

Form 3160-3  
(June 2015)FORM APPROVED  
OMB No. 1004-0137  
Expires: January 31, 2018

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT  
**APPLICATION FOR PERMIT TO DRILL OR REENTER**

|   |  |  |
|---|--|--|
| 1a. Type of work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER<br>1b. Type of Well: <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other<br>1c. Type of Completion: <input type="checkbox"/> Hydraulic Fracturing <input checked="" type="checkbox"/> Single Zone <input type="checkbox"/> Multiple Zone |  | 5. Lease Serial No.<br><b>NMNM082896</b><br>6. If Indian, Allottee or Tribe Name<br><br>7. If Unit or CA Agreement, Name and No.<br><br>8. Lease Name and Well No.<br><b>NIMITZ MDP1 12-1 FEDERAL COM</b><br><br>22H<br>9. API Well No.<br><b>30 015 47447</b> |
| 2. Name of Operator<br><b>OXY USA INCORPORATED</b><br>3a. Address<br><b>5 Greenway Plaza, Suite 110, Houston, TX 77046</b><br>3b. Phone No. (include area code)<br><b>(713) 366-5716</b>  |  | 10. Field and Pool, or Exploratory<br><b>COTTON DRAW BONE SPRING/COTTO</b><br>11. Sec., T. R. M. or Blk. and Survey or Area<br><b>SEC 13/T24S/R30E/NMP</b>   |
| 4. Location of Well (Report location clearly and in accordance with any State requirements. *)<br>At surface <b>NWNW / 892 FNL / 311 FWL / LAT 32.222591 / LONG -103.841432</b><br>At proposed prod. zone <b>NWNW / 20 FNL / 1250 FWL / LAT 32.253985 / LONG -103.838414</b>  |  | 12. County or Parish<br><b>EDDY</b><br>13. State<br><b>NM</b>  |
| 14. Distance in miles and direction from nearest town or post office*<br><b>13 miles</b>  |  | 15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) <b>20 feet</b><br>16. No of acres in lease <b>880</b><br>17. Spacing Unit dedicated to this well <b>640.0</b>                            |
| 18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. <b>35 feet</b><br>19. Proposed Depth <b>8656 feet / 19581 feet</b><br>20. BLM/BIA Bond No. in file <b>FED: ESB000226</b>   |  | 21. Elevations (Show whether DF, KDB, RT, GL, etc.) <b>3487 feet</b><br>22. Approximate date work will start* <b>07/30/2020</b><br>23. Estimated duration <b>45 days</b>   |
| 24. Attachments   |  |  |

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1, and the Hydraulic Fracturing rule per 43 CFR 3162.3-3 (as applicable)

- |   |   |
|---|---|
| 1. Well plat certified by a registered surveyor.<br>2. A Drilling Plan.<br>3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO must be filed with the appropriate Forest Service Office). | 4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).<br>5. Operator certification.<br>6. Such other site specific information and/or plans as may be requested by the BLM. |
|---|---|

|  |   |                           |
|--|---|---------------------------|
| 25. Signature<br>(Electronic Submission)<br><br>Title<br><b>Advisor Regulatory</b>                                     | Name (Printed/Typed)<br><b>LESLIE REEVES / Ph: (713) 366-5716</b>   | Date<br><b>08/19/2019</b> |
| Approved by (Signature)<br>(Electronic Submission)<br><br>Title<br><b>Assistant Field Manager Lands &amp; Minerals</b> | Name (Printed/Typed)<br><b>Cody Layton / Ph: (575) 234-5959</b><br><br>Office<br><b>Carlsbad Field Office</b> | Date<br><b>08/28/2020</b> |

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.  
 Conditions of approval, if any, are attached.

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.

APPROVED WITH CONDITIONS

(Continued on page 2)

\*(Instructions on page 2)

Approval Date: 08/28/2020

Entered - KMS NMOCD

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<br><b>30-015-47447</b> | Pool Code<br><b>13367</b>                            | Pool Name<br><b>COTTON DRAW; BONE SPRING</b> |
| Property Code<br><b>329328</b>    | Property Name<br><b>NIMITZ MDP1 12-1 FEDERAL COM</b> | Well Number<br><b>22H</b>                    |
| OGRID No.<br><b>16696</b>         | Operator Name<br><b>OXY USA INC.</b>                 | Elevation<br><b>3487.2'</b>                  |

**Surface Location**

| UL or lot No. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| D             | 13      | 24-S     | 30-E  |         | 892           | NORTH            | 311           | WEST           | EDDY   |

**Bottom Hole Location If Different From Surface**

| UL or lot No.                    | Section         | Township           | Range     | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
|----------------------------------|-----------------|--------------------|-----------|---------|---------------|------------------|---------------|----------------|--------|
| 4                                | 1               | 24-S               | 30-E      |         | 20            | NORTH            | 1250          | WEST           | EDDY   |
| Dedicated Acres<br><b>639.85</b> | Joint or Infill | Consolidation Code | Order No. |         |               |                  |               |                |        |

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED  
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

| <p><u>PROPOSED BOTTOM HOLE LOCATION</u><br/>Y=456470.5 N<br/>X=652998.7 E<br/>LAT.=32.253985° N<br/>LONG.=103.838414° W</p> <p><u>LTP</u><br/>100' FNL &amp; 1250' FWL<br/>Y=456390.5 N<br/>X=652999.1 E<br/>LAT.=32.253765° N<br/>LONG.=103.838414° W</p> <p><u>FTP</u><br/>100' FSL &amp; 1250' FWL<br/>Y=446039.5 N<br/>X=653055.6 E<br/>LAT.=32.225311° N<br/>LONG.=103.838386° W</p> <p><u>KOP</u><br/>50' FSL &amp; 1250' FWL<br/>Y=445989.5 N<br/>X=653055.9 E<br/>LAT.=32.225173° N<br/>LONG.=103.838385° W</p> <p><u>SURFACE LOCATION</u><br/>Y=445045.9 N<br/>X=652118.2 E<br/>LAT.=32.222591° N<br/>LONG.=103.841432° W</p> | <p><u>POINT LEGEND</u></p> <table border="1"><thead><tr><th>POINT</th><th>Y</th><th>X</th></tr></thead><tbody><tr><td>1</td><td>Y=456501.2 N</td><td>X=654425.0 E</td></tr><tr><td>2</td><td>Y=451176.9 N</td><td>X=654444.0 E</td></tr><tr><td>3</td><td>Y=445941.8 N</td><td>X=654472.3 E</td></tr><tr><td>4</td><td>Y=445937.5 N</td><td>X=651806.3 E</td></tr><tr><td>5</td><td>Y=448569.5 N</td><td>X=651786.7 E</td></tr><tr><td>6</td><td>Y=451208.9 N</td><td>X=651766.2 E</td></tr><tr><td>7</td><td>Y=453846.4 N</td><td>X=651757.5 E</td></tr><tr><td>8</td><td>Y=456481.2 N</td><td>X=651748.6 E</td></tr></tbody></table> | POINT        | Y | X | 1 | Y=456501.2 N | X=654425.0 E | 2 | Y=451176.9 N | X=654444.0 E | 3 | Y=445941.8 N | X=654472.3 E | 4 | Y=445937.5 N | X=651806.3 E | 5 | Y=448569.5 N | X=651786.7 E | 6 | Y=451208.9 N | X=651766.2 E | 7 | Y=453846.4 N | X=651757.5 E | 8 | Y=456481.2 N | X=651748.6 E | <p><b>OPERATOR CERTIFICATION</b></p> <p>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.</p> <p><i>Leslie Reeves</i> 07/29/19<br/>Signature Date</p> <p><b>LESLE REEVES</b><br/>Printed Name</p> <p><b>LESLE_REEVES@OXY.COM</b><br/>E-mail Address</p> <p><b>SURVEYOR CERTIFICATION</b></p> <p>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.</p> <p>FEBRUARY 2, 2019<br/>Date of Survey</p> <p>Signature &amp; Seal of Professional Surveyor</p> <p><i>Chad Harcrow</i> 6/12/19<br/>Certificate No. CHAD HARCROW 17777<br/>W.O. #19-1033 DRAWN BY: WN</p> |
|--|--|--------------|---|---|---|--------------|--------------|---|--------------|--------------|---|--------------|--------------|---|--------------|--------------|---|--------------|--------------|---|--------------|--------------|---|--------------|--------------|---|--------------|--------------|--|
| POINT  | Y  | X            |   |   |   |              |              |   |              |              |   |              |              |   |              |              |   |              |              |   |              |              |   |              |              |   |              |              |  |
| 1  | Y=456501.2 N   | X=654425.0 E |   |   |   |              |              |   |              |              |   |              |              |   |              |              |   |              |              |   |              |              |   |              |              |   |              |              |  |
| 2  | Y=451176.9 N   | X=654444.0 E |   |   |   |              |              |   |              |              |   |              |              |   |              |              |   |              |              |   |              |              |   |              |              |   |              |              |  |
| 3  | Y=445941.8 N   | X=654472.3 E |   |   |   |              |              |   |              |              |   |              |              |   |              |              |   |              |              |   |              |              |   |              |              |   |              |              |  |
| 4  | Y=445937.5 N   | X=651806.3 E |   |   |   |              |              |   |              |              |   |              |              |   |              |              |   |              |              |   |              |              |   |              |              |   |              |              |  |
| 5  | Y=448569.5 N   | X=651786.7 E |   |   |   |              |              |   |              |              |   |              |              |   |              |              |   |              |              |   |              |              |   |              |              |   |              |              |  |
| 6  | Y=451208.9 N   | X=651766.2 E |   |   |   |              |              |   |              |              |   |              |              |   |              |              |   |              |              |   |              |              |   |              |              |   |              |              |  |
| 7  | Y=453846.4 N   | X=651757.5 E |   |   |   |              |              |   |              |              |   |              |              |   |              |              |   |              |              |   |              |              |   |              |              |   |              |              |  |
| 8  | Y=456481.2 N   | X=651748.6 E |   |   |   |              |              |   |              |              |   |              |              |   |              |              |   |              |              |   |              |              |   |              |              |   |              |              |  |

District I  
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1000 Rio Brazos Road, Aztec, NM 87410  
District IV  
1220 S. St. Francis Dr., Santa Fe, NM 87505

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

Submit Original  
to Appropriate  
District Office

## GAS CAPTURE PLAN

Date: 07-18-2019

☒ Original

Operator & OGRID No.: OXY USA INC. - 16696

☐ Amended - Reason for Amendment: \_\_\_\_\_

This Gas Capture Plan outlines actions to be taken by the Operator to reduce well/production facility flaring/venting for new completion (new drill, recomple to new zone, re-frac) activity.

*Note: Form C-129 must be submitted and approved prior to exceeding 60 days allowed by Rule (Subsection A of 19.15.18.12 NMAC).*

### Well(s)/Production Facility – Name of facility

The well(s) that will be located at the production facility are shown in the table below.

| Well Name                    | API     | Well Location (ULSTR) | Footages              | Expected MCF/D | Flared or Vent | Comments |
|------------------------------|---------|-----------------------|-----------------------|----------------|----------------|----------|
| Nimitz MDP1 12_1 FED COM 11H | Pending | D-13-T24S-R30E        | 826' FNL<br>287' FWL  | 2,500          | 0              |          |
| Nimitz MDP1 12_1 FED COM 12H | Pending | N-12-T24S-R30E        | 615' FSL<br>1703' FWL | 2,500          | 0              |          |
| Nimitz MDP1 12_1 FED COM 13H | Pending | C-13-T24S-R30E        | 498' FNL<br>2405' FWL | 2,500          | 0              |          |
| Nimitz MDP1 12_1 FED COM 14H | Pending | P-12-T24S-R30E        | 830' FSL<br>795' FEL  | 2,500          | 0              |          |
| Nimitz MDP1 12_1 FED COM 21H | Pending | D-13-T24S-R30E        | 798' FNL<br>276' FWL  | 5,500          | 0              |          |
| Nimitz MDP1 12_1 FED COM 22H | Pending | D-13-T24S-R30E        | 892' FNL<br>311' FWL  | 5,500          | 0              |          |
| Nimitz MDP1 12_1 FED COM 23H | Pending | N-12-T24S-R30E        | 644' FSL<br>1766' FWL | 5,500          | 0              |          |
| Nimitz MDP1 12_1 FED COM 24H | Pending | C-13-T24S-R30E        | 428' FNL<br>2405' FWL | 5,500          | 0              |          |
| Nimitz MDP1 12_1 FED COM 25H | Pending | P-12-T24S-R30E        | 830' FSL<br>1350' FEL | 5,500          | 0              |          |
| Nimitz MDP1 12_1 FED COM 26H | Pending | P-12-T24S-R30E        | 830' FSL<br>730' FEL  | 5,500          | 0              |          |
| Nimitz MDP1 12_1 FED COM 41H | Pending | D-13-T24S-R30E        | 986' FNL<br>345' FWL  | 7,200          | 0              |          |
| Nimitz MDP1 12_1 FED COM 42H | Pending | D-13-T24S-R30E        | 1047' FNL<br>368' FWL | 7,200          | 0              |          |
| Nimitz MDP1 12_1 FED COM 43H | Pending | N-12-T24S-R30E        | 674' FSL<br>1830' FWL | 7,200          | 0              |          |
| Nimitz MDP1 12_1 FED COM 44H | Pending | N-12-T24S-R30E        | 716' FSL<br>1921' FWL | 7,200          | 0              |          |
| Nimitz MDP1 12_1 FED COM 45H | Pending | P-12-T24S-R30E        | 439' FSL<br>1138' FEL | 7,200          | 0              |          |
| Nimitz MDP1 12_1 FED COM 46H | Pending | P-12-T24S-R30E        | 115' FSL<br>140' FEL  | 7,200          | 0              |          |

