Form 3160-3
(June 2015)

OCD – HOBBS
08/13/2020
RECEIVED

FORM APPROVED
OMB No. 1004-0137
Expires: January 31, 2018

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR REENTER

5. Lease Serial No.
NMNM069376

6. If Indian, Allotee or Tribe Name

1a. Type of work: ☑ DRILL ☐ REENTER

1b. Type of Well: ☑ Oil Well ☐ Gas Well ☐ Other

1c. Type of Completion: ☐ Hydraulic Fracturing ☑ Single Zone ☐ Multiple Zone

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

8. Lease Name and Well No.
TACO CAT 27-34 FEDERAL COM
12H [321612]

2. Name of Operator
OXY USA INCORPORATED [16696]

9. API Well No. 30-025-47556

3a. Address
5 Greenway Plaza, Suite 110 Houston TX 77046

3b. Phone No. *(include area code)*
(713)366-5716

10. Field and Pool, or Exploratory [51683]
COTTON DRAW BONE SPRING / COTT

4. Location of Well *(Report location clearly and in accordance with any State requirements.*)*
At surface NWNE / 280 FNL / 2380 FEL / LAT 32.3691824 / LONG -103.6617082
At proposed prod. zone SESW / 20 FSL / 1740 FWL / LAT 32.3409541 / LONG -103.6654517

11. Sec., T. R. M. or Blk. and Survey or Area
SEC 27 / T22S / R32E / NMP

14. Distance in miles and direction from nearest town or post office*
26 miles

12. County or Parish
LEA

13. State
NM

15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any)
20 feet

16. No of acres in lease
320

17. Spacing Unit dedicated to this well
640

18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft.
35 feet

19. Proposed Depth
9292 feet / 20287 feet

20. BLM/BIA Bond No. in file
FED: ESB000226

21. Elevations (Show whether DF, KDB, RT, GL, etc.)
3645 feet

22. Approximate date work will start*
05/01/2020

23. Estimated duration
40 days

24. Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1, and the Hydraulic Fracturing rule per 43 CFR 3162.3-3 (as applicable)

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 must 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 requested by the BLM.

25. Signature
(Electronic Submission)

Name *(Printed/Typed)*
Leslie Reeves / Ph: (713)497-2492

Date
02/21/2019

Title
Advisor Regulatory

Approved by *(Signature)*
(Electronic Submission)

Name *(Printed/Typed)*
Cody Layton / Ph: (575)234-5959

Date
08/11/2020

Title
Assistant Field Manager Lands & Minerals

Office
CARLSBAD

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.

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.

GCP Rec 08/13/2020

SL

APPROVED WITH CONDITIONS

KZ
08/22/2020

Approval Date: 08/11/2020

(Continued on page 2)

*(Instructions on page 2)

PECOS DISTRICT
DRILLING CONDITIONS OF APPROVAL

OPERATOR'S NAME:	Oxy USA Incorporated
LEASE NO.:	NMNM081272
WELL NAME & NO.:	TACO CAT 27-34 FEDERAL COM – 12H
SURFACE HOLE FOOTAGE:	280'/N & 2380'/E
BOTTOM HOLE FOOTAGE	20'/S & 1740'/W
LOCATION:	Section 27, T.22 S., R.32 E., NMPM
COUNTY:	Lea County, New Mexico

COA

H2S	○ Yes	◉ No	
Potash	◉ None	○ Secretary	○ R-111-P
Cave/Karst Potential	◉ Low	○ Medium	○ High
Cave/Karst Potential	○ Critical		
Variance	○ None	◉ Flex Hose	○ Other
Wellhead	○ Conventional	○ Multibowl	◉ Both
Other	☐ 4 String Area	☐ Capitan Reef	☐ WIPP
Other	☑ Fluid Filled	☑ Cement Squeeze	☐ Pilot Hole
Special Requirements	☐ Water Disposal	☑ COM	☐ Unit

Break Testing	○ Yes	◉ No

A. HYDROGEN SULFIDE

Hydrogen Sulfide (H2S) monitors shall be installed prior to drilling out the surface shoe. If H2S is detected in concentrations greater than 100 ppm, the Hydrogen Sulfide area shall meet Onshore Order 6 requirements, which includes equipment and personnel/public protection items. If Hydrogen Sulfide is encountered, provide measured values and formations to the BLM.

B. CASING

Casing Design:

1. The **10-3/4** inch surface casing shall be set at approximately **1272** feet (a minimum of **25 feet (Lea County)** 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 surface log readout will be used or a cement bond log shall be run

to verify the top of the cement. Temperature survey will be run a minimum of six hours after pumping cement and ideally between 8-10 hours after completing the cement job.

b. Wait on cement (WOC) time for a primary cement job will be a minimum of **8 hours** or 500 pounds compressive strength, whichever is greater. (This is to include the lead cement)
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.

Intermediate casing must be kept fluid filled to meet BLM minimum collapse requirement.

2. The **7-5/8** inch intermediate casing shall be set at approximately **9024** feet. The minimum required fill of cement behind the **7-5/8** inch intermediate casing is:

Option 1 (Single Stage):

- 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 cave/karst or potash.**

Option 2:

Operator has proposed a DV tool, the depth may be adjusted as long as the cement is changed proportionally. The DV tool may be cancelled if cement circulates to surface on the first stage.

a. First stage to DV tool: Cement to circulate. If cement does not circulate off the DV tool, contact the appropriate BLM office before proceeding with second stage cement job.

b. Second stage above DV tool:

- Cement to surface. If cement does not circulate, contact the appropriate BLM office.
  Wait on cement (WOC) time for a primary cement job is to include the lead cement slurry due to cave/karst or potash.

Operator has proposed to pump down 10-3/4" X 7-5/8" annulus. Operator must run a CBL or ECHO-METER from TD of the 7-5/8" casing to surface. Submit results to BLM.

3. The minimum required fill of cement behind the **5-1/2** inch production casing is:

Option 1 (Single Stage):

- Cement should tie-back at least **200 feet** into previous casing string. Operator shall provide method of verification.

Option 2:

Operator has proposed a DV tool, the depth may be adjusted as long as the cement is changed proportionally. The DV tool may be cancelled if cement circulates to surface on the first stage.

a. First stage to DV tool: Cement to circulate. If cement does not circulate off the DV tool, contact the appropriate BLM office before proceeding with second stage cement job.

b. Second stage above DV tool:

- Cement should tie-back at least **200 feet** into previous casing string. Operator shall provide method of verification.

C. PRESSURE CONTROL

1. Variance approved to use flex line from BOP to choke manifold. Manufacturer's specification to be readily available. No external damage to flex line. Flex line to be installed as straight as possible (no hard bends).'

2.

Option 1:

a. Minimum working pressure of the blowout preventer (BOP) and related equipment (BOPE) required for drilling below the surface casing shoe shall be **3000 (3M)** psi.

b. Minimum working pressure of the blowout preventer (BOP) and related equipment (BOPE) required for drilling below the intermediate casing shoe shall be **3000 (3M)** psi.

Option 2:

1. Operator has proposed a multi-bowl wellhead assembly. This assembly will only be tested when installed on the surface casing. Minimum working pressure of the blowout preventer (BOP) and related equipment (BOPE) required for drilling below the surface casing shoe shall be **3000 (3M)** psi.

a. Wellhead shall be installed by manufacturer's representatives, submit documentation with subsequent sundry.
b. If the welding is performed by a third party, the manufacturer's representative shall monitor the temperature to verify that it does not exceed the maximum temperature of the seal.
c. Manufacturer representative shall install the test plug for the initial BOP test.
d. If the cement does not circulate and one inch operations would have been possible with a standard wellhead, the well head shall be cut off, cementing operations performed and another wellhead installed.
e. Whenever any seal subject to test pressure is broken, all the tests in OOGO2.III.A.2.i must be followed.

D. SPECIAL REQUIREMENT (S)

Communitization Agreement

- The operator will submit a Communitization Agreement to the Carlsbad Field Office, 620 E Greene St. Carlsbad, New Mexico 88220, at least 90 days before the anticipated date of first production from a well subject to a spacing order issued by the New Mexico Oil Conservation Division. The Communitization Agreement will include the signatures of all working interest owners in all Federal and Indian leases subject to the Communitization Agreement (i.e., operating rights owners and lessees of record), or certification that the operator has obtained the written signatures of all such owners and will make those signatures available to the BLM immediately upon request.
- If the operator does not comply with this condition of approval, the BLM may take enforcement actions that include, but are not limited to, those specified in 43 CFR 3163.1.
- In addition, the well sign shall include the surface and bottom hole lease numbers. When the Communitization Agreement number is known, it shall also be on the sign.

Offline Cementing

Contact the BLM prior to the commencement of any offline cementing procedure.

BOP Break Testing Variance

- BOP break testing is not permitted on this well pending submittion of break testing sundry.

GENERAL REQUIREMENTS

The BLM is to be notified in advance for a representative to witness:

a. Spudding well (minimum of 24 hours)
b. Setting and/or Cementing of all casing strings (minimum of 4 hours)
c. BOPE tests (minimum of 4 hours)

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

☒ Lea County
Call the Hobbs Field Station, 414 West Taylor, Hobbs NM 88240, (575) 393-3612

1. 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.

   a. In the event the operator has proposed to drill multiple wells utilizing a skid/walking rig. Operator shall secure the wellbore on the current well, after installing and testing the wellhead, by installing a blind flange of like pressure rating to the wellhead and a pressure gauge that can be monitored while drilling is performed on the other well(s).
   b. When the operator proposes to set surface casing with Spudder Rig
      - Notify the BLM when moving in and removing the Spudder Rig.
      - Notify the BLM when moving in the 2nd Rig. Rig to be moved in within 90 days of notification that Spudder Rig has left the location.
      - BOP/BOPE test to be conducted per Onshore Oil and Gas Order No. 2 as soon as 2nd Rig is rigged up on well.

2. 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.

3. The record of the drilling rate along with the GR/N well log run from TD to surface (horizontal well – vertical portion of hole) shall be submitted to the BLM office as well as all other logs run on the borehole 30 days from completion. If available, a digital copy of the logs is to be submitted in addition to the paper copies. The Rustler top and top and bottom of Salt are to be recorded on the Completion Report.

A. CASING

1. Changes to the approved APD casing program need prior approval if the items substituted are of lesser grade or different casing size or are Non-API. The Operator can exchange the components of the proposal with that of superior strength (i.e. changing from J-55 to N-80, or from 36# to 40#). Changes to the approved cement program need prior approval if the altered cement plan has less volume or strength or if the changes are substantial (i.e. Multistage tool, ECP, etc.). The initial wellhead installed on the well will remain on the well with spools used as needed.

2. Wait on cement (WOC) for Potash Areas: After cementing but before commencing any tests, the casing string shall stand cemented under pressure until both of the following conditions have been met: 1) cement reaches a minimum compressive strength of 500 psi for all cement blends, 2) until cement has been in place at least 24 hours. WOC time will be recorded in the driller's log. The casing intergrity test can be done (prior to the cement setting up) immediately after bumping the plug.

3. Wait on cement (WOC) for Water Basin: After cementing but before commencing any tests, the casing string shall stand cemented under pressure until both of the following conditions have been met: 1) cement reaches a minimum compressive strength of 500 psi at the shoe, 2) until cement has been in place at least 8 hours. WOC time will be recorded in the driller's log. See individual casing strings for details regarding lead cement slurry requirements. The casing intergrity test can be done (prior to the cement setting up) immediately after bumping the plug.

4. Provide compressive strengths including hours to reach required 500 pounds compressive strength prior to cementing each casing string. Have well specific cement details onsite prior to pumping the cement for each casing string.

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

6. On that portion of any well approved for a 5M BOPE system or greater, a pressure integrity test of each casing shoe shall be performed. Formation at the shoe shall be tested to a minimum of the mud weight equivalent anticipated to control the formation pressure to the next casing depth or at total depth of the well. This test shall be performed before drilling more than 20 feet of new hole.

7. If hardband drill pipe is rotated inside casing, returns will be monitored for metal. If metal is found in samples, drill pipe will be pulled and rubber protectors which have a larger diameter than the tool joints of the drill pipe will be installed prior to continuing drilling operations.
8. Whenever a casing string is cemented in the R-111-P potash area, the NMOCD requirements shall be followed.

B. 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. If a variance is approved for a flexible hose to be installed from the BOP to the choke manifold, the following requirements apply: The flex line must meet the requirements of API 16C. Check condition of 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 and is to be anchored according to Manufacturer's requirements. The flexible hose can be exchanged with a hose of equal size and equal or greater pressure rating. Anchor requirements, specification sheet and hydrostatic pressure test certification matching the hose in service, to be onsite for review. These documents shall be posted in the company man's trailer and on the rig floor.

3. 5M or higher 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.

4. If the operator has proposed a multi-bowl wellhead assembly in the APD. The following requirements must be met:

    a. Wellhead shall be installed by manufacturer's representatives, submit documentation with subsequent sundry.
    b. If the welding is performed by a third party, the manufacturer's representative shall monitor the temperature to verify that it does not exceed the maximum temperature of the seal.
    c. Manufacturer representative shall install the test plug for the initial BOP test.
    d. Whenever any seal subject to test pressure is broken, all the tests in OOGO2.III.A.2.i must be followed.
    e. If the cement does not circulate and one inch operations would have been possible with a standard wellhead, the well head shall be cut off, cementing operations performed and another wellhead installed.

