

Surface Equipment List

•Use this equipment list Lost Tank 3-25 and Sundance 4-32
SWD

EQUIPMENT	QNTY
500 BBL FG WATER TANKS	2
300 BBL ST SKIM OIL TANKS	1
10HP TRANSFER PUMP	1
75HP DISPOSAL PUMPS	2
750 BBL GUN BARREL	1
DISPOSAL WELL	1

30-015-38393

SURFACE USE PLAN OF OPERATIONS

Operator Name	OXY USA Inc.	16696
Lease Name/Number	Sundance 4 Federal #32	304979 Federal Lease No. N NMNM104730
Pool Name/Number:	Sand Dunes Delaware, West	53815
Surface Location:	1973 FSL 860 FEL NESE(H)	Sec 4 T24S R31E

6601 N 24 458' W NW 1/4 (d)

1. Existing Roads

- A copy of a USGS "Big Sinks, N.M." quadrangle map is attached showing the proposed location. The well location is spotted on this map, which shows the existing road system.
- The well was staked by Terry J. Asel, Certificate No. 15079 on 12/17/09, certified 1/14/10.
- Directions to Location: At the intersection of SH 128 and CR 798, go northwest on SH 128 for 3.9 miles. Turn left lease road and go south for 2.8 miles. Turn left and go east 0.3 miles. Turn right and go south for 0.2 miles, turn left and go east for 0.5 miles to location.

2. New or Reconstructed Access Roads:

- No new access road will be built.
- Surfacing material: N/A
- Maximum Grade: N/A
- Turnouts: None needed
- Drainage Design: N/A
- Culverts: None needed
- Cut and fills: N/A
- Gates or cattleguards: none required.

3. Location of Existing Wells:

Existing wells within a one mile radius of the proposed well are shown on Exhibit #3.

4. Location of Existing and/or Proposed Injection Facilities.

- The Sundance Federal tank battery would be utilized and the necessary injection equipment will be installed at the well site. See proposed Facilities Layout diagram, Exhibit #4.
- If necessary, electric power poles will be set along side of the access road.
- All flowlines will adhere to API Standards, Exhibit #4

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.

6. Construction Materials:

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

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, see C-144 CLEZ.
 1. Solids - CRI
 2. 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 pick up 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

Exhibit #5 shows the proposed extended well site layout with dimensions of the pad layout and equipment location.
V-door - East Tanks - North Pad Size - 340' X 270'

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 top soil will again be returned to the pad and contoured, as close as possible, to the original topography.
- b. If the well is deemed commercially productive, caliche from areas of the pad site not required for operations will be reclaimed. The original top soil 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 is owned by the U.S. Government and is administered by the BLM. The surface is multiple use with the primary uses of the region 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 2 miles of the proposed well site.

- d. A Cultural Resources Examination - this well is located in the Permian Basin MOA.

Pad + 1/4 mile road	<u>\$1,339.00</u>	\$0.15/ft over 1/4 mile	<u>\$0.00</u>	<u>\$1,339.00</u>
Pipeline - up to 1mile	<u>\$1,236.00</u>	\$250 per 1/4 mile	<u>\$0.00</u>	<u>\$1,236.00</u>
Electric Line - up to 1mile	<u>\$618.00</u>	\$0.17/ft over 1 mile	<u>\$0.00</u>	<u>\$618.00</u>
Total	<u><u>\$3,193.00</u></u>		<u><u>\$0.00</u></u>	<u><u>\$3,193.00</u></u>

13. Bond Coverage:

Bond Coverage is Nationwide Bond No. ES0136.

Operators Representatives:

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

Marvin McElroy
Production Coordinator
P.O. Box 50250
Midland, TX 79710
Office Phone: 432-652-8607
Cellular: 806-215-6750

Larry Sammons
Production Lead
P.O. Box 50250
Midland, TX 79710
Office Phone: 432-685-5724
Cellular: 432-296-9323

Sergio Abauat
Drilling Superintendent
P.O. Box 4294
Houston, TX 77210
Office Phone: 432-366-5689
Cellular: 432-893-3067

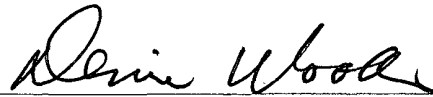
Calvin (Dusty) Weaver
Operation Specialist
P.O. Box 50250
Midland, TX 79710
Office Phone: 432-685-5723
Cellular: 806-893-3067

Camilo Arias
Drilling Engineering Supervisor
P.O. Box 4294
Houston, TX 77210
Office Phone: 713-366-5953
Cellular: 281-468-4652