|                                  |         |                |                       |       |   |  |
|----------------------------------|---------|----------------|-----------------------|-------|---|--|
| Nimitz MDP1 12_1 FED COM<br>171H | Pending | M-12-T24S-R30E | 275' FSL<br>67' FWL   | 4,200 | 0 |  |
| Nimitz MDP1 12_1 FED COM<br>172H | Pending | N-12-T24S-R30E | 585' FSL<br>1639' FWL | 4,200 | 0 |  |
| Nimitz MDP1 12_1 FED COM<br>173H | Pending | C-13-T24S-R30E | 363' FNL<br>2405' FWL | 4,200 | 0 |  |
| Nimitz MDP1 12_1 FED COM<br>174H | Pending | C-13-T24S-R30E | 293' FNL<br>2405' FWL | 4,200 | 0 |  |
| Nimitz MDP1 12_1 FED COM<br>175H | Pending | P-12-T24S-R30E | 439' FSL<br>1068' FEL | 4,200 | 0 |  |
| Nimitz MDP1 12_1 FED COM<br>176H | Pending | P-12-T24S-R30E | 439' FSL<br>968' FEL  | 4,200 | 0 |  |
| Nimitz MDP1 13 FED COM<br>11H    | Pending | D-13-T24S-R30E | 953' FNL<br>333' FWL  | 1,700 | 0 |  |
| Nimitz MDP1 13 FED COM<br>12H    | Pending | N-12-T24S-R30E | 630' FSL<br>1734' FWL | 1,700 | 0 |  |
| Nimitz MDP1 13 FED COM<br>13H    | Pending | C-13-T24S-R30E | 533' FNL<br>2405' FWL | 1,700 | 0 |  |
| Nimitz MDP1 13 FED COM<br>14H    | Pending | P-12-T24S-R30E | 830' FSL<br>660' FEL  | 1,700 | 0 |  |
| Nimitz MDP1 13 FED COM<br>21H    | Pending | D-13-T24S-R30E | 859' FNL<br>299' FWL  | 3,700 | 0 |  |
| Nimitz MDP1 13 FED COM<br>22H    | Pending | D-13-T24S-R30E | 925' FNL<br>323' FWL  | 3,700 | 0 |  |
| Nimitz MDP1 13 FED COM<br>23H    | Pending | N-12-T24S-R30E | 659' FSL<br>1798' FWL | 3,700 | 0 |  |
| Nimitz MDP1 13 FED COM<br>24H    | Pending | C-13-T24S-R30E | 463' FNL<br>2405' FWL | 3,700 | 0 |  |
| Nimitz MDP1 13 FED COM<br>25H    | Pending | P-12-T24S-R30E | 830' FSL<br>760' FEL  | 3,700 | 0 |  |
| Nimitz MDP1 13 FED COM<br>26H    | Pending | P-12-T24S-R30E | 830' FSL<br>695' FEL  | 3,700 | 0 |  |
| Nimitz MDP1 13 FED COM<br>41H    | Pending | D-13-T24S-R30E | 1014' FNL<br>356' FWL | 5,000 | 0 |  |
| Nimitz MDP1 13 FED COM<br>42H    | Pending | D-13-T24S-R30E | 1080' FNL<br>380' FWL | 5,000 | 0 |  |
| Nimitz MDP1 13 FED COM<br>43H    | Pending | N-12-T24S-R30E | 689' FSL<br>1862' FWL | 5,000 | 0 |  |
| Nimitz MDP1 13 FED COM<br>44H    | Pending | N-12-T24S-R30E | 704' FSL<br>1893' FWL | 5,000 | 0 |  |
| Nimitz MDP1 13 FED COM<br>45H    | Pending | P-12-T24S-R30E | 439' FSL<br>1103' FEL | 5,000 | 0 |  |
| Nimitz MDP1 13 FED COM<br>46H    | Pending | P-12-T24S-R30E | 80' FSL<br>140' FEL   | 5,000 | 0 |  |
| Nimitz MDP1 13 FED COM<br>171H   | Pending | M-12-T24S-R30E | 275' FSL<br>32' FWL   | 2,800 | 0 |  |
| Nimitz MDP1 13 FED COM<br>172H   | Pending | N-12-T24S-R30E | 600' FSL<br>1671' FWL | 2,800 | 0 |  |
| Nimitz MDP1 13 FED COM<br>173H   | Pending | C-13-T24S-R30E | 328' FNL<br>2405' FWL | 2,800 | 0 |  |
| Nimitz MDP1 13 FED COM<br>174H   | Pending | C-13-T24S-R30E | 393' FNL<br>2405' FWL | 2,800 | 0 |  |

|                                |         |                |                       |       |   |  |
|--------------------------------|---------|----------------|-----------------------|-------|---|--|
| Nimitz MDP1 13 FED COM<br>175H | Pending | P-12-T24S-R30E | 439' FSL<br>1033' FEL | 2,800 | 0 |  |
| Nimitz MDP1 13 FED COM<br>176H | Pending | P-12-T24S-R30E | 439' FSL<br>998' FEL  | 2,800 | 0 |  |

### **Gathering System and Pipeline Notification**

Well(s) will be connected to a production facility after flowback operations are complete, where a gas transporter system is in place. The gas produced from production facility is dedicated to Enterprise Field Services, LLC (“Enterprise”) and is connected to Enterprise low/high pressure gathering system located in Eddy County, New Mexico. OXY USA INC. (“OXY”) provides (periodically) to Enterprise a drilling, completion and estimated first production date for wells that are scheduled to be drilled in the foreseeable future. In addition, OXY and Enterprise have periodic conference calls to discuss changes to drilling and completion schedules. Gas from these wells will be processed at Enterprise’s Processing Plant located in Sec. 36, Twn. 24S, Rng. 30E, Eddy County, New Mexico. The actual flow of the gas will be based on compression operating parameters and gathering system pressures.

### **Flowback Strategy**

After the fracture treatment/completion operations, well(s) will be produced to temporary production tanks and gas will be flared or vented. During flowback, the fluids and sand content will be monitored. When the produced fluids contain minimal sand, the wells will be turned to production facilities. Gas sales should start as soon as the wells start flowing through the production facilities, unless there are operational issues on Enterprise system at that time. Based on current information, it is OXY’s belief the system can take this gas upon completion of the well(s).

Safety requirements during cleanout operations from the use of underbalanced air cleanout systems may necessitate that sand and non-pipeline quality gas be vented and/or flared rather than sold on a temporary basis.

### **Alternatives to Reduce Flaring**

Below are alternatives considered from a conceptual standpoint to reduce the amount of gas flared.

- Power Generation – On lease
  - Only a portion of gas is consumed operating the generator, remainder of gas will be flared
- Compressed Natural Gas – On lease
  - Gas flared would be minimal, but might be uneconomical to operate when gas volume declines
- NGL Removal – On lease
  - Plants are expensive, residue gas is still flared, and uneconomical to operate when gas volume declines

# PECOS DISTRICT

## DRILLING CONDITIONS OF APPROVAL

|                              |                                    |
|------------------------------|------------------------------------|
| <b>OPERATOR'S NAME:</b>      | OXY USA INCORPORATED               |
| <b>WELL NAME &amp; NO.:</b>  | Nimitz MDP1 12-1 Federal COM / 22H |
| <b>SURFACE HOLE FOOTAGE:</b> | 892'N & 311'W                      |
| <b>BOTTOM HOLE FOOTAGE:</b>  | 20'N & 1250'W                      |
| <b>LOCATION:</b>             | Section 13, T.24 S., R.30 E., NMPM |
| <b>COUNTY:</b>               | Eddy County, New Mexico            |

COA

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

### 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

#### Casing Design:

1. The **13-3/8** inch surface casing shall be set at approximately **512** 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 **9-5/8** inch intermediate casing shall be set at approximately **4180** feet. The minimum required fill of cement behind the **9-5/8** inch intermediate casing is:

**Option 1 (Single Stage):**

- 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.**

**Option 2:**

Operator has proposed a DV tool, the depth may be adjusted as long as the cement is changed proportionally. The DV tool may be cancelled if cement circulates to surface on the first stage.

- a. First stage to DV tool: Cement to circulate. If cement does not circulate off the DV tool, contact the appropriate BLM office before proceeding with second stage cement job.
  - b. Second stage above DV tool:
    - Cement to surface. If cement does not circulate, contact the appropriate BLM office.  
**Wait on cement (WOC) time for a primary cement job is to include the lead cement slurry due to cave/karst or potash.**
- ❖ In **Medium Cave/Karst Areas** if cement does not circulate to surface on the first two casing strings, the cement on the 3rd casing string must come to surface.
- ❖ In **Secretary Potash Areas** if cement does not circulate to surface on the first two casing strings, the cement on the 3rd casing string must come to surface.
3. The minimum required fill of cement behind the **5-1/2** inch production casing is:

**Option 1 (Single Stage):**

- Cement should tie-back at least **500 feet** into previous casing string. Operator shall provide method of verification.

### **Option 2:**

Operator has proposed a DV tool, the depth may be adjusted as long as the cement is changed proportionally. The DV tool may be cancelled if cement circulates to surface on the first stage.

- First stage to DV tool: Cement to circulate. If cement does not circulate off the DV tool, contact the appropriate BLM office before proceeding with second stage cement job.
- Second stage above DV tool:
  - Cement should tie-back at least **500 feet** into previous casing string. Operator shall provide method of verification.

**Operator has proposed to pump down 9-5/8" X 5-1/2" annulus. Operator must run a CBL from TD of the 5-1/2" casing to surface. Submit results to BLM.**

### **C. PRESSURE CONTROL**

- 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).'
- 

### **Option 1:**

- 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.
- Minimum working pressure of the blowout preventer (BOP) and related equipment (BOPE) required for drilling below the intermediate casing shoe shall be **3000 (3M)** 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 **3000 (3M)** 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.

##### **Offline Cementing**

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

##### **BOP Break Testing Variance**

- BOP break testing is not permitted on this well.

## 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 2<sup>nd</sup> 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.

**NMK06252020**



U.S. Department of the Interior  
BUREAU OF LAND MANAGEMENT

# Operator Certification Data Report

09/08/2020

## Operator Certification

*I hereby certify that I, or someone under my direct supervision, have inspected the drill site and access route proposed herein; that I am familiar with the conditions which currently exist; that I have full knowledge of state and Federal laws applicable to this operation; that the statements made in this APD package are, to the best of my knowledge, true and correct; and that the work associated with the operations proposed herein will be performed in conformity with this APD package and the terms and conditions under which it is approved. I also certify that I, or the company I represent, am responsible for the operations conducted under this application. These statements are subject to the provisions of 18 U.S.C. 1001 for the filing of false statements.*

**NAME:** Leslie Reeves

**Signed on:** 08/19/2019

**Title:** Advisor Regulatory

**Street Address:** 5 Greenway Plaza, Suite 110

**City:** Houston

**State:** TX

**Zip:** 77046

**Phone:** (713)497-2492

**Email address:** Leslie\_Reeves@oxy.com

## Field Representative

**Representative Name:**

**Street Address:** 6001 Deauville

**City:** Midland

**State:** TX

**Zip:** 79706

**Phone:** (575)631-2442

**Email address:** Jim\_Wilson@oxy.com



APD ID: 10400046067

Submission Date: 08/19/2019

Highlighted data  
reflects the most  
recent changes

Operator Name: OXY USA INCORPORATED

Well Name: NIMITZ MDP1 12-1 FEDERAL COM

Well Number: 22H

[Show Final Text](#)

Well Type: OIL WELL

Well Work Type: Drill

## Section 1 - General

APD ID: 10400046067

Tie to previous NOS? N

Submission Date: 08/19/2019

BLM Office: CARLSBAD

User: Leslie Reeves

Title: Advisor Regulatory

Federal/Indian APD: FED

Is the first lease penetrated for production Federal or Indian? FED

Lease number: NMNM082896

Lease Acres: 880

Surface access agreement in place?

Allotted?

Reservation:

Agreement in place? NO

Federal or Indian agreement:

Agreement number:

Agreement name:

Keep application confidential? Y

Permitting Agent? NO

APD Operator: OXY USA INCORPORATED

Operator letter of designation:

## Operator Info

Operator Organization Name: OXY USA INCORPORATED

Operator Address: 5 Greenway Plaza, Suite 110

Zip: 77046

Operator PO Box:

Operator City: Houston

State: TX

Operator Phone: (713)366-5716

Operator Internet Address:

## Section 2 - Well Information

Well in Master Development Plan? EXISTING

Master Development Plan name: Sand Dunes Area

Well in Master SUPO?

Master SUPO name:

Well in Master Drilling Plan?

Master Drilling Plan name:

Well Name: NIMITZ MDP1 12-1 FEDERAL COM

Well Number: 22H

Well API Number:

Field/Pool or Exploratory? Field and Pool

Field Name: COTTON DRAW  
BONE SPRING

Pool Name: COTTON DRAW  
BONE SPRING

Is the proposed well in an area containing other mineral resources? USEABLE WATER,POTASH



Operator Name: OXY USA INCORPORATED

Well Name: NIMITZ MDP1 12-1 FEDERAL COM

Well Number: 22H

Is the proposed well in an area containing other mineral resources? USEABLE WATER,POTASH

Is the proposed well in a Helium production area? N

Use Existing Well Pad? N

New surface disturbance?

