E SUNDRY Do not use th abandoned we SUBMIT IN	BUREAU OF LAND MANA NOTICES AND REPOI	GEMENT Or		
SUBMIT IN	ell. Use form 3160-3 (APL	RTS ON WELLS drill or to re-enter an D) for such proposals.	DA 5. Lease Scharton 1 NMNM19199 6. If Indian, Allottee	or Tribe Name
	TRIPLICATE - Other inst	ructions on page 2	7. If Unit or CA/Ag	eement, Name and/or No.
1. Type of Well	ikar		8. Well Name and N CAL-MON MDP	0. 1 35 FEDERAL 6H
2. Name of Operator OXY USA INC	Contact: E-Mail: david_stew	DAVID STEWART /art@oxy.com	9. API Well No.	5 - 44776
3a. Address P.O. BOX 50250 MIDLAND, TX 79710		3b. Phone No. (include area code) Ph: 432-685-5717	10. Field and Pool o COTTON DRA	r Exploratory Area AW BONE SPRING
4. Location of Well (Footage, Sec.,	T., R., M., or Survey Description,)	11. County or Parish	i, State
Sec 35 T23S R31E NENE 11 32.267874 N Lat, 103.742810	0FNL 855FEL 8 W Lon		EDDY COUNT	ΓΥ, NM
12. CHECK THE A	PPROPRIATE BOX(ES)	TO INDICATE NATURE OI	NOTICE, REPORT, OR OT	THER DATA
TYPE OF SUBMISSION		TYPE OF	ACTION	
Notice of Intent	□ Acidize	Deepen	□ Production (Start/Resume)	U Water Shut-Off
Notice of Intent	□ Alter Casing	Hydraulic Fracturing	□ Reclamation	Well Integrity
Subsequent Report	Casing Repair	New Construction	Recomplete	Other
Final Abandonment Notice	 Change Plans Convert to Injection 	Plug and Abandon Plug Back	 Temporarily Abandon Water Disposal 	PD
13. Describe Proposed or Completed Op If the proposal is to deepen direction Attach the Bond under which the wo following completion of the involve testing has been completed. Final A determined that the site is ready for	beration: Clearly state all pertunen hally or recomplete horizontally, ork will be performed or provide d operations. If the operation res- bandonment Notices must be file final inspection.	nt details, including estimated starting give subsurface locations and measu the Bond No. on file with BLM/BIA sults in a multiple completion or reco ed only after all requirements, includi	g date of any proposed work and app red and true vertical depths of all pert Required subsequent reports must l mpletion in a new interval, a Form 3 ng reclamation, have been completed	voximate duration thereof. tinent markers and zones, be filed within 30 days 160-4 must be filed once and the operator has
OXY USA Inc. respectfully re 10400015555 be amended d of the original location.	quest that the filed APD fo ue to a buried pipeline on t	r the Cal-Mon MDP1 25-Fede the proposed pad. The well w	asimbved 41 leas FOR	
Please see attached for the f	ollowing amended attachm	nents.	JITIONS OF APP	ROVAL
1. C-102 2. Drilling Plan 3. Directional Plan/Plot			NM OIL CONS ARTESIA DI	ERVATION STRICT
4. SUPO 5. Site Plan/Rig Diagram/Mis 6. Staking Form	c Survey Plats		EEB % 0	201 8
Lois: Engineening neview 1-18 NRS ATS	USE Exist.	Hage A'S	RECE	VED
14. I hereby certify that the foregoing	is true and correct. Electronic Submission # For O Committed to AFMSS fo	404247 verified by the BLM Wel (Y USA INC, sent to the Carlsb r processing by MUSTAFA HAC	I Information System ad QUE on 02/12/2018 ()	
Name (Printed/Typed) DAVID S	TEWART	Title SR. RE	GULATORY ADVISOR	
Signature (Electronic	Submission)	Date 02/12/20)18	
	THIS SPACE FO	OR FEDERAL OR STATE		
Approved By Coog / 1	left		1 - Lando & Min	Lak 12/13/20
Conditions of approval, if any, are attach certify that the applicant holds legal or ec which would entitle the applicant to cond	Approval of this notice does uitable title to those rights in the fuct operations thereon.	not warrant or subject lease Office	90	
Title 18 U.S.C. Section 1001 and Title 4: States any false, fictitious or fraudulent	3 U.S.C. Section 1212, make it a statements or representations as	crime for any person knowingly and to any matter within its jurisdiction.	willfully to make to any department	or agency of the United

Rup 2-21-18

NM OIL CONSERVATION

<u>District I</u> 1623 N. French Dr., Hobba, NM 88240 Phane, (373) 393-6161 Fast: (373) 333-6720 <u>District II</u> 311 S. First St., Artena, NM 8210 Phone: (573) 744-720 <u>District III</u> 1000 Rio Brazon Road, Amer. NM 87410 Phone: (302) 334-6178 Fast: (302) 334-6170 <u>District IV</u> 1220 S. S. Francis Dr., Santa Fc. NM 87505 Phone: (502) 476-3460 Fast: (502) 476-3462

State of New MexicoForm C-102Energy, Minerals & Natural Resources DepartmentEB202018 Revised August 1, 2011OIL CONSERVATION DIVISIONSubmit one copy to appropriate1220 South St. Francis Dr.District OfficeSanta Fe, NM 87505Santa Fe, NM 87505Santa Fe, NM 87505Santa Fe, NM 87505

AMENDED REPORT

		И	ELL.	LOCAT	ION ANL) ACK	EAGE D	EDICATIO.	NPLAT			
API Number Pool Code					Pool Nattie							
30-01	5-		1	1331	e]		(otton Draw Bone Spring					
Рторе	rty Code					Property	Name			r	W	ell Number
		ł		CAL	-MON A	<i>IDP1</i>	"35" FE	DERAL				6H
OGR	ID No.	1				Operator	Name					Elevation
1669	6				OX	Y US	A INC.				34	<i>169.2</i> '
					Surf	ace Lo	ocation 🔨	NOVED 141	'East			
UL or lot no.	Section	Township	1	Range		Lot Idn	Feet from the	North/South line	Feet from the	East We	st line	County
A	35	23 SOUTH	31	EAST, N	M. P. M.		110'	NORTH	855'	EAS	T	EDDY
L			Be	ottom He	le Locati	on If I	Different P	From Surfac	e			
UL ar lot no.	Section	Township		Range		Lot Ida	Feet from the	North/South line	Feet from the	East/We	st line	County
P	35	23 SOUTH	31 EAST, N.M.P.N.			180'	SOUTH	440'	EAS	T	EDDY	
Dedicated	Acres	Joint or Infill	Consoli	idation Code	Order No.	· · · · · · · · · · · · · · · · · · ·						
160	160 1											

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.

