Form 3160-3
(September 2001)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

N.M. Oil Cons. Division
1625 N. French Dr.
Hobbs, NM 88240

FORM APPROVED
OMB NO. 1004-0136
Expires January 31, 2004

APPLICATION FOR PERMIT TO DRILL OR REENTER

G-32

546

1a. Type of Work: [X] DRILL [ ] REENTER	5. Lease Serial No.: LC-032233(A)
1b. Type of Well: [ ] Oil Well [ ] Gas Well [X] Other [X] Single Zone [ ] Multiple Zone	6. If Indian, Allotee or Tribe Name:
	7. Unit or CA Agreement Name and No.:
2. Name of Operator: Occidental Permian Limited Partnership	8. Lease Name and Well No.: North Hobbs G/SA Unit No. 536
3a. Address: P.O. Box 4294, Houston, TX 77210-4294	3b. Phone No. (include area code): (281) 552-1158
	9. API Well No.: 30-025-36286
4. Location of Well (*Report location clearly and in accordance with any State equirements*)* At surface: 641' FSL & 2419' FEL At proposed prod. zone: 486' FSL & 2573' FEL	10. Field and Pool, or Exploratory: Hobbs; Grayburg - San Andres 11. Sec., T., R., M., or Blk. and Survey or Area: Sec. 30, T-18-S, R-38-E
14. Distance in miles and direction from nearest town or post office*: 3.5 miles Northwest from Hobbs, NM	12. County or Parish: Lea; 13. State: NM

15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drg. unit line, if any): 5911' FSL	16. No. of Acres in lease: 10,649.53	17. Spacing Unit dedicated to this well: 40 acres
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft.: 217'	19. Proposed Depth: 4600' TVD	20. BLM/BIA Bond No. on file: NM2797
21. Elevations (Show whether DF, KDB, RT, GL, etc.: 3651' GL	22. Approximate date work will start*: 5/24/03	23. Estimated duration: 11 days

24. Attachments: Lea County Controlled Water Basin

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1, shall be attached to this form:

1. Well plat certified by a registered surveyor.
2. A Drilling Plan
3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office).
4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).
5. Operator certification.
6. Such other site specific information and/or plans as may be required by the authorized officer.

25. Signature: Mark Stephens	Name (*Printed/Typed*): Mark Stephens	Date: 4/21/03
Title: Regulatory Compliance Analyst		
Approved by (Signature): /s/ LESLIE A. THEISS	Name (*Printed/Typed*): /s/ LESLIE A. THEISS	Date: MAY 12 2003
Title: FIELD MANAGER	Office: CARLSBAD FIELD OFFICE	

Application approval 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.
Conditions of approval, if any, are attached.

APPROVAL FOR 1 YEAR

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on Reverse)

APPROVAL SUBJECT TO GENERAL REQUIREMENTS AND SPECIAL STIPULATIONS ATTACHED

RECEIVED
MAY 2003
Hobbs OCD

SUBJECT TO LIKE APPROVAL BY STATE
(DIRECTIONAL HOLE)

OPER. OGRID NO. 157984
PROPERTY NO. 19520
POOL CODE 31920
EFF. DATE 5-15-03
API NO. 30-025-36286

DISTRICT I
P.O. Box 1980, Hobbs, NM 88241-1980

DISTRICT II
P.O. Drawer DD, Artesia, NM 88211-0719

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

DISTRICT IV
P.O. BOX 2088, SANTA FE, N.M. 87504-2088

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102
Revised February 10, 1994
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

OIL CONSERVATION DIVISION
P.O. Box 2088
Santa Fe, New Mexico 87504-2088

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number	Pool Code	Pool Name
30-025-36286	31920	HOBBS: GRAYBURG - SAN ANDRES

Property Code	Property Name	Well Number
19520	NORTH HOBBS G/SA UNIT	536

OGRID No.	Operator Name	Elevation
157984	OCCIDENTAL PERMIAN LIMITED PARTNERSHIP	3651'

Surface Location

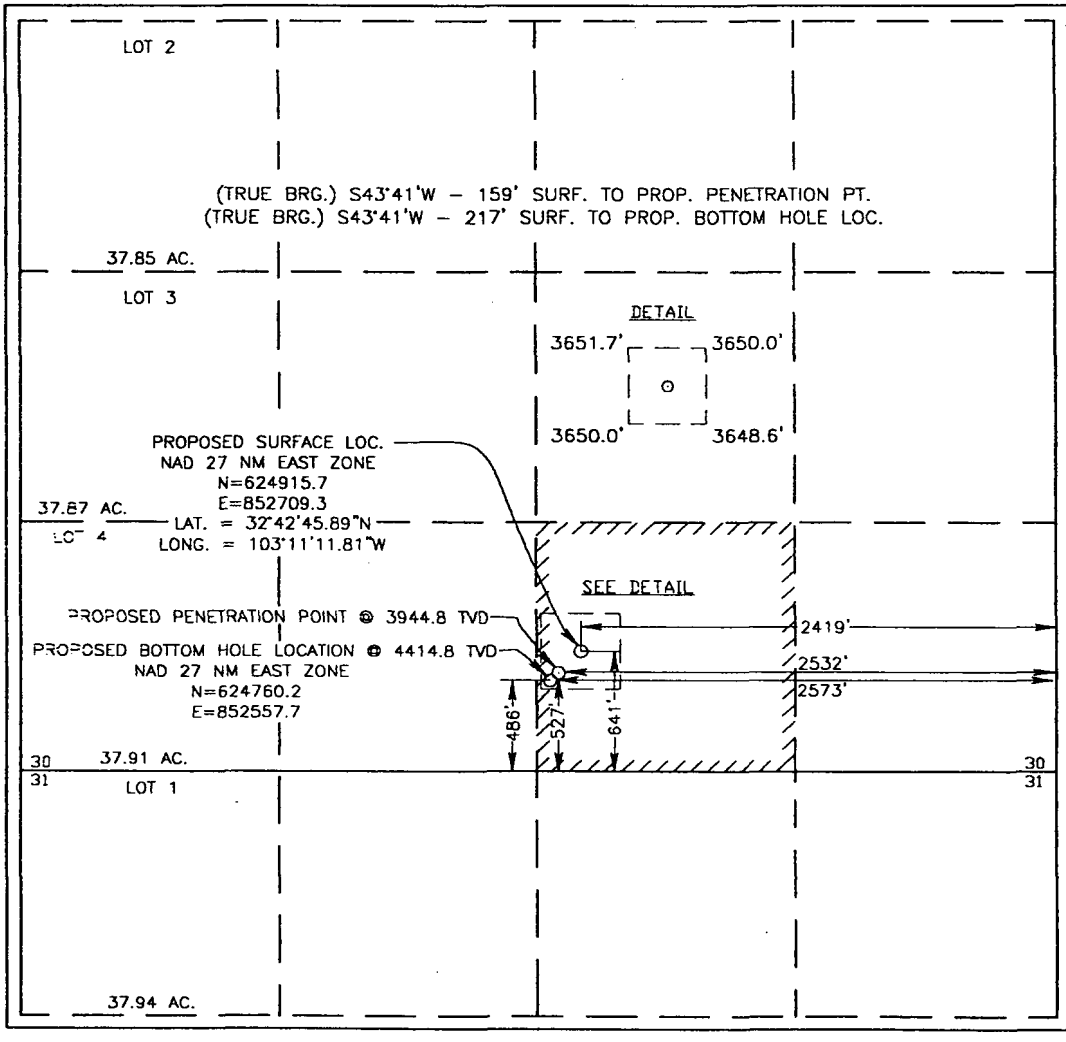
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
O	30	18 S	38 E		641	SOUTH	2419	EAST	LEA

Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
O	30	18 S	38 E		486	SOUTH	2573	EAST	LEA

Dedicated Acres	Joint or Infill	Consolidation Code	Order No.
40	I	U	

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION



OPERATOR CERTIFICATION

I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief.

Mark Stephens
Signature

Mark Stephens
Printed Name

Reg. Comp. Analyst
Title

April 4, 2003
Date

SURVEYOR CERTIFICATION

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 supervison, and that the same is true and correct to the best of my belief.

JANUARY 21, 2003
Date Surveyed LA

Signature & Seal of Professional Surveyor

Gary L. Eidson 3/3/03

03.11.0061

Certificate No. RONALD J. EIDSON 3239
GARY EIDSON 12641

Flac No.

DRILLING AND COMPLETION PROGRAM

Rig No.	Key 11			Date:	April 11, 2003
API #				County:	Lea, New Mexico
Lease:	North Hobbs G/SA Unit	Well No.	536	Field:	Hobbs
Location:	641' FSL & 2419' FEL, Let. O Sec. 30, T-18-S, R-38-E	Bottomhole Location:	486' FSL & 2573' FEL, Let. O, Sec. 30, T-18-S, R-38E		
OBJECTIVE:	Primary: San Andres	Secondary:			

METHOD OF DRILLING

TYPE OF TOOLS	DEPTH OF DRILLING
Rotary	Set Through - 4415 TVD RKB

LOG PROGRAM	Depth Interval

REMARKS:

NO MUD LOGGER

APPROXIMATE DEPTHS OF GEOLOGICAL MARKER

Est. Elev. @ GL: 3651' AMSL 3665' @ KB KB 14' AGL

Marker	
Redbeds	265'
Rustler	1460'-1555'
Yates	2815'
Seven Rivers	3035'
Queen	3570'
Grayburg	3900'
San Andres	4020'
TOTAL DEPTH	4415' TVD

SPECIAL TESTS

TYPE	DEPTH INTERVAL, ETC

Probable completion interval

DRILL CUTTING SAMPLES		DRILLING TIME	
FREQUENCY	DEPTH	FREQUENCY	DEPTH
NONE		Continuous	0' - TD

Remarks:

Surveys required every 500' in vertical hole.

