

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCD-ARTESIA

FORM APPROVED
OMB NO. 1004-0135
Expires: November 30, 2000

RM

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

JUN 26 2009

5. Lease Serial No.

NM40659

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No

8. Well Name and No

Pure Gold D Fed 14

9. API Well No.

30-015-35801

10. Field and Pool, or Exploratory Area
Sand Dunes Delaware, West

11. County or Parish, State

Eddy NM

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

- ☒ Notice of Intent
☐ Subsequent Report
☐ Final Abandonment Notice

TYPE OF ACTION

- | | | | |
|--|---|--|--|
| <input type="checkbox"/> Acidize | <input type="checkbox"/> Deepen | <input type="checkbox"/> Production (Start/Resume) | <input type="checkbox"/> Water Shut-Off |
| <input type="checkbox"/> Alter Casing | <input type="checkbox"/> Fracture Treat | <input type="checkbox"/> Reclamation | <input type="checkbox"/> Well Integrity |
| <input type="checkbox"/> Casing Repair | <input type="checkbox"/> New Construction | <input type="checkbox"/> Recomplete | <input checked="" type="checkbox"/> Other <u>Amend</u> |
| <input checked="" type="checkbox"/> Change Plans | <input type="checkbox"/> Plug and Abandon | <input type="checkbox"/> Temporarily Abandon | <u>Drilling Plan</u> |
| <input type="checkbox"/> Convert to Injection | <input type="checkbox"/> Plug Back | <input type="checkbox"/> Water Disposal | |

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the final site is ready for final inspection.)

See attached.

SEE ATTACHED FOR
CONDITIONS OF APPROVAL

14. I hereby certify that the foregoing is true and correct
Name (Printed/Typed)

David Stewart

Title

Sr. Regulatory Analyst

Date

6/16/09

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Title

Office

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Title 18 U.S.C. Section 1001, and Title 43 U.S.C. Section 1212, makes 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.

APPROVED

JUN 24 2009

WESLEY W. INGFA

OXY USA Inc.
Pure Gold D # 14
2310 FNL 990 FEL SENE(H) Sec 28 T23S R31E
Lat N 32.276225°N Long W103.776928°W
Eddy County, New Mexico

DRILLING PROGRAM

1. Geologic Name of Surface Location:

A. Permian

2. Estimated Tops of Geological Markers and Depth of Anticipated Fresh Water, Oil or Gas:

Formation	Depth	Expected Fluid
Rustler	480'	
Top Salt	820'	
Bottom Salt	4012'	
Delaware	4230'	
Bell Canyon	4250'	
Cherry Canyon	5140'	
Brushy Canyon	6340'	
Bone Spring	8060'	Oil
TD	8300'	

Only the target Bone Spring Sands are expected to yield oil or gas in measurable quantities. All freshwater sands will be protected by setting 11 3/4 casing @ 570', 20' into the Rustler formation, and circulating cement. The salt section will be protected by setting 8 5/8" intermediate casing @ 4250', 20' into the Delaware formation, and circulating cement to surface. Production casing will be 5 1/2" and the cement will be circulated to surface.

see COA

3. Casing Program. Design criteria and casing load assumptions:

Hole Size	Depth Interval	Casing OD	Weight PPF	Grade	Conn
14 3/4"	0' - 570'	11 3/4"	42	H-40	STC
10 5/8"	0' - 4250'	8 5/8"	32	J-55	LTC
7 7/8"	0' - 8300'	5 1/2"	17	J-55	LTC

All pipe will be new and manufactured to API specs.

See COA

Surface Casing

- Tension:** A 1.6 design factor utilizing the effects of buoyancy (8.34ppg)
- Collapse:** A 1.125 design factor with full internal evacuation and a collapse force equal to the mud gradient in which the casing will be run (0.433 psi/ft). The effects of axial load on collapse will be considered.
- Burst:** A 1.2 design factor with a surface pressure equal to the fracture gradient at setting depth less a gas gradient to the surface. Internal burst force at the shoe will be fracture pressure at that depth. Back up pressure will be formation pore pressure.

Intermediate Casing:

- Tension:** A 1.6 design factor utilizing the effects of buoyancy (10.0 ppg)
- Collapse:** A 1.125 design factor with full internal evacuation, and a collapse force equal to the mud gradient in which the casing will be run (0.478 psi/ft). The effects of axial load on collapse will be considered.
- Burst:** A 1.2 design factor with a surface pressure equivalent to the fracture gradient at setting depth less a gradient to the surface to 0.1 psi/ft. Internal burst force at the shoe will be fracture pressure at that depth. Back pressure will be formation pore pressure.

Production Casing:

- Tension:** A 1.6 design factor utilizing the effects of buoyancy (8.6 ppg)
- Collapse:** A 1.125 design factor with full internal evacuation, and a collapse force equal to the mud gradient in which the casing will be run (0.447 psi/ft). The effects of axial load on collapse will be considered.
- Burst:** A 1.2 design factor with a surface pressure equivalent to the fracture gradient at setting depth less a gradient to the surface to 0.1 psi/ft. Internal burst force at the shoe will be fracture pressure at that depth. Back pressure will be formation pore pressure.