5. The appropriate BLM office shall be notified a minimum of 4 hours in advance for a representative to witness the tests.

    a. In a water basin, for all casing strings utilizing slips, these are to be set as soon as the crew and rig are ready and any fallback cement remediation has been done. The casing cut-off and BOP installation can be initiated four hours after installing the slips, which will be approximately six hours after bumping the plug. For those casing strings not using slips, the minimum wait time before cut-off is eight hours after bumping the plug. BOP/BOPE testing can begin after cut-off or once cement reaches 500 psi compressive strength (including

lead when specified), whichever is greater. However, if the float does not hold, cut-off cannot be initiated until cement reaches 500 psi compressive strength (including lead when specified).

b. In potash areas, for all casing strings utilizing slips, these are to be set as soon as the crew and rig are ready and any fallback cement remediation has been done. For all casing strings, casing cut-off and BOP installation can be initiated at twelve hours after bumping the plug. However, **no tests** shall commence until the cement has had a minimum of 24 hours setup time, except the casing pressure test can be initiated immediately after bumping the plug (only applies to single stage cement jobs).

c. The tests shall be done by an independent service company utilizing a test plug not a cup or J-packer. The operator also has the option of utilizing an independent tester to test without a plug (i.e. against the casing) pursuant to Onshore Order 2 with the pressure not to exceed 70% of the burst rating for the casing. Any test against the casing must meet the WOC time for water basin (8 hours) or potash (24 hours) or 500 pounds compressive strength, whichever is greater, prior to initiating the test (see casing segment as lead cement may be critical item).

d. The test shall be run on a 5000 psi chart for a 2-3M BOP/BOP, on a 10000 psi chart for a 5M BOP/BOPE and on a 15000 psi chart for a 10M BOP/BOPE. If a linear chart is used, it shall be a one hour chart. A circular chart shall have a maximum 2 hour clock. If a twelve hour or twenty-four hour chart is used, tester shall make a notation that it is run with a two hour clock.

e. The results of the test shall be reported to the appropriate BLM office.

f. 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.

g. 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. This test shall be performed prior to the test at full stack pressure.

h. BOP/BOPE must be tested by an independent service company within 500 feet of the top of the Wolfcamp formation if the time between the setting of the intermediate casing and reaching this depth exceeds 20 days. This test does not exclude the test prior to drilling out the casing shoe as per Onshore Order No. 2.

C. DRILLING MUD

Mud system monitoring equipment, with derrick floor indicators and visual and audio alarms, shall be operating before drilling into the Wolfcamp formation, and shall be used until production casing is run and cemented.

D. WASTE MATERIAL AND FLUIDS

All waste (i.e. drilling fluids, trash, salts, chemicals, sewage, gray water, etc.) created as a result of drilling operations and completion operations shall be safely contained and disposed of properly at a waste disposal facility. No waste material or fluid shall be disposed of on the well location or surrounding area.

Porto-johns and trash containers will be on-location during fracturing operations or any other crew-intensive operations.

NMK08032020

Operator Certification Data Report

08/12/2020

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 which currently 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.

NAME: Leslie Reeves **Signed on:** 08/07/2019

Title: Advisor Regulatory

Street Address: 5 Greenway Plaza, Suite 110

City: Houston **State:** TX **Zip:** 77046

Phone: (713)497-2492

Email address: Leslie_Reeves@oxy.com

Field Representative

Representative Name:

Street Address: 6001 Deauville

City: Midland **State:** TX **Zip:** 79706

Phone: (575)631-2442

Email address: jim_wilson@oxy.com

APD ID: 10400039118 **Submission Date:** 02/21/2019

Operator Name: OXY USA INCORPORATED

Well Name: TACO CAT 27-34 FEDERAL COM **Well Number:** 12H

Well Type: OIL WELL **Well Work Type:** Drill

Highlighted data reflects the most recent changes

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Section 1 - General

APD ID: 10400039118 **Tie to previous NOS?** **Submission Date:** 02/21/2019

BLM Office: CARLSBAD **User:** Leslie Reeves **Title:** Advisor Regulatory

Federal/Indian APD: FED **Is the first lease penetrated for production Federal or Indian?** FED

Lease number: NMNM069376 **Lease Acres:** 320

Surface access agreement in place? **Allotted?** **Reservation:**

Agreement in place? NO **Federal or Indian agreement:**

Agreement number:

Agreement name:

Keep application confidential? YES

Permitting Agent? NO **APD Operator:** OXY USA INCORPORATED

Operator letter of designation:

Operator Info

Operator Organization Name: OXY USA INCORPORATED

Operator Address: 5 Greenway Plaza, Suite 110 **Zip:** 77046

Operator PO Box:

Operator City: Houston **State:** TX

Operator Phone: (713)366-5716

Operator Internet Address:

Section 2 - Well Information

Well in Master Development Plan? NO **Master Development Plan name:**

Well in Master SUPO? NO **Master SUPO name:**

Well in Master Drilling Plan? NO **Master Drilling Plan name:**

Well Name: TACO CAT 27-34 FEDERAL COM **Well Number:** 12H **Well API Number:**

Field/Pool or Exploratory? Field and Pool **Field Name:** COTTON DRAW BONE SPRING **Pool Name:** COTTON DRAW BONE SPRING

Is the proposed well in an area containing other mineral resources? POTASH

Operator Name: OXY USA INCORPORATED

Well Name: TACO CAT 27-34 FEDERAL COM **Well Number:** 12H

Is the proposed well in an area containing other mineral resources? POTASH

Is the proposed well in a Helium production area? N **Use Existing Well Pad?** NO **New surface disturbance?**

Type of Well Pad: MULTIPLE WELL **Multiple Well Pad Name:** TACO CAT 27-34 FED COM **Number:** 12H, 13H & 14H

Well Class: HORIZONTAL **Number of Legs:**

Well Work Type: Drill

Well Type: OIL WELL

Describe Well Type:

Well sub-Type: INFILL

Describe sub-type:

Distance to town: 26 Miles **Distance to nearest well:** 35 FT **Distance to lease line:** 20 FT

Reservoir well spacing assigned acres Measurement: 640 Acres

Well plat: TacoCat27_34FdCom12H_C_102_20190213101209.pdf

TacoCat27_34FdCom12H_SitePlan_20190213101226.pdf

Well work start Date: 05/01/2020 **Duration:** 40 DAYS

Section 3 - Well Location Table

Survey Type: RECTANGULAR

Describe Survey Type:

Datum: NAD83 **Vertical Datum:** NAVD88

Survey number: **Reference Datum:**

Wellbore	NS-Foot	NS Indicator	EW-Foot	EW Indicator	Twsp	Range	Section	Aliquot/Lot/Tract	Latitude	Longitude	County	State	Meridian	Lease Type	Lease Number	Elevation	MD	TVD	Will this well produce from this lease?
SHL Leg #1	280	FNL	2380	FEL	22S	32E	27	Aliquot NWNE	32.3691824	-103.6617082	LEA	NEW MEXICO	NEW MEXICO	F	NMNM 081272	3645	0	0	
KOP Leg #1	50	FNL	1740	FWL	22S	32E	27	Aliquot NENW	32.3697975	-103.6654787	LEA	NEW MEXICO	NEW MEXICO	F	NMNM 069376	-5647	9845	9292	

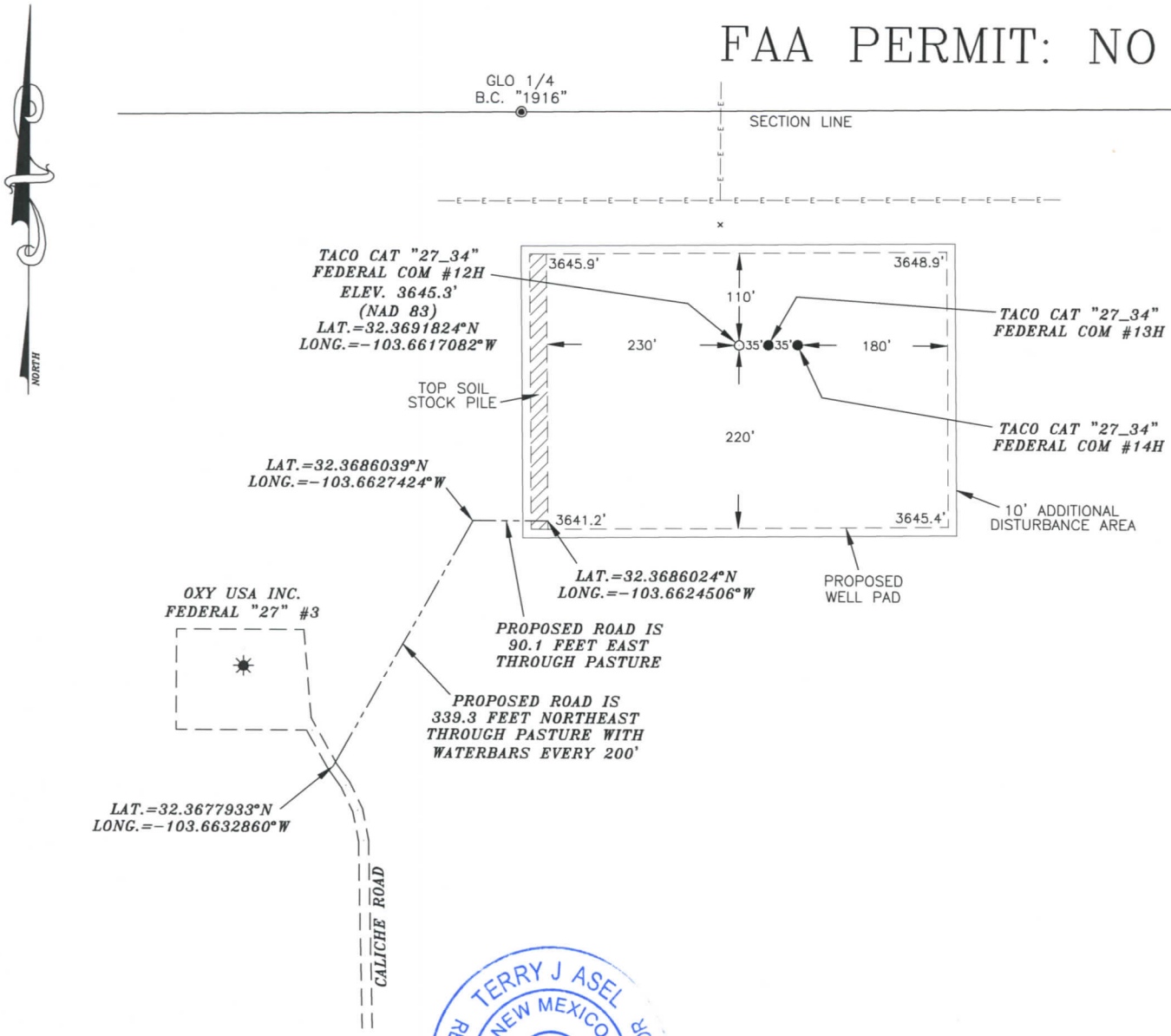
Operator Name: OXY USA INCORPORATED

Well Name: TACO CAT 27-34 FEDERAL COM **Well Number:** 12H

Wellbore	NS-Foot	NS Indicator	EW-Foot	EW Indicator	Twsp	Range	Section	Aliquot/Lot/Tract	Latitude	Longitude	County	State	Meridian	Lease Type	Lease Number	Elevation	MD	TVD	Will this well produce from this lease?
PPP Leg #1-1	6	FNL	1740	FWL	22S	32E	34	Aliquot NENW	32.355431	-103.665465	LEA	NEW MEXICO	NEW MEXICO	F	NMNM 077060	-5647	15020	9292	
PPP Leg #1-2	100	FNL	1740	FWL	22S	32E	27	Aliquot NENW	32.36966	-103.6654786	LEA	NEW MEXICO	NEW MEXICO	F	NMNM 069376	-5646	9815	9291	
EXIT Leg #1	100	FSL	1740	FWL	22S	32E	34	Aliquot SESW	32.341174	-103.6654519	LEA	NEW MEXICO	NEW MEXICO	F	NMNM 077060	-5647	20187	9292	
BHL Leg #1	20	FSL	1740	FWL	22S	32E	34	Aliquot SESW	32.3409541	-103.6654517	LEA	NEW MEXICO	NEW MEXICO	F	NMNM 077060	-5647	20287	9292	

OXY USA INC.
TACO CAT "27_34" FEDERAL COM #12H
SITE PLAN

FAA PERMIT: NO



TERRY J ASEL
NEW MEXICO
15079
REGISTERED PROFESSIONAL LAND SURVEYOR

LEGEND

- – – – – DENOTES PROPOSED WELL PAD
- —— - —— DENOTES PROPOSED ROAD
- ▨ – DENOTES STOCK PILE AREA
- ✷ – DENOTES EXISTING WELL

200' 0 200' 400' FEET

SCALE: 1"=200'

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 11/26/2018

Terry J. Asel N.M. R.P.L.S. No. 15079

Asel Surveying

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

OXY USA INC.

TACO CAT "27_34" FEDERAL COM #12H
LOCATED AT 280' FNL & 2380' FEL IN
SECTION 27, TOWNSHIP 22 SOUTH, RANGE 32
EAST, N.M.P.M., LEA COUNTY, NEW MEXICO

Survey Date: 05/30/18	Sheet 1 of 1 Sheets	
W.O. Number: 180530WL-a	Drawn By: KA	Rev:
Date: 11/20/18	180530WL-a	Scale:1"=200'

APD ID: 10400039118 **Submission Date:** 02/21/2019

Operator Name: OXY USA INCORPORATED

Well Name: TACO CAT 27-34 FEDERAL COM **Well Number:** 12H

Well Type: OIL WELL **Well Work Type:** Drill

Highlighted data reflects the most recent changes

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Section 1 - Geologic Formations

Formation ID	Formation Name	Elevation	True Vertical Depth	Measured Depth	Lithologies	Mineral Resources	Producing Formation
397743	RUSTLER	3645	848	848	ANHYDRITE, DOLOMITE, SHALE	USEABLE WATER	N
397744	SALADO	2313	1332	1332	ANHYDRITE, DOLOMITE, HALITE, SHALE	OTHER : SALT	N
397741	CASTILE	494	3151	3151	ANHYDRITE	OTHER : salt	N
397745	LAMAR	-1051	4696	4754	LIMESTONE, SANDSTONE, SILTSTONE	NATURAL GAS, OIL, OTHER : BRINE	N
397746	BELL CANYON	-1081	4726	4786	SANDSTONE, SILTSTONE	NATURAL GAS, OIL, OTHER, URANIUM, USEABLE WATER : BRINE	N
397747	CHERRY CANYON	-1972	5617	5722	SANDSTONE, SILTSTONE	NATURAL GAS, OIL, OTHER : BRINE	N
397748	BRUSHY CANYON	-3228	6873	7043	LIMESTONE, SANDSTONE, SILTSTONE	NATURAL GAS, OIL, OTHER : BRINE	N
397742	BONE SPRING	-4900	8545	8762	LIMESTONE, SANDSTONE, SILTSTONE	NATURAL GAS, OIL	Y

Section 2 - Blowout Prevention

Pressure Rating (PSI): 5M **Rating Depth:** 9292

Equipment: 13-5/8" 5M Annular, Blind Ram, Double Ram

Requesting Variance? YES

Variance request: Request for the use of a flexible choke line from the BOP to Choke Manifold.