Remarks: Permit well to 4600' - Directional Hole

Mud Program

Approx Interval	Type Mud	Weight	Vis, sec/qt	W/L, cc's/30 min	pH control
Surface	Fresh Water / Native Mud	8.6 - 9.5	32 - 36	No Control	None
Production	Brine Water	10 - 10.2	28 - 29	No Control	None

REMARKS:

CASING PROGRAM:

Casing String	Est. Depth	Casing	Hole Size	Cu. Ft. Cement	Cement Recipe	Landing Point
Surface	1515'	8.625", 24#, J-55, ST&C	12.25"		See below	Cut hole to fit pipe tally
Production	4415'	5.5", 15.5#, J-55, LT&C	7.875"		See below	4415' TVD RKB

Float Equipment:

Surface float equipment - Guide Shoe - 1 shoe joint - Float Collar - 10 centralizers
Production float equipment - Guide shoe - 1 shoe joint - Float Collar - DV Tool - ECP - 12 centralizers

Remarks:

Surface Casing: Cement with 600 sx PBCZ (10.3 gal/sx water & 1.88 Yield) and 250 sx Premium Plus (6.3 gal/sx water & 1.32 yield)
Production Casing: Centralizers from 3400' to TD. DV Tool set at 3500' . Centralize DV tool on either side. ECP set @ 1400' or 100' inside surface casing. Cement first stage with with 350 sx Prem. Plus and second stage with 600 sx Interfill "C" lead and 100 sx Premium Plus tail cement. Add .25 lbs/sx flo-cele to cement on both stages to improve circulation to surface of cement.

GENERAL REMARKS:

Directional Hole. The 8-5/8" Bradenhead valves (BHO) are to be North - South

Reviewed by Logging program developed by:

PREPARED BY: *Blackwell/Lowery*	APPROVED:	APPROVED:

WELL BORE SKETCH

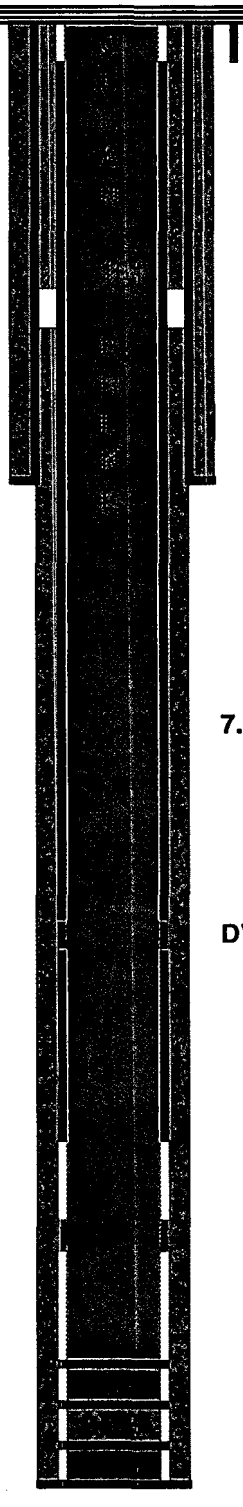
WELL HEAD 6" X 900

Well: NHU 30-536
Pool: Hobbs; Grayburg-San Andres

Ground Level:	**3651.00**
RDB:	**14.00**
GL + RDB:	**3665.00**

Objective: San Andres **Directional**

16" Conductor set at 40'



8 5/8" 24#, J-55, ST&C casing S/A 1515' with 10 centralizers

Cement 8 5/8" surface casing with 600 sx PBCZ lead and 250 sx Premium Plus tailend. Circulate to surface.

External Casing Packer @ 1400'

7.875" Hole

DV Tool set at 3500'

Cement 2nd stage with 600 sx Interfill "C" and 100 sx Premium Plus

5-1/2", 15.5#, J-55, LT&C casing set at 4415' w/12 centralizers

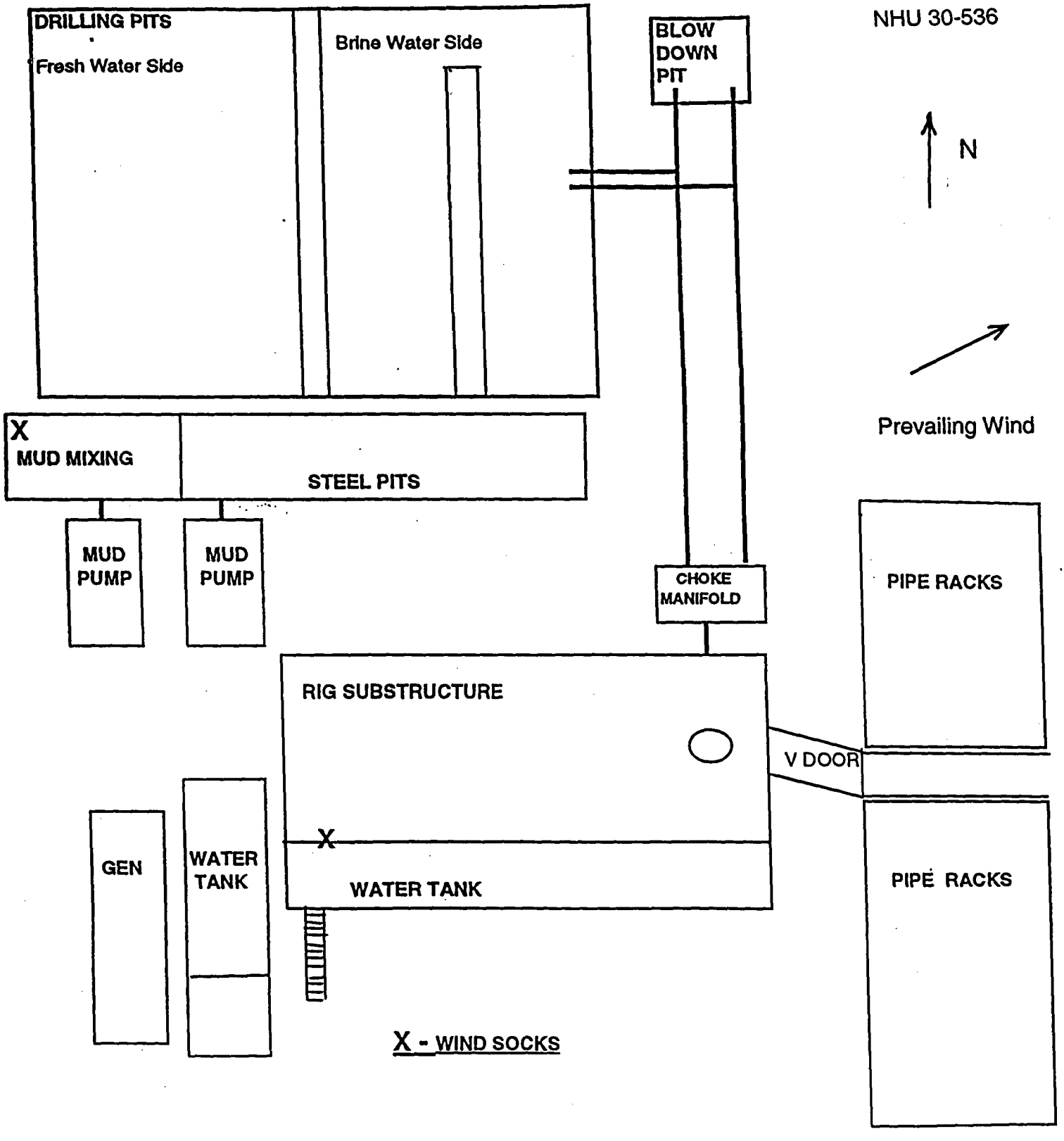
5.5" Float Collar
One Shoe Joint
5.5" Guide Shoe

Cement first Stage with 350 sx Premium Plus

TD 4415' TVD

NORTH HOBBS UNIT 2003 DRILLING PROGRAM

DRILLING RIG LAYOUT



NOTES REGARDING THE BLOWOUT PREVENTERS

1) Drilling nipple to be so constructed that it can be removed without use of a welder through rotary table opening, with minimum i.d. equal to preventer bore.

2) Blowout preventer (BOP) and all fittings must be in good condition, 3000 psi WP minimum. BOP, choke manifold, and all related equipment will be suitable for H2S service per 43 CFR 3160 Onshore Oil and Gas Order No. 6, Hydrogen Sulfide Operations (III.C).

3) All fittings to be flanged.

4) Safety valve must be available on rig floor at all times with proper connections; valve to be full bore 3000 psi WP minimum.

5) All choke and kill lines to be securely anchored, especially ends of choke lines.

