEMAY
Director

S E A L

cc: Oil Conservation Division - ~~Aztec~~ Artesia
US Bureau of Land Management - ~~Farmington~~ Carlsbad

4. To ensure that the stratigraphic test-hole is properly plugged upon completion of a stratigraphic test, and that the Commission receives information needed by it in the conduct of its affairs, the applicant shall:

   a. Have on file with the Commission a plugging bond in accordance with Rule 101 of the Rules and Regulations of the New Mexico Oil Conservation Commission;

   b. Within 30 days after completion of the stratigraphic test-hole, the operator shall submit to the Commission an affidavit that the stratigraphic test-hole has been properly plugged in such a manner as to confine permanently any water, oil, and gas in the separate strata originally containing them;

   c. Not later than one year from the date of completion of the stratigraphic test-hole, the operator shall file with the Commission Form C-103 and Form C-105 in accordance with Rules 1103 B. (4) and 1105, respectively, insofar as said rules are not inconsistent with this memorandum.

ir/

OXY USA INC.
Box 50250, Midland, TX 79710

April 11, 1994

State of New Mexico
Oil Conservation Division
Attn: Michael Stogner
310 Old Santa Fe Trail
Santa Fe, New Mexico 87501

Re: Government S #6

Mr. Stogner:

OXY USA Inc. requests administrative approval to directionally drill our Government S #6 well located in North Burton Flat field in Eddy Co., New Mexico. Due to numerous cave entrances, and other physical features found in the area, the only suitable surface location that could be found was at 330' FNL and 230' FEL of Sec. 10, T-20-S and R-28-E. Mr. Jim Goodbar and Mr. Barry Hunt with the BLM were on location with me when the surface location was selected for this well.

As per OCD Rule 111 and our telephone conversation, the following items have been attached for your review:

1) Topography map showing surface obstructions.
2) Copy of Notification Letter/Waiver to Reeves County Systems, Inc.
3) Form C-102 showing proposed surface and bottom hole locations.
4) The proposed directional well plan.
5) A copy of the APD filed with the BLM.
6) Land Plat showing proposed well and offset operators.

If you require additional information, or need clarification, please contact me at (915) 685-5821. Thank you for your assistance in this matter.

Sincerely,
OXY USA Inc.

Operations Engineer
Western Region

Attachments

cc: J. Goodbar - BLM
Barry Hunt - BLM
D. Stewart
RPE
Well File

RECEIVED
APR 12 1994
OIL CONSERVATION DIVISION

DISTRICT I
P.O. Box 1980, Hobbs, NM 88240

DISTRICT II
P.O. Drawer DD, Artesia, NM 88210

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102
Revised February 10, 1994
Instruction on back
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

OIL CONSERVATION DIVISION

P.O. Box 2088
Santa Fe, New Mexico 87504-2088

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number	Pool Code	Pool Name
		Old Millman Ranch Bone Springs, Assoc.

Property Code	Property Name	Well Number
	GOVERNMENT "AB"	9

OGRID No.	Operator Name	Elevation
	OXY U.S.A. INC.	3268

Surface Location

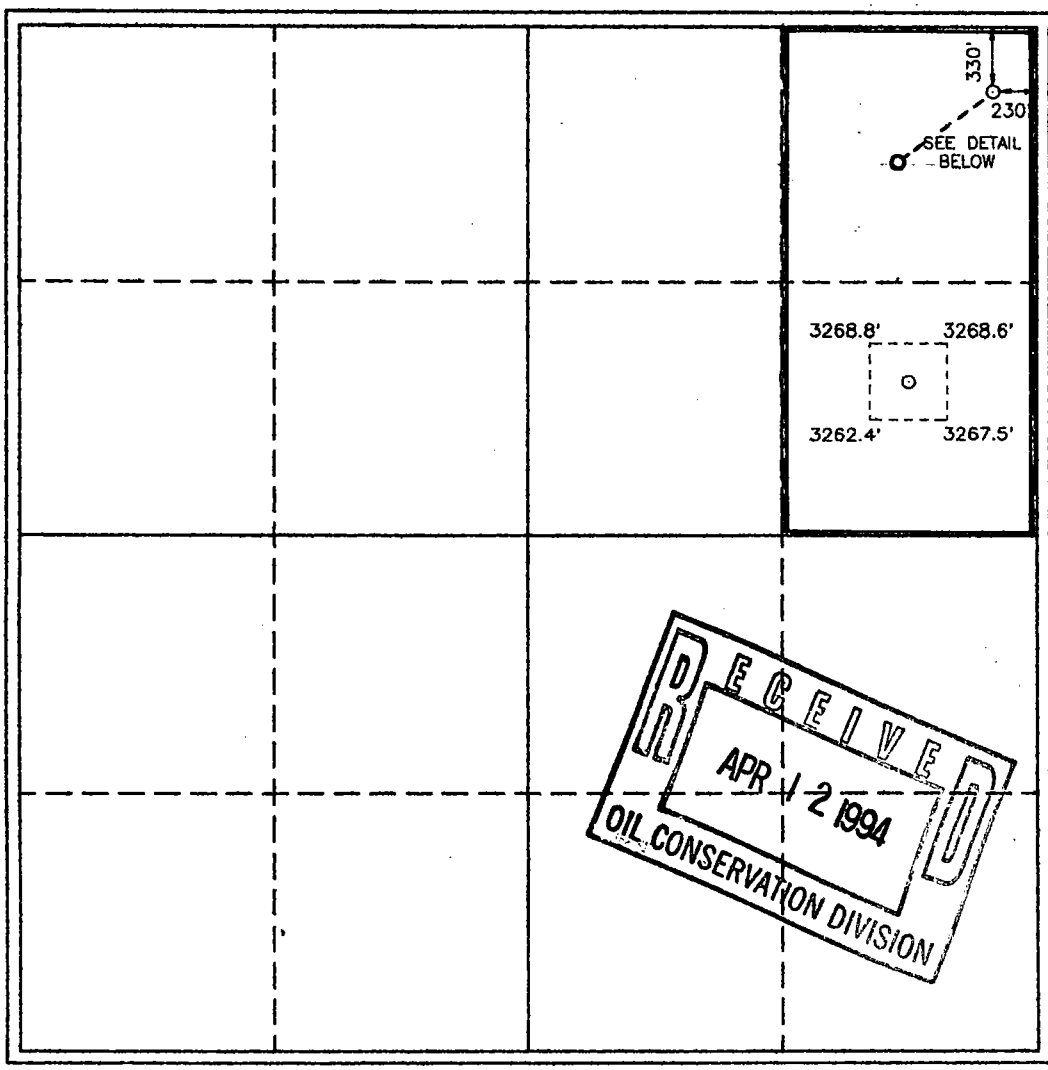
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
A	10	20S	28E		330	NORTH	230	EAST	EDDY

[11] 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
A	10	20S	28E		708	North	723	East	Eddy

Dedicated Acres	Joint or Infill	Consolidation Code	Order No.
80			

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 the the information contained herein is true and complete to the best of my knowledge and belief.

Signature

Robert P. Elliott
Printed Name

Operations Engineer
Title

April 8, 1994
Date

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 supervison, and that the same is true and correct to the best of my belief.

March 30, 1994
Date Surveyed

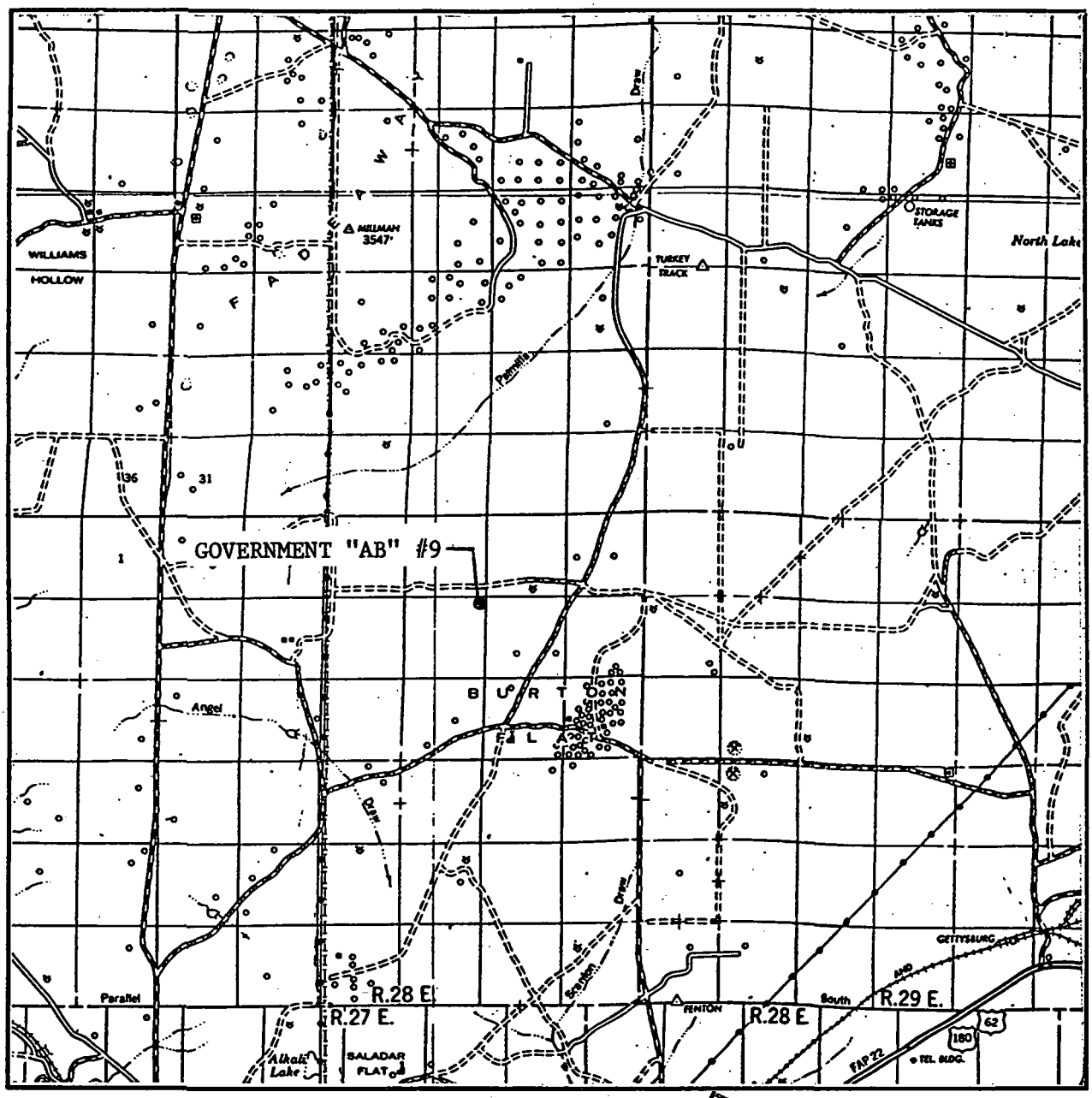
Signature & Seal of Professional Surveyor

GARY L. JONES
NEW MEXICO
7977
REGISTERED PROFESSIONAL LAND SURVEYOR

W.O. Num. 94-11-0508

Certificate No. JOHN W. WEST, 676
RONALD J. EIDSON, 3239
GARY L. JONES, 7977

VICINITY MAP



SCALE: 1" = 2 MILES

SEC. 10 TWP. 20S RGE. 28E

SURVEY N.M.P.M.

COUNTY EDDY STATE N.M.

DESCRIPTION 330' FNL & 230' FEL

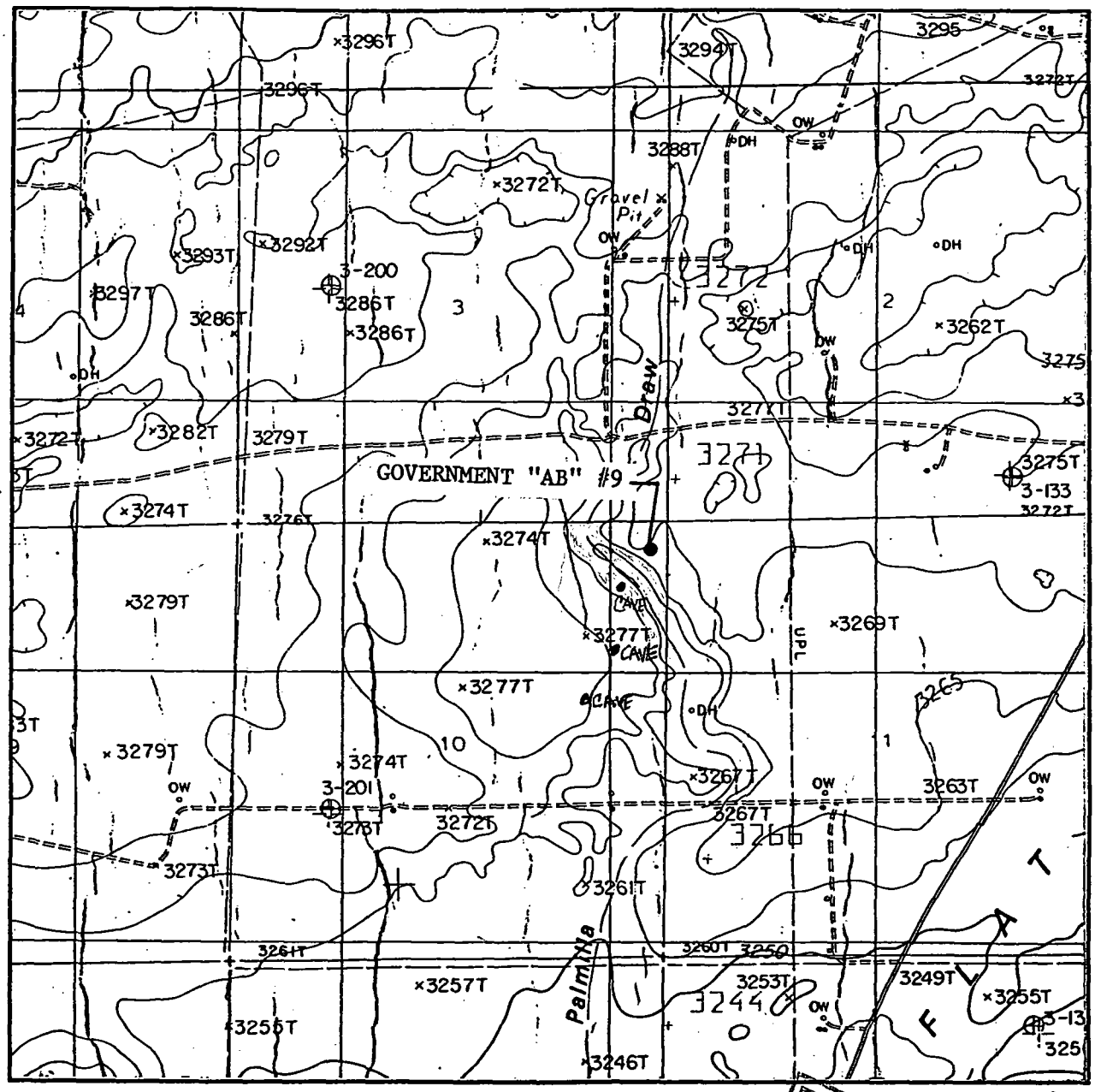
ELEVATION 3268'

OPERATOR OXY U.S.A., INC.

