

District I
1625 N. French Dr., Hobbs, NM 88240
District II
811 S. First St., 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

Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

RECEIVED

AUG 6 2019

Submit one copy to appropriate District Office

DISTRICT II-ARTESIA O.C.D.

Form C-104
Revised August 1, 2011

☐ AMENDED REPORT

I. REQUEST FOR ALLOWABLE AND AUTHORIZATION TO TRANSPORT

¹ Operator name and Address OXY USA INC P.O. BOX 4294 HOUSTON, TX 77210		² OGRID Number 16696
⁴ API Number 30-015-45389		⁶ Pool Code 33740
⁷ Property Code: 322740	⁸ Property Name: STERLING SILVER MDP1 33-4 FEDERAL COM	⁹ Well Number: 7H

II. ¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South Line	Feet from the	East/West line	County
A	33	23S	31E		96	NORTH	564	EAST	EDDY

¹¹ Bottom Hole Location

FTP: 220' FNL 321' FEL LTP: 146' FSL 323' FEL

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
P	4	24S	31E		18	SOUTH	320	EAST	EDDY
¹² Lse Code F	¹³ Producing Method Code : F	¹⁴ Gas Connection Date: 03/29/2019	¹⁵ C-129 Permit Number	¹⁶ C-129 Effective Date	¹⁷ C-129 Expiration Date				

III. Oil and Gas Transporters

¹⁸ Transporter OGRID	¹⁹ Transporter Name and Address	²⁰ O/G/W
237722	CENTURION PIPELINE L.P.	O
151618	ENTERPRISE FIELD SERVICES LLC	G

IV. Well Completion Data

²¹ Spud Date 11/04/2019 ✓	²² Ready Date 03/26/2019	²³ TD 20685 10228'V/20672'M	²⁴ PBSD ✓10228'V/20631'M	²⁵ Perforations 10377'-20577' ✓	²⁶ DHC, MC
²⁷ Hole Size	²⁸ Casing & Tubing Size	²⁹ Depth Set	³⁰ Sacks Cement		
17-1/2" ✓	13-3/8" ✓	538' ✓	685 ✓		
12-1/4" ✓	9-5/8" ✓	4385' ✓	1415 ✓		
8-1/2" ✓	7-5/8" ✓	9671' ✓	717 /		
6-3/4" ✓	5-1/2" ✓	20672' ✓	899 ✓		

V. Well Test Data

³¹ Date New Oil 03/30/2019	³² Gas Delivery Date 03/29/2019	³³ Test Date 04/08/2019 ✓	³⁴ Test Length 24-HOUR ✓	³⁵ Tbg. Pressure	³⁶ Csg. Pressure 1,112 ✓
³⁷ Choke Size 40/128 ✓	³⁸ Oil 4,203 ✓	³⁹ Water 4,821 ✓	⁴⁰ Gas 6,322 ✓		⁴¹ Test Method FLOWING

⁴² I hereby certify that the rules of the Oil Conservation Division have been complied with and that the information given above is true and complete to the best of my knowledge and belief.

Signature: Sarah Chapman

Printed name:
SARAH CHAPMAN

Title:
REGULATORY SPECIALIST

E-mail Address:
sarah_chapman@oxy.com

Date: 08/05/2019 Phone: 713-350-4997

OIL CONSERVATION DIVISION

Approved by:

Title:

Approval Date:

Pending BLM approvals will subsequently be reviewed and scanned.