4. Cementing Program:

Interval	Amount sx	Ft of Fill	Type	Gal/Sx	PPG	Ft3/sx
Surface (TOC: Surface)						
Lead: 0'-270' (150% Excess)	170	270'	Halliburton Premium Plus + 4% Bentonite, 2% Calcium Chloride, 0.125 pps Poly-E-Flake	9.18	13.5	1.75
Tail 270' – 570 (150% Excess)	270	300'	Halliburton Premium Plus + 2% CaCl ₂	6.39	14.8	1.35

Intermediate (TOC: Surface)						
Lead: 0' – 3,771' (150% Excess)	980	3,771'	Halliburton Light Premium Plus cement + 5 pps Gilsonite, 0.125 pps Poly-E-Flake, 5% Salt	9.57	12.9	1.88
Tail: 3,771' - 4,250' (150% Excess)	200	479'	Halliburton Premium Plus	6.34	14.8	1.33
Two Stage DV Tool @ 4,300' and Circulate Cement to Surface						
Production (TOC: 4,300')						
1 st Stage						
Lead: 4,300' – 6,000' (150% Excess)	270	1,700'	Halliburton Interfill H + 5 pps Gilsonite, and 0.125 pps Poly-E-Flake	16.26	11.5	2.80
Tail: 6,000' – 8,300' (100% Excess)	490	2,300'	Halliburton Super H Cement containing 0.5% LAP-1, 0.4% CFR-3, 0.25 pps D-Air 3000, and 5 pps Gilsonite	8.10	13.2	1.66
Production (TOC: Surface)						
2 nd Stage						
Lead: 0' – 3,987' (15% Excess)	300	3,987'	Halliburton Interfill C + 0.5% LAP-1, 0.25 pps D-AIR 3000	16.64	11.5	2.79
Tail: 3,987' – 4,300' (150% Excess)	100	313'	Halliburton premium Plus	6.34	14.8	1.33

Cement Summary:

← see COA

Casing	Hole Size	Interval	TOC	Comp.Strength (24 hrs)
11 3/4" 42# H-40, STC	14 3/4"	0' – 570'	Surface	689 psi Lead 2500 psi Tail
8 5/8" 32# J-55, LTC	10 5/8"	0' – 4,250' see COA	Surface	650 psi Lead 1343 psi Tail
5 1/2" 17# J-55, LTC	7 7/8"	0' – 8,300'	Surface	118 psi Lead 1528 psi Tail

5. Pressure Control Equipment

Based on the maximum expected BHP of 3500 psi at 8300' TD (MASP= 2670 psi, 7 7/8" hole size), the blowout prevention equipment will have a working pressure rating of 5000 psi (11") and will consist of (1) a double ram blowout preventer (BOP) with the bottom rams as the blinds and the top rams sized for 4 1/2" drill pipe; (2) annular preventer; (3) rotating head; and (4) choke manifold. Both the ram and annular preventer will be hydraulically operated.

The 11" 5000 psi blowout prevention equipment will be installed and operational after setting the 11 3/4" surface casing; the rotating head body will be installed but the rubber will be installed when it becomes operationally necessary.

see
COA

The BOP and ancillary BOPE will be tested by a third party upon installation to the 11 3/4" surface casing. All equipment will be tested to 1000 psi (high), and 250 psi (low). (MASP + 500 = 841 psi)

The BOP and ancillary BOPE will be tested by a third party upon installation to the 85/8" intermediate casing at 4250'. All equipment will be tested to 5000 psi (high) and 250 psi (low), except the annular will be tested to 70% of its rated working pressure (high) and also to 250 psi (low).

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 valve.

Request variance to connect BOP outlet to the choke manifold ^{Via} a flex line that is manufactured by Contitech Rubber Industrial KFT. It is a 3" ID X 35' flexible hose rated to 10000psi working pressure. It has been tested to 15000psi and is built to API Spec 16C. Once the flex line is installed, it will be tied down with safety clamps, certification attached.

6. Mud Program

Interval	Type	MW	PV	FL
0 – 570'	FW – Gel Spud	8.4 – 8.8	2-4	NC
570' – 4250'	Brine w/ sweeps	9.8 – 9.9	2-3	NC
4250' – 8000'	Fresh Water/Gel	8.4 – 8.5	1	NC
8000' – 8300'	Fresh Water/Gel	8.5 – 8.6	6-8	15-20

The necessary mud products for weight addition and lost circulation control will be on location at all times.

7. Auxiliary Well Control and Monitoring Equipment:

- An upper and lower top drive valve will be in the Top Drive at all times.
- A full opening drill pipe safety valve having the correct connections for the string in use will be on the floor at all times.
- Hydrogen Sulfide monitoring equipment will be installed and operational before drilling out the surface casing shoe and remain operational until production casing is cemented. A H₂S Contingency Plan was included with the original permit filing.

8. Logging, Coring & Testing Program

← see COA

- No drill stem testing is planned.
- Open Hole Logging: Total Depth to Intermediate Casing Shoe: Dual Laterlog – Microguard, DS Neutron / Spectral Density log with GR and Caliper.
- No conventional coring operations are planned.

9. Potential Hazards

No abnormally high pressured zones are expected. Hydrogen Sulfide is not expected to be encountered in this wellbore, however should this occur operations will comply with the provisions of Onshore Oil and Gas Order No. 6.

10. Anticipated Starting Date and Duration of Operations

Road and location construction have been completed. Commencement of operations will be dependent upon the availability of suitable equipment but may begin as early as the fourth week of June, 2009. Drilling operations are expected to require 19 days from spud to rig release. An additional 30 days may be needed for completion operations and construction of surface production facilities.

OCD-ARTESIA

30-015-35801

R-111-POTASH

AB-07-511

EH-07-1005

Form
(No. 10-1005)
(Rev. 6-73)SUBMIT IN TRI-STATE
(Other instructions on
reverse side)Form approved
Budget Bureau No. 1004-0136
Expires August 31, 1985UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1. TYPE OF WORK

DRILL ☒DEEPEN ☐PLUG BACK ☐

2. TYPE OF WELL

OIL
WELL ☒GAS
WELL ☐

OTHER

SINGLE
ZONE ☒MULTIPLE
ZONE ☐

3. NAME OF OPERATOR

POGO PRODUCING COMPANY

4. ADDRESS OF OPERATOR

P.O. BOX 10340, MIDLAND, TEXAS 79702

5. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)

