

Split Estate

Form 3160-3
(March 2012)

HIGH CAVEKARST

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCD Artesia

APPLICATION FOR PERMIT TO DRILL OR REENTER

FORM APPROVED
OMB No. 1004-0137
Expires October 31, 20145 Lease Serial No.
NMNM 99016

6 If Indian, Allottee or Tribe Name

7 If Unit or CA Agreement, Name and No

8 Lease Name and Well No.

OSAGE "18" FEE B COM #1H

9 API Well No.

10 Field and Pool, or Exploratory

North Seven Rivers; Gloneta-Yeso

11 Sec, T R M or Blk and Survey or Area
N, SEC 18, T20S, R25E

12 County or Parish

EDDY

13. State

NM

1a. Type of work: ☒ DRILL☐ REENTER1b. Type of Well ☒ Oil Well☐ Gas Well ☐ Other☒ Single Zone☐ Multiple Zone

2 Name of Operator OXY USA INC

3a Address P.O. BOX 4294
HOUSTON, TX 772103b Phone No. (include area code)
713-513-6640

4. Location of Well (Report location clearly and in accordance with any State requirements.)*

At surface 480' FSL & 2160' FWL

At proposed prod. zone 330' FNL & 2260' FWL

14 Distance in miles and direction from nearest town or post office*

20 miles Northwes of Carlsbad, NM

15 Distance from proposed* 480'
location to nearest
property or lease line, ft
(Also to nearest drig. unit line, if any)16 No. of acres in lease
198.817. Spacing Unit dedicated to this well
16018. Distance from proposed location* 1201'
to nearest well, drilling, completed,
applied for, on this lease, ft19 Proposed Depth
6816' MD / 2600' TVD20. BLM/BIA Bond No on file
ESB00022621 Elevations (Show whether DF, KDB, RT, GL, etc)
3567.8'22 Approximate date work will start*
12/05/201223 Estimated duration
10 DAYS

24. Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No 1, must be attached to this form

1 Well plat certified by a registered surveyor

2 A Drilling Plan

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)

5 Operator certification

6 Such other site specific information and/or plans as may be required by the
BLM.

25 Signature

Name (Printed/Typed)

JENNIFER DUARTE (jennifer_duarte@oxy.com)

Date

05/31/2012

Title

REGULATORY ANALYST

Approved by (Signature)

/s/ Don Peterson

Name (Printed/Typed)

/s/ Don Peterson

Date

SEP 26 2012

Title

FIELD MANAGER

Office

CARLSBAD FIELD OFFICE

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

APPROVAL FOR TWO YEARS

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.

(Continued on page 2)

*(Instructions on page 2)

Roswell Controlled Water Basin

Approval Subject to General Requirements
& Special Stipulations AttachedSEE ATTACHED FOR
CONDITIONS OF APPROVAL

District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-402
Revised October 12, 2005
Submit to Appropriate District Office
State Lease- 4 Copies
Fee Lease- 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-015-40760	Drill Circle 97565	Drill Name North Seven Rivers; Glorieta-Y230
Property Code 39484	Property Name OSAGE "18" FEE B COM	Well Number 1H
OCRD No. 116696	Operator Name OXY USA INC.	Elevation 3567.8'

Surface Location

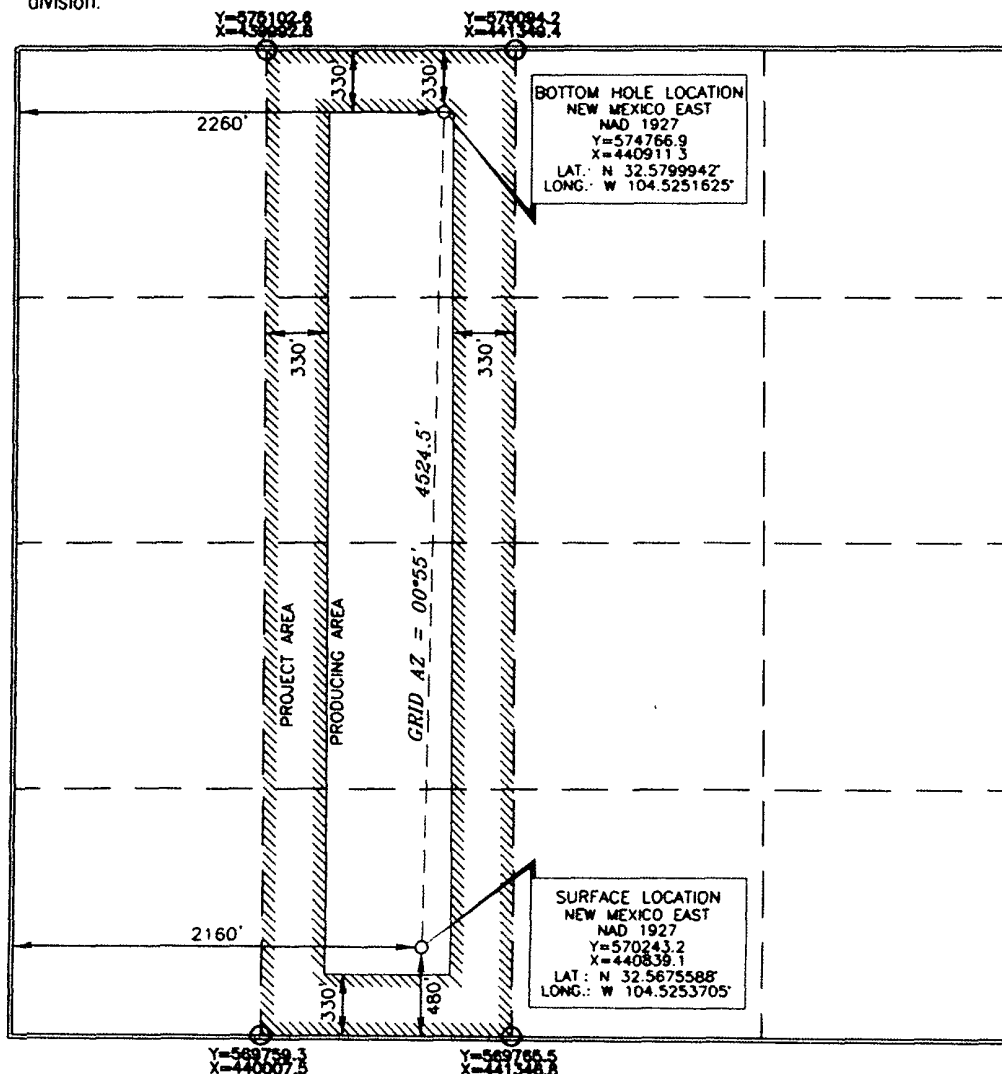
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
N	18	20 SOUTH	25 EAST, N.M.P.M.		480'	SOUTH	2160'	WEST	EDDY

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
C	18	20 SOUTH	25 EAST, N.M.P.M.		330'	NORTH	2260'	WEST	EDDY

Dedicated Acres	Joint or Infill	Consolidation Code	Order No.

No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.



OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or 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 a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

Jennifer Duarte 5/31/12
Signature Date
Jennifer Duarte
Printed Name

SURVEYOR CERTIFICATION

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

15079
SEPTEMBER 21, 2011
Date of Survey
Signature and Seal of Professional Surveyor
Jerry A. ... 10/11/2011
Certificate Number **15079**

WO# 110921WL-b-XY (KA)



**Taylor Cann, RPL
Land Negotiator**

OXY USA Inc.
Box 4294, Houston, TX 77210-4294

**Phone (713) 366-5119
Cell (832) 291-9168
Fax (713) 985-1859
Taylor_Cann@oxy.com**

United States Department of the Interior
Bureau of Land Management
Carlsbad Field Office
620 East Greene Street
Carlsbad, New Mexico 88220

Attention: Linda Denniston

RE: Osage 18 Fee B Com 1H

Eddy County, New Mexico

STATEMENT ACCEPTING RESPONSIBILITY FOR OPERATIONS

OPERATOR NAME: OXY USA Inc.
ADDRESS: P.O. Box 4294
Houston, Texas 77210-4294

The undersigned accepts all applicable terms, conditions, stipulations, and restrictions concerning operations conducted on the leased land or portion thereof, as described below:

LEASE NO.: NMNM 99016
LEGAL DESCRIPTION:
Surface Location: 480' FSL & 2160' FWL
Bottom Hole Location: 330' FNL & 2260' FWL
Section 18-T20S-R25E
Eddy County, New Mexico

FORMATIONS: None

BOND COVERAGE: Nationwide

BLM BOND FILE NO.: ES 0136

AUTHORIZED SIGNATURE:

OXY USA Inc.

Taylor Cann

TITLE: Land Negotiator

DATE: February 7, 2012

cc: David Stewart

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 that presently 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. Executed this 30th day of May, 2012.

