

## DISTRICT I

1625 N. FRENCH DR., ROBBE, 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 and Natural Resources Department

OIL CONSERVATION DIVISION  
1220 SOUTH ST. FRANCIS DR.  
Santa Fe, New Mexico 87505

Form C-102

Revised October 12, 2005

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

## WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

|                            |                                 |                                                 |
|----------------------------|---------------------------------|-------------------------------------------------|
| API Number<br>30-015-34683 | Pool Code<br>83620              | Pool Name<br>Undesignated Red Lake Atoka Morrow |
| Property Code              | Property Name<br>OXY PESO       | Well Number<br>1                                |
| OGRID No.<br>192463        | Operator Name<br>OXY USA WTP LP | Elevation<br>3579'                              |

## Surface Location

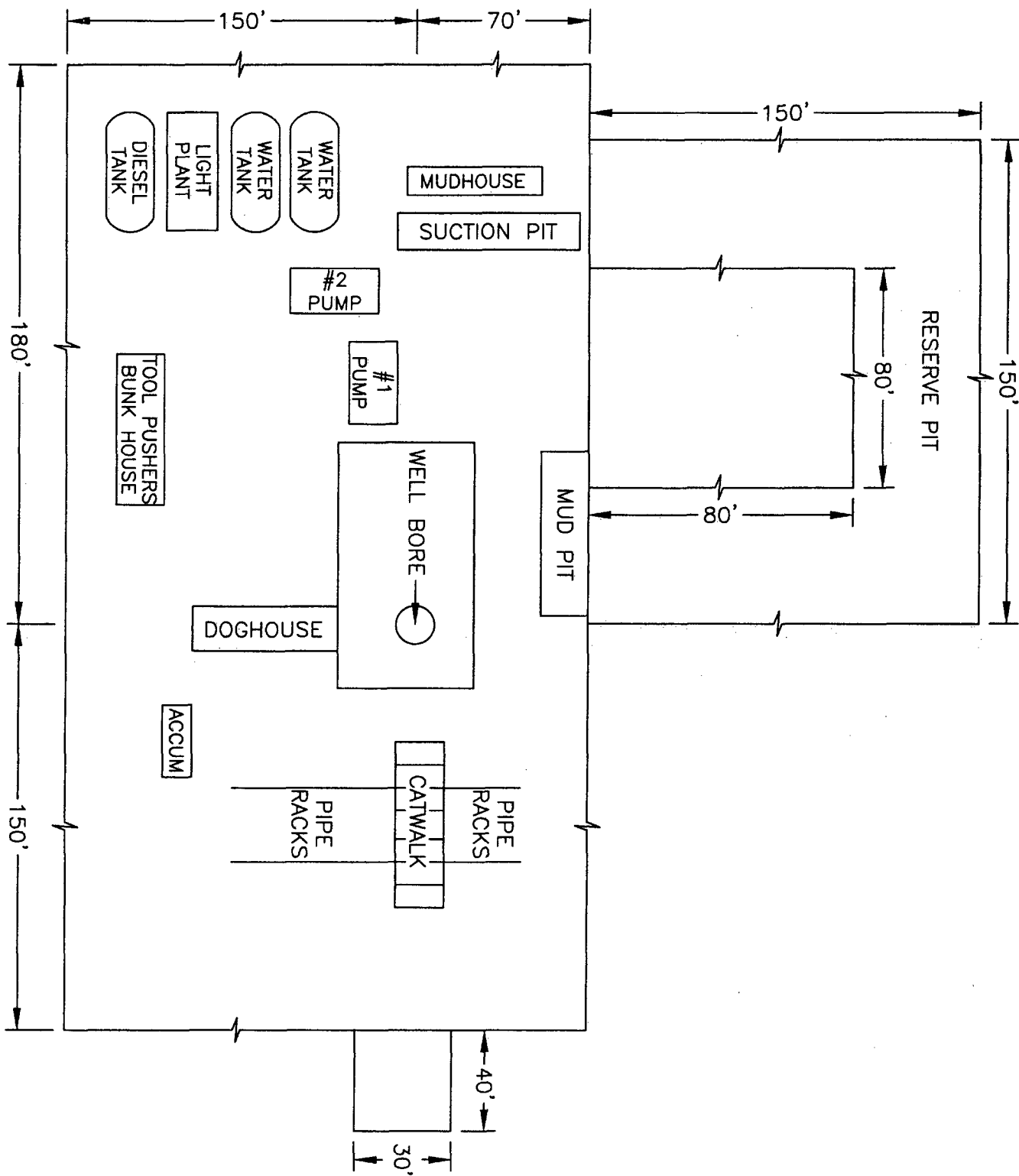
| UL or lot No. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| F             | 24      | 18-S     | 27-E  |         | 1650          | NORTH            | 1850          | WEST           | EDDY   |