LEASE GOVERNMENT "AB" #9

JOHN WEST ENGINEERING
HOBBS, NEW MEXICO
(505) 393-3117

LOCATION VERIFICATION MAP



SCALE: 1" = 2000'

CONTOUR INTERVAL 10'

SEC. 10 TWP. 20S RGE. 28E

SURVEY N.M.P.M.

COUNTY EDDY STATE N.M.

DESCRIPTION 330' FNL & 230' FEL

ELEVATION 3268'

OPERATOR OXY U.S.A., INC.

LEASE GOVERNMENT "AB" #9

U.S.G.S. TOPOGRAPHIC MAP

ANGEL DRAW, N.M.

RECEIVED
APR 12 1994
OIL CONSERVATION DIVISION

JOHN WEST ENGINEERING
HOBBS, NEW MEXICO
(505) 393-3117

OXY USA INC.
Box 50250, Midland, TX 79710

April 6, 1994

Reeves County Systems, Inc.
Attn: Mr. Robert Hillin
P.O. Box 152
Odessa, Texas 79760

Re: Government AB #9

Mr. Hillin:

This letter is to inform you of OXY USA's intention to directionally drill our Government AB #9. Because of the numerous cave features in the area, the only suitable surface location for the well was at 330' FNL and 230' FEL of section 10, T-20-S, R-28-E which is adjacent to your lease in section 2. The primary objective in this well is the First Bone Springs Sand. We anticipate intersecting the top of the sand at 660' FNL and 660' FEL and exiting the base of the sand at 692' FNL and 701' FEL. The BH location at TD is anticipated to be 708' FNL and 723' FEL of Sec. 10, T-20-S, R-28-E. A lease plat and well plan are attached.

If you have no objections to our plans outlined above, please sign in the space provided below and notarize. If you require additional information please feel free to contact me at my office at (915) 685-5821. Thank you for your attention in this matter.

Sincerely,
OXY USA, Inc.

Robert P. Elliott
Operations Engineer

Waiver: R. H. Hillin
Mr. Robert Hillin
Reeves County Systems, Inc.

CC: Michael Stogner - NMOCD Santa Fe, NM
D. Stewart/File
T. Tinney
RPE

STATE OF TEXAS ⁞

COUNTY OF ECTOR ⁞

BEFORE ME, the undersigned authority, on this day personally appeared ROBERT N. HILLIN, President of REEVES COUNTY SYSTEMS, INC., known to me to be the person whose name is subscribed to the foregoing instrument, and that he executed the same as the act and deed for the purpose and consideration therein expressed, and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this 6th day of April 1994, and effective immediately.

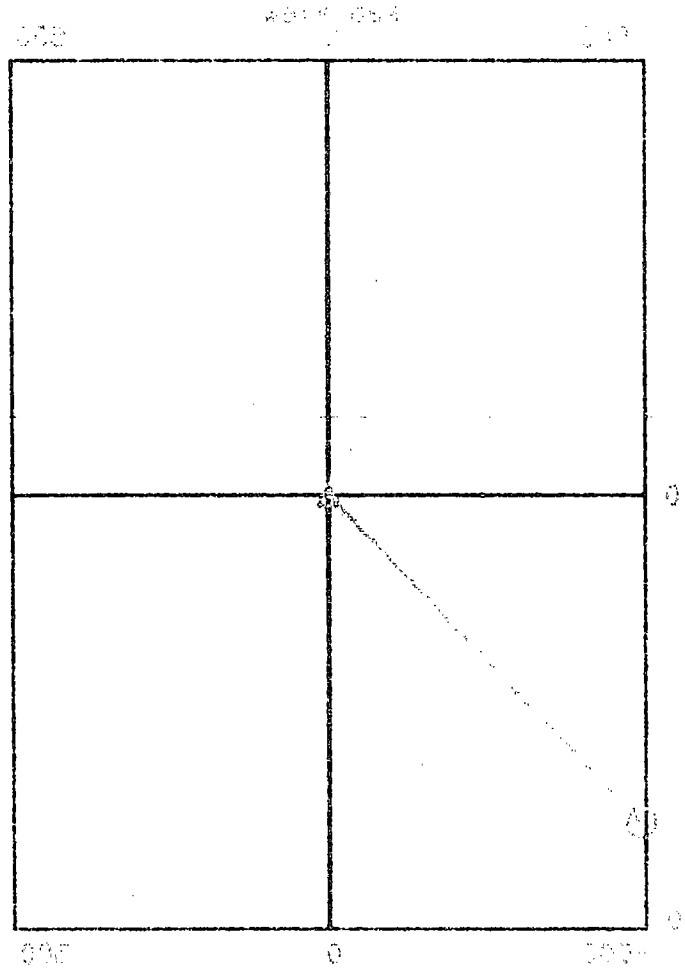
RAQUEL M.F. LOPEZ-HARRELL
Notary Public
STATE OF TEXAS
My Comm. Exp. APR. 30, 1994

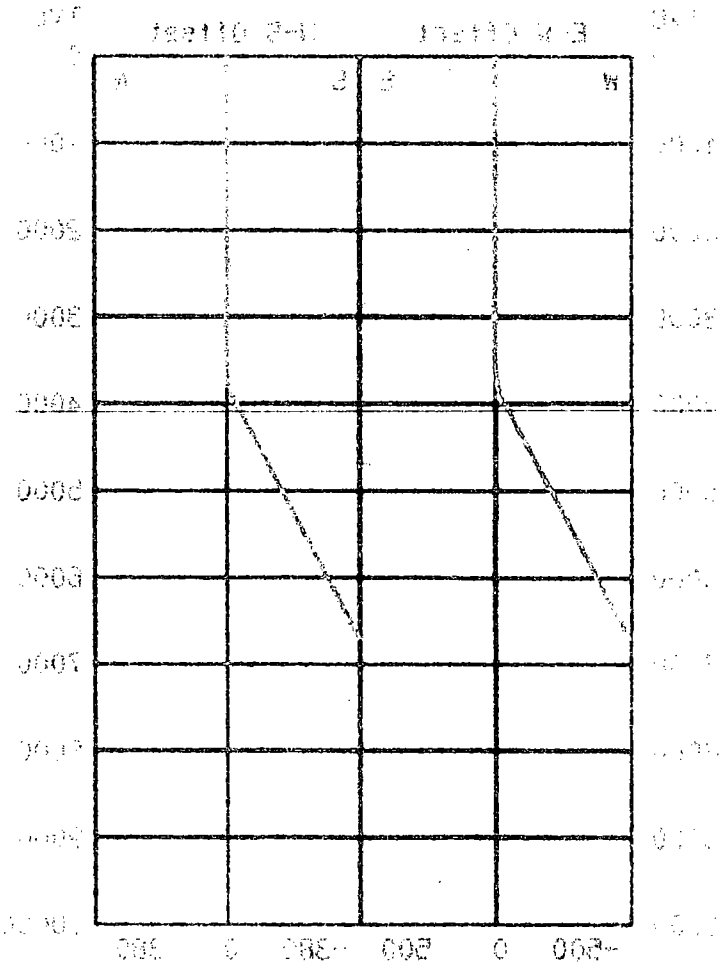
Raquel M.F. Lopez-Harrell

Notary Public: Raquel M.F. Lopez-Harrell
State: Texas
Expiration Date: April 30, 1994

DIRECTIONAL SURVEY DATA

API: 0925300130001S WELL: 9





SPERRY-SUN DRILLING SERVICES
PROPOSAL DATA

OXY USA
SLANT

05-APR-1994
13:46:46

MEASURED DEPTH	ANGLE DEG	DIRECTION DEG	VERTICAL DEPTH	LATITUDE FEET	DEPARTURE FEET	VERTICAL SECTION	DOG LEG
3000.00	0.00	0.00	3000.00	330.00 S	230.00 W	0.00	0.00
3100.00	0.00	0.00	3100.00	330.00 S	230.00 W	0.00	0.00
3200.00	0.00	0.00	3200.00	330.00 S	230.00 W	0.00	0.00
3300.00	0.00	0.00	3300.00	330.00 S	230.00 W	0.00	0.00
3400.00	0.00	0.00	3400.00	330.00 S	230.00 W	0.00	0.00
3500.00	0.00	0.00	3500.00	330.00 S	230.00 W	0.00	0.00
3582.00	0.00	0.00	3582.00	330.00 S	230.00 W	0.00	0.00
3600.00	0.54	232.49	3600.00	330.05 S	230.07 W	0.08	3.00
3700.00	3.54	232.49	3699.92	332.22 S	232.89 W	3.64	3.00
3800.00	6.54	232.49	3799.53	337.57 S	239.86 W	12.43	3.00
3900.00	9.54	232.49	3898.53	346.08 S	250.95 W	26.41	3.00
3982.00	12.00	232.49	3979.08	355.41 S	263.11 W	41.73	3.00
4000.00	12.00	232.49	3996.69	357.69 S	266.07 W	45.48	0.00
4100.00	12.00	232.49	4094.50	370.35 S	282.57 W	66.27	0.00
4200.00	12.00	232.49	4192.32	383.01 S	299.06 W	87.06	0.00
4300.00	12.00	232.49	4290.13	395.67 S	315.55 W	107.85	0.00
4400.00	12.00	232.49	4387.95	408.33 S	332.04 W	128.64	0.00
4500.00	12.00	232.49	4485.76	420.99 S	348.54 W	149.43	0.00
4600.00	12.00	232.49	4583.58	433.65 S	365.03 W	170.22	0.00
4700.00	12.00	232.49	4681.39	446.31 S	381.52 W	191.02	0.00
4800.00	12.00	232.49	4779.21	458.97 S	398.01 W	211.81	0.00
4900.00	12.00	232.49	4877.02	471.63 S	414.51 W	232.60	0.00
5000.00	12.00	232.49	4974.84	484.29 S	431.00 W	253.39	0.00
5100.00	12.00	232.49	5072.65	496.95 S	447.49 W	274.18	0.00
5200.00	12.00	232.49	5170.47	509.61 S	463.99 W	294.97	0.00
5300.00	12.00	232.49	5268.28	522.27 S	480.48 W	315.76	0.00
5400.00	12.00	232.49	5366.10	534.93 S	496.97 W	336.55	0.00
5500.00	12.00	232.49	5463.91	547.59 S	513.46 W	357.34	0.00
5600.00	12.00	232.49	5561.72	560.25 S	529.96 W	378.14	0.00
5700.00	12.00	232.49	5659.54	572.91 S	546.45 W	398.93	0.00
5800.00	12.00	232.49	5757.35	585.57 S	562.94 W	419.72	0.00
5900.00	12.00	232.49	5855.17	598.23 S	579.43 W	440.51	0.00
6000.00	12.00	232.49	5952.98	610.89 S	595.93 W	461.30	0.00
6100.00	12.00	232.49	6050.80	623.55 S	612.42 W	482.09	0.00
6200.00	12.00	232.49	6148.61	636.21 S	628.91 W	502.88	0.00
6300.00	12.00	232.49	6246.43	648.86 S	645.40 W	523.67	0.00
6388.51	12.00	232.49	6333.00	660.07 S	660.00 W	542.08	0.00
6400.00	12.00	232.49	6344.24	661.53 S	661.90 W	544.47	0.00
6500.00	12.00	232.49	6442.06	674.18 S	678.39 W	565.26	0.00
6600.00	12.00	232.49	6539.87	686.84 S	694.88 W	586.05	0.00

