

District I
PO Box 1980, Hobbs, NM 88241-1980
District II
811 S. 1st Street, Artesia, NM 88210-2814
District III
1700 Rio Brazos P.d., Aztec, NM 87410
District IV
2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION
2040 South Pacheco
Santa Fe, NM 87505

Form C-101

Revised October 18, 1994

Instructions on back

Submit to Appropriate District Office

State Lease - 6 Copies

Fee Lease - 5 Copies

☐ AMENDED REPORT

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE

¹ Operator name and Address Occidental Permian Limited Partnership P.O. Box 4294 Houston, TX 77210-4294		² OGRID Number 157984
		³ API Number 30-025-35342
⁴ Property Code 19552	⁵ Property Name South Hobbs (GSA) Unit	
		⁶ Well No. 240

⁷ Surface Location									
UL or lot no.	Section	Township	Range	Lot. Idn	Feet from the	North/South Line	Feet from the	East/West line	County
N	34	18-S	38-E		837	South	1611	West	Lea

⁸ Proposed 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
M	34	18-S	38-E		570.6	South	1302.5	West	Lea

⁹ Proposed Pool 1 Hobbs; Grayburg - San Andres	¹⁰ Proposed Pool 2
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¹¹ Work Type Code N	¹² Well Type Code O	¹³ Cable/Rotary R	¹⁴ Lease Type Code P	¹⁵ Ground Level Elevation 3613
¹⁶ Multiple No	¹⁷ Proposed Depth 4500'	¹⁸ Formation San Andres	¹⁹ Contractor Key Energy	²⁰ Spud Date January, 2001

²¹ Proposed Casing and Cement Program					
Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
18	14	Conductor	40	50	Surface
12-1/4	8-5/8	24	1650	775	Surface
7-7/8	5-1/2	15.5	4500	950	Surface

²² Describe the proposed program. If this application is to DEEPEN or PLUG BACK give the data on the present productive zone and proposed new productive zone. Describe the blowout prevention program, if any. Use additional sheets if necessary

See attached for proposed drilling program
BOP Program 3000# Ram Preventer

Well to be drilled as a directional well due to a surface obstruction situated above the bottomhole target

Note: Well will be drilled closed-loop -- Oxy intends to haul drilling fluids and cuttings to Parabo Inc., Eunice, New Mexico

²³ I hereby certify that the information given above is true and complete to the best of my knowledge and belief.

Signature: Mark Stephens

Printed name: **Mark Stephens**

Title: **Business Analyst (SG)**

OIL CONSERVATION DIVISION

Approved by: [Signature]

Title: MAN I G

Approval Date: [Date]

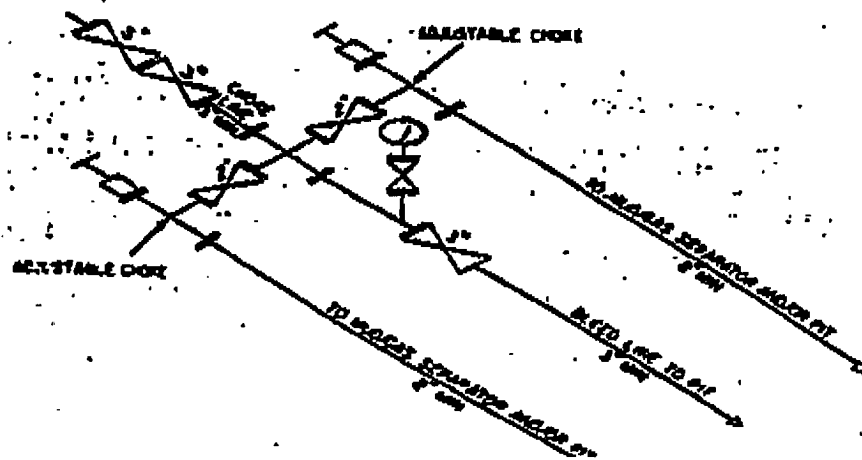
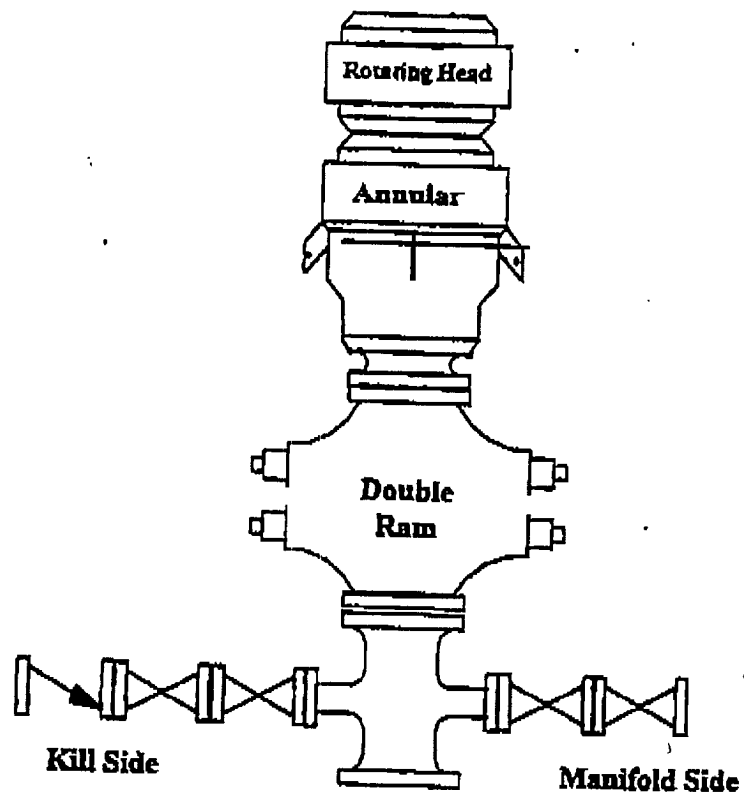
Expiration Date: [Date]