At surface

2310' FNL AND 990' FEL OF SECTION 28

At proposed prod. zone

6. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*

18 MILES EAST OF LOVING, NEW MEXICO

7. DISTANCE FROM PROPOSED*
LOCATION TO NEAREST
PROPERTY OR LEASE LINE, FT.
(Also to nearest drlg. unit line, if any)

990'

8. NO. OF ACRES IN LEASE

640

9. NO. OF ACRES ASSIGNED
TO THIS WELL

40

10. DISTANCE FROM PROPOSED LOCATION*
TO NEAREST WELL, DRILLING, COMPLETED,
OR APPLIED FOR, ON THIS LEASE, FT.

1320'

11. PROPOSED DEPTH

8300'

12. ROTARY OR CABLE TOOLS

ROTARY BLM Bond WYB000238 -CR

13. ELEVATIONS (Show whether DF, RT, GR, etc.)

3377.8' GR

14. APPROX. DATE WORK WILL START*

UPON APPROVAL

23.

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
17-1/2"	13-3/8"	54.5#	550'	SUFFICIENT TO CIRCULATE
11"	8-5/8"	24# & 32#	4100'	SUFFICIENT TO CIRCULATE
7-7/8"	5-1/2"	15.5# & 17#	8300'	SUFFICIENT TO CIRCULATE

Carlsbad Controlled Water Basin

AFTER SETTING PRODUCTION CASING, PAY ZONE WILL BE PERFORATED
AND STIMULATED AS NECESSARY.SEE ATTACHED FOR: SUPPLEMENTAL DRILLING DATA
BOP SKETCH
SURFACE USE AND OPERATIONS PLAN

CARLSBAD CONTROLLED WATER BASIN

If earthen pits are used in
association with the drilling of this
well, an OCD pit permit must be
obtained prior to pit construction.

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen or plug back, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24.

SIGNED

Richard L. Wright

TITLE Division Operations Supr.

DATE February 16, 1993

(This space for Fe

NOS REC'D: 2/5/93

PERMIT NO.

APPROVAL DATE

APPROVED BY

Jesse J. Juen

TITLE

STATE DIRECTOR

DATE

9-507

APPROVAL SUBJECT TO
GENERAL REQUIREMENTS AND
SPECIAL STIPULATIONSAPPROVAL FOR TWO YEARS
SEE ATTACHED FOR
CONDITIONS OF APPROVALAPPROVAL SUBJECT TO
GENERAL REQUIREMENTS
AND SPECIAL STIPULATIONSThe Act, Section 1001, makes it a crime for any person knowingly and willfully to make any statement or agency of the
United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

DISTRICT I
1625 N. FRENCH DR., BOBBS, NM 86240

DISTRICT II
1301 W. GRAND AVENUE, ARTESIA, NM 86210

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 30-015-35801	Pool Code S3815	Pool Name Sand Dunes; Delaware, West
Property Code 36735	Property Name PURE GOLD D	Well Number 14
OGRID No. 233194	Operator Name POGO PRODUCING COMPANY	Elevation 3380'

Surface Location

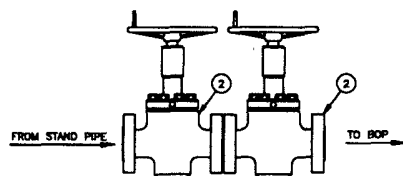
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
H	28	23-S	31-E		2310	NORTH	990	EAST	EDDY

Bottom Hole Location If Different From Surface

UL or lot No. 40	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
Dedicated Acres 40		Joint or Infill	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 NAD 27 NME</p> <p>Y=464654.1 N X=671964.9 E</p> <p>LAT.=32.276225° N LONG.=103.776928° W</p>		<p>OPERATOR CERTIFICATION</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>Signature: <i>[Signature]</i> Date: <i>[Date]</i></p> <p>Printed Name: <i>[Name]</i></p>
		<p>SURVEYOR CERTIFICATION</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><i>[Signature]</i> RONALD J. EIDSON Professional Surveyor</p> <p>Date Surveyed: <i>[Date]</i> LA</p>
		<p>Certificate No. GARY EIDSON 12641 RONALD J. EIDSON 3239</p>

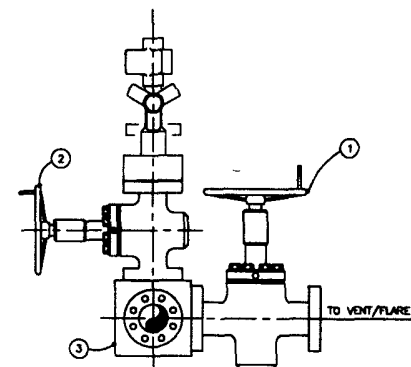


DIMENSION NOTATION		
DIM "A"	DIM "B"	RIGS THAT APPLY
1'-0"	1'-0"	335 THRU 339
11 1/2"	1'-0 1/2"	340, 344 THRU 347

APPLIES TO RIGS 345, 346 & 347 ONLY

LEGEND

- ①—3 1/8"–5M FLANGED END GATE VALVE
- ②—2 1/16"–5M FLANGED END GATE VALVE
- ③—BLOCK WITH TRANSMITTER FLANGE AND PRESSURE GAUGE
- ④—2 1/16"–5M ADJUSTABLE CHOKE
- ⑤—TRANSMITTER FLANGE
- ⑥—PRESSURE GAUGE
- ⑦—DSA 2 1/16"–5M x 3 1/16"–10M
- ⑧—3 1/16"–10M HYDRAULIC CHOKE
- ⑨—3 1/8"–5M x 3 1/16"–10M SPOOL
- ⑩—3 1/8"–5M x 3 1/8"–5M STUDDED TEE
- ⑪—3 1/8"–5M FLANGED END HCR GATE VALVE
- ⑫—2 1/16"–5M x 2 1/16"–5M SPOOL



Technical drawing of a 12-inch Class 1500 Cast Iron Gate Valve, Model 1215. The drawing includes a front view and a side view. The front view shows the valve body with two gate valves, each with a handwheel (1) and a stem (2). The valve body is cast iron (C. WEL). The side view shows the internal gate mechanism (3) and the stem (2). Dimensions are provided for the front view: overall height 2'-5", overall width 2'-10 1/8", and individual gate valve widths 1'-10 1/8" and 1'-2 1/8". The side view shows a height of 1'-3 1/2" and a width of 2'-10 1/8". Callouts 1 through 10 identify various components. A 'C. WEL' label indicates the material. A 'PROPRIETARY' label is present in the bottom left corner.