Name: David Schellstede 
Position: Reservoir Management Team Leader
Address: 5 Greenway Plaza, Suite 110, Houston, TX 77046
Telephone: 713-366-5013
E-mail: (optional): david_schellstede@oxy.com
Company: OXY USA Inc.
Field Representative (if not above signatory): Dusty Weaver
Address (If different from above): P.O. Box 50250 Midland, TX 79710
Telephone (if different from above): 432-685-5723
E-mail (if different from above): calvin_weaver@oxy.com

OXY USA Inc
Osage 18 Fee B Com # 1H
APD Data

OPERATOR NAME / NUMBER: OXY USA Inc 16696

LEASE NAME / NUMBER: Osage 18 Fee B Com # 1H **Federal Lease No:**

STATE: NM **COUNTY:** Eddy

SURFACE LOCATION: 480' FSL & 2160' FWL, Sec 18, T20S, R25E

BOTTOM HOLE LOCATION: 330' FNL & 2260' FWL, Sec. 18, T20S, R25E

C-102 PLAT APPROX GR ELEV: 3567.8'

EST KB ELEV: 3584.3' (16.5' KB)

1. GEOLOGIC NAME OF SURFACE FORMATION

a. Permian

2. ESTIMATED TOPS OF GEOLOGICAL MARKERS & DEPTHS OF ANTICIPATED FRESH WATER, OIL OR GAS

Formation	TVD	(SS) ft	Margin of Error	Expected Fluids
T. Grayburg	0	3560	50	Form Water
T. San Andres	265	3295	50	Form Water
T. Glorietta	2270	1292	50	Oil
T. Yeso Target Depth	2600	962	50	Oil
T. BSPG Sands (Base Yeso)	3250	313	50	Oil

A. 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.

B. There is no indication of the presence of fresh water.

LATERAL GREATEST PROJECTED TD 6816' MD/ 2600' TVD **OBJECTIVE:** Yeso

3. CASING PROGRAM

Surface Casing: 9.625" casing set at $\pm 400'$ MD/ ~~400'~~ TVD in a 12.25" hole filled with 8.40 ppg mud

Interval	Length	Wt	Gr	Cplg	Coll Rating (psi)	Burst Rating (psi)	Jt Str (M-lbs)	ID (in)	Drift (in)	SF Coll	SF Burst	SF Ten
0'-400'	400'	36	J-55	ST&C	2020	3520	394	8.921	8.765	14.99	3.09	27.36

680

Production Casing: 5.5" casing set at $\pm 6816'$ MD / 2600' TVD in a 8.75" hole filled with 9.20 ppg mud

Interval	Length	Wt	Gr	Cplg	Coll Rating (psi)	Burst Rating (psi)	Jt Str (M-lbs)	ID (in)	Drift (in)	SF Coll	SF Burst	SF Ten
0'-6816'	6816'	17	J-55	LT-C	4910	5320	247	4.89	4.77	3.48	4.81	2.23

Collapse and burst loads calculated using Stress Check with actual anticipated loads.
All tubulars are new.

4. CEMENT PROGRAM:

Surface Interval

See Cont

Interval	Amount sx	Ft of Fill	Type	Gal/Sk	PPG	Ft ³ /sk	24 Hr Comp
Surface (TOC: 0' - 400')							
Tail: 0' - 400' (100% Excess)	200	400	Premium Plus cement with 2% Calcium Chloride	6.39	14.80	1.35	1408 psi

Production Interval

Interval	Amount sx	Ft of Fill	Type	Gal/Sk	PPG	Ft ³ /sk	24 Hr Comp
Production (TOC: 0-6817')							
Lead: 0' - 1500' (100 % Excess)	200	1500'	Interfill C with 0.5% LAP-1 (Fluid Loss Control) and 0.25% D-AIR 5000 (Defoamer)	14.31	11.90	2.47	262 psi
Tail: 1500' - 6817' (100% Excess)	1490	5317'	50/50 Poz Premium Plus with 0.4% CFR-3 (Dispersant), 0.4% LAP-1 (LFLC), 0.25 lb/sk D-AIR 5000, 0.125 lbm/sk Poly-E-Flake	5.67	14.2	1.26	1317 psi

5. DIRECTIONAL PLAN

Please see attached directional plan

6. PRESSURE CONTROL EQUIPMENT

Surface: 0 – 400' None.

Pilot and Production: 0 - 6817' . The minimum working pressure of the blowout preventer (BOP) and related equipment (BOPE) required to drill below the surface casing shoe shall be 3000 (3M) psi . Operator will be using a 11" 5M two ram stack w/ 3M annular preventer, & 5M Choke Manifold.

- a. The 11" 5000 psi blowout prevention equipment will be installed and operational after setting the 9 5/8" surface casing and the 9.625" SOW x 11" 3K conventional wellhead; the rotating head body will be installed but the rubber will be installed when it becomes operationally necessary.
- b. The BOP and ancillary BOPE will be tested by a third party upon installation of the 9 5/8 ", J-55, 36ppf surface casing. All equipment will be tested to 250/3000 psi for 10 minutes and charted, except the annular, which will be tested to 70% of working pressure. This is to be in compliance with the Onshore Order # 2 which states the BOPE shall be tested to full working pressure when isolated from casing (except the annular.)
- c. The pipe rams will be functionally tested during each 24 hour period; the blind rams will be functionally tested on each trip out of the hole. These functional tests will be documented on the Daily Driller's Log. Other accessory equipment (BOPE) will include a safety valve and subs as needed to fit all drill strings, and a 2" kill line and 3 " choke line having a 5000 psi WP rating. Oxy requests that the system be tested at 5,000 psi WP.
- d. Oxy requests a variance if H&P 344 is used to drill this well to use a co-flex line between the BOP and choke manifold. See attached schematic.
Manufacturer: ContiTech Beattie Co.
Serial Number: 60220
Length: 25' Size: 3" Ends: flanges
WP rating: 5000 psi Anchors required by manufacturer: No
- e. See attached BOP & Choke manifold diagrams.

7. MUD PROGRAM:

Depth	Mud Wt ppg	Vis Sec	Fluid Loss	Type System
0 – 400' to 80'	8.4 – 8.8	32 – 38	NC	Fresh Water /Spud Mud
400' – 6817'	9.0 – 9.2	28 – 29	NC	Salt Gel

Remarks: 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.

8. AUXILIARY WELL CONTROL AND MONITORING EQUIPMENT

- a. A Kelly cock will be in the drill string at all times.

- b. A full opening drill pipe stabbing valve having the appropriate connections will be on the rig floor unobstructed and readily accessible at all times.
- c. Hydrogen Sulfide detection equipment will be in operation after drilling out the surface casing shoe until the production casing is cemented. Breathing equipment will be on location upon drilling the surface casing shoe until total depth is reached. **If Hydrogen Sulfide is encountered , measured amounts and formations will be reported to the BLM**

9. POTENTIAL HAZARDS:

- A. H2S detection equipment will be in operation after drilling out the surface casing shoe until the production casing has been cemented. Breathing equipment will be on location from drilling out the surface shoe until production casing is cemented. If H2S is encountered the operator will comply with Onshore Order #6.
- B. No abnormal temperatures or pressures are anticipated. The highest anticipated pressure gradient is 0.459 psi/ft. Maximum anticipated bottom hole pressure is 1195 psi.
- C. All personnel will be familiar with all aspects of safe operation of equipment being used to drill this well. Adequate flare lines will be installed off the mud/gas separator where gas may be flared safely.

10. ANTICIPATED STARTING DATE AND DURATION OF OPERATIONS

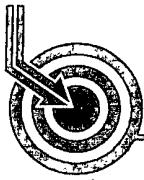
Road and location construction will begin after the BLM has approved the APD. Anticipated spud date will be as soon as possible after BLM approval and as soon as a rig will be available. Move in operations and drilling is expected to take 35 days. If production casing is run, then an additional 30 days will be needed to complete the well and construct surface facilities and/or lay flow lines in order to place well on production.

10. WIRELINE LOGGING

Run Gamma/Neutron/Density/Resistivity from TD to Surface casing, with Gamma/Neutron to surface.

COMPANY PERSONNEL:

<u>Name</u>	<u>Title</u>	<u>Office Phone</u>	<u>Mobile Phone</u>
Carlos Mercado	Drilling Engineer	(713)366-5418	(713) 455-3481
Victor Guerra	Drilling Engineer Supervisor	(713)215-7256	(832) 659-3911
Sergio Abauat	Drilling Superintendent	(713)366-5689	(832) 531-5636
Douglas Chester	Drilling Manager	(713)366-5194	(713) 918-9124



Scientific Drilling

OXY

Eddy County, New Mexico: Osage

Osage

Osage 18 Fee B Com 1H

Original Wellbore

Plan: Design #1

Standard Planning Report

06 January, 2012





Scientific Drilling

Project: Eddy County, New Mexico: Osage
 Site: Osage
 Well: Osage 18 Fee B Com 1H
 Wellbore: Original Wellbore
 Design: Design #1



PROJECT DETAILS: Eddy County, New Mexico Osage

Geodetic System US State Plane 1927 (Exact solution)
 Datum NAD 1927 (NADCON CONUS)
 Ellipsoid Clarke 1866
 Zone New Mexico East 3001
 System Datum Mean Sea Level

SITE DETAILS: Osage

Northing 570099.80
 Easting 442226.80
 Elevation 3567.80
 KB KB @ 3584.30usft (H&P 345)

CASING DETAILS

TVD	MD	Size
400.00	400.00	9-5/8
2600.00	6816.88	5-1/2

SECTION DETAILS

MD	Inc	Azi	TVD	+N/-S	+E/-W	Dleg	Vsect	Target
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
1883.80	0.00	0.00	1883.80	0.00	0.00	0.00	0.00	
3008.80	90.00	0.91	2600.00	716.11	11.43	8.00	716.20	
6816.88	90.00	0.91	2600.00	4523.70	72.20	0.00	4524.28	BHL

FORMATION TOP DETAILS

TVDPath	MDPath	Formation
350.00	350.00	T Grayburg
650.00	650.00	T San Andres
2190.00	2200.19	T Glorieta
2330.00	2365.51	T Yeso
2600.00	3008.80	Lateral TGT Window
2600.00	3008.80	T Yeso Target Depth