SPERRY-SUN DRILLING SERVICES
PROPOSAL DATA

OXY USA
SLANT

05-APR-1994
13:46:46

MEASURED DEPTH	ANGLE DEG	DIRECTION DEG	VERTICAL DEPTH	LATITUDE FEET	DEPARTURE FEET	VERTICAL SECTION	DOG LEG
6638.98	12.00	232.49	6578.00	691.78 S	701.31 W	594.15	0.00
6700.00	12.00	232.49	6637.69	699.50 S	711.37 W	606.84	0.00
6763.71	12.00	232.49	6700.00	707.57 S	721.88 W	620.08	0.00

THE DOGLEG SEVERITY IS IN DEGREES PER 100 FEET
THE VERTICAL SECTION WAS COMPUTED ALONG 232.49°

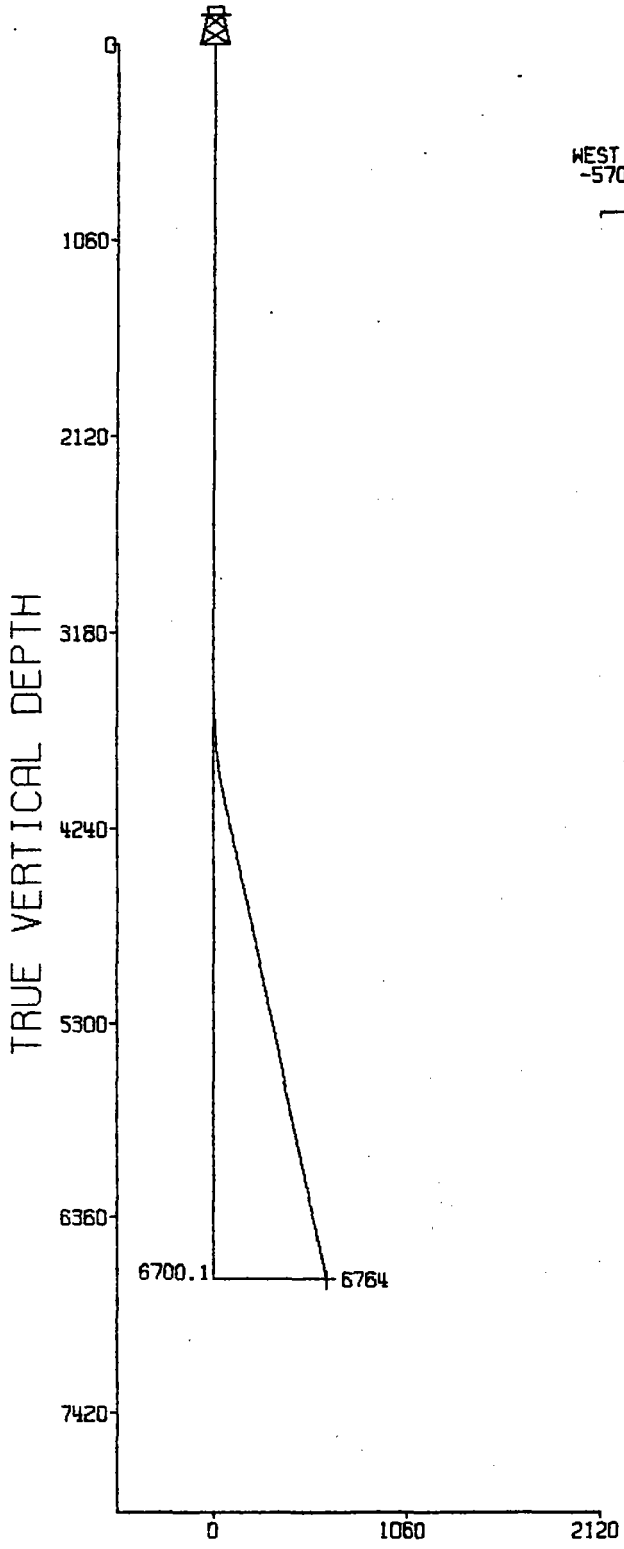
BASED UPON MINIMUM CURVATURE TYPE CALCULATIONS. THE BOTTOM HOLE DISPLACEMENT IS 620.08 FEET IN THE DIRECTION OF 232.49°
COORDINATE VALUES ARE GIVEN RELATIVE TO THE PLATFORM REFERENCE POINT

SPERRY-SUN DRILLING SERVICES

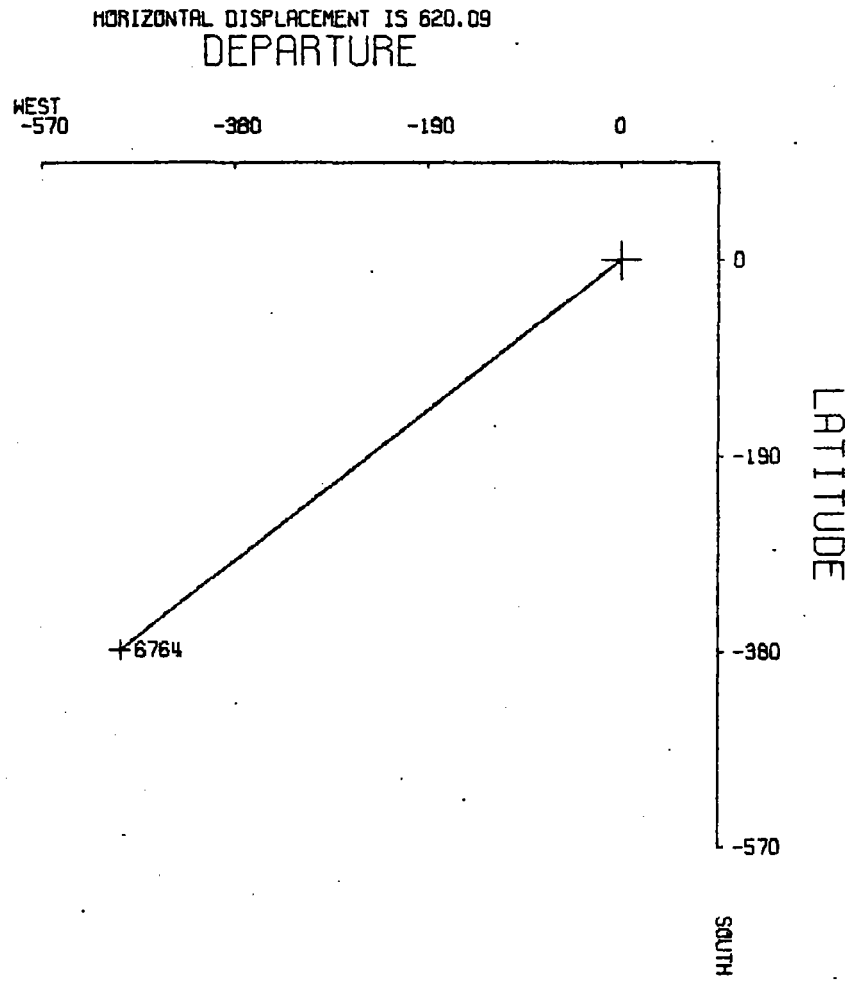
VERTICAL/HORIZONTAL PROJECTION

OXY USA
SLANT
05-APR-1994

START TVD = 0.00
FINISH TVD = 6700.08
VERT SECT SCALE IS 1060 FEET/IN
HORT SECT SCALE IS 190 FEET/IN



620.09 FEET AT S 52 DEG 29 MIN W



SSDS 3.11

SLANT

Form 3160-3
(November 1983)
(formerly 9-331C)

SUBMIT IN TRIPLICATE*
(Other instructions on reverse side)

Form approved.
Budget Bureau No. 1004-0136
Expires August 31, 1985

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

5. LEASE DESIGNATION AND SERIAL NO.: NM 15003

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7. UNIT AGREEMENT NAME:

1a. TYPE OF WORK: DRILL [X] DEEPEN [ ] PLUG BACK [ ]

b. TYPE OF WELL: OIL WELL [X] GAS WELL [ ] OTHER SINGLE ZONE [X] MULTIPLE ZONE [ ]

8. FARM OR LEASE NAME: Government AB

2. NAME OF OPERATOR: OXY USA Inc.

9. WELL NO.: 9

3. ADDRESS OF OPERATOR: P. O. Box 50250, Midland, TX 79710

10. FIELD AND POOL, OR WILDCAT: Old Millman Ranch Bone Springs, Assoc.

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.*)
At surface: 330' FNL & 230' FEL
At proposed prod. zone: 660' FNL & 660' FEL

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA: Sec. 10, T20S, R28E

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*: 11 miles NE of Carlsbad, New Mexico

12. COUNTY OR PARISH: Eddy

13. STATE: NM

15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any): 660' (BH) 230' (Surf.)

16. NO. OF ACRES IN LEASE: 1720

17. NO. OF ACRES ASSIGNED TO THIS WELL: 80

18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.: 1320' (BH) 1750' (Surf.)

19. PROPOSED DEPTH: 6700'TVD, 6764'MD

20. ROTARY OR CABLE TOOLS: Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.): 3268' GR

22. APPROX. DATE WORK WILL START*: May 15, 1994

23. PROPOSED CASING AND CEMENTING PROGRAM * or top of Rustler Anhydrite

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
17-1/2"	13-3/8" H40	48#	400'*	415 sx Class C (Circ. to Surface)
11"	8-5/8" K55	24# & 32#	3000'	840 sx Class C & Liteweight (Circ.
7-7/8"	5-1/2" K55	15.5#	6764' MD	700 sx Class C & Liteweight (TOC at 2500')

It is proposed to directionally drill this well to a TD of 6764' MD, or 6700' TVD (100' below the base of the 1st Bone Springs Sand). The wellbore will strike the top of the 1st Bone Springs Sand at 660' FNL & 660' FEL of Sec. 10, T20S, R28E. The BH location will remain within 150' radius of the center of the quarter-quarter section.

The Blowout Prevention Program is as follows:

1. One set of drill pipe rams (3M).
2. One set of blind rams (3M).
3. One hydril (3M).

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen or plug back, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24.

SIGNED Robert P. Ellis TITLE Operations Engineer DATE April 8, 1994

(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____

APPROVED BY _____ TITLE _____ DATE _____

CONDITIONS OF APPROVAL, IF ANY:

*See Instructions On Reverse Side

INSTRUCTIONS

GENERAL: This form is designed for submitting proposals to perform certain well operations, as indicated, on all types of lands and leases for appropriate action by either a Federal or a State agency, or both, pursuant to applicable Federal and/or State laws and regulations. Any necessary special instructions concerning the use of this form and the number of copies to be submitted, particularly with regard to local, area, or regional procedures and practices, either are shown below or will be issued by, or may be obtained from, the local Federal and/or State office.

ITEM 1: If the proposal is to redrill to the same reservoir at a different subsurface location or to a new reservoir, use this form with appropriate notations. Consult applicable State or Federal regulations concerning subsequent work proposals or reports on the well.

ITEM 4: If there are no applicable State requirements, locations on Federal or Indian land should be described in accordance with Federal requirements. Consult local State or Federal office for specific instructions.

ITEM 14: Needed only when location of well cannot readily be found by road from the land or lease description. A plat, or plats, separate or on this reverse side, showing the roads to, and the surveyed location of, the well, and any other required information, should be furnished when required by Federal or State agency offices.

ITEMS 15 AND 18: If well is to be, or has been directionally drilled, give distances for subsurface location of hole in any present or objective production zone.

ITEM 22: Consult applicable Federal or State regulations, or appropriate officials, concerning approval of the proposal before operations are started.

NOTICE

The Privacy Act of 1974 and the regulation in 43 CFR 2.48(d) provide that you be furnished the following information in connection with information required by this application.

AUTHORITY: 30 U.S.C. 181 et seq., 25 U.S.C. 396; 43 CFR Part 3160.

PRINCIPAL PURPOSE: The information is to be used to process and evaluate your application for permit to drill, deepen, or plug back an oil or gas well.

ROUTINE USES: (1) The analysis of the applicant's proposal to discover and extract the Federal or Indian resources encountered. (2) The review of procedures and equipment and the projected impact on the land involved. (3) The evaluation of the effects of proposed operation on surface and subsurface water and other environmental impacts. (4)(5) Information from the record and/or the record will be transferred to appropriate Federal, State, local or foreign agencies, when relevant to civil, criminal or regulatory investigations or prosecutions, as well as routine regulatory responsibility.

EFFECT OF NOT PROVIDING INFORMATION: Filing of this application and disclosure of the information is mandatory only if the lessee elects to initiate drilling operation on an oil and gas lease.

The Paperwork Reduction Act of 1980 (44 U.S.C. 3501 et seq) requires us to inform you that:

This information is being collected to allow evaluation of the technical, safety, and environmental factors involved with drilling for oil and/or gas on Federal and Indian oil and gas leases.

This information will be used to analyze and approve applications.

Response to this request is mandatory only if the lessee elects to initiate drilling operations on an oil and gas lease.

☆ U.S. Government Printing Office:1983-776-009/4701 R8

OXY USA INC.
Box 50250, Midland, TX 79710

April 5, 1994

United States Department of the Interior
Bureau of Land Management
Carlsbad Resource Area
P.O. Drawer 1778
Carlsbad, New Mexico 88220

Re: Application for Permit to Drill
OXY USA Inc.
Government AB #9
Eddy County, New Mexico
Lease No. NM 15003

Gentlemen:

OXY USA Inc. respectfully requests permission to directionally drill our Government AB #9 with the surface location 330′ from the north line and 230′ from the east line of Section 10, T20S, R28E, Eddy County, New Mexico, Federal Lease No. NM 15003. The well will intersect the top of the 1st Bone Springs sand at 660′ FNL and 660′ FEL of Sec. 10, T20S, R28E and the bottom hole displacement will be within 150′ of the center of the quarter-quarter section. Due to cave/karst features in the area, this surface location was the only acceptable location on the 80 acre proration unit. The location, access road and work area have been staked. It is approximately 11 miles northeast of Carlsbad, New Mexico.