ISSUED FOR FABRICATION
October 17, 2008
DRAFTSMAN _____
ENGINEER _____

PROPRIETARY

THIS DRAWING AND THE IDEAS AND INFORMATION INCLUDED IN THIS DRAWING ARE PROPRIETARY AND ARE NOT TO BE REPRODUCED, DISTRIBUTED OR DISCLOSED IN ANY MANNER, WITHOUT THE PRIOR, WRITTEN CONSENT OF A DAILY AUTHORIZED OFFICER OF HELMERICH & PAYNE INT'L DRILLING CO

ENGINEERING APPROVAL		DATE	TITLE	
			CHOKE MANIFOLD DETAIL ARRANGEMENT	
△			CUSTOMER: OXY SOUTH AMERICA	
△			PROJECT: F&M	
△	10-17-08	ADDED QTY (1) ITEM 2 & ITEM 12	MAIL	
△	08-28-08	ADDED QTY 1000000 AND FOR EXHAUSTIVE USE 1000000	MAIL	
△	3/15/08	REVISED CONFIGURATION ADDED ITEM 7 - 10	MAIL	
REV	DATE	DESCRIPTION	REV	
			DRAWING	JAV DATE: 01/07/08 DWG. NO.:
			SCALE: 1/2" = 1"	SHEET: 2 OF
			OX-P0079	

