| State of New Mexico | | |
|-----------------------------|------------------------|--|
| Energy, Minerals and Natura | l Resources Department | |

Form C-103 Revised 5-27-2004

| FILE IN TRIPLICATE OIL CONSERVATION D | DIVISION | |
|--|---|--|
| DISTRICT I1220 South St. Francis I1625 N. French Dr. , Hobbs, NM 88240Santa Fe, NM 87505 | | |
| DISTRICT II | 5. Indicate Type of Lease | |
| 1301 W. Grand Ave, Artesia, NM 88210 | STATE FEE X | |
| <u>DISTRICT III</u> | 6. State Oil & Gas Lease No. | |
| 1000 Rio Brazos Rd, Aztec, NM 87410 | | |
| SUNDRY NOTICES AND REPORTS ON WELLS | 7. Lease Name or Unit Agreement Name | |
| (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BA DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (Form C-101) for such p | roposals.) Section 19 | |
| 1. Type of Well: Oil Well X Gas Well Other | 8. Well No. 321 | |
| 2. Name of Operator Occidental Permian Ltd. | 9. OGRID No. 157984 | |
| 3. Address of Operator | 10. Pool name or Wildcat Hobbs (G/SA) | |
| HCR 1 Box 90 Denver City, TX 79323 | | |
| 4. Well Location | | |
| Unit Letter <u>G</u> : <u>2310</u> Feet From The <u>North</u> | 2310 Feet From The East Line | |
| | Range 38-E NMPM Lea County | |
| 11. Elevation (Show whether DF, RKB, RT GR, etc.) 3662' GL | | |
| Pit or Below-grade Tank Application or Closure | | |
| Pit Type Depth of Ground Water Distance from nearest fresh water well Distance from nearest surface water | | |
| Pit Liner Thickness mil Below-Grade Tank: Volume bbls; | Construction Material | |
| 12. Check Appropriate Box to Indicate Nature of Noti | ce, Report, or Other Data SUBSEQUENT REPORT OF: | |
| NOTICE OF INTENTION TO: | | |
| | | |
| TEMPORARILY ABANDON CHANGE PLANS COMMENCE DRILLING OPNS. PLUG & ABANDONMENT | | |
| PULL OR ALTER CASING Multiple Completion CASING TH | EST AND CEMENT JOB | |
| OTHER: OTHER: | Deepen, Run Liner & RTP | |
| PULL OR ALTER CASING Multiple Completion CASING TEST AND CEMENT JOB OTHER: OTHER: Deepen, Run Liner & RTP X 13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work) SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion. Y | | |
| proposed work) SEE RULE 1103. For Multiple Completions: Attach wellbore diag | ram of proposed completion or recompletion. | |
| 1. RUPU & RU. Test 7" & 5-1/2" casing to 1000 PSI. Lost pressure. | | |
| Tested casing. Found leaks from 400' to 3138'. Decision made to run 5-1/2" tie back liner from 3809' to surface. Install spool to land liner in. RIH w/5-1/2, 15.5# FJ liner. Land tie back shoe @3809' w/10,000# set on seal. FC set @3760'. | | |
| 4. BULLES compart truck brook circulation. Mix & nump 250 socks of Class C compart. Displace plug to FC @3760' RIAHES | | |
| 5. RIH w/bit & drill collars. Tag FC @3770'. Drill out FC, cement & shoe @3815' | . Fell free to 3871'. Circ clean. | |
| 4. RO HE'S centent truck, break circulation. Mix & pump 250 sacks of class c centent. Displace plug to 1 c (g) / oc 1 herein. 5. RIH w/bit & drill collars. Tag FC @3770'. Drill out FC, cement & shoe @3815'. Fell free to 3871'. Circ clean. 6. Continue to drill on cement & CIBP @3865'. Cut CIBP loose & push down to 4260'. Circ clean. 7. RIH w/RBP set in new casing. 8. Dump pea gravel to plug back. Dump 28, 5 gal buckets of pea gravel (140'). Tag gravel @4141'. L & T csg to 500 PSI. | | |
| 7. KIH W/KBF set in new casing. 8. Dump nea gravel to plug back. Dump 28. 5 gal buckets of pea gravel (140'). Tag gravel @4141'. L & T csg to 500 PSL @K. | | |
| 9. Break circulation & clean out pea gravel from 4140' to 4262'. Circ clean. | | |
| 10. RIH w/tbg & tag @4262'. Drill on CIPB & junk. Drill out from 4265' to 4310' | . Circ clean. | |
| 11. RU wire line & run CNL/HNGS/CCL from 4310' to 3300'. RD wire line. | ****See additional data on attached sheet**** | |
| I hereby certify that the information above is true and complete to the best of my knowledge and beli | ef. I further certify that any pit or below-grade tank has been/will be | |
| constructed or | | |
| closed according to NMOCD guidelines , a general permit or an (att plan | lached) alternative OCD-approved | |
| SIGNATURE INCLY ADMONTHE Administrative Associate DATE 12/15/2006 | | |
| | hnson@oxy.com TELEPHONE NO. 806-592-6280 | |
| APPROVED BY A CONTRACT OF THE CONTRACT. THE CONTRACT OF THE CONTRACT. THE CONTRACT OF THE CONTRACT OF THE CONTRACT OF THE CONTRACT OF THE CONTRACT. THE CONTRACT OF THE CONTRA | | |
| CONDITIONS OF APPROVAL IF ANY: | DEC 1 9 200 | |
| | | |

NHU 19-321 12/15/2006

12. RU wire line & perforate hole @4230-35', 2 JSPF 180 degree phase spiral. RD wire line.

13. Set treating packer @4152'. Pump 3000 gal of 15% NEFE acid & 1500# gelled rock salt in 3 stages. Flush w/50 bbl fresh water. Pull out of hole with treating packer.

14. Set PPI packer @3797'. Pump 10 bbl of 15% NEFE acid at perfs 4212-4035'. Reset packer @4176' & pump 10

bbl 15% NEFE acid @ perfs 4180-4200', flush w/30 bbl 10# brine. Set packer @4143 & pump 200 gal of 6490 mixed w/100 bbl fresh water. Flush w/500 bbl 10# brine.

15. Release packer & POOH with packer & tbg.

16. Run in hole with ESP equipment on 129 jts of 2-7/8" tbg. Intake set @4115'.

17. RDPU & RU. Clean location.

RUPU 11/13/2006

RDPU 12/02/2006