In accordance with requirements stipulated in Federal Onshore Oil and Gas Order No. 1 under 43 CFR 3162.1, our Application for Permission to Drill and supporting evidence is hereby submitted.

I. Application for Permit to Drill:

1. Form 3160.3, Application for Permit to Drill.

2. Form C-102 Location and Acreage Dedication Plat certified by Gary Jones, Registered Land Surveyor No. 7977 in the State of New Mexico, dated March 30, 1994. Exhibit "A" attached.

3. The elevation of the unprepared ground is 3268 feet above sea level.

4. The geologic name of the surface formation is Permian Rustler.

5. Rotary drilling equipment will be utilized to drill the well to TD 6,700'(TVD), or 100' below the base of the 1st Bone Springs Sand, and run casing. This equipment will then be rigged down and the well will be completed with a pulling unit.

6. Proposed total depth is 6,700' TVD, 6764' MD.

7. Estimated tops of important geologic markers.

Seven Rivers	1,247' TVD
Upper Cherry Canyon	3,180' TVD
Bone Spring Lime	4,700' TVD
1st Bone Springs Sand	6,578' TVD
Total Depth	6,700' TVD

8. Estimated depths at which anticipated water, oil, gas or other mineral bearing formations are expected to be encountered:

Primary Objective:	1st Bone Springs Sand	6578' TVD
Secondary Objective:	Delaware Sands	3180' TVD

9. The proposed casing program is as follows:

Surface:	13-3/8" OD 48# H40 ST&C new casing
Intermediate:	8-5/8" OD 24 & 32# K55 N80 ST&C new casing
Production:	5-1/2" OD 15.5# K-55 LT&C new casing

10. Casing setting depth and cementing program:

A. 13-3/8" OD surface casing set at 400', or the top of the Rustler Anhydrite, in 17-1/2" hole. Circulate cement with 415 sacks class "C" with 2% $CaCl_2$ and 0.25 lb/sk Cello-Seal. If cement does not circulate, determine the top of cement by temperature survey then finish cementing to the surface through 1" in the annulus using Class "C" with 2% $CaCl_2$.

B. 8-5/8" OD intermediate casing set at 3000′ in 11" hole. Circulate cement with a mutistage job as follows: (DV tool @ 1500′)

Stage 1 - 250 sx Liteweight cement with 6% Bentonite, 5% salt and 0.25 #/sk Cello-Seal followed by 200 sx class C with 2% $CaCl_2$.

Stage 2 - 340 sx Liteweight cement with 6% Bentonite and 5% salt followed by 50 sx class C with 2% $CaCl_2$.

If hole conditions will allow, this string may be cemented to surface convetionally without using a DV tool.

If cement does not circulate, a temperature log will be run to find the TOC, and the well will be topped-out using a 1" tubing string and class C cement with 2% $CaCl_2$.

C. 5-1/2" OD production casing set @ 6700′ TVD, 6764′ MD. Cement with 525 sx of Liteweight cement with 6% Bentonite + 0.25#/sx Cello-Seal + 3#/sx Hi-Seal 2 followed by 175 sx of class C with 5 #/sx Fumed Silica for compressive strength enhancement and low fluid loss additives.

Estimated top of cement is 2,500′.

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

11. Pressure Control Equipment

0′ - 400′	None
400′ - 3000′	12" 3000# ram type preventers with one set blind rams and one set pipe rams.
3000′ - 6700′	10" 5000# ram type preventers with one set blind rams and one set pipe rams and a 3000# annular type preventer. See attached exhibit. A choke manifold and 120 gallon accumulator with floor and remote operating stations and auxiliary power system.

A kelly cock will be installed and maintained in operable condition and a drill string safety valve in the open position will be available on the rig floor.

After setting the 8-5/8" casing, the blowout preventers and related control equipment shall be pressure tested to 3000 psi. Any equipment failing to test satisfactorily shall be repaired or replaced. Results of the BOP test will be recorded in the Driller's Log. The BOPs will be maintained ready for use until drilling operations are completed.

BOP drills will be conducted as necessary to assure that equipment is operational and each crew is properly trained to carry out emergency duties.

Accumulator shall maintain a pressure capacity reserve at all times to provide for the close-open-close sequence of the blind and pipe rams of the hydraulic preventers.

12. Mud Program:

0' - 400'	Fresh water spud mud. Using lime to control pH (9 to 10). Paper for seepage. Vis 33-36 sec.
400' - 1500'	Fresh water/native mud. Wt. 8.9-9.2 ppg, vis 32-34 sec, pH 10-10.5 with lime. Paper for seepage control.
1500' - 3000'	Fresh water/native mud. Wt. 9.6-9.8 ppg, vis 32-34. Add 10 lb brine as make-up to avoid excessive washouts in salt stringers. Lime for pH control (10-10.5). Paper for seepage.
3000' - 6000'	Fresh water. Wt. 8.4 ppg, vis 26-28. Use lime to control pH and paper for seepage.

6000′ - 6700′ Mud up with a LSND FW gel system with the following characterstics:
Wt. 8.6-8.8 ppg
Vis. 32-34 sec.
WL 10 cc or less

13. Testing, Logging and Coring Program:

    A. Testing program: None planned.

    B. Mud logging program: Two man unit from 3000′ to TD.

    C. Electric logging program: CNL-LDT-Cal-GR, DLL-Cal-GR.

    D. Coring program: Possible sidewall cores.

14. No abnormal temperatures, pressures or H2S gas are anticipated.

15. Anticipated starting date is May 15, 1994. It should take approximately 20 days to drill the well and another 7-10 days to complete.

16. A directional well plan is attached. KOP - 3582′ TVD, build 3 deg/100′, max angle 12 degrees, hold 12 degrees to TD.

17. The Multi-Point Surface Use & Operation Plan is attached.

18. If the Bureau of Land Management needs additional information to evaluate this application, please advise.

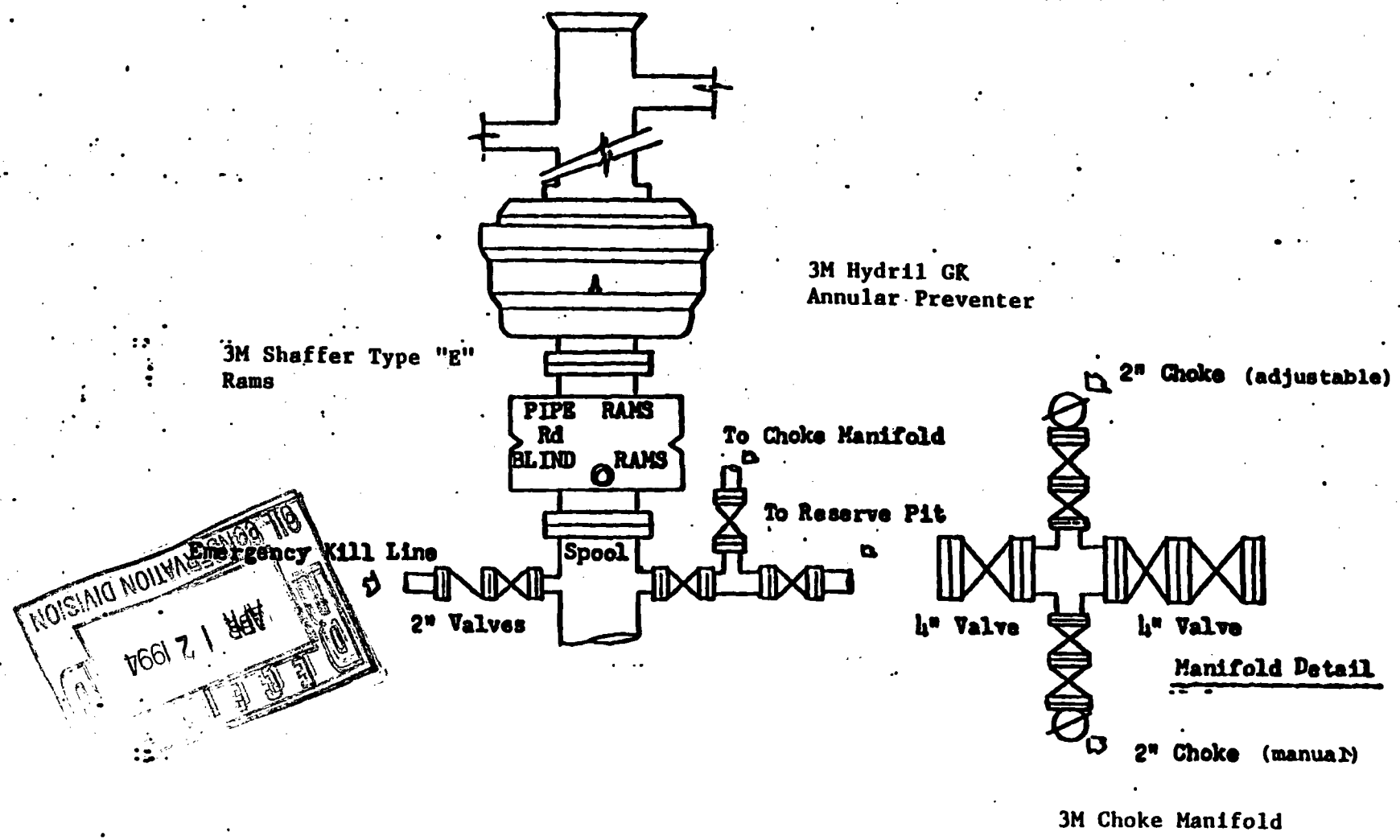
Very truly yours,

Robert P. Elliott
Operations Engineer
Western Region

RPE
Attachments

MCGEE DRILLING CORPORATION
BLOWOUT PREVENTOR SCHEME
RIG 1

12" 3000# Annular & BOP & Manifold



MULTI-POINT SURFACE USE AND OPERATIONS PLAN

OXY USA Inc.
Government AB #9
Eddy County, New Mexico
Lease No. NM 15003

This plan is submitted with the Application for Permit to Drill the above described well. The purpose of the plan is to identify the location of the proposed well, the proposed construction activities and operations plan, the magnitude of necessary surface disturbance involved and the procedures to be followed in rehabilitating the surface after completion of the operation so that a complete appraisal may be made of the environmental effects associated with the operation.

The well, access road and work area have been staked by a registered New Mexico land surveyor. Mariah Associates, Inc. have been engaged to make an archaeological reconnaissance of the work area. Their findings concerning cultural resources will be reported to the Bureau of Land Management.

1. Existing Roads

A copy of a USGS "Angel Draw, New Mexico" quadrangle map is attached showing the surface location of the well as staked. The well is spotted on this map, which also shows the existing road system and the proposed access road. Exhibit "B".

Directions to location:

From Carlsbad, New Mexico, go east on U.S. Highway 62/180 to mile marker 44. Turn left on County Rd #243 and go 6 miles. Road will bend to the left. Follow #243 for another 2 miles to intersection of County Rd #242. Turn right on County Rd #242 and go ±0.8 miles. Turn left at McGee Drilling Company (MDC) Rig #2 sign and follow road to location. Drilling rig will be visible from sign.

2. Planned Access Road

A. Approximately 0.25 miles of new road will be required for the proposed Government AB #9. The access road for the AB #9 will run east-northeast from an existing road to the location. See Exhibit "B".

B. Surfacing material: Six inches of caliche and water, compacted and graded.

C. Maximum Grade: Less than 3%.

D. Turnouts: None needed.

E. Drainage Design: Access road will have a drop of 6" from center line to each side.

F. Culverts: None needed.

G. Cuts and Fills: Leveling the location will require minimal cuts or fills.

H. Gates or Cattleguards: None required.

3. Existing wells within a one mile radius of the proposed development well are shown on Exhibit "C".

4. Location of Existing and/or Proposed Facilities

A. If the well is productive, a flowline will be built along the access road ROW to the tank battery on the AB #7 location. This tank battery will be constructed for all of the Bone Springs wells proposed on the Government AB lease.

Permanent facilities will be constructed on the Government AB #7 location (660' FNL and 1980' FWL of Sec. 10, T20S, R28E) after the AB #7 well is drilled. The facilities at the AB #7 location will consist of three steel 500 bbl tanks for oil storage and one 500 bbl fiberglass tank for produced water storage. These facilities will be used for all four Bone Springs wells proposed on the Government AB lease. Each well on the AB lease will flow into a common production separator. Water and oil will be dumped from the separator to a common heater treater. A three phase test separator will be used for well testing for allocation purposes. All permanent above ground facilities will be painted in accordance with the BLM's painting guidelines simulating the color of sandstone brown.

B. All site security guidelines identified in 43 CFR 3162.7 regulations will be adhered to and a site security plan will be submitted for the Government AB tank battery. All product lines entering and leaving hydrocarbon storage tanks will be effectively sealed.

5. Location and Type of Water Supply

Fresh water and brine water will be used to drill this well. Brine will be purchased near Carlsbad, New Mexico and transported to the well site. Fresh water will be obtained from the Double Eagle water supply.

6. Source of Construction Materials

Caliche for surfacing the road and the well will be obtained from a Federal pit located in Section 12, T-20-S, R-27-E, Eddy County, New Mexico.

