Form 3160-3
(November 1983)
(formerly 9-331C)

SUBMIT IN TRIPLICATE*
(Other instructions on reverse side)

Form approved.
Budget Bureau No. 1004-0136
Expires August 31, 1985

NITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

N.M. OIL CONS. COMMISSION
P.O. BOX 1980
HOBBS, NEW MEXICO 88240

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK: DRILL [X] DEEPEN [ ] PLUG BACK [ ]	5. LEASE DESIGNATION AND SERIAL NO.: NM84603X-LC029489(C)
b. TYPE OF WELL: OIL WELL [X] GAS WELL [ ] OTHER — SINGLE ZONE [ ] MULTIPLE ZONE [ ]	6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
2. NAME OF OPERATOR: OXY USA Inc.	7. UNIT AGREEMENT NAME: Central Corbin Queen Unit
3. ADDRESS OF OPERATOR: P.O. Box 50250 Midland, TX 79710	8. FARM OR LEASE NAME:
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.*) At surface: 660 FNL 450 FWL NW-NW	9. WELL NO.: 301
At proposed prod. zone: Unit D	10. FIELD AND POOL, OR WILDCAT: Central Corbin Queen
	11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA: Sec 10 T18S R33E
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*: 8 miles SE of Maljamar, NM	12. COUNTY OR PARISH: Lea — 13. STATE: NM

15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any)	870'	16. NO. OF ACRES IN LEASE: 1561	17. NO. OF ACRES ASSIGNED TO THIS WELL: 40
18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.	997'	19. PROPOSED DEPTH: 4350'	20. ROTARY OR CABLE TOOLS: Rotary
21. ELEVATIONS (Show whether DF, RT, GR, etc.): 3999'			22. APPROX. DATE WORK WILL START*: ASAP

23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12 1/4"	8 5/8"	24#	400'	300sx-Circulate to Surface
7 7/8"	5 1/2"	15.5#	4350'	1400sx-Circulate to Surface

It is proposed to drill this well to a TD of 4350'.

OPER. OGRID NO. [illegible]
PROPERTY NO. [illegible]
POOL CODE [illegible]
EFF. DATE [illegible]
API NO. [illegible]

See Other Side

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

24.

SIGNED [signature] TITLE Engineering Advisor DATE 6/15/94

(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____

APPROVED BY /s/ Richard L. Manus TITLE Area Manager DATE JUL 22 1994

CONDITIONS OF APPROVAL, IF ANY:

APPROVAL SUBJECT TO GENERAL REQUIREMENTS AND SPECIAL STIPULATIONS ATTACHED

*See Instructions On Reverse Side

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

The proposed casing program:

Surface: 8-5/8" OD 24# K55 ST&C new casing

Production: 5-1/2" OD 15.5# K55 ST&C new casing

Casing setting depth and cementing program:

A. 8-5/8" OD surface casing set at 400' in 12-1/4" hole. Circulate cement with 300 sacks Class C + 2% $CaCl_2$. If cement does not circulate, determine the top of cement by temperature survey then finish cementing to the surface through 1" in the annulus using Class "C" with 2% $CaCl_2$.

B. 5-1/2" OD production casing set @ 4350' in 7-7/8" hole. Circulate Cement with 1200 sacks Class C Light + 15 lb/sk salt + 0.25 lb/sk cellophane flakes followed by 200 sx Class C + 2% $CaCl_2$.

Note: Cement volumes may need to be adjusted to hole caliper.

Pressure Control Equipment

0' - 400'	None
400' - 4350'	10" 3000# ram type preventers with one set blind rams and one set pipe rams and a remote operating station. See attached exhibit.
	A kelly cock will be installed and maintained in operable condition and a drill string safety valve in the open position will be available on the rig floor.
	After setting the 8-5/8" casing, the blowout preventers and related control equipment shall be pressure tested to rated working pressures. Any equipment failing to test satisfactorily shall be repaired or replaced. The BOPs will be maintained ready for use until drilling operations are completed.
	BOP drills will be conducted as necessary to assure that equipment is operational and each crew is properly trained to carry out emergency duties.
	Accumulator shall maintain a pressure capacity reserve at all times to provide for the close-open-close sequence of the blind and pipe rams of the hydraulic preventers.

Mud Program:

0' - 400'	Fresh water spud mud. Using lime to control pH (9 to 10). Paper for seepage. Vis 34-36 sec.
400' - 4000'	Brine water. Wt. 10-10.2 ppg, vis 26-28 sec, pH 9.5-10 with lime. Paper for seepage control.
4000' - 4350'	Mud up with salt gel system using gel for viscosity, starch for water loss, and caustic soda/soda ash for pH control to the following characteristics: Wt. 10.1 - 10.3, vis 35-40 secs, pH 10 - 10.5 WL < 10 cc's.