## Bottom Hole Location If Different From Surface

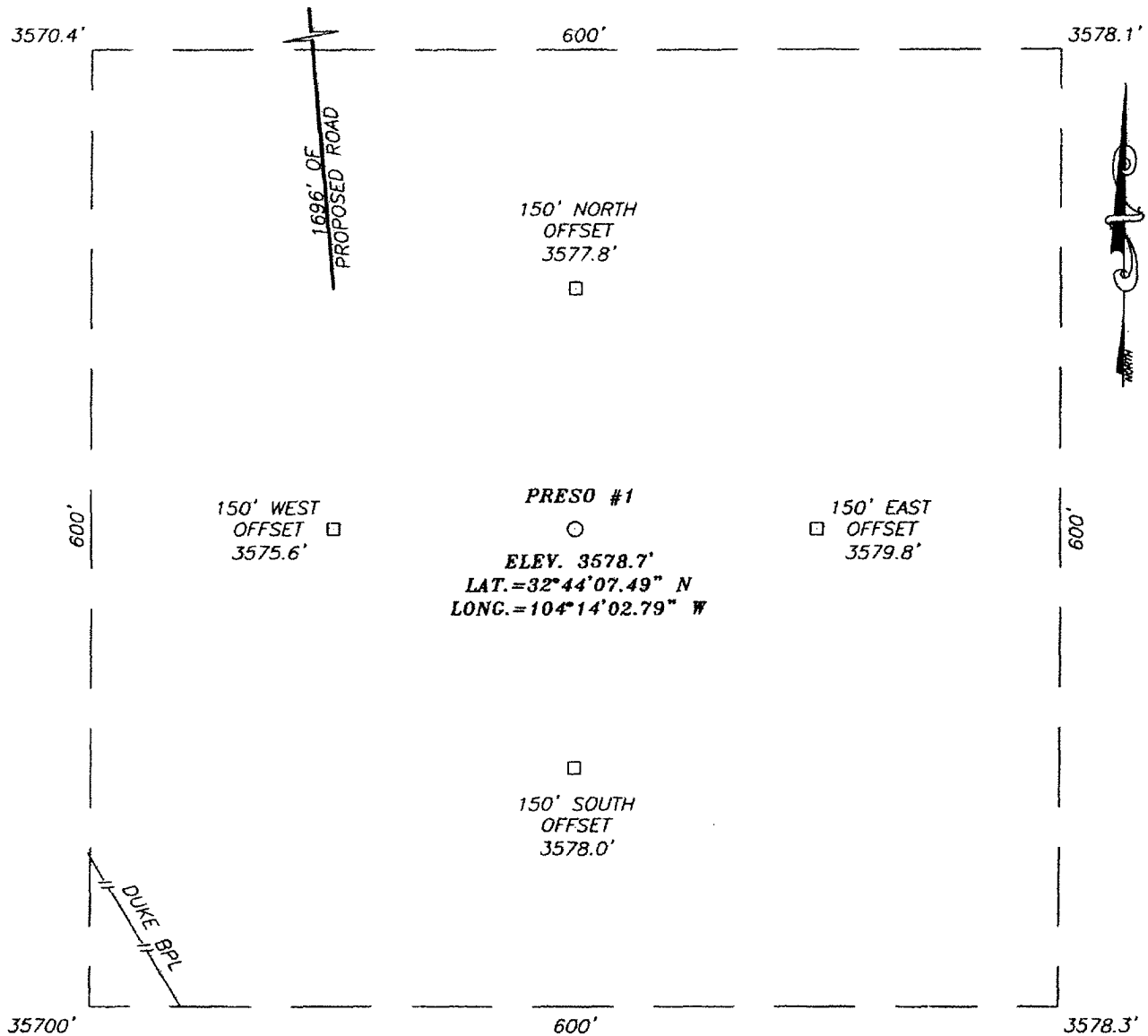
| UL or lot No.          | Section              | Township           | Range     | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
|------------------------|----------------------|--------------------|-----------|---------|---------------|------------------|---------------|----------------|--------|
|                        |                      |                    |           |         |               |                  |               |                |        |
| Dedicated Acres<br>320 | Joint or Infill<br>N | 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>GEODETIC COORDINATES<br/>NAD 27 NME</p> <p>Y=631268.3 N<br/>X=530511.4 E</p> <p>LAT.=32°44'07.49" N<br/>LONG.=104°14'02.79" W</p> | <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> 3/6/06</p> <p>Signature Date</p> <p>David Stewart</p> <p>Printed Name</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 22, 2006</p> <p>Date Surveyed LA</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
|  |                                                                                                                                      | <p>Signature &amp; Seal of Professional Surveyor</p> <p></p> <p>Certificate No. GARY EDDISON 12841</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |

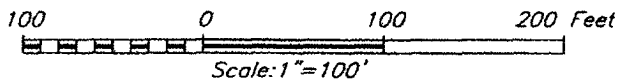


**SECTION 24, TOWNSHIP 18 SOUTH, RANGE 27 EAST, N.M.P.M.,**  
 EDDY COUNTY, NEW MEXICO



**DIRECTIONS TO LOCATION**

FROM THE INTERSECTION OF CO. RD. #206 (ILLINOIS CAMP) RD AND CO. RD. #204 (HILLTOP RD.) GO SOUTH ON CO. RD. #206 APPROX. 1.8 MILES. TURN RIGHT AND GO WEST ON MEANDERING ROAD APPROX. 1.02 MILES TO A "Y" INTERSECTION. TURN LEFT AND GO WEST-SOUTHWEST ON MEANDERING ROAD APPROX. 0.51 MILES TO A "Y" INTERSECTION. TURN LEFT AND GO SOUTH APPROX. 0.19 MILES TO A BEGIN ROAD SURVEY. FOLLOW ROAD SURVEY APPROX. 1700 FEET SOUTH-SOUTHEAST TO THIS LOCATION.



