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

Form C-102
Revised August 1, 2011
Submit one copy to appropriate
District Office

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

| | | |
|----------------------------|------------------------------------|---|
| API Number 30-015-40861 | Pool Code 96830 | Pool Name Artesia; Glorieta-Yaso (O) |
| Property Code 309602 | Property Name PIGLET "21" STATE | Well Number 24 |
| OGRID No. 192463 | Operator Name OXY USA WTP LP | Elevation 3631.5' |

Surface Location

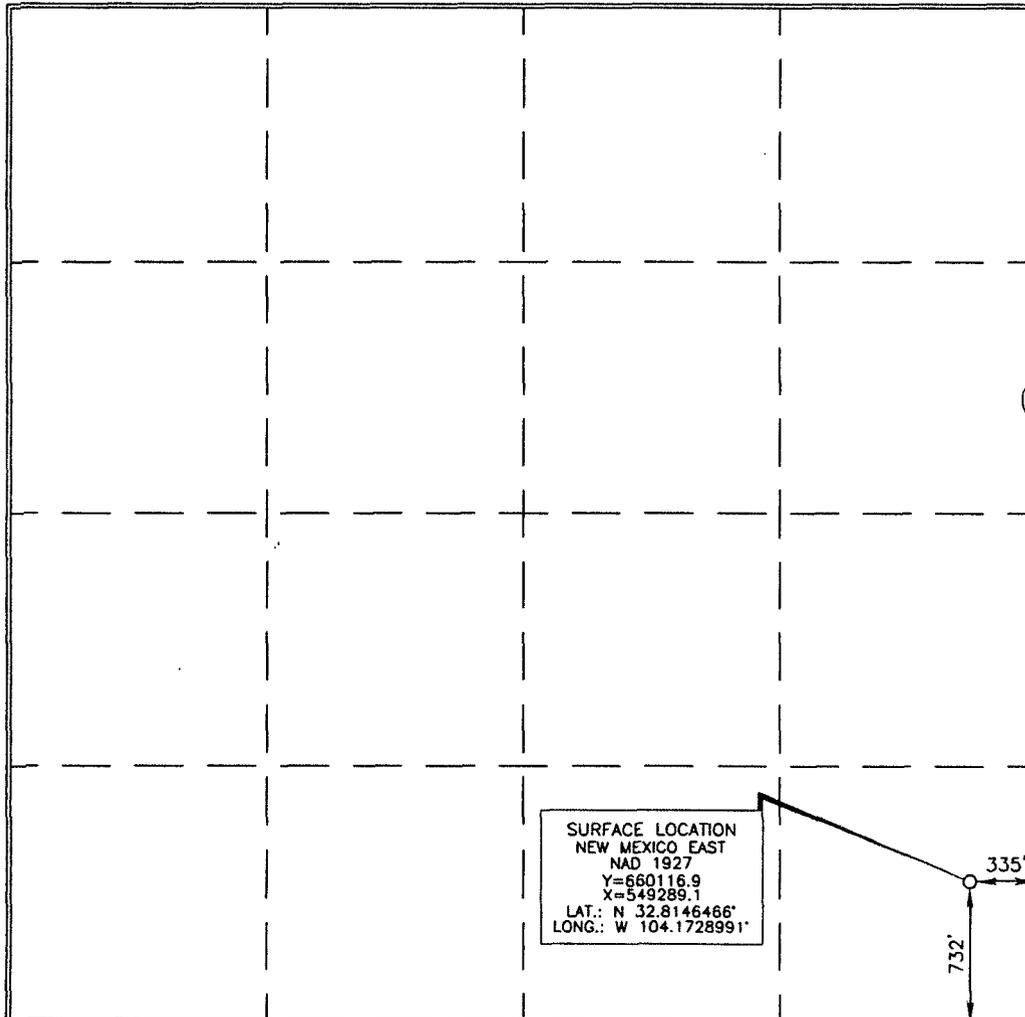
| UL or lot no. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
|---------------|---------|----------|-------------------|---------|---------------|------------------|---------------|----------------|--------|
| P | 21 | 17 SOUTH | 28 EAST, N.M.P.M. | | 732' | SOUTH | 335' | EAST | EDDY |