Testing, Logging and Coring Program:

A. Testing program: None

B. Mud logging program: None

C. Electric logging program: CNL-LDT-GR
DLL-MSFL-Cal-GR

D. Coring program: None

No abnormal temperatures or H_2S gas are anticipated.

Anticipated starting date is one week after this application is approved by the Bureau of Land Management. It should take approximately 5 days to drill the well and another 7-10 days to complete.

DISTRICT I
P.O. Box 1980, Hobbs, NM 88240

DISTRICT II
P.O. Drawer DD, Artesia, NM 88210

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

State of New Mexico
Energy, Minerals and Natural Resources Department

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

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

☒ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number	Pool Code	Pool Name
	013285	Central Corbin Queen

Property Code	Property Name	Well Number
008587	CENTRAL CORBIN QUEEN UNIT	301

OGRID No.	Operator Name	Elevation
16696	OXY U.S.A. INC.	3999'

Surface Location

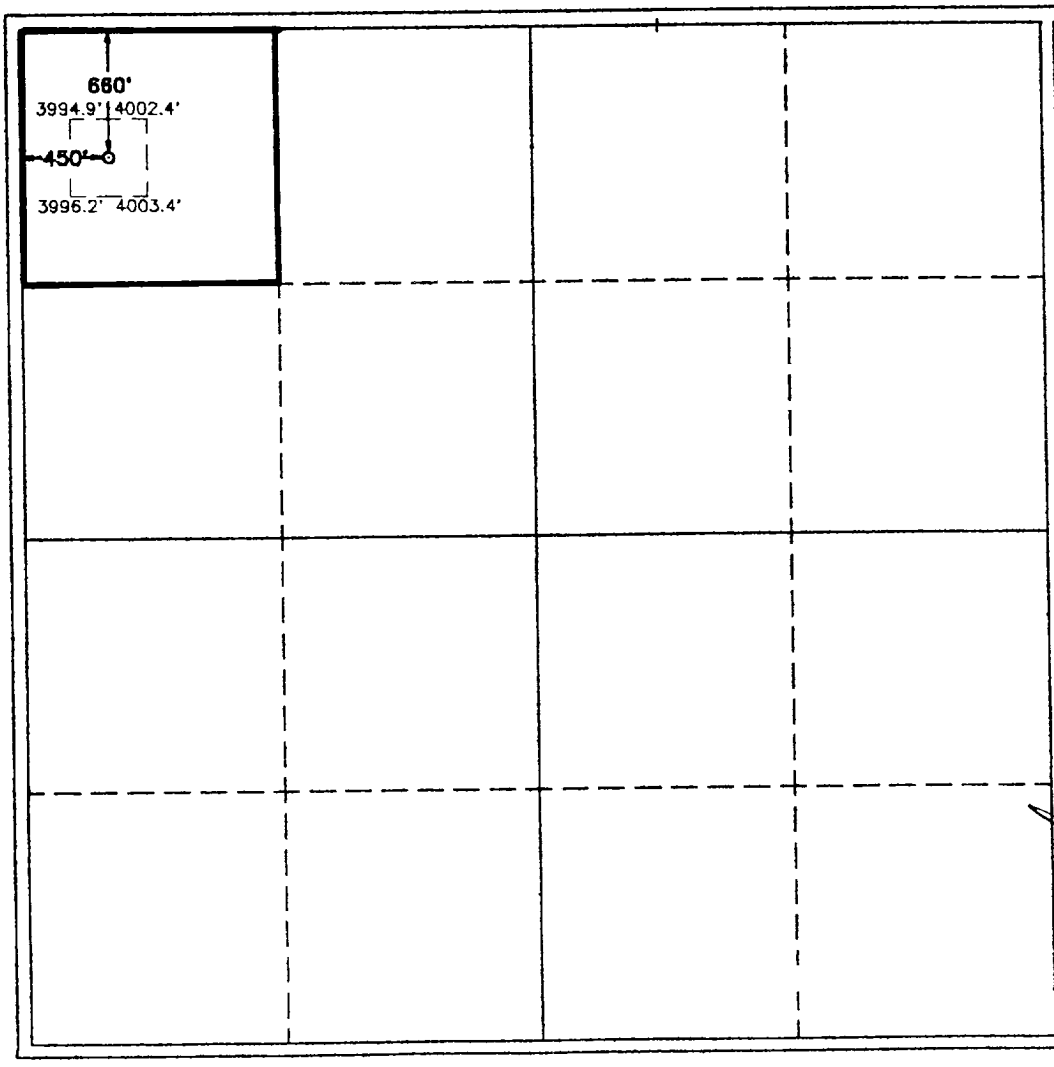
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
D	10	18 S	33 E		660	NORTH	450	WEST	LEA

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

Dedicated Acres	Joint or Infill	Consolidation Code	Order No.
40			

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



OPERATOR CERTIFICATION

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

Signature

Scott E. Gengler
Printed Name

Engineering Advisor
Title

June 27, 1994
Date

SURVEYOR CERTIFICATION

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervison, and that the same is true and correct to the best of my belief.