Permit Expires 1 Year From Approval
Date Unless Drilling Underway

Proposed Drilling Program
South Hobbs (GSA) Unit No. 240
Lea County, New Mexico

A 14" conductor will be set and cemented to surface with 50 sx. cement. A 12-1/4" hole will be drilled from surface to approximately 1650'. This will allow for protection of all water zones and casing off of the Red Beds. A full string of 8-5/8", 24#, J-55 surface casing will be run and set 25' into the top of the Rustler Anhydrite with cement circulated to surface. The cement will be allowed to set for a minimum of eight (8) hours (minimum 500# compressive strength) and will then be tested to 1500 psi for 30 minutes before drilling resumes. After the casing is run and cemented, weld on 8-5/8" X 11" 3M casinghead housing and nipple up BOP stack (3000# Ram Preventer).

A 7-7/8" hole will be drilled out from surface casing point (1650') to +/- 4500' TVD. A full string of 5-1/2", 15.5#, J-55 production casing will be run to TD and cemented to surface (casing test to 1500 psi will be done by the completion rig).



DISTRICT I
P.O. Box 1880, Hobbs, NM 88241-1880

State of New Mexico
Energy, Minerals and Natural Resources Department

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

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

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

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

OIL CONSERVATION DIVISION

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

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-025-35342	Pool Code 31920	Pool Name HOBBS: GRAYBURG - SAN ANDRES
Property Code 19552	Property Name SOUTH HOBBS (GSA) UNIT	Well Number 240
OGRID No. 157984	Operator Name Occidental Permian Limited Partnership	Elevation 3613