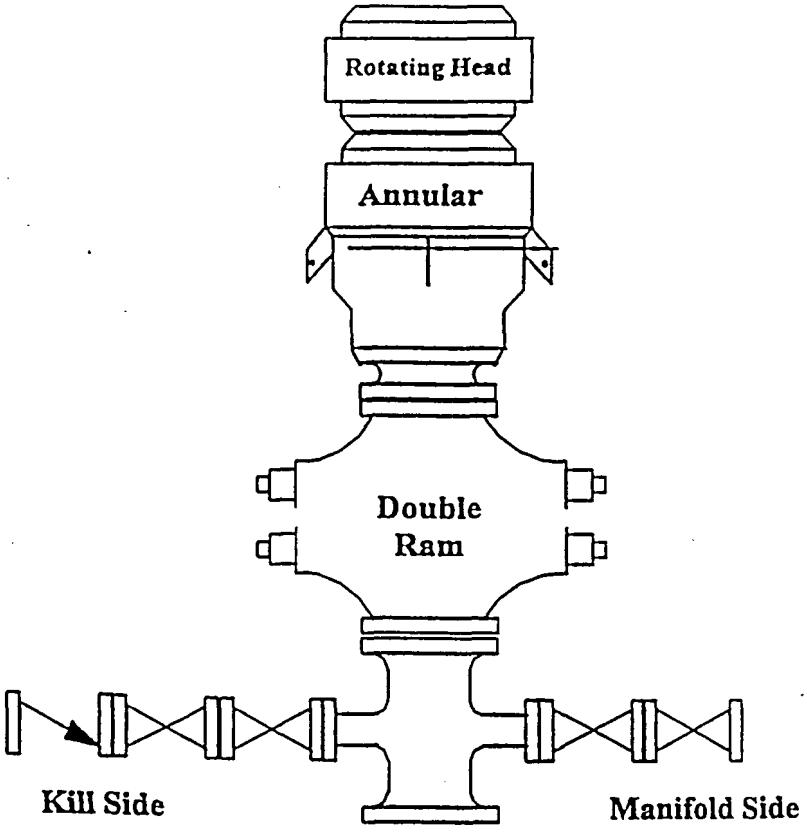
6) Equipment through which bit must pass shall be at least as large as the diameter of the casing being drilled through.

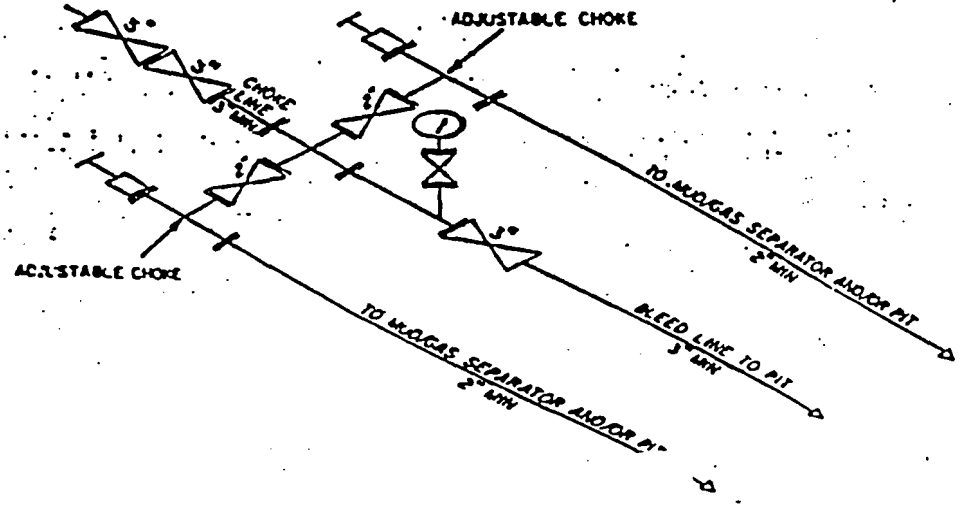
7) Kelly cock on kelly.

8) Extension wrenches and hand wheels to be properly installed.

9) Blow out preventer control to be located as close to driller's position as feasible.

10) BOP closing equipment to meet specifications of 43 CFR 3160 Onshore Oil and Gas Order No. 2, Drilling Operations (III.A.).


Rotating Head
Annular
Double
Ram
Kill Side
Manifold Side


ADJUSTABLE CHOKE
TO MUDGAS SEPARATOR AND/OR PIT
2" MIN
BLEED LINE TO PIT
3" MIN
TO MUDGAS SEPARATOR AND/OR PIT
2" MIN

Request for Variance – BOP
Well Control Requirements (III.A.2.i.)
Onshore Oil and Gas Order No. 2, Drilling Operations

Request: Utilize 3000 psi BOP stack, but test only to 1100 psi.

Logic: Surface casing will be set at approximately 1505' below grade. At this depth, the fracture gradient of the formation is estimated to be approximately 13.3 ppg. The formation at the casing shoe can therefore only hold (13.3)(.052)(1505) = 1041 psi without fracturing. Assuming brine in the wellbore, 1041 psi at the casing shoe translates into 1041 - (8.9)(.052)(1505) = 344 psi at the wellhead. Assuming gas in the wellbore, 1041 psi at the casing shoe translates into 1041 - (0)(.052)(1505) = 1041 psi at the wellhead. Thus, the BOP stack on this well is unlikely to be subjected to well control pressures in excess of approximately 1041 psi.

EMERGENCY ACTION PLAN

DOWNHOLE SERVICES GROUP

DRILLING AND CRITICAL WELL OPERATIONS

Updated March 2003

DOWNHOLE SERVICES GROUP
DRILLING AND CRITICAL WELL OPERATIONS

EMERGENCY ACTION PLAN

TABLE OF CONTENTS

PREFACE

An effective and viable Emergency Action Plan (EAP) is intended to provide prior planning and guidance in responding to emergency incidents. The primary considerations in its development are protection of personnel, the public, company and public property, and the environment.

Although the plan addresses varied emergency situations which may occur, it recognizes that flexibility and the use of the organization's knowledge and experience is critical to safe resolution of emergency incidents. Response actions outlined in the plan provide a framework, which may be placed into operation without confusion. These actions should promote quick and decisive actions during the critical initial period and immediately following an emergency. As the response progresses, additional guidelines and procedures may need to be implemented as the situation dictates. In addition, all emergency incidents must be properly reported per the Oxy Incident Reporting and Notification Policy, state and federal requirements, etc.

The following procedures are provided as Oxy Permian's minimum expectations. The Contractor's own procedures may be utilized in lieu of Oxy Permian's, provided that it meets or exceeds the minimum deliverables. It should be understood that this list is not all-inclusive, but the overall plan should assist in lateral application to similar incidents.

This EAP is intended for use on Oxy Downhole Services Group projects and the operations within their area of responsibility, such as drilling, critical well work, etc.

EMERGENCY RESPONSE ACTIVATION AND GENERAL RESPONSIBILITIES

Activation of the Emergency Action Plan

A. In the event of any emergency situation, all personnel on location should first ensure that the following items are initiated. After that, they should refer to the appropriate Specific Emergency Guidance sections on pages five (5) through nine (9) in this document for further responsibilities:

1. Notify the senior ranking contract representative on site.
2. Notify Oxy representative in charge.
3. Notify civil authorities if the Oxy Representative can not be contacted and the situation dictates.
4. Perform rescue and first aid as required (without jeopardizing additional personnel).

General Responsibilities

Oxy Permian Personnel:

A. Operations Specialist: The Oxy Drilling/Critical Well Servicing Operations Specialist or contract personnel serving in that capacity will serve as Operations Chief Officer for all emergency incidents. The Operations Chief Officer is responsible for:

1. Notification to the Downhole Services Team Leader of the incident occurrence.
2. Notification to the local RMT/PMT leader of the incident occurrence, and the need for the designated local RMT/PMT Incident Commander to act in that capacity for the response effort.
3. Sole control of all tactical activities directed toward reducing the immediate hazard, establishing situational control and restoring the operations to a non-emergency state.

B. Local RMT/PMT Designated Incident Commander: The Oxy local RMT/PMT Designated Incident Commander will serve as the overall Incident Commander for the drilling or critical well servicing emergency incident. The Incident Commander is responsible for:

1. Coordinating with the Downhole Services Team Leader for notification to the Oxy Crisis Management team of the incident occurrence.
2. Establishing and managing the overall incident command structure and response from inception through restoration of normal activities in the area.

C. Downhole Services HES Tech: The Downhole Services HES Tech (or his designate) is responsible for reporting to the incident as soon as reasonably possible, to provide support to the response effort as required by the Operations Chief Officer or the Incident Commander.

Contract Drilling Personnel will immediately report to their assigned stations and perform their duties as outlined in the appropriate Specific Emergency Guidance sections on pages five (5) through nine (9) in this document.

Other Contractor Personnel will report to the safe briefing area to assist Oxy personnel and civil authorities as requested when it is safe to do so and if they have been adequately trained in their assigned duties.

Civil Authorities (Law Enforcement, Fire, and EMS) will be responsible for:

1. Establishing membership in the Unified Incident Command.
2. As directed by the Incident Commander and the Unified Command, control site access, re-route traffic, and provide escort services for response personnel.
3. Perform all fire control activities in coordination with the Unified Command.
4. Initiate public evacuation plans as instructed by the Incident Commander.
5. Perform rescue or recovery activities with coordination from the Unified Command.
6. Provide medical assistance as dictated by the situation at hand.

The following procedures will be implemented when a loss of primary control is indicated. Indicators of loss of primary control are flow from the well, an increase in pit volume, or when the drilling fluid used to fill the hole on trips is less than the calculated pipe displacement volume. The emergency signal for well control procedures will be a single long blast of the rig air horn.

Kick While Drilling - Procedures And Responsibilities

Driller:

1. Stop the rotary and hoist the kelly above the rotary table.
2. Stop the mud pump(s).
3. Check for flow.
4. If flowing, sound the alarm immediately.
5. Ensure that all crew members fill their responsibilities to secure the well.
6. Record drill pipe and casing shut-in pressures and pit volume increase and begin kill sheet.

Derrickman:

1. Go to BOP/choke manifold area.
2. Open choke line valve on BOP.
3. Signal to Floorman #1 that the choke line is open.
4. Close chokes after annular or pipe rams are closed.
5. Record shut-in casing pressure and pit volume increase.
6. Report readings and observations to Driller.
7. Verify actual mud weight in suction pit and report to Driller.
8. Be readily available as required for additional tasks.