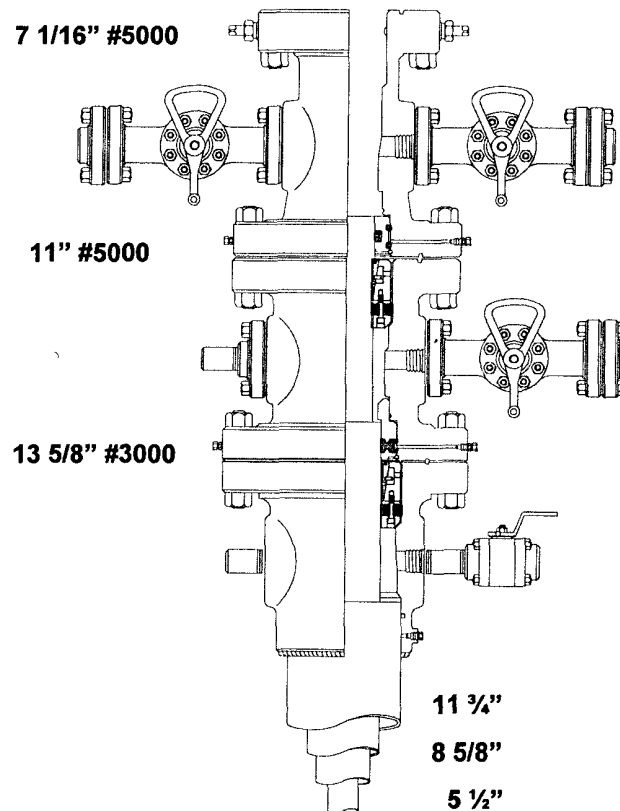


CAMERON

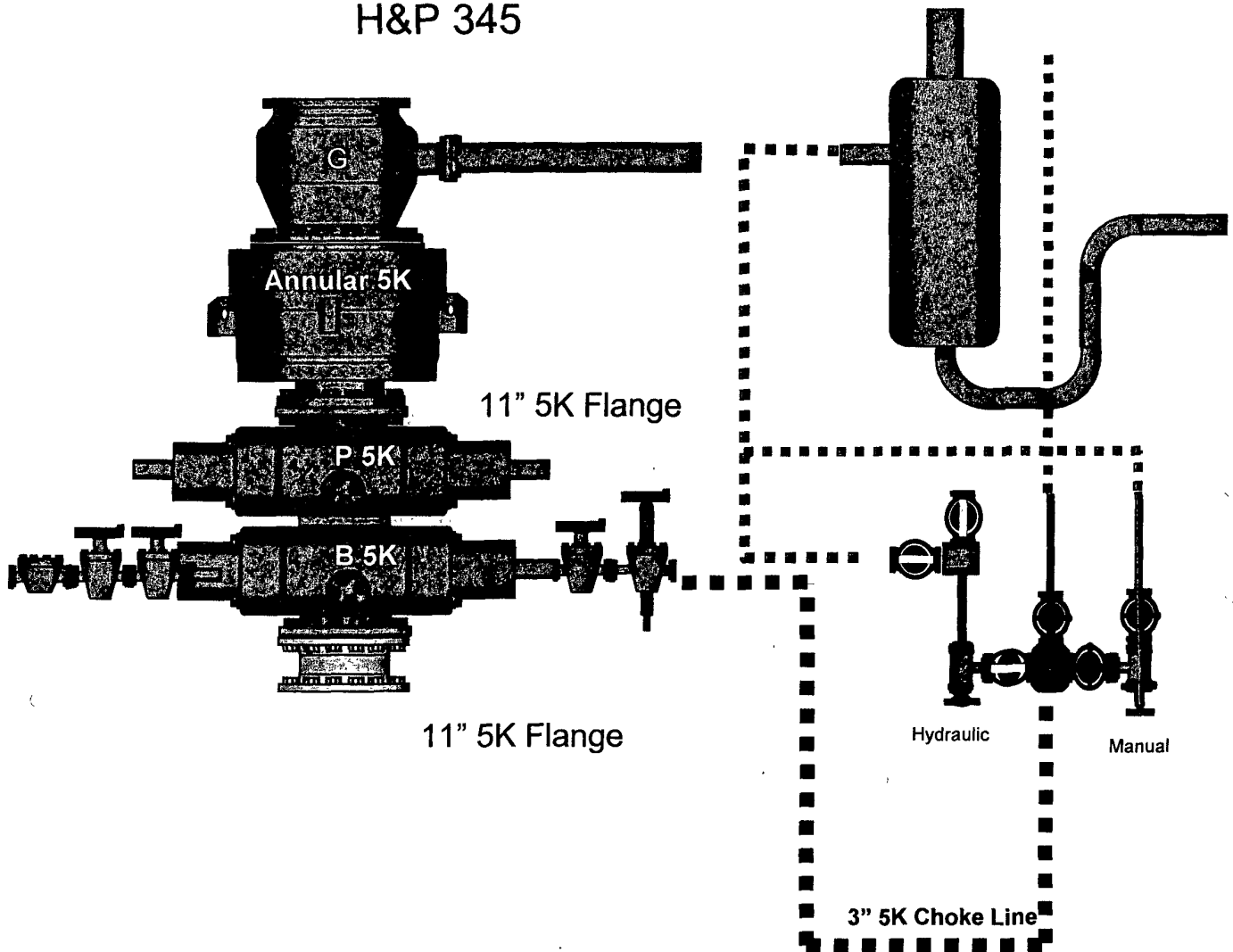
CUSTOMER: OXY USA

WELL: Pure Gold Federal Unit

RIG: H&P #345



Class III (11" 5K) BOP
H&P 345



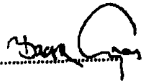
CERTIFICATE OF CONFORMITY

Supplier : CONTITECH RUBBER INDUSTRIAL KFT.
Equipment : 8 pcs. Choke and Kill Hose with installed couplings
Type : 3" x 10,67 m WP: 10000 psi
Supplier File Number : 412638
Date of Shipment : April. 2008
Customer : Phoenix Beattie Co.
Customer P.o. : 002481
Referenced Standards
/ Codes / Specifications : API Spec 16 C
Serial No.: 52754,52756,52776,52777,52778,52782

STATEMENT OF CONFORMITY

We hereby certify that the above items/equipment supplied by us are in conformity with the terms, conditions and specifications of the above Purchaser Order and that these items/equipment were fabricated inspected and tested in accordance with the referenced standards, codes and specifications and meet the relevant acceptance criteria and design requirements.

COUNTRY OF ORIGIN HUNGARY/EU

Signed : 
Position: G.C. Manager
Date: 04. April. 2008

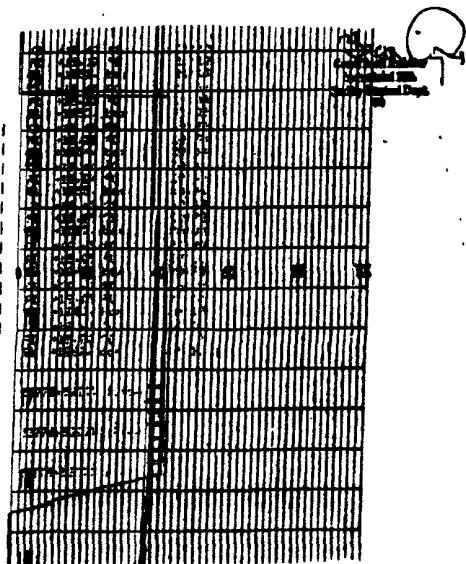
...as of North Rubber
Industrial ISO
Quality Control Dept.
01

PHOENIX Beattie										
Material Identification Certificate										
PA No	008230	Client	HELMERICH & PAYNE INT'L DRILLING	Client Ref	370-388-001	Page	1			
Part No	Description	Material Desc	Material Spec	Qty	WO No	Batch No	Test Cert No	Bin No	Org No	Issue No
412638-01-01	2" 100' LBS CHOKER & KILL HOSE			1	0001	10/77/0001		0001		
412638-01-02	LIFTING & SAFETY EQUIPMENT 10			1	0002	10/77/0002		0002		
412638-01-03	SAFETY CLAMP 1000 7.002	CHOKER STEEL		1	0003	10/77/0003		0003		
412638-01-04	SAFETY CLAMP 1000 7.002	CHOKER STEEL		1	0004	10/77/0004		0004		

We hereby certify that these goods have been inspected by our Quality Management System, and to the best of our knowledge are found to conform to relevant industry standards within the requirements of the purchase order as issued to Phoenix Beattie Corporation.



QUALITY CONTROL INSPECTION AND TEST CERTIFICATE				CERT. NO.	748
PURCHASER: Phoenix Seattle Co.				P.O. NO.	002481
CONTITECH ORDER NO. 412538		HOSE TYPE 3" ID Choke and Kill Hose			
HOSE SERIAL NO. 52777		NOMINAL / ACTUAL LENGTH 10.87 m			
W.P. 68.98 MPa 10000 psi		T.P. 103.4 MPa 15000 psi		Bursting 80 - min.	
<p>Pressure test with water at ambient temperature</p> <p>See attachment (1 page)</p> <p>↑ 10 mm = 10 Mm. → 10 mm = 25 MPa</p>					
COUPLINGS					
Type	Serial No.	Quality	Heat No.		
3" coupling with 4 1/16" Flange end	917 913	AISI 4130 AISI 4130	T7988A 28894		
INFOCHIP INSTALLED				API Spec 16 C Temperature rate: "B"	
All metal parts are finished					
WE CERTIFY THAT THE ABOVE HOSE HAS BEEN MANUFACTURED IN ACCORDANCE WITH THE TERMS OF THE ORDER AND PRESSURE TESTED AS ABOVE WITH SATISFACTORY RESULT.					
Date:	Inspector:	Quality Control:			
04. April. 2008		<p>Continental Rubber Inspected By Quality Control Dept 10</p>			



