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

Phone: (373) 393-6161 Fax: (373) 393-0720 DISTRICT II
R11 S. First St., Artesia, NM 88210 Phone: (375) 748-1283 Fax. (575) 748-9720 DISTRICT III
1000 Rio Brazos Road, Aztec, NM 87410 Phone: (305) 334-6178 Fax: (505) 334-6170

Phone: (303) 334-6176 Fax: (303) 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.

1220 South St. Francis Dr. Santa Fe, New Mexico 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	1001		Pool Code		Pool Name					
30-015-10	<u>い기</u>	<u> </u>	96830		ARTESIA; GLORIETA-YESO (O) perty Name Well Number					
Property Code 38783		ROO 22 STATE 9								
OGRID No. 16696				•	perator Name Elevation U.S.A. INC. 3597'					
	<u>L</u>		······		e Locati			<u>l</u>	3031	
UL or lot No. Section	Township	Range	Lot Idn			North/South line	Feet from the	East/West line	County	
M 22	17-S	28-E	Lot Idia	33		SOUTH	870	WEST	EDDY	
	1	<u>.l</u>	Bottom F	Hole Location	If Diffe	erent From Surface			<u> </u>	
UL or lot No. Section	Township	Range	Lot Idn	Feet fro	om the	North/South line	Feet from the	East/West line	County	
	-							,		
Dedicated Acres Joint or	Infill (Consolidation Co	ode (Order No.						
NO ALLOWABLE WILL BE ASSIG	NED TO THIS C	OMPLETION UN	ITIL ALL IN	TERESTS HAV	Æ BEEN C	ONSOLIDATED OR A N	NON-STANDARD UNI	IT HAS BEEN APPROV	ED BY THE DIVISION	
		SURFACE Y=659	27 NME LOCATIO 727.4 N 489.5 E 813571°	DN			I hereby ce complete to that this on unleased m proposed be well at this of such mit pooling again heretofore. Printed N [je E-mail A SURV I hereby ce was plotted me or under and correct	JENNIFER DU. ame ennifer_duarte@d ddress VEYOR CERTIF rnf; that the well location from field notes of actuar or my supervision, and that to the best of my belief. JUNE 4, 20	herein is true and ge and belief, and working interest or including the s right to drill this nurset with an owner or to a voluntary pooling order O7/25/2012 Date ARTE OXY.COM FICATION Is shown on this plat all surveys made by at the same is true 12	

APD DATA - DRILLING PLAN -

OPERATOR NAME / NUMBER: OXY USA Inc

16696

LEASE NAME / NUMBER: Roo 22 State 9

Federal Lease No:

STATE: NM

COUNTY: Eddy

SURFACE LOCATION:

330' FSL & 870' FWL, Sec 22, T17S, R28E

C-102 PLAT APPROX GR ELEV: 3597'

EST KB ELEV: 3611' (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
Base of Salt	390	-
Yates	410	<u>-</u>
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	5300	TD

- 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. Fresh Water formations will be covered with the 16" conductor pipe, which will be set at 120' prior to spud.

GREATEST PROJECTED TD 5300' MD / 5300' TVD

OBJECTIVE: Yeso

3. CASING PROGRAM

Surface Casing: 9.625" casing set at ± 450' MD/ 450' TVD in a 12.25" 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'- 450'	450'	36	J-55	New	ST&C	2020	3520	394	8.921	8.765	13.33	1.97	27.91

Production Casing: 5.5" casing set at ± 5300'MD / 5300'TVD in a 7.875" hole filled with 9.2 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'- 5300'	5300'	17	L-80	New	LT&C	6290	7740	338	4.892	4.767	2.48	3.86	4.37

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

4. CEMENT PROGRAM:

Surface Interval

Interval	Amount sx	Ft of Fill	Туре	Gal/Sk	PPG	Ft ³ /sk	24 Hr Comp
Surface (TOC:	0' - 450')						
Lead: 0' - 450' (150% Excess)	150	0,	Premium Plus Cement: 94 lbm/sk Premium Plus Cement, 10 lbm/sk Cal-Seal 60, 0.125 lbm/sk Poly-E- Flake, 10 lbm/sk Kol-Seal, 1 % Calcium Chloride - Flake	7.46	14.2	1.67	1290 psi
Tail: 0'-450' (150%- Excess)	250	450'	Premium Plus Cement: 94 lbm/sk Premium Plus Cement, 2 % Calcium Chloride - Flake	6.39	14.8	1.35	2500 psi