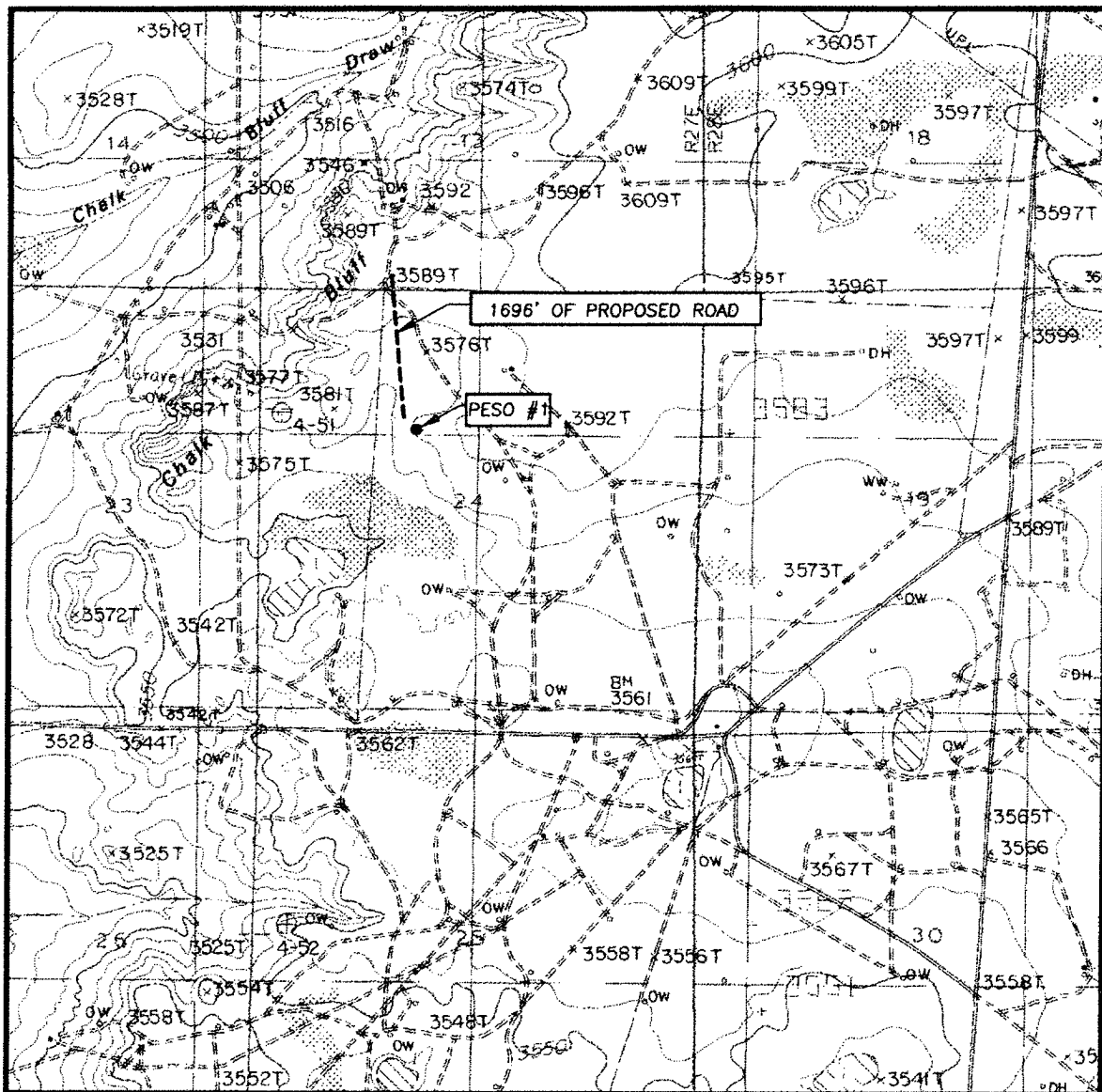
PROVIDING SURVEYING SERVICES  
 SINCE 1946  
**JOHN WEST SURVEYING COMPANY**  
 412 N. DAL PASO  
 HOBBS, N.M. 88240  
 (505) 393-3117

**OXY USA WTP LP**

**PESO #1 WELL**  
 LOCATED 1650 FEET FROM THE NORTH LINE  
 AND 1850 FEET FROM THE WEST LINE OF SECTION 24,  
 TOWNSHIP 18 SOUTH, RANGE 27 EAST, N.M.P.M.,  
 EDDY COUNTY, NEW MEXICO.

|                         |                     |
|-------------------------|---------------------|
| Survey Date: 2/22/06    | Sheet 1 of 1 Sheets |
| W.O. Number: 06.11.0377 | Dr By: LA           |
| Date: 2/28/06           | Disk: CD#5          |
| 06110377                | Scale: 1"=100'      |

# LOCATION VERIFICATION MAP



SCALE: 1" = 2000'

CONTOUR INTERVAL:  
ILLINOIS CAMP, N.M. - 10'

SEC. 24 TWP. 18-S RGE. 27-E

SURVEY N.M.P.M.

COUNTY EDDY STATE NEW MEXICO

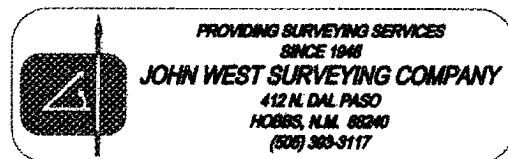
DESCRIPTION 1650' FNL & 1850' FWL

ELEVATION 3579'

OPERATOR OXY USA WTP LP

LEASE PESO

U.S.G.S. TOPOGRAPHIC MAP  
ILLINOIS CAMP, N.M.



**OXY USA WTP  
Limited Partnership  
PO Box 50250  
Midland, TX 79710**

**Hydrogen Sulfide (H<sub>2</sub>S)  
Contingency Plan**

**For**

**OXY Peso No. 1  
1650 FNL 1850 FWL  
Sec 24, T18S, R27E  
Eddy County, NM**

**And**

**Patterson/UTI Rig 508**

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## **PREFACE**

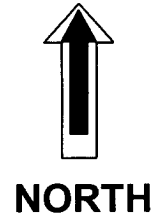
An effective and viable Contingency Plan is intended to provide prior planning and guidance in responding to emergency incidents. The primary considerations in its development are protection of personnel, the public, company and public property, and the environment.