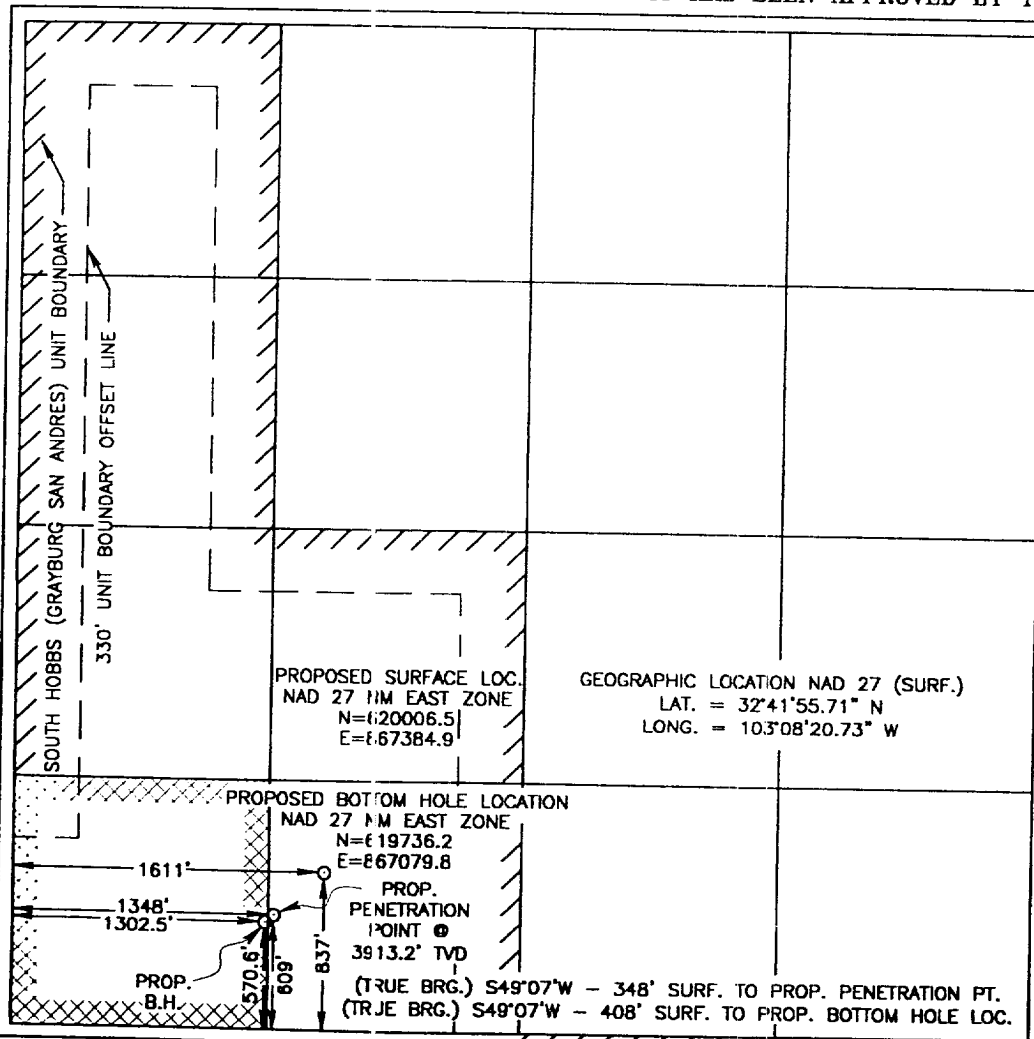
Surface Location

UL or lot No. N	Section 34	Township 18 S	Range 38 E	Lot Idn	Feet from the 837	North/South line SOUTH	Feet from the 1611	East/West line WEST	County LEA
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Bottom Hole Location If Different From Surface

UL or lot No. M	Section 34	Township 18 S	Range 38 E	Lot Idn	Feet from the 570.6	North/South line SOUTH	Feet from the 1302.5	East/West line WEST	County LEA
Dedicated Acres 40	Joint or Infill	Consolidation Code	Order No.						

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.

Mark Stephens
Signature

Mark Stephens
Printed Name

Business Analyst (SG)
Title

January 9, 2001
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 supervision, and that the same is true and correct to the best of my belief.

