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Feb 17, 2022

VIA FEDERAL EXPRESS

Bureau of Land Management Carlsbad Field Office 620 E. Greene Street Carlsbad, New Mexico 88220 – 6292

Bureau of Land Management New Mexico State Office Attn: Ben Barton 301 Dinosaur Trail Santa Fe, NM 87508

RE: Indian Hills Exploratory Unit Federal Agreement No. NM70964X 2022 Plan of Development Eddy County, New Mexico

OXY USA WTP LTD, as Unit Operator of the Indian Hills Unit, hereby submits for your approval, the 2022 Plan of Development.

Items are included as follows: Planned 2022 operations, previous year's operations, current status of all wells within the unit, production graphs for the unit. Also attached are the current maps that show the wells within the unit, structural interpretation, locations of wells, flow-lines, and roads.

It is understood that approval of this plan does not approve the work covered by the plan. Individual approval is still required for such items as APDs/ROWs/etc.

Any modifications or additions to this Plan of Development will be filed as supplements to the plan.

Sincerely,

Derek Andel PEOR BAE WCL/Anton Engineering Advisor

cc: State Land Office

# **Previous Year Operations**

# **Drilling**

There was no new or replacement well drilling done in the Indian Hills Unit in 2021.

## **Completions**

There were no new or replacement well completions done in the Indian Hills Unit in 2021.

# Recompletions

There was one recompletion done in the Indian Hills Unit in 2021.

#### **Conversions**

No well conversions were done in the Indian Hills Unit in 2021.

## **Abandonment**

There was one well abandonment done in the Indian Hills Unit in 2021.

Well Name	Legal Location	API Number	Abandonment Date
INDIAN HILLS UNIT #037Y	B-20-21S-24E 1098 FNL & 1400 FEL	30-015-32594	12/20/2021

# **Other Surface Operations**

There were no surface disturbing operations in the Indian Hills Unit in 2021.

## **2022 Planned Operations**

## **Drilling**

There is no new or replacement well drilling planned for the Indian Hills Unit in 2022.

#### **Completions**

There are no new or replacement well completions planned for the Indian Hills Unit in 2022.

#### Recompletions

There no recompletions planned for the Indian Hills Unit in 2022.

#### Conversions

No well conversions are planned for the Indian Hills Unit in 2022.

#### **Abandonment**

There are three well abandonments planned in the Indian Hills Unit in 2022.

Well Name	Legal Location	API Number	Description of Conversion	Status
	J-28-21S-24E		N/A	SHUT-IN
INDIAN HILLS UNIT NO 20	2250 FSL & 1730 FEL	30-015-30658		2001-10
	F-29-21S-24E		N/A	SHUT-IN
INDIAN HILLS UNIT GAS COM NO 3	1980 FNL & 1650 FWL	30-015-10553		2HO1-IN
	F-28-21S-24E		N/A	SHUT-IN
INDIAN HILLS UNIT NO 53	1383 FNL & 1586 FWL	30-015-32875		Shorm

#### **Other Surface Operations**

There are no surface disturbing operations anticipated in 2022.

#### **Planned Year Operations**

After the Indian Basin Gas Plant was shut down in 2020, multiple attempts to restore production have been attempted. Negotiations for a 3<sup>rd</sup> party gas take-away contract were underway with Lucid Energy Group in 2021 until they sold their infrastructure in this area to Durango Midstream LLC. Currently working on a 3<sup>rd</sup> party gas take-away contract with Durango Midstream LLC. Contract and upgrades to Durango's infrastructure should be complete by August 2022. Currently trying to acquire NACE certified compressor(s), which currently have a long lead time to build, to transport gas to Durango's gas collection system. Notification of the shut-in of the Unit was provided to the BLM via email in July 2020 (as requested by James Glover). Oxy's land department has remained in close communication with the New Mexico State Land Office, providing updates and submitting shut-in payments and extensions as needed. Currently State leases are extended through 2022.Oxy's

Indian Hills Exploratory Unit
Federal Agreement No. NM70964X
2022 Plan of Development
regulatory department has filed shut in sundries with the BLM Carlsbad office. Additional sundry
extensions will be filed as necessary.