Type of Well Pad: MULTIPLE WELL

Multiple Well Pad Name: Nimitz Number: 21H, 11H, 22H, 41H,  
MDP1 12-1 & 13 Federal Com 42H & 21H, 22H, 11H, 41H, 42H

Well Class: HORIZONTAL

Number of Legs: 1

Well Work Type: Drill

Well Type: OIL WELL

Describe Well Type:

Well sub-Type: INFILL

Describe sub-type:

Distance to town: 13 Miles

Distance to nearest well: 35 FT

Distance to lease line: 20 FT

Reservoir well spacing assigned acres Measurement: 640 Acres

Well plat: NimitzMDP112\_1FdCom22H\_C\_102\_20190819103825.pdf

NimitzMDP112\_1FdCom22H\_SitePlan\_20190819103833.pdf

Well work start Date: 07/30/2020

Duration: 45 DAYS

### Section 3 - Well Location Table

Survey Type: RECTANGULAR

Describe Survey Type:

Datum: NAD83

Vertical Datum: NAVD88

Survey number:

Reference Datum: GROUND LEVEL

| Wellbore   | NS-Foot | NS Indicator | EW-Foot | EW Indicator | Twsp | Range | Section | Aliquot/Lot/Tract | Latitude  | Longitude    | County | State       | Meridian    | Lease Type | Lease Number | Elevation | MD   | TVD  | Will this well produce from this lease? |
|------------|---------|--------------|---------|--------------|------|-------|---------|-------------------|-----------|--------------|--------|-------------|-------------|------------|--------------|-----------|------|------|---|
| SHL Leg #1 | 892     | FNL          | 311     | FW L         | 24S  | 30E   | 13      | Aliquot NWN W     | 32.222591 | - 103.841432 | EDD Y  | NEW MEXI CO | NEW MEXI CO | F          | NMNM 082896  | 3487      | 0    | 0    | N                                       |
| KOP Leg #1 | 50      | FSL          | 1250    | FW L         | 24S  | 30E   | 12      | Aliquot SWS W     | 32.225173 | - 103.838385 | EDD Y  | NEW MEXI CO | NEW MEXI CO | F          | NMNM 082896  | - 5197    | 9097 | 8684 | N                                       |

**Operator Name:** OXY USA INCORPORATED

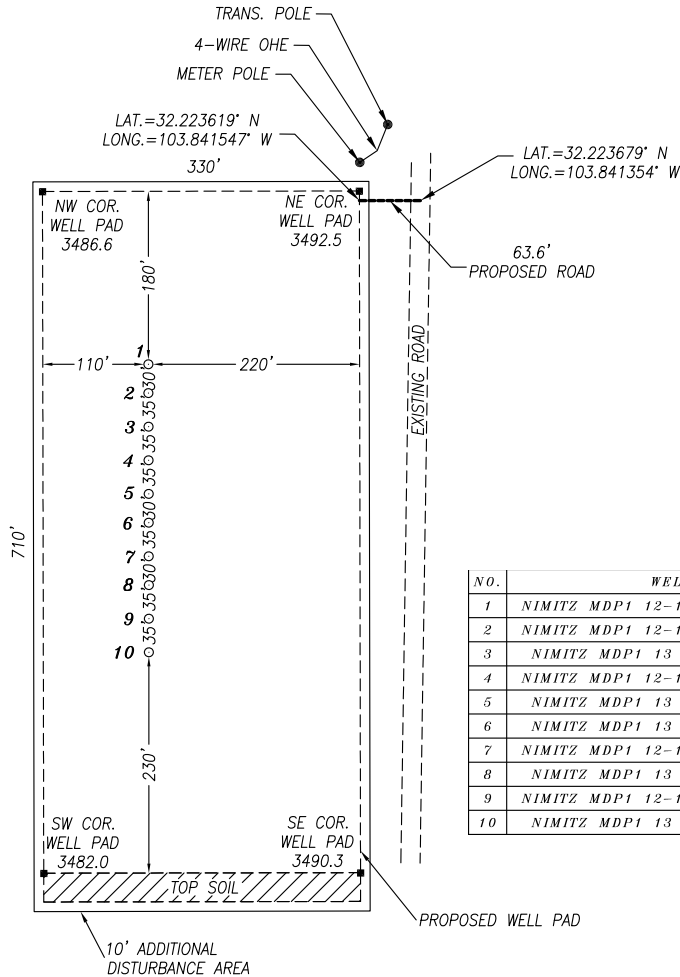
**Well Name:** NIMITZ MDP1 12-1 FEDERAL COM

**Well Number:** 22H

| Wellbore     | NS-Foot | NS Indicator | EW-Foot | EW Indicator | Twsp | Range | Section | Aliquot/Lot/Tract | Latitude  | Longitude    | County | State      | Meridian   | Lease Type | Lease Number | Elevation | MD    | TVD  | Will this well produce from this lease? |
|--------------|---------|--------------|---------|--------------|------|-------|---------|-------------------|-----------|--------------|--------|------------|------------|------------|--------------|-----------|-------|------|---|
| PPP Leg #1-1 | 100     | FSL          | 1250    | FWL          | 24S  | 30E   | 12      | Aliquot SWS W     | 32.225311 | - 103.838385 | EDD Y  | NEW MEXICO | NEW MEXICO | F          | NMNM 082896  | - 5199    | 9148  | 8686 | Y                                       |
| PPP Leg #1-2 | 3       | FNL          | 1261    | FWL          | 24S  | 30E   | 1       | Aliquot SWS W     | 32.239654 | - 103.838886 | EDD Y  | NEW MEXICO | NEW MEXICO | F          | NMNM 097133  | - 5184    | 14321 | 8671 | Y                                       |
| EXIT Leg #1  | 100     | FNL          | 1250    | FWL          | 24S  | 30E   | 1       | Aliquot NWN W     | 32.253765 | - 103.838414 | EDD Y  | NEW MEXICO | NEW MEXICO | F          | NMNM 097133  | - 5169    | 19500 | 8656 | Y                                       |
| BHL Leg #1   | 20      | FNL          | 1250    | FWL          | 24S  | 30E   | 1       | Aliquot NWN W     | 32.253985 | - 103.838414 | EDD Y  | NEW MEXICO | NEW MEXICO | F          | NMNM 097133  | - 5169    | 19581 | 8656 | N                                       |

# OXY USA INC.

## SITE PLAN PAD 1317 FAA PERMIT: NO



| NO. | WELL                          | FOOTAGE              | LAT.         | LONG.         | ELEV.   |
|-----|-------------------------------|----------------------|--------------|---------------|---------|
| 1   | NIMITZ MDP1 12-1 FED COM #21H | 798' FNL & 276' FWL  | 32.222973° N | 103.842027° W | 3488.1' |
| 2   | NIMITZ MDP1 12-1 FED COM #11H | 826' FNL & 287' FWL  | 32.222895° N | 103.841994° W | 3487.0' |
| 3   | NIMITZ MDP1 13 FED COM #21H   | 859' FNL & 299' FWL  | 32.222805° N | 103.841955° W | 3487.2' |
| 4   | NIMITZ MDP1 12-1 FED COM #22H | 892' FNL & 311' FWL  | 32.222714° N | 103.841917° W | 3487.2' |
| 5   | NIMITZ MDP1 13 FED COM #22H   | 925' FNL & 323' FWL  | 32.222624° N | 103.841878° W | 3486.8' |
| 6   | NIMITZ MDP1 13 FED COM #11H   | 953' FNL & 333' FWL  | 32.222546° N | 103.841845° W | 3486.4' |
| 7   | NIMITZ MDP1 12-1 FED COM #41H | 986' FNL & 345' FWL  | 32.222456° N | 103.841806° W | 3486.2' |
| 8   | NIMITZ MDP1 13 FED COM #41H   | 1014' FNL & 356' FWL | 32.222379° N | 103.841773° W | 3485.9' |
| 9   | NIMITZ MDP1 12-1 FED COM #42H | 1047' FNL & 368' FWL | 32.222288° N | 103.841734° W | 3485.7' |
| 10  | NIMITZ MDP1 13 FED COM #42H   | 1080' FNL & 380' FWL | 32.222198° N | 103.841695° W | 3485.5' |

### NOTES:

- 1) LATs & LONGs SHOWN HEREON ARE MERCATOR GRID AND CONFORM TO THE NEW MEXICO COORDINATE SYSTEM "NEW MEXICO EAST ZONE" NORTH AMERICAN DATUM 1983.
- 2) DISTANCES ARE GRID VALUES.
- 3) ALL FEATURES ARE EXISTING UNLESS OTHERWISE NOTED

### CERTIFICATION

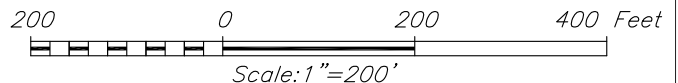
I, CHAD HARCROW, A NEW MEXICO REGISTERED PROFESSIONAL SURVEYOR CERTIFY THAT I DIRECTED AND AM RESPONSIBLE FOR THIS SURVEY, THAT THIS SURVEY IS TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.



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

6/12/19  
DATE

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



| OXY USA INC.                 |              |               |
|------------------------------|--------------|---------------|
| SURVEY DATE: FEB. 2, 2019    | SITE PLAN    |               |
| DRAFTING DATE: JUNE 10, 2019 | PAGE: 1 OF 1 |               |
| APPROVED BY: CH              | DRAWN BY: WN | FILE: 19-1030 |

APD ID: 10400046067

Submission Date: 08/19/2019

Highlighted data  
reflects the most  
recent changes

Operator Name: OXY USA INCORPORATED

Well Name: NIMITZ MDP1 12-1 FEDERAL COM

Well Number: 22H

[Show Final Text](#)

Well Type: OIL WELL

Well Work Type: Drill

## Section 1 - Geologic Formations

| Formation ID | Formation Name | Elevation | True Vertical Depth | Measured Depth | Lithologies                        | Mineral Resources                              | Producing Formation |
|--------------|----------------|-----------|---------------------|----------------|------------------------------------|--|---------------------|
| 517894       | RUSTLER        | 3500      | 462                 | 462            | ANHYDRITE, DOLOMITE, SHALE         | USEABLE WATER                                  | N                   |
| 517895       | SALADO         | 2680      | 820                 | 820            | ANHYDRITE, DOLOMITE, HALITE, SHALE | OTHER : SALT                                   | N                   |
| 517892       | CASTILE        | 825       | 2675                | 2675           | ANHYDRITE                          | OTHER : salt                                   | N                   |
| 517896       | LAMAR          | -630      | 4130                | 4130           | LIMESTONE, SANDSTONE, SILTSTONE    | NATURAL GAS, OIL, OTHER : BRINE                | N                   |
| 517897       | BELL CANYON    | -654      | 4154                | 4155           | SANDSTONE, SILTSTONE               | NATURAL GAS, OIL, OTHER, USEABLE WATER : BRINE | N                   |
| 517898       | CHERRY CANYON  | -1580     | 5080                | 5089           | SANDSTONE, SILTSTONE               | NATURAL GAS, OIL, OTHER : BRINE                | N                   |
| 517899       | BRUSHY CANYON  | -2865     | 6365                | 6440           | LIMESTONE, SANDSTONE, SILTSTONE    | NATURAL GAS, OIL, OTHER : BRINE                | N                   |
| 517893       | BONE SPRING    | -4551     | 8051                | 8180           | LIMESTONE, SANDSTONE, SILTSTONE    | NATURAL GAS, OIL                               | N                   |

## Section 2 - Blowout Prevention

Pressure Rating (PSI): 5M

Rating Depth: 8687

Equipment: 13-5/8" 5M Annular, Blind Ram, Double Ram

Requesting Variance? YES

Variance request: Request for the use of a flexible choke line from the BOP to Choke Manifold.

**Testing Procedure:** 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. A multibowl wellhead 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 will be tested. We will test the flange connection of the wellhead with a test port that is directly in the flange. 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. A separate sundry will be sent prior to spud that reflects the pad based break testing plan. 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

**Operator Name:** OXY USA INCORPORATED

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**Well Number:** 22H

Bone Spring or shallower. When skidding to drill a production section that does not penetrate into the third Bone Spring or deeper. 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

**Choke Diagram Attachment:**

NimitzMDP112\_1FdCom22H\_ChokeManifold\_20190819105629.pdf

**BOP Diagram Attachment:**

NimitzMDP112\_1FdCom22H\_BOP5M\_20190819105647.pdf

NimitzMDP112\_1FdCom22H\_FlexHoseCert\_20190819105653.pdf

### Section 3 - Casing

| Casing ID | String Type  | Hole Size | Csg Size | Condition | Standard | Tapered String | Top Set MD | Bottom Set MD | Top Set TVD | Bottom Set TVD | Top Set MSL | Bottom Set MSL | Calculated casing length MD | Grade | Weight | Joint Type         | Collapse SF | Burst SF | Joint SF Type | Joint SF | Body SF Type | Body SF |
|-----------|--------------|-----------|----------|-----------|----------|----------------|------------|---------------|-------------|----------------|-------------|----------------|-----------------------------|-------|--------|--------------------|-------------|----------|---------------|----------|--------------|---------|
| 1         | SURFACE      | 17.5      | 13.375   | NEW       | API      | N              | 0          | 512           | 0           | 512            | 3487        | 2975           | 512                         | J-55  | 54.5   | BUTT               | 1.125       | 1.2      | BUOY          | 1.4      | BUOY         | 1.4     |
| 2         | INTERMEDIATE | 12.25     | 9.625    | NEW       | API      | N              | 0          | 4180          | 0           | 4180           |             | -693           | 4180                        | L-80  | 43.5   | BUTT               | 1.125       | 1.2      | BUOY          | 1.4      | BUOY         | 1.4     |
| 3         | PRODUCTION   | 8.5       | 5.5      | NEW       | API      | N              | 0          | 19581         | 0           | 8656           |             | -5169          | 19581                       | P-110 | 20     | OTHER - DQX/SFTORQ | 1.125       | 1.2      | BUOY          | 1.4      | BUOY         | 1.4     |