Production Interval

Interval	Amount sx	Ft of Fill	Туре	Gal/Sk	PPG	Ft ³ /sk	24 Hr Comp
Production (T	OC: 0' - 530	00')	1				
Lead: 0' - 3000' (125 % Excess)	600	3000'	Halliburton Light Premium Plus: 5% Salt, 3 lbm/sk Kol-Seal, 0.125 lb/sx Poly_E_Flake	9.95	12.9	1.89	530 psi
Tail: 3000' - 5300' (125 % Excess)	735	2300'	50/50 Poz Premium Plus: 3% Salt, 0.4% Halad ®-322, 0.125 lb/sx Poly E_Flake	5.64	14.5	1.24	980 psi

5. PRESSURE CONTROL EQUIPMENT

Surface: 0-450' None.

Production: 0 - 5300' 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 (including annular).

- a. The 11" 3000 psi blowout prevention equipment will be installed and operational after setting the 9 5/8" surface casing and the 9 5/8" SOW x 11" 3K conventional wellhead;
- **b.** The BOP and ancillary BOPE will be tested by a third party upon installation to the 9 5/8" 36# J-55 surface casing. All equipment will be tested to 250/3000 psi for 10 minutes except the annular, which will be tested to 70% of working pressure (2100 psi).
- 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.
- d. See attached BOP & Choke manifold diagrams.
- e. 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: <u>Hebei Ouya Ltd.</u> Serial Number: <u>1642343-04</u>

Length: 39" Size: 3" Ends: flanges

WP rating: 3000 psi Anchors required by manufacturer: No

6. MUD PROGRAM:

Depth	Mud Wt ppg	Vis Sec	Fluid Loss	Type System	
0 – 450'	9.6 – 10.0	27 – 30	NC	Fresh Water	
450' – TD	9.2 - 9.4	27 – 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.

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.

8. LOGGING / CORING AND TESTING PROGRAM:

A. Mud Logger: None.

B. DST's: None.

C. Open Hole Logs as follows: Triple combo for production section.

9. POTENTIAL HAZARDS:

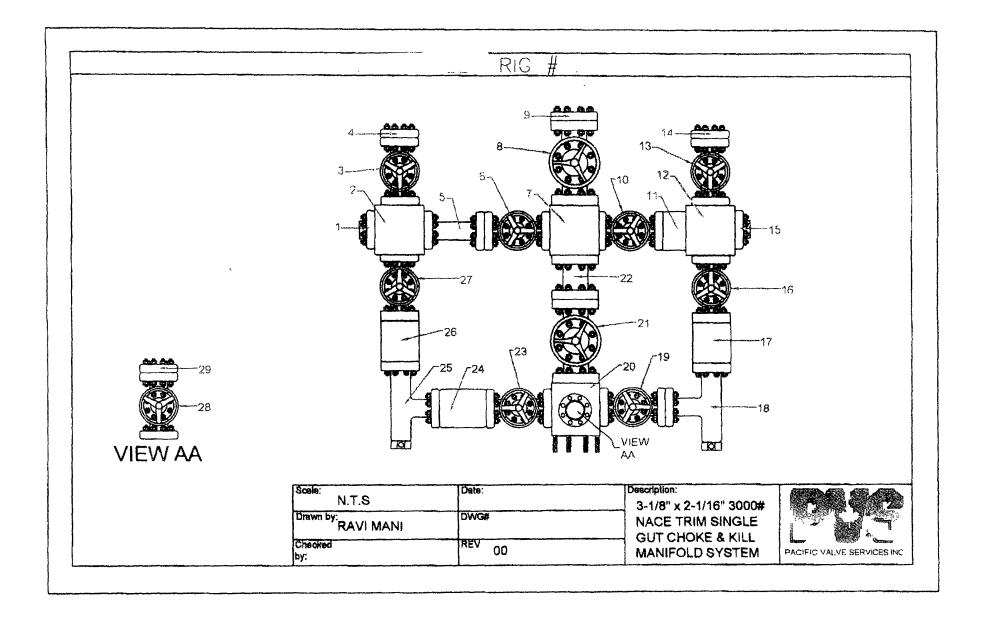
- A. H2S detection equipment will be in operation after drilling out the surface casing shoe until the production casing has been cemented. Breathing equipment will be on location from drilling out the surface shoe until production casing is cemented. If H2S is encountered the operator will comply with Onshore Order #6.
- B. The bottomhole pressure is anticipated to be 2536 psi.
- C. No abnormal temperatures or pressures are anticipated. 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:

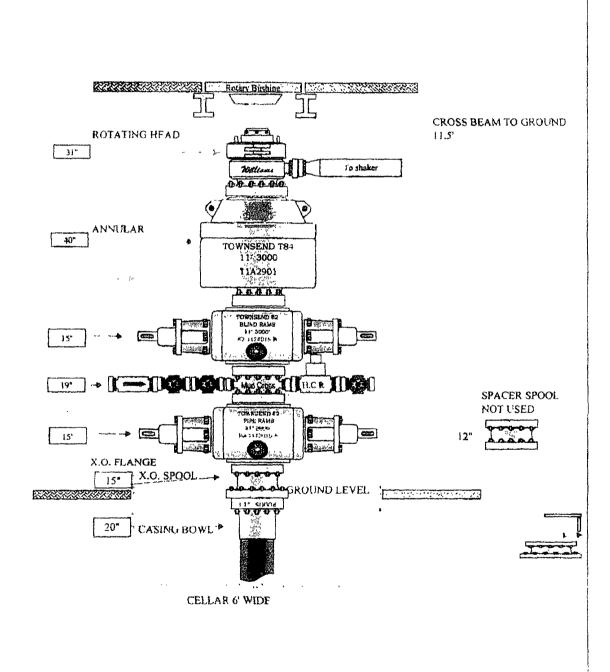
Name	Title	Office Phone
Carlos Mercado	Drilling Engineer	713-366-5418
Luis Tarazona	Drilling Engineer Supervisor	713-366-5771
Roger Allen	Drilling Superintendent	713-215-7617
Douglas Chester	Drilling Manager	713-366-5194