Testing Procedure: BOP/BOPE will be tested by an independent service company to 250 psi low and the high pressure indicated above per Onshore Order 2 requirements. The System may be upgraded to a higher pressure but still tested to the working pressure listed in the table above. If the system is upgraded all the components installed will be functional and tested. Pipe rams will be operationally checked each 24 hour period. Blind rams will be operationally checked on each trip out of the hole. These checks will be noted on the daily tour sheets. Other accessories to the BOP equipment will include a Kelly cock and floor safety valve (inside BOP) and choke lines and choke manifold. A multibowl wellhead or a unionized multibowl wellhead system will be employed. The wellhead and connection to the BOPE will meet all API 6A requirements. The BOP will be tested per Onshore Order #2 after installation on the surface casing which will cover testing requirements for a maximum of 30 days. If any seal subject to test pressure is broken the system will be tested. We will test the flange connection of the wellhead with a test port that is directly in the flange. BOP Break Testing Request - As per the agreement reached in the OXY/BLM meeting on Feb 22, 2018, OXY requests permission to allow BOP Break Testing under the following conditions: 1. After a full BOP test is conducted on the first well on the pad. 2. When skidding to drill an intermediate

section that casing point is either shallower thank the Thirs Bone Spring or 10,000'TVD. 3. Full BOP test will be required prior to drilling any production section.

Choke Diagram Attachment:

TacoCat27_34FdCom12H_Choke_Manifold_20190213114435.pdf

BOP Diagram Attachment:

TacoCat27_34FdCom12H_FlexHoseCert_20190213124801.pdf

TacoCat27_34FdCom12H_BOP5M_20190213124817.pdf

Section 3 - Casing

Casing ID	String Type	Hole Size	Csg Size	Condition	Standard	Tapered String	Top Set MD	Bottom Set MD	Top Set TVD	Bottom Set TVD	Top Set MSL	Bottom Set MSL	Calculated casing length MD	Grade	Weight	Joint Type	Collapse SF	Burst SF	Joint SF Type	Joint SF	Body SF Type	Body SF
1	SURFACE	14.75	10.75	NEW	API	N	0	1272	0	1272			1272	J-55	40.5	BUTT	1.125	1.2	BUOY	1.4	BUOY	1.4
2	INTERMEDIATE	12.25	7.625	NEW	API	N	0	9024	0	8799			9024	L-80	26.4	BUTT	1.125	1.2	BUOY	1.4	BUOY	1.4
3	PRODUCTION	6.75	5.5	NEW	API	N	0	20287	0	9292			20287	P-110	20	OTHER - DQX/SFTORQ	1.125	1.2	BUOY	1.4	BUOY	1.4

Casing Attachments

Casing ID: 1 **String Type:** SURFACE

Inspection Document:

Spec Document:

Tapered String Spec:

Casing Design Assumptions and Worksheet(s):

TacoCat27_34FdCom12H_CsgCriteria_20190213125024.pdf

Operator Name: OXY USA INCORPORATED

Well Name: TACO CAT 27-34 FEDERAL COM **Well Number:** 12H

Casing Attachments

Casing ID: 2 **String Type:** INTERMEDIATE

Inspection Document:

Spec Document:

Tapered String Spec:

Casing Design Assumptions and Worksheet(s):

TacoCat27_34FdCom12H_CsgCriteria_20190213125139.pdf

Casing ID: 3 **String Type:** PRODUCTION

Inspection Document:

Spec Document:

Tapered String Spec:

Casing Design Assumptions and Worksheet(s):

TacoCat27_34FdCom12H_5.500in_x_20.00__P_110_TMK_UP_DQX_20190213125329.pdf

TacoCat27_34FdCom12H_CsgCriteria_20190213125339.pdf

TacoCat27_34FdCom12H_5.500in_x_20.00__P110_HC_TMK_UP_SF_TORQ_20190213125411.pdf

Section 4 - Cement

String Type	Lead/Tail	Stage Tool Depth	Top MD	Bottom MD	Quantity(sx)	Yield	Density	Cu Ft	Excess%	Cement type	Additives
SURFACE	Lead		0	1272	1051	1.33	14.8	1398	100	Cl C	Accelerator
INTERMEDIATE	Lead		7123	9024	267	1.65	13.2	441	5	Cl H	Retarder, Dispersant, Salt

Operator Name: OXY USA INCORPORATED

Well Name: TACO CAT 27-34 FEDERAL COM **Well Number:** 12H

String Type	Lead/Tail	Stage Tool Depth	Top MD	Bottom MD	Quantity(sx)	Yield	Density	Cu Ft	Excess%	Cement type	Additives
INTERMEDIATE	Tail		0	7123	875	1.38	13.2	1208	10	Cl C	Accelerator
PRODUCTION	Lead		8524	20287	862	1.38	13.2	1190	20	Cl H	Retarder, Dispersant, Salt

Section 5 - Circulating Medium

Mud System Type: Closed

Will an air or gas system be Used? NO

Description of the equipment for the circulating system in accordance with Onshore Order #2:

Diagram of the equipment for the circulating system in accordance with Onshore Order #2:

Describe what will be on location to control well or mitigate other conditions: Sufficient mud materials to maintain mud properties and meet minimum lost circulation and weight increase requirements. The following is a general list of products: Barite, Bentonite, Gypsum, Lime, Soda Ash, Caustic Soda, Nut Plug, Cedar Fiber, Cotton Seed Hulls, Drilling Paper, Salt Water Clay, CaCl2.

Describe the mud monitoring system utilized: PVT/MD Totco/Visual Monitoring

Circulating Medium Table

Top Depth	Bottom Depth	Mud Type	Min Weight (lbs/gal)	Max Weight (lbs/gal)	Density (lbs/cu ft)	Gel Strength (lbs/100 sqft)	PH	Viscosity (CP)	Salinity (ppm)	Filtration (cc)	Additional Characteristics
9024	20287	OTHER : Water-Based and/or Oil-Based Mud	8	9.6							
1272	9024	OTHER : Saturated Brine Based Mud or Oil-Based Mud	8	10							
0	1272	WATER-BASED MUD	8.6	8.8							

Operator Name: OXY USA INCORPORATED

Well Name: TACO CAT 27-34 FEDERAL COM **Well Number:** 12H

Section 6 - Test, Logging, Coring

List of production tests including testing procedures, equipment and safety measures:

GR from TD to surface (horizontal well – vertical portion of hole). Mud Log from intermediate shoe to TD.

List of open and cased hole logs run in the well:

GR,MUDLOG

Coring operation description for the well:

No coring is planned at this time.

Section 7 - Pressure

Anticipated Bottom Hole Pressure: 4639 **Anticipated Surface Pressure:** 2594.76

Anticipated Bottom Hole Temperature(F): 155

Anticipated abnormal pressures, temperatures, or potential geologic hazards? NO

Describe:

Contingency Plans geoharzards description:

Contingency Plans geohazards attachment:

Hydrogen Sulfide drilling operations plan required? YES

Hydrogen sulfide drilling operations plan:

TacoCat27_34FdCom12H_H2S1_20190213131615.pdf
TacoCat27_34FdCom12H_H2S2_20190213131630.pdf
TacoCat27_34FdCom12H_H2SEmergCont_20190213131646.pdf

Section 8 - Other Information

Proposed horizontal/directional/multi-lateral plan submission:

TacoCat27_34FdCom12H_DirectPlot_20190213131751.pdf
TacoCat27_34FdCom12H_DirectPlan_20190213131808.pdf

Other proposed operations facets description:

OXY requests the option to set casing shallower yet still below the salts if losses or hole conditions require this. Cement volumes may be adjusted if casing is set shallower and a DV tool will be run in case a contingency second stage is required for cement to reach surface. If cement circulated to surface during first stage we will drop a cancelation cone and not pump the second stage.

Oxy requests the option to run production casing with DQX and/or SF TORQ connections to accommodate hole conditions or drilling operations.

OXY requests to pump a two stage cement job on the intermediate II casing string with the first stage being pumped conventionally with the calculated TOC @ the Bone Spring and the second stage performed as a bradenhead squeeze with planned cement from the Bone Spring to surface.

Annular Clearance Variance Request - As per the agreement reached in the Oxy/BLM meeting on Feb 22,

2018, Oxy requests permission to allow deviation from the 0.422" annular clearance requirement from Onshore Order #2 under the following conditions:
1. Annular clearance to meet or exceed 0.422" between intermediate casing ID and production casing coupling only on the first 500' overlap between both casings.
2. Annular clearance less than 0.422" is acceptable for the curve and lateral portions of the production open hole section.

Well will be drilled with a walking/skidding operation. Plan to drill the multiple well pad in batch by section: all surface sections, intermediate sections and production sections. The wellhead will be secured with a night cap whenever the rig is not over the well.

OXY requests the option to contract a Surface Rig to drill, set surface casing, and cement for this well. If the timing between rigs is such that OXY would not be able to preset surface, the Primary Rig will MIRU and drill the well in its entirety per the APD. Please see the attached document for information on the spudder rig.

Offline Cement Request
Oxy requests a variance to cement the 9.625" and/or 7.625" intermediate casing strings offline in accordance to
the approved variance, EC Tran 461365.
The summarized operational sequence will be as follows:
1. Run casing as per normal operations. While running casing, conduct negative pressure test and confirm integrity of the float equipment (float collar and shoe).
2. Land casing.
3. Fill pipe with kill weight fluid, and confirm well is static.
a. If well is not static notify BLM and kill well.
b. Once well is static notify BLM with intent to proceed with nipple down and offline cementing.
4. Set and pressure test annular packoff.
5. After confirmation of both annular barriers and internal barriers, nipple down BOP and install cap flange. If any barrier fails to test, the BOP stack will not be nippled down until after the cement job is completed.
6. Skid rig to next well on pad.
7. Confirm well is static before removing cap flange.
8. If well is not static notify BLM and kill well prior to cementing or nippling up for further remediation.
9. Install offline cement tool.
10. Rig up cement equipment.
a. Notify BLM prior to cement job.
11. Perform cement job.
12. Confirm well is static and floats are holding after cement job.
13. Remove cement equipment, offline cement tools and install night cap with pressure gauge for monitoring.

Other proposed operations facets attachment:

TacoCat27_34FdCom12H_SpudRigData_20190213131851.pdf

TacoCat27_34FdCom12H_GasCapPlan_20190221111008.pdf

TacoCat27_34FdCom12H_DrillPlan_10_DayLtrREVISION_20190801150505.pdf

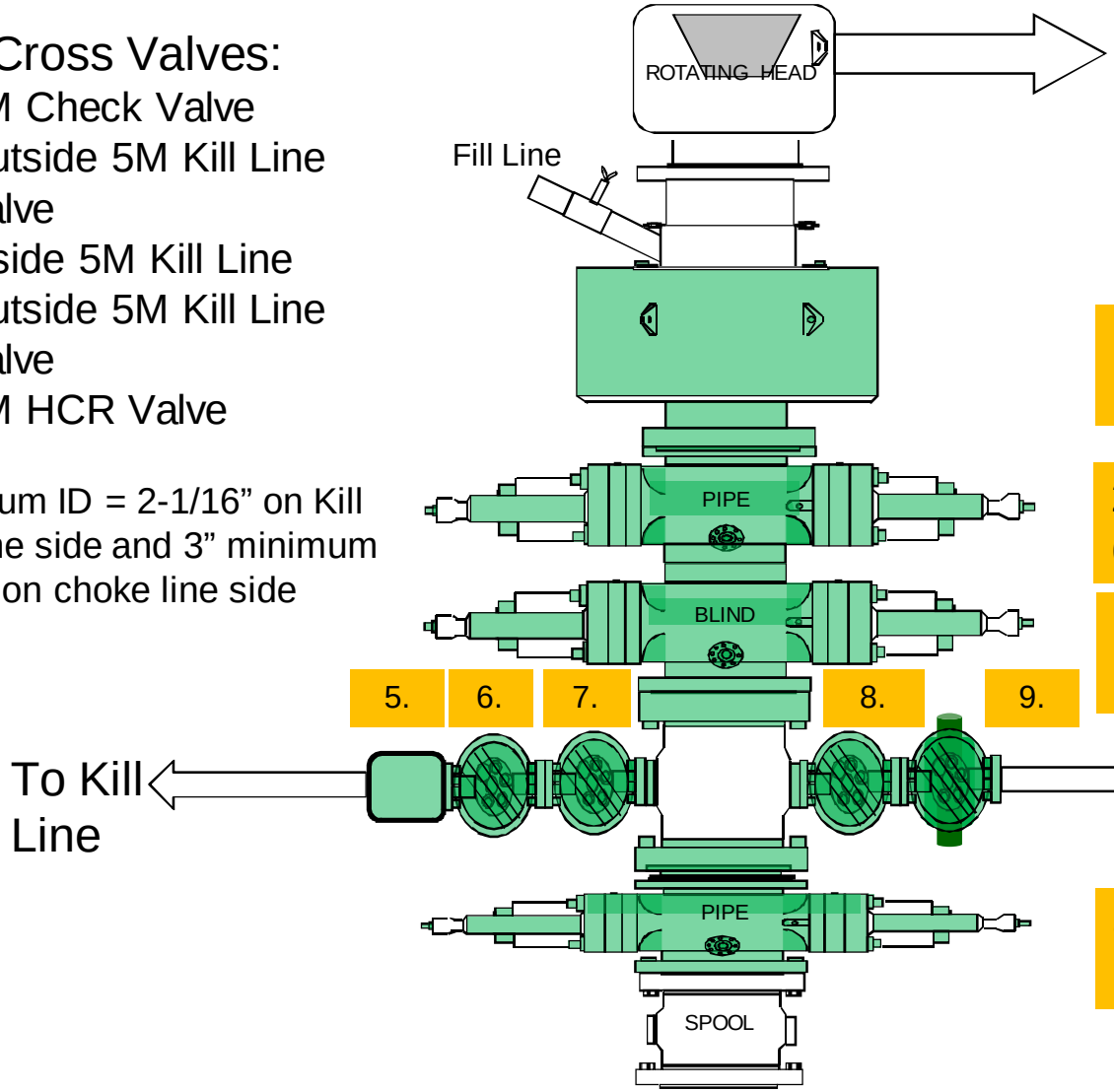
Other Variance attachment:

5M BOP Stack

Mud Cross Valves:

5. 5M Check Valve
6. Outside 5M Kill Line Valve
7. Inside 5M Kill Line
8. Outside 5M Kill Line Valve
9. 5M HCR Valve