# Status of all Wells within the Unit:

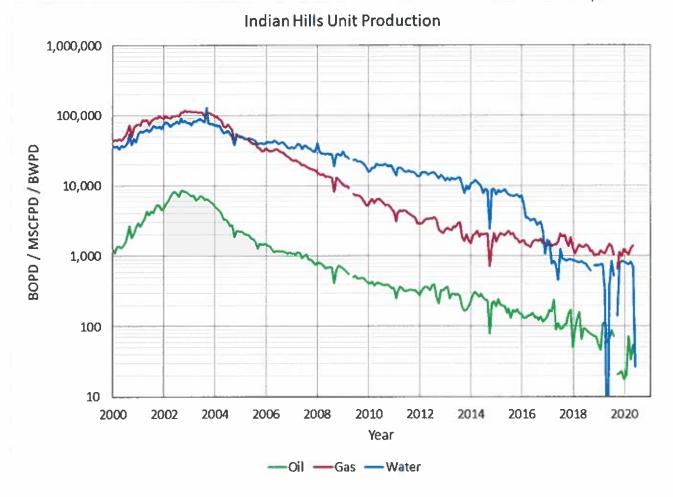
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WELL NAME & No.	API#	Perforation	Producing Reservoir	Participating Area	Status	BLM Sundry Status
INDIAN HILLS				NMNM 070964A		
UNIT NO I	30-015-10066	7300' - 7740'	Upper Penn	141111111111111111111111111111111111111	P&A	
INDIAN HILLS				NMNM 070964A		
UNIT 006	30-015-25827	7688' - 8010'	Upper Penn		SHUT-IN	
INDIAN HILLS				NMNM 070964A	70.1	
STATE COM I	30-015-22448	7546' - 7942'	Upper Penn		P&A	
INDIAN HILLS				NMNM 070964A	D0 4	
STATE COM 3	30-015-27168	7546' - 7770'	Upper Penn		P&A	
INDIAN HILLS				NMNM 070964A	SHUT-IN	
STATE COM 5	30-015-27433	7560' - 7736'	Upper Penn		SHUT-IN	
INDIAN HILLS				NMNM 070964A	SHUT-IN	
STATE COM 6	30-015-27456	7574' - 7848'	Upper Penn		SHU1-IN	
INDIAN HILLS				NMNM 070964A	P&A	
UNIT GAS COM 14	30-015-30624	7330' - 7452'	Upper Penn		F&A	
INDIAN HILLS				NMNM 070964A	P&A	
UNIT GAS COM 27	30-015-31406	7616' - 8046'	Upper Penn		F&A	
INDIAN HILLS				NMNM 070964A	P&A	
UNIT GAS COM 38	30-015-32770	7690' - 8064'	Upper Penn		F&A	<u> </u>
INDIAN HILLS				NMNM 070964A	SHUT-IN	
UNIT GAS COM 46	30-015-33008	7326' - 7719'	Upper Penn		31101-114	
INDIAN HILLS				NMNM 070964A	P&A	
UNIT GAS COM 47	30-015-32536	7642' - 8200'	Upper Penn		TOCA	
INDIAN HILLS		1		NMNM 070964A	SHUT-IN	Shut-in approved until
UNIT GAS COM 56	30-015-32878	7699' - 7976'	Upper Penn		31101-114	07/2022
INDIAN HILLS				NMNM 070964A		Shut-in approved until
UNIT GAS COM					SHUT-IN	07/2022
NO 13	30-015-30274	7330' - 7856'	Upper Penn			V/12022
INDIAN HILLS				NMNM 070964A		