Although the plan addresses varied emergency situations which may occur, it recognizes that flexibility and the use of the organization's knowledge and experience is critical to safe resolution of emergency incidents. Response actions outlined in the plan provide a framework, which may be placed into operation without confusion. These actions should promote quick and decisive actions during the critical initial period and immediately following an emergency. As the response progresses, additional guidelines and procedures may need to be implemented as the situation dictates. In addition, all emergency incidents must be properly reported per the Oxy Incident Reporting and Notification Policy, state and federal requirements, etc.

This Contingency Plan is intended for use on Oxy Downhole Services Group projects and the operations within their area of responsibility, such as drilling, critical well work, etc.

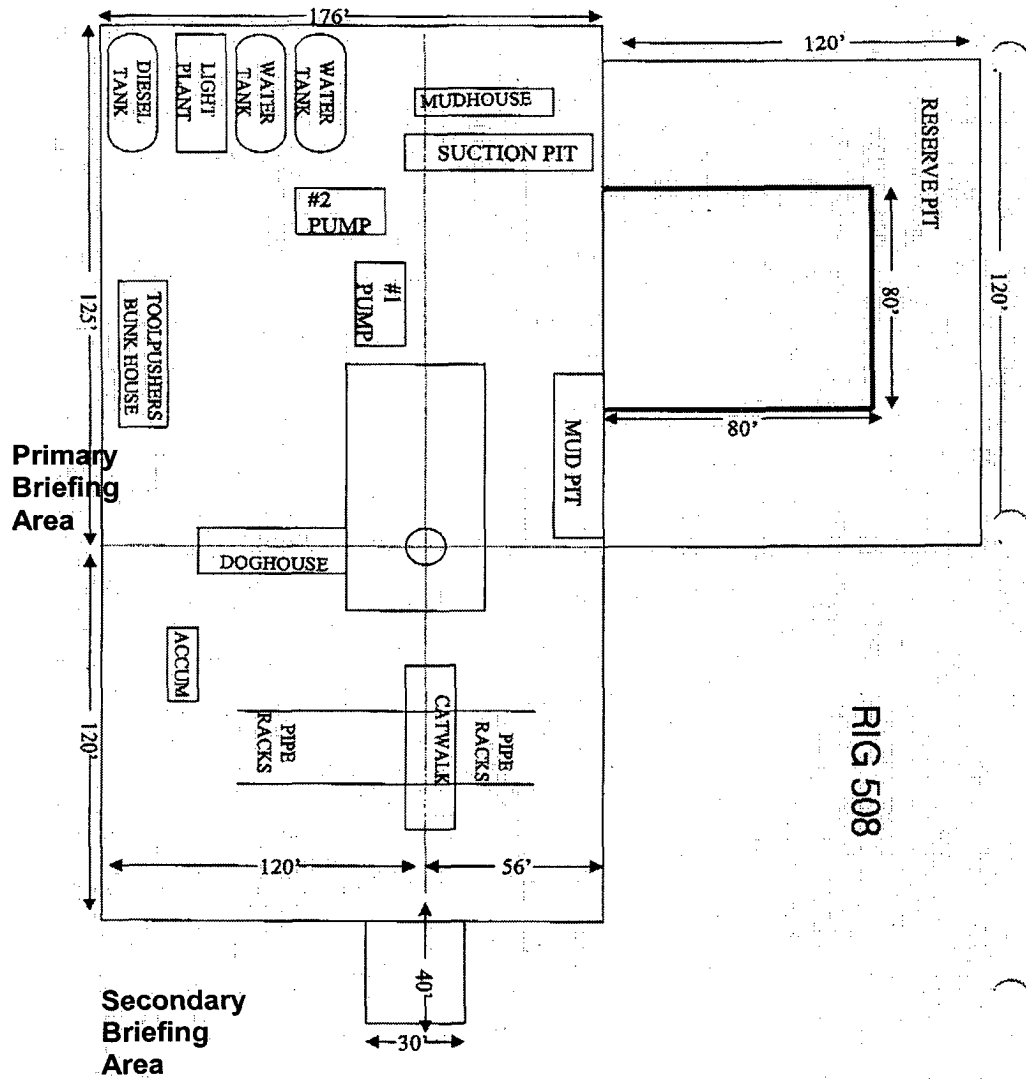
A copy of the Plan shall be maintained in the Top Dog House, Rig Managers trailer, and Company Representative's trailer if applicable.

**OXY Peso No. 1**  
**Lat. 32° 44' 07.49"N**  
**Long. 104° 14' 02.79"W**  
**NAD 27 NME**  
**Y = 631268.3 - N**  
**X = 530511.4 - E**



**DIRECTIONS TO LOCATION:** From the intersection of CR 206 and CR 204, go south on CR 206 for approximately 1.8 miles. Turn right and go west approx. 1.02 miles to a Y intersection. Turn left and go west-southwest for approx. 0.51 miles to a Y intersection. Turn left and go south approx. 0.19 miles to a begin road survey, follow road survey approx. 1700' south-southeast to this location.

OXY Peso No. 1



RIG 508

FEB-19-2004 12:18 F:\PATTERSON-DRILLING 432621565 T-938 P.002/002 F-527

## **EMERGENCY RESPONSE ACTIVATION AND GENERAL RESPONSIBILITIES**

### ***Activation of the Emergency Action Plan***

- A. In the event of any emergency situation, all personnel on location should first ensure that the following items are initiated. After that, they should refer to the appropriate Specific Emergency Guidance sections on pages ten (10) through twelve (12) in this document for further responsibilities:
  - 1. Notify the senior ranking contract representative on site.
  - 2. Notify Oxy representative in charge.
  - 3. Notify civil authorities if the Oxy Representative can not be contacted and the situation dictates.
  - 4. Perform rescue and first aid as required (without jeopardizing additional personnel).