		110 97 9 1 440'	OPERATOR CERTIFICATION
	NEW MEXICO EAST NAD 1983	1440'3	l berucy carryly that the pylormatics contained herees is the mat
	x=723858.17 US FT	1855'	complian so the best of any knowledge and being! and that thes
	DNG: W 103.7428156	₹/§/ /¦₿ §	organization other over a verting marries or valuated meetad
		§/ §/ / ¦ § §	instruct in the head including the proposed baltion hale beaution or
<u>-</u> G	RID AZ = 81"32'37"		has a right to drill this wall at this location parsual to a contract
	419.23	S 3/ !§ 3	with an error of such a normal or working memory as to a
			wheney pooling agreement or a computary pooling order
	NEW MEXICO EAST		homestow organist by the direction
	NAD 1983 Y=461749 22 US FT X=724272.84 US FT LAT N 32 2580356		la 1/23/18
	ONG : W 103.7414729	11111 11111 111111	David Stars-t-
	TOP PERF. NEW MEXICO EAST NAD 1983	330 330 330	devid Stewart Ooky.com
	X=724274.38 US FT		
	DNG: W 103.7414731		
			aRY Ac.
	BOTTOM PERF.		I hereby create and the second proven on this
	NEW MEXICO EAST NAD 1983		made by the the water my appendix and surveys
	Y=458862.16 US FT X=724298.71 US FT		same is the One correct to the best of her while
1 1	LAT: N 32.2546030 LONG: W 103.7414764		
			Date of Super
			Signature and Selection and Mart
			Professional Sur Professional
	THE HOLE LOCATION		
	NEW MEXICO EAST		
, , <u>,</u>	NAU 1983 Y=456702.16 US FT		Server Aller Milling
	LAT: N 32.2541632 LONG: W 103.7414755	Annut Chicken	Certificate Number 15079
		VIIIIIIIII PORTO	WOF 161101WL-b (Rev A) (KA)

1. Geologic Formations

TVD of target	10191'	Pilot Hole Depth	N/A
MD at TD:	15014'	Deepest Expected fresh water:	785'

Delaware Basin

Formation	TVD - RKB	Expected Fluids
Rustler	785	Brine
Salado	1090	Brine/Losses
Castile	2965	
Lamar/Delaware	4415	
Bell Canyon	4471	Brine
Cherry Canyon	5236	Oil/Gas
Brushy Canyon	6611	Oil/Gas/Losses
Bone Spring	8289	Oil/Gas
1st Bone Spring	9362	Oil/Gas
2nd Bone Spring	9616	Oil/Gas

*H2S, water flows, loss of circulation, abnormal pressures, etc.

2. Casing Program

	0								Buoyant	Buoyant
Hole Size	Casing Interval		Csg. Size	Weight	Weight		SF	SF	Body SF	Joint SF
(in)	From (ft)	To (ft)	(in)	(lbs)	Grade	Conn.	Collapse	Burst	Tension	Tension
17.5	0	835	13.375	54.5	J-55	BTC	1.125	1.2	1.4	1.4
12.25	0	4465	9.625	36	J-15-90-	BTC	1.125	1.2	1.4	1.4
8.5	0	15014	5.5	20	P-110	DQX	1,125	1.2	1.4	1.4
							SF V	ahes will	meet or Ex	ceed

All casing strings will be tested in accordance with Onshore Oil and Gas Order #2 III.B.1.h *Oxy requests the option to set casing shallower yet still below the salts if losses or hole conditions require this. Cement volumes may be adjusted if casing is set shallower and a DV tool may be run in case hole conditions merit pumping a second stage cement job to comply with permitted top of cement. If cement circulated to surface during first stage we will drop a cancelation cone and not pump the second stage.

	Y or N
Is casing new? If used, attach certification as required in Onshore Order #1	Y
Does casing meet API specifications? If no, attach casing specification sheet.	Y
Is premium or uncommon casing planned? If yes attach casing specification sheet.	Y
Does the above casing design meet or exceed BLM's minimum standards? If not provide justification (loading assumptions, casing design criteria).	Y
Will the intermediate pipe be kept at a minimum 1/3 fluid filled to avoid approaching the collapse pressure rating of the casing?	Y

OXY USA Inc. - Cal-Mon MDP1 35 Federal 6H – Drill Plan(1)

Is well located within Capitan Reef?					
If yes, does production casing cement tie back a minimum of 50' above the Reef?					
Is well within the designated 4 string boundary.					
Is well located in SOPA but not in R-111-P?	Y				
If yes, are the first 2 strings cemented to surface and 3 rd string cement tied back 500' into previous casing?	Y				
Is well located in R-111-P and SOPA?	N				
If yes, are the first three strings cemented to surface?					
Is 2 nd string set 100' to 600' below the base of salt?					
Is well located in high Cave/Karst?	N				
If yes, are there two strings cemented to surface?					
(For 2 string wells) If yes, is there a contingency casing if lost circulation occurs?					
Is well located in critical Cave/Karst?	N				
If yes, are there three strings cemented to surface?					

3. Cementing Program

Casing	# Sks	Wt. (lb/gal)	Yld (ft3/sack)	H20 (gal/sk)	500# Comp. Strength (hours)	Slurry Description	
Surface	795	14.2	1.68	6.53	6:50	Class C Cement, Accelerator	
Intermediate	1291	12.9	1.74	8.67	15:07	Pozzolan Cement, Retarder	
Casing	157	14.8	1.326	6.34	6:31	Class C Cement, Retarder, Dispersant, Salt	
Production	690	10.2	3.057	15.65	19:09	Class C Cement	
Casing	953	13.2	1.631	8.37	15:15	Class H Cement, Retarder, Dispersant, Salt	

Casing String	Top of Le ad (ft)	Bottom of Lead (ft)	Top of Tail (ft)	Bottom of Tail (ft)	% Excess Lead	% Excess Tail
Surface	N/A	N/A	0	835	N/A	100%
Intermediate Casing	0	3965	3965	4465	75%	20%
Production Casing	3965	9139	9139	15014	75%	15%

4. Pressure Control Equipment

BOP installed and tested before drilling which hole?	Size?	Min. Required WP	Туре	1	Tested to:	
	13-5/8"	5M	Annular	1	70% of working pressure	
10.05" Uala			Blind Ram			
12.25 Hole			5101	Pipe Ram		250/5000
			Double Ram	1		
			Other*			

*Specify if additional ram is utilized.

BOP/BOPE will be tested by an independent service company to 250 psi low and the high pressure indicated above per Onshore Order 2 requirements. The System may be upgraded to a higher pressure but still tested to the working pressure listed in the table above. If the system is upgraded all the components installed will be functional and tested.

Pipe rams will be operationally checked each 24 hour period. Blind rams will be operationally checked on each trip out of the hole. These checks will be noted on the daily tour sheets. Other accessories to the BOP equipment will include a Kelly cock and floor safety valve (inside BOP) and choke lines and choke manifold. See attached schematics.

Formation integrity test will be performed per Onshore Order #2. On Exploratory wells or on that portion of any well approved for a 5M BOPE system or greater, a pressure integrity test of each casing shoe shall be performed. Will be tested in accordance with Onshore Oil and Gas Order #2 III.B.1.i.					
A var Mani	iance is requested for the use of a flexible choke line from the BOP to Choke fold. See attached for specs and hydrostatic test chart.				
Y	Are anchors required by manufacturer?				
A mu and c per O requin syster that is rotary See a	Itibowl or a unionized multibowl wellhead system will be employed. The wellhead onnection to the BOPE will meet all API 6A requirements. The BOP will be tested nshore Order #2 after installation on the surface casing which will cover testing rements for a maximum of 30 days. If any seal subject to test pressure is broken the m must be tested. We will test the flange connection of the wellhead with a test port is directly in the flange. We are proposing that we will run the wellhead through the prior to cementing surface casing as discussed with the BLM on October 8, 2015. ttached schematics.				