Bottom Hole Location If Different From Surface

| UL or lot no. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| | | | | | | | | | |

| | | | |
|-----------------------|-----------------|--------------------|-----------|
| Dedicated Acres 40 | 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

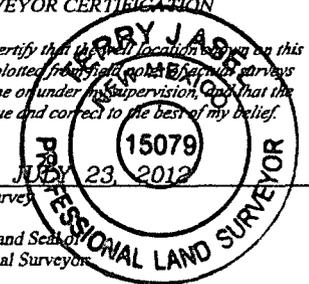
I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this 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.

Therefore entered by the division.

Jennifer Duarte 11/28/12
Signature Date
Jennifer Duarte
jennifer.duarte@oxy.com
Printed Name Email Address

SURVEYOR CERTIFICATION

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



Date of Survey

Signature and Seal of Professional Surveyor

Terry J. Paul 8/31/2012
Certificate Number 15079

APD DATA – DRILLING PLAN –

OPERATOR NAME / NUMBER: OXY USA WTP LP

LEASE NAME / NUMBER: Piglet 21 State #24

STATE: NM **COUNTY:** Eddy

SURFACE LOCATION: 732' FSL & 335' FEL, Sec 21, T 17S, R 28E

C-102 PLAT APPROX GR ELEV: 3631.5'

EST KB ELEV: 3645.5' (14' KB)

1. GEOLOGIC NAME OF SURFACE FORMATION

a. Permian

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

| Formation | TV Depth Top | Expected Fluids |
|---------------------|--------------|-----------------|
| Rustler | 100 | Fresh Water |
| Top of Salt | 310 | - |
| Base of Salt | 390 | - |
| Yates | 410 | - |
| Seven Rivers | 604 | - |
| Queen | 1170 | - |
| Grayburg | 1640 | Oil |
| San Andres | 1749 | Oil/Water |
| Glorietta | 3350 | Oil |
| Paddock | 3440 | Oil |
| Blinebry | 3900 | Oil |
| Tubb – Base of Yeso | 4820 | Oil |
| TD | 5100 | TD |

A. Fresh Water formation is outcropping and will be covered with the 16" conductor pipe, which will be set at 120' prior to spud.

GREATEST PROJECTED TD 5100' MD / 5100' TVD **OBJECTIVE:** Yeso

3. CASING PROGRAM

Surface Casing: 8.625" casing set at ± 400' MD/ 400' TVD in a 11" hole filled with 8.4 ppg mud

| Interval | Length | Wt | Gr | Condition | Cplg | Coll Rating (psi) | Burst Rating (psi) | Jt Str (M-lbs) | ID (in) | Drift (in) | SF Coll | SF Burst | SF Ten |
|-----------|--------|----|------|-----------|------|-------------------|--------------------|----------------|---------|------------|---------|----------|--------|
| 0' - 400' | 400' | 24 | J-55 | New | ST&C | 1370 | 2950 | 244 | 8.097 | 7.972 | 10.17 | 1.72 | 29.16 |

Production Casing: 5.5" casing set at ± 5100' MD / 5100' TVD in a 7.875" hole filled 9.6 ppg mud

| Interval | Length | Wt | Gr | Condition | Cplg | Coll Rating (psi) | Burst Rating (psi) | Jt Str (M-lbs) | ID (in) | Drift (in) | SF Coll | SF Burst | SF Ten |
|------------|--------|----|------|-----------|------|-------------------|--------------------|----------------|---------|------------|---------|----------|--------|
| 0' - 5100' | 5100' | 17 | L-80 | New | LT&C | 6290 | 7740 | 338 | 4.892 | 4.767 | 2.47 | 3.80 | 4.57 |

Collapse and burst loads calculated using Stress Check with actual anticipated loads.

