DISTRICT 1 1625 N. French Dr., Hobbs, NM 88240 Phone: (575):393-6161 Fax: (575):393-0720

DISTRICT II 811 S. First St., Artesur, NM 88210 Phone: (575) 748-1283 Fax. (575) 748-9720 DISTRICT III

DISTRICT III
1000 Rio Brazos Road, 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

Revised August 1, 2011

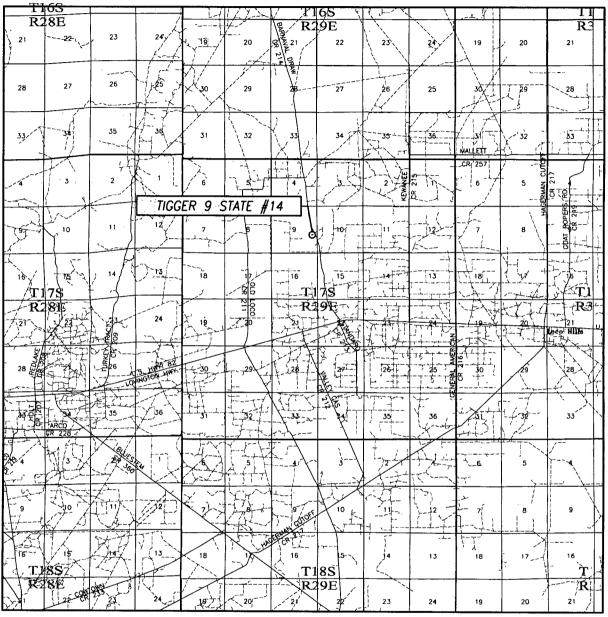
RECEIVED District Office

SEP 1 9 2013 REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

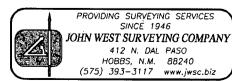
30-0/5-4/18	9960	Pool Code	Er	noice:	Pool Nam	a-Grsc	s. East					
Properly Code 2091004		Т	Property Name IGGER 9 S7			w	ell Number 15					
OGRID No.		· · · · · · · · · · · · · · · · · · ·	Operator Name			1	Elevation					
192463 OXY U.S.A. WTP LP 3566'												
UL or lot No. Section Tow	nship Range	Lôt l <b>ầ</b> n	Surface Location Feet from the	on North/South line	Feet from the	East/West line	County					
	7-S 29-E	Locium	1746	SOUTH	808	EAST	EDDY					
Bottom Hole Location If Different From Surface												
UL or lot No. Section Tow	nship Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County					
I 9 1	7-S 29-E		1830	SOUTH	870	EAST	EDDY					
Dedicated Acres   Joint or Infill	Consolidation C	ode Ord	er No.	· · · · · · · · · · · · · · · · · · ·	.1		<u> </u>					
90												
NO ALLOWABLE WILL BE ASSIGNED TO	THIS COMPLETION UN	TIL ALL INTE	RESTS HAVE BEEN C	ONSOLIDATED OR A 1	ON-STANDARD UNI	T HAS BEEN APPROV	ED BY THE DIVISION					
GEODETIC COORDII NAD 27 NME  SURFACE LOCAT Y=671780.4 X=579826.8  LAT.=32.846539 LONC.=104.07340  BOTTOM HOLE LOC Y=671864.0 X=579764.3	ION N E - N 17' W CATION		CORNER COORDIN  Y=672673.7 N, Y=672681.7 N, Y=671360.5 N, Y=671352.9 N,	X=579321.2 E_X=580629.9 E X=580636.7 E X=579324.9 E	B SURV I hereby cer complete to that this org unleased me proposed be well at this of such min pooling agr heretofore c  Signature  Printed N  I hereby cer was plotted me or under and correct  C Signature	PEYOR CERTIFITY that the well location from field notes of actual my supervision, and that to the best of my belief.  APRIL 10, 20 rvey  8. Scalin Phofessiona  ME 10, 10, 10, 10, 10, 10, 10, 10, 10, 10,	herein is true and the and belief, and working interest or including the sa right to drill this stract with an owner or to a voluntary sooling order  A B B B B B B B B B B B B B B B B B B					