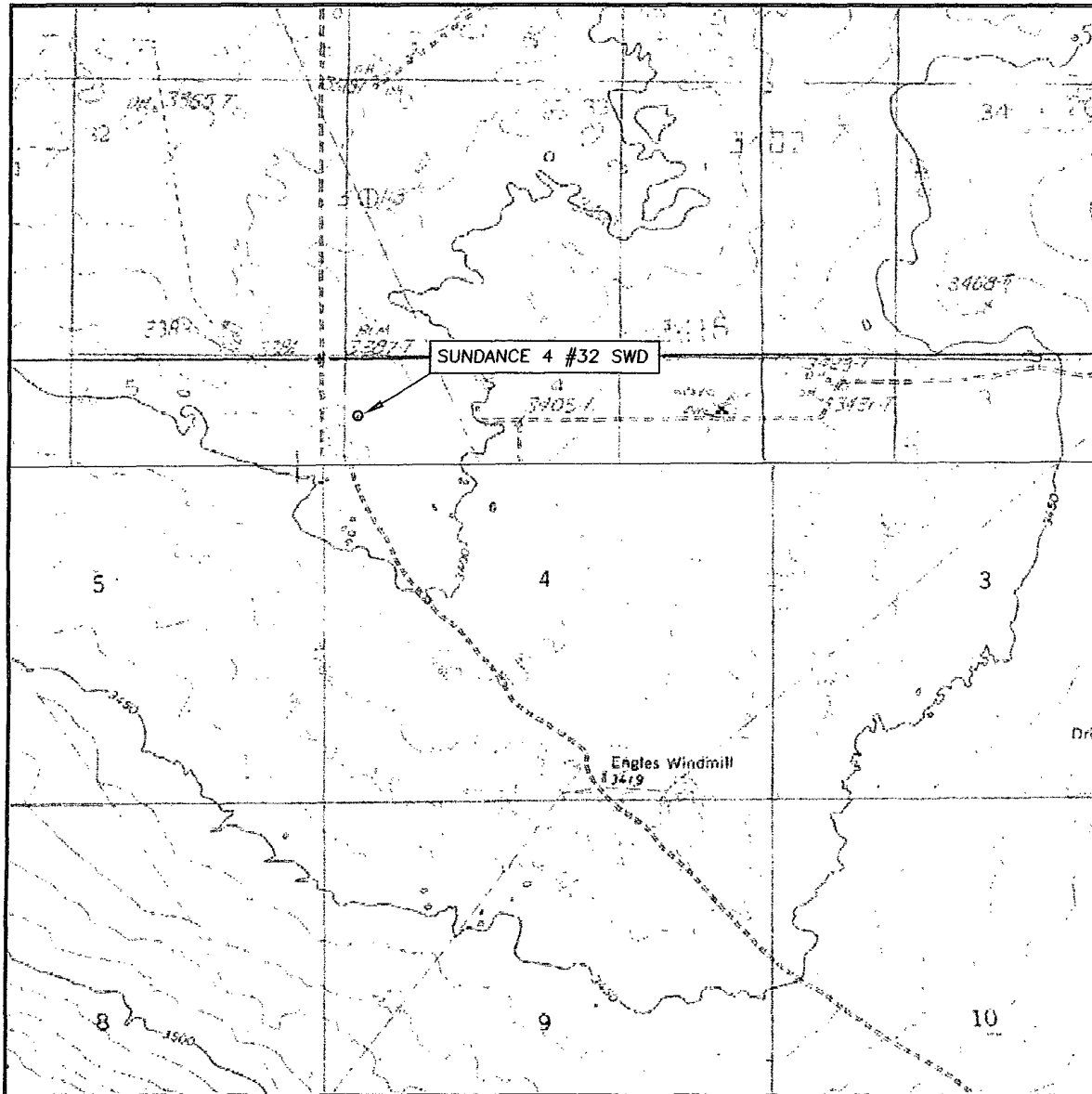
Luis Tarazona
Drilling Engineer
P.O. Box 4294
Houston, TX 77210
Office Phone: 713-366-5771
Cellular: 713-628-9526

OPERATOR CERTIFICATION

I hereby certify that I, or someone under my direct supervision, have inspected the drill site and access route proposed herein; that I am familiar with the conditions that presently exist; that I have full knowledge of State and Federal laws applicable to this operation; that the statements made in this APD package are, to the best of my knowledge, true and correct; and that the work associated with the operations proposed herein will be performed in conformity with this APD package and the terms and conditions under which it is approved. I also certify that I, or the company I represent, am responsible for the operations conducted under this application. These statements are subject to the provisions of 18 U.S.C. 1001 for the filing of false statements. Executed this 21st day of April, 2010.

Name: Denise Woods 
Position: Reservoir Management Team Leader
Address: 5 Greenway Plaza, Suite 110, Houston, TX 77046
Telephone: 713-215-7154
E-mail: (optional): denise_woods@oxy.com
Company: OXY USA Inc.
Field Representative (if not above signatory): Marvin McElroy
Address (If different from above): P.O. Box 50250 Midland, TX 79710
Telephone (if different from above): 432-652-8607
E-mail (if different from above): marvin_mcelroy@oxy.com

LOCATION VERIFICATION MAP



SCALE: 1" = 2000'

CONTOUR INTERVAL: 10'

SEC. 4 TWP. 24-S. RGE. 31-E

SURVEY N.M.P.M.

COUNTY EDDY

DESCRIPTION 660' FNL & 458' FWL

ELEVATION 3395.2'

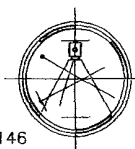
OPERATOR OXY USA, INC.

LEASE SUNDANCE 4 #32 SWD

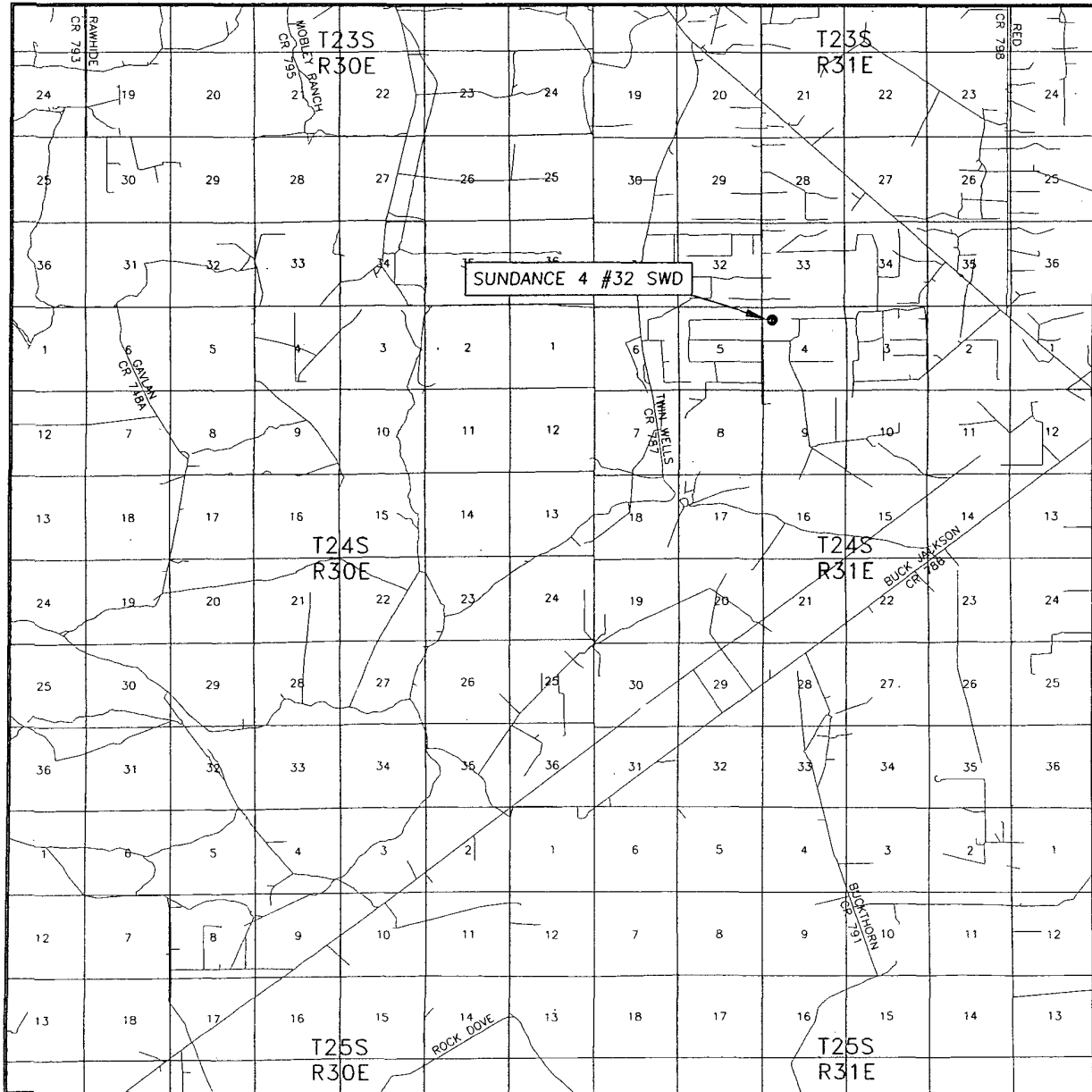
U.S.G.S. TOPOGRAPHIC MAP
LOS MEDANOS, N.M.