**Casing Attachments**

**Casing ID:** 1      **String Type:** SURFACE

**Inspection Document:**

**Spec Document:**

**Tapered String Spec:**

**Casing Design Assumptions and Worksheet(s):**

NimitzMDP112\_1FdCom22H\_CsgCriteria\_20190819133627.pdf

**Operator Name:** OXY USA INCORPORATED

**Well Name:** NIMITZ MDP1 12-1 FEDERAL COM

**Well Number:** 22H

#### Casing Attachments

**Casing ID:** 2      **String Type:** INTERMEDIATE

**Inspection Document:**

**Spec Document:**

**Tapered String Spec:**

**Casing Design Assumptions and Worksheet(s):**

NimitzMDP112\_1FdCom22H\_CsgCriteria\_20190819133726.pdf

**Casing ID:** 3      **String Type:** PRODUCTION

**Inspection Document:**

**Spec Document:**

**Tapered String Spec:**

**Casing Design Assumptions and Worksheet(s):**

NimitzMDP112\_1FdCom22H\_CsgCriteria\_20190819133812.pdf

#### Section 4 - Cement

| String Type | Lead/Tail | Stage Tool Depth | Top MD | Bottom MD | Quantity(sx) | Yield | Density | Cu Ft | Excess% | Cement type | Additives   |
|-------------|-----------|------------------|--------|-----------|--------------|-------|---------|-------|---------|-------------|-------------|
| SURFACE     | Lead      |                  | 0      | 512       | 546          | 1.33  | 14.8    | 726   | 100     | CI C        | Accelerator |

|              |      |   |      |      |     |      |      |      |    |            |             |
|--------------|------|---|------|------|-----|------|------|------|----|------------|-------------|
| INTERMEDIATE | Lead |   | 0    | 3680 | 968 | 1.73 | 12.9 | 1675 | 50 | Pozzolan C | Retarder    |
| INTERMEDIATE | Tail |   | 3680 | 4180 | 155 | 1.33 | 14.8 | 206  | 20 | CI C       | Accelerator |
| PRODUCTION   | Lead | 2 | 0    | 6365 | 900 | 1.87 | 12.9 | 1685 | 25 | CL C       | Accelerator |

**Operator Name:** OXY USA INCORPORATED

**Well Name:** NIMITZ MDP1 12-1 FEDERAL COM

**Well Number:** 22H

| String Type | Lead/Tail | Stage Tool Depth | Top MD | Bottom MD | Quantity(sx) | Yield | Density | Cu Ft | Excess% | Cement type | Additives                  |
|-------------|-----------|------------------|--------|-----------|--------------|-------|---------|-------|---------|-------------|----------------------------|
| PRODUCTION  | Lead      | 2                | 6365   | 8051      | 294          | 1.38  | 13.2    | 406   | 5       | CI H        | Retarder, Dispersant, Salt |
| PRODUCTION  | Tail      |                  | 8051   | 19580     | 2018         | 1.38  | 13.2    | 2785  | 5       | CI H        | Retarder, Dispersant, Salt |

### Section 5 - Circulating Medium

**Mud System Type:** Closed

**Will an air or gas system be Used?** NO

**Description of the equipment for the circulating system in accordance with Onshore Order #2:**

**Diagram of the equipment for the circulating system in accordance with Onshore Order #2:**

**Describe what will be on location to control well or mitigate other conditions:** Sufficient mud materials to maintain mud properties and meet minimum lost circulation and weight increase requirements. 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, CaCl<sub>2</sub>.

**Describe the mud monitoring system utilized:** PVT/MD Totco/Visual Monitoring

### Circulating Medium Table

| Top Depth | Bottom Depth | Mud Type   | Min Weight (lbs/gal) | Max Weight (lbs/gal) | Density (lbs/cu ft) | Gel Strength (lbs/100 sqft) | PH | Viscosity (CP) | Salinity (ppm) | Filtration (cc) | Additional Characteristics |
|-----------|--------------|--|----------------------|----------------------|---------------------|-----------------------------|----|----------------|----------------|-----------------|----------------------------|
| 4180      | 19580        | OTHER : Water-Based and/or Oil-Based Mud           | 8                    | 9.6                  |                     |                             |    |                |                |                 |                            |
| 0         | 512          | WATER-BASED MUD                                    | 8.6                  | 8.8                  |                     |                             |    |                |                |                 |                            |
| 512       | 4180         | OTHER : Saturated Brine Based Mud or Oil-Based Mud | 9.8                  | 10                   |                     |                             |    |                |                |                 |                            |

**Operator Name:** OXY USA INCORPORATED

**Well Name:** NIMITZ MDP1 12-1 FEDERAL COM

**Well Number:** 22H

## Section 6 - Test, Logging, Coring

**List of production tests including testing procedures, equipment and safety measures:**

GR from TD to surface (horizontal well – vertical portion of hole). Mud Log from intermediate shoe to TD.

**List of open and cased hole logs run in the well:**

GAMMA RAY LOG, MUD LOG/GEOLOGIC LITHOLOGY LOG,

**Coring operation description for the well:**

No coring is planned at this time.

## Section 7 - Pressure

**Anticipated Bottom Hole Pressure:** 4337

**Anticipated Surface Pressure:** 2426

**Anticipated Bottom Hole Temperature(F):** 150

**Anticipated abnormal pressures, temperatures, or potential geologic hazards?** NO

**Describe:**

**Contingency Plans geohazards description:**

**Contingency Plans geohazards attachment:**

**Hydrogen Sulfide drilling operations plan required?** YES

**Hydrogen sulfide drilling operations plan:**

NimitzMDP112\_1FdCom22H\_H2S1\_20190819134703.pdf

NimitzMDP112\_1FdCom22H\_H2S2\_20190819134710.pdf

NimitzMDP112\_1FdCom22H\_H2SEmerCont\_20190819134716.pdf

## Section 8 - Other Information

**Proposed horizontal/directional/multi-lateral plan submission:**

NimitzMDP112\_1FdCom22H\_DirectPlan\_20190819134736.pdf

NimitzMDP112\_1FdCom22H\_DirectPlot\_20190819134742.pdf

**Other proposed operations facets description:**

OXY requests the option to set casing shallower yet still below the salts if losses or hole conditions require this. Cement volumes may be adjusted if casing is set shallower and a DV tool will be run in case a contingency second stage is required for cement to reach surface. If cement circulated to surface during first stage we will drop a cancellation cone and not pump the second stage.

OXY requests the option to run production casing with DQX and/or SF TORQ connections to accommodate hole conditions or drilling operations.

OXY requests to pump a two stage cement job on the intermediate II casing string with the first stage being pumped conventionally with the calculated TOC @ the Bone Spring and the second stage performed as a bradenhead squeeze with planned cement from the Bone Spring to surface.

Annular Clearance Variance Request - As per the agreement reached in the OXY/BLM meeting on Feb 22,



**Operator Name:** OXY USA INCORPORATED

**Well Name:** NIMITZ MDP1 12-1 FEDERAL COM

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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.

Well will be drilled with a walking/skidding operation. Plan to drill the multiple 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.

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.

OXY respectfully requests a variance to cement the 9-5/8 and/or 7-5/8 intermediate casing strings offline. 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.

**Other proposed operations facets attachment:**

NimitzMDP112\_1FdCom22H\_DrillPlan\_20190819134906.pdf

NimitzMDP112\_1FdCom22H\_GasCapPlan\_20190819134914.pdf

NimitzMDP112\_1FdCom22H\_SpudRigData\_20190819134922.pdf

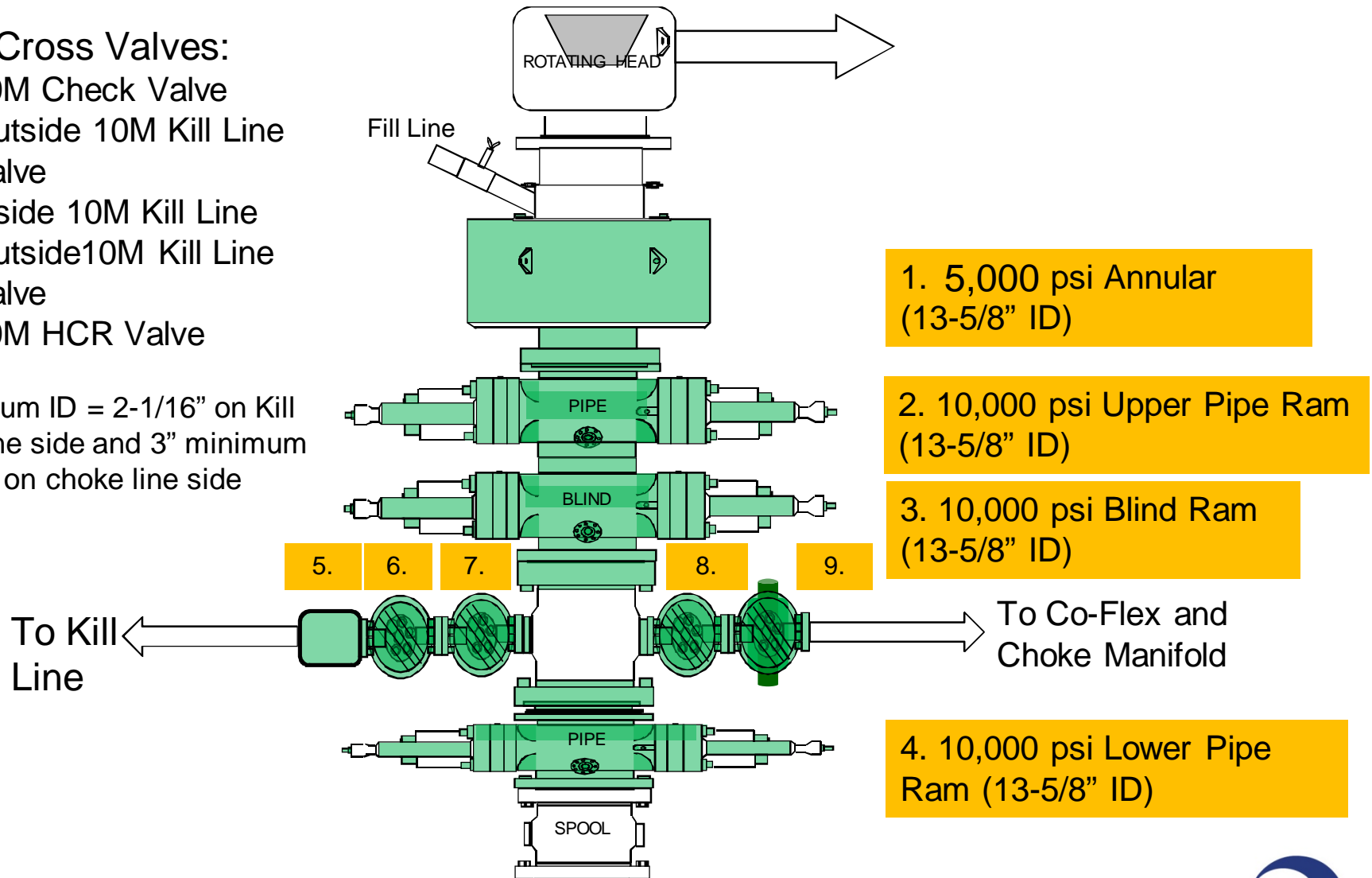
**Other Variance attachment:**

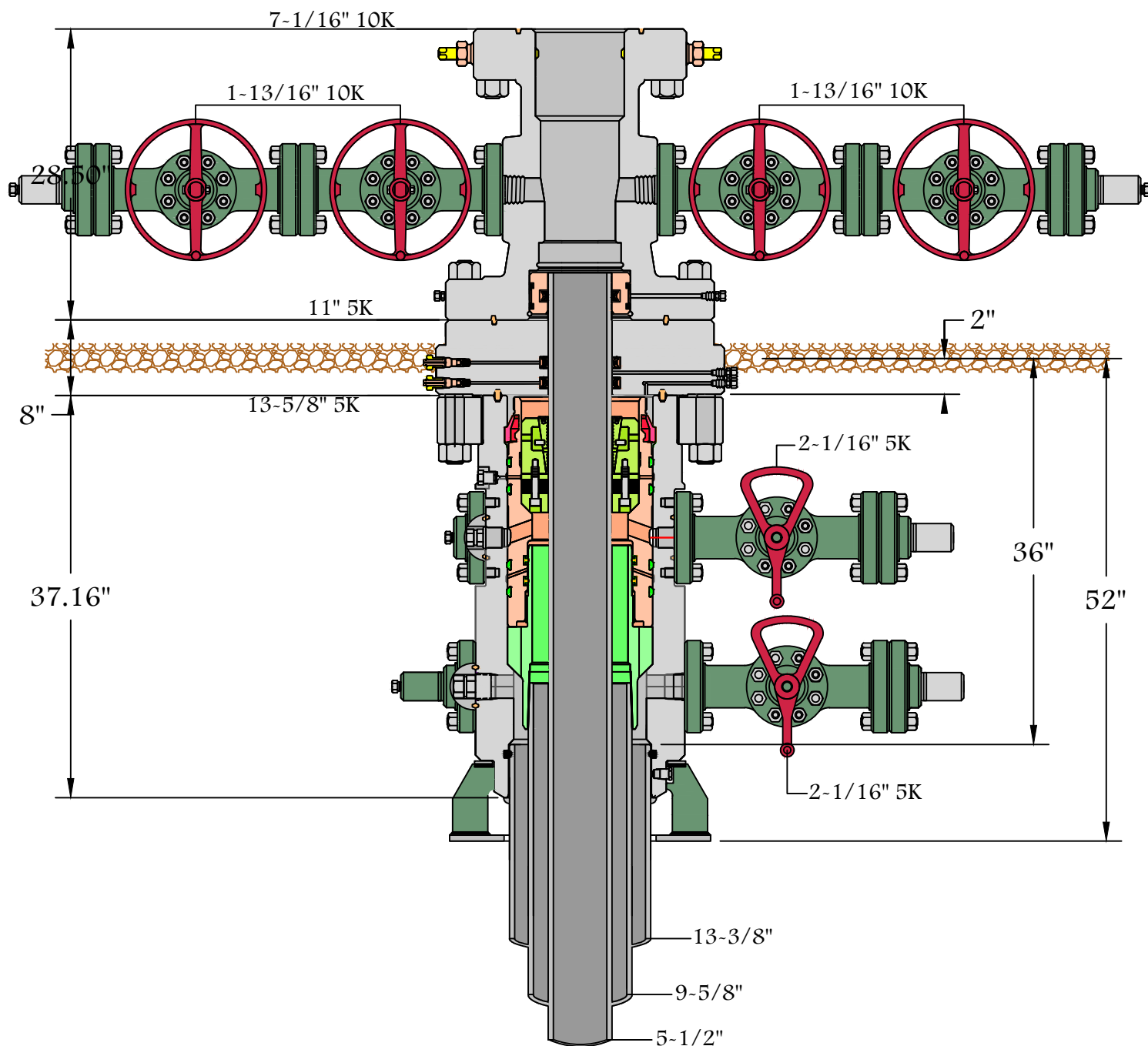
# 5/10M BOP Stack

## Mud Cross Valves:

- 5. 10M Check Valve
- 6. Outside 10M Kill Line Valve
- 7. Inside 10M Kill Line Valve
- 8. Outside 10M Kill Line Valve
- 9. 10M HCR Valve