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

District II
811 S. First St., Artesia, NM 88210
Phone: (575) 748-1283 Fax: (575) 748-9720

District III
1000 Rio Brazos 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, NM 87505

Form C-102

Received August 1, 2011
Submit one copy to appropriate
District Office

AMENDED REPORT

AI-DV1100

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-015-45389	Pool Code 33740	Pool Name Ingle Well One Spring
Property Code 322740	Property Name STERLING SILVER MDPI "33-4" FEDERAL COM	Well Number 7H
OGRID No. 16696	Operator Name OXY USA INC.	Elevation 3401.2'

Surface Location

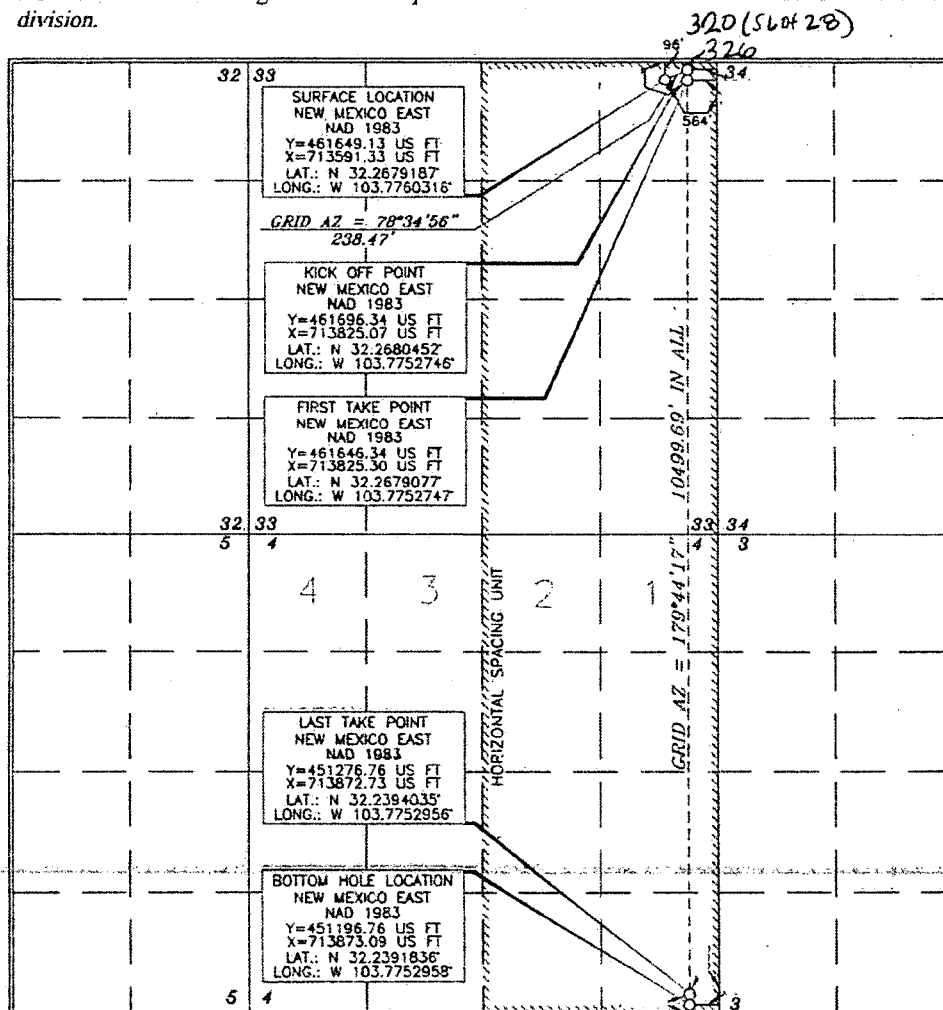
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
A	33	23 SOUTH	31 EAST, N.M.P.M.		96'	NORTH	564'	EAST	EDDY

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
P	4	24 SOUTH	31 EAST, N.M.P.M.		18'	SOUTH	320'	EAST	EDDY

Dedicated Acres 640	Joint or Infill	Consolidation Code	Order No.
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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 undivided 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.

Sarah Chapman 3/19/19
Signature Date
Sarah Chapman
Printed Name
Sarah.Chapman@oxy.com
E-mail Address

SURVEYOR CERTIFICATION

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

ERRY J. ASH
15079
FEBRUARY 1, 2018
Date of Survey
Signature and Seal
Professional Surveyor

Tony Alar 10/30/2018
Certificate Number 15079

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AUG 6 2019

DISTRICT II-ARTESIA O.C.D.