7. Method of Handling Waste Disposal

A. Drill Cuttings will be disposed of in drilling pits.

B. Drilling fluids will be allowed to evaporate in the drilling pits until pits are dry.

C. Water produced during tests will be disposed of in the drilling pits. Oil produced during tests will be stored in test tanks until sold.

D. Current laws and regulations pertaining to the disposal of human waste will be complied with.

E. Trash, waste paper, garbage and junk will be collected in steel trash bins and removed after drilling and completion operations are completed. All waste material will be contained to prevent scattering by the wind.

F. All trash and debris will be removed from the wellsite within 30 days after finishing drilling and/or completion operations.

8. Ancillary Facilities

A. None needed.

9. Wellsite Layout

A. The location and dimensions of the well pad, mud pits, reserve pit and location of major rig components are shown on the well site layout sketch. The V-door will be to the south and the pits to the east. Exhibit "D".

B. Leveling of the wellsite will be required with minimal cuts or fills anticipated.

C. The reserve pit will be plastic lined.

D. The pad and pit area have been staked and flagged.

10. Plans for Restoration of the Surface

A. After completion of drilling and/or completion operations, all equipment and other materials not needed for operations will be removed. Pits will be filled and location cleaned of all trash and junk to leave the well site in as aesthetically pleasing condition as possible.

B. Any unguarded pits containing fluids will be fenced until they are filled.

C. After abandonment of the well, surface restoration will be in accordance with the land owner. This will be accomplished as expeditiously as possible. Barring unforeseen problems, all pits will be filled and leveled within 90 days after abandonment.

11. Other Information

A. Topography: The location is flat plain gently sloping to the south at about 30 feet/mile. GL elevation is 3268'.

B. Soil: Sandy clay loams.

C. Flora and Fauna: The vegetative cover is generally sparse consisting of mesquite, yucca, shinnery oak, sandsage and perennial native range grasses. Wildlife in the area is also sparse consisting of coyotes, rabbits, rodents, reptiles, dove and quail.

D. Ponds and Streams: There are no rivers, streams, lakes or ponds in the area.

E. Residences and Other Structures: The nearest occupied dwelling is approximately 2.5 miles to the west of the location.

F. Archaeological, Historical and Cultural Sites: None observed in the area. Mariah Associates, Inc. will be

engaged to make an archaeological reconnaissance of the work area.

G. Land Use: Cattle ranching and hunting in season.

H. Surface Ownership: The wellsite and access road are on Federal owned surface. The surface is leased to Pardue Farms, P.O. Box 2018, Carlsbad, New Mexico. They will be notified of our intention to drill prior to any activity.

Upon completion of the well, any plastic material used to line the pits or sumps will be cut off below ground level as far as possible and disposed of before the pits are covered. All unattended pits containing liquid will be fenced and the liquid portion allowed to evaporate before the pits are broken and backfilled.

All waste associated with the drilling operation will be contained in steel bins and removed. All garbage and debris left on site will be removed within 30 days of the final completion. The well site, if a producer, will be maintained and kept clean of all trash and litter which detracts from the surrounding environment. Equipment will be maintained in accordance with good operating practice.

After the wellsite is cleaned and pits and sumps back-filled, any obstruction to the natural drainage will be corrected by ditching or terracing. All disturbed areas, including any access road no longer needed, will be ripped. Those areas will be reseeded with grass if, in the opinion of the land owner, it is required.

12. Operator's Representatives

The field representatives responsible for assuring compliance with the approved surface use and operations plan are as follows:

Mr. S.C. Nichols, Production Foreman
P.O. Box 69
Hobbs, New Mexico 88240

Office Phone: 505/393-2174
Home Phone: 505/392-5943

Robert D. Hunt, Operations Manager, Hobbs
P.O. Box 50250
Midland, Texas 79710

Office Phone: 915/685-5744
Home Phone: 915/699-2559

13. Certification

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drill site and access route; that I am familiar with the conditions which presently exist; that the statements made in this plan are, to the best of my knowledge, true and correct; and, that the work associated with the operations proposed herein will be performed by OXY USA Inc. and its contractors and sub-contractors in conformity with this plan and the terms and conditions under which it is approved.

April 5, 1994
DATE

Robert P. Elliott
OPERATIONS ENGINEER
WESTERN REGION

DISTRICT I
P.O. Box 1980, Hobbs, NM 88240

DISTRICT II
P.O. Drawer DD, Artesia, NM 88210

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102
Revised February 10, 1994
Instruction on back
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

OIL CONSERVATION DIVISION
P.O. Box 2088
Santa Fe, New Mexico 87504-2088

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number	Pool Code	Pool Name
		Old Millman Ranch Bone Springs, Assoc.

Property Code	Property Name	Well Number
	GOVERNMENT "AB"	9

OGRID No.	Operator Name	Elevation
	OXY U.S.A. INC.	3268

Surface Location

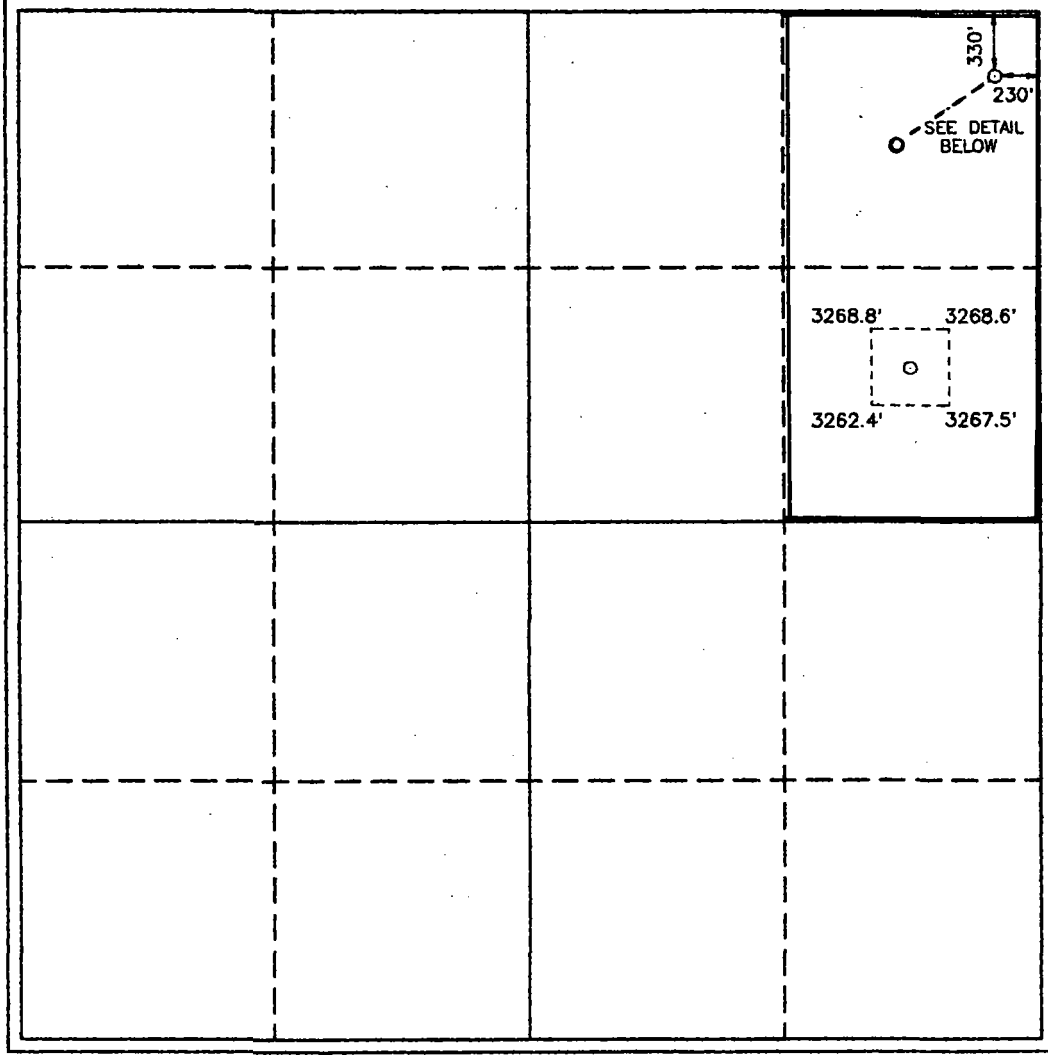
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
A	10	20S	28E		330	NORTH	230	EAST	EDDY

[11] 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
A	10	20S	28E		708	North	723	East	Eddy

Dedicated Acres	Joint or Infill	Consolidation Code	Order No.
80			

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 the the information contained herein is true and complete to the best of my knowledge and belief.

Signature

Robert P. Elliott
Printed Name

Operations Engineer
Title

April 8, 1994
Date

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 supervison, and that the same is true and correct to the best of my belief.

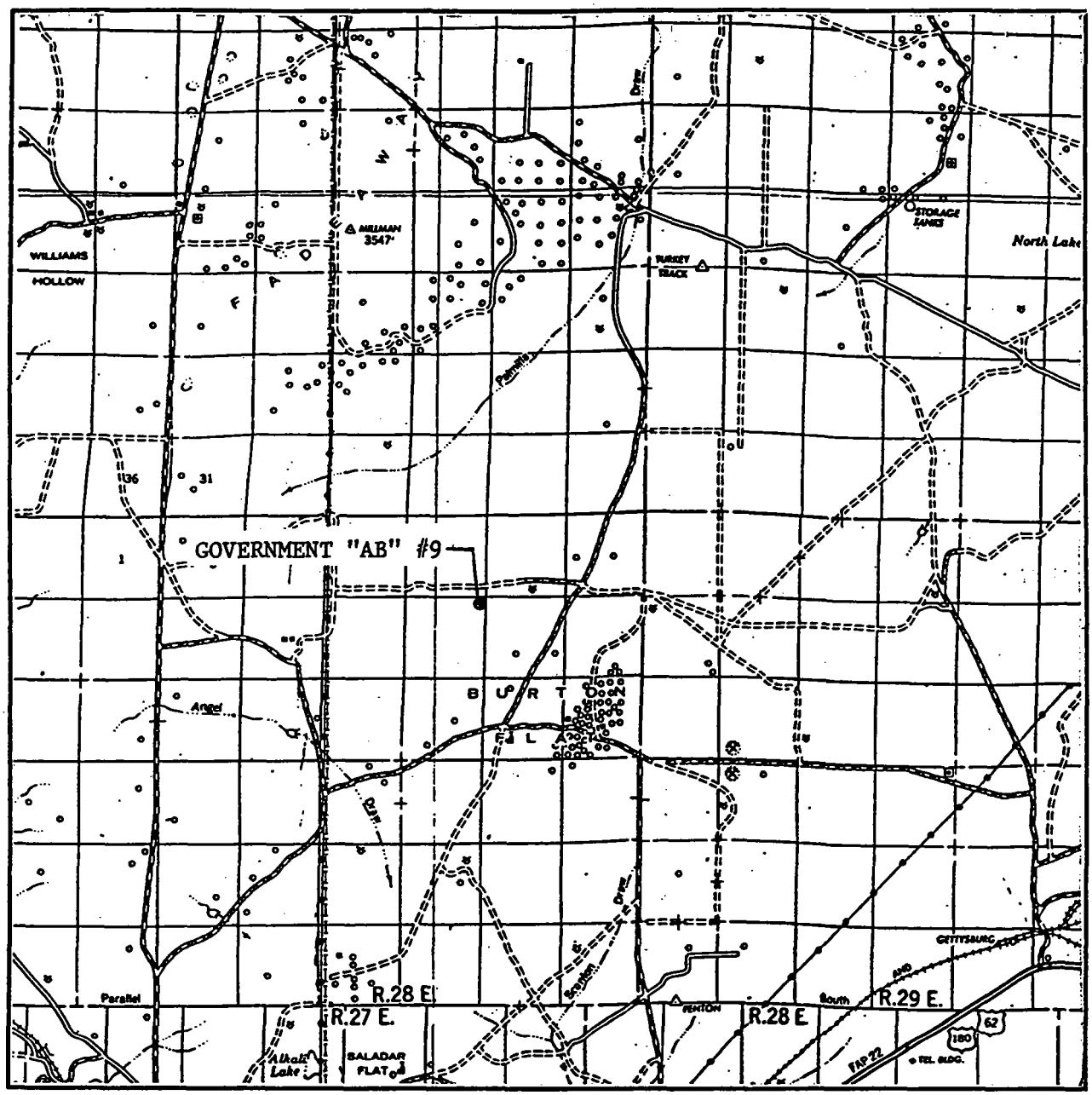
March 30, 1994
Date Surveyed

Signature & Seal of Professional Surveyor

W.O. Num. 94-11-0508

Certificate No. JOHN W. WEST, 676
RONALD J. EIDSON, 3239
GARY L. JONES, 7977

VICINITY MAP



SCALE: 1" = 2 MILES

SEC. 10 TWP. 20S RGE. 28E

SURVEY N.M.P.M.

COUNTY EDDY STATE N.M.