4. CEMENT PROGRAM:

Surface Interval

| Interval | Amount sx | Ft of Fill | Type | Gal/Sk | PPG | Ft ³ /sk | 24 Hr Comp |
|---|--------------|------------|--|--------|------|---------------------|---------------|
| Surface (TOC: 0' - 400') | | | | | | | |
| Lead: 0' - 400' (165% Excess) | 210 | 400' | Premium Plus Cement: 1 % Calcium Chloride - Flake | 6.36 | 14.8 | 1.34 | 1608 psi |

Production Interval

| Interval | Amount sx | Ft of Fill | Type | Gal/Sk | PPG | Ft ³ /sk | 24 Hr Comp |
|--|--------------|------------|--|--------|------|---------------------|---------------|
| Production (TOC: 0' - 5100') | | | | | | | |
| Lead: 0' - 3000' (100 % Excess) | 550 | 3000' | Halliburton Light Premium Plus: 5% Salt, 3 lbm/sk Kol-Seal, 0.125 lb/sx Poly-E-Flake, 0.35% HR-800 | 9.69 | 12.9 | 1.87 | 660 psi |
| Tail: 3000' - 5100' (100 % Excess) | 470 | 2100' | Premium Plus Cement: 0.5% Halad ®-344, 0.2% WellLife 734, 5 lbm/sk Microbond, 0.3% Econolite, 0.3% CFR-3 | 7.72 | 14.2 | 1.55 | 1914 psi |

Description of Cement Additives: Cal-Seal 60 (Accelerator), Poly-E-Flake (Lost Circulation Additive), Kol-Seal (Lost Circulation Additive), Calcium Chloride - Flake (Accelerator), HR-800 (Retarder), Halad ®-344 (Low Fluid Loss Control), WellLife 734 (Cement Enhancer), Microbond (Expander), Econolite (Light Weight Additive), CFR-3 (Dispersant)

If a caliper log is run, cement volumes will be adjusted to caliper volume + 35% excess for the production hole.

5. PRESSURE CONTROL EQUIPMENT

Surface: 0 - 400' None.

Production: 0 - 5100' 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 an 11" 3M two ram stack with 3M annular preventer, & 3M Choke Manifold.

- a. The 11" 3000 psi blowout prevention equipment will be installed and operational after setting the 8 5/8" surface casing and the 8 5/8" 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 to the 8 5/8" 24# J-55 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 70 % of the yield of the casing when the BOP and casing are not isolated.
- 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 3000 psi WP rating. Oxy requests that the system be tested at 3,000 psi.

- d. Oxy requests a variance if Savanna 415 is used to drill this well to use a co-flex line between the BOP and choke manifold. See attached schematic.
 Manufacturer: Hebei Ouya Ltd.
 Serial Number: 1642343-04
 Length: 39' Size: 3" Ends: flanges
 WP rating: 3000 psi Anchors required by manufacturer: No
- e. See attached BOP & Choke manifold diagrams.

6. MUD PROGRAM:

| Depth | Mud Wt ppg | Vis Sec | Fluid Loss | Type System |
|-----------|---------------|------------|------------|------------------------|
| 0 - 400' | 8.4 - 8.8 | 27 - 38 | NC | Fresh Water / Spud Mud |
| 400' - TD | 9.6 - 10 | 28 - 40 | 10 - 20 | Brine Water / 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.

- 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.

7. 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**

8. LOGGING / CORING AND TESTING PROGRAM:

- A. Mud Logger: Log from 2000' to TD.
- B. DST's: None.
- C. Open Hole Logs as follows: Triple combo from 400' to TD.

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. The bottomhole pressure is anticipated to be **2545 psi**.
- C. No abnormal temperatures or pressures are anticipated. **The highest anticipated pressure gradient is 0.50 psi/ft.** 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 15 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.

11. COMPANY PERSONNEL:

| Name | Title | Office Phone |
|-------------------|------------------------------|---------------------|
| Anthony Tschacher | Drilling Engineer | 713-985-6949 |
| Sebastian Millan | Drilling Engineer Supervisor | 713-350-4950 |
| Roger Allen | Drilling Superintendent | 713- 215-7617 |
| Douglas Chester | Drilling Manager | 713-366-5194 |