Asel Surveying

P.O. BOX 393 - 310 W. TAYLOR
HOBBS, NEW MEXICO - 575-393-9146



VICINITY MAP

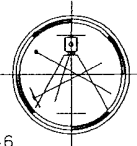


SEC. 4 TWP. 24-S RGE. 31-E
 SURVEY N.M.P.M.
 COUNTY EDDY
 DESCRIPTION 660' FNL & 458' FWL
 ELEVATION 3395.2'
 OPERATOR OXY USA, INC.
 LEASE SUNDANCE 4 #32 SWD

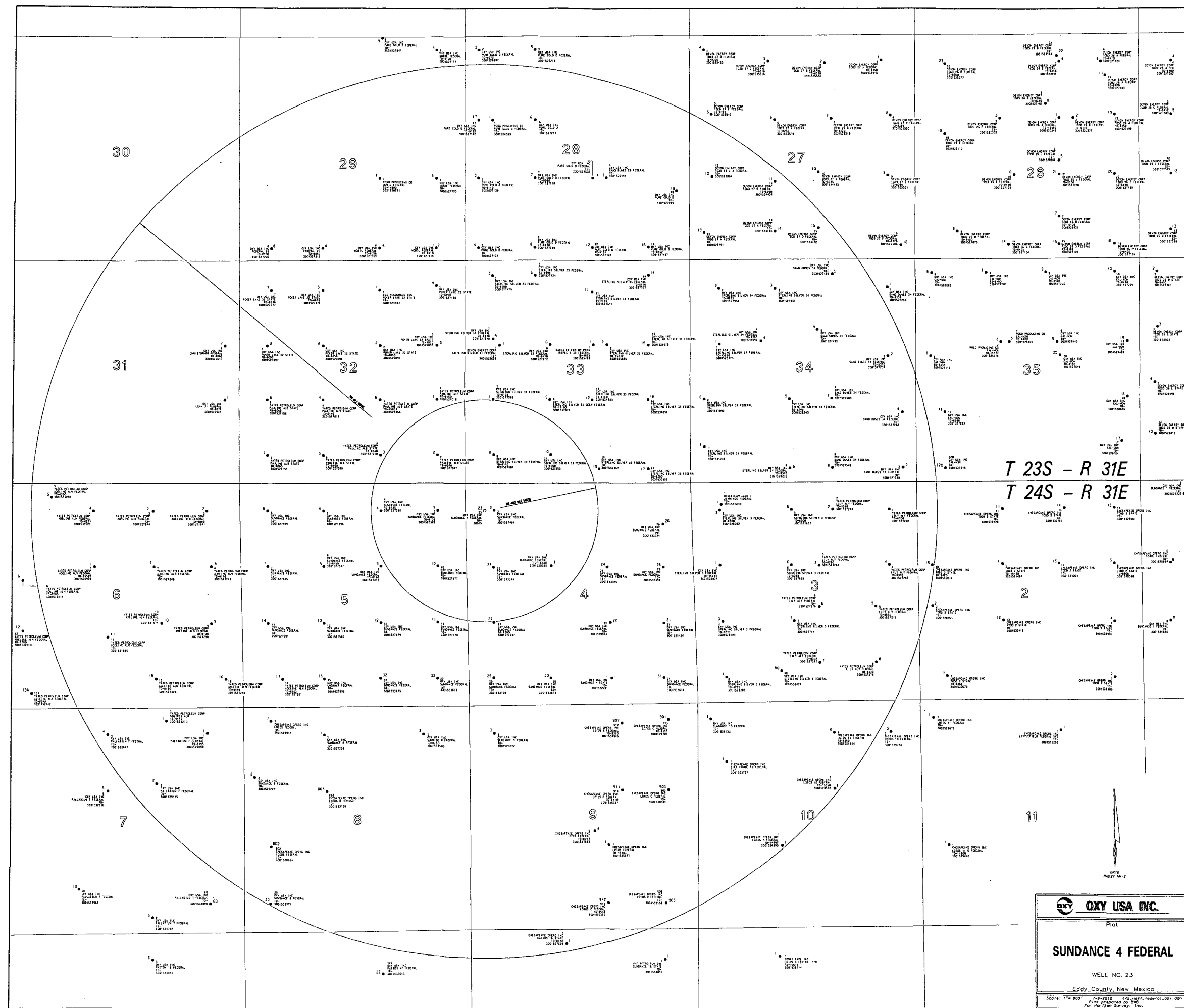
SCALE: 1" = 2 MILES

Asel Surveying

P.O. BOX 393 - 310 W. TAYLOR
 HOBBS, NEW MEXICO - 575-393-9146



DIRECTIONS BEGINNING AT THE INTERSECTION OF HWY. #128 AND EDDY COUNTY ROAD #798 (RED ROAD), GO NORTHWEST ON HWY. #128 FOR 3.9 MILES, TURN LEFT AND GO SOUTH ON LEASE ROAD FOR 2.5 MILES, TURN LEFT AND GO EAST FOR 0.1 MILES TO LOCATION.