DESCRIPTION 330' FNL & 230' FEL

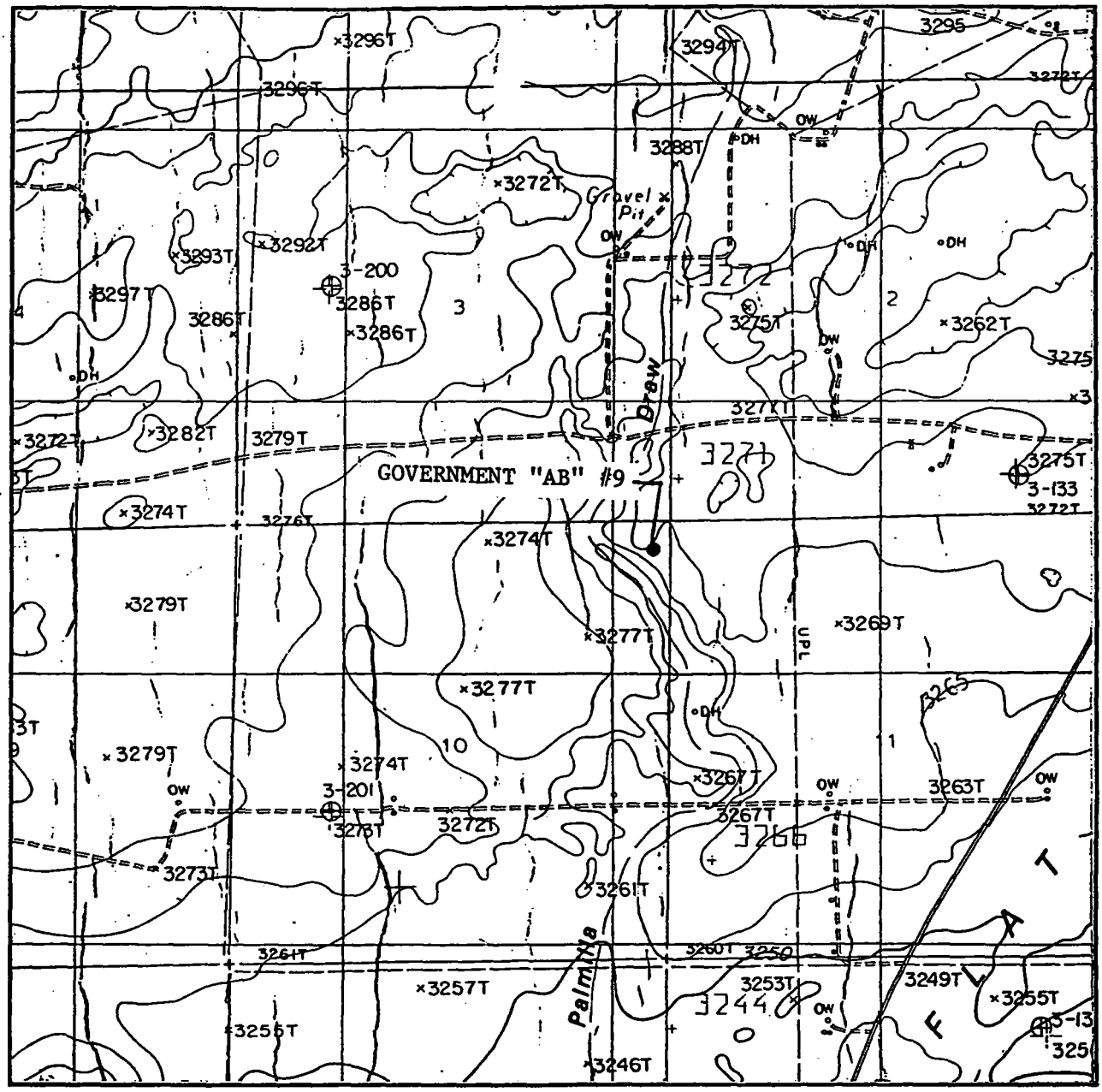
ELEVATION 3268'

OPERATOR OXY U.S.A., INC.

LEASE GOVERNMENT "AB" #9

JOHN WEST ENGINEERING
HOBBS, NEW MEXICO
(505) 393-3117

LOCATION VERIFICATION MAP



SCALE: 1" = 2000'

CONTOUR INTERVAL 10'

SEC. 10 TWP. 20S RGE. 28E

SURVEY N.M.P.M.

COUNTY EDDY STATE N.M.

DESCRIPTION 330' FNL & 230' FEL

ELEVATION 3268'

OPERATOR OXY U.S.A., INC.

LEASE GOVERNMENT "AB" #9

U.S.G.S. TOPOGRAPHIC MAP

ANGEL DRAW, N.M.

JOHN WEST ENGINEERING
HOBBS, NEW MEXICO
(505) 393-3117

NEW MEXI
7.5 MINUTE SERI

Existing Roads
Proposed Roads

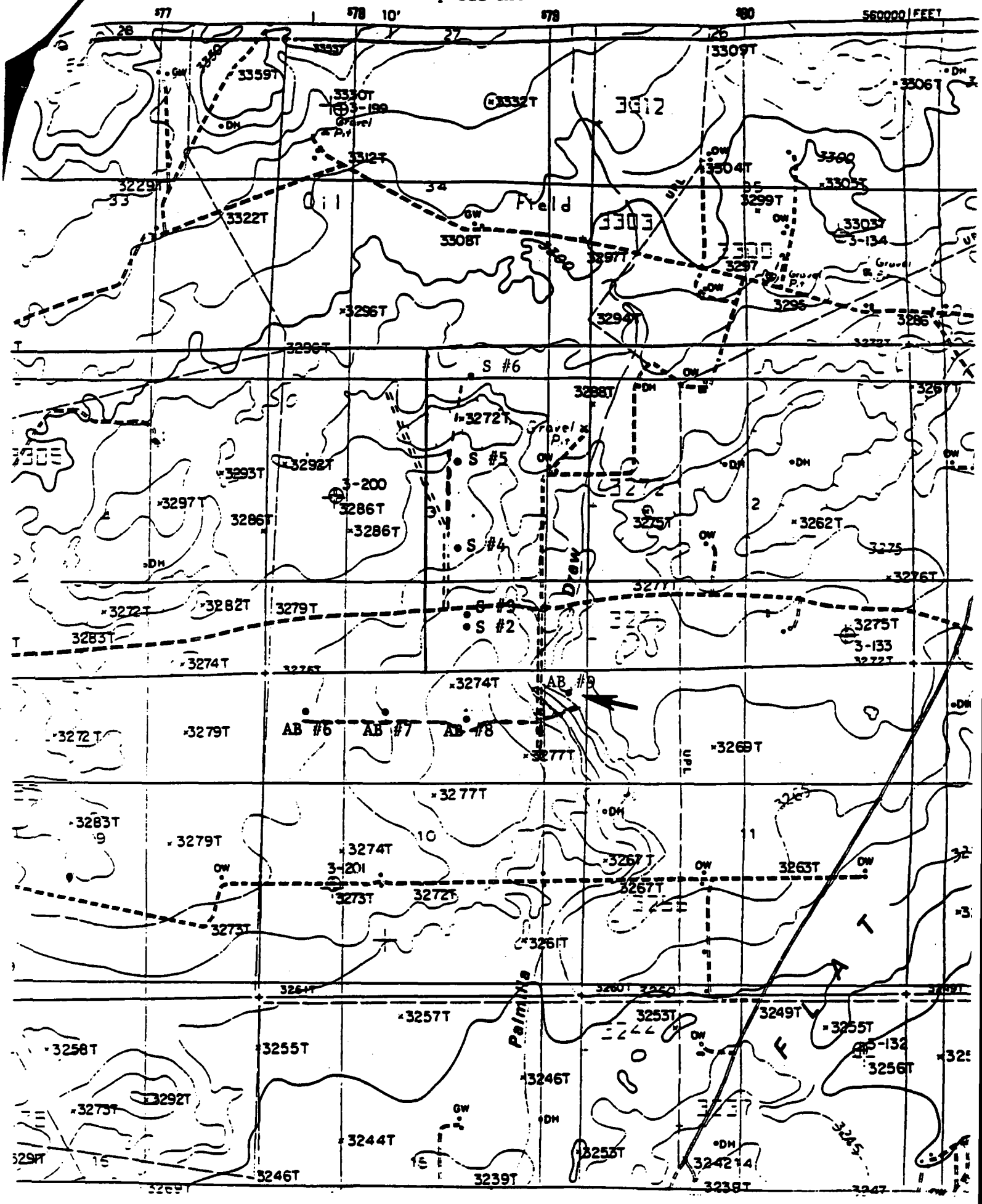
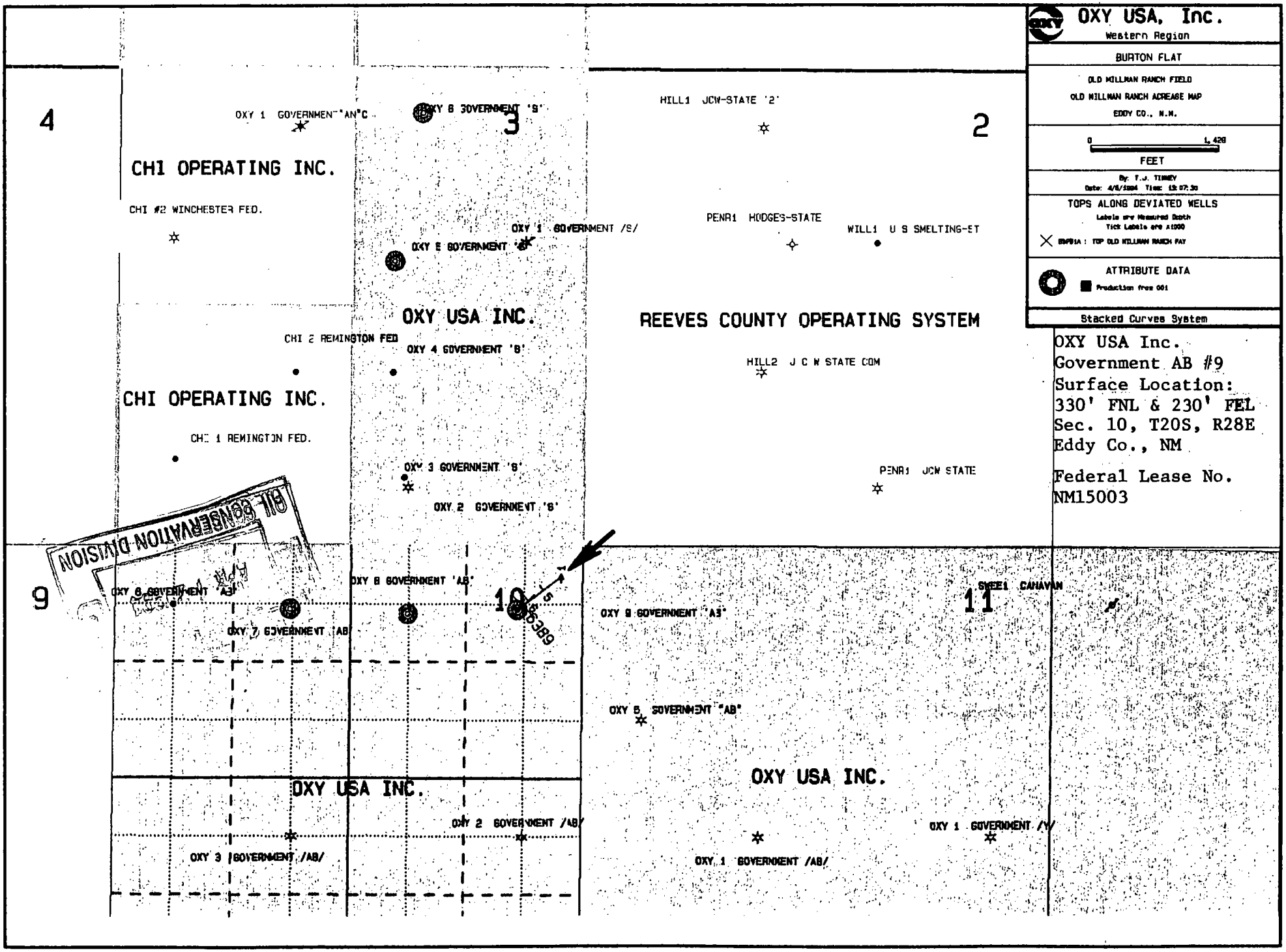


EXHIBIT "C"



OXY USA Inc.
Government AB #9
Surface Location:
330' FNL & 230' FEL
Sec. 10, T20S, R28E
Eddy Co., NM

Federal Lease No.
NM15003

LOCATION PLAT

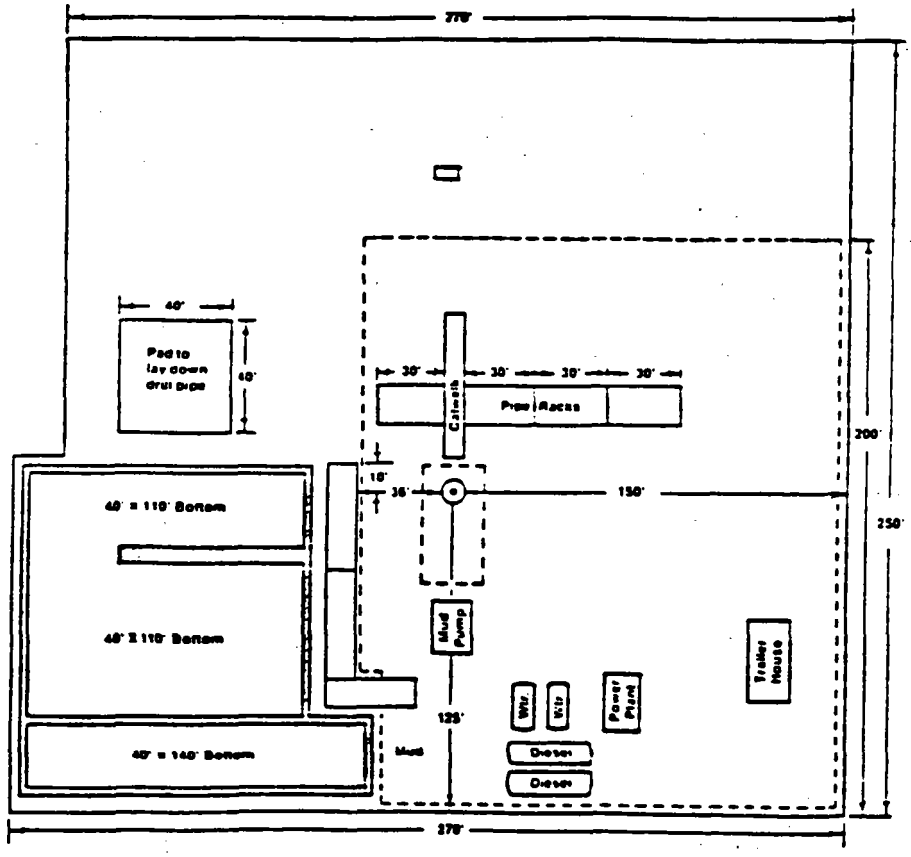


EXHIBIT "D"
OXY USA Inc.
Government AB #9
330' FNL & 230' FEL
Sec. 10, T20S, R28E
Eddy Co., NM