Intent ☐ As Drilled ☒

API #

30-015-45389

Operator Name: Oxy USA Inc.	Property Name: Stelling Silver NDPI 33-4 Fed com	Well Number 7H
------------------------------------	---	-----------------------

Kick Off Point (KOP)

UL P	Section 20	Township 23S	Range 31E	Lot	Feet 321	From N/S South	Feet 326	From E/W East	County EDDY
Latitude 32.0000					Longitude -103.77586			NAD NAD 83	

First Take Point (FTP)

UL A	Section 33	Township 23S	Range 31E	Lot	Feet 220	From N/S North	Feet 321	From E/W East	County EDDY
Latitude 32.26758					Longitude -103.77525			NAD NAD 83	

Last Take Point (LTP)

UL P	Section 4	Township 24S	Range 31E	Lot	Feet 146	From N/S South	Feet 323	From E/W East	County EDDY
Latitude 32.23953					Longitude -103.77527			NAD NAD 83	

Is this well the defining well for the Horizontal Spacing Unit? ☐Is this well an infill well? ☐

If infill is yes please provide API if available, Operator Name and well number for Defining well for Horizontal Spacing Unit.

API #		
Operator Name:	Property Name:	Well Number

KZ 06/29/2018

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AUG 06 2019

Form 3160-4
(August 2007)UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM APPROVED
OMB No. 1004-0137
Expires: July 31, 2010

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

5. Lease Serial No.
NMNM45236

1a. Type of Well ☒ Oil Well ☐ Gas Well ☐ Dry ☐ Other
 b. Type of Completion ☒ New Well ☐ Work Over ☐ Deepen ☐ Plug Back ☐ Diff. Resvr.
 Other _____

6. If Indian, Allottee or Tribe Name

7. Unit or CA Agreement Name and No.

2. Name of Operator
OXY USA INC.

Contact: SARAH CHAPMAN
E-Mail: SARAH_CHAPMAN@OXY.COM

8. Lease Name and Well No.
STERLING SILVER MDP1 33-4 FED 7H

3. Address P.O. BOX 4294
HOUSTON, TX 77210

3a. Phone No. (include area code)
Ph: 713-350-4997

9. API Well No.
30-015-45389

4. Location of Well (Report location clearly and in accordance with Federal requirements)*
 At surface Sec 33 T23S R31E Mer
 NENE 96FNL 564FEL 32.267918 N Lat, 103.776031 W Lon
 At top prod interval reported below Sec 33 T23S R31E Mer
 NENE 220FNL 321FEL 32.267580 N Lat, 103.775250 W Lon
 At total depth Sec 4 T24S R31E Mer
 SWSW 18FSL 320FWL 32.239183 N Lat, 103.775295 W Lon

10. Field and Pool, or Exploratory
INGLE WELLS

11. Sec., T., R., M., or Block and Survey
or Area Sec 33 T23S R31E Mer

12. County or Parish
EDDY

13. State
NM

14. Date Spudded
11/04/2018 ✓

15. Date T.D. Reached
02/11/2019

16. Date Completed
☐ D & A ☒ Ready to Prod.
03/20/2019 ✓

17. Elevations (DF, KB, RT, GL)*
3401 GL

18. Total Depth: MD 20685 20872
TVD 10228 10229

19. Plug Back T.D.: MD 20631
TVD 10228

20. Depth Bridge Plug Set: MD
TVD

21. Type Electric & Other Mechanical Logs Run (Submit copy of each)
GAMMA RAY, CBL

22. Was well cored? ☒ No ☐ Yes (Submit analysis)
 Was DST run? ☒ No ☐ Yes (Submit analysis)
 Directional Survey? ☐ No ☒ Yes (Submit analysis)