5. Mud Program

Depth			Weight			
From (ft)	To (ft)	Туре	(ppg)	Viscosity	Water Loss	
0	835	Water-Based Mud	8.4-8.6	40-60	N/C	
835	4465	Brine	9.8-10.0	35-45	N/C_	
4465	15014	Oil-Based Mud	8.2-9.2	38-50	N/C	

Sufficient mud materials to maintain mud properties and meet minimum lost circulation and weight increase requirements will be kept on location at all times. The following is a general list of products: Barite, Bentonite, Gypsum, Lime, Soda Ash, Caustic Soda, Nut Plug, Cedar Fiber, Cotton Seed Hulls, Drilling Paper, Salt Water Clay, CACL2. Oxy will use a closed mud system.

What will be used to monitor the loss or gain	PVT/MD Totco/Visual Monitoring
of fluid?	

6. Logging and Testing Procedures

Logg	ing, Coring and Testing.
Yes	Will run GR from TD to surface (horizontal well - vertical portion of hole). Stated logs
	run will be in the Completion Report and submitted to the BLM.
No	Logs are planned based on well control or offset log information.
No	Drill stem test? If yes, explain
No	Coring? If yes, explain

Addi	tional logs planned	Interval
No	Resistivity	
No	Density	
No	CBL	
Yes	Mud log	ICP - TD
No	PEX	

7. Drilling Conditions

Condition	Specify what type and where?
BH Pressure at deepest TVD	5088 psi
Abnormal Temperature	No
BH Temperature at deepest TVD	162°F

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.

Hydrogen Sulfide (H2S) monitors will be installed prior to drilling out the surface shoe. If H2S is detected in concentrations greater than 100 ppm, the operator will comply with the provisions of Onshore Oil and Gas Order #6. If Hydrogen Sulfide is encountered, measured values and formations will be provided to the BLM.

N H2S is present

Y H2S Plan attached

8. Other facets of operation

	Yes/No
 Will the well be drilled with a walking/skidding operation? If yes, describe. We plan to drill the four well pad in batch by section: all surface sections, intermediate sections and production sections. The wellbead will be 	Yes
secured with a night cap whenever the rig is not over the well.	
 Will more than one drilling rig be used for drilling operations? If yes, describe. Oxy requests the option to contract a Surface Rig to drill, set surface casing, and cement for this well. If the timing between rigs is such that Oxy would not be able to preset surface, the Primary Rig will MIRU and drill the well in its entirety per the APD. Please see the attached document for information on the spudder rig. 	Yes

Total estimated cuttings volume: 1518 bbls.

9. Company Personnel

Name	Title	Office Phone	Mobile Phone
Philippe Haffner	Drilling Engineer	713-985-6379	832-767-9047
Diego Tellez	Drilling Engineer Supervisor	713-350-4602	713-303-4932
Simon Benavides	Drilling Superintendent	713-522-8652	281-684-6897
John Willis	Drilling Manager	713-366-5556	713-259-1417

Database: Company: Project: Site: Well: Wellbore: Design:	HOPSPP ENGINEERING DESIGNS PRD NM DIRECTIONAL PLANS (NAD 1983) CAL-MON MDP1 35 FED CAL-MON MDP1 35 FED 6H WB00 Permitting Plan				Local Co-ordinate Reference: VVell CAL-MON MDP1 35 FED 6H TVD Reference: Datum @ 3494.70ft MD Reference: Datum @ 3494 70ft North Reference: Grid Survey Calculation Method: Minimum Curvature					
Project	PRD N	PRD NM DIRECTIONAL PLANS (NAD 1983)								
Map System: Geo Datum: Map Zone:	US State Plane 1983 North American Datum 1983 New Mexico Eastern Zone			System Datum: Me Usi			ean Sea Level sing geodetic scale factor			
Site	CAL-M	ION MDP1 35	FED							
Site Position: From: Position Unce	tion: Map Uncertainty: 0.00 ft		North Eastir 00 ft Slot R	ing: 1g: tadius:	461,672 99 usft 720,407 82 usft 13 200 in		Latitude: Longitude: Grid Convergence:		1	32° 16' 4 386302 N 03° 45' 14 322166 W 0 31 °
Well	CAL-M	ON MDP1 35	FED 6H							
Well Position	+N/-S 14.58 ft Nor +E/-W 3 450.54 ft Eas		orthing: sting:		461,687 57 723,858 17	'usft Lat 'usft Loi	usft Latitude:		32° 16' 4 344480 N 103° 44' 34,135938 W	
Position Unce	ion Uncertainty 2.00 ft		2.00 ft We	ellhead Eleva	tion:	0	00 ft Ground Level:			3,468.20 ft
Weilbore	WBOO)								
Magnetics	Mo	Model Name		Sample Date		Declination D		Dip Angle Field (°)		Strength 17)
		HDGM		5/24/2017	`	6 93		60 05		48,182
Design	Permit	ting Plan								
Audit Notes:										
Version:			Phas	e: P	ROTOTYPE	Ti	e On Depth:		0 00	
Vertical Section	on:	Depth From (TVD) (ft)		+N/-S (ft)	+	+E/-W Direction (ft) (*)		iction (*)		
			0 00		0.00	0	00	17	4 94	
Plan Sections										
Measured Depth (ft)	Inclination (*)	Azimuth (")	Vertical Depth (ft)	+N/-S (ft)	+E/-W (ft)	Dogieg Rate (*/100ft)	Build Rats (*/100ft)	Turn Rate (*/100ft)	TFO (*)	Target
0 00	0 00	0 00	0 00	0 00	0.00	0 00	0.00	0.00	0.00	
6,725 00	0 00	0 00	6,725 00	0 00	0.00	0 00	0.00	0.00	0 00	
7,224 72	9 99	81 54	7,222 19	6 39	43.00	2 00	2 00	0.00	81 54	
9,139 44	9 99	81 54	9,107 85	55 26	371 69	0 00	0.00	0.00	0.00	
9,639 16	0 00	179 70	9,605 04	61.65	414.69	2 00	-2.00	0.00	180 00	CAL-MON MDP1 35
10,537 16	89 80	179 70	10,177 99	-50 9 30	417.72	10 00	10 00	0.00	179 7 0	
15,013 63	89 87	179.70	10,191 00	-4,985 68	441.41	0 00	0.00	0.00	0 00	CAL-MON MDP1 35

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Database: Company: Project: Site: Well: Wellbore:	HOPSPP ENGINEERING DESIGNS PRD NM DIRECTIONAL PLANS (NAD 1983) CAL-MON MDP1 35 FED CAL-MON MDP1 35 FED 6H WB00	Local Co-ordinate Reference: TVD Reference: MD Reference: North Reference: Survey Calculation Method:	Well CAL-MON MDP1 35 FED 6H Datum @ 3494.70ft Datum @ 3494.70ft Grid M nimum Curvature
Wellbore: Design:	WB00 Permitting Plan	Survey Calculation Method:	

Planned Survey

.