NOVEMBER 15, 2000

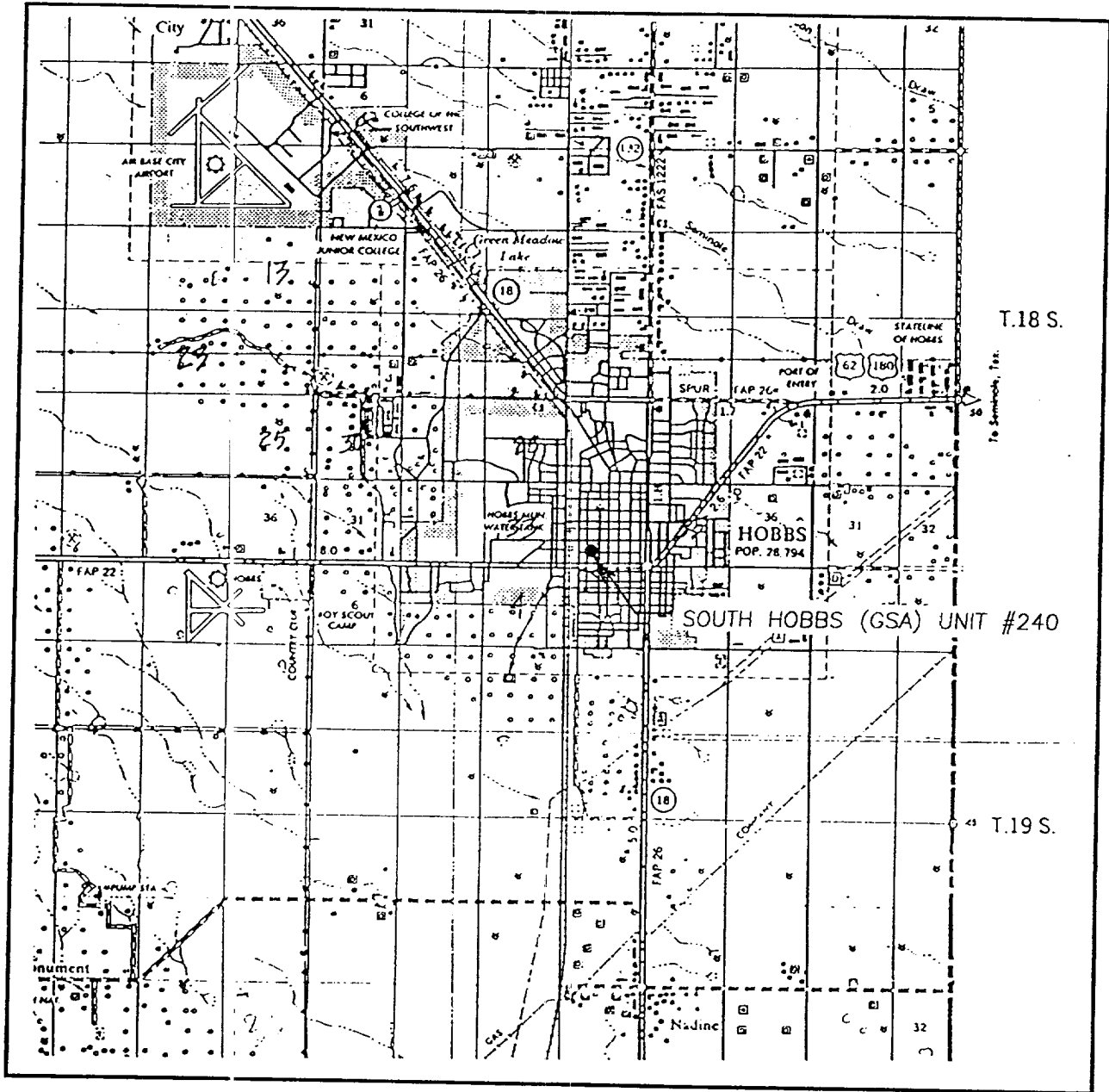
Date Surveyed LMP

Signature & Seal of
Professional Surveyor

Gary B. Eldon 01/08/01
00-11-1445

Certificate No. RONALD J. KIDSON 3239
GARY KIDSON 12841

VICINITY MAP



SCALE: 1" = 2 MILES

SEC. 34 TWP. 18-S RGE. 38-E

SURVEY N.M.P.M.