23. Casing and Liner Record (Report all strings set in well)

Hole Size	Size/Grade	Wt. (#/ft.)	Top (MD)	Bottom (MD)	Stage Cementer Depth	No. of Sks. & Type of Cement	Slurry Vol. (BBL)	Cement Top*	Amount Pulled
17.500	13.375 J-55	54.5	0	538		685	165	0	
12.250	9.625 L-80	43.5	0	4385		1415	419	0	
8.500	7.625 HCL-80	26.4	0	9671		717	352	30	
6.750	5.500 P-110	20.5	0	20672		899	218	9150	

24. Tubing Record

Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)

25. Producing Intervals

26. Perforation Record

Formation	Top	Bottom	Perforated Interval	Size	No. Holes	Perf. Status
A) BONE SPRING	10377	20577	10377 TO 20577	0.370	1200	ACTIVE
B)						
C)						
D)						

27. Acid, Fracture, Treatment, Cement Squeeze, Etc.

Depth Interval	Amount and Type of Material
10377 TO 20577	15685110G SLICKWATER W/ 20394095# SAND

28. Production - Interval A

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
03/30/2019	04/08/2019	24	→	4203.0	6322.0	4821.0			FLows FROM WELL
Choke Size	Tbg. Press. Flwg.	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas:Oil Ratio	Well Status	
40/128	SI	1112.0	→	4203	6322	4821	1504	POW	

28a. Production - Interval B

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
			→						
Choke Size	Tbg. Press. Flwg.	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas:Oil Ratio	Well Status	
	SI		→						

(See Instructions and spaces for additional data on reverse side)

ELECTRONIC SUBMISSION #476652 VERIFIED BY THE BLM WELL INFORMATION SYSTEM

** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ** OF

Pending BLM approvals will
subsequently be reviewed and
scanned.

RuP 9-27

28b. Production - Interval C

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
			→						
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas:Oil Ratio	Well Status	
			→						

28c. Production - Interval D

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
			→						
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas:Oil Ratio	Well Status	
			→						

29. Disposition of Gas(Sold, used for fuel, vented, etc.)
SOLD

30. Summary of Porous Zones (Include Aquifers):

Show all important zones of porosity and contents thereof: Cored intervals and all drill-stem tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures and recoveries.

31. Formation (Log) Markers

Formation	Top	Bottom	Descriptions, Contents, etc.	Name	Top Meas. Depth
BELL CANYON	4259	5192	OIL, GAS, WATER	RUSTLER	489
CHERRY CANYON	4276	6393	OIL, GAS, WATER	SALADO	837
BRUSHY CANYON	5190	8078	OIL, GAS, WATER	CASTILE	2781
BONE SPRING	8123	8920	OIL, GAS, WATER	LAMAR	4259
1ST BONE SPRING	8964	9373	OIL, GAS, WATER	BELL CANYON	4276
2ND BONE SPRING	9412	9976	OIL, GAS, WATER	CHERRY CANYON	5190
				BRUSHY CANYON	6381
				BONE SPRING	8123

32. Additional remarks (include plugging procedure):
Logs were mailed 8/6/19.

Log Header, Directional Survey, As-Drilled Amended C-102 plat & WBD are attached.

33. Circle enclosed attachments:

- | | | | |
|---|--------------------|---------------|-----------------------|
| 1. Electrical/Mechanical Logs (1 full set req'd.) | 2. Geologic Report | 3. DST Report | 4. Directional Survey |
| 5. Sundry Notice for plugging and cement verification | 6. Core Analysis | 7. Other: | |

34. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records (see attached instructions):

Electronic Submission #476652 Verified by the BLM Well Information System.
For OXY USA INC., sent to the Carlsbad

Name (please print) SARAH CHAPMAN

Title REGULATORY SPECIALIST

Signature (Electronic Submission)

Date 08/05/2019

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.