\*Minimum ID = 2-1/16" on Kill Line side and 3" minimum ID on choke line side





13-5/8" 5K MN-DS



|               |               |                   |           |
|---------------|---------------|-------------------|-----------|
| Name: Brandon | Date: 5-10-17 | Working Pressure: | # 1505172 |
|---------------|---------------|-------------------|-----------|

**OXY**

**PRD NM DIRECTIONAL PLANS (NAD 1983)**

**Nimitz MDP1 12\_1**

**Nimitz MDP1 12-1 Federal Com 22H**

**Wellbore #1**

**Plan: Permitting Plan**

## **Standard Planning Report**

**09 July, 2019**

# Oxy

## Planning Report

|                  |                                     |                                     |                                       |
|------------------|-------------------------------------|-------------------------------------|---------------------------------------|
| <b>Database:</b> | HOPSPP                              | <b>Local Co-ordinate Reference:</b> | Well Nimitz MDP1 12-1 Federal Com 22H |
| <b>Company:</b>  | ENGINEERING DESIGNS                 | <b>TVD Reference:</b>               | RKB=26.5' @ 3513.70ft                 |
| <b>Project:</b>  | PRD NM DIRECTIONAL PLANS (NAD 1983) | <b>MD Reference:</b>                | RKB=26.5' @ 3513.70ft                 |
| <b>Site:</b>     | Nimitz MDP1 12_1                    | <b>North Reference:</b>             | Grid                                  |
| <b>Well:</b>     | Nimitz MDP1 12-1 Federal Com 22H    | <b>Survey Calculation Method:</b>   | Minimum Curvature                     |
| <b>Wellbore:</b> | Wellbore #1                         |                                     |                                       |
| <b>Design:</b>   | Permitting Plan                     |                                     |                                       |

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

|                       |         |                  |                 |                   |                      |
|-----------------------|---------|------------------|-----------------|-------------------|----------------------|
| Site                  |         | Nimitz MDP1 12_1 |                 |                   |                      |
| Site Position:        |         | Northing:        | 446,271.81 usft | Latitude:         | 32° 13' 33.331024 N  |
| From:                 | Map     | Easting:         | 693,055.21 usft | Longitude:        | 103° 50' 33.713673 W |
| Position Uncertainty: | 2.00 ft | Slot Radius:     | 13.200 in       | Grid Convergence: | 0.26 °               |

| Well                 |       |              |                     |                 |               |                      | Nimitz MDP1 12-1 Federal Com 22H |  |  |  |  |  |  |
|----------------------|-------|--------------|---------------------|-----------------|---------------|----------------------|----------------------------------|--|--|--|--|--|--|
| Well Position        | +N/-S | -1,167.09 ft | Northing:           | 445,104.80 usft | Latitude:     | 32° 13' 21.771474 N  |                                  |  |  |  |  |  |  |
|                      | +E/-W | 247.01 ft    | Easting:            | 693,302.20 usft | Longitude:    | 103° 50' 30.900460 W |                                  |  |  |  |  |  |  |
| Position Uncertainty |       | 2.00 ft      | Wellhead Elevation: | 0.00 ft         | Ground Level: | 3,487.20 ft          |                                  |  |  |  |  |  |  |

|                  |                   |                    |                        |                      |                            |
|------------------|-------------------|--------------------|------------------------|----------------------|----------------------------|
| <b>Wellbore</b>  | Wellbore #1       |                    |                        |                      |                            |
| <b>Magnetics</b> | <b>Model Name</b> | <b>Sample Date</b> | <b>Declination (°)</b> | <b>Dip Angle (°)</b> | <b>Field Strength (nT)</b> |
|                  | HDGM              | 7/9/2019           | 6.82                   | 59.92                | 47,899                     |

|                          |                              |                   |                      |                      |
|--------------------------|------------------------------|-------------------|----------------------|----------------------|
| <b>Design</b>            | Permitting Plan              |                   |                      |                      |
| <b>Audit Notes:</b>      |                              |                   |                      |                      |
| <b>Version:</b>          | <b>Phase:</b>                | PROTOTYPE         | <b>Tie On Depth:</b> | 0.00                 |
| <b>Vertical Section:</b> | <b>Depth From (TVD) (ft)</b> | <b>+N/-S (ft)</b> | <b>+E/-W (ft)</b>    | <b>Direction (°)</b> |
|                          | 0.00                         | 0.00              | 0.00                 | 4.40                 |

| <b>Plan Sections</b> |                 |             |                     |            |            |                       |                      |                     |         |                   |
|----------------------|-----------------|-------------|---------------------|------------|------------|-----------------------|----------------------|---------------------|---------|-------------------|
| 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    |                   |
| 3,745.00             | 0.00            | 0.00        | 3,745.00            | 0.00       | 0.00       | 0.00                  | 0.00                 | 0.00                | 0.00    |                   |
| 4,494.76             | 15.00           | 70.92       | 4,486.23            | 31.88      | 92.19      | 2.00                  | 2.00                 | 0.00                | 70.92   |                   |
| 7,530.19             | 15.00           | 70.92       | 7,418.30            | 288.57     | 834.44     | 0.00                  | 0.00                 | 0.00                | 0.00    |                   |
| 8,397.01             | 15.00           | 359.68      | 8,262.04            | 438.54     | 940.62     | 2.00                  | 0.00                 | -8.22               | -124.67 |                   |
| 9,148.71             | 90.17           | 359.68      | 8,686.70            | 993.67     | 937.56     | 10.00                 | 10.00                | 0.00                | 0.00    | FTP (Nimitz MDP1  |
| 19,580.91            | 90.17           | 359.68      | 8,655.70            | 11,425.66  | 880.16     | 0.00                  | 0.00                 | 0.00                | 0.00    | PBHL (Nimitz MDP1 |

# Oxy

## Planning Report

|                  |                                     |                                     |                                       |
|------------------|-------------------------------------|-------------------------------------|---------------------------------------|
| <b>Database:</b> | HOPSP                               | <b>Local Co-ordinate Reference:</b> | Well Nimitz MDP1 12-1 Federal Com 22H |
| <b>Company:</b>  | ENGINEERING DESIGNS                 | <b>TVD Reference:</b>               | RKB=26.5' @ 3513.70ft                 |
| <b>Project:</b>  | PRD NM DIRECTIONAL PLANS (NAD 1983) | <b>MD Reference:</b>                | RKB=26.5' @ 3513.70ft                 |
| <b>Site:</b>     | Nimitz MDP1 12_1                    | <b>North Reference:</b>             | Grid                                  |
| <b>Well:</b>     | Nimitz MDP1 12-1 Federal Com 22H    | <b>Survey Calculation Method:</b>   | Minimum Curvature                     |
| <b>Wellbore:</b> | Wellbore #1                         |                                     |                                       |
| <b>Design:</b>   | 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                |
| 3,745.00            | 0.00            | 0.00        | 3,745.00            | 0.00       | 0.00       | 0.00                  | 0.00                  | 0.00                 | 0.00                |
| 3,800.00            | 1.10            | 70.92       | 3,800.00            | 0.17       | 0.50       | 0.21                  | 2.00                  | 2.00                 | 0.00                |
| 3,900.00            | 3.10            | 70.92       | 3,899.92            | 1.37       | 3.96       | 1.67                  | 2.00                  | 2.00                 | 0.00                |
| 4,000.00            | 5.10            | 70.92       | 3,999.66            | 3.71       | 10.72      | 4.52                  | 2.00                  | 2.00                 | 0.00                |
| 4,100.00            | 7.10            | 70.92       | 4,099.09            | 7.18       | 20.76      | 8.75                  | 2.00                  | 2.00                 | 0.00                |
| 4,200.00            | 9.10            | 70.92       | 4,198.09            | 11.78      | 34.08      | 14.37                 | 2.00                  | 2.00                 | 0.00                |
| 4,300.00            | 11.10           | 70.92       | 4,296.53            | 17.52      | 50.65      | 21.35                 | 2.00                  | 2.00                 | 0.00                |
| 4,400.00            | 13.10           | 70.92       | 4,394.31            | 24.37      | 70.46      | 29.71                 | 2.00                  | 2.00                 | 0.00                |
| 4,494.76            | 15.00           | 70.92       | 4,486.23            | 31.88      | 92.19      | 38.87                 | 2.00                  | 2.00                 | 0.00                |
| 4,500.00            | 15.00           | 70.92       | 4,491.29            | 32.33      | 93.48      | 39.41                 | 0.00                  | 0.00                 | 0.00                |
| 4,600.00            | 15.00           | 70.92       | 4,587.89            | 40.78      | 117.93     | 49.72                 | 0.00                  | 0.00                 | 0.00                |
| 4,700.00            | 15.00           | 70.92       | 4,684.48            | 49.24      | 142.38     | 60.03                 | 0.00                  | 0.00                 | 0.00                |
| 4,800.00            | 15.00           | 70.92       | 4,781.08            | 57.70      | 166.84     | 70.34                 | 0.00                  | 0.00                 | 0.00                |
| 4,900.00            | 15.00           | 70.92       | 4,877.67            | 66.15      | 191.29     | 80.65                 | 0.00                  | 0.00                 | 0.00                |
| 5,000.00            | 15.00           | 70.92       | 4,974.27            | 74.61      | 215.74     | 90.96                 | 0.00                  | 0.00                 | 0.00                |
| 5,100.00            | 15.00           | 70.92       | 5,070.86            | 83.06      | 240.19     | 101.27                | 0.00                  | 0.00                 | 0.00                |