Measured Depth (ft)	Inclination	Azimuth	Vertical Depth (ft)	+N/-S (ft)	+E/-W (ft)	Vertical Section (ft)	Dogleg Rate (*/100ft)	Build Rate (*/100ft)	Turn Rate (*/100ft)
		.,		,	,				• •
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
100.00	0.00	0.00	100.00	0.00	0 00	0 00	0.00	0 00	0 00
200.00	0.00	0.00	200.00	0.00	0.00	0.00	0.00	0.00	0.00
400.00	0.00	0.00	400.00	0.00	0.00	0.00	0.00	0.00	0.00
-00.00	0.00	0.00	400.00	0.00	0.00	0.00	0.00	0.00	0.00
500.00	0 00	0.00	500.00	0.00	0.00	0 00	0.00	0 00	0.00
700.00	0.00	0.00	500 00	0.00	0.00	0.00	0.00	0.00	0.00
800.00	0.00	0.00	800.00	0.00	0.00	0.00	0.00	0.00	0.00
900.00	0.00	0.00	900.00	0.00	0.00	0.00	0.00	0.00	0.00
1 000 00	0.00	0.00	1 000 00	0.00	0.00	0.00	0.00	0.00	0.00
1 100 00	0.00	0.00	1 100 00	0.00	0.00	0.00	0.00	0.00	0.00
1,200.00	0.00	0.00	1,200.00	0.00	0.00	0.00	0.00	000	0.00
1.300.00	0.00	0.00	1.300.00	0.00	0.00	0.00	0.00	0.00	0 00
1,400.00	0.00	0.00	1,400.00	0.00	0.00	0.00	0.00	0 00	0 00
1,500,00	0 00	0.00	1.500.00	0.00	0.00	0.00	0.00	0 00	0.0
1,600.00	0 00	0.00	1,600.00	0.00	0.00	0 00	0.00	0 00	0.00
1,700.00	0 00	0.00	1,700 00	0.00	0.00	0 00	0 00	0 00	0.00
1,800.00	0 00	0.00	1,800 00	0.00	0.00	0.00	0 00	0 00	0.00
1,900 00	0.00	0 00	1,900.00	0 00	0.00	0 00	0.00	0.00	0 00
2,000 00	0.00	0 00	2,000.00	0 00	0 00	0.00	0.00	0.00	0.00
2,100 00	0.00	0 00	2,100.00	0 00	0 00	0 00	0.00	0.00	0 00
2 200.00	0.00	0 00	2,200.00	0 00	0 00	0,00	0.00	0.00	0 00
2,300.00	0.00	0.00	2,300.00	0.00	0 00	0.00	0.00	0.00	0 00
2,400.00	0.00	0.00	2,400.00	0 00	0.00	0.00	0.00	0 00	0 00
2,500.00	0.00	0.00	2,500 00	0.00	0.00	0 00	0.00	0 00	0.00
2,600.00	0.00	0.00	2,600.00	0.00	0.00	0 00	0.00	0 00	0.00
2,700.00	0.00	0.00	2,700.00	0.00	0.00	0.00	0.00	000	0.00
2,800,00	0.00	0.00	2,800.00	0.00	0.00	000	0.00	0.00	0.00
2,000.00	0.00	0.00	2 000.00	0.00	0.00	0.00	0.00	0.00	0.00
3 100 00	0.00	0.00	3 100.00	0.00	0.00	0.00	0.00	0.00	0.00
3 200 00	0.00	0.00	3 200.00	0.00	0.00	0.00	0.00	0.00	0.00
3 300 00	0.00	0.00	3 300 00	0.00	0.00	0.00	0.00	0.00	0.00
3,400.00	0.00	0 00	3,400.00	0 00	0 00	0.00	0.00	0.00	0 00
3,500,00	0 00	0.00	3 500 00	0.00	0.00	0.00	0.00	0.00	0.00
3,600.00	0.00	0.00	3,600.00	0.00	0.00	0 00	0.00	0 00	0 00
3,700.00	0 00	0.00	3,700.00	0.00	0.00	0 00	0.00 -	0 00	0.00
3,800.00	0 00	0.00	3,800,00	0.00	0.00	0 00	0 00	0.00	0.00
3,900 00	0 00	0.00	3,900 00	0.00	0.00	0 00	0 00	0.00	0.00
4,000 00	0.00	0.00	4 000 00	0.00	0.00	0.00	0.00	0 00	0.00
4,100 00	0.00	0 00	4 100 00	0.00	0.00	0.00	0.00	0.00	0.00
4,200.00	0.00	0 00	4,200 00	0 00	0 00	0 00	0.00	0.00	0.00
4,300 00	0.00	0 00	4,300,00	0 00	0 00	0.00	0.00	0.00	0.00
4,400.00	0.00	0 00	4,400 00	0.00	0 00	0 00	0.00	0.00	0.00
4,500.00	0.00	0.00	4,500.00	0.00	0 00	0 00	0.00	0.00	0 00
4,600.00	0.00	0.00	4,600.00	0.00	0 00	0 00	0.00	0.00	0 00
4,700.00	0 00	0.00	4,700.00	0.00	0.00	0 00	0.00	0.00	0.00
4,800.00	0.00	0.00	4,800.00	0.00	0.00	0 00	0.00	0.00	0 00
4,500.00	0.00	0.00	4.500 00	0 UU	0.00	U UU	0.00	0.00	0.00
5,000 00	0 00	0.00	5.000 00	0.00	0.00	0 00	0.00	0 00	0.00
5,100.00	0.00	0.00	5,100,00	0.00	0.00	0 00	0 00	000	0.00
5,200.00	0.00	0.00	5 200 00	0.00	0.00	0.00	0.00	0.00	0.00
5,500 00	000	0.00	0 000 00	0.00	000	<u>v</u> juu	0.00	0.00	0.00

COMPASS 5000.1 Build 74

Database: Company: Project: Site: Well: Well: Wellbors:	HOPSPP ENGINEERING DESIGNS PRD NM DIRECTIONAL PLANS (NAD 1983) CAL-MON MDP1 35 FED CAL-MON MDP1 35 FED 6H WB00	Local Co-ordinate Reference: TVD Reference: MD Reference: North Reference: Survey Calculation Method:	Well CAL-MON MDP1 35 FED 6H Datum @ 3494.70ft Datum @ 3494 70ft Grid Minimum Curvature
Design:	Permitting Plan		