*Minimum ID = 2-1/16” on Kill Line side and 3” minimum ID on choke line side

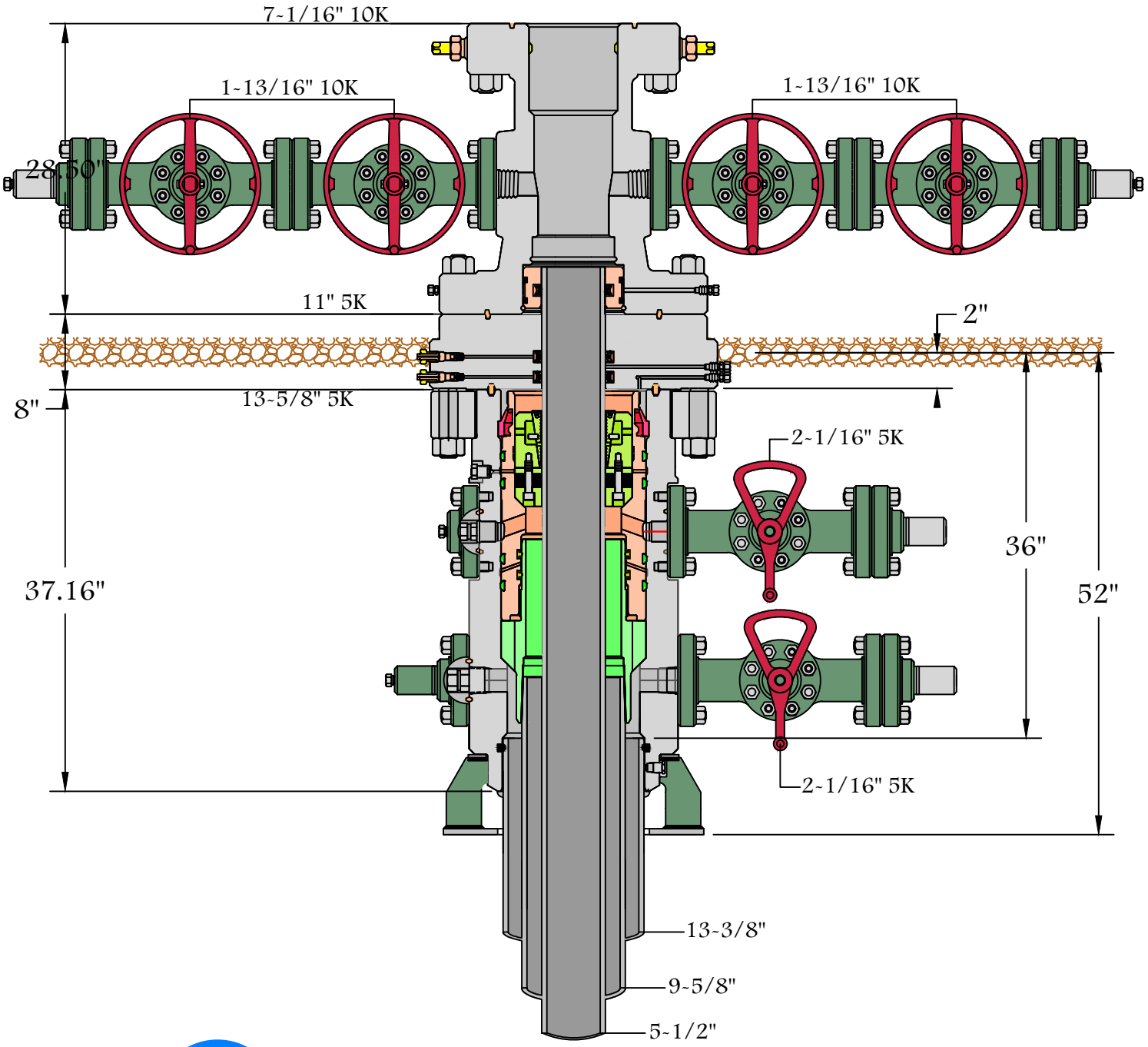


1. 5000 psi Annular (13-5/8” ID)

2. 5,000 psi Upper Pipe Ram (13-5/8” ID)

3. 5,000 psi Blind Ram (13-5/8” ID)

4. 5,000 psi Lower Pipe Ram (13-5/8” ID)



13-5/8" 5K MN-DS

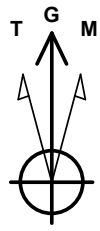
CAMERON
A Schlumberger Company

Name:	Brandon	Date:	5-10-17	Working Pressure:	#	1505172

Project:	PRD NM DIRECTIONAL PLANS (NAD 1983)
Site:	TACO CAT 27-34 FED COM
Well:	TACO CAT 27_34 FED COM 26H
Wellbore:	Wellbore #1
Design:	Permitting Plan

PROJECT DETAILS: NM DIRECTIONAL PLANS (NAD 1983)

Geodetic System:	US State Plane 1983
Datum:	North American Datum 1983
Ellipsoid:	GRS 1980
Zone:	New Mexico Eastern Zone
System Datum:	Mean Sea Level



Azimuths to Grid North
True North: -0.36°
Magnetic North: 6.39°

Magnetic Field
Strength: 48104.8snT
Dip Angle: 60.12°
Date: 11/19/2018
Model: HDGM

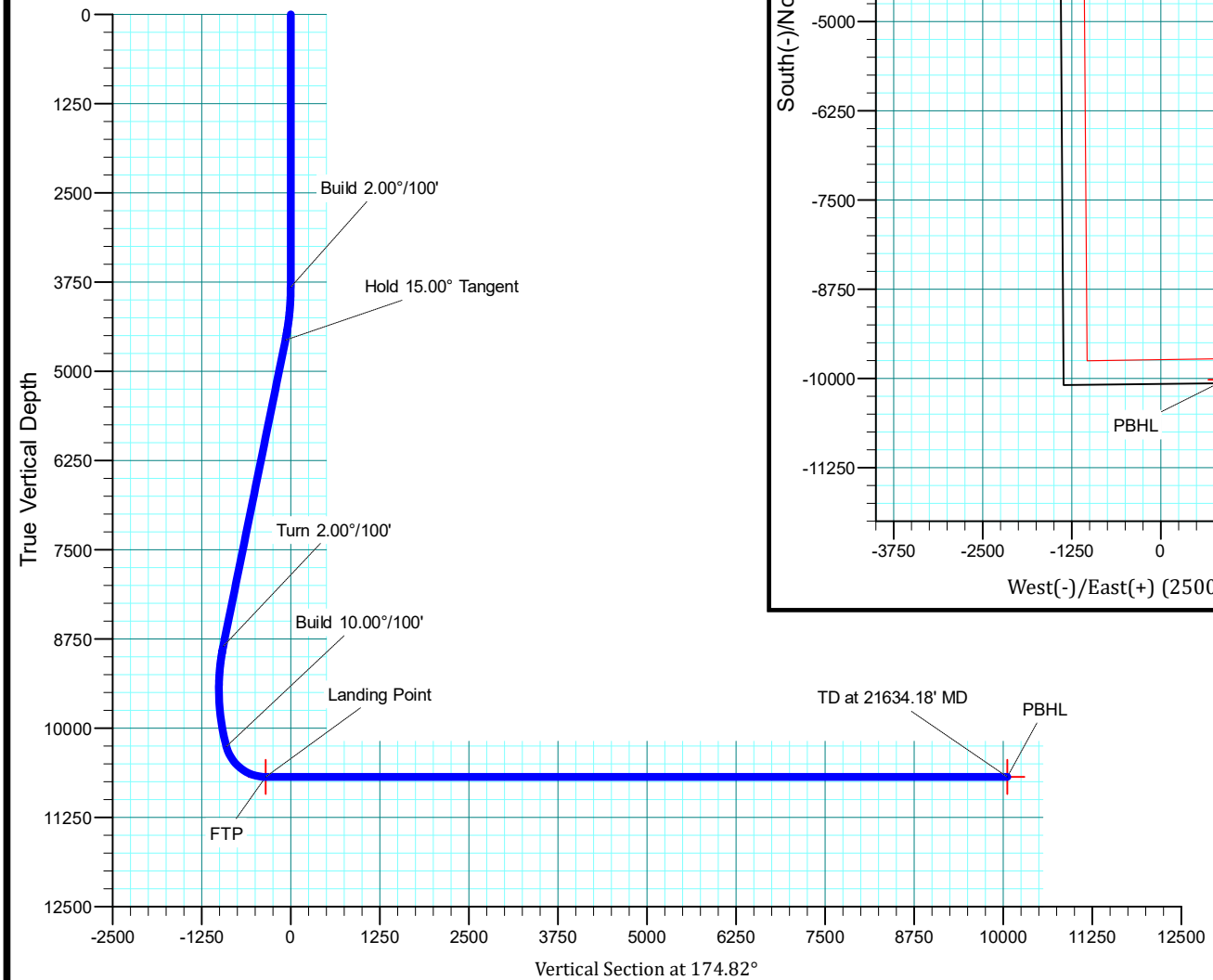
WELL DETAILS: TACO CAT 27_34 FED COM 26H

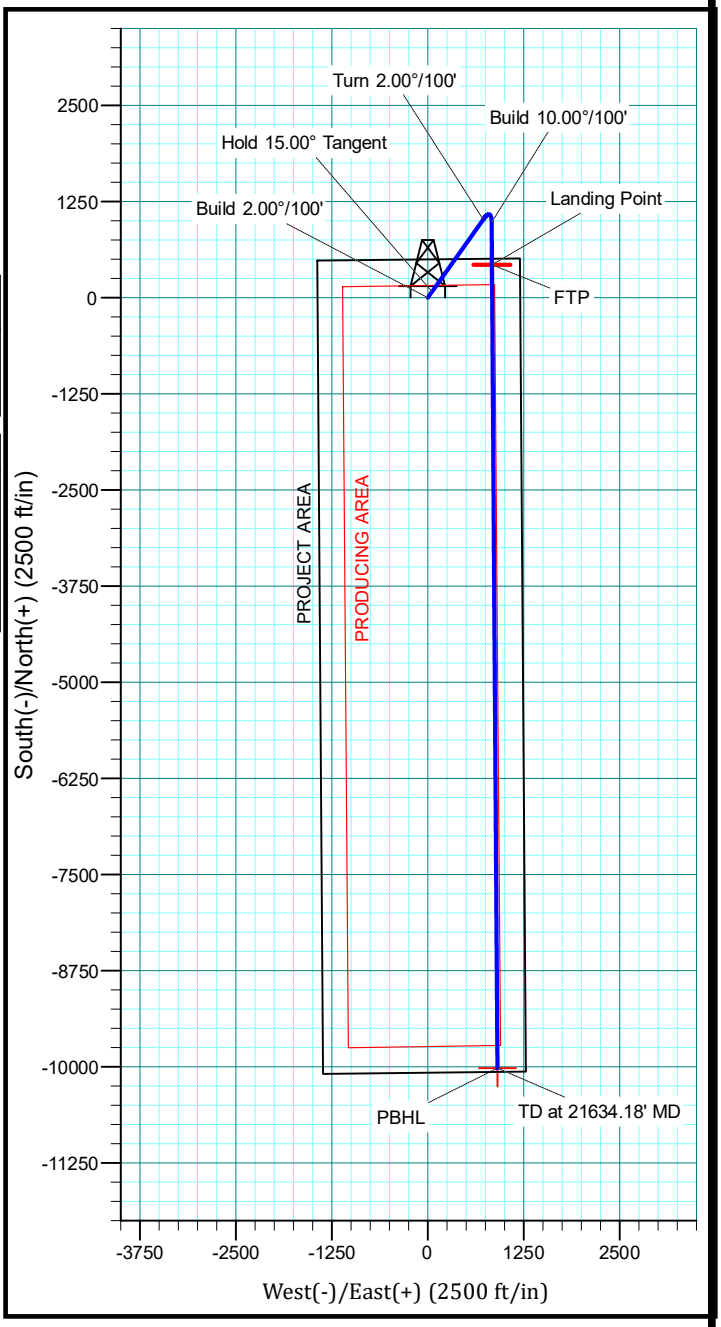
Ground Level: 3654.70

+N/-S	+E/-W	Northing	Easting	Latitude	Longitude
0.00	0.00	498463.03	749858.38	32° 22' 6.729511 N	103° 39' 28.622621 W

SECTION DETAILS

MD	Inc	Azi	TVD	+N/-S	+E/-W	DLeg	TFace	VSect	Annotation
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
3821.00	0.00	0.00	3821.00	0.00	0.00	0.00	0.00	0.00	Build 2.00°/100'
4571.12	15.00	35.41	4562.58	79.59	56.58	2.00	35.41	-74.15	Hold 15.00° Tangent
9012.99	15.00	35.41	8853.04	1016.75	722.77	0.00	0.00	-947.30	Turn 2.00°/100'
10438.92	15.00	179.61	10259.53	981.93	833.26	2.00	161.51	-902.64	Build 10.00°/100'
11188.92	90.00	179.61	10684.20	428.51	837.05	10.00	0.00	-351.14	Landing Point
21634.18	90.00	179.61	10684.20	-10016.51	908.54	0.00	0.00	10057.63	TD at 21634.18' MD





OXY

PRD NM DIRECTIONAL PLANS (NAD 1983)
TACO CAT 27-34 FED COM
TACO CAT 27_34 FED COM 12H

Wellbore #1

Plan: Permitting Plan

Standard Planning Report

20 November, 2018

Database:	HOPSPP	**Local Co-ordinate Reference:**	Well TACO CAT 27_34 FED COM 12H
Company:	ENGINEERING DESIGNS	**TVD Reference:**	RKB=26.5' @ 3671.80ft
Project:	PRD NM DIRECTIONAL PLANS (NAD 1983)	**MD Reference:**	RKB=26.5' @ 3671.80ft
Site:	TACO CAT 27-34 FED COM	**North Reference:**	Grid
Well:	TACO CAT 27_34 FED COM 12H	**Survey Calculation Method:**	Minimum Curvature
Wellbore:	Wellbore #1		
Design:	Permitting Plan		

Project PRD NM DIRECTIONAL PLANS (NAD 1983)

Map System:	US State Plane 1983	**System Datum:**	Mean Sea Level
Geo Datum:	North American Datum 1983		
Map Zone:	New Mexico Eastern Zone		Using geodetic scale factor

Site TACO CAT 27-34 FED COM

Site Position:		**Northing:**	498,686.80 usft	**Latitude:**	32° 22' 9.142705 N
From:	Map	**Easting:**	746,647.78 usft	**Longitude:**	103° 40' 6.040188 W
Position Uncertainty:	50.00 ft	**Slot Radius:**	13.200 in	**Grid Convergence:**	0.36 °