### ***General Responsibilities***

#### **Oxy Permian Personnel:**

- A. Operations Specialist: The Oxy Drilling/Critical Well Servicing Operations Specialist or contract personnel serving in that capacity will serve as Operations Chief Officer for all emergency incidents. The Operations Chief Officer is responsible for:
  - 1. Notification to the Downhole Services Team Leader of the incident occurrence.
  - 2. Notification to the local RMT/PMT leader of the incident occurrence, and the need for the designated local RMT/PMT Incident Commander to act in that capacity for the response effort.
  - 3. Sole control of all tactical activities directed toward reducing the immediate hazard, establishing situational control and restoring the operations to a non-emergency state.
- B. Local RMT/PMT Designated Incident Commander: The Oxy local RMT/PMT Designated Incident Commander will serve as the overall Incident Commander for the drilling or critical well servicing emergency incident. The Incident Commander is responsible for:
  - 1. Coordinating with the Downhole Services Team Leader for notification to the Oxy Crisis Management team of the incident occurrence.
  - 2. Establishing and managing the overall incident command structure and response from inception through restoration of normal activities in the area.
- C. Downhole Services HES Tech: The Downhole Services HES Tech (or his designate) is responsible for reporting to the incident as soon as reasonably possible, to provide support to the response effort as required by the Operations Chief Officer or the Incident Commander.

**Contract Drilling Personnel** will immediately report to their assigned stations and perform their duties as outlined in the appropriate Specific Emergency Guidance sections on pages ten (10) through twelve (12) in this document.

**Other Contractor Personnel** will report to the safe briefing area to assist Oxy personnel and civil authorities as requested when it is safe to do so and if they have been adequately trained in their assigned duties.

**Civil Authorities** (Law Enforcement, Fire, and EMS) will be responsible for:

1. Establishing membership in the Unified Incident Command.
2. As directed by the Incident Commander and the Unified Command, control site access, re-route traffic, and provide escort services for response personnel.
3. Perform all fire control activities in coordination with the Unified Command.
4. Initiate public evacuation plans as instructed by the Incident Commander.
5. Perform rescue or recovery activities with coordination from the Unified Command.
6. Provide medical assistance as dictated by the situation at hand.

### **H2S RELEASE**

The following procedures and responsibilities will be implemented on activation of the H2S siren and lights.

#### **All Personnel:**

1. On alarm, don escape unit (if available) and report to upwind briefing area.

#### **Rig Manager/Tool Pusher:**

1. Check that all personnel are accounted for and their condition.
2. Administer or arrange for first aid treatment, and /or call EMTs as needed.
3. Identify two people best suited to secure well and perform rescue, and instruct them to don SCBA.
4. Notify Contractor management and Oxy Representative.
5. Remain at the briefing area, assess and monitor personnel and overall situation for hazards or conditions that might warrant a change in the action plan.

#### **Two People Responsible For Shut-in and Rescue:**

1. Don SCBA and acquire tools to secure well and perform rescue, i.e., wrenches, retrieval ropes, etc.
2. Utilize the buddy system to secure well and perform rescue(s).
3. Return to the briefing area and stand by for further instructions.

#### All Other Personnel:

1. Isolate the area and prevent entry by other persons into the 100 ppm ROE. Additionally the first responder(s) must evacuate any public places encompassed by the 100 ppm ROE. First responder(s) must take care not to injure themselves during this operation. Company and/or local officials must be contacted to aid in this operation. Evacuation of the public should be beyond the 100 ppm ROE.

#### Oxy Representative:

1. Remain at the briefing area, assess and monitor personnel and overall situation for hazards or conditions that might warrant a change in the action plan.
2. Notify Operation Specialists or Team Leader and RMT Leader or Local Incident Commander, and Police, Fire Department, or other local emergency services as required.

#### Training

There will be an initial training session prior to encountering a known or probable H<sub>2</sub>S zone (within 3 days or 500 feet) and weekly H<sub>2</sub>S and well control drills for all personnel in each crew. The initial training session shall include a review of the site specific H<sub>2</sub>S Drilling Operations Plan and the Public Protection Plan (Contingency Plan). This plan shall be available at the well site. All personnel will be required to carry documentation that they have received the proper training.

#### Ignition of Gas Source

Should control of the well be considered lost and ignition considered, take care to protect against exposure to Sulfur Dioxide (SO<sub>2</sub>). Intentional ignition must be coordinated with the NMOCD and local officials. Additionally the NM State Police shall be the Incident Command of any major release. Ignition of the well will be with the concurrence of the drilling team leader and the Oxy Crisis Management Team as time allows.

#### Characteristics of H<sub>2</sub>S and SO<sub>2</sub>

| Common Name      | Chemical Formula | Specific Gravity | Threshold Limit | Hazardous Limit | Lethal Concentration |
|------------------|------------------|------------------|-----------------|-----------------|----------------------|
| Hydrogen Sulfide | H <sub>2</sub> S | 1.189<br>Air = 1 | 10 ppm          | 100 ppm         | 600 ppm              |
| Sulfur Dioxide   | SO <sub>2</sub>  | 2.21<br>Air = 1  | 2 ppm           | N/A             | 1000 ppm             |

### Contacting Authorities

Oxy Permian personnel must liaison with local and state agencies to ensure a proper response to a major release. Additionally, the OCD must be notified of the release as soon as possible but no later than 4 hours. Agencies will ask for information such as; type and volume of release, wind direction, location of release, etc. Be prepared with all information available. The following call list of essential and potential responders has been prepared for use during a release. This response plan must be in coordination with the State of New Mexico's 'Hazardous Materials Emergency Response Plan' (HMER).

## **WELL CONTROL**

The following procedures will be implemented when a loss of primary control is indicated. Indicators of loss of primary control are flow from the well, an increase in pit volume, or when the drilling fluid used to fill the hole on trips is less than the calculated pipe displacement volume. The emergency signal for well control procedures will be a single long blast of the rig air horn.