Planned Survey

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Measured Depth	·····	A	Vertical			Vertical	Dogleg	Build	Tum
(ft)	inciination (*)	Azimuth (*)	(ft)	+N/-S (ft)	+E/-W (ft)	(ft)	(*/100ft)	("/100ft)	(*/100ft)
5,400.00	0.00	0.00	5,400.00	0 00	0 00	0.00	0.00	0.00	0.00
5,500 00	0.00	0 00	5, 50 0.00	0 00	0.00	0.00	0.00	0 00	0.00
5,600 00	0.00	0 00	5,600.00	0.00	0.00	0 00	0.00	0.00	0.00
5,700 00	0.00	0 00	5,700.00	0.00	0.00	0.00	0.00	0 00	0.00
5,800.00	0.00	0 00	5,800.00	0.00	0.00	0.00	0.00	0 00	0.00
5,900.00	0.00	0 00	5,900.00	0.00	0.00	0.00	0 00	0 00	0 00
6,000 00	0.00	0.00	6,000 00	0.00	0.00	0 00	0 00	0 00	0 00
6,100.00	0.00	0.00	6,100.00	0.00	0.00	0 00	0 00	0 00	0.00
6,200.00	0.00	0.00	6,200 00	0.00	0.00	0 00	0.00	000	0.00
6,300.00	0.00	0.00	6,300.00	0.00	0.00	0.00	0.00	0.00	0.00
0,400.00	0.00	0.00	6,400,00	0.00	0.00	0.00	0.00	0.00	000
5,500.00	0.00	0.00	6 500.00	0.00	0.00	0.00	0.00	0.00	0.00
6,500 00	0.00	0.00	0,000.00 5,700.00	0.00	0.00	000	0.00	0.00	0.00
6,700.00	0.00	0.00	6,700.00	0.00	0.00	0.00	0.00	0.00	0.00
0,720 00	0.00	0.00	6,725.00	0.00	0.00	0.00	0.00	0.00	0.00
0,000,00	1.00	01.04	0,133.33	0 14	097	-0.06	2.00	2.00	0.00
7,900,00	3.50	01.04	0,099.09	0.79	J 29	-0.32	2.00	2.00	0.00
7,000.00	5.50	01.34	0,333.30	1.94	13 05	•U.70 4 AE	2.00	2.00	0.00
7,100,00	9 50	81.54	7 107 83	5.00	24 24	-1.43	2.00	2.00	0.00
7,224.72	9.99	81.54	7,222.19	6.39	43.00	-2.58	2.00	2.00	0.00
7 300 00	9 99	81.54	7 296 33	8 31	55 92	-3.35	0.00	0.00	0.00
7,400.00	9 99	81.54	7.394.81	10.87	73.09	-4.38	0 00	0 00	0 00
7,500.00	9 99	81.54	7,493,29	13.42	90.26	-5.41	0 00	0 00	0 00
7,600.00	9 99	81.54	7,591,77	15.97	107.42	-6.43	0 00	0 00	0 00
7,700.00	9 99	81.54	7,690.26	18.52	124.59	-7 46	0 00	0 00	0 00
7,800 00	9 99	81.54	7,788.74	21.08	141.76	-8 49	0 00	0 00	0 00
7,900 00	9 99	81.54	7,887.22	23.63	158.92	-9 52	0.00	0.00	0 00
8,000 00	9.99	81.54	7,985.70	26.18	176.09	-10 55	0 00	0.00	0.00
8,100 00	9.99	81 54	8,084.19	28.73	193.26	-11 58	0 00	0 00	0.00
8,200 00	9.99	81 54	8,182.67	31.28	210.42	-12 60	0.00	0.00	0.00
8,300.00	9.99	81 54	8,281.15	33.84	227.59	-13 63	0.00	, 0.00	0.00
8,400 00	9 99	81 54	8,379.63	36.39	244.76	-14 66	0.00	0 00	0.00
8,500.00	9.99	81 54	8,478.12	38.94	261.92	-15 69	0.00	0 00	0.00
8,500.00	<i>6 0</i> 0 <i>3 3</i> 3	81 54	8,5/5.50	41.49	279.09	-16 /2	0.00	000	0.00
8 800 00	8.99	81 54	R 773 55	46'60	313 43	.19 77	0.00	0.00	0.00
8 900 00	9 99	81 54	8 872 05	49 15	330.59	-19.80	0.00	0.00	0.00
9,000,00	9 99	81.54	8 970 53	51 70	347 75	-20.83	0.00	0.00	0.00
9,100,00	9.99	81 54	9 069 01	54 25	364.92	-21.86	0.00	0.00	0.00
9,139.44	9 99	81 54	9,107.85	55.26	371.69	-22.25	0 00	0 00	0 00
9,200 00	8 78	81.54	9,167 60	56.71	381.46	-22.85	2 00	-2 00	0 00
9,300.00	6 78	81.54	9,266.67	58.70	394.86	-23 65	2 00	-2 00	0 00
9,400 00	4 78	81.54	9,366 16	60.19	404.82	-24 25	2 00	-2 00	0 00
9,500 00	2 78	81.54	9,465 94	61.16	411.35	-24 64	2.00	-2 00	0 00
9,600 00	0.78	81 54	9,565.88	61.61	414.43	-24 82	2.00	-2 00	0 00
9,639 16	0 00	179.70	9,605 04	61.65	414.69	-24 84	2.00	-2.00	0 00
9,700 00	6.08	179 70	9,665.77	58.43	414.71	-21 62	10.00	10 00	0.00
9,800 00	16.08	179.70	9,763.78	39.23	414.81	-2 49	10.00	10 00	0.00
9,900.00	26.08	179 70	9,856.97	3.30	415.00	33 32	10.00	10 00	0.00
10,000.00	36.08	179 70	9,942,50	-48.27	415.27	84 70	10.00	10 00	0.00
10,100.00	46.08	179 70	10,017.78	-113.90	415.62	150 11	10.00	10 00	0.00
10,200.00	30.08	17970	10,000 01	-131.01	410.03	221 33	10.00	10 00	0.00
10,300.00	80.00	1/3/0	10,120.01	-279.03	410.50	J 14.07	10.00	10 00	0.00

COMPASS 5000.1 Build 74

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Database: HOPSPP Company: ENGINEERING DESIGNS Project: PRD NM DIRECTIONAL PLANS (NAD 198 Site: CAL-MON MDP1 35 FED Weil: CAL-MON MDP1 35 FED 6H Weilbore: WB00 Design: Permitting Plan	Local Co-ordinate Reference: TVD Reference: 3) MD Reference: North Reference: Survey Calculation Method:	Well CAL-MON MDP1 35 FED 6H Datum @ 3494.70ft Datum @ 3494.70ft Grid Minimum Curvature
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Planned Survey