Well TACO CAT 27_34 FED COM 12H

Well Position	**+N/-S**	4.10 ft	**Northing:**	498,690.90 usft	**Latitude:**	32° 22' 9.056658 N
	+E/-W	2,049.08 ft	**Easting:**	748,696.77 usft	**Longitude:**	103° 39' 42.149650 W
Position Uncertainty		0.00 ft	**Wellhead Elevation:**	0.00 ft	**Ground Level:**	3,645.30 ft

Wellbore Wellbore #1

Magnetics	Model Name	Sample Date	Declination (°)	Dip Angle (°)	Field Strength (nT)
	HDGM	11/20/2018	6.75	60.12	48,105

Design Permitting Plan

Audit Notes:

Version:	**Phase:**	PROTOTYPE	**Tie On Depth:**	0.00

Vertical Section:	Depth From (TVD) (ft)	+N/-S (ft)	+E/-W (ft)	Direction (°)
	0.00	0.00	0.00	186.06

Plan Sections

Measured Depth (ft)	Inclination (°)	Azimuth (°)	Vertical Depth (ft)	+N/-S (ft)	+E/-W (ft)	Dogleg Rate (°/100ft)	Build Rate (°/100ft)	Turn Rate (°/100ft)	TFO (°)	Target
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
2,970.00	0.00	0.00	2,970.00	0.00	0.00	0.00	0.00	0.00	0.00	
3,869.77	18.00	309.59	3,855.05	89.31	-108.00	2.00	2.00	0.00	309.59	
7,498.65	18.00	309.59	7,306.41	803.78	-971.95	0.00	0.00	0.00	0.00	
9,124.79	18.00	179.60	8,895.90	710.08	-1,169.07	2.00	0.00	-7.99	-153.87	
9,844.79	90.00	179.60	9,291.80	165.18	-1,165.24	10.00	10.00	0.00	0.00	FTP (Taco Cat
20,287.38	90.00	179.60	9,291.80	-10,277.15	-1,091.78	0.00	0.00	0.00	0.00	PBHL (Taco Cat

Database:	HOPSPP	**Local Co-ordinate Reference:**	Well TACO CAT 27_34 FED COM 12H
Company:	ENGINEERING DESIGNS	**TVD Reference:**	RKB=26.5' @ 3671.80ft
Project:	PRD NM DIRECTIONAL PLANS (NAD 1983)	**MD Reference:**	RKB=26.5' @ 3671.80ft
Site:	TACO CAT 27-34 FED COM	**North Reference:**	Grid
Well:	TACO CAT 27_34 FED COM 12H	**Survey Calculation Method:**	Minimum Curvature
Wellbore:	Wellbore #1		
Design:	Permitting Plan		

Planned Survey

Measured Depth (ft)	Inclination (°)	Azimuth (°)	Vertical Depth (ft)	+N/-S (ft)	+E/-W (ft)	Vertical Section (ft)	Dogleg Rate (°/100ft)	Build Rate (°/100ft)	Turn Rate (°/100ft)
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
100.00	0.00	0.00	100.00	0.00	0.00	0.00	0.00	0.00	0.00
200.00	0.00	0.00	200.00	0.00	0.00	0.00	0.00	0.00	0.00
300.00	0.00	0.00	300.00	0.00	0.00	0.00	0.00	0.00	0.00
400.00	0.00	0.00	400.00	0.00	0.00	0.00	0.00	0.00	0.00
500.00	0.00	0.00	500.00	0.00	0.00	0.00	0.00	0.00	0.00
600.00	0.00	0.00	600.00	0.00	0.00	0.00	0.00	0.00	0.00
700.00	0.00	0.00	700.00	0.00	0.00	0.00	0.00	0.00	0.00
800.00	0.00	0.00	800.00	0.00	0.00	0.00	0.00	0.00	0.00
900.00	0.00	0.00	900.00	0.00	0.00	0.00	0.00	0.00	0.00
1,000.00	0.00	0.00	1,000.00	0.00	0.00	0.00	0.00	0.00	0.00
1,100.00	0.00	0.00	1,100.00	0.00	0.00	0.00	0.00	0.00	0.00
1,200.00	0.00	0.00	1,200.00	0.00	0.00	0.00	0.00	0.00	0.00
1,300.00	0.00	0.00	1,300.00	0.00	0.00	0.00	0.00	0.00	0.00
1,400.00	0.00	0.00	1,400.00	0.00	0.00	0.00	0.00	0.00	0.00
1,500.00	0.00	0.00	1,500.00	0.00	0.00	0.00	0.00	0.00	0.00
1,600.00	0.00	0.00	1,600.00	0.00	0.00	0.00	0.00	0.00	0.00
1,700.00	0.00	0.00	1,700.00	0.00	0.00	0.00	0.00	0.00	0.00
1,800.00	0.00	0.00	1,800.00	0.00	0.00	0.00	0.00	0.00	0.00
1,900.00	0.00	0.00	1,900.00	0.00	0.00	0.00	0.00	0.00	0.00
2,000.00	0.00	0.00	2,000.00	0.00	0.00	0.00	0.00	0.00	0.00
2,100.00	0.00	0.00	2,100.00	0.00	0.00	0.00	0.00	0.00	0.00
2,200.00	0.00	0.00	2,200.00	0.00	0.00	0.00	0.00	0.00	0.00
2,300.00	0.00	0.00	2,300.00	0.00	0.00	0.00	0.00	0.00	0.00
2,400.00	0.00	0.00	2,400.00	0.00	0.00	0.00	0.00	0.00	0.00
2,500.00	0.00	0.00	2,500.00	0.00	0.00	0.00	0.00	0.00	0.00
2,600.00	0.00	0.00	2,600.00	0.00	0.00	0.00	0.00	0.00	0.00
2,700.00	0.00	0.00	2,700.00	0.00	0.00	0.00	0.00	0.00	0.00
2,800.00	0.00	0.00	2,800.00	0.00	0.00	0.00	0.00	0.00	0.00
2,900.00	0.00	0.00	2,900.00	0.00	0.00	0.00	0.00	0.00	0.00
2,970.00	0.00	0.00	2,970.00	0.00	0.00	0.00	0.00	0.00	0.00
3,000.00	0.60	309.59	3,000.00	0.10	-0.12	-0.09	2.00	2.00	0.00
3,100.00	2.60	309.59	3,099.96	1.88	-2.27	-1.63	2.00	2.00	0.00
3,200.00	4.60	309.59	3,199.75	5.88	-7.11	-5.10	2.00	2.00	0.00
3,300.00	6.60	309.59	3,299.27	12.10	-14.63	-10.49	2.00	2.00	0.00
3,400.00	8.60	309.59	3,398.39	20.53	-24.82	-17.79	2.00	2.00	0.00
3,500.00	10.60	309.59	3,496.98	31.15	-37.67	-27.00	2.00	2.00	0.00
3,600.00	12.60	309.59	3,594.93	43.97	-53.17	-38.11	2.00	2.00	0.00
3,700.00	14.60	309.59	3,692.13	58.95	-71.29	-51.09	2.00	2.00	0.00
3,800.00	16.60	309.59	3,788.44	76.09	-92.01	-65.94	2.00	2.00	0.00
3,869.77	18.00	309.59	3,855.05	89.31	-108.00	-77.40	2.00	2.00	0.00
3,900.00	18.00	309.59	3,883.80	95.26	-115.19	-82.56	0.00	0.00	0.00
4,000.00	18.00	309.59	3,978.91	114.95	-139.00	-99.62	0.00	0.00	0.00
4,100.00	18.00	309.59	4,074.02	134.64	-162.81	-116.69	0.00	0.00	0.00
4,200.00	18.00	309.59	4,169.13	154.33	-186.62	-133.75	0.00	0.00	0.00
4,300.00	18.00	309.59	4,264.23	174.02	-210.42	-150.81	0.00	0.00	0.00
4,400.00	18.00	309.59	4,359.34	193.70	-234.23	-167.88	0.00	0.00	0.00
4,500.00	18.00	309.59	4,454.45	213.39	-258.04	-184.94	0.00	0.00	0.00
4,600.00	18.00	309.59	4,549.56	233.08	-281.85	-202.00	0.00	0.00	0.00
4,700.00	18.00	309.59	4,644.67	252.77	-305.65	-219.07	0.00	0.00	0.00
4,800.00	18.00	309.59	4,739.77	272.46	-329.46	-236.13	0.00	0.00	0.00
4,900.00	18.00	309.59	4,834.88	292.15	-353.27	-253.19	0.00	0.00	0.00
5,000.00	18.00	309.59	4,929.99	311.83	-377.08	-270.25	0.00	0.00	0.00
5,100.00	18.00	309.59	5,025.10	331.52	-400.89	-287.32	0.00	0.00	0.00

Database:	HOPSPP	**Local Co-ordinate Reference:**	Well TACO CAT 27_34 FED COM 12H
Company:	ENGINEERING DESIGNS	**TVD Reference:**	RKB=26.5' @ 3671.80ft
Project:	PRD NM DIRECTIONAL PLANS (NAD 1983)	**MD Reference:**	RKB=26.5' @ 3671.80ft
Site:	TACO CAT 27-34 FED COM	**North Reference:**	Grid
Well:	TACO CAT 27_34 FED COM 12H	**Survey Calculation Method:**	Minimum Curvature
Wellbore:	Wellbore #1		
Design:	Permitting Plan		

Planned Survey

Measured Depth (ft)	Inclination (°)	Azimuth (°)	Vertical Depth (ft)	+N/-S (ft)	+E/-W (ft)	Vertical Section (ft)	Dogleg Rate (°/100ft)	Build Rate (°/100ft)	Turn Rate (°/100ft)
5,200.00	18.00	309.59	5,120.21	351.21	-424.69	-304.38	0.00	0.00	0.00
5,300.00	18.00	309.59	5,215.32	370.90	-448.50	-321.44	0.00	0.00	0.00
5,400.00	18.00	309.59	5,310.42	390.59	-472.31	-338.51	0.00	0.00	0.00
5,500.00	18.00	309.59	5,405.53	410.28	-496.12	-355.57	0.00	0.00	0.00
5,600.00	18.00	309.59	5,500.64	429.96	-519.92	-372.63	0.00	0.00	0.00
5,700.00	18.00	309.59	5,595.75	449.65	-543.73	-389.70	0.00	0.00	0.00
5,800.00	18.00	309.59	5,690.86	469.34	-567.54	-406.76	0.00	0.00	0.00
5,900.00	18.00	309.59	5,785.96	489.03	-591.35	-423.82	0.00	0.00	0.00
6,000.00	18.00	309.59	5,881.07	508.72	-615.15	-440.89	0.00	0.00	0.00
6,100.00	18.00	309.59	5,976.18	528.41	-638.96	-457.95	0.00	0.00	0.00
6,200.00	18.00	309.59	6,071.29	548.09	-662.77	-475.01	0.00	0.00	0.00
6,300.00	18.00	309.59	6,166.40	567.78	-686.58	-492.08	0.00	0.00	0.00
6,400.00	18.00	309.59	6,261.51	587.47	-710.38	-509.14	0.00	0.00	0.00
6,500.00	18.00	309.59	6,356.61	607.16	-734.19	-526.20	0.00	0.00	0.00
6,600.00	18.00	309.59	6,451.72	626.85	-758.00	-543.26	0.00	0.00	0.00
6,700.00	18.00	309.59	6,546.83	646.54	-781.81	-560.33	0.00	0.00	0.00
6,800.00	18.00	309.59	6,641.94	666.22	-805.62	-577.39	0.00	0.00	0.00
6,900.00	18.00	309.59	6,737.05	685.91	-829.42	-594.45	0.00	0.00	0.00
7,000.00	18.00	309.59	6,832.15	705.60	-853.23	-611.52	0.00	0.00	0.00
7,100.00	18.00	309.59	6,927.26	725.29	-877.04	-628.58	0.00	0.00	0.00
7,200.00	18.00	309.59	7,022.37	744.98	-900.85	-645.64	0.00	0.00	0.00
7,300.00	18.00	309.59	7,117.48	764.67	-924.65	-662.71	0.00	0.00	0.00
7,400.00	18.00	309.59	7,212.59	784.35	-948.46	-679.77	0.00	0.00	0.00
7,498.65	18.00	309.59	7,306.41	803.78	-971.95	-696.60	0.00	0.00	0.00
7,500.00	17.97	309.55	7,307.70	804.04	-972.27	-696.83	2.00	-1.80	-2.85
7,600.00	16.20	306.39	7,403.28	822.14	-995.39	-712.39	2.00	-1.77	-3.16
7,700.00	14.49	302.49	7,499.72	837.14	-1,017.18	-725.00	2.00	-1.71	-3.90
7,800.00	12.85	297.59	7,596.88	849.01	-1,037.58	-734.65	2.00	-1.63	-4.90
7,900.00	11.33	291.36	7,694.67	857.74	-1,056.59	-741.32	2.00	-1.52	-6.23
8,000.00	9.99	283.35	7,792.94	863.32	-1,074.18	-745.01	2.00	-1.35	-8.01
8,100.00	8.88	273.14	7,891.60	865.74	-1,090.33	-745.72	2.00	-1.10	-10.21
8,200.00	8.13	260.58	7,990.50	865.01	-1,105.02	-743.44	2.00	-0.76	-12.56
8,300.00	7.82	246.30	8,089.55	861.12	-1,118.23	-738.17	2.00	-0.31	-14.28
8,400.00	8.01	231.81	8,188.60	854.07	-1,129.94	-729.93	2.00	0.19	-14.49
8,500.00	8.67	218.76	8,287.55	843.88	-1,140.14	-718.72	2.00	0.66	-13.05
8,600.00	9.71	208.00	8,386.28	830.56	-1,148.82	-704.55	2.00	1.03	-10.76
8,700.00	11.00	199.52	8,484.65	814.12	-1,155.97	-687.45	2.00	1.30	-8.48
8,800.00	12.49	192.91	8,582.56	794.58	-1,161.57	-667.43	2.00	1.48	-6.60
8,900.00	14.10	187.74	8,679.88	771.97	-1,165.63	-644.52	2.00	1.61	-5.17
9,000.00	15.80	183.64	8,776.49	746.32	-1,168.13	-618.74	2.00	1.70	-4.11
9,100.00	17.56	180.32	8,872.29	717.65	-1,169.08	-590.13	2.00	1.76	-3.31
9,124.79	18.00	179.60	8,895.90	710.08	-1,169.07	-582.61	2.00	1.79	-2.92
9,200.00	25.52	179.60	8,965.69	682.22	-1,168.88	-554.92	10.00	10.00	0.00
9,300.00	35.52	179.60	9,051.73	631.50	-1,168.52	-504.52	10.00	10.00	0.00
9,400.00	45.52	179.60	9,127.65	566.61	-1,168.07	-440.05	10.00	10.00	0.00
9,500.00	55.52	179.60	9,191.15	489.53	-1,167.52	-363.45	10.00	10.00	0.00
9,600.00	65.52	179.60	9,240.30	402.59	-1,166.91	-277.06	10.00	10.00	0.00
9,700.00	75.52	179.60	9,273.60	308.43	-1,166.25	-183.50	10.00	10.00	0.00
9,800.00	85.52	179.60	9,290.05	209.92	-1,165.56	-85.62	10.00	10.00	0.00
9,844.79	90.00	179.60	9,291.80	165.18	-1,165.24	-41.16	10.00	10.00	0.00
9,900.00	90.00	179.60	9,291.80	109.97	-1,164.85	13.70	0.00	0.00	0.00
10,000.00	90.00	179.60	9,291.80	9.97	-1,164.15	113.06	0.00	0.00	0.00
10,100.00	90.00	179.60	9,291.80	-90.02	-1,163.45	212.42	0.00	0.00	0.00
10,200.00	90.00	179.60	9,291.80	-190.02	-1,162.74	311.79	0.00	0.00	0.00