COUNTY LEA

DESCRIPTION 837' FSL & 1611' FWL

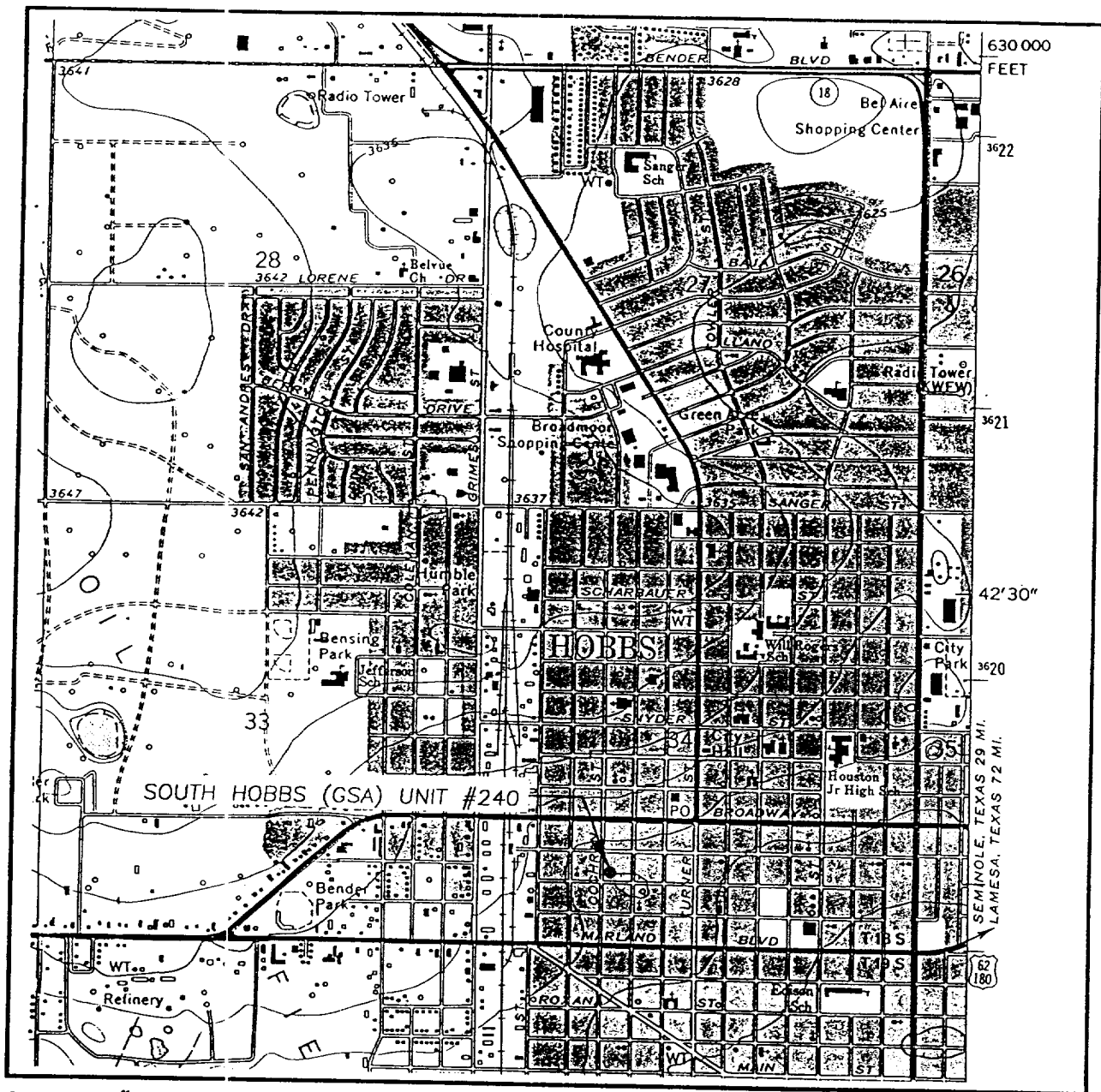
ELEVATION 3613

OPERATOR OCCIDENTAL PERMIAN LTD.

LEASE SOUTH HOBBS (GSA) UNIT

JOHN WEST SURVEYING
HOBBS, NEW MEXICO
(505) 393-3117

LOCATION VERIFICATION MAP



SCALE: 1" = 2000'

CONTOUR INTERVAL:
HOBBS WEST, N.M. - 5'

SEC. 34 TWP. 18-S RGE. 38-E

SURVEY N.M.P.M.

COUNTY LEA

DESCRIPTION 837' FSL & 1611' FWL

ELEVATION 3613

OPERATOR OCCIDENTAL PERMIAN LTD.

LEASE SOUTH HOBBS (GSA) UNIT

U.S.G.S. TOPOGRAPHIC MAP

HOBBS WEST, N.M.

JOHN WEST SURVEYING
HOBBS, NEW MEXICO
(505) 393-3117

Scientific Drilling Inc.

Planning Report

Company: OXY USA Inc. Field: Hobbs San Andres Site: Lea County, New Mexico Well: SHU #240 Wellpath: OH Original hole	Date: 12/27/2000 Co-ordinate(NE) Reference: Site: Lea County, New Mexico, True North Vertical (TVD) Reference: Mean Sea Level 0.0 above Mean Sea Level Section (VS) Reference: Site (0.0E,0.0N,229.2Azi) Plan: Plan #1
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Field: Hobbs San Andres

Map System: US State Plane Coordinate System 1927
Ellipsoid: Clarke - 1866
Sys Datum: Mean Sea Level