T 23S - R 31E
T 24S - R 31E

**OXY USA INC.**

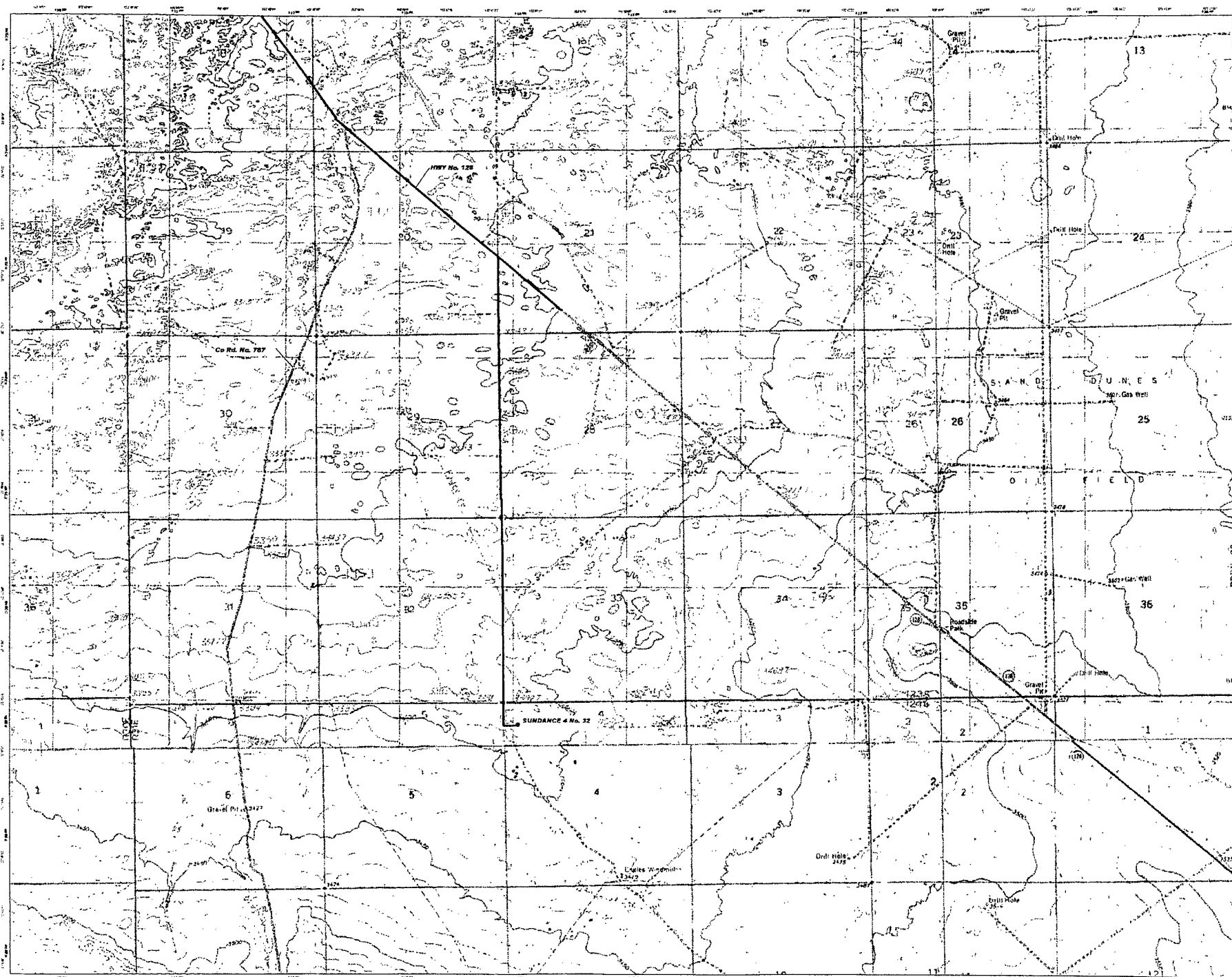
Plot

SUNDANCE 4 FEDERAL

WELL NO. 23

Eddy County, New Mexico

Scale: 1" = 800' 7-8-2010 445,000 ft. Federal, 001-001
Plot prepared by B&B
for Horizon Survey, Inc.



mytopo

Legend

Topographic Symbols

Contour Lines

Spot Elevation

Water

Drainage

Vegetation

Buildings

Transportation

Boundaries

Index

Scale

North Arrow

Projection

Units

Source

Copyright

SECTION 4, TOWNSHIP 24 SOUTH, RANGE 31 EAST, N.M.P.M.,
EDDY COUNTY NEW MEXICO

Basis of Bearings - GPS Geodetic Measurements
NAD East Zone (83) North American Datum of 1983

GLO B.C.
"1916"

T-23-S

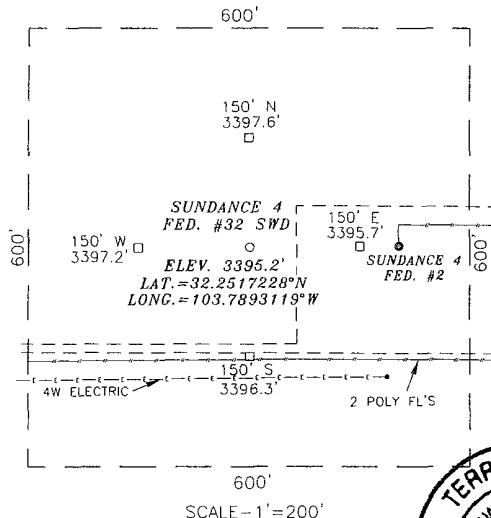
1/4 COR.
GLO B.C.
"1916"