Database:	HOPSPP	**Local Co-ordinate Reference:**	Well TACO CAT 27_34 FED COM 12H
Company:	ENGINEERING DESIGNS	**TVD Reference:**	RKB=26.5' @ 3671.80ft
Project:	PRD NM DIRECTIONAL PLANS (NAD 1983)	**MD Reference:**	RKB=26.5' @ 3671.80ft
Site:	TACO CAT 27-34 FED COM	**North Reference:**	Grid
Well:	TACO CAT 27_34 FED COM 12H	**Survey Calculation Method:**	Minimum Curvature
Wellbore:	Wellbore #1		
Design:	Permitting Plan		

Planned Survey

Measured Depth (ft)	Inclination (°)	Azimuth (°)	Vertical Depth (ft)	+N/-S (ft)	+E/-W (ft)	Vertical Section (ft)	Dogleg Rate (°/100ft)	Build Rate (°/100ft)	Turn Rate (°/100ft)
10,300.00	90.00	179.60	9,291.80	-290.02	-1,162.04	411.15	0.00	0.00	0.00
10,400.00	90.00	179.60	9,291.80	-390.02	-1,161.34	510.52	0.00	0.00	0.00
10,500.00	90.00	179.60	9,291.80	-490.01	-1,160.63	609.88	0.00	0.00	0.00
10,600.00	90.00	179.60	9,291.80	-590.01	-1,159.93	709.24	0.00	0.00	0.00
10,700.00	90.00	179.60	9,291.80	-690.01	-1,159.22	808.61	0.00	0.00	0.00
10,800.00	90.00	179.60	9,291.80	-790.01	-1,158.52	907.97	0.00	0.00	0.00
10,900.00	90.00	179.60	9,291.80	-890.00	-1,157.82	1,007.33	0.00	0.00	0.00
11,000.00	90.00	179.60	9,291.80	-990.00	-1,157.11	1,106.70	0.00	0.00	0.00
11,100.00	90.00	179.60	9,291.80	-1,090.00	-1,156.41	1,206.06	0.00	0.00	0.00
11,200.00	90.00	179.60	9,291.80	-1,190.00	-1,155.71	1,305.43	0.00	0.00	0.00
11,300.00	90.00	179.60	9,291.80	-1,289.99	-1,155.00	1,404.79	0.00	0.00	0.00
11,400.00	90.00	179.60	9,291.80	-1,389.99	-1,154.30	1,504.15	0.00	0.00	0.00
11,500.00	90.00	179.60	9,291.80	-1,489.99	-1,153.60	1,603.52	0.00	0.00	0.00
11,600.00	90.00	179.60	9,291.80	-1,589.99	-1,152.89	1,702.88	0.00	0.00	0.00
11,700.00	90.00	179.60	9,291.80	-1,689.98	-1,152.19	1,802.24	0.00	0.00	0.00
11,800.00	90.00	179.60	9,291.80	-1,789.98	-1,151.49	1,901.61	0.00	0.00	0.00
11,900.00	90.00	179.60	9,291.80	-1,889.98	-1,150.78	2,000.97	0.00	0.00	0.00
12,000.00	90.00	179.60	9,291.80	-1,989.98	-1,150.08	2,100.33	0.00	0.00	0.00
12,100.00	90.00	179.60	9,291.80	-2,089.97	-1,149.38	2,199.70	0.00	0.00	0.00
12,200.00	90.00	179.60	9,291.80	-2,189.97	-1,148.67	2,299.06	0.00	0.00	0.00
12,300.00	90.00	179.60	9,291.80	-2,289.97	-1,147.97	2,398.43	0.00	0.00	0.00
12,400.00	90.00	179.60	9,291.80	-2,389.97	-1,147.27	2,497.79	0.00	0.00	0.00
12,500.00	90.00	179.60	9,291.80	-2,489.96	-1,146.56	2,597.15	0.00	0.00	0.00
12,600.00	90.00	179.60	9,291.80	-2,589.96	-1,145.86	2,696.52	0.00	0.00	0.00
12,700.00	90.00	179.60	9,291.80	-2,689.96	-1,145.15	2,795.88	0.00	0.00	0.00
12,800.00	90.00	179.60	9,291.80	-2,789.96	-1,144.45	2,895.24	0.00	0.00	0.00
12,900.00	90.00	179.60	9,291.80	-2,889.95	-1,143.75	2,994.61	0.00	0.00	0.00
13,000.00	90.00	179.60	9,291.80	-2,989.95	-1,143.04	3,093.97	0.00	0.00	0.00
13,100.00	90.00	179.60	9,291.80	-3,089.95	-1,142.34	3,193.34	0.00	0.00	0.00
13,200.00	90.00	179.60	9,291.80	-3,189.95	-1,141.64	3,292.70	0.00	0.00	0.00
13,300.00	90.00	179.60	9,291.80	-3,289.94	-1,140.93	3,392.06	0.00	0.00	0.00
13,400.00	90.00	179.60	9,291.80	-3,389.94	-1,140.23	3,491.43	0.00	0.00	0.00
13,500.00	90.00	179.60	9,291.80	-3,489.94	-1,139.53	3,590.79	0.00	0.00	0.00
13,600.00	90.00	179.60	9,291.80	-3,589.94	-1,138.82	3,690.15	0.00	0.00	0.00
13,700.00	90.00	179.60	9,291.80	-3,689.93	-1,138.12	3,789.52	0.00	0.00	0.00
13,800.00	90.00	179.60	9,291.80	-3,789.93	-1,137.42	3,888.88	0.00	0.00	0.00
13,900.00	90.00	179.60	9,291.80	-3,889.93	-1,136.71	3,988.24	0.00	0.00	0.00
14,000.00	90.00	179.60	9,291.80	-3,989.93	-1,136.01	4,087.61	0.00	0.00	0.00
14,100.00	90.00	179.60	9,291.80	-4,089.92	-1,135.31	4,186.97	0.00	0.00	0.00
14,200.00	90.00	179.60	9,291.80	-4,189.92	-1,134.60	4,286.34	0.00	0.00	0.00
14,300.00	90.00	179.60	9,291.80	-4,289.92	-1,133.90	4,385.70	0.00	0.00	0.00
14,400.00	90.00	179.60	9,291.80	-4,389.92	-1,133.20	4,485.06	0.00	0.00	0.00
14,500.00	90.00	179.60	9,291.80	-4,489.91	-1,132.49	4,584.43	0.00	0.00	0.00
14,600.00	90.00	179.60	9,291.80	-4,589.91	-1,131.79	4,683.79	0.00	0.00	0.00
14,700.00	90.00	179.60	9,291.80	-4,689.91	-1,131.08	4,783.15	0.00	0.00	0.00
14,800.00	90.00	179.60	9,291.80	-4,789.91	-1,130.38	4,882.52	0.00	0.00	0.00
14,900.00	90.00	179.60	9,291.80	-4,889.90	-1,129.68	4,981.88	0.00	0.00	0.00
15,000.00	90.00	179.60	9,291.80	-4,989.90	-1,128.97	5,081.24	0.00	0.00	0.00
15,100.00	90.00	179.60	9,291.80	-5,089.90	-1,128.27	5,180.61	0.00	0.00	0.00
15,200.00	90.00	179.60	9,291.80	-5,189.90	-1,127.57	5,279.97	0.00	0.00	0.00
15,300.00	90.00	179.60	9,291.80	-5,289.89	-1,126.86	5,379.34	0.00	0.00	0.00
15,400.00	90.00	179.60	9,291.80	-5,389.89	-1,126.16	5,478.70	0.00	0.00	0.00
15,500.00	90.00	179.60	9,291.80	-5,489.89	-1,125.46	5,578.06	0.00	0.00	0.00
15,600.00	90.00	179.60	9,291.80	-5,589.89	-1,124.75	5,677.43	0.00	0.00	0.00

Database:	HOPSPP	**Local Co-ordinate Reference:**	Well TACO CAT 27_34 FED COM 12H
Company:	ENGINEERING DESIGNS	**TVD Reference:**	RKB=26.5' @ 3671.80ft
Project:	PRD NM DIRECTIONAL PLANS (NAD 1983)	**MD Reference:**	RKB=26.5' @ 3671.80ft
Site:	TACO CAT 27-34 FED COM	**North Reference:**	Grid
Well:	TACO CAT 27_34 FED COM 12H	**Survey Calculation Method:**	Minimum Curvature
Wellbore:	Wellbore #1		
Design:	Permitting Plan		

Planned Survey

Measured Depth (ft)	Inclination (°)	Azimuth (°)	Vertical Depth (ft)	+N/-S (ft)	+E/-W (ft)	Vertical Section (ft)	Dogleg Rate (°/100ft)	Build Rate (°/100ft)	Turn Rate (°/100ft)
15,700.00	90.00	179.60	9,291.80	-5,689.88	-1,124.05	5,776.79	0.00	0.00	0.00
15,800.00	90.00	179.60	9,291.80	-5,789.88	-1,123.35	5,876.15	0.00	0.00	0.00
15,900.00	90.00	179.60	9,291.80	-5,889.88	-1,122.64	5,975.52	0.00	0.00	0.00
16,000.00	90.00	179.60	9,291.80	-5,989.88	-1,121.94	6,074.88	0.00	0.00	0.00
16,100.00	90.00	179.60	9,291.80	-6,089.87	-1,121.24	6,174.25	0.00	0.00	0.00
16,200.00	90.00	179.60	9,291.80	-6,189.87	-1,120.53	6,273.61	0.00	0.00	0.00
16,300.00	90.00	179.60	9,291.80	-6,289.87	-1,119.83	6,372.97	0.00	0.00	0.00
16,400.00	90.00	179.60	9,291.80	-6,389.87	-1,119.13	6,472.34	0.00	0.00	0.00
16,500.00	90.00	179.60	9,291.80	-6,489.86	-1,118.42	6,571.70	0.00	0.00	0.00
16,600.00	90.00	179.60	9,291.80	-6,589.86	-1,117.72	6,671.06	0.00	0.00	0.00
16,700.00	90.00	179.60	9,291.80	-6,689.86	-1,117.01	6,770.43	0.00	0.00	0.00
16,800.00	90.00	179.60	9,291.80	-6,789.86	-1,116.31	6,869.79	0.00	0.00	0.00
16,900.00	90.00	179.60	9,291.80	-6,889.86	-1,115.61	6,969.15	0.00	0.00	0.00
17,000.00	90.00	179.60	9,291.80	-6,989.85	-1,114.90	7,068.52	0.00	0.00	0.00
17,100.00	90.00	179.60	9,291.80	-7,089.85	-1,114.20	7,167.88	0.00	0.00	0.00
17,200.00	90.00	179.60	9,291.80	-7,189.85	-1,113.50	7,267.25	0.00	0.00	0.00
17,300.00	90.00	179.60	9,291.80	-7,289.85	-1,112.79	7,366.61	0.00	0.00	0.00
17,400.00	90.00	179.60	9,291.80	-7,389.84	-1,112.09	7,465.97	0.00	0.00	0.00
17,500.00	90.00	179.60	9,291.80	-7,489.84	-1,111.39	7,565.34	0.00	0.00	0.00
17,600.00	90.00	179.60	9,291.80	-7,589.84	-1,110.68	7,664.70	0.00	0.00	0.00
17,700.00	90.00	179.60	9,291.80	-7,689.84	-1,109.98	7,764.06	0.00	0.00	0.00
17,800.00	90.00	179.60	9,291.80	-7,789.83	-1,109.28	7,863.43	0.00	0.00	0.00
17,900.00	90.00	179.60	9,291.80	-7,889.83	-1,108.57	7,962.79	0.00	0.00	0.00
18,000.00	90.00	179.60	9,291.80	-7,989.83	-1,107.87	8,062.16	0.00	0.00	0.00
18,100.00	90.00	179.60	9,291.80	-8,089.83	-1,107.17	8,161.52	0.00	0.00	0.00
18,200.00	90.00	179.60	9,291.80	-8,189.82	-1,106.46	8,260.88	0.00	0.00	0.00
18,300.00	90.00	179.60	9,291.80	-8,289.82	-1,105.76	8,360.25	0.00	0.00	0.00
18,400.00	90.00	179.60	9,291.80	-8,389.82	-1,105.06	8,459.61	0.00	0.00	0.00
18,500.00	90.00	179.60	9,291.80	-8,489.82	-1,104.35	8,558.97	0.00	0.00	0.00
18,600.00	90.00	179.60	9,291.80	-8,589.81	-1,103.65	8,658.34	0.00	0.00	0.00
18,700.00	90.00	179.60	9,291.80	-8,689.81	-1,102.94	8,757.70	0.00	0.00	0.00
18,800.00	90.00	179.60	9,291.80	-8,789.81	-1,102.24	8,857.06	0.00	0.00	0.00
18,900.00	90.00	179.60	9,291.80	-8,889.81	-1,101.54	8,956.43	0.00	0.00	0.00
19,000.00	90.00	179.60	9,291.80	-8,989.80	-1,100.83	9,055.79	0.00	0.00	0.00
19,100.00	90.00	179.60	9,291.80	-9,089.80	-1,100.13	9,155.16	0.00	0.00	0.00
19,200.00	90.00	179.60	9,291.80	-9,189.80	-1,099.43	9,254.52	0.00	0.00	0.00
19,300.00	90.00	179.60	9,291.80	-9,289.80	-1,098.72	9,353.88	0.00	0.00	0.00
19,400.00	90.00	179.60	9,291.80	-9,389.79	-1,098.02	9,453.25	0.00	0.00	0.00
19,500.00	90.00	179.60	9,291.80	-9,489.79	-1,097.32	9,552.61	0.00	0.00	0.00
19,600.00	90.00	179.60	9,291.80	-9,589.79	-1,096.61	9,651.97	0.00	0.00	0.00
19,700.00	90.00	179.60	9,291.80	-9,689.79	-1,095.91	9,751.34	0.00	0.00	0.00
19,800.00	90.00	179.60	9,291.80	-9,789.78	-1,095.21	9,850.70	0.00	0.00	0.00
19,900.00	90.00	179.60	9,291.80	-9,889.78	-1,094.50	9,950.07	0.00	0.00	0.00
20,000.00	90.00	179.60	9,291.80	-9,989.78	-1,093.80	10,049.43	0.00	0.00	0.00
20,100.00	90.00	179.60	9,291.80	-10,089.78	-1,093.10	10,148.79	0.00	0.00	0.00
20,200.00	90.00	179.60	9,291.80	-10,189.77	-1,092.39	10,248.16	0.00	0.00	0.00
20,287.38	90.00	179.60	9,291.80	-10,277.15	-1,091.78	10,334.98	0.00	0.00	0.00