## VICINITY MAP

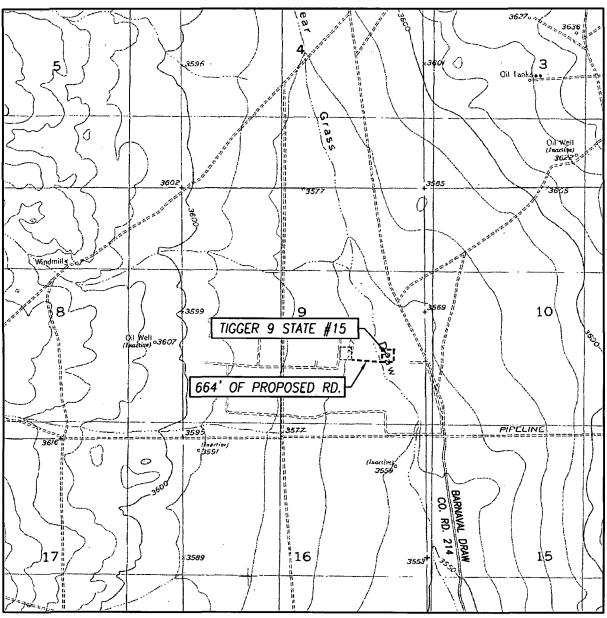


SCALE: 1" = 2 MILES

SEC. <u>9</u> 1	WP. <u>17-S</u> RGE. <u>29-E</u>
SURVEY	N.M.P.M.
COUNTY E	DDY STATE NEW MEXICO
DESCRIPTION	1746' FSL & 808' FEL
ELEVATION _	3566'
OPERATOR	OXY U.S.A. WIPLP
LEASE	TIGGER 9 STATE



### LOCATION VERIFICATION MAP



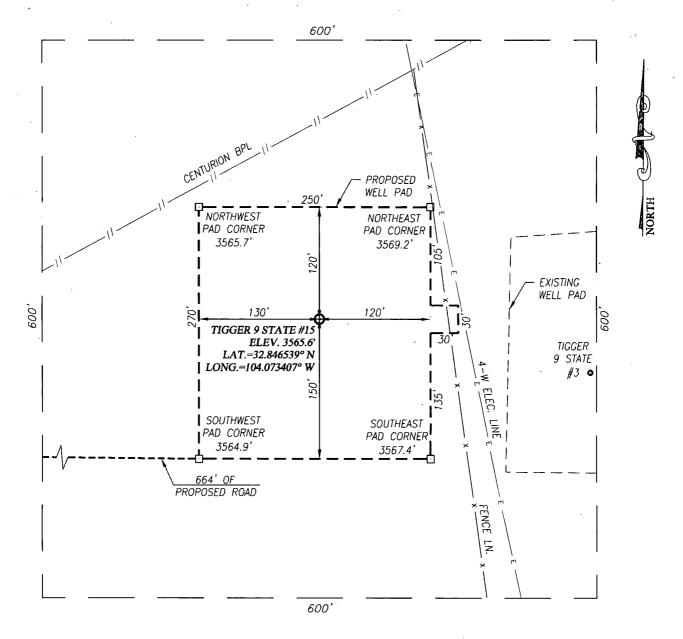
SCALE: 1" = 2000'

CONTOUR INTERVAL: RED LAKE SE, N.M. - 10'

SEC. <u>9</u> TWP. <u>17</u> —S_RGE. <u>29</u> —E
SURVEYN.M.P.M.
COUNTY <u>EDDY</u> STATE <u>NEW MEXICO</u>
DESCRIPTION <u>1746' FSL &amp; 808' FEL</u>
ELEVATION3566'
OPERATOR OXY U.S.A. WTP LA
LEASETIGGER 9 STATE
J.S.G.S. TOPOGRAPHIC MAP RED LAKE SE, N.M.



# SECTION 9, TOWNSHIP 17 SOUTH, RANGE 29 EAST, N.M.P.M. EDDY COUNTY NEW MEXICO



#### DIRECTIONS TO TIGGER 9 STATE #15:

FROM THE INTERSECTION OF U.S. HIGHWAY 82 & CO. RD. 214 (BARNAVAL DRAW RD.) GO NORTH ON CO. RD. 214 APPROX. 1.5 MILES. TURN LEFT AND GO WEST APPROX. 0.2 MILES; TURN RIGHT AND GO NORTH APPROX. 0.1 MILE; TURN LEFT AND GO WEST APPROX. 0.6 MILES; TURN RIGHT AND GO NORTH APPROX. 0.2 MILES; TURN RIGHT AND GO EAST APPROX. 0.5 MILES; TURN LEFT AND GO NORTH APPROX. 175 FEET TO A PROPOSED ROAD SURVEY TO THE TIGGER 9 STATE #14 WELL PAD, CONTINUE EAST 250 FEET TO A PROPOSED ROAD SURVEY TO THE TIGGER 9 STATE #15. FOLLOW ROAD SURVEY EAST — SOUTHEAST 664 FEET. THIS LOCATION IS NORTHEAST APPROX. 200 FEET.