UNIT GAS COM				,	SHUT-IN	
NO 3	30-015-10553	7262' - 7654'	Upper Penn			
INDIAN HILLS				NMNM 070964A	P&A	
UNIT NO 10	30-015-30571	7416' - 7850'	Upper Penn	20.000.4000.644		
INDIAN HILLS	20.015.20661	74061 75501		NMNM 070964A	SHUT-IN	Shut-in approved until
UNIT NO 17	30-015-30661	7406' - 7558'	Upper Penn	NIN (NIN 4 0700 C4 4		07/2022
INDIAN HILLS	20.015.20572	74001 70471	I Inn an Dana	NMNM 070964A	SHUT-IN	Shut-in approved until
UNIT NO 19	30-015-30572	7482' - 7847'	Upper Penn	NIN (NIN ( 0700 ( 4 A		07/2022
INDIAN HILLS UNIT NO 20	20.015.20650	75701 77671	Unnar Dann	NMNM 070964A	SHUT-IN	Shut-in approved until 07/2022
	30-015-30658	7528' - 7767'	Upper Penn	NIMNIM 0700444	-	
INDIAN HILLS UNIT NO 21	30-015-30811	7482' - 7682'	Upper Penn	NMNM 070964A	SHUT-IN	Shut-in approved until 1/2022
INDIAN HILLS	30-013-30611	1402 - 1002	Opper renn	NMNM 070964A		Shut-in approved until
UNIT NO 22	30-015-31150	7894' - 8124'	Upper Penn	INIVINIVI U /UYO4A	SHUT-IN	07/2022
INDIAN HILLS	30-013-31130	1074 - 0124	Opper renn	NMNM 070964A		Shut-in approved until
UNIT NO 24	30-015-31266	8010' - 8242'	Upper Penn	INITIALIA O / U 7 U 4 A	SHUT-IN	07/2022
INDIAN HILLS	50-015-51200	10018' -	орры гени	NMNM 070964B		0112022
UNIT NO 26	30-015-31274	10284'	Morrow	14114114110707070	SHUT-IN	
INDIAN HILLS	20 013-3121-7	10201	1.1011077	NMNM 070964A		
UNIT NO 28	30-015-31267	8016' - 8346'	Upper Penn	ארטלטות וווויוויוויוויוויוויוויוויוויוויוויוויו	SHUT-IN	
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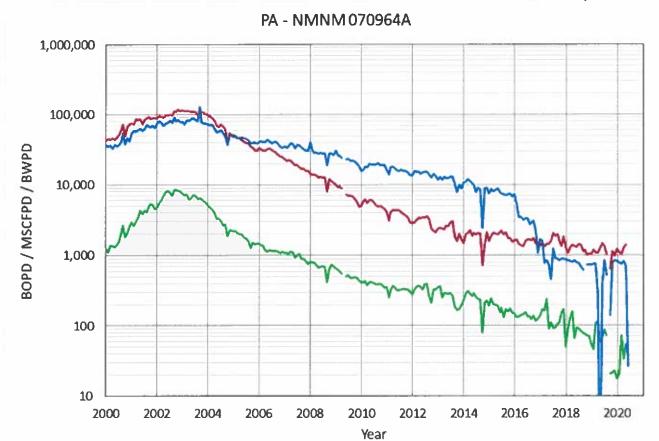
Indian Hills Exploratory Unit Federal Agreement No. NM70964X 2022 Plan of Development