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Measured Depth (ft)	Inclination (*)	Azimuth (°)	Vertical Depth (ft)	+N/-S (ft)	+E/-W (ft)	Vertical Section (ft)	Dogieg Rate (*/100ft)	Build Rate (*/100ft)	Turn Rate (*/100ft)
10,400 00	76.08	179,70	10,161.18	-373 51	417.00	408 83	10.00	10.00	0.00
10,500.00	86.08	179 70	10,17 5 6 5	-472.17	417.52	507 15	10.00	10.00	0 00
10,537 16	89.80	179 70	10,177.99	-509.30	417.72	544.15	10.00	10.00	0 00
10,600.00	89.80	179 70	10,178 21	-572.14	418 05	606.78	0 00	0 00	0 00
10,700.00	89.80	179 70	10,178 56	-572.14	418.58	706.43	0 00	0 00	0 00
10,800.00	89 80	179.70	10,178 90	-772 13	419.11	806.09	0 00	0 00	0 00
10,900.00	89 81	179.70	10, 179.24	-872 13	419.64	905.74	0 00	0 00	0 00
11,000.00	89 81	179.70	10,179.58	-972 13	420 17	1,005.40	0 00	0.00	0 00
11,100 00	89 81	179.70	10, 179.92	-1,072 13	420 70	1,105 05	0 00	0.00	0.00
11,200 00	89 81	179.70	10,180.25	-1,172 13	421,22	1,204 71	0.00	0.00	0.00
11,300.00	89 81	179.70	10, 180.58	-1,272.12	421 75	1,304 36	0.00	0.00	0.00
11,400 00	89 81	179.70	10,180.91	-1,372 12	422 28	1,404 02	0 00	0.00	0 00
11,500 00	89.81	179.70	10,181.23	-1,472 12	422 81	1,503 67	0.00	0.00	0.00
11,600.00	89.82	17 9 .70	10,181 56	-1,572 12	423 34	1,603 33	0.00	0.00	0.00
11,700.00	89.82	179 70	10,181.88	-1,672.12	423 87	1,702 98	0 00	0 00	0.00
11,800.00	89.82	179 70	10,182 19	-1,772.11	424 40	1,802 64	0.00	0.00	0.00
11,900.00	89.82	179 70	10, 182 51	-1,872.11	424 93	1,902 29	0 00	0 00	0 00
12,000.00	89.82	179 70	10,182.82	-1,972.11	425 46	2.001.95	0 00	0 00	0 00
12 100.00	89.82	179 70	10,183 13	-2,072 11	425 99	2 101.60	0 00	0 00	0.00
12,200.00	89 82	179.70	10.183.44	-2,172 11	426.52	2 201.26	Ď 00	0 00	0 00
12,300.00	89 83	179.70	10, 183 74	-2,272.11	427.05	2.300.91	0 00	0.00	0.00
12,400.00	89 83	179 70	10,184 04	-2,372 10	427.58	2,400 57	0 00	0.00	0.00
12,500 00	89 83	179.70	10 184.34	-2,472 10	428.11	2,500.22	0 00	0.00	0.00
12,600 00	89 83	179.70	10 184.64	2,572 10	428.64	2,599.88	0.00	0.00	0.00
12,700 00	89 83	179 70	10,184.93	-2,672.10	429.17	2,699,53	0.00	0.00	0.00
12,800.00	8 9 .83	179.70	10,185.22	-2,772 10	429.70	2 799 19	0.00	0.00	0.00
12,900.00	89.84	179 70	10,185 51	-2,872 09	430.22	2,898 85	0.00	0.00	0.00
13,000.00	89.84	17 9 70	10, 185 80	-2 972.09	430 75	2,998 50	0.00	0.00	0.00
13,100.00	89.84	179 70	10, 186 08	-3 072.09	431 28	3,098 16	0.00	0.00	0.00
13,200.00	89.84	179 70	10, 186.36	-3,172.09	431 81	3,197.81	0.00	0.00	0.00
13,300.00	89.84	179 70	10,186 64	-3,272.09	432 34	3,297 47	0.00	0.00	0.00
13,400.00	89.84	179 70	10,186 92	-3,372.09	432 87	3,397.12	0 00	0.00	0.00
13,500.00	89 84	179 70	10,187 19	-3,472.08	433 40	3 496 78	0 00	0 00	0 00
13,600.00	89 85	179.70	10,187 46	-3,572.08	433 93	3 596 43	0 00	0.00	0 00
13,700.00	8 9 85	179 70	10,187 73	-3,672.08	434.46	3 696.09	0 00	0 00	0 00
13,800 00	89 85	179.70	10, 187 99	-3,772.08	434 99	3 795.74	D 00	0 00	0 00
13,900.00	89 85	179.70	10,188.25	-3,872 08	435 52	3 895.40	0.00	0 00	0 00
14,000 00	89 85	179.70	10 188 51	-3,972 07	436 05	3.995.05	0 00	0.00	0.00
14,100 00	89 85	179.70	10 188.77	-4,072 07	436.58	4,094.71	0.00	0.00	0.00
14,200 00	89 85	179.70	10 189.03	-4,172 07	437 11	4,194 36	0.00	0.00	0.00
14,300.00	89 86	179.70	10, 189.28	-4,272.07	437.64	4,294 02	0.00	0.00	0.00
14,400.00	89 86	179.70	10, 189 53	-4,372 07	438 17	4,393 67	0.00	0.00	0.00
14,500.00	89.86	179.70	10, 189.77	-4.472.07	438.70	4,493 33	0.00	0.00	0.00
14,600.00	89.86	179 70	10, 190.02	-4 572 06	43 9 22	4,592 99	0.00	0.00	0.00
14,700.00	89.86	179 70	10,190 26	-4 672 06	439.75	4,692,64	0.00	0.00	0.00
14,800.00	89.86	179 70	10,190 50	-4.772.06	440 28	4,792 30	0.00	0.00	0.00
14,900.00	89 87	179 70	10,190 73	-4 872.06	440 81	4.891 95	0.00	0.00	0.00
15,000.00	89 87	179 70	10,190 97	-4,972.06	441 34	4,991.61	0.00	0.00	0 00
15,013.63	89 87	179 70	10,191.00	-4,985.68	441 41	5.005 19	0.00	0.00	0.00

Database:HOPSPPCompany:ENGINEERING DESIGNSProject:PRD NM DIRECTIONAL PLANS (NAD 1983)Sita:CAL-MON MDP1 35 FEDWell:CAL-MON MDP1 35 FED 6HWellbora:WB00Design:Permitting Plan	Local Co-ordinate Reference: TVD Reference: MD Reference: North Reference: Survey Calculation Method;	Well CAL-MON MDP1 35 FED 6H Datum @ 3494.70ft Datum @ 3494 70ft Grid Minimum Curvature
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Design Targets

Target Name - hit/miss target - Shape	Dip Angle (*)	Dip Dir. (*)	TVD (ft)	+N/-S (ft)	+E/-W (ft)	Northing (usft)	Easting (usft)	Latitude	Longitude
CAL-MON MDP1 35 - plan hits target ce - Point	0.00 enter	0.00	9,605.04	61.65	414.69	461,749.22	724,272.84	32° 16' 4 931930 N	103° 44 29 302434
CAL-MON MDP1 35 - plan hits target co - Point	0.00 Enter	0.00	10,191.00	-4,985.68	441.41	456,702 16	724,299.56	32° 15' 14 987406 N	103° 44' 29.315359

- 1-0414

Plan Annotations

Measured	Vertical	Local Coor	dinates	
Depth (ft)	Depth (ft)	+N/-S (f1)	+E/-W (ft)	Comment
6,725.00	6,725.00	0 00	0 00	STEP OUT DLS 2.00
7,224.72	7,222.19	6 39	43 00	HOLD 10 DEG TANGENT
9,139.44	9,107.85	55 26	371.69	DROP BACK TO VERTICAL DLS 2 00
9,639.16	9,605.04	61.65	414.69	BUILD CURVE 10 DEG / 100
10,537.16	10,177.99	-509.30	417 72	LANDING POINT
15,013.63	10,191.00	-4,985.68	441.41	TD at 15013.63



Surface Use Plan of Operations

Operator Name/Number:	<u>OXY USA Inc. – 16696</u>	
Lease Name/Number:	Cal-Mon MDP1 35 Federal #6H	
Pool Name/Number:	Cotton Draw Bone Spring	13367
Surface Location:	110 FNL 855 FEL NENE (A) Sec	35 T23S R31E - NMNM19199
Bottom Hole Location:	180 FSL 440 FEL SESE (P) Sec	35 T23S R31E - NMNM19199

*Due to buried pipeline the surface location was moved 141' east.