PROVIDING SURVEYING SERVICES SINCE 1946

JOHN WEST SURVEYING COMPANY

412 N. DAL PASO HOBBS, N.M. 88240 (575) 393-3117 www.jwsc.biz 100 0 100 200 Feet

| Scale: 1"=100"

## OXY U.S.A. WIP LP

TIGGER 9 STATE #15 WELL LOCATED 1746 FEET FROM THE SOUTH LINE AND 808 FEET FROM THE EAST LINE OF SECTION 9, TOWNSHIP 17 SOUTH, RANGE 29 EAST, N.M.P.M., EDDY COUNTY, NEW MEXICO

# OXY USA WTP LP

OPERATOR NAME / NUMBER: OXY USA WTO LP

192463

LEASE NAME / NUMBER: Tigger 9 State # 15

**Federal Lease No:** 

STATE: NM

**COUNTY:** Eddy

**SURFACE LOCATION:** 

1746' FSL & 808' FEL, Sec 9, T17S, R29E

APPROX GR ELEV: 3566'

EST KB ELEV: 3580' (14' KB-GL)

#### 1. GEOLOGIC NAME OF SURFACE FORMATION

a. Permian

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

Formation Name	TVD	Expected Fluids
Rustler	310	Fresh Water
Salado (Salt)	340	-
Yates	882	-
Queen	1736	•
Grayburg	2165	Óil
San Andres	2438	Oil/Water
Glorietta	3887	Oil
Paddock	3951	Oil
Blinebry	4351	Oil
Tubbs	5300	Oil
TD	5500	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: 5500' MD / 5500' TVD

**OBJECTIVE:** Yeso

#### 3. CASING PROGRAM

Surface Casing set at ± 400' MD/ 400' TVD in a 11" hole filled with 8.8 ppg mud

Interval (MD)	OD (in)	Wt (ppf)	Grade	Conn	ID (in)	Condition	Jt Str (M-lbs)	Burst (psi)	Collapse (psi)	Burst SF	Coll SF	Ten SF
0'- 400'	8.625	24	J55	STC	8.097	New	244	2950	1370	1.42	10.42	2.26

Production Casing set at ± 5500'MD / 5500'TVD in a 7.875" hole filled 9.6 ppg mud

1 Todaction Casing set at ± 3500 MD 7 5500 1 VD in a 7.075 Hole tinea 7.0 ppg maa												
Interval (MD)	OD	Wt .	Crado	Conn	ID	Condition	Jt Str	Burst	Collapse	Burst	Coll	Ten
Interval (MD) (in)	(in)	(ppf)	Grade	Conn	(in)	Condition	(M-lbs)	(psi)	(psi)	SF	SF	SF
0'- 5,500'	5.5	17	L80	BTC	4.892	New	428	7740	6290	1.28	2.20	2.22

#### **Casing Design Assumptions:**

#### **Burst Loads**

CSG Test (Surface)

- Internal: Displacement fluid + 70% CSG Burst rating
- External: Pore Pressure from section TD to surface

#### CSG Test (Production)

- Internal: Displacement fluid + 80% CSG Burst rating
- External: Pore Pressure from the well TD the Surface CSG shoe and MW of the drilling mud that was in the hole when the CSG was run to surface

#### Gas Kick (Surface)

- Internal: Gas Kick based on Pore Pressure or Fracture Gradient @ CSG shoe with a gas 0.115psi/ft Gas gradient to surface while drilling the next hole section
- External: Pore Pressure from section TD to previous CSG shoe and MW of the drilling mud that was in the hole when the CSG was run to surface

#### Stimulation (Production)

- Internal: Displacement fluid + Max Frac treating pressure (not to exceed 80% CSG Burst rating)
- External: Pore Pressure from the well TD to the surface CSG shoe and 8.5 ppg MWE to surface

#### **Collapse Loads**

Lost Circulation (Surface)

- Internal: Losses experienced while drilling the next hole section (e.g. losses while drilling the production hole section are used as a collapse load to design the surface CSG). After losses there will be a column of mud inside the CSG with an equivalent weight to the Pore Pressure of the lost circulation zone
- External: MW of the drilling mud that was in the hole when the CSG was run