Floorman # 1:

1. Go to accumulator control station and await signal from Derrickman.
2. Close annular preventer and HCR on signal (if available, if not then close pipe rams).
3. Record accumulator pressures and check for leaks in the BOP or accumulator system.
4. Report to Driller, and be readily available as required for additional tasks.

Floorman # 2:

1. Start water on motor exhausts.
2. Notify Contractor Tool Pusher or Rig Manager of well control situation.
3. Check location for ignition sources and extinguish or turn off, and stop any welding in progress.
4. Report to Driller, and be readily available as required for additional tasks.

Floorman # 3:

1. Stand-by with Driller, and be readily available as required for additional tasks.

Tool Pusher/Rig Manager:

1. Notify Oxy Representative and report to rig floor.
2. Review and verify all pertinent information.
3. Communicate information to Oxy Representative, and confer on an action plan.
4. Finalize well control worksheets, calculations and preparatory work for action plan.
5. Initiate and ensure the action plan is carried out.
6. Communicate any changes in well or site conditions, or any indications that the action plan needs to be revised to the Oxy representative.

Oxy Representative:

1. Notify Operation Specialists or Team Leader and RMT Leader or Local Incident Commander, and Police, Fire Department, or other local emergency services as required.

Kick While Tripping - Procedures and Responsibilities

Driller:

1. Sound the alarm immediately when pipe displacement volume is less than 75% of calculated.
2. Position the upper tool joint just above rotary table and set slips.
3. Check for flow.
4. Ensure that all crew members fill their responsibilities to secure the well.
5. Record drill pipe and casing shut-in pressures and pit volume increase, and begin kill sheets.

Derrickman: (same as while drilling)

Floor Man # 1:

1. Install full opening valve (with help from Floorman #2) in top drill string connection.
2. Tighten valve with make up tongs.
3. Go to accumulator control station and await signal from Derrickman.
4. Close annular preventer and HCR valve on signal (if available, if not then close pipe rams).
5. Record accumulator pressures and check for leaks in the BOP and accumulator system.
6. Report to Driller, and be readily available as required for additional tasks.

Floor Man # 2:

1. Assist installing full opening valve in drill string.
2. Position back-up tongs for valve make-up.
3. Start water on motor exhausts.
4. Notify Contractor Tool Pusher or Rig Manager of well control situation.
5. Check location for ignition sources and extinguish or turn off, and stop any welding in progress.
6. Report to Driller, and be readily available as required for additional tasks.

Floorman # 3, Rig Manager/Tool Pusher, and Oxy Representative: (same as while drilling)

H2S RELEASE

The following procedures and responsibilities will be implemented on activation of the H2S siren and lights.

All Personnel:

1. On alarm, don escape unit (if available) and report to upwind briefing area.

Rig Manager/Tool Pusher:

1. Check that all personnel are accounted for and their condition.
2. Administer or arrange for first aid treatment, and /or call EMTs as needed.
3. Identify two people best suited to secure well and perform rescue, and instruct them to don SCBA.
4. Notify Contractor management and Oxy Representative.
5. Remain at the briefing area, assess and monitor personnel and overall situation for hazards or conditions that might warrant a change in the action plan.

Two People Responsible For Shut-in and Rescue:

1. Don SCBA and acquire tools to secure well and perform rescue, i.e., wrenches, retrieval ropes, etc.
2. Utilize the buddy system to secure well and perform rescue(s).
3. Return to the briefing area and stand by for further instructions.

All Other Personnel:

1. Remain at the briefing area and await further instructions - do not leave unless instructed.

Oxy Representative:

1. Remain at the briefing area, assess and monitor personnel and overall situation for hazards or conditions that might warrant a change in the action plan.
2. Notify Operation Specialists or Team Leader and RMT Leader or Local Incident Commander, and Police, Fire Department, or other local emergency services as required.

PERSONAL INJURY OR DEATH

Call for assistance, and then administer first aid for the injured. Treatment should be prioritized by life-threatening conditions.

A. Do not move injured personnel unless they are in imminent danger. An ambulance should be summoned for any injury that appears to be serious.

FIRE OR EXPLOSION

Fire Fighting Philosophy

It is Oxy Permian's intent that Oxy and contract personnel will only extinguish incipient or beginning stage fires and perform or assist in initial non-threatening rescue operations. The responding fire department will be given primacy when they arrive to control a fire on any Oxy property. Any Oxy or contract employee who participates in a fire response must be fully trained and qualified as such, and must be utilizing appropriate Personal Protective Equipment.

Contract and Oxy Personnel Deployment

In the event of a fire or explosion all personnel will report to the safe briefing area. The Senior Contract Representative on site will designate personnel for rescue as appropriate depending on their qualifications and the risks of the rescue. Any rescue which involves significant risk to those performing the rescue should be deferred to professional response personnel.

No personnel will leave the area without direction / permission from the Senior Contract Representative on-site.

The Senior Contract Representative on site will notify local emergency response personnel as required, along with the Contract Company management and the Oxy Representative as soon as reasonably possible.

SPILLS

In the event of a significant spill of any substance, the person discovering it should immediately notify the rig supervisor and the Oxy Representative. Personnel onsite should **NOT** attempt identification, control or containment unless they are absolutely sure of the product spilled, are fully aware of the hazard characteristics, and are equipped with the appropriate personal protective equipment.

HYDROCARBON VAPOR CLOUD RELEASE

Upon discovery of a Hydrocarbon Vapor Cloud (NGL) release, take immediate safety precautions to protect any company personnel or others that might be in the area. Other emergency actions should be initiated only by trained expert personnel from the appropriate pipeline company.

The following guidelines should be followed:

1. Immediately notify the rig supervisor and the Oxy Representative.
2. Determine wind direction, and evacuate upwind or at 90 degrees to the release.
3. Maintain a safe distance from the cloud.
4. Render first aid and call for an ambulance as necessary.
5. Attempt to warn approaching individuals of the hazard.

BOMB THREAT

In the event of a bomb threat, the person receiving the call, on or off site, should try to get as much information as possible from the caller. The person receiving the call should immediately contact the supervisor in charge. Evacuation of the field should be considered at this time. Roadblocks may need to be installed. The supervisor in charge should make all appropriate contacts.

The Supervisor contacted should:

a. Realize that every bomb threat is serious.

b. Notify Corporate Security

c. Inform Police/Sheriff's Department and Fire Department

d. Contact RMT Leader or his designated relief to coordinate search efforts with the assistance of the local law enforcement agencies.

BOMB THREAT CHECKLIST

Date_____ Name of person taking call_____ Phone # call came on _____

FILL OUT COMPLETELY IMMEDIATELY AFTER BOMB THREAT

1. When is the bomb set to explode?_____
2. Where is the bomb located?_____
3. What does the bomb look like?_____
4. What type of bomb is it?_____
5. What will cause the bomb to explode?_____
6. Did the caller place the bomb?_____
7. Why did the caller place the bomb?_____
8. What is the caller's name and address?_____

Callers: Sex___ Age___Race___Length of call_____

DESCRIPTION OF CALLER'S VOICE (Check all that apply)

___Calm	___Rapid	___Laughing	___Lisp	___Disguised
___Angry	___Crying	___Raspy	___Accent	___Familiar? Whom did it sound like?
___Excited	___Normal	___Deep	___Stutter	
___Slow	___Distinct	___Ragged	___Deep	___Deep Breathing
___Loud	___Slurred	___Nasal	___Clearing Throat	

BACKGROUND SOUNDS:

___Street Noises	___House Noises	___Factory	___Music	___Local Call
		___Machinery	___Static	___Long Distance
___Voices	___Motor	___Animals	___PA System	___Phone Booth
___Office	___Clear	___Other		

THREAT LANGUAGE:

___Well-Spoken	___Foul	___Incoherent	___Irrational	___Taped
___Message Read by Threat Maker				

REMARKS:

NATURAL DISASTERS

Tornadoes

These general procedures should be followed by everyone seeking shelter from a severe storm or tornado:

Indoors:

1. Protect yourself from flying glass and debris.
2. Take refuge near the core of the building for maximum protection.
3. Do not smoke while taking shelter.
4. Shut all doors to offices, if time permits.

In the field:

1. Seek cover in a low-lying area, such as a culvert, ditch, pit, or water injection valve box.
2. Get out of and away from your vehicle.
3. Stay away from power lines.
4. Cover your head with your arms and clothing.

Thunderstorms

Indoors:

1. Avoid water pipes, sinks, showers, tubs, etc.
2. Stay away from doors and windows.
3. Do not use the telephone.
4. Take off head sets.
5. Turn off, unplug, and stay away from appliances, computers, power tools, & TV sets.

In the field:

1. Avoid water.
2. Avoid high ground and open spaces.
3. Avoid all metal objects including electric wires, fences, machinery, motors, power tools, etc. Unsafe places include underneath canopies, small picnic or rain shelters, or near trees. Where possible, find shelter in a substantial building or in a fully enclosed metal vehicle such as a car, truck or a van with the windows completely shut. If lightning is striking nearby when you are outside, you should:
    a. Crouch down, feet together, hands over ears
    b. Avoid proximity (minimum of 15 ft.) to other people.
4. SUSPEND ACTIVITIES for 30 minutes after the last observed lightning or thunder.

PUBLIC RELATIONS

Oxy recognizes that the news media have a legitimate interest in incidents at Oxy facilities that could affect the public. It is to the company's benefit to cooperate with the news media when incidents occur because these media are our best liaison with the public.