UNIT NO 30   30-015-31655   10540'   Mississippian   P&A							
Note	INDIAN HILLS		10406' -		N/A	D.R. A	
UNIT NO 30   30-015-31655   9728' - 9982'   Morrow   NMNM 070964A   SHUT-IN	UNIT NO 30	30-015-31655	10540'	Mississippian		TOCA	
NNT NO 30   30-015-31655   9728' - 9982'   Morrow   NMNM 070964A   SHUT-IN	INDIAN HILLS				NMNM 070964B	p.g. A	
Note	UNIT NO 30	30-015-31655	9728' - 9982'	Morrow	<u></u>	TOCA	<u> </u>
INDIAN HILLS	INDIAN HILLS				NMNM 070964A	SHIITJIN	
UNIT NO 32   30-015-31591   7870' - 8360'   Upper Penn   NMNM 070964A   SHUT-IN	UNIT NO 31	30-015-31534	8464' - 8563'	Upper Penn		31101-114	
Note	INDIAN HILLS				NMNM 070964A	SHIIT-IN	
UNIT NO 33   30-015-31755   7520' - 7947'   Upper Penn   NMNM 070964A   P&A	UNIT NO 32	30-015-31591	7870' - 8360'	Upper Penn		31101-114	07/2022
NN   NN   NN   NN   NN   NN   NN   N	INDIAN HILLS				NMNM 070964A	SHIIT-IN	
UNIT NO 36   30-015-32140   7509' - 7942'   Upper Penn   NMNM 070964A   P&A	UNIT NO 33	30-015-31755	7520' - 7947'	Upper Penn		31101-111	
NNIT NO 36   30-015-32140   7509' - 7942'   Upper Penn   NMNM 070964A   P&A	INDIAN HILLS				NMNM 070964A	D.P. A	
UNIT #037Y   30-015-32594   8058' - 8494'   Upper Penn   NMNM 070964A   SHUT-IN   Shut-in approved until   07/2022   SHUT-IN   O7/2022   SHUT-IN   Shut-in approved until   07/2022   SHUT-IN   Shut-in approved until   1/2022   SHUT-IN   Shut-in approved until   SHUT-IN   SHUT-IN	UNIT NO 36	30-015-32140	7509' - 7942'	Upper Penn		F&A	
No.   No.	INDIAN HILLS				NMNM 070964A	D.Pr. A	
UNIT NO 39   30-015-32103   8118' - 8480'   Upper Penn	UNIT #037Y	30-015-32594	8058' - 8494'	Upper Penn		TOCA	
No. 1	INDIAN HILLS				NMNM 070964A	SHIIT-INI	Shut-in approved until
UNIT NO 40   30-015-32222   8215' - 8388'   Upper Penn   NMNM 070964A   SHUT-IN   Shut-in approved until 1/2022	UNIT NO 39	30-015-32103	8118' - 8480'	Upper Penn		31101-111	07/2022
INDIAN HILLS	INDIAN HILLS				NMNM 070964A	SHIIT.INI	
UNIT NO 41 30-015-32539 8140' - 8432' Upper Penn 1/2022  INDIAN HILLS UNIT NO 43 30-015-32246 7667' - 8226' Upper Penn NMNM 070964A SHUT-IN  INDIAN HILLS UNIT NO 45 30-015-32338 7627' - 8413' Upper Penn NMNM 070964A P&A  INDIAN HILLS UNIT NO 49 30-015-32723 7526' - 7816' Upper Penn NMNM 070964A P&A  INDIAN HILLS UNIT NO 52 30-015-32805 8117' - 8448' Upper Penn NMNM 070964A SHUT-IN  INDIAN HILLS UNIT NO 52 30-015-32805 8117' - 8448' Upper Penn NMNM 070964A SHUT-IN  INDIAN HILLS UNIT NO 52 Shut-in approved until 07/2022	UNIT NO 40	30-015-32222	8215' - 8388'	Upper Penn		31101-111	_