Federal Lease No.
NM15003

SPERRY-SUN DRILLING SERVICES
PROPOSAL DATA

OXY USA
SLANT

05-APR-1994
13:46:46

MEASURED DEPTH	ANGLE DEG	DIRECTION DEG	VERTICAL DEPTH	LATITUDE FEET	DEPARTURE FEET	VERTICAL SECTION	DOG LEG
3000.00	0.00	0.00	3000.00	330.00 S	230.00 W	0.00	0.00
3100.00	0.00	0.00	3100.00	330.00 S	230.00 W	0.00	0.00
3200.00	0.00	0.00	3200.00	330.00 S	230.00 W	0.00	0.00
3300.00	0.00	0.00	3300.00	330.00 S	230.00 W	0.00	0.00
3400.00	0.00	0.00	3400.00	330.00 S	230.00 W	0.00	0.00
3500.00	0.00	0.00	3500.00	330.00 S	230.00 W	0.00	0.00
3582.00	0.00	0.00	3582.00	330.00 S	230.00 W	0.00	0.00
3600.00	0.54	232.49	3600.00	330.05 S	230.07 W	0.08	3.00
3700.00	3.54	232.49	3699.92	332.22 S	232.89 W	3.64	3.00
3800.00	6.54	232.49	3799.53	337.57 S	239.86 W	12.43	3.00
3900.00	9.54	232.49	3898.53	346.08 S	250.95 W	26.41	3.00
3982.00	12.00	232.49	3979.08	355.41 S	263.11 W	41.73	3.00
4000.00	12.00	232.49	3996.69	357.69 S	266.07 W	45.48	0.00
4100.00	12.00	232.49	4094.50	370.35 S	282.57 W	66.27	0.00
4200.00	12.00	232.49	4192.32	383.01 S	299.06 W	87.06	0.00
4300.00	12.00	232.49	4290.13	395.67 S	315.55 W	107.85	0.00
4400.00	12.00	232.49	4387.95	408.33 S	332.04 W	128.64	0.00
4500.00	12.00	232.49	4485.76	420.99 S	348.54 W	149.43	0.00
4600.00	12.00	232.49	4583.58	433.65 S	365.03 W	170.22	0.00
4700.00	12.00	232.49	4681.39	446.31 S	381.52 W	191.02	0.00
4800.00	12.00	232.49	4779.21	458.97 S	398.01 W	211.81	0.00
4900.00	12.00	232.49	4877.02	471.63 S	414.51 W	232.60	0.00
5000.00	12.00	232.49	4974.84	484.29 S	431.00 W	253.39	0.00
5100.00	12.00	232.49	5072.65	496.95 S	447.49 W	274.18	0.00
5200.00	12.00	232.49	5170.47	509.61 S	463.99 W	294.97	0.00
5300.00	12.00	232.49	5268.28	522.27 S	480.48 W	315.76	0.00
5400.00	12.00	232.49	5366.10	534.93 S	496.97 W	336.55	0.00
5500.00	12.00	232.49	5463.91	547.59 S	513.46 W	357.34	0.00
5600.00	12.00	232.49	5561.72	560.25 S	529.96 W	378.14	0.00
5700.00	12.00	232.49	5659.54	572.91 S	546.45 W	398.93	0.00
5800.00	12.00	232.49	5757.35	585.57 S	562.94 W	419.72	0.00
5900.00	12.00	232.49	5855.17	598.23 S	579.43 W	440.51	0.00
6000.00	12.00	232.49	5952.98	610.89 S	595.93 W	461.30	0.00
6100.00	12.00	232.49	6050.80	623.55 S	612.42 W	482.09	0.00
6200.00	12.00	232.49	6148.61	636.21 S	628.91 W	502.88	0.00
6300.00	12.00	232.49	6246.43	648.86 S	645.40 W	523.67	0.00
6388.51	12.00	232.49	6333.00	660.07 S	660.00 W	542.08	0.00
6400.00	12.00	232.49	6344.24	661.53 S	661.90 W	544.47	0.00
6500.00	12.00	232.49	6442.06	674.18 S	678.39 W	565.26	0.00
6600.00	12.00	232.49	6539.87	686.84 S	694.88 W	586.05	0.00

SPERRY-SUN DRILLING SERVICES
PROPOSAL DATA

OXY USA
SLANT

05-APR-1994
13:46:46

MEASURED DEPTH	ANGLE DEG	DIRECTION DEG	VERTICAL DEPTH	LATITUDE FEET	DEPARTURE FEET	VERTICAL SECTION	DOG LEG
6638.98	12.00	232.49	6578.00	691.78 S	701.31 W	594.15	0.00
6700.00	12.00	232.49	6637.69	699.50 S	711.37 W	606.84	0.00
6763.71	12.00	232.49	6700.00	707.57 S	721.88 W	620.08	0.00

THE DOGLEG SEVERITY IS IN DEGREES PER 100 FEET
THE VERTICAL SECTION WAS COMPUTED ALONG 232.49°

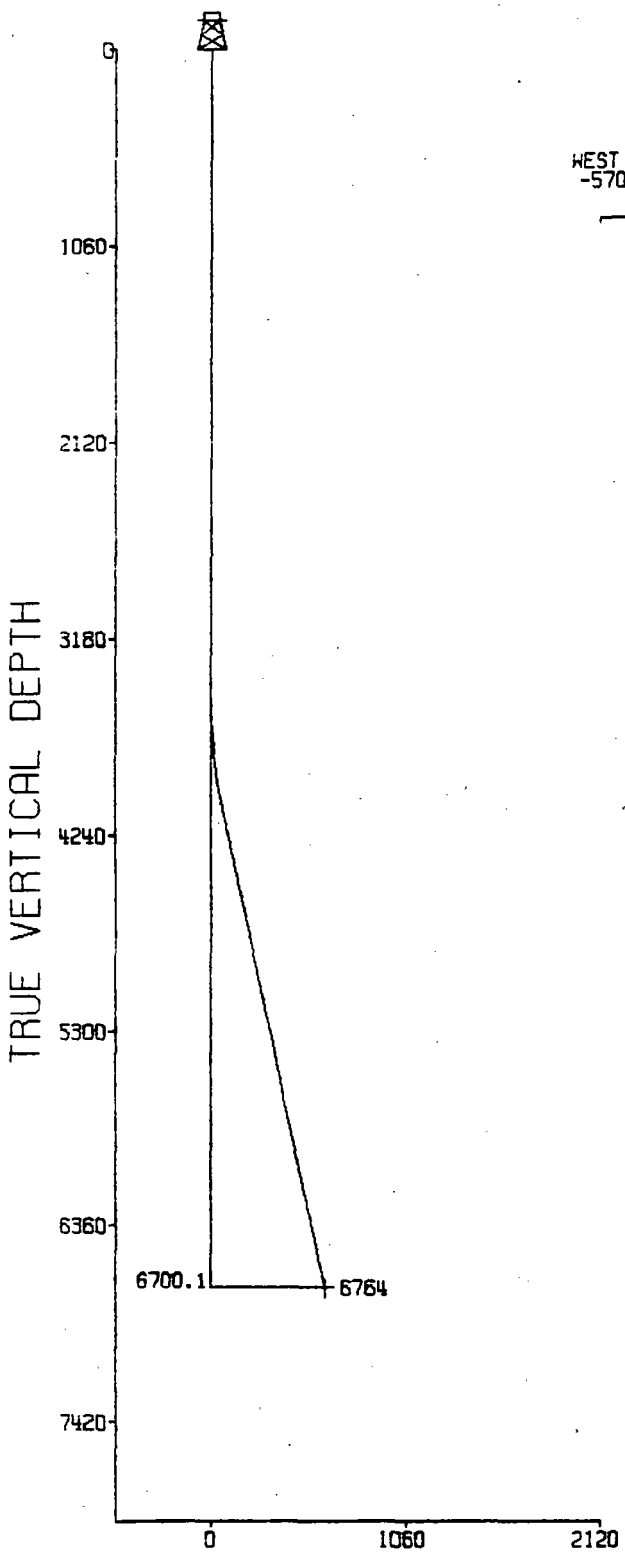
BASED UPON MINIMUM CURVATURE TYPE CALCULATIONS. THE BOTTOM HOLE DISPLACEMENT IS 620.08 FEET IN THE DIRECTION OF 232.49°
COORDINATE VALUES ARE GIVEN RELATIVE TO THE PLATFORM REFERENCE POINT

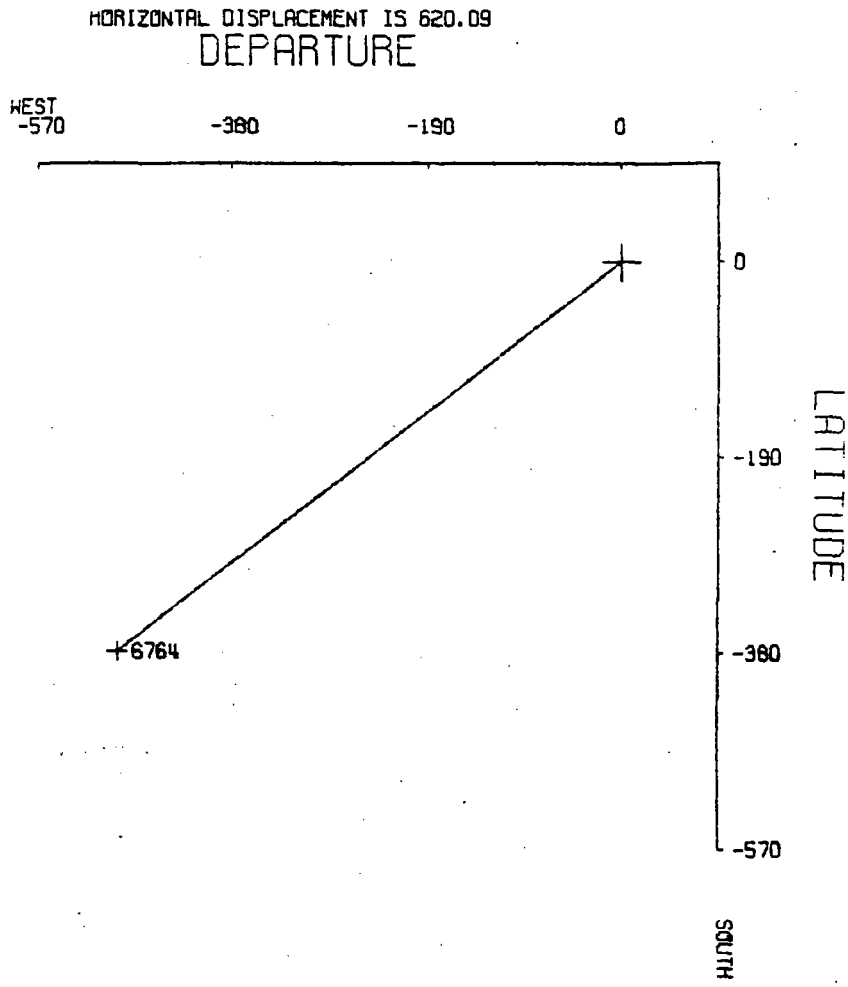
SPERRY-SUN DRILLING SERVICES

VERTICAL/HORIZONTAL PROJECTION

OXY USA
SLANT
05-APR-1994

START TVD = 0.00
FINISH TVD = 6700.08
VERT SECT SCALE IS 1060 FEET/IN
HORT SECT SCALE IS 190 FEET/IN





SSDS 3.11

SLANT

OXY USA INC.
Box 50250, Midland, TX 79710

April 6, 1994

Reeves County Systems, Inc.
Attn: Mr. Robert Hillin
P.O. Box 152
Odessa, Texas 79760

Re: Government AB #9

Mr. Hillin:

This letter is to inform you of OXY USA's intention to directionally drill our Government AB #9. Because of the numerous cave features in the area, the only suitable surface location for the well was at 330' FNL and 230' FEL of section 10, T-20-S, R-28-E which is adjacent to your lease in section 2. The primary objective in this well is the First Bone Springs Sand. We anticipate intersecting the top of the sand at 660' FNL and 660' FEL and exiting the base of the sand at 692' FNL and 701' FEL. The BH location at TD is anticipated to be 708' FNL and 723' FEL of Sec. 10, T-20-S, R-28-E. A lease plat and well plan are attached.