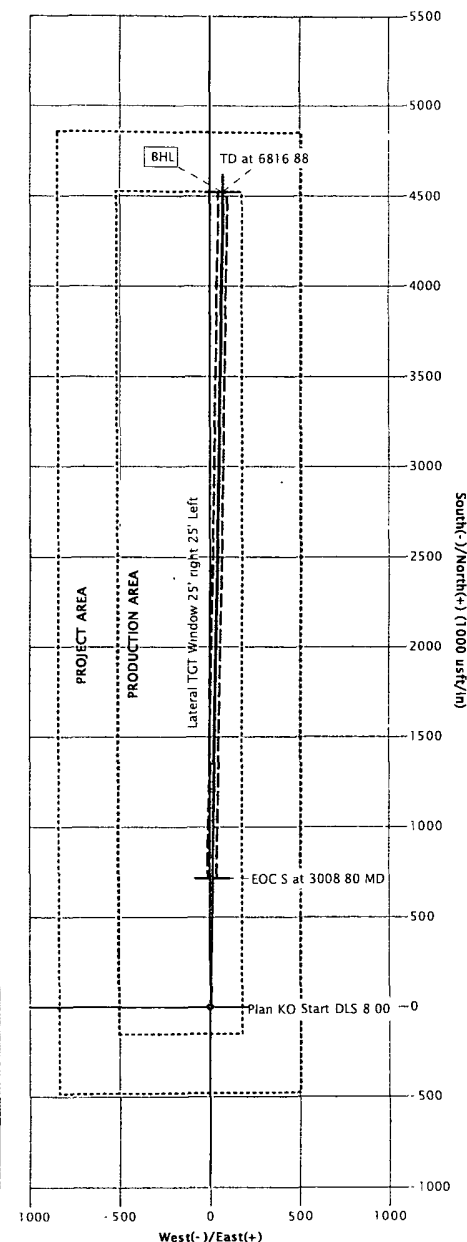
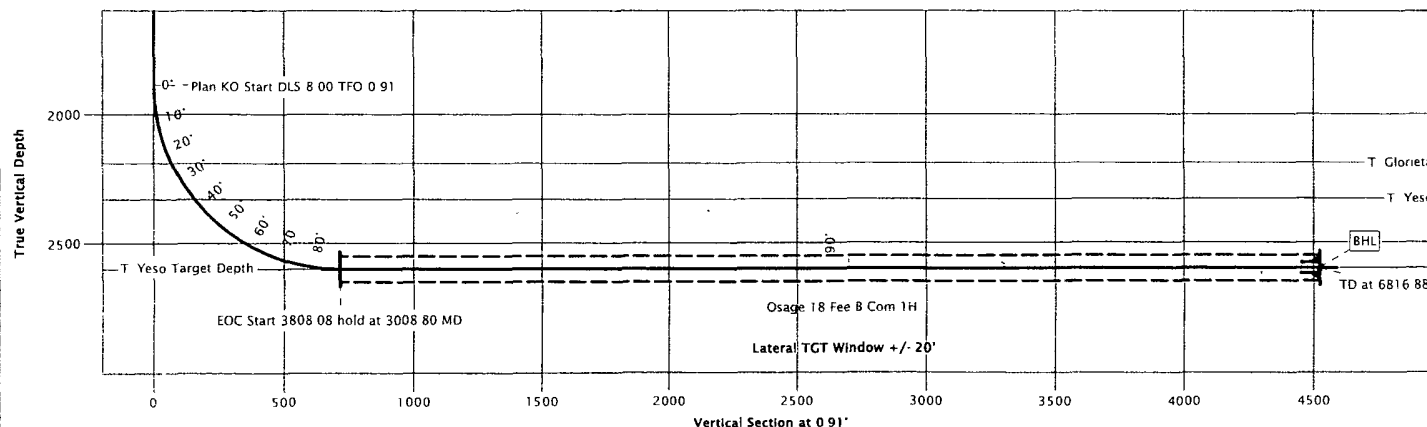
DESIGN TARGET DETAILS

Name	TVD	+N/-S	+E/-W	Northing	Easting	Shape
Lateral TGT Window	2600.00	716.11	11.43	570959.31	440850.53	Rectangle
Osage 18 Fee B Com 1H BHL	2600.00	4523.70	72.20	574766.90	440911.30	Point



Azimuths to Grid North
 True North 0.10°
 Magnetic North 8.08°

Magnetic Field
 Strength 48658.0snT
 Dip Angle 60.32°
 Date 01/06/2012
 Model IGRF2010



Database:	EDM-OXY-DB	Local Co-ordinate Reference:	Well Osage 18 Fee B Com 1H
Company:	OXY	TVD Reference:	KB @ 3584 30usft (H&P 345)
Project:	Eddy County, New Mexico Osage	MD Reference:	KB @ 3584 30usft (H&P 345)
Site:	Osage	North Reference:	Grid
Well:	Osage 18 Fee B Com 1H	Survey Calculation Method:	Minimum Curvature
Wellbore:	Original Wellbore		
Design:	Design #1		

Project:	Eddy County, New Mexico Osage, New Mexico, Osage 18		
Map System:	US State Plane 1927 (Exact solution)	System Datum:	Mean Sea Level
Geo Datum:	NAD 1927 (NADCON CONUS)		
Map Zone:	New Mexico East 3001		

Site:	Osage		
Site Position:	Map	Northing:	570,099.80 usft
From:		Easting:	442,226.80 usft
Position Uncertainty:	0.00 usft	Slot Radius:	13-3/16 "
		Latitude:	32° 34' 1.817 N
		Longitude:	104° 31' 15.114 W
		Grid Convergence:	-0 10 °

Well:	Osage 18 Fee B Com 1H		
Well Position	+N/-S	143.40 usft	Northing:
	+E/-W	-1,387.70 usft	Easting:
Position Uncertainty	0.00 usft	Wellhead Elevation:	Ground Level:
			3,567.80 usft

Wellbore:	Original Wellbore		
Magnetics:	Model Name	Sample Date	Declination
	IGRF2010	01/06/12	7.98
			60.32
			48,658

Design:	Design #1		
Audit Notes:			
Version:	Phase:	PROTOTYPE	Tie On Depth:
			0.00
Vertical Section:	Depth From (TVD)	+N/-S	+E/-W
	(usft)	(usft)	(usft)
	2,600.00	0.00	0.00
			0.91

Plan Sections										
Measured Depth	Inclination	Azimuth	Vertical Depth	+N/-S	+E/-W	Dogleg Rate	Build Rate	Turn Rate	TFO	Target
(usft)	(°)	(°)	(usft)	(usft)	(usft)	(°/100usft)	(°/100usft)	(°/100usft)	(%)	
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
1,883.80	0.00	0.00	1,883.80	0.00	0.00	0.00	0.00	0.00	0.00	
3,008.80	90.00	0.91	2,600.00	716.11	11.43	8.00	8.00	0.08	0.91	
6,816.88	90.00	0.91	2,600.00	4,523.70	72.20	0.00	0.00	0.00	0.00	Osage 18 Fee B Com

Database:	EDM-OXY-DB	Local Co-ordinate Reference:	Well Osage 18 Fee B Com 1H
Company:	OXY	TVD Reference:	KB @ 3584 30usft (H&P 345)
Project:	Eddy County, New Mexico Osage	MD Reference:	KB @ 3584 30usft (H&P 345)
Site:	Osage	North Reference:	Grnd
Well:	Osage 18 Fee B Com 1H	Survey Calculation Method:	Minimum Curvature
Wellbore:	Original Wellbore		
Design:	Design #1		

Planned Survey									
Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Vertical Section (usft)	Dogleg Rate (%/100usft)	Build Rate (%/100usft)	Turn Rate (%/100usft)
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
350.00	0.00	0 00	350.00	0 00	0.00	0.00	0.00	0 00	0 00
T. Grayburg									
400.00	0 00	0.00	400.00	0 00	0.00	0 00	0 00	0 00	0 00
9 5/8"									
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
650.00	0.00	0.00	650.00	0.00	0.00	0.00	0 00	0 00	0 00
T. San Andres									
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
1,883.80	0 00	0.00	1,883.80	0 00	0.00	0.00	0 00	0 00	0.00
Plan KO Start DLS 8.00 TFO 0.91									
1,900.00	1 30	0 91	1,900.00	0 18	0 00	0 18	8 00	8 00	0 00
1,950.00	5 30	0 91	1,949.91	3 06	0 05	3 06	8 00	8 00	0 00
2,000.00	9 30	0 91	1,999.49	9 40	0 15	9 41	8 00	8 00	0 00
2,050.00	13 30	0 91	2,048.51	19.20	0 31	19.20	8 00	8 00	0.00
2,100.00	17 30	0 91	2,096.73	32.38	0 52	32.39	8 00	8 00	0.00
2,150.00	21 30	0 91	2,143.91	48.90	0 78	48.90	8 00	8.00	0.00
2,200.00	25 30	0 91	2,189.83	68.67	1 10	68.67	8 00	8 00	0 00
2,200.19	25 30	0 91	2,190.00	68.75	1 10	68.76	0 00	0 00	0 00
T. Glorieta									
2,250.00	29 30	0 91	2,234.25	91.59	1 46	91.60	8 03	8 03	0.00
2,300.00	33 30	0 91	2,276.97	117.55	1 88	117.57	8 00	8 00	0 00
2,350.00	37 30	0 91	2,317.77	146.43	2 34	146.45	8.00	8.00	0.00
2,365.51	38 54	0 91	2,330.00	155.96	2 49	155.98	8 00	8 00	0 00
T. Yeso									
2,400.00	41 30	0 91	2,356.45	178.09	2.84	178.11	8 00	8 00	0 00
2,450.00	45 30	0 91	2,392.84	212.37	3 39	212.39	8 00	8 00	0 00
2,500.00	49 30	0 91	2,426.74	249.10	3.98	249.13	8 00	8 00	0.00
2,550.00	53 30	0 91	2,458.00	288.10	4 60	288.14	8 00	8 00	0.00
2,600.00	57 30	0 91	2,486.46	329.19	5.25	329.24	8 00	8 00	0 00
2,650.00	61 30	0 91	2,511.99	372.17	5.94	372.22	8 00	8 00	0 00
2,700.00	65 30	0 91	2,534.45	416.82	6 65	416.88	8 00	8.00	0 00
2,750.00	69 30	0 91	2,553.74	462.93	7 39	462.99	8.00	8.00	0 00
2,800.00	73 30	0 91	2,569.78	510.28	8.14	510.34	8.00	8 00	0 00
2,850.00	77 30	0 91	2,582.46	558.62	8 92	558.70	8.00	8 00	0 00
2,900.00	81 30	0 91	2,591.75	607.74	9 70	607.82	8 00	8.00	0.00
2,950.00	85 30	0 91	2,597.58	657.38	10 49	657.46	8 00	8 00	0 00
3,000.00	89 30	0 91	2,599.94	707.31	11.29	707.40	8 00	8.00	0 00