INDIAN HILLS	INDIAN HILLS				NMNM 070964A	CHIT-IN	
UNIT NO 43 30-015-32246 7667' - 8226' Upper Penn SHUT-IN  INDIAN HILLS UNIT NO 45 30-015-32338 7627' - 8413' Upper Penn NMNM 070964A  INDIAN HILLS UNIT NO 49 30-015-32723 7526' - 7816' Upper Penn NMNM 070964A  INDIAN HILLS UNIT NO 52 30-015-32805 8117' - 8448' Upper Penn NMNM 070964A  INDIAN HILLS UNIT NO 52 30-015-32805 8117' - 8448' Upper Penn NMNM 070964A  INDIAN HILLS UNIT NO 52 Shut-in approved until 07/2022	UNIT NO 41	30-015-32539	8140' - 8432'	Upper Penn		31101-111	1/2022
INDIAN HILLS	INDIAN HILLS				NMNM 070964A	SHIT-IN	
UNIT NO 45 30-015-32338 7627' - 8413' Upper Penn P&A  INDIAN HILLS UNIT NO 49 30-015-32723 7526' - 7816' Upper Penn P&A  INDIAN HILLS UNIT NO 52 30-015-32805 8117' - 8448' Upper Penn SHUT-IN Shut-in approved until 07/2022  INDIAN HILLS UNIT NO 52 Shut-in approved until 07/2022	UNIT NO 43	30-015-32246	7667' - 8226'	Upper Penn	<u></u>	31101-114	<u> </u>
UNIT NO 45   30-015-32338   7627' - 8413'   Upper Penn	INDIAN HILLS				NMNM 070964A	D.g. A	
UNIT NO 49 30-015-32723 7526' - 7816' Upper Penn P&A  INDIAN HILLS UNIT NO 52 30-015-32805 8117' - 8448' Upper Penn NMNM 070964A  INDIAN HILLS UNIT NO 52 Shut-in approved until 07/2022  INDIAN HILLS Shut-in approved until 27/2022	UNIT NO 45	30-015-32338	7627' - 8413'	Upper Penn		FOLA	
UNIT NO 49 30-015-32723 7526' - 7816' Upper Penn  INDIAN HILLS UNIT NO 52 30-015-32805 8117' - 8448' Upper Penn  NMNM 070964A SHUT-IN Shut-in approved until 07/2022	INDIAN HILLS				NMNM 070964A	D& A	
UNIT NO 52 30-015-32805 8117' - 8448' Upper Penn SHO1-IIN 07/2022	UNIT NO 49	30-015-32723	7526' - 7816'	Upper Penn		IRA	
UNIT NO 52 30-015-32805 8117' - 8448' Upper Penn 01/2022  INDIAN HILLS NIMNM 070964A Shut-in approved until	INDIAN HILLS				NMNM 070964A	SHIIT-INI	
INDIAN HILLS NMNM 070964A CHUTT IN Shut-in approved until	UNIT NO 52	30-015-32805	8117' - 8448'	Upper Penn		3HUI-IN	
	INDIAN HILLS				NMNM 070964A	SHUT-IN	
UNIT NO 53 30-015-32875 7612' - 7990' Upper Penn SHOT-IN 07/2022	UNIT NO 53	30-015-32875	7612' - 7990'	Upper Penn		3001-10	07/2022
INDIAN HILLS NMNM 070964A SHUT-IN	INDIAN HILLS				NMNM 070964A	SLILIT.INI	
UNIT NO 59 30-015-33759 8063' - 8492' Upper Penn SHUT-IN	UNIT NO 59	30-015-33759	8063' - 8492'	Upper Penn		SHUT-IN	