Our objective is to see that all reports of any emergency are factual and represent the company's position fairly and accurately. Cooperation with news media representatives is the most reliable guarantee that this objective will be met.

All contract and Oxy employees are instructed **NOT** to make any statement to the media concerning the emergency incident. If a media representative contacts any employee, they should refer them to the designated Emergency Command Center where they should contact the Incident Commander or his designated relief for any information concerning the incident.

OXY PERMIAN DOWNHOLE SERVICES GROUP

NAME	LOCATION	OFFICE	FAX	CELLULAR	PAGER
Manager Operations Support					
Hardesty, Steve	Houston	281-552-1654	713-985-1298	713-560-8095	
Team Leader					
Pennington, Randy	Houston	281-552-1215	918-628-5149	713-560-8090	713-312-8186
			Toledo Bend =	318-590-2349	
Operations Specialists					
Baker, Randy	Odessa	915-385-2109	915-385-2135	915-661-3892	915-567-8762
Blackwell, Mike	Slaughter	806-229-9472	806-229-9573	806-638-3861	806-761-5447
Dunaway, Drue	Odessa	915-385-2104	915-385-2135	915-556-3288	915-567-8757
Fleming, Joe	Midland	915-685-5858	915-685-5742	915-425-6075	915-498-3281
Kennedy, B.J.	Slaughter	806-229-9469	806-229-9573	806-638-1951	
Pulliam, Ron	Odessa	915-385-2104	915-385-2135	915-631-1620	915-567-8741
Ray, Fred	Midland	915-685-5683	915-685-5742	915-661-3893	915-499-3915
Videtich, Kevin	Denver City	806-592-6213	806-592-6248	806-891-2000	
Well Staking / Site Construction					
Weaver, Dusty	Slaughter	806-229-9467	806-229-9573	806-893-3067	806-723-4435
Drilling Engineers					
DeNitto, Phil	Slaughter	806-229-9473	806-229-9573	806-638-6670	505-257-3613
Lowery, Keith	Houston	281-552-1258	918-628-5109	713-560-8062	888-788-5059
HES Tech					
Thompson, Don	Midland	915-685-5719	713-985-1895	915-556-1505	

OXY PERMIAN PRODUCTION AND PLANT PERSONNEL

OXY Permian Crisis Team Hotline Notification (713) 935-7210

PERSON	LOCATION	OFFICE	FAX	CELL	PAGER
Asset Management-Operations Areas					
OXY Permian General Manager: Pat Oenbring	Houston	(281) 552-1361	(281) 552-1484	(713) 560-8044	
Slaughter Asset: Tom Menges	Houston	(281) 552-1147	(713) 985-1234	(713) 560-8038	
Wasson Asset: Harry Huff	Houston	(281) 552-1002	(281) 5521484	(713) 560-8071	
South Permian Asset: Matt Hyde	Midland	(915) 685-5802	(915) 685-5930	(915) 556-5016	
Operations Support: Steve Hardesty	Houston	(281) 552-1654	(713 985-1298	(713) 560-8095	
RMT/PMT Leaders: Slaughter Asset					
Sunland RMT: Billy Elliott	Sunland-Levelland	(806) 894-0209	(806) 894-0270	(806) 638-3680	
Anton Irish RMT: Ron Miller	Anton	(806) 637-5901	(806) 637-5920		(806) 723-3829
Cogdell RMT: Leamon Hood	Houston	(281) 552-1354	(713) 985-1576	(713) 560-8030	(713) 612-5808
Welch/Cedar Lake RMT: Keith Brown	Midland	(915) 685-5836	(915) 685-5635	(915) 556-1275	(915) 495-3661
Slaughter PMT: Charlie Wagner	Mallet CO2 Plant	(806) 229-9715	(806) 229-9750	(806) 638-3494	(806) 761-6245
RMT/PMT Leaders: Wasson Asset					
Wasson San Andres RMT: Tommy McKenzie	Houston	(281) 552-1176	(918) 641-7109	(713) 560-8034	
Wasson Clearfork RMT: Andy Falls	Houston	(281) 552-1018	(713 985-1376	(713) 560-8035	
Hobbs RMT: Gary Bullock	Hobbs	(505) 397-8203	(505) 397-8204	(505) 390-9144	
Wasson PMT: Mike Kelly	Wasson CO2 Removal Plt.	(806) 592-7301	(806) 592-7355	(806) 891-8854	(888) 971-7777
RMT/PMT Leaders: South Permian Asset					
Odessa RMT: Jim Briscoe	Midland	(915) 685-5845	(915) 685-5931	(915) 238-4405	
Goldsmith, Seminole, S.Cowden RMT: Billy Bledsoe	Midland	(915) 685-5730	(915) 685-5931	(915) 557-2814	
Frontier RMT: Tommy Johnson	Midland	(915) 685-5671	(915) 685-4054	(915) 238-9343	(915) 567-7038

OXY Permian Production and Plant Personnel

OXY Permian Crisis Team Hotline Notification (713) 935-7210

PERSON	LOCATION	OFFICE	FAX	CELL	PAGER
Production Coordinators: Slaughter Asset					
Welch/Cedar Lake Prod & Plants: Terry Crews	Welch/Cedar Lake	(806) 637-5956	(806) 637-5402	(806) 773-3118	(877) 440-3460
Mallet Plant: John Dorrow	Mallet CO2 Plant	(806) 229-9771	(806) 229-9750	(806) 638-8549	(806) 761-8725
Slaughter Gas Plant: Jim Richardson	Slaughter Gas Plant	(806) 229-9602	(806) 229-9650	(806) 778-9832	(806) 778-9832
Bravo Dome CO2 Gas Unit: Danny Holcomb	Bravo Dome	(505) 374-3010	(505) 374-3054	(505) 799-6848	
Levelland: Larry Frazier	Sunland-Levelland	(806) 894-0213	(806) 894-0270	(806) 777-4996	
Slaughter: Rick Huckaby	Sunland-Levelland	(806) 894-8309	(806) 894-0270	(806) 638-5812	
Sunland: Dave Pickett	Sunland-Levelland	(806) 894-0205	(806) 894-0270		
Production Coordinators: Wasson Asset					
Wasson San Andres: Velia Thompson	Denver City	(806) 592-6449	(806) 592-6248	(806) 893-2392	(888) 333-2704
Wasson San Andres: Gilbert Williams	Denver City	(806) 592-6300	(806) 592-6498	(806) 891-3762	(800) 492-4342
Wasson Clearfork: John Hammerle	Denver City	(806) 592-6255	(806) 592-6498	(806) 893-4422	(888) 333-2703
WCRP: Mack Alexander	Denver City	(806) 592-7308	(806) 592-7355	(806) 893-6200	(806) 767-6585
DUCRP: Alonzo Hernandez	Denver City	(806) 592-6200	(806) 592-6454	(806) 891-1799	(877) 532-6782
Production Coordinators: S. Permian Asset					
Seminole/Flanagan: Herbie Bruton	Flanagan/Seminole	(915) 385-2778	(915) 758-8126	(915) 634-6152	(800) 222-6377
South Cowden: Mark Maroney	Odessa	(915) 385-2112	(915) 385-2135	(915) 556-3774	(915) 499-3001
Goldsmith: Bill Sweeney	Goldsmith	(915) 385-3751	(915) 385-3774	(915) 556-4467	(915) 499-9952
Midland Farms: Dennis Cunningham	North Cowden	(915) 385-3710	(915) 385-3137	(915) 557-5473	(915) 567-0047
North Cowden: Pete Maciula	North Cowden	(915) 385-3142	(915) 385-3137	(915) 557-2445	(915) 499-9158
North Cowden: Randy Rives	North Cowden	(915) 385-3108	(915) 385-3137	(915) 557-2815	(915) 567-4476
New Mexico: John Erickson	Hobbs	(505) 393-2174	(505) 397-2671	(505) 390-6426	(505) 370-6836
Cross: Jim Oliver	McCamey	(915) 652-8607	(915) 652-8617	(915) 556-0078	
Terrell: Jim Oliver	Terrell Gas Plant	(915) 385-2159	(915) 652-8617	(915) 556-0078	
Dora Roberts & Other TX: David Talbott	Odessa	(915) 580-0017	(915) 580-7093	(915) 556-4255	(915) 499-4200