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## Planning Report

|                  |                                     |                                     |                                       |
|------------------|-------------------------------------|-------------------------------------|---------------------------------------|
| <b>Database:</b> | HOPSPP                              | <b>Local Co-ordinate Reference:</b> | Well Nimitz MDP1 12-1 Federal Com 22H |
| <b>Company:</b>  | ENGINEERING DESIGNS                 | <b>TVD Reference:</b>               | RKB=26.5' @ 3513.70ft                 |
| <b>Project:</b>  | PRD NM DIRECTIONAL PLANS (NAD 1983) | <b>MD Reference:</b>                | RKB=26.5' @ 3513.70ft                 |
| <b>Site:</b>     | Nimitz MDP1 12_1                    | <b>North Reference:</b>             | Grid                                  |
| <b>Well:</b>     | Nimitz MDP1 12-1 Federal Com 22H    | <b>Survey Calculation Method:</b>   | Minimum Curvature                     |
| <b>Wellbore:</b> | Wellbore #1                         |                                     |                                       |
| <b>Design:</b>   | 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) |
| 5,200.00            | 15.00           | 70.92       | 5,167.46            | 91.52      | 264.65     | 111.58                | 0.00                  | 0.00                 | 0.00                |
| 5,300.00            | 15.00           | 70.92       | 5,264.05            | 99.98      | 289.10     | 121.89                | 0.00                  | 0.00                 | 0.00                |
| 5,400.00            | 15.00           | 70.92       | 5,360.64            | 108.43     | 313.55     | 132.20                | 0.00                  | 0.00                 | 0.00                |
| 5,500.00            | 15.00           | 70.92       | 5,457.24            | 116.89     | 338.00     | 142.50                | 0.00                  | 0.00                 | 0.00                |
| 5,600.00            | 15.00           | 70.92       | 5,553.83            | 125.35     | 362.46     | 152.81                | 0.00                  | 0.00                 | 0.00                |
| 5,700.00            | 15.00           | 70.92       | 5,650.43            | 133.80     | 386.91     | 163.12                | 0.00                  | 0.00                 | 0.00                |
| 5,800.00            | 15.00           | 70.92       | 5,747.02            | 142.26     | 411.36     | 173.43                | 0.00                  | 0.00                 | 0.00                |
| 5,900.00            | 15.00           | 70.92       | 5,843.62            | 150.71     | 435.82     | 183.74                | 0.00                  | 0.00                 | 0.00                |
| 6,000.00            | 15.00           | 70.92       | 5,940.21            | 159.17     | 460.27     | 194.05                | 0.00                  | 0.00                 | 0.00                |
| 6,100.00            | 15.00           | 70.92       | 6,036.81            | 167.63     | 484.72     | 204.36                | 0.00                  | 0.00                 | 0.00                |
| 6,200.00            | 15.00           | 70.92       | 6,133.40            | 176.08     | 509.17     | 214.67                | 0.00                  | 0.00                 | 0.00                |
| 6,300.00            | 15.00           | 70.92       | 6,230.00            | 184.54     | 533.63     | 224.98                | 0.00                  | 0.00                 | 0.00                |
| 6,400.00            | 15.00           | 70.92       | 6,326.59            | 193.00     | 558.08     | 235.29                | 0.00                  | 0.00                 | 0.00                |
| 6,500.00            | 15.00           | 70.92       | 6,423.19            | 201.45     | 582.53     | 245.60                | 0.00                  | 0.00                 | 0.00                |
| 6,600.00            | 15.00           | 70.92       | 6,519.78            | 209.91     | 606.99     | 255.91                | 0.00                  | 0.00                 | 0.00                |
| 6,700.00            | 15.00           | 70.92       | 6,616.38            | 218.36     | 631.44     | 266.22                | 0.00                  | 0.00                 | 0.00                |
| 6,800.00            | 15.00           | 70.92       | 6,712.97            | 226.82     | 655.89     | 276.53                | 0.00                  | 0.00                 | 0.00                |
| 6,900.00            | 15.00           | 70.92       | 6,809.57            | 235.28     | 680.34     | 286.84                | 0.00                  | 0.00                 | 0.00                |
| 7,000.00            | 15.00           | 70.92       | 6,906.16            | 243.73     | 704.80     | 297.15                | 0.00                  | 0.00                 | 0.00                |
| 7,100.00            | 15.00           | 70.92       | 7,002.76            | 252.19     | 729.25     | 307.46                | 0.00                  | 0.00                 | 0.00                |
| 7,200.00            | 15.00           | 70.92       | 7,099.35            | 260.65     | 753.70     | 317.77                | 0.00                  | 0.00                 | 0.00                |
| 7,300.00            | 15.00           | 70.92       | 7,195.95            | 269.10     | 778.15     | 328.07                | 0.00                  | 0.00                 | 0.00                |
| 7,400.00            | 15.00           | 70.92       | 7,292.54            | 277.56     | 802.61     | 338.38                | 0.00                  | 0.00                 | 0.00                |
| 7,500.00            | 15.00           | 70.92       | 7,389.14            | 286.02     | 827.06     | 348.69                | 0.00                  | 0.00                 | 0.00                |
| 7,530.19            | 15.00           | 70.92       | 7,418.30            | 288.57     | 834.44     | 351.81                | 0.00                  | 0.00                 | 0.00                |
| 7,600.00            | 14.25           | 66.25       | 7,485.85            | 294.98     | 850.84     | 359.46                | 2.00                  | -1.07                | -6.69               |
| 7,700.00            | 13.35           | 58.74       | 7,582.97            | 305.93     | 871.98     | 372.00                | 2.00                  | -0.89                | -7.51               |
| 7,800.00            | 12.71           | 50.34       | 7,680.40            | 318.94     | 890.31     | 386.38                | 2.00                  | -0.65                | -8.41               |
| 7,900.00            | 12.35           | 41.25       | 7,778.03            | 334.00     | 905.83     | 402.59                | 2.00                  | -0.36                | -9.08               |
| 8,000.00            | 12.31           | 31.88       | 7,875.74            | 351.09     | 918.52     | 420.60                | 2.00                  | -0.04                | -9.37               |
| 8,100.00            | 12.58           | 22.68       | 7,973.40            | 370.19     | 928.35     | 440.40                | 2.00                  | 0.27                 | -9.20               |
| 8,200.00            | 13.15           | 14.06       | 8,070.89            | 391.28     | 935.31     | 461.96                | 2.00                  | 0.57                 | -8.62               |
| 8,300.00            | 13.98           | 6.30        | 8,168.11            | 414.33     | 939.40     | 485.26                | 2.00                  | 0.83                 | -7.76               |
| 8,397.01            | 15.00           | 359.68      | 8,262.04            | 438.54     | 940.62     | 509.49                | 2.00                  | 1.05                 | -6.82               |
| 8,400.00            | 15.30           | 359.68      | 8,264.92            | 439.32     | 940.61     | 510.27                | 10.00                 | 10.00                | 0.00                |
| 8,500.00            | 25.30           | 359.68      | 8,358.59            | 473.97     | 940.42     | 544.80                | 10.00                 | 10.00                | 0.00                |
| 8,600.00            | 35.30           | 359.68      | 8,444.83            | 524.35     | 940.14     | 595.01                | 10.00                 | 10.00                | 0.00                |
| 8,700.00            | 45.30           | 359.68      | 8,521.00            | 588.95     | 939.79     | 659.39                | 10.00                 | 10.00                | 0.00                |
| 8,800.00            | 55.30           | 359.68      | 8,584.79            | 665.79     | 939.37     | 735.97                | 10.00                 | 10.00                | 0.00                |
| 8,900.00            | 65.30           | 359.68      | 8,634.28            | 752.54     | 938.89     | 822.43                | 10.00                 | 10.00                | 0.00                |
| 9,000.00            | 75.30           | 359.68      | 8,667.95            | 846.56     | 938.37     | 916.14                | 10.00                 | 10.00                | 0.00                |
| 9,100.00            | 85.30           | 359.68      | 8,684.78            | 945.01     | 937.83     | 1,014.25              | 10.00                 | 10.00                | 0.00                |
| 9,148.71            | 90.17           | 359.68      | 8,686.70            | 993.67     | 937.56     | 1,062.74              | 10.00                 | 10.00                | 0.00                |
| 9,200.00            | 90.17           | 359.68      | 8,686.55            | 1,044.95   | 937.28     | 1,113.86              | 0.00                  | 0.00                 | 0.00                |
| 9,300.00            | 90.17           | 359.68      | 8,686.25            | 1,144.95   | 936.73     | 1,213.52              | 0.00                  | 0.00                 | 0.00                |
| 9,400.00            | 90.17           | 359.68      | 8,685.95            | 1,244.95   | 936.18     | 1,313.18              | 0.00                  | 0.00                 | 0.00                |
| 9,500.00            | 90.17           | 359.68      | 8,685.66            | 1,344.95   | 935.63     | 1,412.84              | 0.00                  | 0.00                 | 0.00                |
| 9,600.00            | 90.17           | 359.68      | 8,685.36            | 1,444.95   | 935.08     | 1,512.50              | 0.00                  | 0.00                 | 0.00                |
| 9,700.00            | 90.17           | 359.68      | 8,685.06            | 1,544.94   | 934.53     | 1,612.16              | 0.00                  | 0.00                 | 0.00                |
| 9,800.00            | 90.17           | 359.68      | 8,684.76            | 1,644.94   | 933.98     | 1,711.82              | 0.00                  | 0.00                 | 0.00                |
| 9,900.00            | 90.17           | 359.68      | 8,684.47            | 1,744.94   | 933.43     | 1,811.48              | 0.00                  | 0.00                 | 0.00                |
| 10,000.00           | 90.17           | 359.68      | 8,684.17            | 1,844.94   | 932.88     | 1,911.14              | 0.00                  | 0.00                 | 0.00                |
| 10,100.00           | 90.17           | 359.68      | 8,683.87            | 1,944.94   | 932.33     | 2,010.80              | 0.00                  | 0.00                 | 0.00                |
| 10,200.00           | 90.17           | 359.68      | 8,683.58            | 2,044.93   | 931.78     | 2,110.46              | 0.00                  | 0.00                 | 0.00                |

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## Planning Report

|                  |                                     |                                     |                                       |
|------------------|-------------------------------------|-------------------------------------|---------------------------------------|
| <b>Database:</b> | HOPSPP                              | <b>Local Co-ordinate Reference:</b> | Well Nimitz MDP1 12-1 Federal Com 22H |
| <b>Company:</b>  | ENGINEERING DESIGNS                 | <b>TVD Reference:</b>               | RKB=26.5' @ 3513.70ft                 |
| <b>Project:</b>  | PRD NM DIRECTIONAL PLANS (NAD 1983) | <b>MD Reference:</b>                | RKB=26.5' @ 3513.70ft                 |
| <b>Site:</b>     | Nimitz MDP1 12_1                    | <b>North Reference:</b>             | Grid                                  |
| <b>Well:</b>     | Nimitz MDP1 12-1 Federal Com 22H    | <b>Survey Calculation Method:</b>   | Minimum Curvature                     |
| <b>Wellbore:</b> | Wellbore #1                         |                                     |                                       |
| <b>Design:</b>   | 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) |
| 10,300.00           | 90.17           | 359.68      | 8,683.28            | 2,144.93   | 931.23     | 2,210.12              | 0.00                  | 0.00                 | 0.00                |
| 10,400.00           | 90.17           | 359.68      | 8,682.98            | 2,244.93   | 930.68     | 2,309.78              | 0.00                  | 0.00                 | 0.00                |
| 10,500.00           | 90.17           | 359.68      | 8,682.68            | 2,344.93   | 930.13     | 2,409.44              | 0.00                  | 0.00                 | 0.00                |
| 10,600.00           | 90.17           | 359.68      | 8,682.39            | 2,444.93   | 929.58     | 2,509.10              | 0.00                  | 0.00                 | 0.00                |
| 10,700.00           | 90.17           | 359.68      | 8,682.09            | 2,544.92   | 929.03     | 2,608.76              | 0.00                  | 0.00                 | 0.00                |
| 10,800.00           | 90.17           | 359.68      | 8,681.79            | 2,644.92   | 928.48     | 2,708.42              | 0.00                  | 0.00                 | 0.00                |
| 10,900.00           | 90.17           | 359.68      | 8,681.50            | 2,744.92   | 927.93     | 2,808.08              | 0.00                  | 0.00                 | 0.00                |
| 11,000.00           | 90.17           | 359.68      | 8,681.20            | 2,844.92   | 927.38     | 2,907.74              | 0.00                  | 0.00                 | 0.00                |
| 11,100.00           | 90.17           | 359.68      | 8,680.90            | 2,944.92   | 926.83     | 3,007.40              | 0.00                  | 0.00                 | 0.00                |
| 11,200.00           | 90.17           | 359.68      | 8,680.60            | 3,044.91   | 926.27     | 3,107.06              | 0.00                  | 0.00                 | 0.00                |
| 11,300.00           | 90.17           | 359.68      | 8,680.31            | 3,144.91   | 925.72     | 3,206.72              | 0.00                  | 0.00                 | 0.00                |
| 11,400.00           | 90.17           | 359.68      | 8,680.01            | 3,244.91   | 925.17     | 3,306.38              | 0.00                  | 0.00                 | 0.00                |
| 11,500.00           | 90.17           | 359.68      | 8,679.71            | 3,344.91   | 924.62     | 3,406.04              | 0.00                  | 0.00                 | 0.00                |
| 11,600.00           | 90.17           | 359.68      | 8,679.42            | 3,444.91   | 924.07     | 3,505.70              | 0.00                  | 0.00                 | 0.00                |
| 11,700.00           | 90.17           | 359.68      | 8,679.12            | 3,544.90   | 923.52     | 3,605.37              | 0.00                  | 0.00                 | 0.00                |
| 11,800.00           | 90.17           | 359.68      | 8,678.82            | 3,644.90   | 922.97     | 3,705.03              | 0.00                  | 0.00                 | 0.00                |
| 11,900.00           | 90.17           | 359.68      | 8,678.52            | 3,744.90   | 922.42     | 3,804.69              | 0.00                  | 0.00                 | 0.00                |
| 12,000.00           | 90.17           | 359.68      | 8,678.23            | 3,844.90   | 921.87     | 3,904.35              | 0.00                  | 0.00                 | 0.00                |
| 12,100.00           | 90.17           | 359.68      | 8,677.93            | 3,944.90   | 921.32     | 4,004.01              | 0.00                  | 0.00                 | 0.00                |
| 12,200.00           | 90.17           | 359.68      | 8,677.63            | 4,044.89   | 920.77     | 4,103.67              | 0.00                  | 0.00                 | 0.00                |
| 12,300.00           | 90.17           | 359.68      | 8,677.34            | 4,144.89   | 920.22     | 4,203.33              | 0.00                  | 0.00                 | 0.00                |
| 12,400.00           | 90.17           | 359.68      | 8,677.04            | 4,244.89   | 919.67     | 4,302.99              | 0.00                  | 0.00                 | 0.00                |
| 12,500.00           | 90.17           | 359.68      | 8,676.74            | 4,344.89   | 919.12     | 4,402.65              | 0.00                  | 0.00                 | 0.00                |
| 12,600.00           | 90.17           | 359.68      | 8,676.44            | 4,444.89   | 918.57     | 4,502.31              | 0.00                  | 0.00                 | 0.00                |
| 12,700.00           | 90.17           | 359.68      | 8,676.15            | 4,544.88   | 918.02     | 4,601.97              | 0.00                  | 0.00                 | 0.00                |
| 12,800.00           | 90.17           | 359.68      | 8,675.85            | 4,644.88   | 917.47     | 4,701.63              | 0.00                  | 0.00                 | 0.00                |
| 12,900.00           | 90.17           | 359.68      | 8,675.55            | 4,744.88   | 916.92     | 4,801.29              | 0.00                  | 0.00                 | 0.00                |
| 13,000.00           | 90.17           | 359.68      | 8,675.26            | 4,844.88   | 916.37     | 4,900.95              | 0.00                  | 0.00                 | 0.00                |
| 13,100.00           | 90.17           | 359.68      | 8,674.96            | 4,944.88   | 915.82     | 5,000.61              | 0.00                  | 0.00                 | 0.00                |
| 13,200.00           | 90.17           | 359.68      | 8,674.66            | 5,044.88   | 915.27     | 5,100.27              | 0.00                  | 0.00                 | 0.00                |
| 13,300.00           | 90.17           | 359.68      | 8,674.36            | 5,144.87   | 914.72     | 5,199.93              | 0.00                  | 0.00                 | 0.00                |
| 13,400.00           | 90.17           | 359.68      | 8,674.07            | 5,244.87   | 914.17     | 5,299.59              | 0.00                  | 0.00                 | 0.00                |
| 13,500.00           | 90.17           | 359.68      | 8,673.77            | 5,344.87   | 913.62     | 5,399.25              | 0.00                  | 0.00                 | 0.00                |
| 13,600.00           | 90.17           | 359.68      | 8,673.47            | 5,444.87   | 913.07     | 5,498.91              | 0.00                  | 0.00                 | 0.00                |
| 13,700.00           | 90.17           | 359.68      | 8,673.18            | 5,544.87   | 912.52     | 5,598.57              | 0.00                  | 0.00                 | 0.00                |
| 13,800.00           | 90.17           | 359.68      | 8,672.88            | 5,644.86   | 911.97     | 5,698.23              | 0.00                  | 0.00                 | 0.00                |
| 13,900.00           | 90.17           | 359.68      | 8,672.58            | 5,744.86   | 911.42     | 5,797.89              | 0.00                  | 0.00                 | 0.00                |
| 14,000.00           | 90.17           | 359.68      | 8,672.28            | 5,844.86   | 910.87     | 5,897.55              | 0.00                  | 0.00                 | 0.00                |
| 14,100.00           | 90.17           | 359.68      | 8,671.99            | 5,944.86   | 910.32     | 5,997.21              | 0.00                  | 0.00                 | 0.00                |
| 14,200.00           | 90.17           | 359.68      | 8,671.69            | 6,044.86   | 909.77     | 6,096.87              | 0.00                  | 0.00                 | 0.00                |
| 14,300.00           | 90.17           | 359.68      | 8,671.39            | 6,144.85   | 909.22     | 6,196.54              | 0.00                  | 0.00                 | 0.00                |
| 14,400.00           | 90.17           | 359.68      | 8,671.10            | 6,244.85   | 908.67     | 6,296.20              | 0.00                  | 0.00                 | 0.00                |
| 14,500.00           | 90.17           | 359.68      | 8,670.80            | 6,344.85   | 908.12     | 6,395.86              | 0.00                  | 0.00                 | 0.00                |
| 14,600.00           | 90.17           | 359.68      | 8,670.50            | 6,444.85   | 907.57     | 6,495.52              | 0.00                  | 0.00                 | 0.00                |
| 14,700.00           | 90.17           | 359.68      | 8,670.20            | 6,544.85   | 907.02     | 6,595.18              | 0.00                  | 0.00                 | 0.00                |
| 14,800.00           | 90.17           | 359.68      | 8,669.91            | 6,644.84   | 906.47     | 6,694.84              | 0.00                  | 0.00                 | 0.00                |
| 14,900.00           | 90.17           | 359.68      | 8,669.61            | 6,744.84   | 905.92     | 6,794.50              | 0.00                  | 0.00                 | 0.00                |
| 15,000.00           | 90.17           | 359.68      | 8,669.31            | 6,844.84   | 905.37     | 6,894.16              | 0.00                  | 0.00                 | 0.00                |
| 15,100.00           | 90.17           | 359.68      | 8,669.02            | 6,944.84   | 904.81     | 6,993.82              | 0.00                  | 0.00                 | 0.00                |
| 15,200.00           | 90.17           | 359.68      | 8,668.72            | 7,044.84   | 904.26     | 7,093.48              | 0.00                  | 0.00                 | 0.00                |
| 15,300.00           | 90.17           | 359.68      | 8,668.42            | 7,144.83   | 903.71     | 7,193.14              | 0.00                  | 0.00                 | 0.00                |
| 15,400.00           | 90.17           | 359.68      | 8,668.12            | 7,244.83   | 903.16     | 7,292.80              | 0.00                  | 0.00                 | 0.00                |
| 15,500.00           | 90.17           | 359.68      | 8,667.83            | 7,344.83   | 902.61     | 7,392.46              | 0.00                  | 0.00                 | 0.00                |
| 15,600.00           | 90.17           | 359.68      | 8,667.53            | 7,444.83   | 902.06     | 7,492.12              | 0.00                  | 0.00                 | 0.00                |