FEBRUARY 4, 1994
Date Surveyed

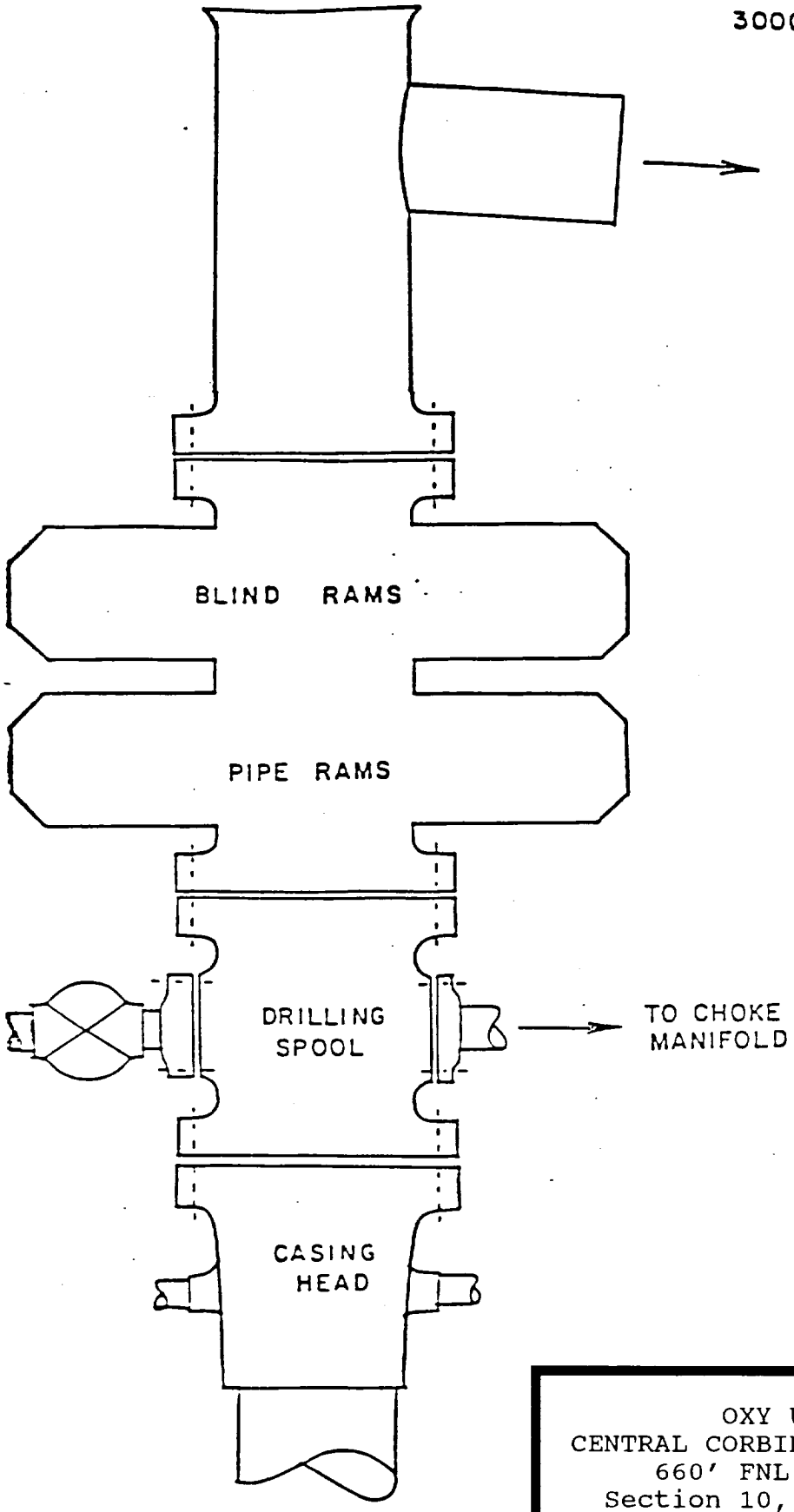
Signature & Seal of Professional Surveyor

7977

W.O. Num. 94-11-0166

Certificate No. JOHN W. WEST, 676
RONALD J. EIDSON, 3239
GARY L. JONES, 7977

BLOWOUT PREVENTER DIAGRAM
3000# W.P.