SDI
Planning Report



Database:	EDM-OXY-DB	Local Co-ordinate Reference:	Well Osage 18 Fee B Com 1H
Company:	OXY	TVD Reference:	KB @ 3584 30usft (H&P 345)
Project:	Eddy County, New Mexico: Osage	MD Reference:	KB @ 3584 30usft (H&P 345)
Site:	Osage	North Reference:	Grid
Well:	Osage 18 Fee B Com 1H	Survey Calculation Method:	Minimum Curvature
Wellbore:	Original Wellbore		
Design:	Design #1		

Planned Survey:									
Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	N/S (usft)	E/W (usft)	Vertical Section (usft)	Dogleg Rate (°/100usft)	Build Rate (°/100usft)	Turn Rate (°/100usft)
3,008.80	90.00	0.91	2,600.00	716.11	11.43	716.20	8.00	8.00	0.00
EOC Start 3808.08 hold at 3008.80 MD - T. Yeso Target Depth - Lateral TGT Window - Lateral TGT Window (Osage 18 Fee B Com 1H Origi									
3,100.00	90.00	0.91	2,600.00	807.29	12.88	807.40	0.00	0.00	0.00
3,200.00	90.00	0.91	2,600.00	907.28	14.48	907.40	0.00	0.00	0.00
3,300.00	90.00	0.91	2,600.00	1,007.27	16.08	1,007.40	0.00	0.00	0.00
3,400.00	90.00	0.91	2,600.00	1,107.26	17.67	1,107.40	0.00	0.00	0.00
3,500.00	90.00	0.91	2,600.00	1,207.24	19.27	1,207.40	0.00	0.00	0.00
3,600.00	90.00	0.91	2,600.00	1,307.23	20.86	1,307.40	0.00	0.00	0.00
3,700.00	90.00	0.91	2,600.00	1,407.22	22.46	1,407.40	0.00	0.00	0.00
3,800.00	90.00	0.91	2,600.00	1,507.21	24.06	1,507.40	0.00	0.00	0.00
3,900.00	90.00	0.91	2,600.00	1,607.19	25.65	1,607.40	0.00	0.00	0.00
4,000.00	90.00	0.91	2,600.00	1,707.18	27.25	1,707.40	0.00	0.00	0.00
4,100.00	90.00	0.91	2,600.00	1,807.17	28.84	1,807.40	0.00	0.00	0.00
4,200.00	90.00	0.91	2,600.00	1,907.15	30.44	1,907.40	0.00	0.00	0.00
4,300.00	90.00	0.91	2,600.00	2,007.14	32.03	2,007.40	0.00	0.00	0.00
4,400.00	90.00	0.91	2,600.00	2,107.13	33.63	2,107.40	0.00	0.00	0.00
4,500.00	90.00	0.91	2,600.00	2,207.12	35.23	2,207.40	0.00	0.00	0.00
4,600.00	90.00	0.91	2,600.00	2,307.10	36.82	2,307.40	0.00	0.00	0.00
4,700.00	90.00	0.91	2,600.00	2,407.09	38.42	2,407.40	0.00	0.00	0.00
4,800.00	90.00	0.91	2,600.00	2,507.08	40.01	2,507.40	0.00	0.00	0.00
4,900.00	90.00	0.91	2,600.00	2,607.07	41.61	2,607.40	0.00	0.00	0.00
5,000.00	90.00	0.91	2,600.00	2,707.05	43.21	2,707.40	0.00	0.00	0.00
5,100.00	90.00	0.91	2,600.00	2,807.04	44.80	2,807.40	0.00	0.00	0.00
5,200.00	90.00	0.91	2,600.00	2,907.03	46.40	2,907.40	0.00	0.00	0.00
5,300.00	90.00	0.91	2,600.00	3,007.01	47.99	3,007.40	0.00	0.00	0.00
5,400.00	90.00	0.91	2,600.00	3,107.00	49.59	3,107.40	0.00	0.00	0.00
5,500.00	90.00	0.91	2,600.00	3,206.99	51.18	3,207.40	0.00	0.00	0.00
5,600.00	90.00	0.91	2,600.00	3,306.98	52.78	3,307.40	0.00	0.00	0.00
5,700.00	90.00	0.91	2,600.00	3,406.96	54.38	3,407.40	0.00	0.00	0.00
5,800.00	90.00	0.91	2,600.00	3,506.95	55.97	3,507.40	0.00	0.00	0.00
5,900.00	90.00	0.91	2,600.00	3,606.94	57.57	3,607.40	0.00	0.00	0.00
6,000.00	90.00	0.91	2,600.00	3,706.93	59.16	3,707.40	0.00	0.00	0.00
6,100.00	90.00	0.91	2,600.00	3,806.91	60.76	3,807.40	0.00	0.00	0.00
6,200.00	90.00	0.91	2,600.00	3,906.90	62.36	3,907.40	0.00	0.00	0.00
6,300.00	90.00	0.91	2,600.00	4,006.89	63.95	4,007.40	0.00	0.00	0.00
6,400.00	90.00	0.91	2,600.00	4,106.87	65.55	4,107.40	0.00	0.00	0.00
6,500.00	90.00	0.91	2,600.00	4,206.86	67.14	4,207.40	0.00	0.00	0.00
6,600.00	90.00	0.91	2,600.00	4,306.85	68.74	4,307.40	0.00	0.00	0.00
6,700.00	90.00	0.91	2,600.00	4,406.84	70.33	4,407.40	0.00	0.00	0.00
6,800.00	90.00	0.91	2,600.00	4,506.82	71.93	4,507.40	0.00	0.00	0.00
6,816.88	90.00	0.91	2,600.00	4,523.70	72.20	4,524.28	0.00	0.00	0.00
TD at 6816.88 - Osage 18 Fee B Com 1H BHL									

Database:	EDM-OXY-DB	Local Co-ordinate Reference:	Well Osage 18 Fee B Com 1H
Company:	OXY	TVD Reference:	KB @ 3584.30usft (H&P 345)
Project:	Eddy County, New Mexico. Osage	MD Reference:	KB @ 3584.30usft (H&P 345)
Site:	Osage	North Reference:	Grid
Well:	Osage 18 Fee B Com 1H	Survey Calculation Method:	Minimum Curvature
Wellbore:	Original Wellbore		
Design:	Design #1		

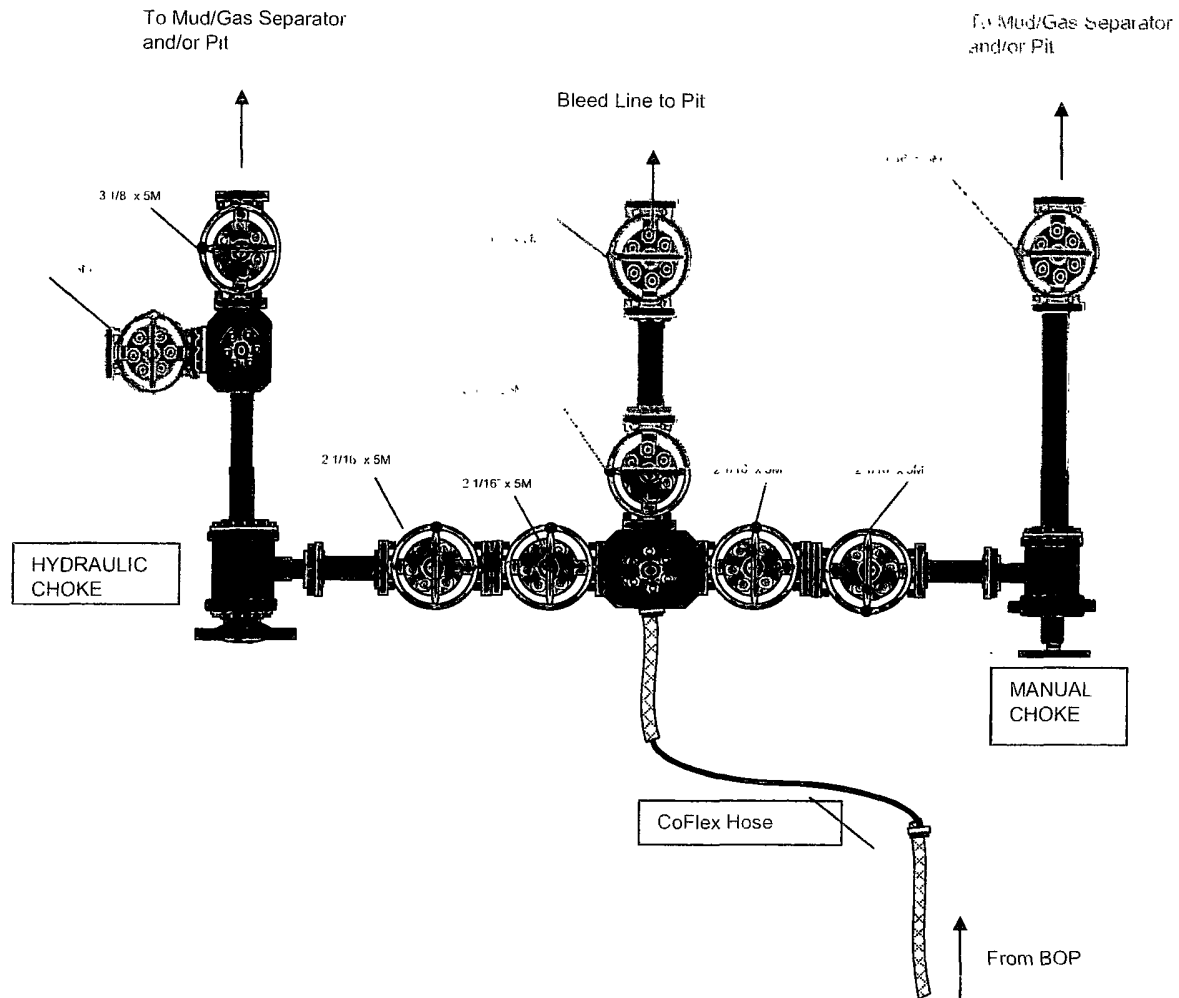
Design Targets									
Target Name	Hit/miss target Shape	Dip Angle (°)	Dip Dir (°)	TVD (usft)	+N/-S (usft)	+E/-W (usft)	Northing (usft)	Easting (usft)	Latitude Longitude
Osage 18 Fee B Com 1H	- plan hits target center - Point	0 00	0 00	2,600 00	4,523 70	72.20	574,766.90	440,911 30	32° 34' 47 979 N 104° 31' 30 585 W
Lateral TGT Window (O	- plan hits target center - Rectangle (sides W50 00 H3,806 08 D100.00)	0 00	0.91	2,600.00	716 11	11.43	570,959 31	440,850 53	32° 34' 10.299 N 104° 31' 31 215 W