Map Zone: Texas, Central Zone
North Reference: True
Geomagnetic Model: igrf2000

Site: Lea County, New Mexico

Site Position:	Northing:	ft	Latitude:	
From: Local Only	Easting:	ft	Longitude:	
Position Uncertainty:	0.0 ft		Magnetic Declination:	0.00 deg
Water Depth:	0.0 ft		Grid Convergence:	deg

Well: SHU #240

Well Position:	+N/-S	0.0 ft	Northing:	ft	Latitude:
From Slot:	+E/-W	0.0 ft	Easting :	ft	Longitude:
Position Uncertainty:					

Wellpath: OH Original hole

Drilled From: Surface
Tie-on Depth: ft
V.Section Direction: 229.20 deg
Above System Datum: Mean Sea Level

Vertical Section: +N/-S 0.0 ft
From: Site +E/-W 0.0 ft
Measured Depth Reference: Mean Sea Level 0.0 ft

Plan: Plan #1

Date Composed: 12/27/2000
Version: 1

Principal: Yes

Locked: No

Plan Section Information

MD ft	Incl deg	Azin deg	TVD ft	+N/-S ft	+E/-W ft	DLS deg/100ft	Build deg/100ft	Turn deg/100ft	TFO deg	Target
0.0	0.00	0.00	0.0	0.0	0.0	0.00	0.00	0.00	0.00	
1650.0	0.00	0.00	1650.0	0.0	0.0	0.00	0.00	0.00	0.00	
2075.8	9.58	229.18	2073.8	-23.2	-26.9	2.25	2.25	-30.72	229.18	
4132.9	9.58	229.18	4102.2	-247.0	-286.0	0.00	0.00	0.00	0.00	Midpoint SHU #240
4311.4	9.58	229.18	4278.2	-266.4	-308.5	0.00	0.00	0.00	0.00	

Section 1 : Start Hold

MD ft	Incl deg	Azin deg	TVD ft	+N/-S ft	+E/-W ft	VS ft	DLS deg/100ft	Build deg/100ft	Turn deg/100ft	TFO deg
0.0	0.00	0.00	0.0	0.0	0.0	0.0	0.00	0.00	0.00	0.00
100.0	0.00	0.00	100.0	0.0	0.0	0.0	0.00	0.00	0.00	0.00
200.0	0.00	0.00	200.0	0.0	0.0	0.0	0.00	0.00	0.00	0.00
300.0	0.00	0.00	300.0	0.0	0.0	0.0	0.00	0.00	0.00	0.00
400.0	0.00	0.00	400.0	0.0	0.0	0.0	0.00	0.00	0.00	0.00
500.0	0.00	0.00	500.0	0.0	0.0	0.0	0.00	0.00	0.00	0.00
600.0	0.00	0.00	600.0	0.0	0.0	0.0	0.00	0.00	0.00	0.00
700.0	0.00	0.00	700.0	0.0	0.0	0.0	0.00	0.00	0.00	0.00
800.0	0.00	0.00	800.0	0.0	0.0	0.0	0.00	0.00	0.00	0.00
900.0	0.00	0.00	900.0	0.0	0.0	0.0	0.00	0.00	0.00	0.00
1000.0	0.00	0.00	1000.0	0.0	0.0	0.0	0.00	0.00	0.00	0.00
1100.0	0.00	0.00	1100.0	0.0	0.0	0.0	0.00	0.00	0.00	0.00
1200.0	0.00	0.00	1200.0	0.0	0.0	0.0	0.00	0.00	0.00	0.00
1300.0	0.00	0.00	1300.0	0.0	0.0	0.0	0.00	0.00	0.00	0.00
1400.0	0.00	0.00	1400.0	0.0	0.0	0.0	0.00	0.00	0.00	0.00
1500.0	0.00	0.00	1500.0	0.0	0.0	0.0	0.00	0.00	0.00	0.00
1600.0	0.00	0.00	1600.0	0.0	0.0	0.0	0.00	0.00	0.00	0.00
1650.0	0.00	0.00	1650.0	0.0	0.0	0.0	0.00	0.00	0.00	0.00

4
77
100
100

Scientific Drilling Inc.