# Oxy

## Planning Report

|                  |                                     |                                     |                                       |
|------------------|-------------------------------------|-------------------------------------|---------------------------------------|
| <b>Database:</b> | HOPSPP                              | <b>Local Co-ordinate Reference:</b> | Well Nimitz MDP1 12-1 Federal Com 22H |
| <b>Company:</b>  | ENGINEERING DESIGNS                 | <b>TVD Reference:</b>               | RKB=26.5' @ 3513.70ft                 |
| <b>Project:</b>  | PRD NM DIRECTIONAL PLANS (NAD 1983) | <b>MD Reference:</b>                | RKB=26.5' @ 3513.70ft                 |
| <b>Site:</b>     | Nimitz MDP1 12_1                    | <b>North Reference:</b>             | Grid                                  |
| <b>Well:</b>     | Nimitz MDP1 12-1 Federal Com 22H    | <b>Survey Calculation Method:</b>   | Minimum Curvature                     |
| <b>Wellbore:</b> | Wellbore #1                         |                                     |                                       |
| <b>Design:</b>   | 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) |
| 15,700.00           | 90.17           | 359.68      | 8,667.23            | 7,544.83   | 901.51     | 7,591.78              | 0.00                  | 0.00                 | 0.00                |
| 15,800.00           | 90.17           | 359.68      | 8,666.94            | 7,644.82   | 900.96     | 7,691.44              | 0.00                  | 0.00                 | 0.00                |
| 15,900.00           | 90.17           | 359.68      | 8,666.64            | 7,744.82   | 900.41     | 7,791.10              | 0.00                  | 0.00                 | 0.00                |
| 16,000.00           | 90.17           | 359.68      | 8,666.34            | 7,844.82   | 899.86     | 7,890.76              | 0.00                  | 0.00                 | 0.00                |
| 16,100.00           | 90.17           | 359.68      | 8,666.04            | 7,944.82   | 899.31     | 7,990.42              | 0.00                  | 0.00                 | 0.00                |
| 16,200.00           | 90.17           | 359.68      | 8,665.75            | 8,044.82   | 898.76     | 8,090.08              | 0.00                  | 0.00                 | 0.00                |
| 16,300.00           | 90.17           | 359.68      | 8,665.45            | 8,144.81   | 898.21     | 8,189.74              | 0.00                  | 0.00                 | 0.00                |
| 16,400.00           | 90.17           | 359.68      | 8,665.15            | 8,244.81   | 897.66     | 8,289.40              | 0.00                  | 0.00                 | 0.00                |
| 16,500.00           | 90.17           | 359.68      | 8,664.86            | 8,344.81   | 897.11     | 8,389.06              | 0.00                  | 0.00                 | 0.00                |
| 16,600.00           | 90.17           | 359.68      | 8,664.56            | 8,444.81   | 896.56     | 8,488.72              | 0.00                  | 0.00                 | 0.00                |
| 16,700.00           | 90.17           | 359.68      | 8,664.26            | 8,544.81   | 896.01     | 8,588.38              | 0.00                  | 0.00                 | 0.00                |
| 16,800.00           | 90.17           | 359.68      | 8,663.96            | 8,644.80   | 895.46     | 8,688.05              | 0.00                  | 0.00                 | 0.00                |
| 16,900.00           | 90.17           | 359.68      | 8,663.67            | 8,744.80   | 894.91     | 8,787.71              | 0.00                  | 0.00                 | 0.00                |
| 17,000.00           | 90.17           | 359.68      | 8,663.37            | 8,844.80   | 894.36     | 8,887.37              | 0.00                  | 0.00                 | 0.00                |
| 17,100.00           | 90.17           | 359.68      | 8,663.07            | 8,944.80   | 893.81     | 8,987.03              | 0.00                  | 0.00                 | 0.00                |
| 17,200.00           | 90.17           | 359.68      | 8,662.78            | 9,044.80   | 893.26     | 9,086.69              | 0.00                  | 0.00                 | 0.00                |
| 17,300.00           | 90.17           | 359.68      | 8,662.48            | 9,144.79   | 892.71     | 9,186.35              | 0.00                  | 0.00                 | 0.00                |
| 17,400.00           | 90.17           | 359.68      | 8,662.18            | 9,244.79   | 892.16     | 9,286.01              | 0.00                  | 0.00                 | 0.00                |
| 17,500.00           | 90.17           | 359.68      | 8,661.88            | 9,344.79   | 891.61     | 9,385.67              | 0.00                  | 0.00                 | 0.00                |
| 17,600.00           | 90.17           | 359.68      | 8,661.59            | 9,444.79   | 891.06     | 9,485.33              | 0.00                  | 0.00                 | 0.00                |
| 17,700.00           | 90.17           | 359.68      | 8,661.29            | 9,544.79   | 890.51     | 9,584.99              | 0.00                  | 0.00                 | 0.00                |
| 17,800.00           | 90.17           | 359.68      | 8,660.99            | 9,644.79   | 889.96     | 9,684.65              | 0.00                  | 0.00                 | 0.00                |
| 17,900.00           | 90.17           | 359.68      | 8,660.70            | 9,744.78   | 889.41     | 9,784.31              | 0.00                  | 0.00                 | 0.00                |
| 18,000.00           | 90.17           | 359.68      | 8,660.40            | 9,844.78   | 888.86     | 9,883.97              | 0.00                  | 0.00                 | 0.00                |
| 18,100.00           | 90.17           | 359.68      | 8,660.10            | 9,944.78   | 888.31     | 9,983.63              | 0.00                  | 0.00                 | 0.00                |
| 18,200.00           | 90.17           | 359.68      | 8,659.80            | 10,044.78  | 887.76     | 10,083.29             | 0.00                  | 0.00                 | 0.00                |
| 18,300.00           | 90.17           | 359.68      | 8,659.51            | 10,144.78  | 887.21     | 10,182.95             | 0.00                  | 0.00                 | 0.00                |
| 18,400.00           | 90.17           | 359.68      | 8,659.21            | 10,244.77  | 886.66     | 10,282.61             | 0.00                  | 0.00                 | 0.00                |
| 18,500.00           | 90.17           | 359.68      | 8,658.91            | 10,344.77  | 886.11     | 10,382.27             | 0.00                  | 0.00                 | 0.00                |
| 18,600.00           | 90.17           | 359.68      | 8,658.62            | 10,444.77  | 885.56     | 10,481.93             | 0.00                  | 0.00                 | 0.00                |
| 18,700.00           | 90.17           | 359.68      | 8,658.32            | 10,544.77  | 885.01     | 10,581.59             | 0.00                  | 0.00                 | 0.00                |
| 18,800.00           | 90.17           | 359.68      | 8,658.02            | 10,644.77  | 884.46     | 10,681.25             | 0.00                  | 0.00                 | 0.00                |
| 18,900.00           | 90.17           | 359.68      | 8,657.72            | 10,744.76  | 883.91     | 10,780.91             | 0.00                  | 0.00                 | 0.00                |
| 19,000.00           | 90.17           | 359.68      | 8,657.43            | 10,844.76  | 883.36     | 10,880.57             | 0.00                  | 0.00                 | 0.00                |
| 19,100.00           | 90.17           | 359.68      | 8,657.13            | 10,944.76  | 882.80     | 10,980.23             | 0.00                  | 0.00                 | 0.00                |
| 19,200.00           | 90.17           | 359.68      | 8,656.83            | 11,044.76  | 882.25     | 11,079.89             | 0.00                  | 0.00                 | 0.00                |
| 19,300.00           | 90.17           | 359.68      | 8,656.53            | 11,144.76  | 881.70     | 11,179.56             | 0.00                  | 0.00                 | 0.00                |
| 19,400.00           | 90.17           | 359.68      | 8,656.24            | 11,244.75  | 881.15     | 11,279.22             | 0.00                  | 0.00                 | 0.00                |
| 19,500.00           | 90.17           | 359.68      | 8,655.94            | 11,344.75  | 880.60     | 11,378.88             | 0.00                  | 0.00                 | 0.00                |
| 19,580.91           | 90.17           | 359.68      | 8,655.70            | 11,425.66  | 880.16     | 11,459.51             | 0.00                  | 0.00                 | 0.00                |

| Design Targets  |               |              |          |            |            |                 |                |                     |                    |
|---|---------------|--------------|----------|------------|------------|-----------------|----------------|---------------------|--------------------|
| Target Name   | Dip Angle (°) | Dip Dir. (°) | TVD (ft) | +N/-S (ft) | +E/-W (ft) | Northing (usft) | Easting (usft) | Latitude            | Longitude          |
| PBHL (Nimitz MDP1<br>- hit/miss target<br>- Shape<br>- Point) | 0.00          | 0.00         | 8,655.70 | 11,425.66  | 880.16     | 456,529.70      | 694,182.30     | 32° 15' 14.788602 N | 103° 50' 20.042834 |
| FTP (Nimitz MDP1<br>- plan hits target center<br>- Point)     | 0.00          | 0.00         | 8,686.70 | 993.67     | 937.56     | 446,098.40      | 694,239.70     | 32° 13' 31.561278 N | 103° 50' 19.933658 |

# Oxy

## Planning Report

|                  |                                     |                                     |                                       |
|------------------|-------------------------------------|-------------------------------------|---------------------------------------|
| <b>Database:</b> | HOPSPP                              | <b>Local Co-ordinate Reference:</b> | Well Nimitz MDP1 12-1 Federal Com 22H |
| <b>Company:</b>  | ENGINEERING DESIGNS                 | <b>TVD Reference:</b>               | RKB=26.5' @ 3513.70ft                 |
| <b>Project:</b>  | PRD NM DIRECTIONAL PLANS (NAD 1983) | <b>MD Reference:</b>                | RKB=26.5' @ 3513.70ft                 |
| <b>Site:</b>     | Nimitz MDP1 12_1                    | <b>North Reference:</b>             | Grid                                  |
| <b>Well:</b>     | Nimitz MDP1 12-1 Federal Com 22H    | <b>Survey Calculation Method:</b>   | Minimum Curvature                     |
| <b>Wellbore:</b> | Wellbore #1                         |                                     |                                       |
| <b>Design:</b>   | Permitting Plan                     |                                     |                                       |

| Plan Annotations          |                           |                   |               |                        |  |
|---------------------------|---------------------------|-------------------|---------------|------------------------|--|
| Measured<br>Depth<br>(ft) | Vertical<br>Depth<br>(ft) | Local Coordinates |               | Comment                |  |
|                           |                           | +N/-S<br>(ft)     | +E/-W<br>(ft) |                        |  |
| 3,745.00                  | 3,745.00                  | 0.00              | 0.00          | Build 2.00°/100'       |  |
| 4,494.76                  | 4,486.23                  | 31.88             | 92.19         | Hold 15.00° Tangent    |  |
| 7,530.19                  | 7,418.30                  | 288.57            | 834.44        | Turn 2.00°/100'        |  |
| 8,397.01                  | 8,262.04                  | 438.54            | 940.62        | KOP, Build 10.00°/100' |  |
| 9,148.71                  | 8,686.70                  | 993.67            | 937.56        | Landing Point          |  |
| 19,580.91                 | 8,655.70                  | 11,425.66         | 880.16        | TD at 19580.91' MD     |  |



Project: PRD NM DIRECTIONAL PLANS (NAD 1983)  
Site: Nimitz MDP1 12\_1  
Well: Nimitz MDP1 12-1 Federal Com 22H  
Wellbore: Wellbore #1  
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: Nimitz MDP1 12-1 Federal Com 22H