OXY Permian HES Personnel

OXY Permian Crisis Team Hotline Notification (713) 935-7210

PERSON	LOCATION	OFFICE	FAX	CELL	PAGER
HES Manager: Greg Hardin	Houston	(281) 552-1324	(918) 641-7175	(713) 560-8037	(713) 612-8864
Safety Advisor: Trent Adcock	Houston	(281) 552-1327	(918) 641-7107	(713) 819-0566	(888) 415-4874
Safety Advisor: Rusty Barnett	Houston	(281) 552-1325	(281) 552-1581	(713) 560-8031	(888) 902-0437
Safety Advisor: Rickie Tyler	Midland	(915) 685-5707	(915) 685-5742	(915) 556-6790	(915) 498-1116
Environmental Engineer: Mike Starrett	Houston	(281) 552-1322	(918) 628-5177	(281) 266-8333	
Environmental Air Specialist: Peggy Waisanen	Midland	(915) 685-5673	(915) 685-5742	(915) 940-3253	
Administrative Assistant: Angela Hart	Houston	(281) 552-1329	(918) 641-7176		
Business Associate: Judy Browning	Midland	(915) 685-5667	(915) 685-5742	(915) 940-3250	(915) 498-1975
HES Coordinators & Area of Responsibility					
Remediation: Pat Hunter	Midland	(915) 685-5824	(915) 685-5742	(915) 940-3254	(915) 498-1115
Pipeline Safety: Don Bales	Midland	(915) 685-5844	(915) 685-5742	(915) 631-7388	800 499-9813
Goldsmith, Seminole, S.Cowden & Odessa: Freddy Cleere	S.Cowden-Odessa	(915) 385-2110	(915) 385-2135	(915) 634-1336	
Wasson: Roy Escobedo	Denver City	(806) 592-6481	(806) 592-6248	(806) 893-2691	(888) 221-3493
Slaughter; Welch/Cedar Lake & Bravo Dome: Mike Greenwood	Sunland-Levelland	(806) 229-9504	(806) 229-9573	(806) 638-5811	(806) 743-8407
Plants: Mike Presley	Brownfield	(806) 637-5350	(806) 637-5427	(806) 638-8884	(806) 766-5516
Frontier: Tom Scott	Midland	(915) 685-5677	(915) 685-5742	(915) 448-1121	(915) 498-1312
HES Techs & Area of Responsibility					
Wasson San Andres RMT: Mark Anderson	Denver City	(806) 592-6299	(806) 592-6248	(806) 893-1065	(800) 737-0888
Wasson Clearfork RMT: Ricky Lehnert	Denver City	(806) 592-6320	(806) 592-6248	(806) 893-2391	
Hobbs RMT: Steve Bishop	Hobbs	(505) 397-8251	(505) 397-8204	(505) 390-4784	(877) 339-1954-1118#
Mallet Plant & Bravo Dome: Lawson Farrar	Sundown	(806) 229-9728	(806) 229-9750	(806) 638-5794	(800) 764-9269
Welch/Cedar Lake RMT & Plant: Eddie Gonzales	Welch/Cedar Lake	(806) 637-5963	(806) 637-5991	(806) 638-2034	(806) 742-8937
Wasson Plant: Ronnie Popejoy	Denver City	(806) 592-7310	(806) 592-7355	(806) 891-0825	(806) 723-0919
Sunland RMT: Kelly Jennings	Levelland	(806) 894-8330	(806) 894-0266	(806) 638-8561	(806) 743-0419
Sunland RMT: Robert Romero	Levelland	(806) 894-0210	(806) 894-0266	(806) 781-6244	(806) 766-4751
Frontier-New Mexico: Rick Kerby	Hobbs	(505) 393-2174	(505) 393-2671	(505) 390-8639	(505) 370-6527

OXY Permian HES Personnel *(cont'd)*

OXY Permian Crisis Team Hotline Notification (713) 935-7210

Person	Location	Office	Fax	Cell	Pager
HES Techs & Area of Responsibility *(cont'd)*					
Frontier-Texas: C.W. King	McCamey	(915) 652-8607	(915) 652-8617	(915) 556-0077	(915) 499-5530
Goldsmith-S.Cowden, Seminole: Kevin McPherson	S.Cowden-Odessa	(915) 385-2149; (915) 495-4903	(915) 385-2135	(915) 634-4507	(915) 495-4903
Cogdell RMT: Carl Morales	Snyder	(915) 573-7272	(915) 573-3968	(915) 725-7796	(915) 776-3518
Anton & Slaughter Plants; Prentice & Levelland Boosters: Tommy Pugh	Sundown	(806) 229-9605	(806) 229-9650	(806) 781-6451	(806) 766-4177
Odessa RMT: Earl Whitworth	N.Cowden	(915) 385-3104	(915) 385-3106	(915) 556-5309	(915) 567-6901
Anton RMT: Tommy Wright	Anton	(806) 637-5907	(806) 637-5413	(806) 638-8049	(806) 743-0158

Attachment 1
SURFACE USE AND OPERATING PLAN

Occidental Permian, Ltd.
North Hobbs G/SA Unit Well No. 30-536
641 FSL & 2419 FEL
Unit Letter O, Section 30, T-18-S, R-38-E
Lea County, New Mexico

1. Existing Roads:

   A. Access to the location is shown in Attachment 2.
   B. The well site survey plat for the proposed well is shown in Attachment 3.
   C. Directions to location: From corner of Hwy 62/180 and West County Rd. Turn north on west County Rd. and go 1.1 miles. Turn left off West County onto Sanger (Dirt Road) and go approximately 7/8 of a mile. Turn east on lease road and go approximately 500' to well pad.

2. Location of Existing Wells:

   Attachment 4 shows existing unit wells within a one-mile radius of this well operated by Occidental Permian, Ltd.

3. Location of Existing and/or Proposed Facilities:

   The well will be connected to an existing facilities located approximately 2300 feet northwest of this proposed site by a flowline installed according to API specifications.

4. Location and Type of Water Supply:

   The well will be drilled with a combination of brine and fresh water mud systems as outlined in the drilling program. The water will be obtained from commercial water stations in the area and hauled to the location by transport truck over the existing and proposed roads shown in Attachment 2. No water well will be drilled on the location.

5. Source of Construction Material:

   All caliche required for construction of the drill pad and to maintain the access roads will be obtained from an approved caliche pit or from the construction of the reserve pit. All roads and pads will be constructed of 6 inches of rolled and compacted caliche.

6. Methods of Handling Waste Disposal:

   A. Drill cuttings will be disposed of into the reserve pit.

   B. Drilling fluids will be contained in steel mud tanks and the reserve pit. The reserve pit will contain any excess drilling fluid or flow from the well during drilling, cementing, and completion operations.

      1. The reserve pit will be an earthen pit, approximately 150 feet x 125 feet x 6 feet deep and fenced. The pit will be plastic-lined (5-7 mil thickness) to minimize loss of drilling fluids and saturation of the ground with brine water. The pit will be divided into two separate pits, one being for fresh water cuttings, and the other for brine water cuttings. At the completion of the well the pits will be allowed to dry, the brine cuttings will be removed and taken to a licensed disposal site, and the fresh water cuttings will be buried on site.

C. Water produced from the well during completion may be disposed into the brine cuttings side of the reserve pit or a steel tank. After the well is permanently placed on production, produced water will be collected in existing facilities.
D. A portable chemical toilet will be provided on the location for human waste during the drilling and completion operations.
E. Garbage and trash produced during drilling and completion operations will be collected in a screened-in trailer. All waste material will be contained to prevent scattering by the wind. After drilling operations are complete the trash will be disposed of in a nearby landfill.
F. After the rig is moved out and the well is either completed or abandoned, all waste materials will be cleaned up within 30 days. No adverse materials will be left on the location. The reserve pit will be completely fenced and kept closed until it has dried. In the event of a dry hole, only a dry hole marker will remain.

7. Ancillary Facilities:

No airstrip, campsite, or other facilities will be built as a result of the operations on this well.

8. Well Site Layout:

Attachment 5 shows a typical orientation for the rig and associated drilling equipment, reserve pit, and pipe racks. No permanent living facilities are planned, but a temporary foreman/toolpusher's trailer will be on location during the drilling operations.

9. Plans for Restoration of the Surface:

A. Upon completion of the proposed operations, if the well is abandoned, the caliche will be removed from the location and road and returned to the pit from which it was taken. The pit area, after allowing to dry, will be broken out and leveled. The original topsoil will be returned to the entire location that will be leveled and contoured to as nearly the original topography as possible. Pit lining material will be buried or hauled away in order to leave the location in an aesthetically pleasing condition. All pits will be filled and the location leveled within 120 days after abandonment.
B. The disturbed surface area will be restored per agreement with surface owners.

10. Surface Ownership:

The well site and lease is located entirely on privately owned surface.

11. Operator's Representative:

An Occidental representative responsible for assuring compliance with the surface use plan is as follows:

Drill Site Compliance:
Dusty Weaver
1017 W. Stanolind
Hobbs, NM 88240
Work Phone 806-893-3067

Well and Facilities Operations:
David Nelson
1017 W. Stanolind
Hobbs, NM 88240
Work Phone 505-397-8211