Planning Report

Company: OXY USA Inc.
Field: Hobbs San Andres
Site: Lea County, New Mexico
Well: SHU #240
Wellpath: OH Original hole

Date: 12/27/2000 **Time:** 17:14:08 **Page:** 2
Co-ordinate(NE) Reference: Site: Lea County, New Mexico, True North
Vertical (TVD) Reference: Mean Sea Level 0.0 above Mean Sea Level
Section (VS) Reference: Site (0.0E,0.0N,229.2Azi)
Plan: Plan #1

Section 2 : Start DLS 2.25 TFO 229.18

MD ft	Incl deg	Azim deg	TVD ft	+N/-S ft	+E/-W ft	VS ft	DLS deg/100ft	Build deg/100ft	Turn deg/100ft	TFO deg
1700.0	1.13	229.18	1700.0	-0.3	-0.4	0.5	2.25	2.25	0.00	0.00
1800.0	3.38	229.18	1799.9	-2.9	-3.3	4.4	2.25	2.25	0.00	0.00
1900.0	5.63	229.18	1899.6	-8.0	-9.3	12.3	2.25	2.25	0.00	0.00
2000.0	7.88	229.18	1998.9	-15.7	-18.2	24.0	2.25	2.25	0.00	0.00
2075.8	9.58	229.18	2073.8	-23.2	-26.9	35.5	2.25	2.25	0.00	0.00

Section 3 : Start Hold

MD ft	Incl deg	Azim deg	TVD ft	+N/-S ft	+E/-W ft	VS ft	DLS deg/100ft	Build deg/100ft	Turn deg/100ft	TFO deg
2100.0	9.58	229.18	2097.7	-25.8	-29.9	39.5	0.00	0.00	0.00	180.00
2200.0	9.58	229.18	2196.3	-36.7	-42.5	56.2	0.00	0.00	0.00	180.00
2300.0	9.58	229.18	2294.9	-47.6	-55.1	72.8	0.00	0.00	0.00	180.00
2400.0	9.58	229.18	2393.5	-58.5	-67.7	89.5	0.00	0.00	0.00	180.00
2500.0	9.58	229.18	2492.1	-69.4	-80.3	106.1	0.00	0.00	0.00	180.00
2600.0	9.58	229.18	2590.7	-80.2	-92.9	122.8	0.00	0.00	0.00	180.00
2700.0	9.58	229.18	2689.3	-91.1	-105.5	139.4	0.00	0.00	0.00	180.00
2800.0	9.58	229.18	2787.9	-102.0	-118.1	156.1	0.00	0.00	0.00	180.00
2900.0	9.58	229.18	2886.5	-112.9	-130.7	172.7	0.00	0.00	0.00	180.00
3000.0	9.58	229.18	2985.1	-123.8	-143.3	189.3	0.00	0.00	0.00	180.00
3100.0	9.58	229.18	3083.7	-134.6	-155.9	206.0	0.00	0.00	0.00	180.00
3200.0	9.58	229.18	3182.3	-145.5	-168.5	222.6	0.00	0.00	0.00	180.00
3300.0	9.58	229.18	3280.9	-156.4	-181.1	239.3	0.00	0.00	0.00	180.00
3400.0	9.58	229.18	3379.5	-167.3	-193.7	255.9	0.00	0.00	0.00	180.00
3500.0	9.58	229.18	3478.2	-178.2	-206.3	272.6	0.00	0.00	0.00	180.00
3600.0	9.58	229.18	3576.8	-189.0	-218.9	289.2	0.00	0.00	0.00	180.00
3700.0	9.58	229.18	3675.4	-199.9	-231.5	305.8	0.00	0.00	0.00	180.00
3800.0	9.58	229.18	3774.0	-210.8	-244.1	322.5	0.00	0.00	0.00	180.00
3900.0	9.58	229.18	3872.6	-221.7	-256.7	339.1	0.00	0.00	0.00	180.00
4000.0	9.58	229.18	3971.2	-232.5	-269.3	355.8	0.00	0.00	0.00	180.00
4100.0	9.58	229.18	4069.8	-243.4	-281.9	372.4	0.00	0.00	0.00	180.00
4132.9	9.58	229.18	4102.2	-247.0	-286.0	377.9	0.00	0.00	0.00	180.00

Section 4 : Start Hold

MD ft	Incl deg	Azim deg	TVD ft	+N/-S ft	+E/-W ft	VS ft	DLS deg/100ft	Build deg/100ft	Turn deg/100ft	TFO deg
4200.0	9.58	229.18	4168.4	-254.3	-294.5	389.1	0.00	0.00	0.00	180.00
4300.0	9.58	229.18	4267.0	-265.2	-307.1	405.7	0.00	0.00	0.00	180.00
4311.4	9.58	229.18	4278.2	-266.4	-308.5	407.6	0.00	0.00	0.00	180.00