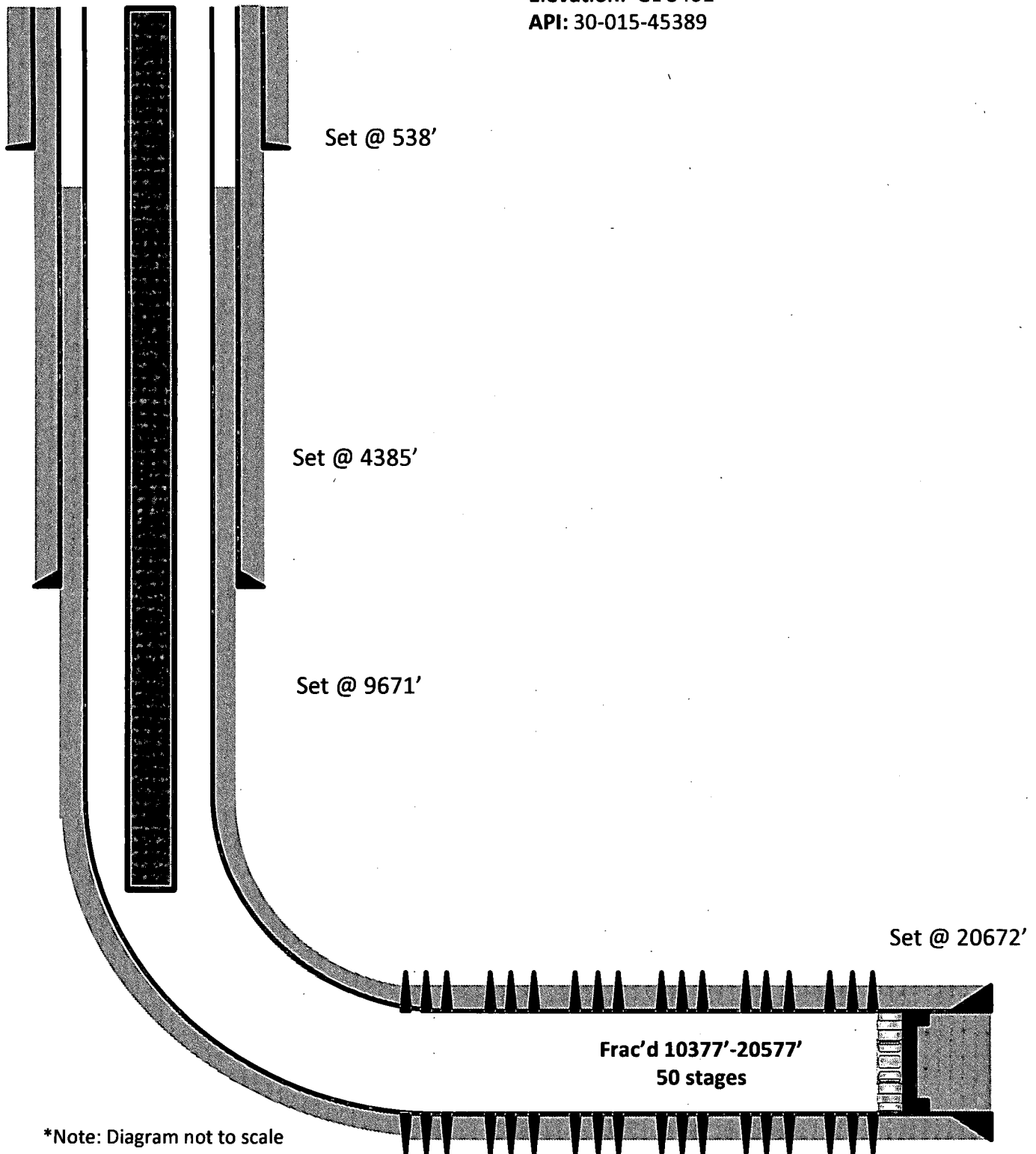
**** ORIGINAL ** ORIGINAL ** ORIGINAL ** ORIGINAL ** ORIGINAL ** ORIGINAL ** ORIGINAL ****