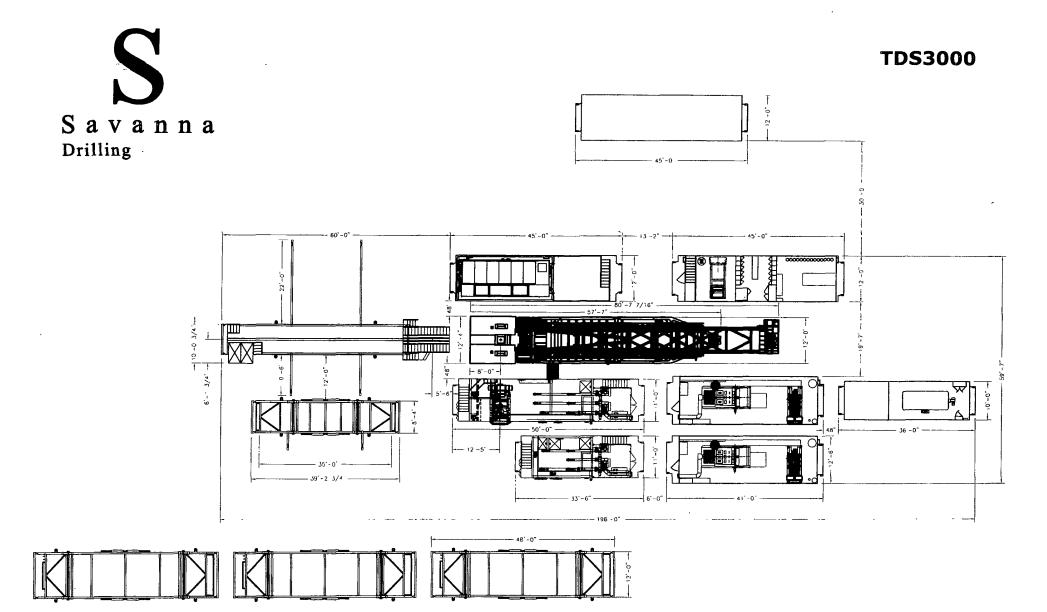


3-1/8" x 2-1/16" 3000# NACE TRIM SINGLE GUT CHOKE & KILL MANIFOLD SYSTEM August-06

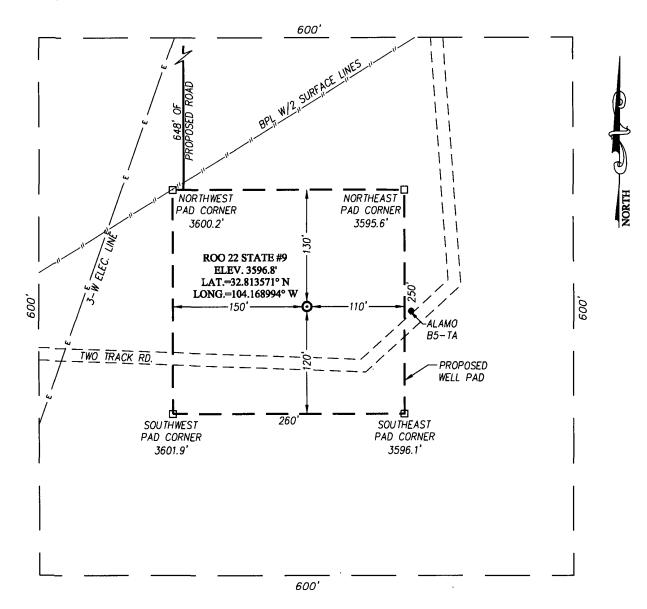
ITEM	I.D. NO.	DESCRIPTION
1	9053	2-1/16" 5000# BLIND FLANGE
2	AR0605004	2-1/16" 5000# STUDDED CROSS
3	AS0606009	2-1/16" 5000# CNV NACE TRIM GATE VALVE
4	9053	2-1/16" 5000# x 2" L.P. COMPANION FLANGE
5	Q7082	2-1/16" 3000# x 8.562" O.A.L. FLANGED SPACER SPOOL
6	AS0606003	2-1/16" 5000# CNV NACE TRIM GATE VALVE
7	A0445	3-1/8" x 3-1/8" x 2-1/16" x 2-1/16" 3000# STUDDED CROSS
8	AS0606119	3-1/8" 3000# CNV NACE TRIM GATE VALVE
9	F3323	3-1/8" 3000# x 3" L.P. COMPANION FLANGE
10	AS0606004	2-1/16" 5000# CNV NACE TRIM GATE VALVE
11	Q7082	2-1/16" 3000# x 3.312" O.A.L. SOLID SPACER SPOOL
12	AR0605007	2-1/16" 5000# STUDDED CROSS
13	AS0606005	2-1/16" 5000# CNV NACE TRIM GATE VALVE
14	9053	2-1/16" 5000# x 2" L.P. COMPANION FLANGE
15	9053	2-1/16" 5000# BLIND FLANGE
16	AS0606007	2-1/16" 5000# CNV NACE TRIM GATE VALVE
17	Q7082	2-1/16" 3000# x 7" O.A.L. DOUBLE STUDDED SPACER SPOOL
18	1091200-1-1130	2-1/16" 5000# CORTEC "CM-2" ADJUSTABLE CHOKE c/w 2 x 0.75" CERAMIC DISCS
19	AS0606006	2-1/16" 5000# CNV NACE TRIM GATE VALVE
20	A0441	3-1/8" x 3-1/8" x 2-1/16" x 2-1/16" x 2-1/16" 3000# 5- WAY STUDDED BLOCK
21	AS0606118	3-1/8" 3000# CNV NACE TRIM GATE VALVE
22	51209	3-1/8" 3000# x 10.5" O.A.L. FLANGED SPACER SPOOL
23	AS0606001	2-1/16" 5000# CNV NACE TRIM GATE VALVE
24	Q7082	2-1/16" 3000# x 4.733" O.A.L. SOLID SPACER SPOOL
25	1091200-1-1137	2-1/16" 5000# CORTEC "CM-2" ADJUSTABLE CHOKE c/w 2 x 0.75" CERAMIC DISCS
26	· Q7082	2-1/16" 3000# x 7" O.A.L. DOUBLE STUDDED SPACER SPOOL
27	AS0606008	2-1/16" 5000# CNV NACE TRIM GATE VALVE
28	AS0606002	2-1/16" 5000# CNV NACE TRIM GATE VALVE
29	9053	2-1/16" 5000# x 2" L.P. COMPANION FLANGE







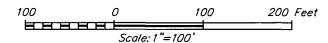
SECTION 22, TOWNSHIP 17 SOUTH, RANGE 28 EAST, N.M.P.M. EDDY COUNTY NEW MEXICO



DIRECTIONS TO LOCATION

FROM THE INTERSECTION OF HWY. #83 AND CO. RD. #208 GO NORTH ON CO. RD. #208 APPROX. 1.5 MILES. TURN RIGHT AND GO EAST APPROX. 0.1 MILES. TURN RIGHT AND FOLLOW ROAD SOUTH 647 FEET TO THE LOCATION.