N89°40'44"E - 2639.3'

T-24-S

SUNDANCE 4 FED. #32 SWD

GLO B.C.
"1916"



DIRECTIONS:
BEGINNING AT THE INTERSECTION OF
HWY. #128 AND EDDY COUNTY ROAD
#798 (RED ROAD), GO NORTHWEST ON
HWY. #128 FOR 3.9 MILES, TURN LEFT
AND GO SOUTH ON LEASE ROAD FOR
2.5 MILES, TURN LEFT AND GO EAST
FOR 0.1 MILES TO LOCATION.

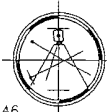
SURVEYORS CERTIFICATE

I, TERRY J. ASEL, NEW MEXICO PROFESSIONAL SURVEYOR NO. 15079, DO HEREBY CERTIFY THAT I CONDUCTED AND AM RESPONSIBLE FOR THIS SURVEY, THAT THIS SURVEY IS TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF, AND MEETS THE "MINIMUM STANDARDS FOR SURVEYING IN NEW MEXICO" AS ADOPTED BY THE NEW MEXICO STATE BOARD OF REGISTRATION FOR PROFESSIONAL ENGINEERS AND SURVEYORS.

Terry J. Asel 6/24/2010
Terry J. Asel N.M. R.P.S. No. 15079

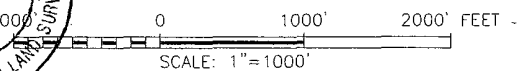
Asel Surveying

P.O. BOX 393 - 310 W. TAYLOR
HOBBS, NEW MEXICO - 575-393-9146



LEGEND

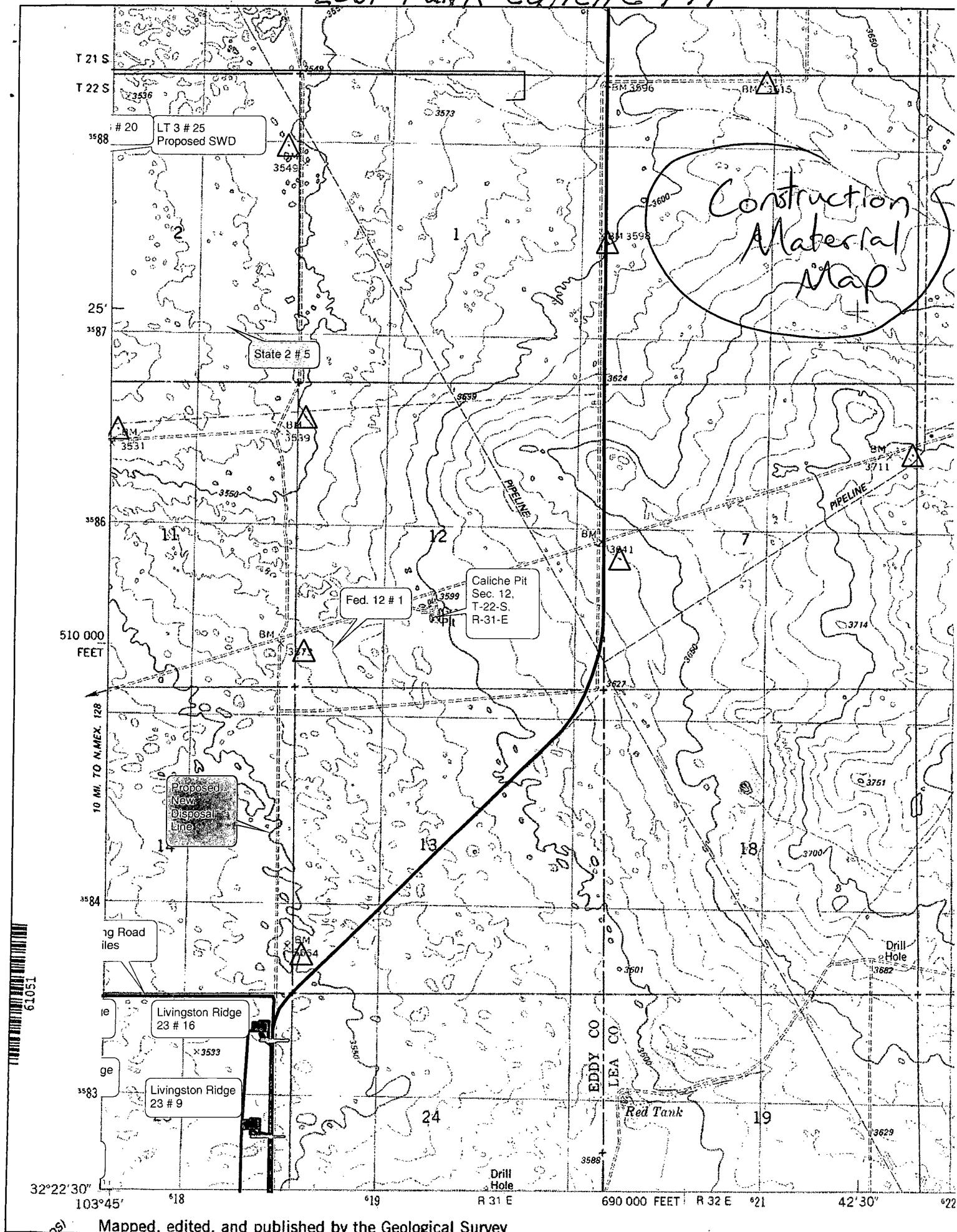
- DENOTES FOUND MONUMENT AS NOTED



OXY USA, INC.