### **Kick While Drilling - Procedures And Responsibilities**

#### **Driller:**

1. Stop the rotary and hoist the kelly above the rotary table.
2. Stop the mud pump(s).
3. Check for flow.
4. If flowing, sound the alarm immediately.
5. Ensure that all crew members fill their responsibilities to secure the well.
6. Record drill pipe and casing shut-in pressures and pit volume increase and begin kill sheet.

#### **Derrickman:**

1. Go to BOP/choke manifold area.
2. Open choke line valve on BOP.
3. Signal to Floorman #1 that the choke line is open.
4. Close chokes after annular or pipe rams are closed.
5. Record shut-in casing pressure and pit volume increase.
6. Report readings and observations to Driller.
7. Verify actual mud weight in suction pit and report to Driller.
8. Be readily available as required for additional tasks.

#### **Floorman # 1:**

1. Go to accumulator control station and await signal from Derrickman.
2. Close annular preventer and HCR on signal (if available, if not then close pipe rams).
3. Record accumulator pressures and check for leaks in the BOP or accumulator system.
4. Report to Driller, and be readily available as required for additional tasks.

#### **Floorman # 2:**

1. Start water on motor exhausts.
2. Notify Contractor Tool Pusher or Rig Manager of well control situation.
3. Check location for ignition sources and extinguish or turn off, and stop any welding in progress.
4. Report to Driller, and be readily available as required for additional tasks.

Floorman # 3:

1. Stand-by with Driller, and be readily available as required for additional tasks.

Tool Pusher/Rig Manager:

1. Notify Oxy Representative and report to rig floor.
2. Review and verify all pertinent information.
3. Communicate information to Oxy Representative, and confer on an action plan.
4. Finalize well control worksheets, calculations and preparatory work for action plan.
5. Initiate and ensure the action plan is carried out.
6. Communicate any changes in well or site conditions, or any indications that the action plan needs to be revised to the Oxy representative.

Oxy Representative:

1. Notify Operation Specialists or Team Leader and RMT Leader or Local Incident Commander, and Police, Fire Department, or other local emergency services as required.

## **Kick While Tripping - Procedures and Responsibilities**

Driller:

1. Sound the alarm immediately when pipe displacement volume is less than 75% of calculated.
2. Position the upper tool joint just above rotary table and set slips.
3. Check for flow.
4. Ensure that all crew members fill their responsibilities to secure the well.
5. Record drill pipe and casing shut-in pressures and pit volume increase, and begin kill sheets.

Derrickman: (same as while drilling)

Floor Man # 1:

1. Install full opening valve (with help from Floorman #2) in top drill string connection.
2. Tighten valve with make up tongs.
3. Go to accumulator control station and await signal from Derrickman.
4. Close annular preventer and HCR valve on signal (if available, if not then close pipe rams).
5. Record accumulator pressures and check for leaks in the BOP and accumulator system.
6. Report to Driller, and be readily available as required for additional tasks.

Floor Man # 2:

1. Assist installing full opening valve in drill string.
2. Position back-up tongs for valve make-up.
3. Start water on motor exhausts.
4. Notify Contractor Tool Pusher or Rig Manager of well control situation.
5. Check location for ignition sources and extinguish or turn off, and stop any welding in progress.
6. Report to Driller, and be readily available as required for additional tasks.

Floorman # 3, Rig Manager/Tool Pusher, and Oxy Representative: (same as while drilling)

## ***PUBLIC RELATIONS***

Oxy recognizes that the news media have a legitimate interest in incidents at Oxy facilities that could affect the public. It is to the company's benefit to cooperate with the news media when incidents occur because these media are our best liaison with the public.

Our objective is to see that all reports of any emergency are factual and represent the company's position fairly and accurately. Cooperation with news media representatives is the most reliable guarantee that this objective will be met.

All contract and Oxy employees are instructed **NOT** to make any statement to the media concerning the emergency incident. If a media representative contacts any employee, they should refer them to the designated Emergency Command Center where they should contact the Incident Commander or his designated relief for any information concerning the incident.

# OXY PERMIAN DOWNHOLE SERVICES GROUP

|                                   | LOCATION | OFFICE       | HOME          | CELL         | PAGER        |
|-----------------------------------|----------|--------------|---------------|--------------|--------------|
| <b>Manager Operations Support</b> |          |              |               |              |              |
| Hardesty, Steve                   | Midland  | 432-685-5880 | 432/694-6441  | 713-560-8095 |              |
| <b>Team Leader</b>                |          |              |               |              |              |
| Pennington, Randy                 | Midland  | 432-685-5684 | 432/689-7642  | 432-556-0207 | 713-312-8186 |
|                                   |          |              | Toledo Bend = | 318-590-2349 |              |
| <b>Operations Specialists</b>     |          |              |               |              |              |
| Fleming, Joe                      | Midland  | 432-685-5858 | 432/699-0875  | 432-425-6075 | 432-498-3281 |
| Ray, Fred                         | Midland  | 432-685-5683 | 432/362-2857  | 432-661-3893 | 432-499-3432 |
| <b>HES Tech</b>                   |          |              |               |              |              |
| Thompson, Don                     | Midland  | 432-685-5719 | 432/684-3900  | 432-556-1505 |              |