1. Existing Roads

- a. A copy of the USGS "Bootleg Ridge, NM" quadrangle map is attached showing the proposed location. The well location is spotted on the map, which shows the existing road system.
- b. The well was staked by Terry J Asel, Certificate No. 15079 on 1/8/18, certified 1/16/18.
- c. Directions to Location: From the intersection of SH 128 and CR 798, go north on CR 798 for 1.0 miles. Turn left on caliche road and go west for 0.2 miles. Turn right on proposed road and go north for 142.5 feet to location.

2. New or Reconstructed Access Roads:

- a. A new access road will be built. The access road will run approximately 142.5' north through pasture to the southwest corner of the pad.
- b. The maximum width of the road will be 14'. It will be crowned and made up of 6" of rolled and compacted caliche. Water will be deflected, as necessary, to avoid accumulation and prevent surface erosion.
- c. Surface material will be native caliche. This material will be obtained from a BLM approved pit nearest in proximity to the location. The average grade will be approximately 1%.
- d. No cattle guards, grates or fence cuts will be required. Turnouts are planned every 1000' as needed.
- e. Blade, water and repair existing caliche roads as needed.
- f. Water Bars will be incorporated every 200' during the construction of the road.

3. Location of Existing Wells:

Existing wells within a one mile radius of the proposed well are shown on attached plat.

4. Location of Existing and/or Proposed Facilities:

- a. In the event the well is found productive, the Cal-Mon 35 central tank battery would be utilized and the necessary production equipment will be installed at the well site. See proposed facilities layout diagram.
- b. All flow lines will adhere to API standards. They will consist of 2 4" composite flowlines operating < 75% MAWP, surface and 1 4" composite gas lift supply line operating <1500 psig, buried, lines to follow surveyed route. Survey of a strip of land 30' wide and 873.5' in length crossing Fee Land in Section 35 T23S R31E NMPM and 5128.4' in length crossing USA Land in Section 35, T23S, R31E, NMPM, Eddy County, NM and then 490.1' in length crossing Fee Land in Section 26 T23S R31E NMPM being 15' left and 15' right of the centerline survey, see attached.</p>
- c. Electric line will follow a route approved by the BLM. Survey of a strip of land 30' wide and 576.6' in length crossing Fee Land in Section 35 T23S R31E NMPM, Eddy County, NM and being 15' left and 15' right of the centerline survey, see attached.
- d. See attached for additional information on the Cal-Mon Development Surface Production Facilities.

5. Location and types of Water Supply

This well will be drilled using a combination of water mud systems. It will be obtained from commercial water stations in the area and will be hauled to location by transport truck using existing and proposed roads. See attached for information on the fresh water station.

6. Construction Materials:

Primary

All caliche utilized for the drilling pad and proposed access road will be obtained from an existing BLM/State/Fee approved pit or from prevailing deposits found on the location. Will use BLM recommended extra caliche from other locations close by for roads, if available.

Secondary

The secondary way of obtaining caliche to build locations and roads will be by "turning over" the location. This means, caliche will be obtained from the actual well site. A caliche permit will be obtained from BLM prior to pushing up any caliche. 2400 cubic yards is max amount of caliche needed for pad and roads. Amount will vary for each pad. The procedure below has been approved by BLM personnel:

- a. The top 6" of topsoil is pushed off and stockpiled along the side of the location.
- b. An approximate 120' X 120' area is used within the proposed well site to remove caliche.
- c. Subsoil is removed and piled alongside the 120' X 120' within the pad site.
- d. When caliche is found, material will be stockpiled within the pad site to build the location and road.
- e. Then subsoil is pushed back in the hole and caliche is spread accordingly across entire location and road.
- f. Once the well is drilled the stockpiled top soil will be used for interim reclamation and spread along areas where caliche is picked up and the location size is reduced. Neither caliche nor subsoil will be stockpiled outside of the well pad. Topsoil will be stockpiled along the edge of the pad as depicted in the attached plat.

7. Methods of Handling Waste Material:

- a. A closed loop system will be utilized consisting of above ground steel tanks and haul-off bins. Disposal of liquids, drilling fluids and cuttings will be disposed of at an approved facility. Solids-CRI, Liquids-Laguna
- b. All trash, junk and other waste material will be contained in trash cages or bins to prevent scattering. When the job is completed, all contents will be removed and disposed of in an approved sanitary landfill.
- c. The supplier, including broken sacks, will pickup slats remaining after completion of well.
- d. A Porto-john will be provided for the rig crews. This equipment will be properly maintained during the drilling and completion operations and will be removed when all operations are complete.
- e. Disposal of fluids to be transported will be by the following companies. TFH Ltd, Laguna SWD Facility

8. Ancillary Facilities: None needed.

9. Well Site Layout:

The well site layout with dimensions of the pad layout and equipment location.

V-Door - East CL Tanks - North Pad - 330' X 535' - Two Well Pad

10. Plans for Surface Reclamation:

a. After concluding the drilling and/or completion operations, if the well is found non-commercial, the caliche will be removed from the pad and transported to the original caliche pit or used for other drilling locations. The road will be reclaimed as directed by the BLM. The original topsoil will again be returned to the pad and contoured, as close as

possible, to the original topography, and the area will be seeded with an approved BLM mixture to re-establish vegetation.

 b. If the well is deemed commercially productive, caliche from the areas of the pad site not required for operations will be reclaimed. The original topsoil will be returned to the area of the drill pad not necessary to operate the well. These unused areas of the drill pad will be contoured, as close as possible, to match the original topography, and the area will be seeded with an approved BLM mixture to re-establish vegetation.

11. Surface Ownership:

The surface in the NENE/4 of Section 35 T23S R31E is owned by OXY USA Inc. The minerals are owned by the U.S. Government and administered by the BLM. The surface is of limited use except for the grazing of livestock and the production of oil and gas.

12. Other Information:

- a. The vegetation cover is generally sparse consisting of mesquite, yucca, shinnery oak, sandsage and perennial native range grass. The topsoil is sandy in nature. Wildlife in the area is also sparse consisting of deer, coyotes, rabbits, rodents, reptiles, dove and quail.
- b. There is no permanent or live water in the general proximity of the location.
- c. There are no dwellings within one mile of the proposed well site.
- d. Cultural Resources Examination-This well is located in the Permian Basin PA. Payment made 7/20/17, Receipt No. 3896906. This well shares the same pad as the Cal-Mon MDP1 35 Federal #5H.

Pad + ¼ mile road	<u>\$1550.00</u>	\$.24/ft over ¼ mile	<u>\$ 0.00</u>	<u>\$1550.00</u>
Pipeline-up to 1 mile	<u>\$1431.00</u>	\$.27/ft over 1 mile	<u>\$ 0.00</u>	<u>\$1431.00</u>
Electric Line-up to 1 mile	\$717.00	\$.11/ft over 1 mile	<u>\$ 0.00</u>	<u>\$ 717.00</u>
Total	<u>\$3698.00</u>		<u>\$_0.00</u>	<u>\$3698.00</u>

e. Copy of this application has been mailed to SWCA Environmental Consultants, 5647 Jefferson St. NE, Albuquerque, NM 87109. No Potash leases within one mile of surface location.

13. Bond Coverage:

Bond coverage is Individual-NMB000862, Nationwide-ESB00226.