Sterling Silver MDP1 33-4 Federal Com 7H Wellbore Diagram

Elevation: GL 3401'

API: 30-015-45389



PBTD - 20631' MD

TD - 20672' MD/10228' TVD

Oilfield Services, Central U.S. Land
Schlumberger Drilling and Measurements
Drilling Group
Geo Market Area: South West Texas Basin
7220 W I-H 20
Midland, Texas 79706
Phone : (432) 742-5400 (Main)
Fax : (432) 742-5606 (Shared)

Schlumberger

February 25, 2019

OXY USA INC.

33, 23S, 31E, Eddy NM
32.26792 103.77603

Re:

CLIENT: OXY USA INC.
WELL: Sterling Silver MDP1 33-4 Fed Com 7H
FIELD: Ingle Wells Bone spring

RIG: H&P 639
COUNTY: Eddy
API NO: 30-015-45389
JOB NO: 19MLD4176

Enclosed, please find the original copy of the survey performed on the referenced well by Drilling & Measurements, a division of Schlumberger Technology Corporation (P-5 No. 754900).
Other information required by your office is as follows.

<u>Name & Title of Surveyor</u>	<u>Drainhole Number</u>	<u>Surveyed Depths</u>	<u>Dates Performed</u>	<u>Type of Survey</u>
Ryland Matthews FE	Sterling Silver MDP1 33-4 Fed Com 7H Original Hole	680.00 Ft to 20635.00 Ft	January 17, 2019 to February 6, 2019	TelePacer/SlimPulse Third Party Corrected

If any other information is required, please contact the undersigned at the above letterhead and phone number.
Sincerely,