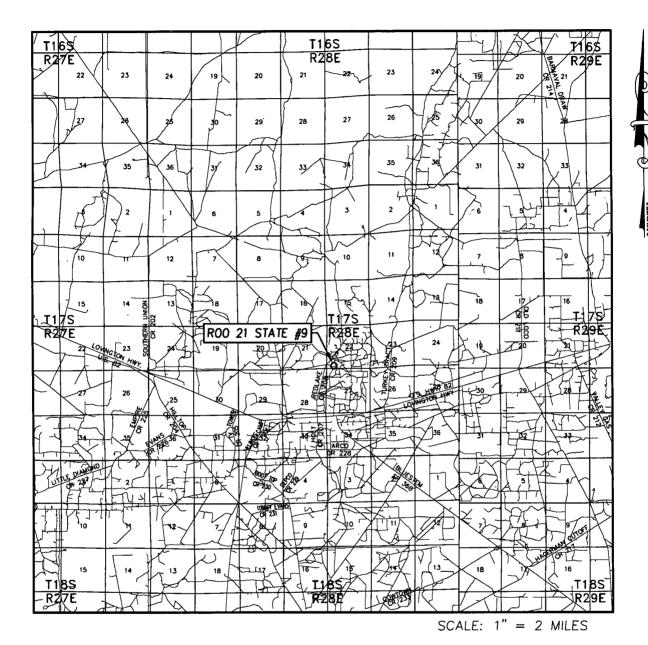


OXY U.S.A. INC.

ROO 22 STATE #9 WELL LOCATED 330 FEET FROM THE SOUTH LINE AND 870 FEET FROM THE WEST LINE OF SECTION 22, TOWNSHIP 17 SOUTH, RANGE 31 EAST, N.M.P.M., EDDY COUNTY, NEW MEXICO

Survey Date: 6/4/12	CAD Date: 6/14/12			Drawn By: AF		
W.O. No.: 12110734	Rev: .		Rel.	W.O.:		Sheet 1 of 1

VICINITY MAP



SEC. 22 TWP. 17-S RGE. 28-E

SURVEY N.M.P.M.

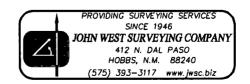
COUNTY EDDY STATE NEW MEXICO

DESCRIPTION 330' FSL & 870' FWL

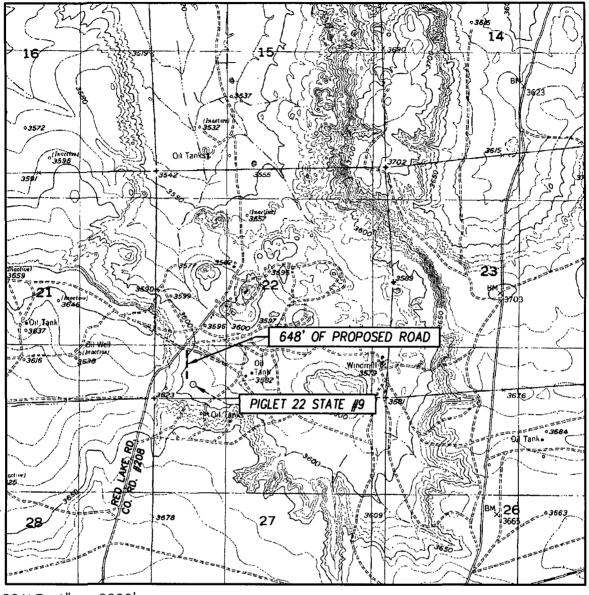
ELEVATION 3597'

OPERATOR OXY U.S.A. INC.

LEASE ROO 22 STATE



LOCATION VERIFICATION MAP



SCALE: 1" = 2000'

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

SEC. 22 TWP. 17-S RGE. 28-E

SURVEY N.M.P.M.

COUNTY EDDY STATE NEW MEXICO

DESCRIPTION 330' FSL & 870' FWL

ELEVATION 3597'

OPERATOR OXY U.S.A. INC.

LEASE ROO 22 STATE

U.S.G.S. TOPOGRAPHIC MAP

RED LAKE, N.M.