## **Emergency Notification Numbers**

| <b>Public Authorities</b>       |             |              |
|---------------------------------|-------------|--------------|
| New Mexico State Police         | Artesia     | 505/746-2704 |
| New Mexico State Police         | Carlsbad    | 505/885-3137 |
| New Mexico State Police         | Hobbs       | 505/392-5588 |
| Eddy County Sheriff's Office    | Artesia     | 505/746-2704 |
| Eddy County Sheriff's Office    | Carlsbad    | 505/887-7551 |
| Lea County Sheriff's Office     | Hobbs       | 505/393-2515 |
| Local Emergency Planning Center | Eddy County | 505/887-9511 |
| Local Emergency Planning Center | Lea County  | 505/397-9231 |
| New Mexico Oil & Gas Commission | Artesia     | 505/748-1283 |
| New Mexico Oil & Gas Commission | Hobbs       | 505/393-6161 |
| NM Emergency Response Center    | Hobbs       | 505/827-9222 |

| <b>Emergency Services</b>                |             |              |
|------------------------------------------|-------------|--------------|
| Fire Fighting, Rescue, Ambulance, Police | Artesia     | 911          |
| Fire Fighting, Rescue, Ambulance, Police | Carlsbad    | 911          |
| Fire Fighting, Rescue, Ambulance, Police | Hobbs       | 911          |
| Flight For Life                          | Lubbock     | 806/743-9911 |
| Aerocare                                 | Lubbock     | 806/7478923  |
| Med Flight Air Ambulance                 | Albuquerque | 505/842-4433 |

| <b>Other Emergency Services</b> |         |                |
|---------------------------------|---------|----------------|
| Boots and Coots                 |         | 1/800-256-9688 |
| Cudd Pressure Control           | Midland | 432/699-0139   |
| B.J. Services                   | Artesia | 505/746-3569   |
| Halliburton                     | Artesia | 505/746-2757   |

**OXY Permian Production and Plant Personnel**  
**OXY Permian Crisis Team Hotline Notification (713) 935-7210**

| PERSON | LOCATION | OFFICE | FAX | CELL | PAGER |
|--------|----------|--------|-----|------|-------|
|--------|----------|--------|-----|------|-------|

**Asset Management-Operations Areas**

|                                            |         |                   |                   |                   |  |
|--------------------------------------------|---------|-------------------|-------------------|-------------------|--|
| OXY Permian General Manager:<br>Tom Menges | Houston | (281)<br>552-1147 | (281)<br>552-1484 | (713)<br>560-8038 |  |
| South Permian Asset:<br>Matt Hyde          | Midland | (432)<br>685-5802 | (432)<br>685-5930 | (432)<br>556-5016 |  |

**RMT/PMT Leaders: South Permian Asset**

|                                |         |                   |       |       |       |
|--------------------------------|---------|-------------------|-------|-------|-------|
| Frontier RMT:<br>John Nicholas | Midland | (432)<br>685-5600 | (432) | (432) | (432) |
|--------------------------------|---------|-------------------|-------|-------|-------|

| PERSON | LOCATION | OFFICE | FAX | CELL | PAGER |
|--------|----------|--------|-----|------|-------|
|--------|----------|--------|-----|------|-------|

**Production Coordinators: S. Permian Asset**

|                           |       |                   |                   |                   |                   |
|---------------------------|-------|-------------------|-------------------|-------------------|-------------------|
| New Mexico: John Erickson | Hobbs | (505)<br>393-2174 | (505)<br>397-2671 | (505)<br>390-6426 | (505)<br>370-6836 |
|---------------------------|-------|-------------------|-------------------|-------------------|-------------------|

**OXY Permian HES Personnel**  
**OXY Permian Crisis Team Hotline Notification (713) 935-7210**

| PERSON | LOCATION | OFFICE | FAX | CELL | PAGER |
|--------|----------|--------|-----|------|-------|
|--------|----------|--------|-----|------|-------|

**HES Coordinators & Area of Responsibility**

|                          |         |                   |                   |                   |  |
|--------------------------|---------|-------------------|-------------------|-------------------|--|
| Frontier:<br>Ricky Tyler | Midland | (432)<br>685-5702 | (432)<br>685-5742 | (432)<br>556-5790 |  |
|--------------------------|---------|-------------------|-------------------|-------------------|--|

**HES Techs & Area of Responsibility**

|                                    |       |                   |                   |                   |                         |
|------------------------------------|-------|-------------------|-------------------|-------------------|-------------------------|
| Hobbs RMT:<br>Steve Bishop         | Hobbs | (505)<br>397-8251 | (505)<br>397-8204 | (505)<br>390-4784 | (877)<br>339-1954-1118# |
| Frontier-New Mexico:<br>Rick Kerby | Hobbs | (505)<br>393-2174 | (505)<br>393-2671 | (505)<br>390-8639 | (505)<br>370-6527       |

Attachment C-101  
OXY USA WTP LP  
OXY Peso #1  
1650 FNL 1850 FWL SEC 24 T18S R27E Eddy County, NM  
Fee

PROPOSED TD: 10500' TVD

BOP PROGRAM: 0 - 400' None  
400 - 2500' 13-3/8" 3M annular preventer, to be used as  
divertor only.  
2500 - 10500' 11" 5M blind pipe rams with 5M annular  
preventer and rotating head below 8500'.

CASING: Surface: 13-3/8" OD 48# H40 ST&C new casing set at 400'  
17-1/2" hole  
Intermediate: 9-5/8" OD 36# K55 ST&C new casing from 0-2500'  
12-1/4" hole  
Production: 5-1/2" OD 17# N80 LT&C new casing from 0-10500'  
8-3/4" hole

CEMENT: Surface - Circulate cement with 210sx HES light premium plus w/ 2%  
CaCl<sub>2</sub> followed by 250sx PP w/ 2% CaCl<sub>2</sub>.

Intermediate - Circulate cement with 500sx Interfill C w/ .25#/sx  
Flocele followed by 200sx PP w/ 2% CaCl<sub>2</sub>.