PSDM
Field Service Manager

Schlumberger-Private

Schlumberger

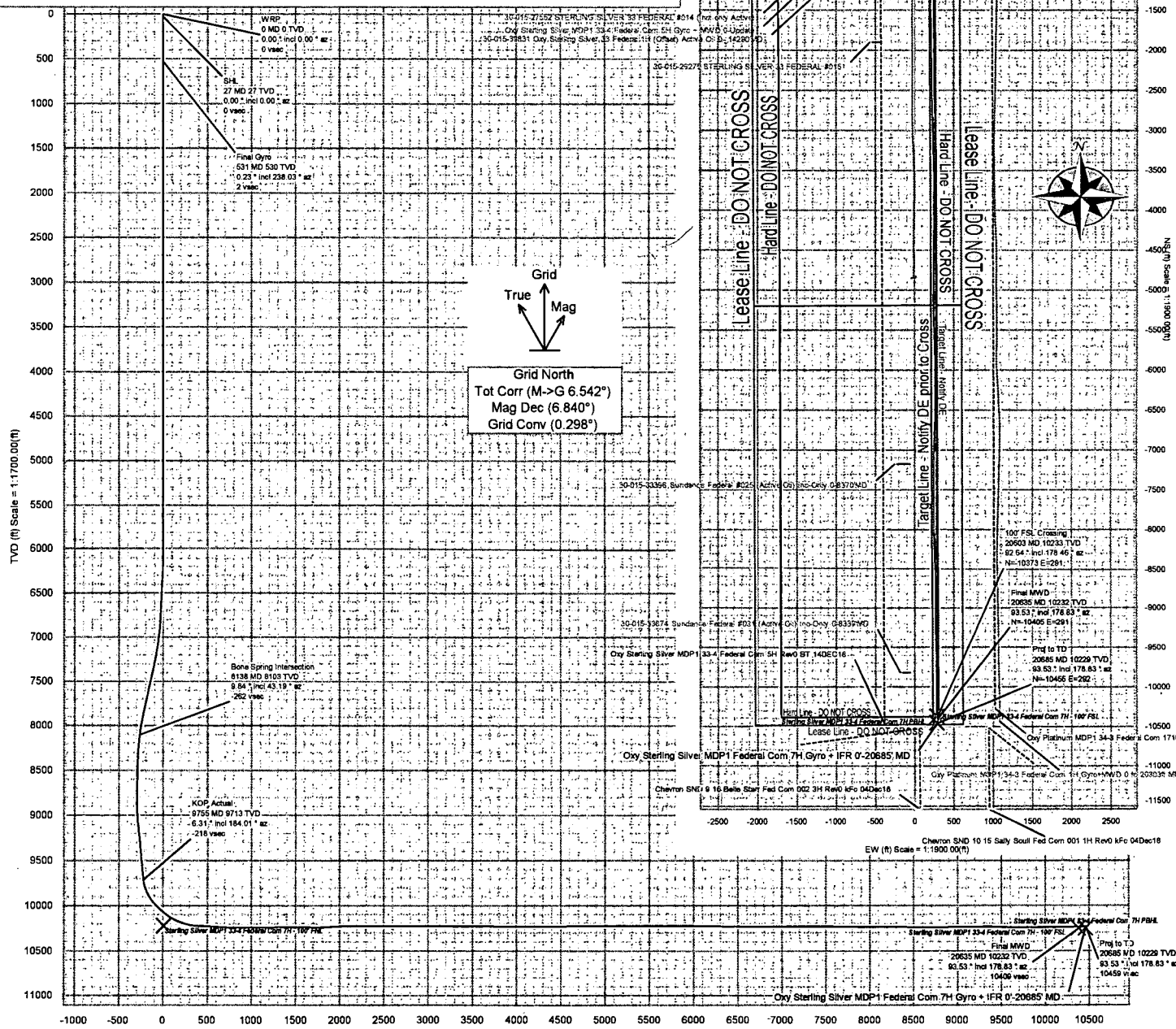
OXY



Borehole:	Well:	Field:	Structure:
Original Hole	Sterling Silver MDP1 "33-4" Federal Com 7H	NM Eddy County (NAD 83)	Oxy Sterling Silver MDP1 33-4 Federal Com 7H

Gravity & Magnetic Parameters	Surface Location	Miscellaneous
Model: IFR1 Dip: 69.994° Date: 27-Jan-2019	NAD83 New Mexico State Plane, Eastern Zone, US Feet	Oxy Sterling
MagDec: 6.84° FS: 48010.1m Gravity FS: 998.448mg (8.0665 Based)	Lat: N 32 16 4.81 Northing: 481648.13RUS Grid Conv: 0.2978°	Slot: Silver MDP1 33-4 TVD Ref: RKB(3427.7m above MSL)
	Lon: W 103 46 33.71 Easting: 713691.33RUS Scale Fact: 0.99994307	Plan: Oxy Sterling Silver MDP1 Federal Com 7H Gyro + IFR 0'-20685' MD

Critical Points								
Critical Point	MD	INCL	AZIM	TVD	VSEC	N(+)/S(-)	E(+)/W(-)	DLS
WRP	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
SHL	26.50	0.00	0.00	26.50	0.00	0.00	0.00	0.00
Final Gyro	530.50	0.23	238.03	530.49	2.09	-2.11	-0.64	0.22
Bone Spring Intersection	8138.01	9.84	43.19	8103.00	-262.18	266.88	170.76	3.72
KOP Actual	9755.00	6.31	184.01	9712.53	-218.17	224.65	237.67	0.49
100' FNL Crossing	10190.19	50.73	180.65	10069.30	8.97	-2.56	238.10	5.14
100' FSL Crossing	20603.00	92.64	178.46	10233.42	10377.07	-10373.01	290.59	1.20
Final MWD	20635.00	93.53	178.83	10231.79	10409.03	-10404.96	291.41	6.39
Proj to TD	20685.00	93.53	178.83	10228.71	10458.94	-10454.85	292.43	0.00



Vertical Section (ft) Azim = 178.46° Scale = 1:1700.00(ft) Origin = 0N/-S, 0E/-W