#### Cementing (Surface/Production)

- Internal: Displacement Fluid
- External: Cement Slurries to TOC, MW to surface

#### Full Evacuation (Production)

- Internal: Atmospheric Pressure
- External: MW of the drilling mud that was in the hole when the CSG was run

#### **Tension Loads**

Running CSG (Surface/Production)

• Axial load of the buoyant weight of the string plus either 100 klb over-pull or string weight in air, whichever is less

#### Green Cement (Surface/Production)

• Axial load of the buoyant weight of the string plus the cement plug bump pressure (Final displacement pressure + 500 psi )

Burst, Collapse and Tensile SF are calculated using Landmark's Stress Check (Casing Design) software.

#### 4. CEMENT PROGRAM:

#### **Surface Interval**

Interval	Amount sx	Ft of Fill	Туре	Gal/Sk	PPG	Ft³/sk	24 Hr Comp
Surface (TOC	: 0' – 400'	')					
Lead: 0' - 400' (125% Excess)	190	400	Premium Plus Cement: 1% Calcium Chloride – Flake	6.36	14.8	1.34	1608 psi

**Production Interval** 

Interval	Amount sx	Ft of Fill	Туре	Gal/Sk	PPG	Ft <sup>3</sup> /sk	24 Hr Comp
Production (	TOC: 0' -	5500')					
Lead: 0' - 3000' (100 % Excess)	400	3000	Interfill C: 0.25 lbm/sk D-AIR 5000	13.88	11.9	2.43	281 psi
Tail: 3000' - 5500' (100 % Excess)	560	2500	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	1413 psi

**Description of Cement Additives:** Calcium Chloride – Flake (Accelerator), D-AIR 5000 (Defoamer), Halad ®-344 (Low Fluid Loss Control), WellLife 734 (Cement Enhancer), Microbond (Expander), Econolite (Light Weight Additive), CFR-3 (Dispersant)

The volumes indicated above may be revised depending on if a caliper measurement.

#### 5. DIRECTIONAL PLAN

Vertical well: No directional plan

#### 6. PRESSURE CONTROL EQUIPMENT

**Surface: 0' – 400'** None.

**Production:** 400' MD/TVD - 5500' MD / 5500' TVD 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 after setting surface casing. All equipment will be tested to 250/3000 psi for <u>5</u> minutes and charted, except the annular, which will be tested to 70% of working pressure.
- c. The BOPE test will be repeated within 21 days of the original test, on the first trip
- **d.** Other accessory BOP equipment will include a floor safety valve, choke lines, and choke manifold having a 3000 psi working pressure rating and tested to 3000 psi.
- **e.** The Operator also requests a variance to connect the BOP choke outlet to the choke manifold using a 3" co-flex hose with a working pressure of 3000 psi.
- **f.** BOP & Choke manifold diagrams attached.

#### 7. MUD PROGRAM:

Depth	Depth Mud Wt		Fluid Loss	Type System		
0' - 400'	8.4 - 8.8	27 – 28	NC	Fresh Water / Spud Mud		
400' – TD	9.2 - 9.6	28 – 29	NC	Brine Water / Salt Gel / Sweeps		

<u>Remarks</u>: 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.

#### 8. AUXILIARY WELL CONTROL AND MONITORING EQUIPMENT

A full opening drill pipe stabbing valve having the appropriate connections will be on the rig floor unobstructed and readily accessible at all times.

#### 9. POTENTIAL HAZARDS:

- **a.** Hydrogen Sulfide 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 **0.5 psi/ft.** Maximum anticipated bottom hole pressure is **2750 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 <u>NMOCD</u> has approved the APD. Anticipated spud date will be as soon as possible after 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. WIRELINE LOGGING / MUD LOGGING / LWD

- a. NO open hole wireline logging
- b. Mud logging: None

#### **COMPANY PERSONNEL:**

<u>Name</u>	<u>Title</u>	Office Phone	<b>Mobile Phone</b>
Kacie Cruz	Drilling Engineer	(713)350-4889	(281) 433-6594
Sebastian Millan	Drilling Engineer Supervisor	(713)350-4950	(832) 528-3268
Roger Allen	Drilling Superintendent	(713)215-7617	(281) 682-3919
Oscar Quintero	Drilling Manager	(713)985-6343	(713) 689-4946