Delivery Note

Customer Order Number	378-359-001	Delivery Note Number	003078	Page	1
Customer / Invoice Address HELMERICH & PAYNE INT'L DRILLING CO 1407 SOUTH BOULDER TULSA, OK 74119		Delivery / Address HELMERICH & PAYNE LOC ATTN: JOE STEPHENSON - Rm 378 13600 INDUSTRIAL ROAD HOUSTON, TX 77016			

Customer Acc No	Phoenix Beattie Contract Manager	Phoenix Beattie Reference	Date
H01	J.L.	006338	05/23/2008

Item No	Beattie Part Number / Description	Qty Ordered	Qty Sent	Qty To Follow
1	HP1000A-36-F1 3" 10K 10K CRK HDBE x 36PC OIL CN 4.1/16" API SPEC FLANGE E/ End 1: 4.1/16" 100psi API Spec 6A Type 68K Flange End 2: 4.1/16" 100psi API Spec 6A Type 68K Flange c/w 83155 Standard ring groove at each end Suitable for H2S Service Working pressure: 10,000psi Test pressure: 15,000psi Standard: API 16C Full specification Armor Guarding: Included Fire Rating: Not Included Temperature rating: -20 Deg C to +100 Deg C	1	1	0
2	SE003-HP09 LIFTING & SAFETY EQUIPMENT TO SUIT HP1000A-36-F1 2 x 100mm ID Safety Clamps 2 x 24mm ID Lifting Collars & element C's 2 x 7PC Stainless Steel wire rope 3/4" ID 4 x 7.70K Shackles	1	1	0
3	SC725-200CS SAFETY CLAMP 200MM 7.25T C/S GALVANIZED	1	1	0

Delivery Note

Customer Order Number	378-359-001	Delivery Note Number	003078	Page	2
Customer / Invoice Address HELMERICH & PAYNE INT'L DRILLING CO 1407 SOUTH BOULDER TULSA, OK 74119		Delivery / Address HELMERICH & PAYNE LOC ATTN: JOE STEPHENSON - Rm 378 13600 INDUSTRIAL ROAD HOUSTON, TX 77016			

Customer Acc No	Phoenix Beattie Contract Manager	Phoenix Beattie Reference	Date
H01	J.L.	006338	05/23/2008

Item No	Beattie Part Number / Description	Qty Ordered	Qty Sent	Qty To Follow
4	SC725-130CS SAFETY CLAMP 130MM 7.25T C/S GALVANIZED C/N BOLTS	1	1	0
5	00CERT-HYDRO HYDROSTATIC PRESSURE TEST CERTIFICATE	1	1	0
6	00CERT-LOAD LOAD TEST CERTIFICATES	1	1	0
7	00FREIGHT INBOUND / OUTBOUND FREIGHT PRE-PAY & ADD TO FINAL INVOICE NOTE: MATERIAL MUST BE ACCOMPANIED BY PAPERWORK INCLUDING THE PURCHASE ORDER, Rm NUMBER TO ENSURE PROPER PAYMENT	1	1	0

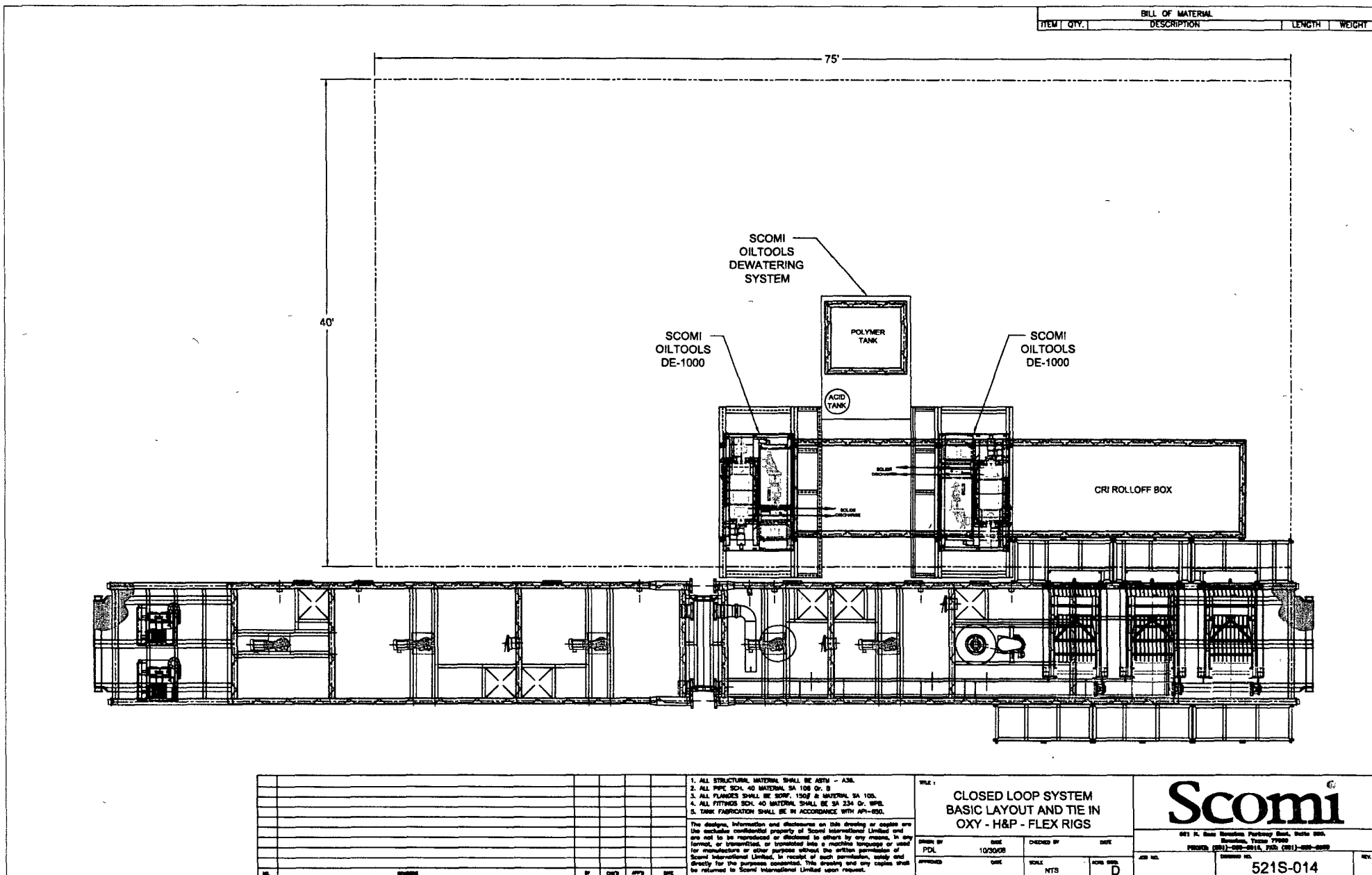
Phoenix Beattie Inspection Signature: _____