14. Operators Representatives:

The OXY Permian representatives responsible for ensuring compliance of the surface use plan are listed below:

Van Barton
Supt. Operations
1502 West Commerce Dr.
Carlsbad, NM 88220
Office - 575-628-4111
Cellular - 575-706-7671
Jim Wilson

Operation Specialist P.O. Box 50250 Midland, TX 79710 Cellular – 575-631-2442 Corrie Hartman Manager Asset P.O. Box 4294 Houston, TX Carisbad, NM 88220 Office – 713-215-7084 Cellular – 832-541-3190

Cuong Q. Phan RMT Leader P.O. Box 4294 Houston, TX 77210 Office – 713-513-6645 Cellular – 281-832-0978





VICINITY MAP

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SEC 35 TWP. 23-S RGE. 31 E 4L1 1 2 MILES SURVEY N.M.P.M. COUNTY EDDY EDDY Asel Surveying Image: Strateging DESCRIPTION 110' FINL & 555' FEL Asel Surveying Image: Strateging ELEVATION 3469.2' PO 60x 383 D. W. TANDE													
UPERA LEASE	CAL-N	IÓN MĐ	<u>JSA INC</u> D: "35"	' feder	14L #6+		PORES	, NEW WED	NG S	⊃ 383~ē.	146 T		
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	OXY U.S.A. INC. NEW MEXICO STAKING FORM	
Date Staked:	1-8-18	
Lease / Well Name:	CAL-MON MOPI 35 Food # 6H	
Legal Description.	110' FNL 855' FEL Sec 35 T235 R 31E	
Latitude:	32° 16′ 04.34″	NAD 83
Longitude:	-103° 44' 34.14"	NAD 83
X :	723858.17	NAD 83
Y.	461697.57	NAD 83
Elevation.	3469.2	NAD 83
Move information:		1997 - Storystynnighter f
County:	Eddy	L. ////////
Surface Owner	0 * 4	
Nearest Residence:		a co a serie « de la constante
Nearest Water Well:		a de service de la companya de la co
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Top soil.	West	
Road Description		
New Road		
Upgrade Existing Road		
Interim Reclamation	30' EAST SO NORTH	*Basico, en
Source of Caliche:		t and a second
Onsite Attendees: 1747E		St allocation

PERFORMANCE DATA

TMK UP DQX

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5.500 in 20.00 lbs/ft P-110

Technical Data Sheet

Tubular Parameters					
Size	5.500	in	Minimum Yield	110,000	psi
Nominal Weight	20.00	lbs/ft	Minimum Tensile	125,000	psi
Grade	P-110		Yield Load	641,000	lbs
PE Weight	19.81	lbs/ft	Tensile Load	729,000	lbs
Wall Thickness	0.361	in	Min. Internal Yield Pressure	12,600	psi
Nominal ID	4.778	in	Collapse Pressure	11 100	psi
Drift Diameter	4.653	in		1110-0-0-0	
Nom Pipe Body Area	5.828	in²			
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Connection Parameters	norizade - rom de focular næleminedet de bool, en adder	anna ann an an Anna an			A 9.16 m
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IPSCO

PECOS DISTRICT DRILLING CONDITIONS OF APPROVAL

OPERATOR'S NAME:	Oxy USA Incorporated
LEASE NO.:	NMNM19199
WELL NAME & NO.:	Cal-Mon MDP1 35 Federal 6H
SURFACE HOLE FOOTAGE:	110'/N & 855'/E
BOTTOM HOLE FOOTAGE	180'/S & 440'/E
LOCATION:	Section 35, T.23 S., R.31 E., NMPM
COUNTY:	Eddy

Potash	None	Secretary	C R-111-P
Cave/Karst Potential	C Low	Medium	C High
Variance	(None	• Flex Hose	C Other
Wellhead	Conventional	Multibowl	
Other	□4 String Area	Capitan Reef	□WIPP

All previous COAs still apply except for the following:

A. CASING

Intermediate casing shall be kept fluid filled while running into hole to meet BLM minimum collapse requirements.

1. The minimum required fill of cement behind the 9 5/8 inch second intermediate casing is:

<u>Option 1:</u>

• Cement to surface. If cement does not circulate see B.1.a, c-d above. Wait on cement (WOC) time for a primary cement job is to include the lead cement slurry due to Potash.

Option 2:

Operator has proposed DV tool and will adjust cement proportionately if moved. DV tool shall be set a minimum of 50' below previous shoe and a minimum of 200' above current shoe. Operator shall submit sundry if DV tool depth cannot be set in this range. If operator circulates cement on the first stage, operator is approved to inflate the ACP and run the DV tool cancellation plug and cancel the second stage of the proposed cement plan. If cement does not circulate, operator will inflate ACP and proceed with the second stage.

- a. First stage to DV tool: Cement to circulate. If cement does not circulate off the DV tool, contact the appropriate BLM office before proceeding with second stage cement job.
- b. Second stage above DV tool:
 - Cement to surface. If cement does not circulate, contact the appropriate BLM office. Wait on cement (WOC) time for a primary cement job is to include the lead cement slurry due to potash

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MHH 02122018

GENERAL REQUIREMENTS

A. CASING

- 1. Changes to the approved APD casing program need prior approval if the items substituted are of lesser grade or different casing size or are Non-API. The Operator can exchange the components of the proposal with that of superior strength (i.e. changing from J-55 to N-80, or from 36# to 40#). Changes to the approved cement program need prior approval if the altered cement plan has less volume or strength or if the changes are substantial (i.e. Multistage tool, ECP, etc.). The initial wellhead installed on the well will remain on the well with spools used as needed.
- 2. <u>Wait on cement (WOC) for Potash Areas:</u> After cementing but before commencing any tests, the casing string shall stand cemented under pressure until both of the following conditions have been met: 1) cement reaches a minimum compressive strength of 500 psi for all cement blends, 2) until cement has been in place at least <u>24 hours</u>. WOC time will be recorded in the driller's log.
- <u>Wait on cement (WOC) for Water Basin:</u> After cementing but before commencing any tests, the casing string shall stand cemented under pressure until both of the following conditions have been met: 1) cement reaches a minimum compressive strength of 500 psi at the shoe, 2) until cement has been in place at least <u>8 hours</u>. WOC time will be recorded in the driller's log. See individual casing strings for details regarding lead cement slurry requirements.
- 4. Provide compressive strengths including hours to reach required 500 pounds compressive strength prior to cementing each casing string. Have well specific cement details onsite prior to pumping the cement for each casing string.
- 5. No pea gravel permitted for remedial or fall back remedial without prior authorization from the BLM engineer.
- 6. On that portion of any well approved for a 5M BOPE system or greater, a pressure integrity test of each casing shoe shall be performed. Formation at the shoe shall be tested to a minimum of the mud weight equivalent anticipated to control the formation pressure to the next casing depth or at total depth of the well. This test shall be performed before drilling more than 20 feet of new hole.
- 7. If hardband drill pipe is rotated inside casing, returns will be monitored for metal. If metal is found in samples, drill pipe will be pulled and rubber protectors which have a larger diameter than the tool joints of the drill pipe will be installed prior to continuing drilling operations.
- 8. Whenever a casing string is cemented in the R-111-P potash area, the NMOCD requirements shall be followed.