SUNDANCE 4 FED. #32 SWD LOCATED AT
660' FNL & 458' FWL IN SECTION 4,
TOWNSHIP 24 SOUTH, RANGE 31 EAST;
N.M.P.M., EDDY COUNTY, NEW MEXICO

Survey Date: 06/16/10	Sheet 1 of 1 Sheets
W.O. Number: 091119WL (Rev. B)	Drawn By: KA Rev: B
Date: 06/23/10	091119WL Scale: 1"=1000'

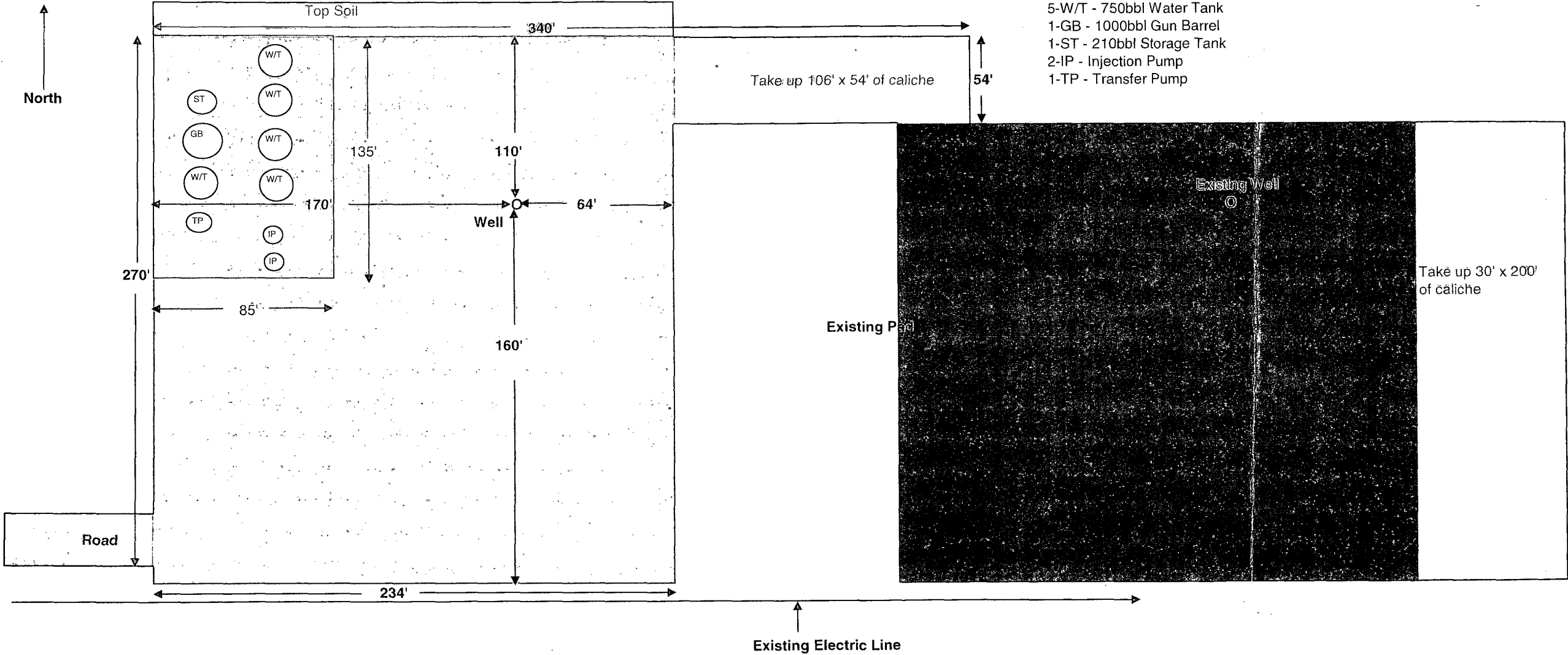


Mapped, edited, and published by the Geological Survey

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Sundance 4 Federal # 32

- Existing Pad
- Existing Pad overlapping with new pad
- New Pad
- Proposed Pad Reclamation



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. 2006
Customer : Phoenix Beattie Co.
Customer P.o. : 002491
Referenced Standards
/ Codes / Specifications : API Spec 16 C
Serial No.: 52754,52755,52776,52777,52778,52782

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.

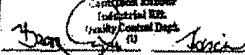
Signed :  Date: 04. April, 2008

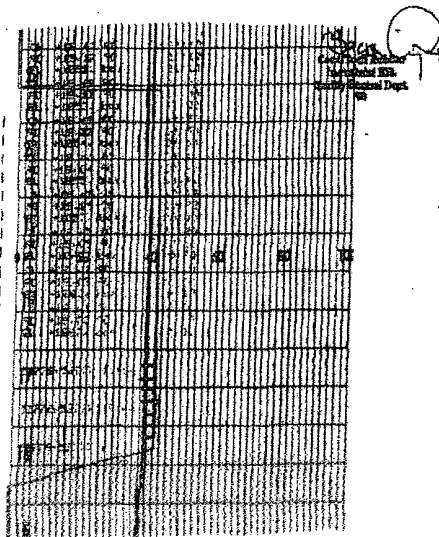
Position: Q.C. Manager

Latex Rubber
Industrial MFG.
Quality Control Dept.
(S)

Phoenix Beattie		Material Identification Certificate													
PA No		Client		HELMERICH & PAYNE INT'L DRILLING CORP				Contract Ref		370-366-001		Page		1	
Part No	Description	Material Desc	Material Spec	Qty	W/O No	Batch No	Test Cert No	Bin No	Drp No	Issue No					
WPH003A-20-4P1	3" LUG L&C C&C ROSS & S&P CO.			1	2400	14077/NE20		1000							
0000-0000	LIFTING & SAFETY EQUIPMENT TO			1	2400	000000		0000							
0000-0000	SAFETY CLAMP FROM 7.107	CHERRY STEEL		1	2410	0000		000							
0000-0000	SAFETY CLAMP FROM 7.107	CHERRY STEEL		1	2400	0000		00							