If you have no objections to our plans outlined above, please sign in the space provided below and notarize. If you require additional information please feel free to contact me at my office at (915) 685-5821. Thank you for your attention in this matter.

Sincerely,
OXY USA, Inc.

Robert P. Elliott
Operations Engineer

Waiver: R. H. Hillin
Mr. Robert Hillin
Reeves County Systems, Inc.

CC: Michael Stogner - NMOCD Santa Fe, NM
D. Stewart/File
T. Tinney
RPE

STATE OF TEXAS ⦚

COUNTY OF ECTOR ⦚

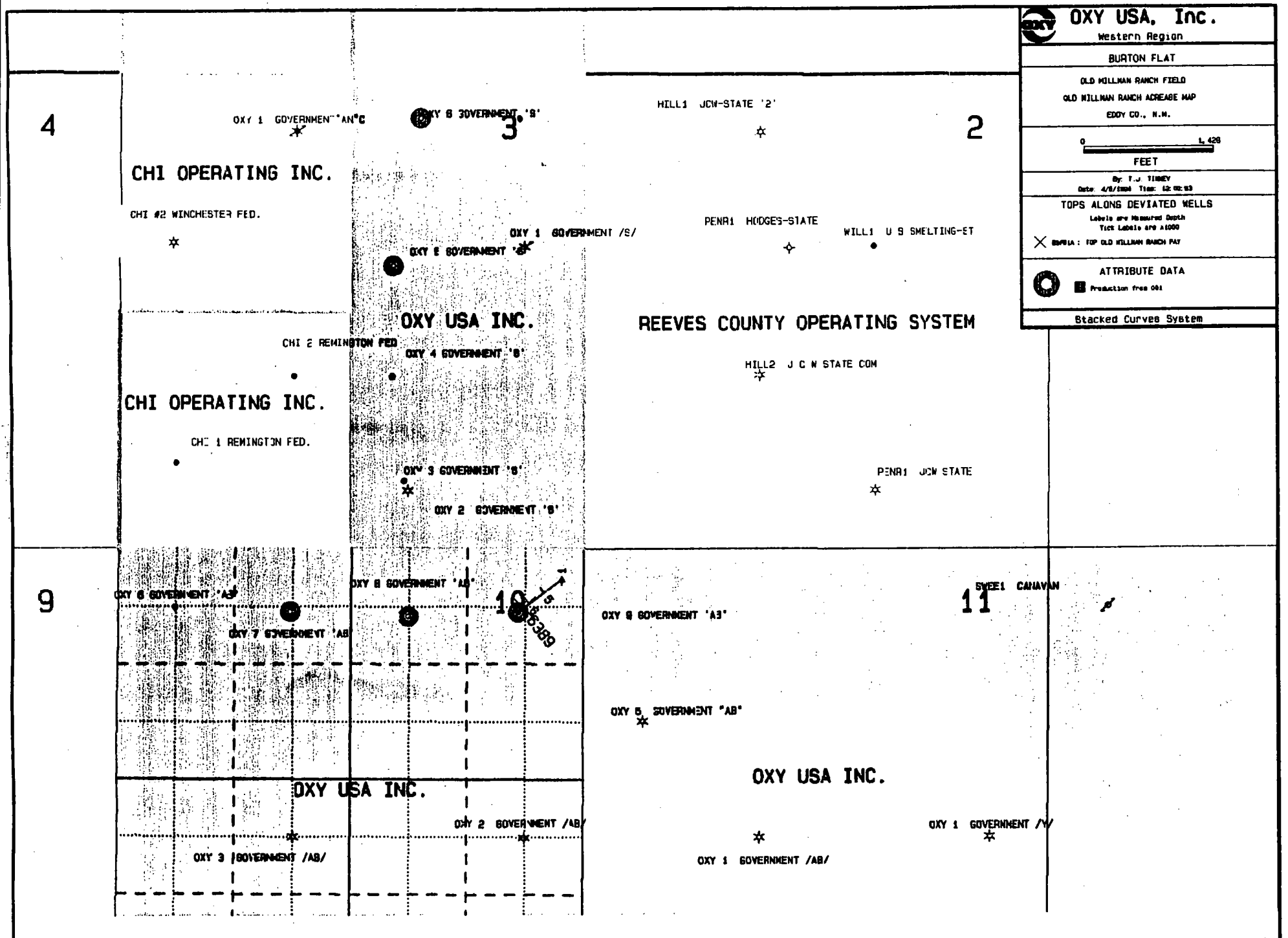
BEFORE ME, the undersigned authority, on this day personally appeared ROBERT N. HILLIN, President of REEVES COUNTY SYSTEMS, INC., known to me to be the person whose name is subscribed to the foregoing instrument, and that he executed the same as the act and deed for the purpose and consideration therein expressed, and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this 6th day of April 1994, and effective immediately.

RAQUEL M.F. LOPEZ-HARRELL
Notary Public
STATE OF TEXAS
My Comm. Exp. APR. 30, 1994

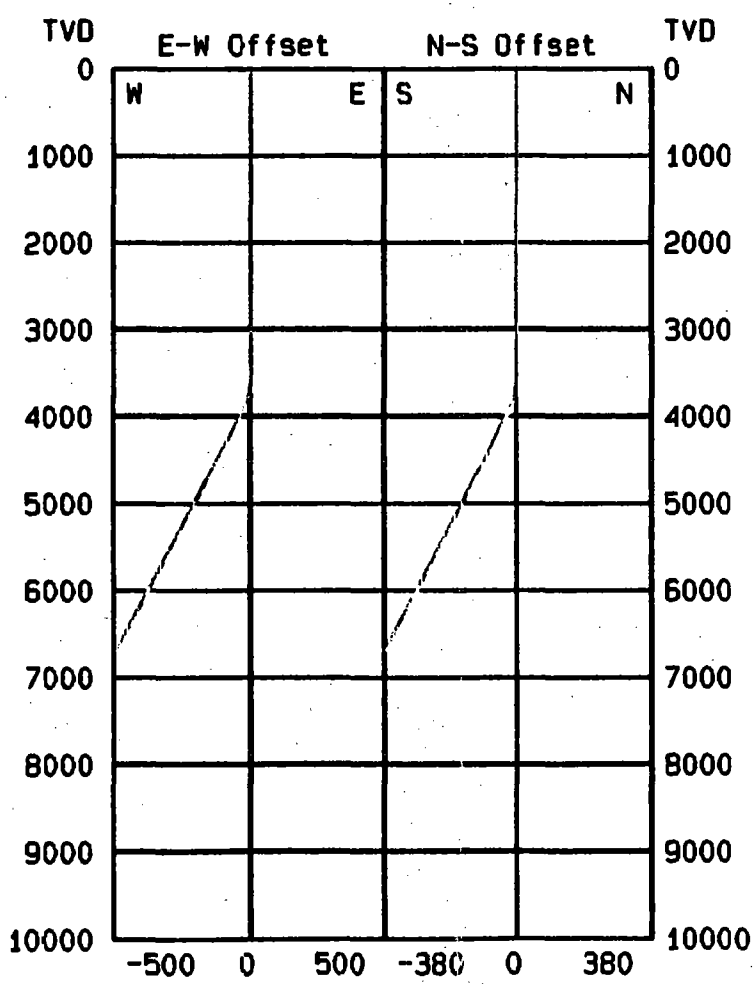
Raquel M.F. Lopez-Harrell

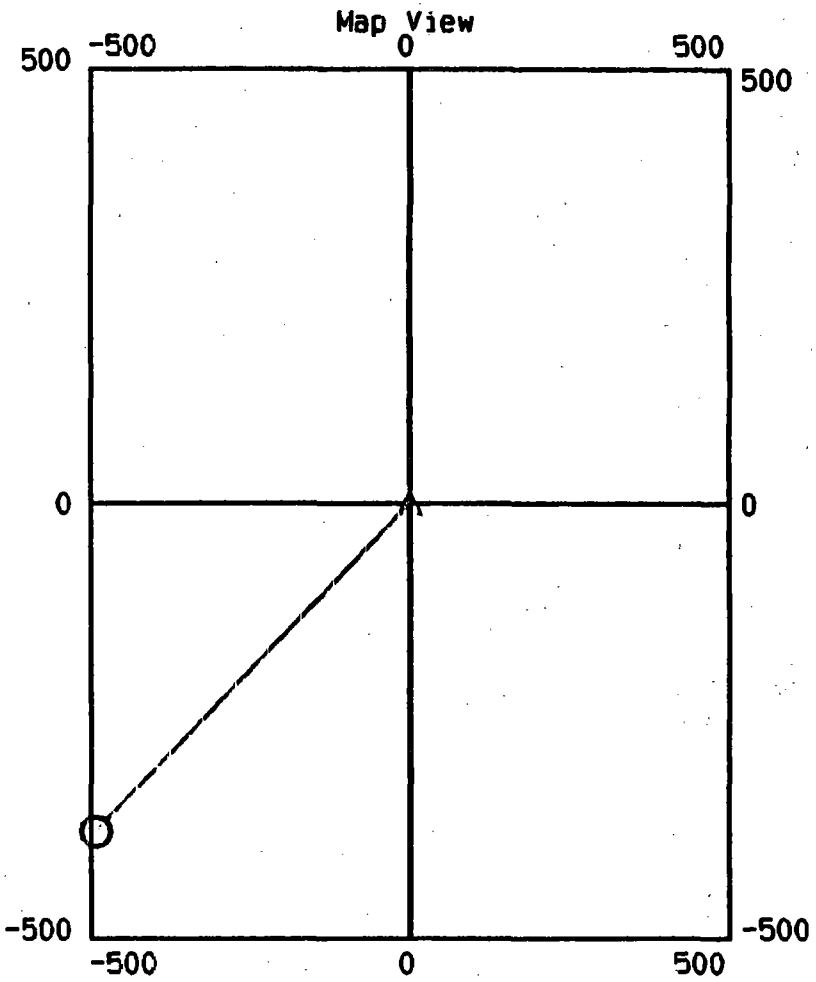
Notary Public: Raquel M.F. Lopez-Harrell
State: Texas
Expiration Date: April 30, 1994


OXY USA, Inc.
Western Region
BURTON FLAT
OLD WILLMAN RANCH FIELD
OLD WILLMAN RANCH ACREAGE MAP
EDDY CO., N.M.
0
4,426
FEET
By: T.J. TIBBEY
Date: 4/8/2004 Time: 12:00:03
TOPS ALONG DEVIATED WELLS
Labels are Measured Depth
Tick Labels are X1000
TOP OLD WILLMAN RANCH PAY
ATTRIBUTE DATA
Production from OBI
Stacked Curves System
4
3
2
9
10
11
OXY 1 GOVERNMENT "AN"C
OXY 6 GOVERNMENT 'S'
CHI OPERATING INC.
CHI #2 WINCHESTER FED.
OXY 1 GOVERNMENT /S/
OXY 5 GOVERNMENT 'S'
OXY USA INC.
CHI 2 REMINGTON FED
OXY 4 GOVERNMENT 'S'
CHI OPERATING INC.
CHI 1 REMINGTON FED.
OXY 3 GOVERNMENT 'S'
OXY 2 GOVERNMENT 'S'
HILL1 JCW-STATE '2'
PENR1 HODGES-STATE
WILL1 U S SMELTING-ET
REEVES COUNTY OPERATING SYSTEM
HILL2 J C W STATE COM
PENR1 JCW STATE
OXY 6 GOVERNMENT 'A3'
OXY 8 GOVERNMENT 'A3'
OXY 7 GOVERNMENT 'AB
OXY 9 GOVERNMENT 'A3'
SWEE1 CANAVAN
OXY 5 GOVERNMENT "AB"
OXY USA INC.
OXY 2 GOVERNMENT /AB/
OXY 3 GOVERNMENT /AB/
OXY 1 GOVERNMENT /AB/
OXY 1 GOVERNMENT /V/

DIRECTIONAL SURVEY DATA

API: 09263001500012 WELL: 9





OXY USA INC.
Box 50250, Midland, TX 79710

April 11, 1994

State of New Mexico
Oil Conservation Division
Attn: Michael Stogner
310 Old Santa Fe Trail
Santa Fe, New Mexico 87501

Re: Government AB #9

Mr. Stogner:

OXY USA Inc. requests administrative approval to directionally drill our Government AB #9 well located in North Burton Flat field in Eddy Co., New Mexico. Due to numerous cave entrances, and other physical features found in the area, the only suitable surface location that could be found was at 330' FNL and 230' FEL of Sec. 10, T-20-S and R-28-E. Mr. Jim Goodbar and Mr. Barry Hunt with the BLM were on location with me when the surface location was selected for this well.

As per OCD Rule 111 and our telephone conversation, the following items have been attached for your review:

1) Topography map showing surface obstructions.
2) Copy of Notification Letter/Waiver to Reeves County Systems, Inc.
3) Form C-102 showing proposed surface and bottom hole locations.
4) The proposed directional well plan.
5) A copy of the APD filed with the BLM.
6) Land Plat showing proposed well and offset operators.

If you require additional information, or need clarification, please contact me at (915) 685-5821. Thank you for your assistance in this matter.

Sincerely,
OXY USA Inc.

Operations Engineer
Western Region

Attachments

cc: J. Goodbar - BLM
Barry Hunt - BLM
D. Stewart
RPE
Well File

Mr. Stogner,
This cover letter should be correct.
Please replace the one showing
Govt 5#6. Sorry for the incon-
venience...

RPE