Casing Points				
Measured Depth (usft)	Vertical Depth (usft)	Name	Casing Diameter (in)	Hole Diameter (in)
400.00	400.00	9 5/8"	9-5/8	12-1/4
6,816.88	2,600 00	5 1/2"	5-1/2	6

Formations					
Measured Depth (usft)	Vertical Depth (usft)	Name	Lithology	Dip (°)	Dip Direction (°)
350.00	350 00	T Grayburg		0.00	
650 00	650.00	T San Andres		0 00	
2,200.19	2,190.00	T Gloneta		0.00	
2,365.51	2,330 00	T. Yeso		0 00	
3,008.80	2,600 00	T Yeso Target Depth		0 00	
3,008 80	2,600.00	Lateral TGT Window		0 00	0.91

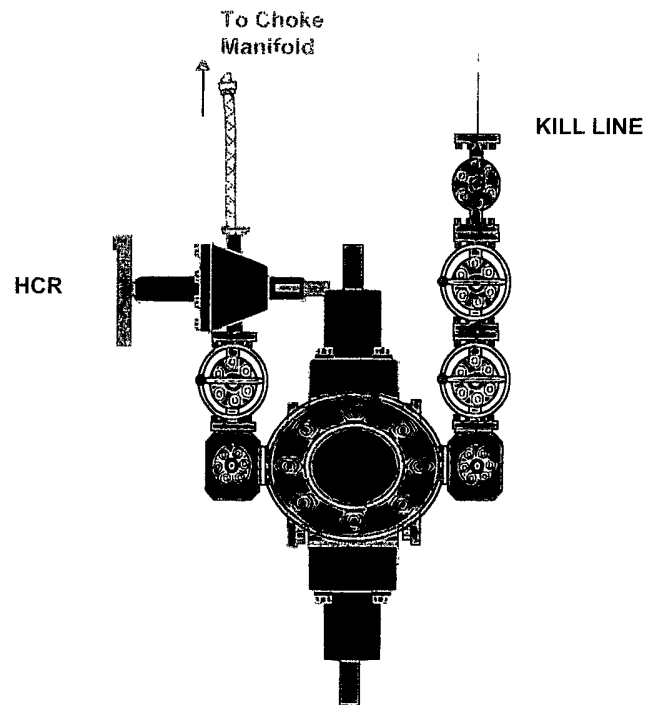
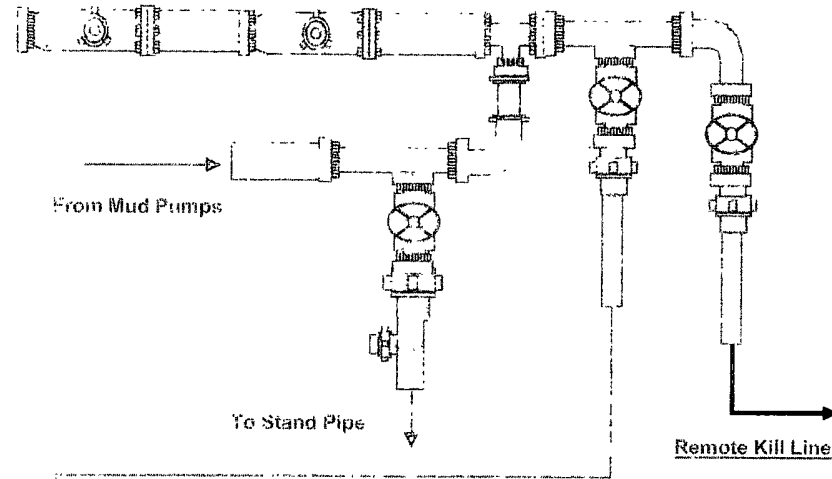
Plan Annotations				
Measured Depth (usft)	Vertical Depth (usft)	Local Coordinates +N/-S (usft)	+E/-W (usft)	Comment
1,883.80	1,883 80	0.00	0.00	Plan KO Start DLS 8.00 TFO 0 91
3,008 80	2,600.00	716 11	11.43	EOC Start 3808.08 hold at 3008.80 MD
6,816.88	2,600 00	4,523 70	72.20	TD at 6816.88

5M CHOKE MANIFOLD CONFIGURATION



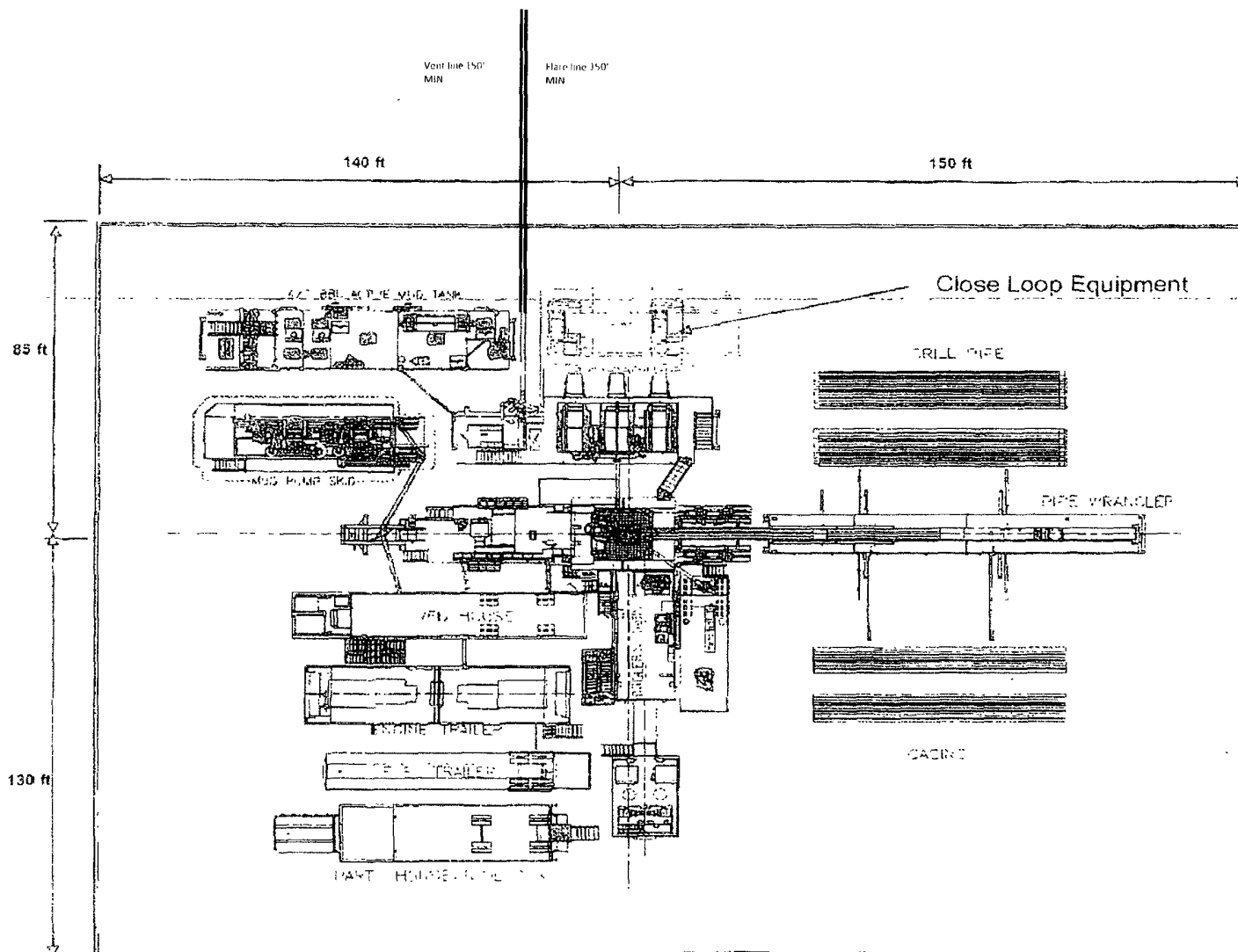
SM REMOTE

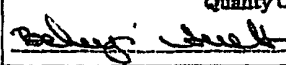
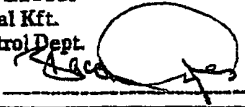
KILL LINE SCHEMATIC



OXY FLEX IV PAD (Closed Loop System)