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. N°:	746
PURCHASER: Phoenix Beattie Co.				P.O. N°:	002491
CONTITECH ORDER N°: 412638		HOSE TYPE: 3" ID		Choke and Kill Hose	
HOSE SERIAL N°: 52777		NOMINAL / ACTUAL LENGTH: 10,67 m			
W.P. 69,06 MPa 10000 psi		T.P. 103,4 MPa 15000 psi		Durability: 90 - min.	
Pressure test with water at ambient temperature See attachment. (1 page) ↑ 10 mm = 10 Min. → 10 mm = 25 MPa					
COUPLINGS					
Type	Serial N°	Quality	Head N°		
3" coupling with 4 1/16" Flange end	917 913	AISI 4130 AISI 4130	T7908A 26984		
INFOCHP INSTALLED				API Spec 18 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		 Continental Enduser Industrial R&D Quality Control Dept. 10			



Delivery Note

Customer Order Number	378-369-001	Delivery Note Number	003878	Page	1
Customer / Invoice Address HELMERICH & PAYNE INT'L DRILLING CO 1437 SOUTH BOULDER TULSA, OK 74119		Delivery / Address HELMERICH & PAYNE IDC ATTN: JOE STEPHENSON - RIG 370 13609 INDUSTRIAL ROAD HOUSTON, TX 77015			

Customer Acc No	Phoenix Beattie Contract Manager	Phoenix Beattie Reference	Date
H01	JUL	006338	05/23/2008

Item No	Beattie Part Number / Description	Qty Ordered	Qty Sent	Qty To Follow
1	HP1003A-35-4F1 3" 10K 10C C&K HOSE x 35ft OAL CW 4.1/16" API SPEC FLANGE E/ End 1: 4.1/16" 10Kpsi API Spec 6A Type GBX Flange End 2: 4.1/16" 10Kpsi API Spec 6A Type GBX 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-HPF3 LIFTING & SAFETY EQUIPMENT TO SUIT HP1003-35-F1 2 x 160mm ID Safety Clamps 2 x 24mm ID Lifting Collars & element C's 2 x 7PE Stainless Steel wire rope 3/4" OD 4 x 7.76t Shackles	1	1	0
3	SC725-200GCS SAFETY CLAMP 200MM 7.25T C/S GALVANIZED	1	1	0

Delivery Note

Customer Order Number	378-369-001	Delivery Note Number	003878	Page	2
Customer / Invoice Address HELMERICH & PAYNE INT'L DRILLING CO 1437 SOUTH BOULDER TULSA, OK 74119		Delivery / Address HELMERICH & PAYNE IDC ATTN: JOE STEPHENSON - RIG 370 13609 INDUSTRIAL ROAD HOUSTON, TX 77015			

Customer Acc No	Phoenix Beattie Contract Manager	Phoenix Beattie Reference	Date
H01	JUL	006338	05/23/2008

Item No	Beattie Part Number / Description	Qty Ordered	Qty Sent	Qty To Follow
4	SC725-132PCS SAFETY CLAMP 132MM 7.25T C/S GALVANIZED C/W BOLTS	1	1	0
5	BOCERT-HYDRO HYDROSTATIC PRESSURE TEST CERTIFICATE	1	1	0
6	BOCERT-LOAD LOAD TEST CERTIFICATES	1	1	0
7	DOFREIGHT THROU/OUTBOUND FREIGHT PRE-PAY & ADD TO FINAL INVOICE NOTE: MATERIAL MUST BE ACCOMPANIED BY PAPERWORK INCLUDING THE PURCHASE ORDER, RIG NUMBER TO ENSURE PROPER PAYMENT	1	1	0

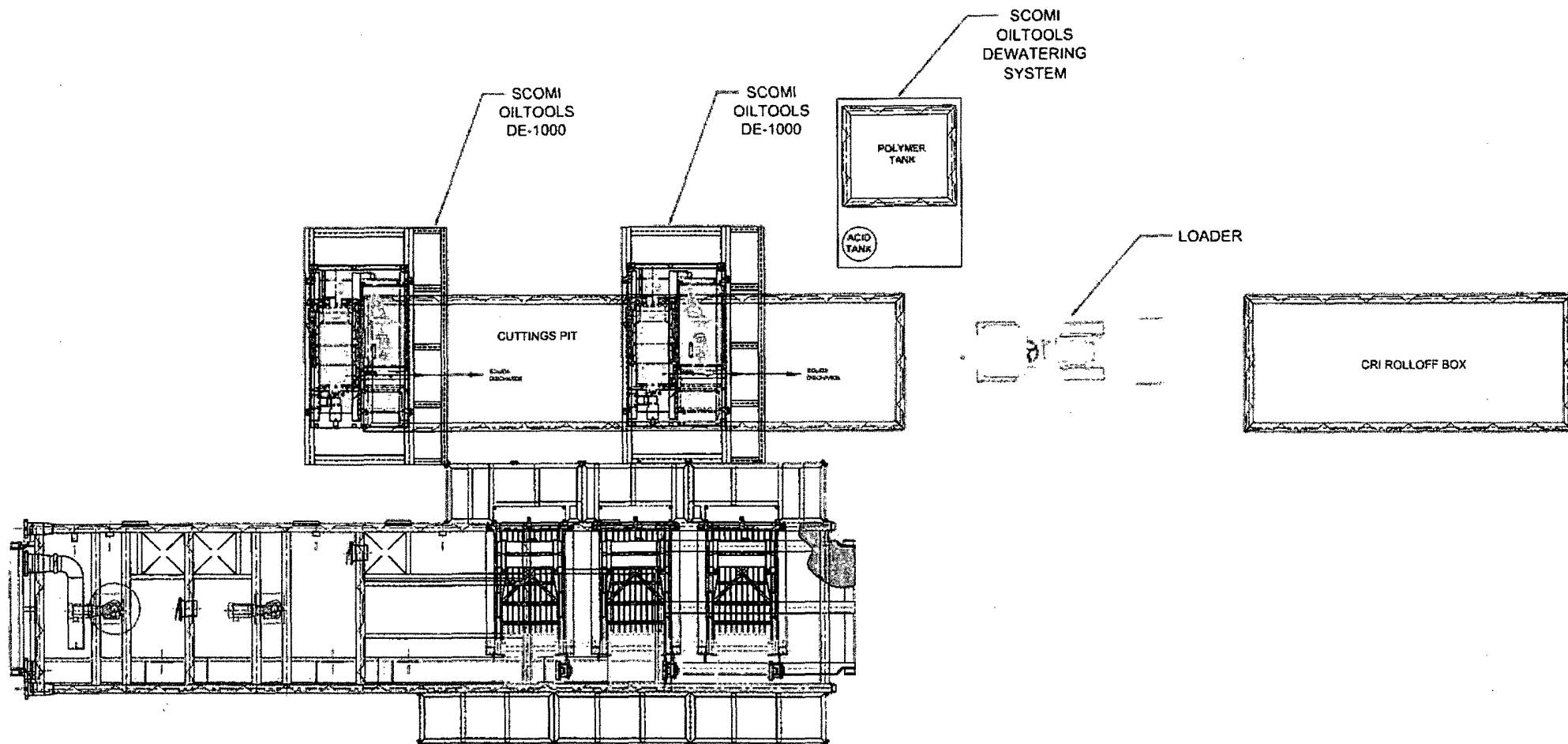
Phoenix Beattie Inspection Signature:

Received in Good Condition: Signature

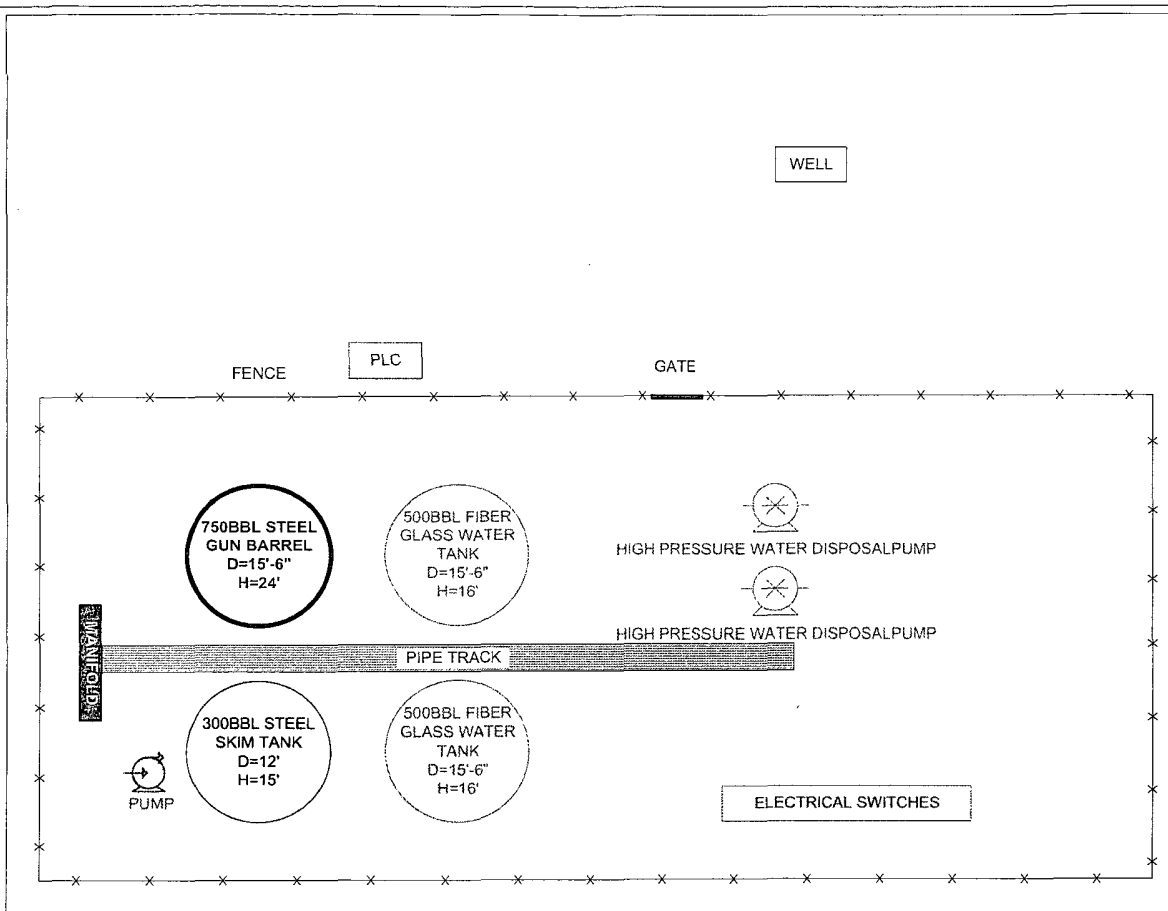
Print Name

Date

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



					1. ALL STRUCTURAL MATERIAL SHALL BE ASTM - A36. 2. ALL PIPE SCH. 40 MATERIAL, SA 108 Gr. B. 3. ALL FLANGES SHALL BE SCRF, 150# & MATERIAL, SA 105. 4. ALL FITTINGS SCH. 40 MATERIAL SHALL BE SA 234 Gr. WPB. 5. TANK FABRICATION SHALL BE IN ACCORDANCE WITH API-650.	TITLE : CLOSED LOOP SYSTEM BASIC LAYOUT OXY - H&P - FLEX 4 M	 651 G. Sun Station Factory Bldg, Suite 200, Saratoga, Texas 77057 PHONE: (281) 428-2514, FAX: (281) 428-0998					
					DESIGNED BY PCD			DATE 3/30/09	CHECKED BY	DATE	JOB NO.	DRAWING NO. 521S-027
					APPROVED			DATE	SCALE NTS	AS-BUILT D		
REL.	DATE	BY	DATE	APP'D	SIZE							



REV.	DESCRIPTION	DATE	BY
1	Issues with System Description	02/04/10	NM

OCCIDENTAL PERMIAN

LOST TANK 3-25 & Sundance 4-32
SWD BATTERY PLOT PLAN



EDDY COUNTY, NM

SIZE	FSCM NO	DWG NO	REV
A3			1
SCALE	None	SHEET	1 OF 1