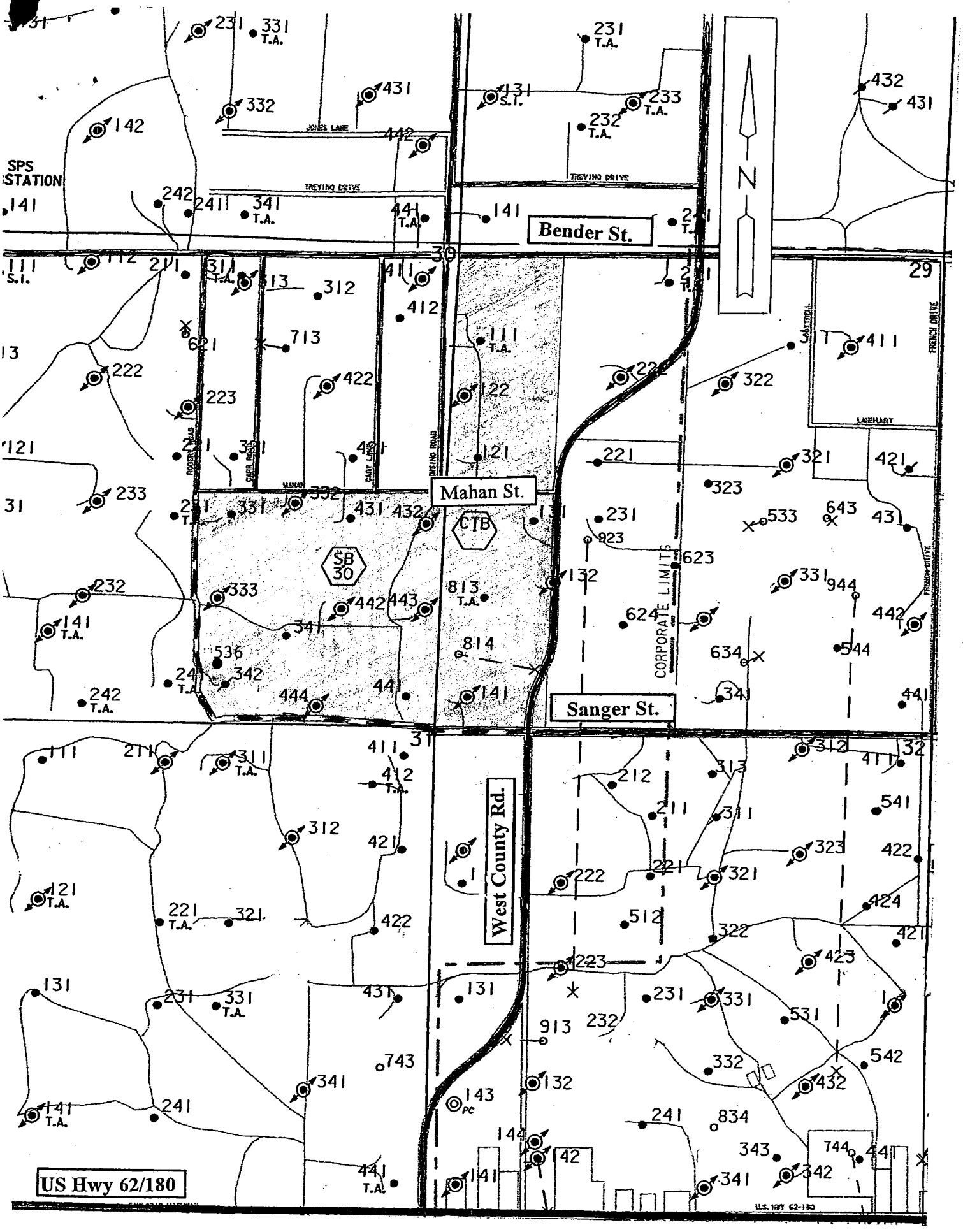
Certification:

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drill site and access route; that I am familiar with the conditions which currently exist; that the statements made in this plan are to best of my knowledge, true and correct; and the work associated with the operations proposed herein will be performed by Occidental Permian, Ltd. and its contractors and subcontractors in conformity with this plan and the terms and conditions which is in approved. This statement is subject to the provisions of 18 U.S.C. 1001 for the filing of a false statement.

Date: 3-11-03

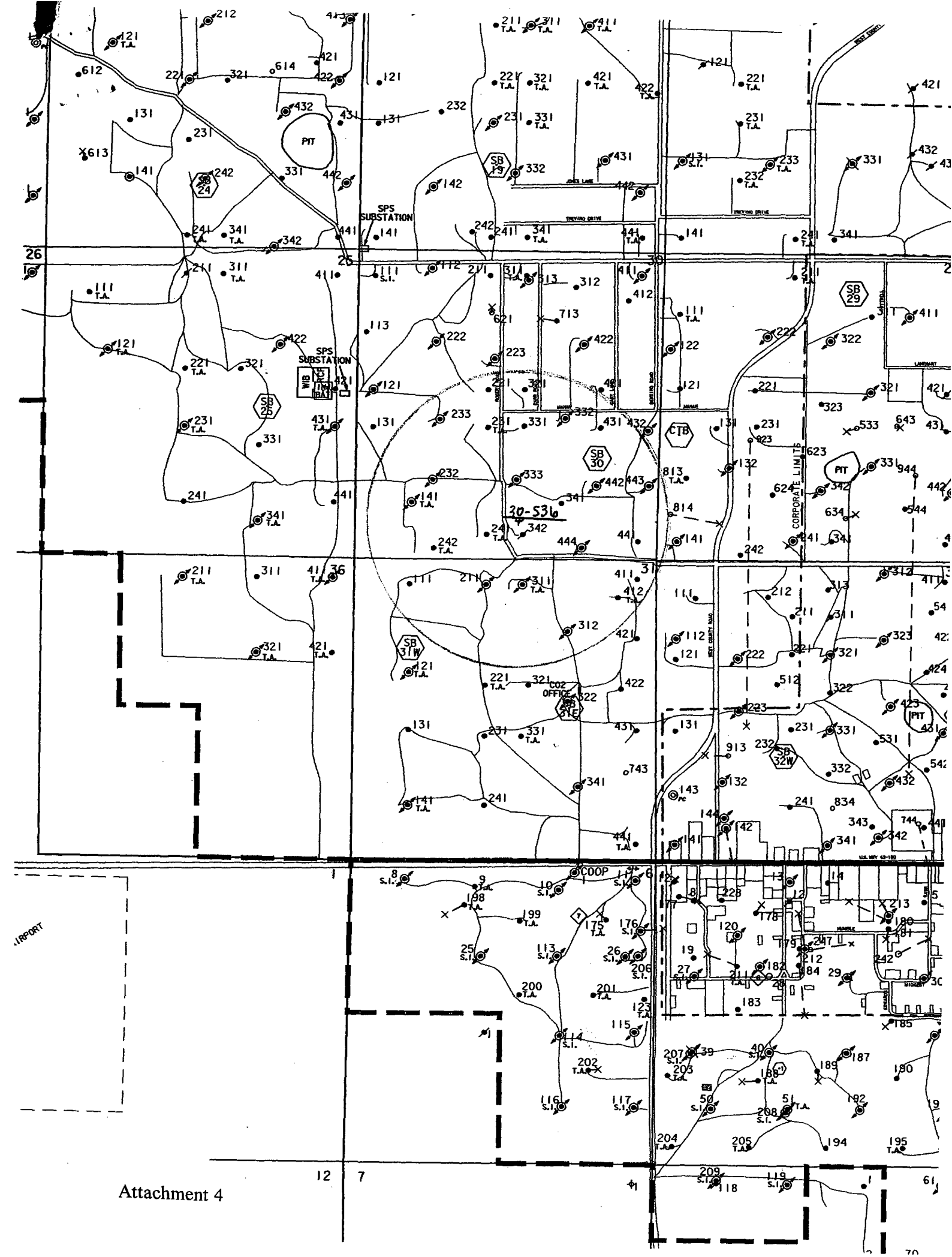
Signed: _____

David Nelson
Hobbs RMT Production Engineer



Federal Minerals/Private Surface

Attachment 2



Attachment 4

STATEMENT ACCEPTING RESPONSIBILITY FOR OPERATIONS

The undersigned accepts all applicable terms, conditions, stipulations and restrictions concerning operations conducted on the leased land or portion thereof, as described below:

Lease No.:	LC-032233(A)
Legal Description:	Letter O, Section 30, T-18-S, R-38-E
Formation:	Grayburg – San Andres
Bond Coverage:	$25,000.00 (Statewide Oil & Gas Bond)
BLM Bond No.:	NM2797 (5/22/00)
Surety Bond No:	929128583

Authorized Signature Mark Stephens 4/22/03

Mark Stephens
Regulatory Compliance Analyst
Occidental Permian Limited Partnership

PRIVATE SURFACE OWNER'S AGREEMENT OR STATEMENT THAT AN AGREEMENT HAS BEEN REACHED CONCERNING SURFACE USE

Occidental Permian Limited Partnership, P.O. Box 4294, Houston, TX 77210-4294 is both operator (North Hobbs G/SA Unit) and surface owner (Letter O, Section 30, T-18-S, R-38-E, Lea Co. NM), and therefore, no surface agreement is necessary.

Authorized Signature Mark Stephens 4/22/03

Mark Stephens
Regulatory Compliance Analyst
Occidental Permian Limited Partnership

H2S DRILLING OPERATIONS PLAN

NORTH HOBBS UNIT
GRAYBURG/SAN ANDRES

Lea County, New Mexico

12 Well Package

INTRODUCTION

Oxy Permian LTD. plans to drill and complete 12 San Andres wells in the North Hobbs Unit in Lea County, New Mexico in close proximity to Hobbs. Oxy Permian operates offset wells producing out of the San Andres formation, and a concentration of 45,000 to 65,000-ppm H_2S is typical for production wells. The amounts of H_2S and gas encountered during drilling operations are expected to be significantly lower.

TRAINING

All personnel shall receive proper training in H_2S drilling and contingency procedures in accordance with the general training requirements outlined in the American Petroleum Institute's (API) Recommended Practice (RP) 49 (April 15, 1987 or subsequent editions) for Safe Drilling of Wells Containing Hydrogen Sulfide, Section 2. All training will be completed before any drilling operations commence. In addition to the requirements of API RP-49, a minimum of an initial training session and weekly H_2S and well control drills for all personnel in each working crew shall be conducted. The initial training session for each well shall include a review of the site specific H_2S Drilling Operations Plan. All service company personnel will be required to have proper H_2S training and be briefed on the site-specific plan before commencing operations. All training and drills will be recorded on the driller's log. One job title will be identified to all on-site personnel as the person primarily responsible for on-site safety training.