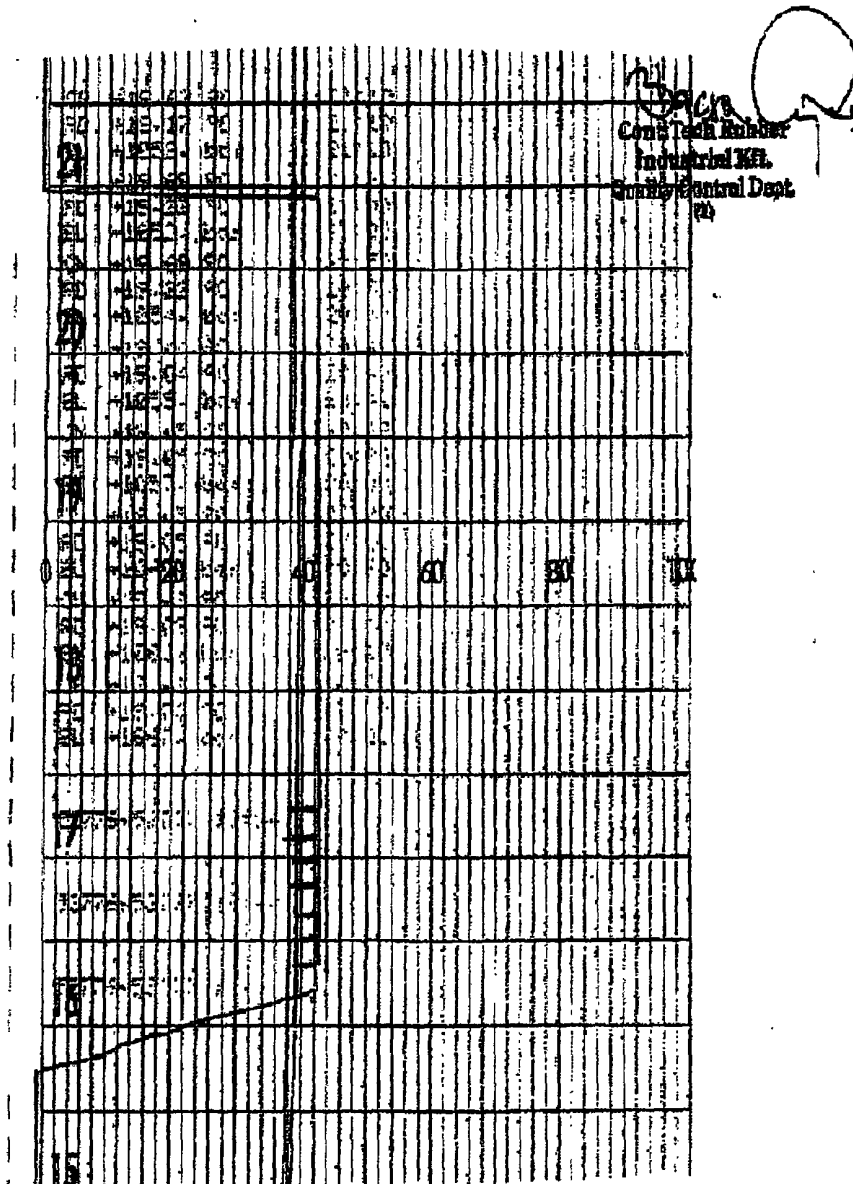
Revised 05/14/2002



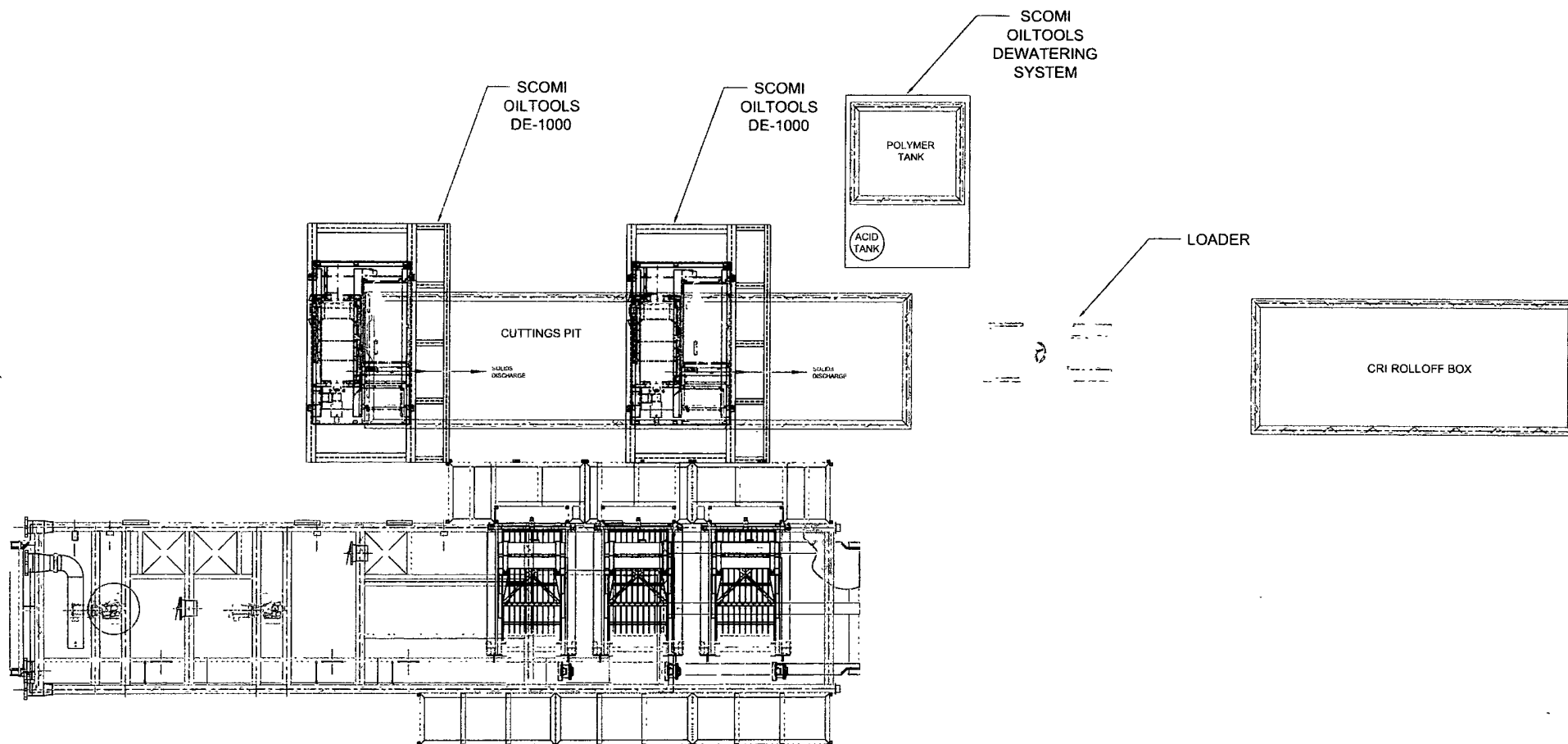
QUALITY CONTROL INSPECTION AND TEST CERTIFICATE				CERT. N°: 128	
PURCHASER: ContiTech Beattie Co.			P.O. N°: 004721		
CONTITECH ORDER N°: 490278		HOSE TYPE: 3" ID		Choke and Kill Hose	
HOSE SERIAL N°: 60220		NOMINAL / ACTUAL LENGTH: 7,62 m / 7,64 m			
W.P. 34,48 MPa 5000 psi		T.P. 68,9 MPa 10000 psi		Duration: 60 min.	
Pressure test with water at ambient temperature See attachment. (1 page) ↑ 10 mm = 10 Min. → 10 mm = 20 MPa					
COUPLINGS Type		Serial N°		Quality	
3" coupling with		160 159		AISI 4130	
4 1/16" Flange end				AISI 4130	
ASSET NO. : 66-0606				API Spec 16 C	
				Temperature rate:"B"	
All metal parts are flawless					
WE CERTIFY THAT THE ABOVE HOSE HAS BEEN MANUFACTURED IN ACCORDANCE WITH THE TERMS OF THE ORDER INSPECTED AND PRESSURE TESTED AS ABOVE WITH SATISFACTORY RESULT.					
STATEMENT OF CONFORMITY: We hereby certify that the above items/equipment supplied by us are in conformity with the terms, conditions and specifications of the above Purchaser Order and that these items/equipment were fabricated inspected and tested in accordance with the referenced standards, codes and specifications and meet the relevant acceptance criteria and design requirements.					
COUNTRY OF ORIGIN HUNGARY/EU					
Date:		Inspector		Quality Control	
07. February 2011.				ContiTech Rubber Industrial Kft. Quality Control Dept. (1)  	