Database:	HOPSPP	**Local Co-ordinate Reference:**	Well TACO CAT 27_34 FED COM 12H
Company:	ENGINEERING DESIGNS	**TVD Reference:**	RKB=26.5' @ 3671.80ft
Project:	PRD NM DIRECTIONAL PLANS (NAD 1983)	**MD Reference:**	RKB=26.5' @ 3671.80ft
Site:	TACO CAT 27-34 FED COM	**North Reference:**	Grid
Well:	TACO CAT 27_34 FED COM 12H	**Survey Calculation Method:**	Minimum Curvature
Wellbore:	Wellbore #1		
Design:	Permitting Plan		

Design Targets

Target Name - hit/miss target - Shape	Dip Angle (°)	Dip Dir. (°)	TVD (ft)	+N/-S (ft)	+E/-W (ft)	Northing (usft)	Easting (usft)	Latitude	Longitude
FTP (Taco Cat 27_34 - plan hits target center - Point	0.00	0.00	9,291.80	165.18	-1,165.24	498,856.07	747,531.58	32° 22' 10.763199 N	103° 39' 55.723183
PBHL (Taco Cat - plan hits target center - Point	0.00	0.00	9,291.80	-10,277.15	-1,091.78	488,414.20	747,605.04	32° 20' 27.434434 N	103° 39' 55.626206

Plan Annotations

Measured Depth (ft)	Vertical Depth (ft)	Local Coordinates +N/-S (ft)	Local Coordinates +E/-W (ft)	Comment
2,970.00	2,970.00	0.00	0.00	Build 2.00°/100'
3,869.77	3,855.05	89.31	-108.00	Hold 18.00° Tangent
7,498.65	7,306.41	803.78	-971.95	Turn 2.00°/100'
9,124.79	8,895.90	710.08	-1,169.07	Build 10.00°/100'
9,844.79	9,291.80	165.18	-1,165.24	Landing Point
20,287.38	9,291.80	-10,277.15	-1,091.78	TD at 20287.38' MD

Oxy USA Inc. - TACO CAT 27_34 FED COM 12H

1. Geologic Formations

TVD of target	9291'	Pilot Hole Depth	N/A
MD at TD:	20287'	Deepest Expected fresh water:	848'

Delaware Basin

Formation	TVD - RKB	Expected Fluids
Rustler	848	
Salado	1,332	Salt
Castile	3,151	Salt
Lamar/Delaware	4,696	Oil/Gas/Brine
Bell Canyon	4,726	Oil/Gas/Brine
Cherry Canyon	5,617	Oil/Gas/Brine
Brushy Canyon	6,873	Oil/Gas/Brine
Bone Spring	**8,545**	**Oil/Gas**

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

2. Casing Program

Hole Size (in)	Casing Interval		Csg. Size (in)	Weight (lbs)	Grade	Conn.	SF Collapse	SF Burst	Buoyant Body SF Tension	Buoyant Joint SF Tension
	From (ft)	To (ft)								
14.75	0	1272	10.75	40.5	J-55	BTC	1.125	1.2	1.4	1.4
9.875	0	9024	7.625	26.4	L-80 HC	BTC	1.125	1.2	1.4	1.4
6.75	0	20287	5.5	20	P-110	DQX	1.125	1.2	1.4	1.4
							SF Values will meet or Exceed			

All casing strings will be tested in accordance with Onshore Oil and Gas Order #2 III.B.1.h

*Oxy requests the option to set casing shallower yet still below the salts if losses or hole conditions require this. Cement volumes may be adjusted if casing is set shallower and a DV tool may be run in case hole conditions merit pumping a second stage cement job to comply with permitted top of cement. If cement circulated to surface during first stage, we will drop a cancelation cone and not pump the second stage.

*Oxy requests the option to run production casing with DQX, SF TORQ, and/or DQW TORQ connections to accommodate hole conditions or drilling operations.

Annular Clearance Variance Request

As per the agreement reached in the Oxy/BLM meeting on Feb 22, 2018, Oxy requests permission to allow deviation from the 0.422" annular clearance requirement from Onshore Order #2 under the following conditions:

1. Annular clearance to meet or exceed 0.422" between intermediate casing ID and production casing coupling only on the first 500' overlap between both casings.
2. Annular clearance less than 0.422" is acceptable for the curve and lateral portions of the production open hole section.

	Y or N
Is casing new? If used, attach certification as required in Onshore Order #1	Y
Does casing meet API specifications? If no, attach casing specification sheet.	Y
Is premium or uncommon casing planned? If yes attach casing specification sheet.	Y
Does the above casing design meet or exceed BLM's minimum standards? If not provide justification (loading assumptions, casing design criteria).	Y
Will the intermediate pipe be kept at a minimum 1/3 fluid filled to avoid approaching the collapse pressure rating of the casing?	Y
Is well located within Capitan Reef?	N
If yes, does production casing cement tie back a minimum of 50' above the Reef?	
Is well within the designated 4 string boundary.	
Is well located in SOPA but not in R-111-P?	N
If yes, are the first 2 strings cemented to surface and 3rd string cement tied back 500' into previous casing?	
Is well located in R-111-P and SOPA?	N
If yes, are the first three strings cemented to surface?	
Is 2nd string set 100' to 600' below the base of salt?	
Is well located in high Cave/Karst?	N
If yes, are there two strings cemented to surface?	
(For 2 string wells) If yes, is there a contingency casing if lost circulation occurs?	
Is well located in critical Cave/Karst?	N
If yes, are there three strings cemented to surface?	

3. Cementing Program

Casing String	# Sks	Wt. (lb/gal)	Yld (ft3/sack)	H20 (gal/sk)	500# Comp. Strength (hours)	Slurry Description
Surface (Lead)	N/A	N/A	N/A	N/A	N/A	N/A
Surface (Tail)	1051	14.8	1.33	6.365	5:26	Class C Cement, Accelerator
Intermediate 1st Stage (Lead)	N/A	N/A	N/A	N/A	N/A	N/A
Intermediate 1st Stage (Tail)	267	13.2	1.65	8.640	11:54	Class H Cement, Retarder, Dispersant, Salt
Intermediate 2nd Stage (Tail Slurry) to be pumped as Bradenhead Squeeze from surface, down the Intermediate annulus						
Intermediate 2nd Stage (Lead)	N/A	N/A	N/A	N/A	N/A	N/A
Intermediate 2nd Stage (Tail)	875	12.9	1.92	10.41	23:10	Class C Cement, Accelerator
Production (Lead)	N/A	N/A	N/A	N/A	N/A	N/A
Production (Tail)	862	13.2	1.38	6.686	3:39	Class H Cement, Retarder, Dispersant, Salt

Oxy USA Inc. - TACO CAT 27_34 FED COM 12H

Casing String	Top (ft)	Bottom (ft)	% Excess
Surface (Lead)	N/A	N/A	N/A
Surface (Tail)	0	1272	100%
Intermediate 1st Stage (Lead)	N/A	N/A	N/A
Intermediate 1st Stage (Tail)	7123	9024	5%
Intermediate 2nd Stage (Lead)	N/A	N/A	N/A
Intermediate 2nd Stage (Tail)	0	7123	10%
Production (Lead)	N/A	N/A	N/A
Production (Tail)	8524	20287	20%

Oxy requests a variance to cement the 9.625" and/or 7.625" intermediate casing strings offline in accordance to the approved variance, EC Tran 461365.

The summarized operational sequence will be as follows:

1. Run casing as per normal operations. While running casing, conduct negative pressure test and confirm integrity of the float equipment (float collar and shoe).
2. Land casing.
3. Fill pipe with kill weight fluid, and confirm well is static.
    a. If well is not static notify BLM and kill well.
    b. Once well is static notify BLM with intent to proceed with nipple down and offline cementing.
4. Set and pressure test annular packoff.
5. After confirmation of both annular barriers and internal barriers, nipple down BOP and install cap flange. If any barrier fails to test, the BOP stack will not be nippled down until after the cement job is completed.
6. Skid rig to next well on pad.
7. Confirm well is static before removing cap flange.
8. If well is not static notify BLM and kill well prior to cementing or nippling up for further remediation.
9. Install offline cement tool.
10. Rig up cement equipment.
    a. Notify BLM prior to cement job.
11. Perform cement job.
12. Confirm well is static and floats are holding after cement job.
13. Remove cement equipment, offline cement tools and install night cap with pressure gauge for monitoring.

4. Pressure Control Equipment

BOP installed and tested before drilling which hole?	Size?	Min. Required WP	Type	✓	Tested to:
9.875" Hole	13-5/8"	3M	Annular	✓	70% of working pressure
		3M	Blind Ram	✓	250 psi / 3000 psi
			Pipe Ram		
			Double Ram	✓	
			Other*		
6.75" Hole	13-5/8"	3M	Annular	✓	70% of working pressure
		3M	Blind Ram	✓	250 psi / 3000 psi
			Pipe Ram		
			Double Ram	✓	
			Other*		

*Specify if additional ram is utilized.

Oxy will utilize a 5M annular with a 10M BOPE stack. The BOP/BOPE will be tested by an independent service company to 250 psi low and the high pressure indicated above per Onshore Order 2 requirements. The System may be upgraded to a higher pressure but still tested to the working pressure listed in the table above. If the system is upgraded all the components installed will be functional and tested.

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

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

BOP Break Testing Request

As per the agreement reached in the Oxy/BLM meeting on Feb 22, 2018, Oxy requests permission to allow BOP Break Testing under the following conditions:

- After a full BOP test is conducted on the first well on the pad.
- When skidding to drill an intermediate section that casing point is either shallower than the third Bone Spring or 10,000'TVD.
- Full BOP test will be required prior to drilling any production hole.

5. Mud Program

Depth		Type	Weight (ppg)	Viscosity	Water Loss
From (ft)	To (ft)				
0	1272	Water-Based Mud	8.6-8.8	40-60	N/C
1272	9024	Saturated Brine-Based or Oil-Based Mud	8.0-10.0	35-45	N/C
9024	20287	Water-Based or Oil-Based Mud	8.0-9.6	38-50	N/C

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

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

6. Logging and Testing Procedures

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

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

7. Drilling Conditions

Condition	Specify what type and where?
BH Pressure at deepest TVD	4639 psi
Abnormal Temperature	No
BH Temperature at deepest TVD	155°F

Pump high viscosity sweeps as needed for hole cleaning. The mud system will be monitored visually/manually as well as with an electronic PVT. The necessary mud products for additional weight and fluid loss control will be on location at all times. Appropriately weighted mud will be used to isolate potential gas, oil, and water zones until such time as casing can be cemented into place for zonal isolation.

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

8. Other facets of operation

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

Total estimated cuttings volume: 1501.7 bbls**.**

9. Company Personnel

Name	Title	Office Phone	Mobile Phone
Derek Adam	Drilling Engineer	713-366-5170	916-802-8873
William Turner	Drilling Engineer Supervisor	713-350-4951	661-817-4586
Simon Benavides	Drilling Superintendent	713-522-8652	281-684-6897
Diego Tellez	Drilling Manager	713-350-4602	713-303-4932

APD ID: 10400039118 **Submission Date:** 02/21/2019

Operator Name: OXY USA INCORPORATED

Well Name: TACO CAT 27-34 FEDERAL COM **Well Number:** 12H

Well Type: OIL WELL **Well Work Type:** Drill

Section 1 - General

Would you like to address long-term produced water disposal? NO

Section 2 - Lined Pits

Would you like to utilize Lined Pit PWD options? NO

Produced Water Disposal (PWD) Location:

PWD surface owner: **PWD disturbance (acres):**

Lined pit PWD on or off channel:

Lined pit PWD discharge volume (bbl/day):

Lined pit specifications:

Pit liner description:

Pit liner manufacturers information:

Precipitated solids disposal:

Decribe precipitated solids disposal:

Precipitated solids disposal permit:

Lined pit precipitated solids disposal schedule:

Lined pit precipitated solids disposal schedule attachment:

Lined pit reclamation description:

Lined pit reclamation attachment:

Leak detection system description:

Leak detection system attachment:

Operator Name: OXY USA INCORPORATED

Well Name: TACO CAT 27-34 FEDERAL COM **Well Number:** 12H

Lined pit Monitor description:

Lined pit Monitor attachment:

Lined pit: do you have a reclamation bond for the pit?

Is the reclamation bond a rider under the BLM bond?

Lined pit bond number:

Lined pit bond amount:

Additional bond information attachment:

Section 3 - Unlined Pits

Would you like to utilize Unlined Pit PWD options? NO

Produced Water Disposal (PWD) Location:

PWD disturbance (acres): **PWD surface owner:**

Unlined pit PWD on or off channel:

Unlined pit PWD discharge volume (bbl/day):

Unlined pit specifications:

Precipitated solids disposal:

Decribe precipitated solids disposal:

Precipitated solids disposal permit:

Unlined pit precipitated solids disposal schedule:

Unlined pit precipitated solids disposal schedule attachment:

Unlined pit reclamation description:

Unlined pit reclamation attachment:

Unlined pit Monitor description:

Unlined pit Monitor attachment:

Do you propose to put the produced water to beneficial use?