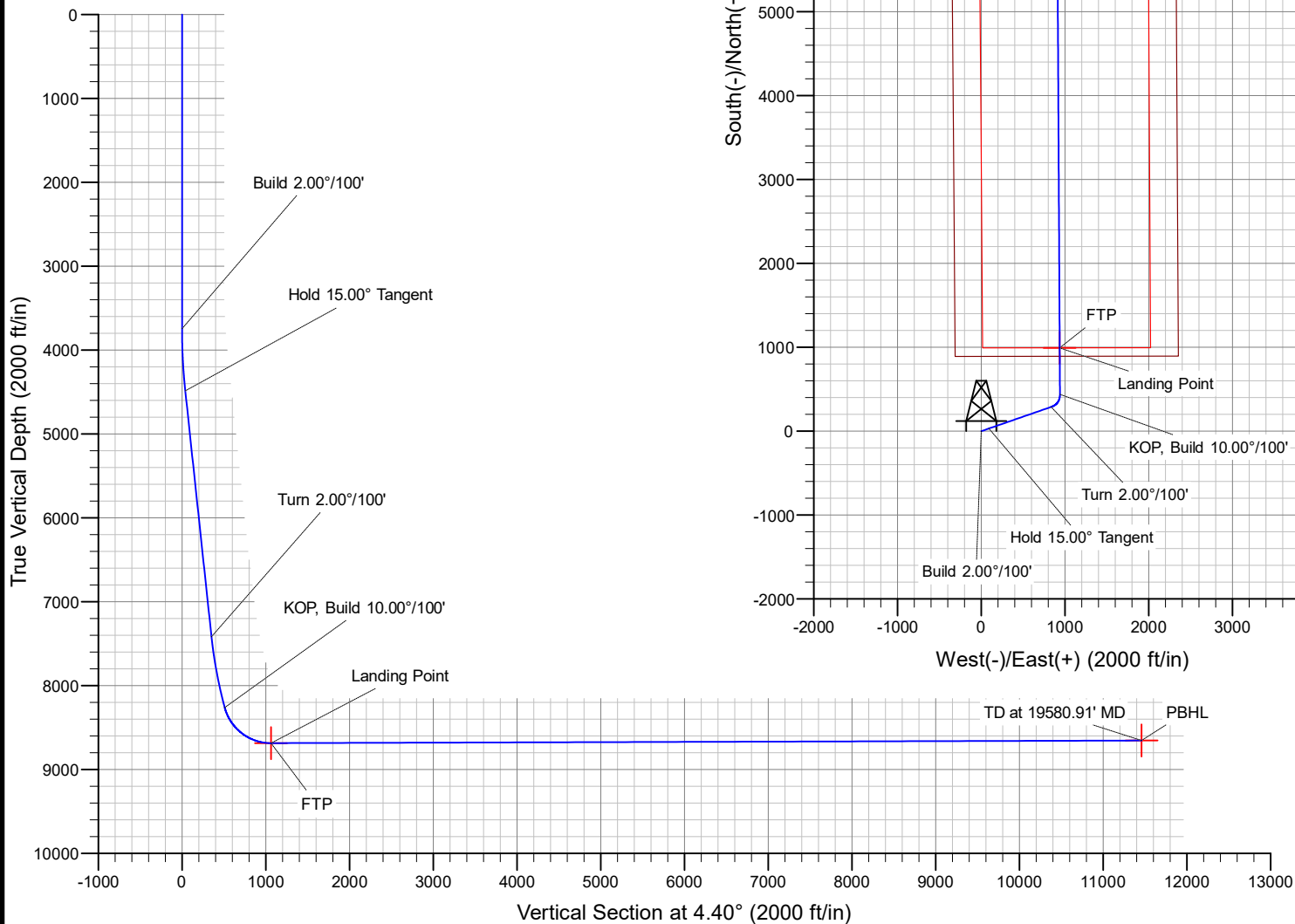
|       |       |               |           |                     |                      |
|-------|-------|---------------|-----------|---------------------|----------------------|
| +N/-S | +E/-W | Ground Level: | 3487.20   | Latitude            | Longitude            |
| 0.00  | 0.00  | Northing      | 445104.80 | 32° 13' 21.771474 N | 103° 50' 30.900460 W |
|       |       | Easting       | 693302.20 |                     |                      |

SECTION DETAILS

| MD       | Inc   | Azi    | TVD     | +N/-S    | +E/-W  | Dleg  | TFace   | VSec     | Annotation             |
|----------|-------|--------|---------|----------|--------|-------|---------|----------|------------------------|
| 0.00     | 0.00  | 0.00   | 0.00    | 0.00     | 0.00   | 0.00  | 0.00    | 0.00     |                        |
| 3745.00  | 0.00  | 0.00   | 3745.00 | 0.00     | 0.00   | 0.00  | 0.00    | 0.00     | Build 2.00°/100'       |
| 4494.76  | 15.00 | 70.92  | 4486.23 | 31.88    | 92.19  | 2.00  | 70.92   | 38.87    | Hold 15.00° Tangent    |
| 7530.19  | 15.00 | 70.92  | 7418.30 | 288.57   | 834.44 | 0.00  | 0.00    | 351.81   | Turn 2.00°/100'        |
| 8397.01  | 15.00 | 359.68 | 8262.04 | 438.54   | 940.62 | 2.00  | -124.67 | 509.49   | KOP, Build 10.00°/100' |
| 9148.71  | 90.17 | 359.68 | 8686.70 | 993.67   | 937.56 | 10.00 | 0.00    | 1062.74  | Landing Point          |
| 19580.91 | 90.17 | 359.68 | 8655.70 | 11425.66 | 880.16 | 0.00  | 0.00    | 11459.51 | TD at 19580.91' MD     |



Azimuths to Grid North  
True North: -0.26°  
Magnetic North: 6.55°  
  
Magnetic Field  
Strength: 47898.9snT  
Dip Angle: 59.92°  
Date: 7/9/2019  
Model: HDGM



# Oxy USA Inc. - Nimitz MDP1 12\_1 Federal Com 22H

## 1. Geologic Formations

|               |        |                               |      |
|---------------|--------|-------------------------------|------|
| TVD of target | 8686'  | Pilot Hole Depth              | N/A  |
| MD at TD:     | 19580' | Deepest Expected fresh water: | 462' |

## Delaware Basin

| Formation          | TVD - RKB    | Expected Fluids |
|--------------------|--------------|-----------------|
| Rustler            | 462          |                 |
| Salado             | 820          | Salt            |
| Castile            | 2,675        | Salt            |
| Lamar/Delaware     | 4,130        | Oil/Gas         |
| Bell Canyon        | 4,154        | Oil/Gas         |
| Cherry Canyon      | 5,080        | Oil/Gas         |
| Brushy Canyon      | 6,365        | Losses          |
| <b>Bone Spring</b> | <b>8,051</b> | <b>Oil/Gas</b>  |

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

## 2. Casing Program

| Hole Size (in)                | Casing Interval |         | Csg. Size (in) | Weight (lbs) | Grade | Conn. | SF Collapse | SF Burst | Buoyant Body SF | Buoyant Joint SF |
|-------------------------------|-----------------|---------|----------------|--------------|-------|-------|-------------|----------|-----------------|------------------|
|                               | From (ft)       | To (ft) |                |              |       |       |             |          | Tension         | Tension          |
| 17.5                          | 0               | 512     | 13.375         | 54.5         | J-55  | BTC   | 1.125       | 1.2      | 1.4             | 1.4              |
| 12.25                         | 0               | 4180    | 9.625          | 43.5         | L-80  | BTC   | 1.125       | 1.2      | 1.4             | 1.4              |
| 8.5                           | 0               | 19580   | 5.5            | 20           | P-110 | DQX   | 1.125       | 1.2      | 1.4             | 1.4              |
| SF Values will meet or Exceed |                 |         |                |              |       |       |             |          |                 |                  |

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

\*Oxy requests the option to set casing shallower yet still below the salts if losses or hole conditions require this. Cement volumes may be adjusted if casing is set shallower and a DV tool may be run in case hole conditions merit pumping a second stage cement job to comply with permitted top of cement. If cement circulated to surface during first stage, we will drop a cancellation cone and not pump the second stage.

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

## Annular Clearance Variance Request

As per the agreement reached in the Oxy/BLM 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      |

**Oxy USA Inc. - Nimitz MDP1 12 1 Federal Com 22H**

|  |   |
|--|---|
| 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?  | Y |
| If yes, are the first 2 strings cemented to surface and 3 <sup>rd</sup> string cement tied back 500' into previous casing?                       | Y |
| Is well located in R-111-P and SOPA?   | N |
| If yes, are the first three strings cemented to surface?   |   |
| Is 2 <sup>nd</sup> string set 100' to 600' below the base of salt?   |   |
| 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

| Casing String  | # Sks | Wt.<br>(lb/gal) | Yld<br>(ft3/sack) | H2O<br>(gal/sk) | 500#<br>Comp.<br>Strength<br>(hours) | Slurry Description                         |
|--|-------|-----------------|-------------------|-----------------|--------------------------------------|--|
| Surface (Lead)   | N/A   | N/A             | N/A               | N/A             | N/A                                  | N/A  |
| Surface (Tail)   | 546   | 14.8            | 1.33              | 6.365           | 5:26                                 | Class C Cement, Accelerator                |
| Intermediate (Lead)  | 968   | 12.9            | 1.73              | 8.784           | 15:26                                | Pozzolan Cement, Retarder                  |
| Intermediate (Tail)  | 155   | 14.8            | 1.33              | 6.368           | 7:11                                 | Class C Cement, Accelerator                |
| Production 1st Stage (Lead)  | 294   | 13.2            | 1.38              | 6.692           | 17:50                                | Class H Cement, Retarder, Dispersant, Salt |
| Production 1st Stage (Tail)  | 2018  | 13.2            | 1.38              | 6.686           | 3:49                                 | Class H Cement, Retarder, Dispersant, Salt |
| 2nd Stage Production Lead Slurry to be pumped as Bradenhead Squeeze from surface, down the Production annulus. |       |                 |                   |                 |                                      |  |
| Production 2nd Stage (Tail)  | 900   | 12.9            | 1.872             | 10.11           | 21:54                                | Class C Cement, Accelerator                |

| Casing String               | Top (ft) | Bottom (ft) | % Excess |
|-----------------------------|----------|-------------|----------|
| Surface (Lead)              | N/A      | N/A         | N/A      |
| Surface (Tail)              | 0        | 512         | 100%     |
| Intermediate (Lead)         | 0        | 3680        | 50%      |
| Intermediate (Tail)         | 3680     | 4180        | 20%      |
| Production 1st Stage (Lead) | 6365     | 8051        | 5%       |
| Production 1st Stage (Tail) | 8051     | 19580       | 5%       |
| Production 2nd Stage (Tail) | 0        | 6365        | 25%      |

**\*Offline Cementing Request\***

OXY respectfully requests a variance to cement the 9-5/8" and/or 7-5/8" intermediate casing strings offline.

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:              |
|--|---------|------------------|------------|---|-------------------------|
| 12.25" Hole  | 13-5/8" | 3M               | Annular    | ✓ | 70% of working pressure |
|  |         | 3M               | Blind Ram  | ✓ | 250 psi / 3000 psi      |
|  |         |                  | Pipe Ram   |   |                         |
|  |         |                  | Double Ram | ✓ |                         |
|  |         |                  | Other*     |   |                         |
| 8.5" Hole  | 13-5/8" | 3M               | Annular    | ✓ | 70% of working pressure |
|  |         | 3M               | Blind Ram  | ✓ | 250 psi / 3000 psi      |
|  |         |                  | Pipe Ram   |   |                         |
|  |         |                  | Double Ram | ✓ |                         |
|  |         |                  | Other*     |   |                         |

\*Specify if additional ram is utilized.

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Oxy will utilize a 5M annular with a 10M BOPE stack. The 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. See attached schematics.

|   |  |
|---|--|
|   | Formation integrity test will be performed per Onshore Order #2.<br>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.<br><br>See attached schematics. |

### BOP Break Testing Request

As per the agreement reached in the Oxy/BLM meeting on Feb 22, 2018, Oxy requests permission to allow BOP Break Testing under the following conditions:

- After a full BOP test is conducted on the first well on the pad.
- When skidding to drill an intermediate section that casing point is either shallower than the third Bone Spring or 10,000 feet TVD.
- Full BOP test will be required prior to drilling any production hole.

### 5. Mud Program

| Depth     |         | Type                         | Weight (ppg) | Viscosity | Water Loss |
|-----------|---------|------------------------------|--------------|-----------|------------|
| From (ft) | To (ft) |                              |              |           |            |
| 0         | 512     | Water-Based Mud              | 8.6-8.8      | 40-60     | N/C        |
| 512       | 4180    | Saturated Brine-Based Mud    | 9.8-10.0     | 35-45     | N/C        |
| 4180      | 19580   | Water-Based or Oil-Based Mud | 8.0-9.6      | 38-50     | N/C        |

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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     | ICP - TD |
| No                      | PEX         |          |

## 7. Drilling Conditions

| Condition                     | Specify what type and where? |
|-------------------------------|------------------------------|
| BH Pressure at deepest TVD    | 4337 psi                     |
| Abnormal Temperature          | No                           |
| BH Temperature at deepest TVD | 150°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 isolation.

|  |                   |
|--|-------------------|
| 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. | Yes    |



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|  |     |
|--|-----|
| <ul style="list-style-type: none"><li>We plan to drill the four 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.</li></ul>  |     |
| Will more than one drilling rig be used for drilling operations? If yes, describe. <ul style="list-style-type: none"><li>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.</li></ul> | Yes |

**Total estimated cuttings volume:** 1767.9 bbls.

**9. Company Personnel**

| <u>Name</u>      | <u>Title</u>                 | <u>Office Phone</u> | <u>Mobile Phone</u> |
|------------------|------------------------------|---------------------|---------------------|
| Linsay Earle     | Drilling Engineer            | 713-350-4921        | 832-596-5507        |
| Margaret Giltner | Drilling Engineer Supervisor | 713-366-5026        | 210-683-8480        |
| Simon Benavides  | Drilling Superintendent      | 713-522-8652        | 281-684-6897        |
| Diego Tellez     | Drilling Manager             | 713-350-4602        | 713-303-4932        |