OXY USA Inc.
CENTRAL CORBIN QUEEN UNIT #301
660' FNL & 450' FWL
Section 10, T-18-S, R-33-E
Lea County, New Mexico
Federal Lease No. LC-029489(c)

OXY USA INC.
Box 50250, Midland, TX 79710

June 15, 1994

United States Department of the Interior
Bureau of Land Management
Carlsbad Resource Area
P.O. Drawer 1778
Carlsbad, New Mexico 88220

Re: Application for Permit to Drill
OXY USA Inc.
Central Corbin Queen Unit #301
Lea County, New Mexico
Lease No. LC-029489(c)

Gentlemen:

OXY USA Inc. respectfully requests permission to drill our Central Corbin Queen Unit #301, located 660' from the north line and 450' from the west line of Section 10, T-18-S, R-33-E, Lea County, New Mexico, Federal Lease No. LC-029489(c).

The location, work area, and access road have been staked. It is approximately 8 miles southeast of Maljamar, New Mexico.

In accordance with requirements stipulated in Federal Onshore Oil and Gas Order No. 1 under 43 CFR 3162.1, our Application for Permission to Drill and supporting evidence is hereby submitted.

I. Application for Permit to Drill:

1. Form 3160.3, Application for Permit to Drill.

2. Form C-102 Location and Acreage Dedication Plat certified by Gary L. Jones, Registered Land Surveyor No. 7977 in the State of New Mexico, dated January 25, 1994. Exhibit attached.

3. The elevation of the unprepared ground is 3999 feet above sea level.

4. The geologic name of the surface formation is Tertiary Ogallala.

5. Rotary drilling equipment will be utilized to drill the well to TD 4,350' and run casing. This equipment will then be rigged down and the well will be completed with a pulling unit.

6. Proposed total depth is 4,350 feet.

7. Estimated tops of important geologic markers.

Anhydrite	1540′
Yates	3015′
Seven Rivers	3445′
Queen	4210′
Total Depth	4350′

8. Estimated depths at which anticipated water, oil, gas or other mineral bearing formations are expected to be encountered:

   Primary Objective: Queen 4210′

9. The proposed casing program is as follows:

   Surface: 8-5/8" OD 24# K55 ST&C new casing

   Production: 5-1/2" OD 15.5# K55 ST&C new casing

10. Casing setting depth and cementing program:

   A. 8-5/8" OD surface casing set at 400′ in 12-1/4" hole. Circulate cement with 300 sacks Class C + 2% $CaCl_2$. If cement does not circulate, determine the top of cement by temperature survey then finish cementing to the surface through 1" in the annulus using Class "C" with 2% $CaCl_2$.

   B. 5-1/2" OD production casing set @ 4350′ in 7-7/8" hole. Circulate Cement with 1200 sacks Class C Light + 15 lb/sk salt + 0.25 lb/sk cellophane flakes followed by 200 sx Class C + 2% $CaCl_2$.

      Note: Cement volumes may need to be adjusted to hole caliper.

11. Pressure Control Equipment

0′ - 400′	None
400′ - 4350′	10" 3000# ram type preventers with one set blind rams and one set pipe rams and a remote operating station. See attached exhibit.

A kelly cock will be installed and maintained in operable condition and a drill string safety valve in the open position will be available on the rig floor.

After setting the 8-5/8" casing, the blowout preventers and related control equipment shall be pressure tested to rated working pressures. Any equipment failing to test satisfactorily shall be repaired or replaced. The BOPs will be maintained ready for use until drilling operations are completed.

BOP drills will be conducted as necessary to assure that equipment is operational and each crew is properly trained to carry out emergency duties.

Accumulator shall maintain a pressure capacity reserve at all times to provide for the close-open-close sequence of the blind and pipe rams of the hydraulic preventers.

12. Mud Program:

0′ - 400′	Fresh water spud mud. Using lime to control pH (9 to 10). Paper for seepage. Vis 34-36 sec.
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13. Testing, Logging and Coring Program:

    A. Testing program: None

    B. Mud logging program: None

    C. Electric logging program: CNL-LDT-GR
       DLL-MSFL-Cal-GR

    D. Coring program: None

14. No abnormal temperatures or H_2S gas are anticipated.

15. Anticipated starting date is one week after this application is approved by the Bureau of Land Management. It should take approximately 5 days to drill the well and another 7-10 days to complete.

16. The Multi-Point Surface Use & Operation Plan is attached.

17. If the Bureau of Land Management needs additional information to evaluate this application, please advise.

Very truly yours,

Scott E. Gengler
Engineering Advisor
Western Region

SEG/seg

Attachments