Coflex Hose Certification

Page: 1/1

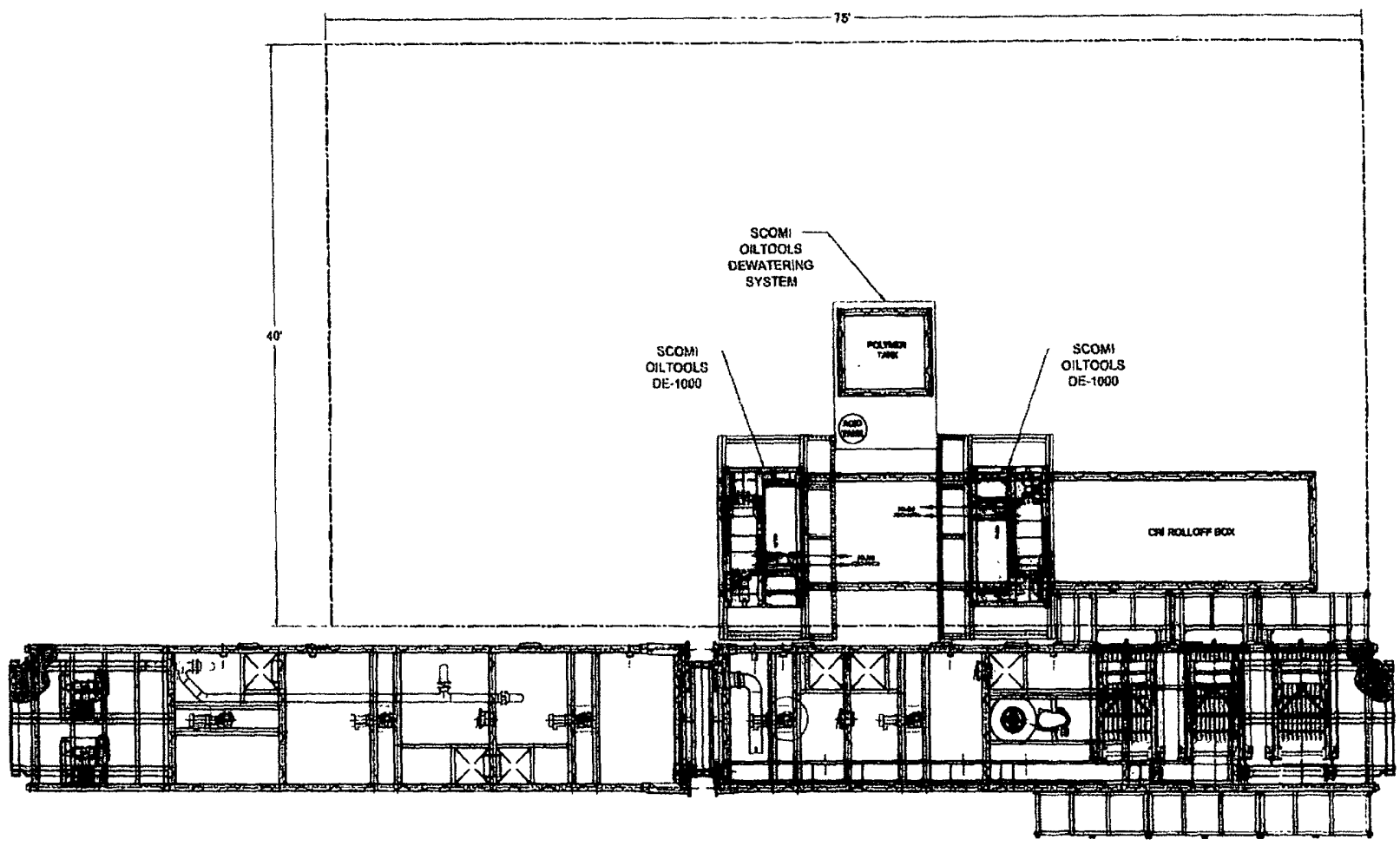


BILL OF MATERIAL			
ITEM	QTY	DESCRIPTION	WEIGHT

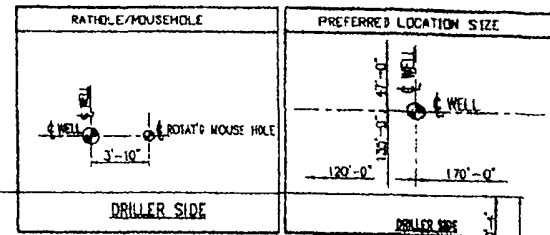
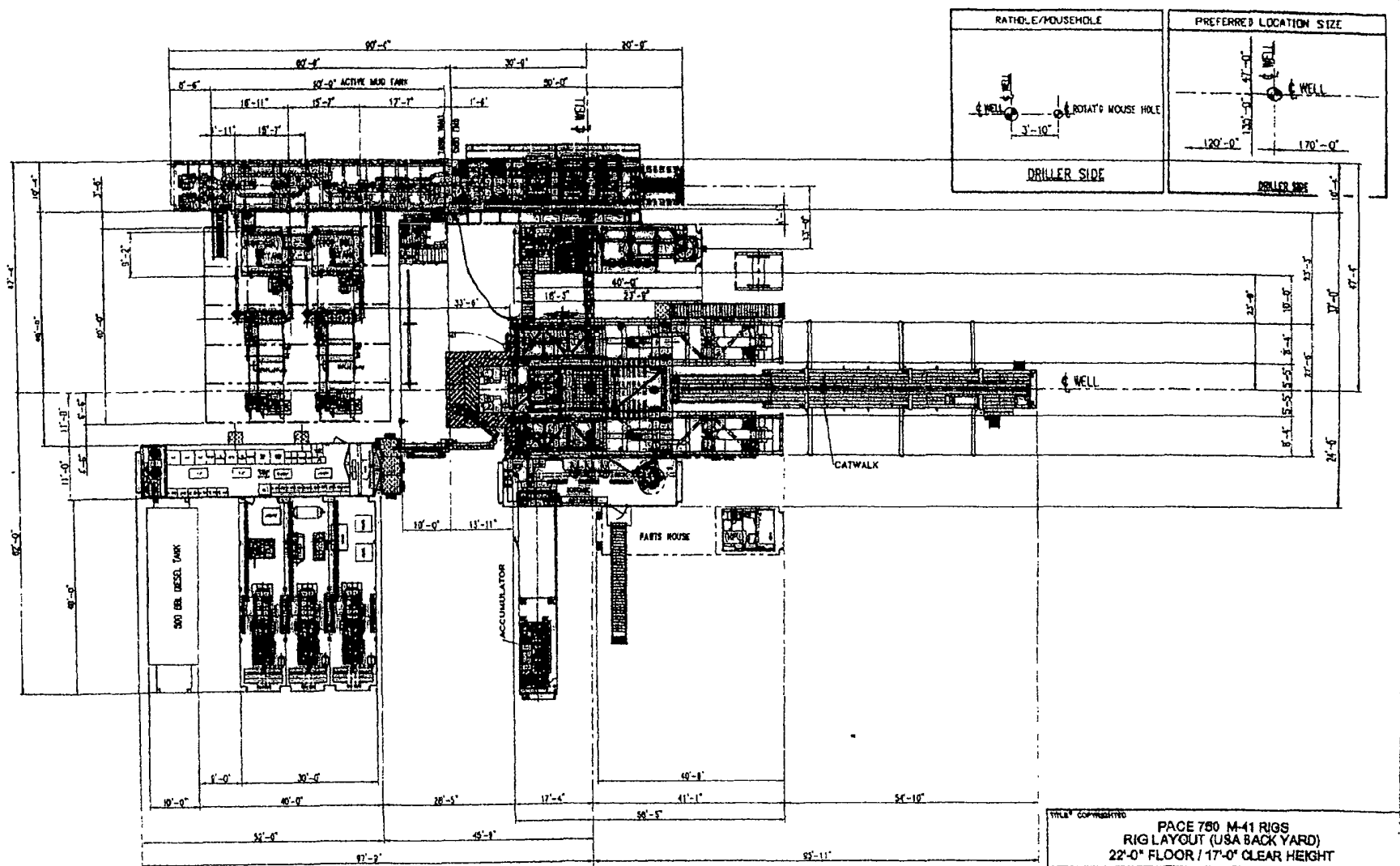


					1. ALL STRUCTURAL MATERIAL SHALL BE ASTM - A36. 2. ALL PIPE SCH 40 MATERIAL SA 108 Gr B 3. ALL FLANGES SHALL BE SORF 150# & MATERIAL SA 105 4. ALL FITTINGS SCH 40 MATERIAL SHALL BE SA 234 Gr WPB. 5. TANK FABRICATION SHALL BE IN ACCORDANCE WITH API-650 The design, information and disclosures on this drawing or copies are the exclusive confidential property of Scomi International Limited and are not to be reproduced or disclosed to others by any means, in any form, or transmitted, or translated into a machine language or used for manufacture or other purpose without the written permission of Scomi International Limited. In receipt of such permission, solely and directly for the purposes consented. This drawing and any copies shall be returned to Scomi International Limited upon request.					TITLE CLOSED LOOP SYSTEM BASIC LAYOUT OXY - H&P - FLEX 4 M		Scomi 631 N. Elm Street Parkway East, Suite 300, Houston, Texas 77060 PHONE: (813)-889-9018, FAX: (813)-889-9888			
					DRAWN BY PDL		DATE 3/30/09	CHECKED BY	DATE	SCALE NTS	ADDED DIMS D	JOB NO.	DRAWING NO. 521S-027	REV	
NO.	REVISED	BY	CHK'D	APP'D	DATE										

OIL OF WATER	
ITEM	DESCRIPTION

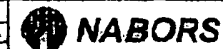


				1. ALL STRUCTURAL MEMBERS SHALL BE A36 - AIA 2. ALL PIPE SHALL BE 40 WOODS, 80 200, 80 200, 80 200 3. ALL FLANGES SHALL BE 8000, 1000 & 1000, 10 100 4. ALL WELDS SHALL BE 80 WOODS, 80 200, 80 200, 80 200 5. ALL WELDS SHALL BE 80 WOODS, 80 200, 80 200, 80 200				THE DESIGN, FABRICATION AND ERECTION OF THIS SYSTEM IS SUBJECT TO THE APPROVAL OF THE DESIGNER. THE DESIGNER SHALL BE RESPONSIBLE FOR THE DESIGN AND FABRICATION OF THIS SYSTEM. THE DESIGNER SHALL BE RESPONSIBLE FOR THE DESIGN AND FABRICATION OF THIS SYSTEM. THE DESIGNER SHALL BE RESPONSIBLE FOR THE DESIGN AND FABRICATION OF THIS SYSTEM.				CLOSED LOOP SYSTEM BASIC LAYOUT AND TIE IN OXY - H&P - FLEX RIGS / PG 1 OF 2				Scomi 800 N. Main Street, Suite 100, Fort Worth, Texas 76102 (817) 335-2000, FAX (817) 335-2001			
A				AUG-27-1988 3:10 PM (N)				DESIGNED BY				DATE				521S-014			
N				N				N				N				N			