Received in Good Condition: _____

Print Name _____

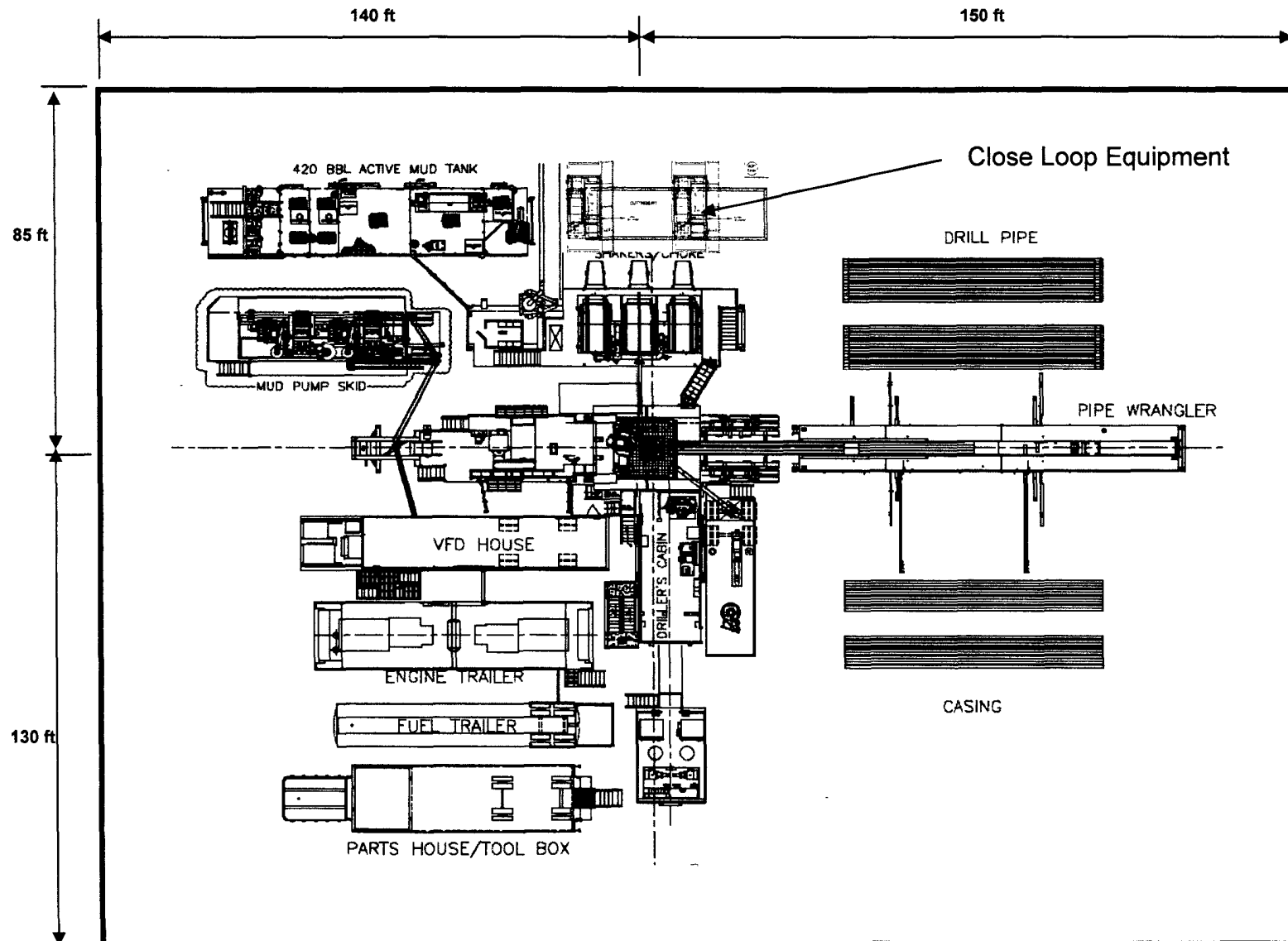
Date _____

All goods remain the property of Phoenix Beattie until paid for in full. Any damage or shortage on this delivery must be advised within 5 days. Returns may be subject to a handling charge.