WELL SITE DIAGRAMS — posted at the start of each well

Each well site diagram will contain the following information:

- Drill rig orientation
- Prevailing wind direction
- Location of all briefing areas
- Location of access road(s)
- Location of flare line(s) and pit(s)
- Location of caution and/or danger signs
- Location of wind direction indicators

WELL CONTROL EQUIPMENT

Due to the shallow depth of the wells and that no abnormal pressures are expected during drilling operations, a 3M (3000 PSI) BOPE system will be installed and tested prior to drilling out from under surface casing. The BOPE will be tested only to 1100 psi, since this is approximately the maximum pressure that the surface casing shoe can tolerate without fracturing the formation. The BOPE system will include a hydraulic accumulator along with the following equipment:

- Two sets of rams (blind and pipe rams, blind rams on top)
- Kill line(2-inch minimum)
- 1 kill line valve (2 inch minimum)
- 1 choke line valve
- 1 remote-activated choke
- Upper kelly cock valve with handle available
- Safety valve and subs to fit all drill strings in use
- Pressure gauge on choke manifold
- 2 inch minimum choke line
- Annular
- Flare line and means of ignition
- Rotating head
- Mud-gas separator

Pipe rams, blind rams, and annular will be functionally tested before drilling the production hole.

PROTECTIVE EQUIPMENT FOR ESSENTIAL PERSONNEL

There shall be a safety trailer, located on location, with 300-cubic-foot cylinders located inside and approximately 8 hours worth of grade "D" breathing air available. Hoses shall be plumbed to the rig floor to allow for emergency control of the well.

Stored inside the trailer shall be 4 (SAR) workline units with egress capability to be used under IDLH conditions.

There shall be 2-SCBA, designed to last approximately 30 minutes duration for use in rescue or emergency conditions located at briefing areas that are at 90° opposing sides of location.

These will be stored in hard plastic cases and sealed against weather conditions. Also 2- SCBA designated as backup shall be stored in the safety trailer making a total of four (4).

There will be 5 emergency escape units with approximately 5 minutes duration stored on the rig floor in the top dog house ready for emergency evacuation purposes. One unit will be placed with the derrick man during pipe tripping operations.

- All units shall be maintained and inspected monthly and after each use. Periodic rig checks shall include visual inspection of all breathing apparatus to insure emergency readiness.
- Communication while wearing breathing apparatus can be performed by normal speech through the speaking diaphragm, but if the noise level succeeds in "drowning out" speech, then communication shall alternately be performed through hand signals agreed upon.

H_2S DETECTION AND MONITORING EQUIPMENT

A stationary H_2S monitor shall be stationed in the top dog house (the recognized communications center) with remote audible and visual alarm located on the rig floor high enough up so as not to obscure being seen or heard readily. There shall be three H_2S detecting sensors (1) located on the rig floor, (2) located at the bell nipple and (3) located at the flow line/steel pits (where applicable) that are calibrated with the monitor prior to assembly at the rig and calibrated/checked weekly.

Sensors for the stationary monitor shall be either electro-chemical (EC) cell and/or Metal oxide (MOS). Sensors will be capable of sensing a minimum concentration of 10 ppm H2S in ambient air.

A portable tri-range monitor (H_2S, O_2, LEL) (EC) and a portable SO2 (BC) monitor shall be located in the safety trailer.

The detection system will be tested in accordance with manufacturer's instructions. All tests will be recorded on the driller's log.

VISUAL WARNING SYSTEMS

Wind direction indicators will be visible at all times, a windsock will be attached to the rig floor, high enough to be seen from anyplace on location. In addition streamers will be attached to all guide wires at eye level.

Warning sign(s) will be placed at each entrance to the location at a minimum of 200' and a maximum of 500' from the well site. Each sign will read DANGER — POISON GAS — HYDROGEN SULFIDE, and employ a three flag (green = safe, yellow = caution, red = danger) warning system to alert personnel to the hazard level on location. A red flag will be displayed when H_2S in excess of 10 ppm is detected at any sensing point. Signs will be either red/black/white or yellow with black lettering.

MUD PROGRAM

The mud system will utilize a conventional pit system, solids control will be maintained by circulating the reserve pits. The mud system will be fresh water/brine water with additions of Lime and Caustic soda to maintain a pH level of 10 or greater. A mud test shall be performed every 24 hours after mudding up to determine, as applicable: density, viscosity, gel strength, filtration, and pH. A sufficient quantity of Zinc Lignosulfonate H_2S scavenger will be maintained on location to neutralize any H_2S that may be encountered. Sufficient mud materials to maintain mud properties and meet minimum lost circulation and weight increase requirements will be kept at the wellsite at all times.

METALLURGY

Metallurgical Equipment. All equipment that has the potential to be exposed to H_2S shall be suitable for H_2S service. Equipment which shall meet these metallurgical standards include the drill string, casing, wellhead, blowout preventer assembly, casing head and spool, rotating head, kill lines, choke, choke manifold and lines, valves, mud-gas separators, drill-stem test tools, test units, tubing, flanges, and other related equipment. To minimize stress corrosion cracking and/or H_2S embrittlement, the equipment shall be constructed of material whose metallurgical properties are chosen with consideration for both an H_2S working environment and the anticipated stress. The metallurgical properties of the materials used shall conform to the current National Association of Corrosion Engineers (NACE) Standard MR 0175-90, Material Requirement, Sulfide Stress Cracking Resistant Metallic Material for Oil Field Equipment.

A drill fluid treatment and corrosion inhibitor program as per API's RP-49,§ 6.2.2. will be in use.

MEANS OF COMMUNICATION FROM THE WELL SITE.

A telephone will be on location at all times, this will be either cellular, radio, or satellite connection. Key Rig #11 (806) 891-6361.

PLANS FOR WELL TESTING

Testing shall be performed with a minimum number of personnel in the immediate vicinity, which are necessary to safely and adequately operate the test equipment. No drill stem testing will be conducted on any of these wells. The well test will be conducted at a later date through the completed surface facilities.

EMERGENCY PROCEDURES

In the event of detection of H_2S the following procedures will be in use. (Excerpt from the Oxy DHS Reaction Plan)

Emergency Procedures

Emergency Reaction Steps

	Drilling	Tripping
All Personnel	1. On alarm don escape unit and report to upwind briefing area.	Same
	2. Check status of personnel (buddy system)	Same
	3. Secure breathing equipment and shut well in.	Same
	4. Await orders from Supervisor	Same
Oxy Representative	1. Report to upwind briefing area.	Same
	2. Don breathing equipment and return to point of release with Pusher or Driller (buddy system)	Same
	3. Determine H_2S concentration.	Same
	4. Assess situation and take control measures.	Same
Tool Pusher	1. Report to upwind briefing area.	Same
	2. Don breathing equipment and return to point of release with Oxy Rep or driller. (buddy system)	Same
	3. Determine H_2S concentration	Same
	4. Assess situation and take control measures.	Same

Driller	1. Don escape unit.	Same
	2. Check monitor for point of release.	Same
	3. Report to briefing area.	Same
	4. Check status of personnel: (in an attempted rescue use buddy system)	Same
	5. Assign least essential person to notify Oxy Rep and Tool Pusher by quickest means in the case of their absence.	Same
	6. Assume the responsibilities of the Oxy Rep and Tool Pusher until they arrive should they be absent.	Same

Emergency Reaction Steps

	Drilling	Tripping
Derrick Man Floor Man #1 Floor Man #2	1. Remain in briefing area until instructed by supervisor.	Same
Mud Engineer	1. Report to briefing area.	Same
	2. When instructed, begin check of mud for Ph and H_2S levels. (Garnett Gas Train)	Same
Safety Personnel	1. Mask up and check status of same for all personnel and secure operations as instructed by Oxy Rep.	Same

Taking A Kick

When taking a kick during an H_2S emergency, all personnel will follow standard BOP Procedures after reporting to briefing area and masking up.

Open Hole Logging

All unnecessary personnel will leave the drilling floor. Oxy Representative and Safety Personnel should monitor condition, advise status, and determine the need for use of emergency equipment.

Running Casing or Plugging

Follow the same procedures as above. Oxy Representative and Safety Personnel should determine if all personnel have access to protective equipment.

Notes:

- Warning System Response. When H_2S is detected in excess of 10 ppm at any detection point, all non-essential personnel shall be moved to a safe area and essential personnel (i.e., those necessary to maintain control of the well) shall wear pressure-demand type protective breathing apparatus. Once accomplished, operations may proceed.
- Anytime a SCBA is used, a minimum of two people shall don equipment and a "buddy system" will be used, under no circumstances should any rescue or emergency operations be undertaken without backup personnel.

EMERGENCY PHONE NUMBERS

	FIRE	AMBULANCE	POLICE	SHERIFF	STATE POLICE	HOSPITAL
	911	911	911	911	911	
Hobbs	505-397-9308	505-397-9308	505-397-9265	505-393-2515	505-392-5588	505-492-5000

NMOCD Hobbs - OFFICE: (505) 393-6161 FAX: (505) 393-0720

Downhole Services Team Leader	Randy Pennington	281-552-1215
Team Leader – Hobbs	Gary Bullock	505-397-8203

(A complete list of all emergency contacts will be posted on the rig board)

Request for Variance – Second Egress
Drilling/Completion/Workover Requirements (III.C.2.a.)
Onshore Oil and Gas Order No. 6, Hydrogen Sulfide Operations

Request: Permit each drilling pad to be built with only one ingress/egress road.

Logic: In the event of an H2S release or other similar incident, a second-egress road or foot-path would be unlikely to provide additional routes of egress from the drilling pad. The area surrounding the drilling pad is relatively flat, and contains few obstructions (the perimeter of the drilling pad is not fenced, and essentially the only obstructions are scattered brush with significant clear areas between plants). In the event of an H2S release or other similar incident, personnel on the drill pad would most likely exit the drill pad at the nearest point, regardless of whether the surrounding area at that point was cleared or uncleared. In the event of an H2S-release or other similar incident, personnel on the drill pad would not be expected to travel back through some portion of the drill pad and exit the drill pad via one of the two cleared egress routes.

Further, a second egress route would disturb additional areas of the native environment.