ELF
4/25/01
ABOVE DATE DOES NOT
INDICATE WHEN
CONFIDENTIAL LOGS
WILL BE RELEASED

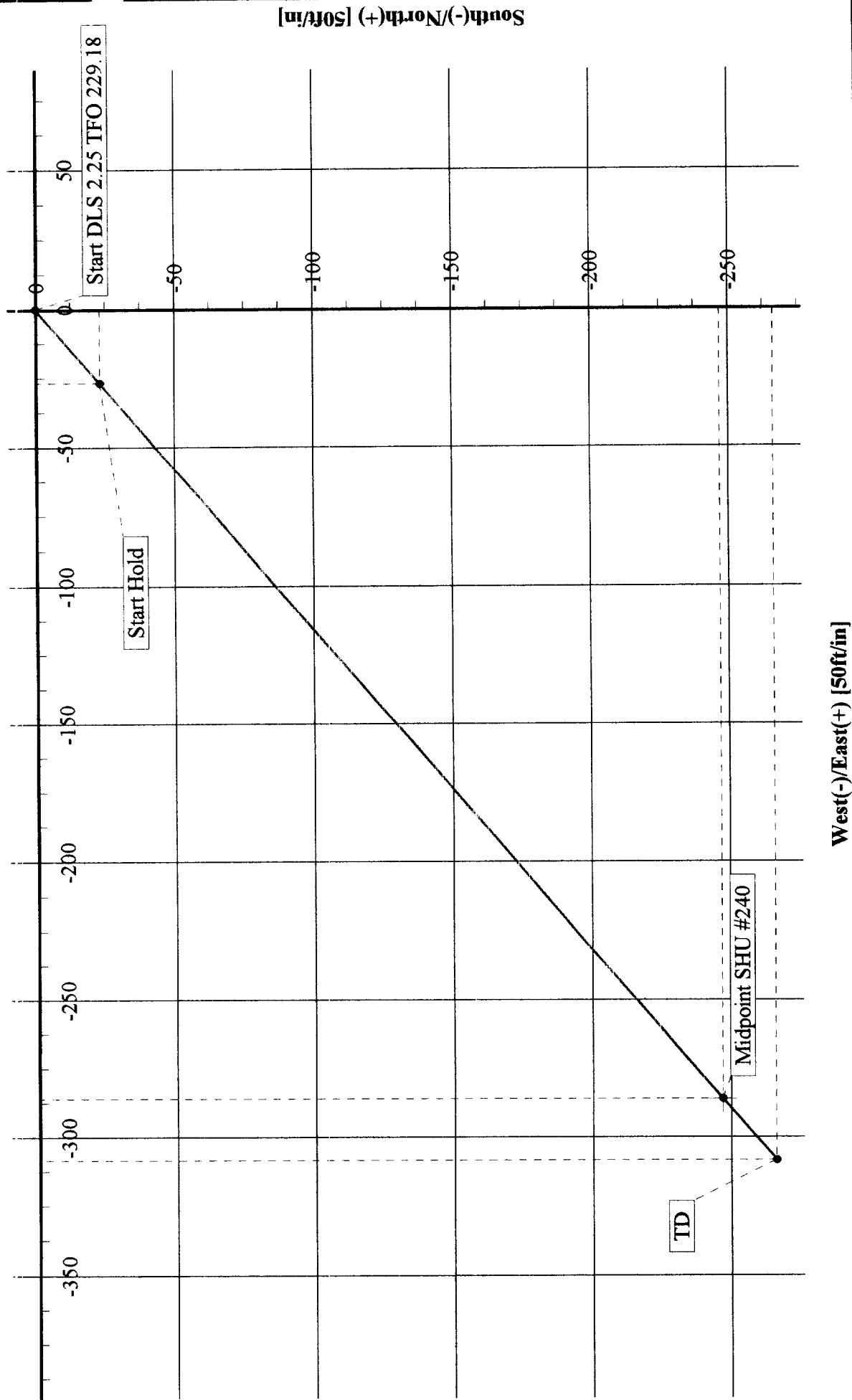




**Scientific
Drilling**

OXY USA Inc.

Field: Hobbs San Andres
Site: Lea County, New Mexico
Well: SHU #240
Wellpath: OH Original hole
Plan: Plan #1



4/25/61