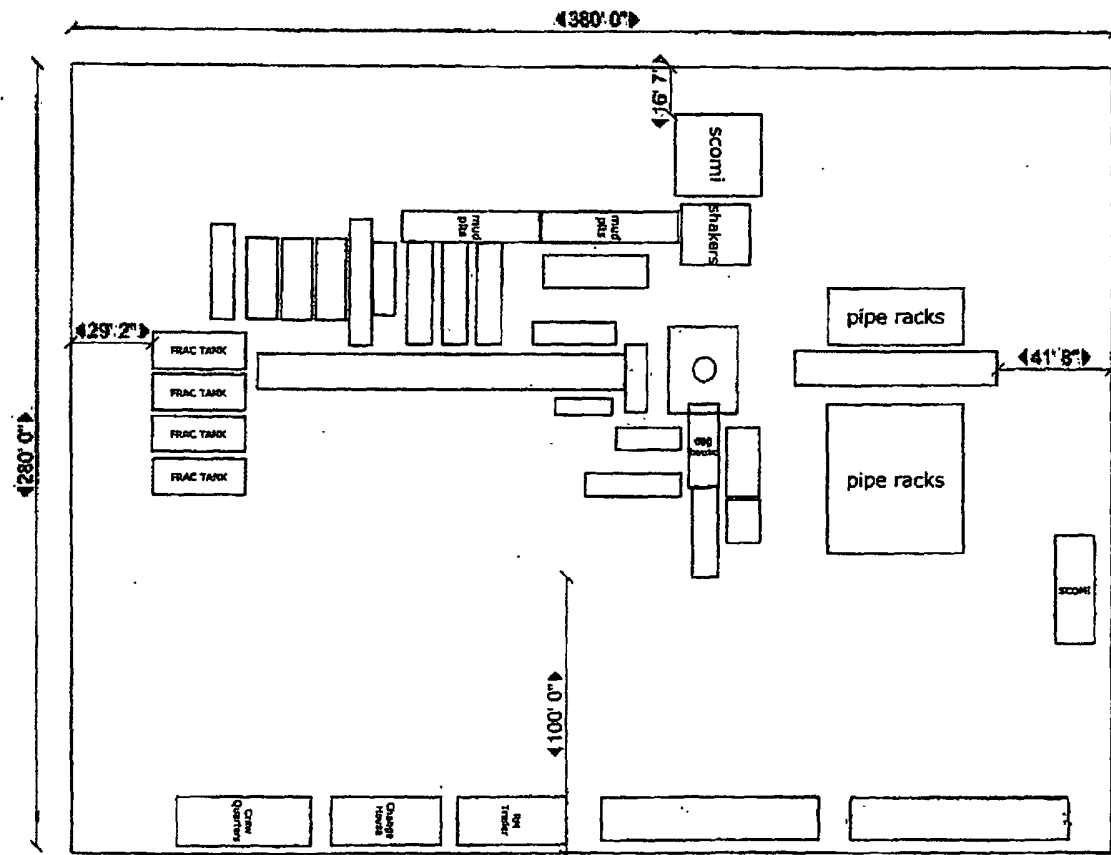
TITLE: COMPRESSED
 PACE 780 M-41 RIGS
 RIG LAYOUT (USA BACK YARD)
 22'-0" FLOOR / 17'-0" CLEAR HEIGHT

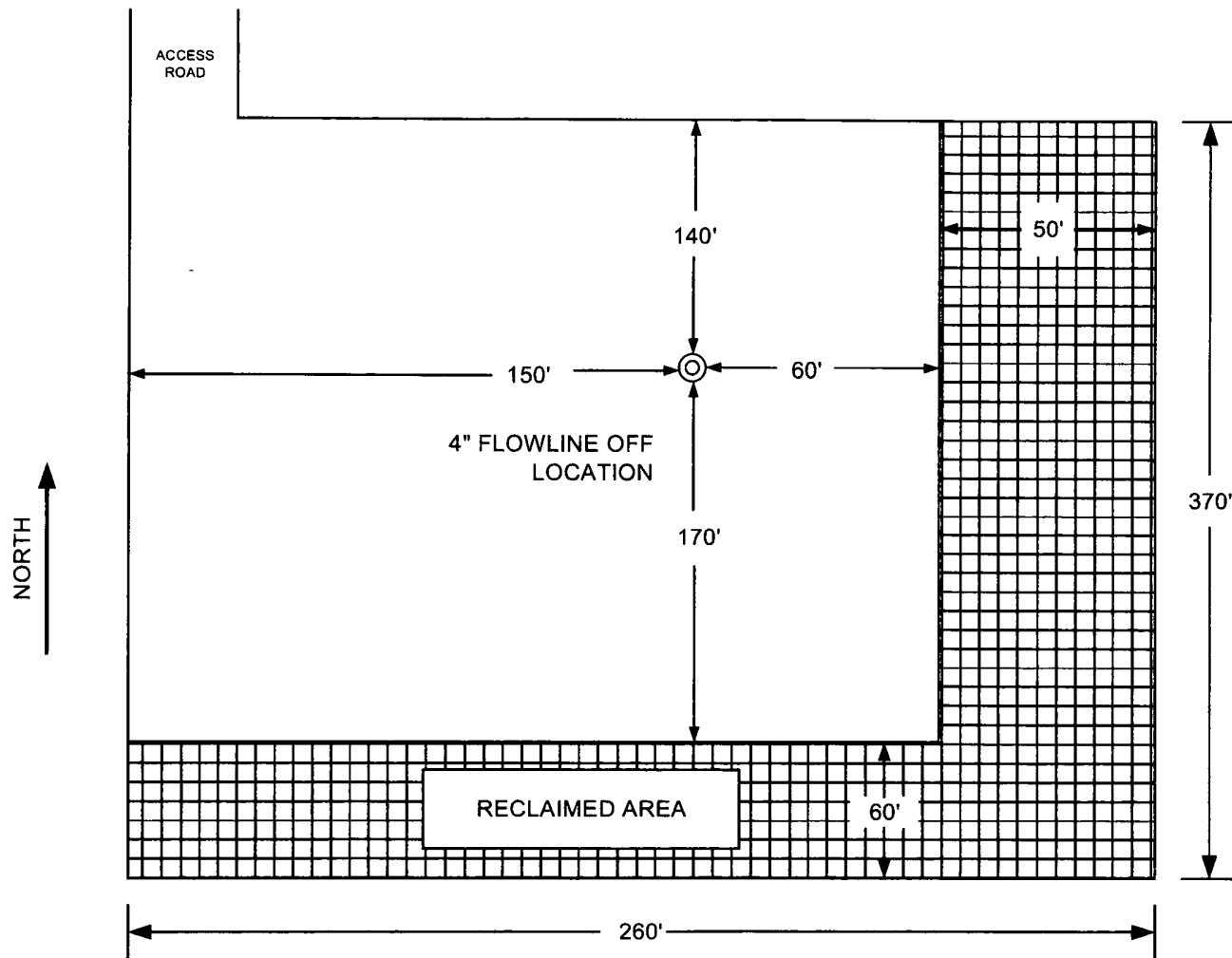
REV.	DESCRIPTION	DATE	BY	APP.
1				
2				
3				
4				
5				
6				
7				
8				
9				
10				
11				
12				
13				
14				
15				
16				
17				
18				
19				
20				
21				
22				
23				
24				
25				
26				
27				
28				
29				
30				
31				
32				
33				
34				
35				
36				
37				
38				
39				
40				
41				
42				
43				
44				
45				
46				
47				
48				
49				
50				
51				
52				
53				
54				
55				
56				
57				
58				
59				
60				
61				
62				
63				
64				
65				
66				
67				
68				
69				
70				
71				
72				
73				
74				
75				
76				
77				
78				
79				
80				
81				
82				
83				
84				
85				
86				
87				
88				
89				
90				
91				
92				
93				
94				
95				
96				
97				
98				
99				
100				



DATE	09/15/2007
BY	DAVE
APP.	
DATE	09/15/2007
BY	DAVE
APP.	

THIS DRAWING IS SHOWN TRUE SCALE ONLY WHEN PRINTED ON THE BASE PAPER.
 THE DRAWING AND THE PROPERTY COMPANY HEREIN IS A COPYRIGHTED DOCUMENT. IT IS SHOWN TO YOUR COMPANY WITH THE UNDERSTANDING IT IS NOT TO BE REPRODUCED OR USED FOR ANY PURPOSES WITHOUT THE WRITTEN CONSENT OF NABORS INDUSTRIES.
 M-1-801





REVISION BLOCK						ENGINEERING RECORD	
NO.	DATE	DESCRIPTION	BY	CHK	APP	BY	DATE
1	7/26/12	Facility Layout for Permitting				DRN: MEE	7/26/12
						DES:	
						CHK:	
						APP:	
						AFE:	

FACILITY LAYOUT
Osage 18 Fee B Com #1H

PECOS DISTRICT CONDITIONS OF APPROVAL

OPERATOR'S NAME:	OXY USA Inc
LEASE NO.:	NM99016
WELL NAME & NO.:	1H Osage. 18 Fee B Com
SURFACE HOLE FOOTAGE:	480' FSL & 2160' FWL
BOTTOM HOLE FOOTAGE:	330' FNL & 2260' FWL
LOCATION:	Section 18, T.20 S., R.25 E., NMPM
COUNTY:	Eddy County, New Mexico

TABLE OF CONTENTS

Standard Conditions of Approval (COA) apply to this APD. If any deviations to these standards exist or special COAs are required, the section with the deviation or requirement will be checked below.

- ☐ **General Provisions**
- ☐ **Permit Expiration**
- ☐ **Archaeology, Paleontology, and Historical Sites**
- ☐ **Noxious Weeds**
- ☒ **Special Requirements**
 - Cave/Karst
 - Communitization Agreement
- ☐ **Construction**
 - Notification
 - Topsoil
 - Closed Loop System
 - Federal Mineral Material Pits
 - Well Pads
 - Roads
- ☐ **Road Section Diagram**
- ☒ **Drilling**
 - Waste Material and Fluids
 - Logging Requirements
 - High Cave/Karst
- ☐ **Production (Post Drilling)**
 - Well Structures & Facilities
 - Pipelines
 - Electric Lines
- ☐ **Interim Reclamation**
- ☐ **Final Abandonment & Reclamation**