Beneficial use user confirmation:

Estimated depth of the shallowest aquifer (feet):

Does the produced water have an annual average Total Dissolved Solids (TDS) concentration equal to or less than that of the existing water to be protected?

TDS lab results:

Geologic and hydrologic evidence:

State authorization:

Unlined Produced Water Pit Estimated percolation:

Unlined pit: do you have a reclamation bond for the pit?

Operator Name: OXY USA INCORPORATED

Well Name: TACO CAT 27-34 FEDERAL COM **Well Number:** 12H

Is the reclamation bond a rider under the BLM bond?

Unlined pit bond number:

Unlined pit bond amount:

Additional bond information attachment:

Section 4 - Injection

Would you like to utilize Injection PWD options? NO

Produced Water Disposal (PWD) Location:

PWD surface owner: **PWD disturbance (acres):**

Injection PWD discharge volume (bbl/day):

Injection well mineral owner:

Injection well type:

Injection well number: **Injection well name:**

Assigned injection well API number? **Injection well API number:**

Injection well new surface disturbance (acres):

Minerals protection information:

Mineral protection attachment:

Underground Injection Control (UIC) Permit?

UIC Permit attachment:

Section 5 - Surface Discharge

Would you like to utilize Surface Discharge PWD options? NO

Produced Water Disposal (PWD) Location:

PWD surface owner: **PWD disturbance (acres):**

Surface discharge PWD discharge volume (bbl/day):

Surface Discharge NPDES Permit?

Surface Discharge NPDES Permit attachment:

Surface Discharge site facilities information:

Surface discharge site facilities map:

Section 6 - Other

Would you like to utilize Other PWD options? NO

Produced Water Disposal (PWD) Location:

PWD surface owner: **PWD disturbance (acres):**

Other PWD discharge volume (bbl/day):

Operator Name: OXY USA INCORPORATED

Well Name: TACO CAT 27-34 FEDERAL COM **Well Number:** 12H

Other PWD type description:

Other PWD type attachment:

Have other regulatory requirements been met?

Other regulatory requirements attachment:

AFMSS

U.S. Department of the Interior
BUREAU OF LAND MANAGEMENT

Bond Info Data Report

08/12/2020

APD ID: 10400039118

Submission Date: 02/21/2019

Operator Name: OXY USA INCORPORATED

Well Name: TACO CAT 27-34 FEDERAL COM

Well Number: 12H

Well Type: OIL WELL

Well Work Type: Drill

Highlighted data reflects the most recent changes

Show Final Text

Bond Information

Federal/Indian APD: FED

BLM Bond number: ESB000226

BIA Bond number:

Do you have a reclamation bond? NO

Is the reclamation bond a rider under the BLM bond?

Is the reclamation bond BLM or Forest Service?

BLM reclamation bond number:

Forest Service reclamation bond number:

Forest Service reclamation bond attachment:

Reclamation bond number:

Reclamation bond amount:

Reclamation bond rider amount:

Additional reclamation bond information attachment:

District I
1625 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720
District II
811 S. First St., Artesia, NM 88210
Phone: (575) 748-1283 Fax: (575) 748-9720
District III
1000 Rio Brazos Road, Aztec, NM 87410
Phone: (505) 334-6178 Fax: (505) 334-6170
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505
Phone: (505) 476-3460 Fax: (505) 476-3462

State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

OCD – HOBBS
08/13/2020
RECEIVED

Form C-102
Revised August 1, 2011
Submit one copy to appropriate District Office

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number	Pool Code	Pool Name
30-025- 47556	51683	RED TANK; BONE SPRING

Property Code	Property Name	Well Number
321612	TACO CAT "27_34" FEDERAL COM	12H

OGRID No.	Operator Name	Elevation
166696	OXY USA INC.	3645.3'

Surface Location

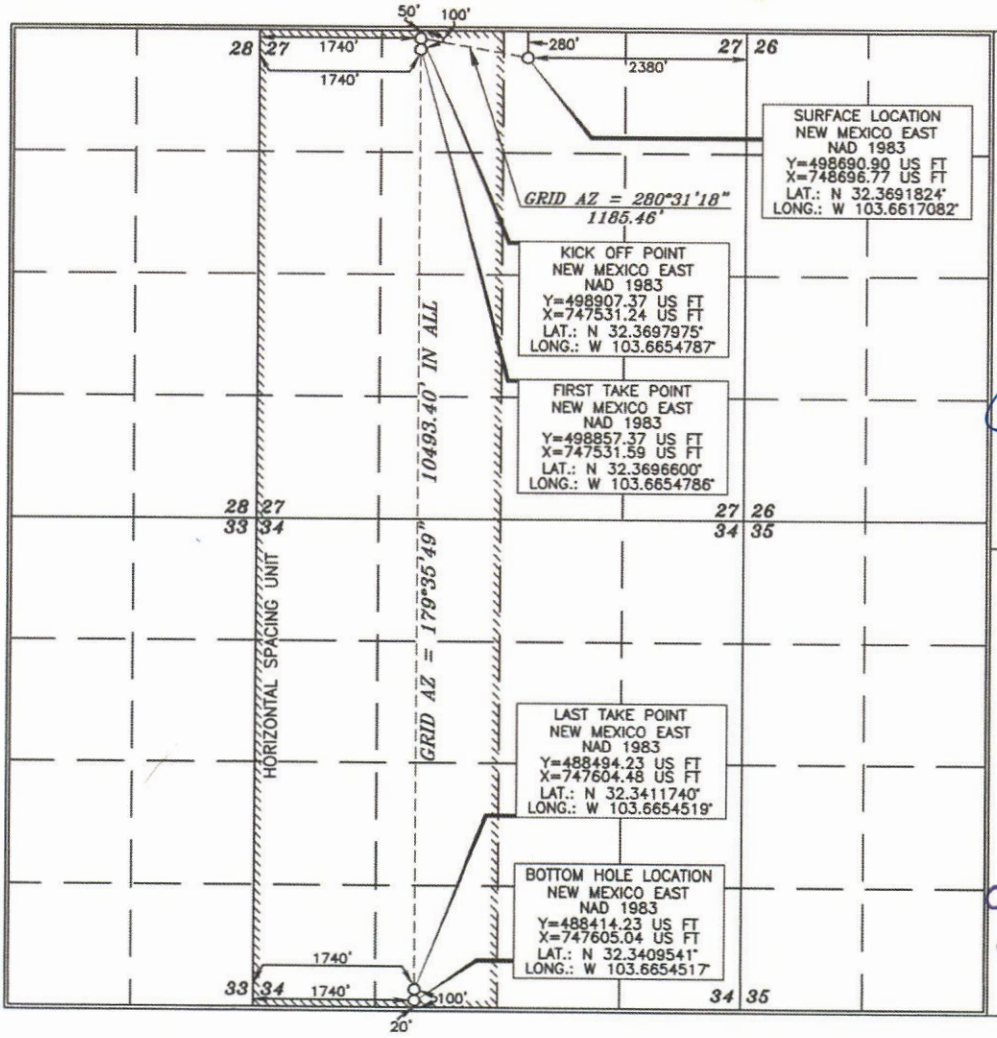
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
B	27	22 SOUTH	32 EAST, N.M.P.M.		280'	NORTH	2380'	EAST	LEA

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
N	34	22 SOUTH	32 EAST, N.M.P.M.		20'	SOUTH	1740'	WEST	LEA

Dedicated Acres	Joint or Infill	Consolidation Code	Order No.
640			

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 that the information contained 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 a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

Leslie Reeves 7/12/19
Signature Date

LESLIE REEVES
Printed Name

LESLIE_REEVES@OXY.COM
E-mail Address

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

MAY 30, 2018
Date of Survey

Signature and Seal of Professional Surveyor:

NEW MEXICO — REGISTERED PROFESSIONAL LAND SURVEYOR — 15079

Terry J. Asel 11/26/2018
Certificate Number 15079

WO# 180530WL-a (KA)

District I
1625 N. French Dr., Hobbs, NM 88240
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811 S. First St., Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
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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, NM 87505

Submit Original to Appropriate District Office

OCD – HOBBS
08/13/2020
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GAS CAPTURE PLAN

Date: 2-20-2019

☒ Original

Operator & OGRID No.: OXY USA INC. - 16696

☐ Amended - Reason for Amendment: _____

This Gas Capture Plan outlines actions to be taken by the Operator to reduce well/production facility flaring/venting for new completion (new drill, recomplete to new zone, re-frac) activity.

Note: Form C-129 must be submitted and approved prior to exceeding 60 days allowed by Rule (Subsection A of 19.15.18.12 NMAC).

Well(s)/Production Facility – Red Tank 27-28 CTB

The well(s) that will be located at the production facility are shown in the table below.

Well Name	API	Well Location (ULSTR)	Footages	Expected MCF/D	Flared or Vented	Comments
Taco Cat 27_34 Fed Com #12H	Pending **30-025-47556**	Unit B Sec. 27 T22S R32E	280'FNL 2380'FEL	4,400	0	
Taco Cat 27_34 Fed Com #13H	Pending	Unit B Sec. 27 T22S R32E	280'FNL 2345'FEL	4,400	0	
Taco Cat 27_34 Fed Com #14H	Pending	Unit B Sec. 27 T22S R32E	280'FNL 2310'FEL	4,400	0	
Taco Cat 27_34 Fed Com #15H	Pending	Unit A Sec. 27 T22S R32E	261'FNL 220'FEL	4,400	0	
Taco Cat 27_34 Fed Com #16H	Pending	Unit A Sec. 27 T22S R32E	261'FNL 185'FEL	4,400	0	
Taco Cat 27_34 Fed Com #22H	Pending	Unit C Sec. 27 T22S R32E	520'FNL 1880'FWL	2,200	0	
Taco Cat 27_34 Fed Com #23H	Pending	Unit C Sec. 27 T22S R32E	520'FNL 1915'FWL	2,200	0	
Taco Cat 27_34 Fed Com #32H	Pending	Unit C Sec. 27 T22S R32E	340'FNL 1880'FWL	4,300	0	
Taco Cat 27_34 Fed Com #33H	Pending	Unit C Sec. 27 T22S R32E	340'FNL 1915'FWL	4,300	0	
Taco Cat 27_34 Fed Com #11H	30-025-44933	Unit D Sec. 27 T22S R32E	260'FNL 855'FWL	3,000	0	
Taco Cat 27_34 Fed Com #21H	30-025-44934	Unit D Sec. 27 T22S R32E	260'FNL 785'FWL	1,300	0	
Taco Cat 27_34 Fed Com #31H	30-025-44935	Unit D Sec. 27 T22S R32E	260'FNL 820'FWL	1,300	0	
Taco Cat 27_34 Fed Com #24H	Pending	Unit A Sec. 27 T22S R32E	520'FNL 1290'FEL	2,200	0	
Taco Cat 27_34 Fed Com #25H	Pending	Unit A Sec. 27 T22S R32E	520'FNL 1255'FEL	2,200	0	
Taco Cat 27_34 Fed Com #26H	Pending	Unit A Sec. 27 T22S R32E	520'FNL 1220'FEL	2,200	0	
Taco Cat 27_34 Fed Com #34H	Pending	Unit A Sec. 27 T22S R32E	340'FNL 1290'FEL	4,300	0	
Taco Cat 27_34 Fed Com #35H	Pending	Unit A Sec. 27 T22S R32E	340'FNL 1255'FEL	4,300	0	

Taco Cat 27_34 Fed Com #36H	Pending	Unit A Sec. 27 T22S R32E	340'FNL 1220'FEL	4,300	0	
Lion Oil 28_33 Fed Com # 24H	Pending	Unit A Sec. 28 T22S R32E	911'FNL 1155'FEL	2,200	0	
Lion Oil 28_33 Fed Com # 25H	Pending	Unit A Sec. 28 T22S R32E	919'FNL 1121'FEL	2,200	0	
Lion Oil 28_33 Fed Com # 34H	Pending	Unit B Sec. 28 T22S R32E	225'FNL 1550'FEL	4,300	0	
Lion Oil 28_33 Fed Com # 35H	Pending	Unit B Sec. 28 T22S R32E	255'FNL 1515'FEL	4,300	0	
Lion Oil 28_33 Fed Com # 14H	Pending	Unit B Sec. 28 T22S R32E	835'FNL 1456'FEL	4,400	0	
Lion Oil 28_33 Fed Com # 15H	Pending	Unit B Sec. 28 T22S R32E	844'FNL 1422'FEL	4,400	0	
Lion Oil 28_33 Fed Com # 16H	Pending	Unit B Sec. 28 T22S R32E	852'FNL 1388'FEL	4,400	0	

Gathering System and Pipeline Notification

Well(s) will be connected to a production facility after flowback operations are complete, where a gas transporter system is in place. The gas produced from production facility is dedicated to DCP Midstream, LP ("DCP") and is connected to DCP's low pressure gathering system located in Lea, New Mexico. OXY USA INC. ("OXY") provides (periodically) to DCP a drilling, completion and estimated first production date for wells that are scheduled to be drilled in the foreseeable future. In addition, OXY and DCP have periodic conference calls to discuss changes to drilling and completion schedules. Gas from these wells will be processed at DCP's Processing Plant located in Sec. 30, 31 T22S R32E Lea County, New Mexico. The actual flow of the gas will be based on compression operating parameters and gathering system pressures.

Flowback Strategy

After the fracture treatment/completion operations, well(s) will be produced to temporary production tanks and gas will be flared or vented. During flowback, the fluids and sand content will be monitored. When the produced fluids contain minimal sand, the wells will be turned to production facilities. Gas sales should start as soon as the wells start flowing through the production facilities, unless there are operational issues on DCP's system at that time. Based on current information, it is OXY's belief the system can take this gas upon completion of the well(s).

Safety requirements during cleanout operations from the use of underbalanced air cleanout systems may necessitate that sand and non-pipeline quality gas be vented and/or flared rather than sold on a temporary basis.

Alternatives to Reduce Flaring

Below are alternatives considered from a conceptual standpoint to reduce the amount of gas flared.

- Power Generation – On lease
  - Only a portion of gas is consumed operating the generator, remainder of gas will be flared
- Compressed Natural Gas – On lease
  - Gas flared would be minimal, but might be uneconomical to operate when gas volume declines
- NGL Removal – On lease
  - Plants are expensive, residue gas is still flared, and uneconomical to operate when gas volume declines