OXY FLEX IV PAD (Closed Loop System)

Revised 05/14/2009



PECOS DISTRICT CONDITIONS OF APPROVAL

OPERATOR'S NAME:	OXY USA, Inc.
LEASE NO.:	NMNM-40659
WELL NAME & NO.:	Pure Gold D #14
SURFACE HOLE FOOTAGE:	2310' FNL & 0990' FEL
LOCATION:	Section 28, T. 23 S., R 31 E., NMPM
COUNTY:	Eddy County, New Mexico

I. DRILLING

A. DRILLING OPERATIONS REQUIREMENTS

The BLM is to be notified a minimum of 4 hours in advance for a representative to witness:

- a. Spudding well
- b. Setting and/or Cementing of all casing strings
- c. BOPE tests

☒ **Eddy County**

Call the Carlsbad Field Office, 620 East Greene St., Carlsbad, NM 88220,
(575) 361-2822

1. **Although there are no measured amounts of Hydrogen Sulfide reported, it is always a potential hazard. If Hydrogen Sulfide is encountered, please provide measured values and formations to the BLM.**
2. Unless the production casing has been run and cemented or the well has been properly plugged, the drilling rig shall not be removed from over the hole without prior approval.
3. Floor controls are required for 3M or Greater systems. These controls will be on the rig floor, unobstructed, readily accessible to the driller and will be operational at all times during drilling and/or completion activities. Rig floor is defined as the area immediately around the rotary table; the area immediately above the substructure on which the draw works are located, this does not include the dog house or stairway area.
4. **Gamma-Ray/Neutron logs shall be run from the base of the Salado formation to the surface. The logs shall be run at a speed which allows the logs to be legible and no faster than manufacturer of the logging tools recommended speed. (R-111-P area only)**

B. CASING

Changes to the approved APD casing and cement program require submitting a sundry and receiving approval prior to work. Failure to obtain approval prior to work will result in an Incident of Non-Compliance being issued.

Centralizers required on surface casing per Onshore Order 2.III.B.1.f.

Wait on cement (WOC) time for a primary cement job will be a minimum 18 hours for a water basin, 24 hours in the potash area, or 500 pounds compressive strength, whichever is greater for all casing strings. Provide compressive strengths including hours to reach required 500 pounds compressive strength prior to cementing each casing string. See individual casing strings for details regarding lead cement slurry requirements.

No pea gravel permitted for remedial or fall back remedial without prior authorization from the BLM engineer.

Possible lost circulation in the Delaware and Bone Spring formations.

Possible water flows in the Salado, Castile, Delaware, and Bone Spring formations.

1. The 11-3/4 inch surface casing shall be set at approximately 570 feet (a minimum of 25 feet into the Rustler Anhydrite and above the salt) and cemented to the surface.
 - a. If cement does not circulate to the surface, the appropriate BLM office shall be notified and a temperature survey utilizing an electronic type temperature survey with a surface log readout will be used or a cement bond log shall be run to verify the top of the cement.
 - b. **Wait on cement (WOC) time for a primary cement job is to include the lead cement slurry.**
 - c. Wait on cement (WOC) time for a remedial job will be a minimum of 4 hours after bringing cement to surface or 500 pounds compressive strength, whichever is greater.
 - d. If cement falls back, remedial cementing will be done prior to drilling out that string.
2. The minimum required fill of cement behind the 8-5/8 inch intermediate casing (which is to be set in the Lamar Limestone) is:
 - ☒ 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.

Formation below the 8-5/8" shoe to be tested according to Onshore Order 2.III.B.1.i. Test to be done as a mud equivalency test using the mud weight necessary for the pore pressure of the formation below the shoe (not the mud weight required to prevent dissolving the salt formation) and the mud weight for the bottom of the hole. Report results to BLM office.

3. The minimum required fill of cement behind the 5-1/2 inch production casing is:
 - a. First stage to DV tool, cement shall:
 - ☒ Cement to circulate. If cement does not circulate, contact the appropriate BLM office, before proceeding with second stage cement job.
 - b. Second stage above DV tool, cement shall:
 - ☒ Cement to surface. If cement does not circulate, contact the appropriate BLM office. **Additional cement may be required to circulate to surface as excess for second stage calculates to 27%.**
4. 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.
5. Whenever a casing string is cemented in the R-111-P potash area, the NMOCD requirements shall be followed.

C. PRESSURE CONTROL

1. All blowout preventer (BOP) and related equipment (BOPE) shall comply with well control requirements as described in Onshore Oil and Gas Order No. 2 and API RP 53 Sec. 17.
2. **Variance approved to use flex line from BOP to choke manifold. Check condition of 3" x 35' flexible line from BOP to choke manifold, replace if exterior is damaged or if line fails test. Line to be as straight as possible with no hard bends.**
3. Minimum working pressure of the blowout preventer (BOP) and related equipment (BOPE) required for drilling below the surface casing shoe shall be **2000 (2M) psi.**

4. Minimum working pressure of the blowout preventer (BOP) and related equipment (BOPE) required for drilling below the **8-5/8"** intermediate casing shoe shall be **5000 (5M) psi. 5M system requires an HCR valve, remote kill line and annular to match. The remote kill line is to be installed prior to testing the system and tested to stack pressure.**
5. The appropriate BLM office shall be notified a minimum of 4 hours in advance for a representative to witness the tests.
 - a. The tests shall be done by an independent service company.
 - b. The results of the test shall be reported to the appropriate BLM office.
 - c. All tests are required to be recorded on a calibrated test chart. A copy of the BOP/BOPE test chart and a copy of independent service company test will be submitted to the appropriate BLM office.
 - d. The BOP/BOPE test shall include a low pressure test from 250 to 300 psi. The test will be held for a minimum of 10 minutes if test is done with a test plug and 30 minutes without a test plug.
 - e. **Effective November 1, 2008, no variances will be granted on reduced pressure tests on the surface casing and BOP/BOPE. Onshore Order 2 requirements will be in effect.**

D. DRILL STEM TEST

If drill stem tests are performed, Onshore Order 2.III.D shall be followed.

WWI 062409