Production - Cement with 750sx Interfill H w/ .1% HR-7 followed by  
380sx Super H w/ .5% HR-344 + .4% CFR-3 + 5#/sx Gilsonite + 1#/sx  
salt + .2% HR-7. Estimated top of cement is 5500'.

Note: Cement volumes may need to be adjusted to hole caliper.

MUD: 0 - 400' Fresh water/native mud. Lime for pH control  
(9-10). Paper for seepage.  
Wt 8.7-9.2 ppg, Vis 32-34 sec  
400 - 2500' Fresh/\*Brine water. Lime for pH control (10.0-  
10.5). Paper for seepage.  
Wt 8.3-9.0/10.0-10.1ppg, Vis 28-29 sec  
\*Fresh water will be used unless chlorides in  
the mud system increases to 20000PPM.  
2500 - 5500' Fresh water. Lime for pH control(9-9.5). Paper  
for seepage.  
Wt 8.3-8.5 ppg, Vis 28-29 sec  
5500 - 8700' Cut brine. Lime for pH control (10-10.5).  
Wt 9.6-10.0 ppg, Vis 28-29sec  
8700 - 10500' Mud up with an Duo Vis/Flo Trol mud system.  
Wt 9.6-10.0ppg, Vis 32-36sec, WL<10cc

**SPACING UNIT:** W/2

**ESTIMATED FORMATION TOPS:** (OXY Whiptail St-1 - 3001534323)  
Morrow-10013' Atoka-9810' Strawn-9420' Wolfcamp-7252'

**SPUD DATE:** 4/10/06

**ARCH SURVEY:** N/A

**DIRECTIONS TO LOCATION:** From the intersection of CR 206 and CR 204, go south on CR 206 for approximately 1.8 miles. Turn right and go west approx. 1.02 miles to a Y intersection. Turn left and go west -southwest for approx. 0.51 miles to a Y intersection. Turn left and go south approx. 0.19 miles to a begin road survey, follow road survey approx. 1700' south-southeast to this location.

**WELLSITE LAYOUT:** V-Door-South Pits-East

**SURFACE OWNER:** Bogle Ltd. P.O. Box 460, Dexter, NM 88230

**SURFACE LESSEE:** N/A

**LEASE RESPONSIBILITY STATEMENT:** N/A

**NEAREST RESIDENCE OR OTHER STRUCTURE:** 1 mile to the southeast

**SOURCE OF CONSTRUCTION MATERIALS** - Caliche for surfacing the well pad will be obtained from onsite material.

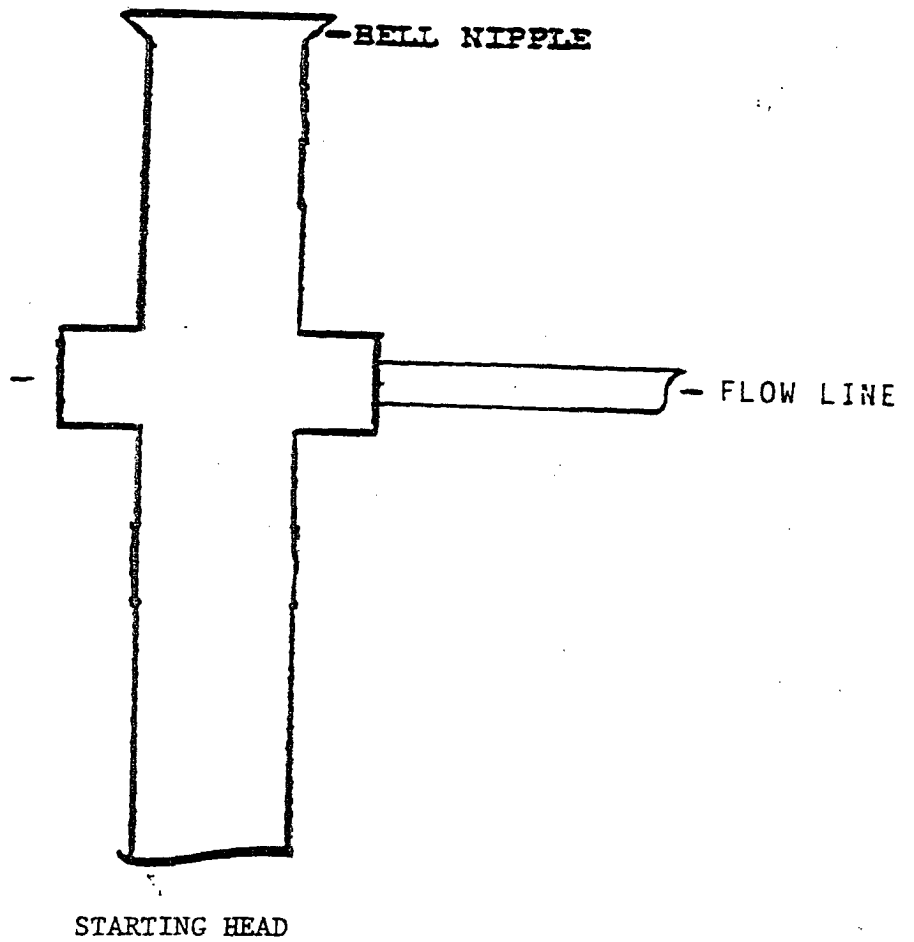
**H<sub>2</sub>S CONTINGENCY PLAN:** \_\_\_\_\_

**PIT PERMIT:** \_\_\_\_\_

**DIRECTIONAL SURVEY PLAN:** N/A

EXHIBIT A

ANNULAR PREVENTOR  
TO BE USED AS DIVERTOR ONLY



# BLOWOUT PREVENTOR SCHEME

11" 5000# ram type preventers with one set blind rams and one set pipe rams and a 5000# annular type preventer. A choke manifold and 120 gallon accumulator with floor and remote operating stations and auxiliary power system.