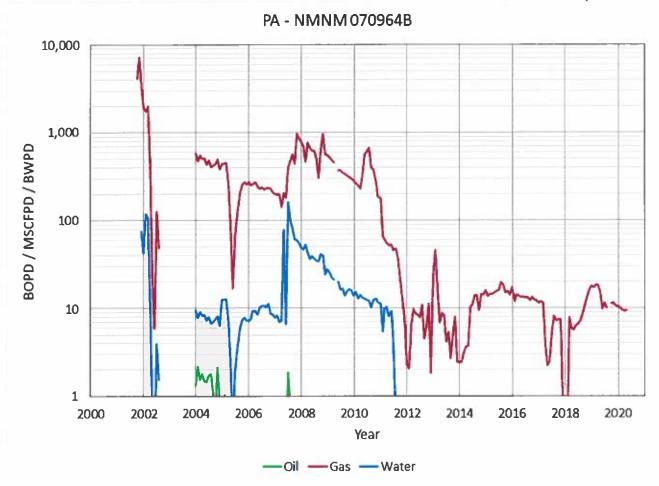
# Production History, Indian Hills Unit

In 2020, monthly production of the unit averaged 39 BOPD x 1,227 MCFD x 787 BWPD. Production was shut-in May 2020 due to Indian Basin Gas Plant being shut down. Current plan is to return the unit to production by taking the gas to a 3<sup>rd</sup> party gas plant by Q1 2023 or sooner if possible.



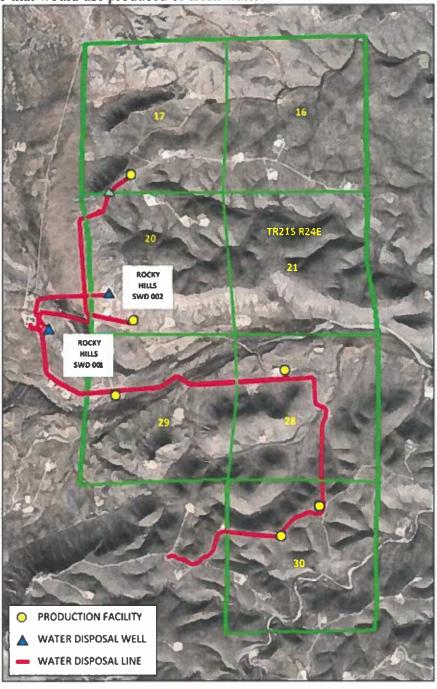


—Oil —Gas —Water



# Current and Planned Water Usage, Indian Hills Unit

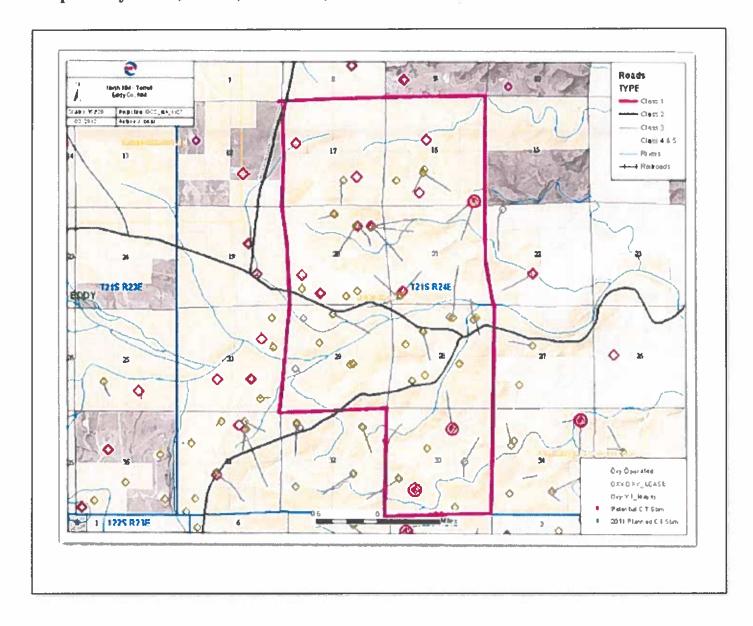
Currently all produced water is disposed of utilizing the Indian Basin water disposal loop system. Plan to continue disposing of all produced water utilizing the Indian Basin water disposal loop system in 2021. Estimate to dispose of approximately 700 BWPD in 2021. No planned drilling or fracturing operations in 2021 that would use produced or fresh water.



# Map of structural and geologic interpretations (Upper Penn Formation) with Indian Hills Unit boundaries



# Map of Oxy Wells, Roads, Railroads, etc



# Map of Participating area boundaries:

