

District I
 P.O. Box 1980, Hobbs, NM 88241-1980
 District II
 811 S. 1st Street, Artesia, NM 88210-2834
 District III
 1000 Rio Brazos Rd., 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 30-025-35451 |
| ⁴ Property Code 19520 | ⁵ Property Name North Hobbs G/SA Unit | ⁶ Well No. 743 |

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 |
|---------------|-----------|-------------|-------------|----------|---------------|------------------|---------------|----------------|------------|
| I | 31 | 18-S | 38-E | | 1549 | South | 505 | East | 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 |
|---|---------|----------|-------|----------|-------------------------------|------------------|---------------|----------------|--------|
| ⁹ Proposed Pool 1 Hobbs; Grayburg - San Andres | | | | | ¹⁰ Proposed Pool 2 | | | | |

| | | | | |
|--|--|--|---|---|
| ¹¹ Work Type Code N | ¹² Well Type Code O | ¹³ Cable/Rotary R | ¹⁴ Lease Type Code P | ¹⁵ Ground Level Elevation 3633 |
| ¹⁶ Multiple No | ¹⁷ Proposed Depth 4500' | ¹⁸ Formation San Andres | ¹⁹ Contractor Key Energy | ²⁰ Spud Date May, 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

Permit Expires 1 Year From Approval
 Date Unless Drilling Underway

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:

Title:

Approval Date:

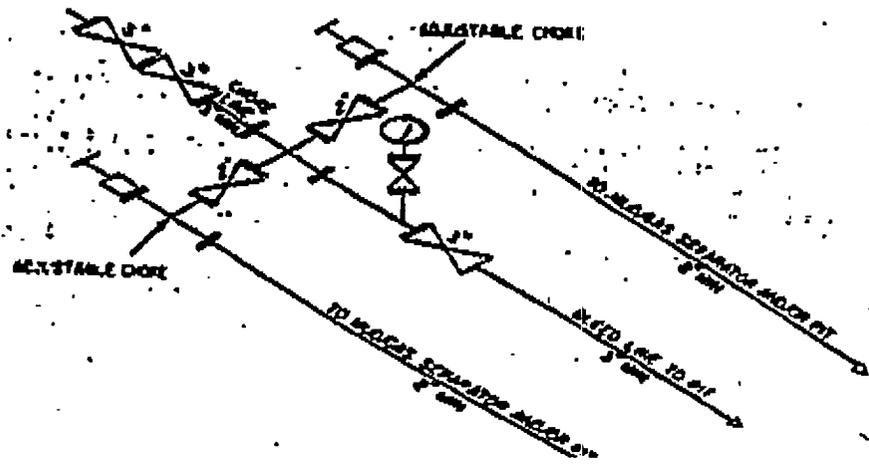
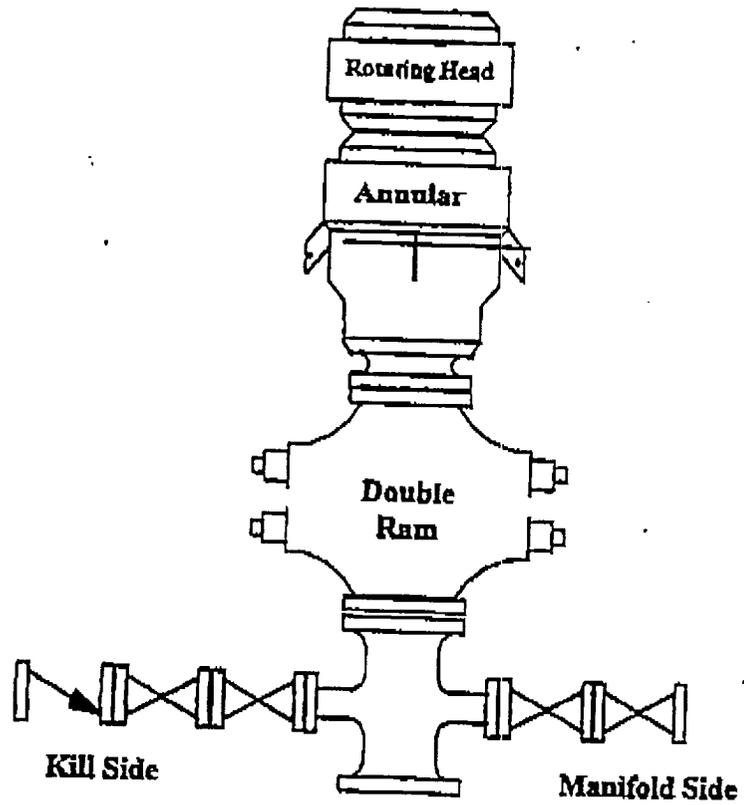
Expiration Date:

MS

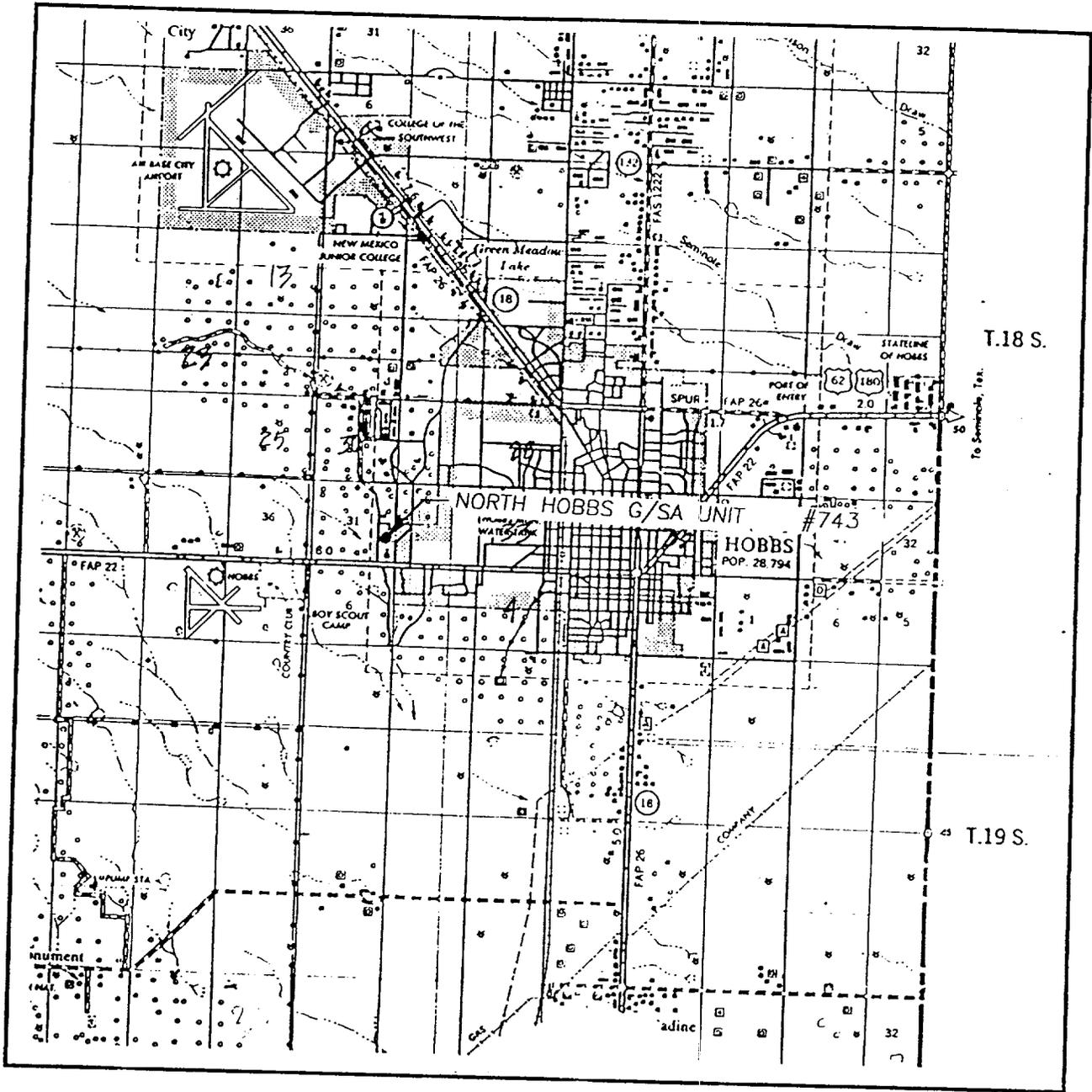
Proposed Drilling Program
North Hobbs G/SA Unit No. 31-743
Lea County, New Mexico

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).



VICINITY MAP



SCALE: 1" = 2 MILES

SEC. 31 TWP. 18-S RGE. 38-E

SURVEY N.M.P.M.

COUNTY LEA

DESCRIPTION 1549' FSL & 505' FEL

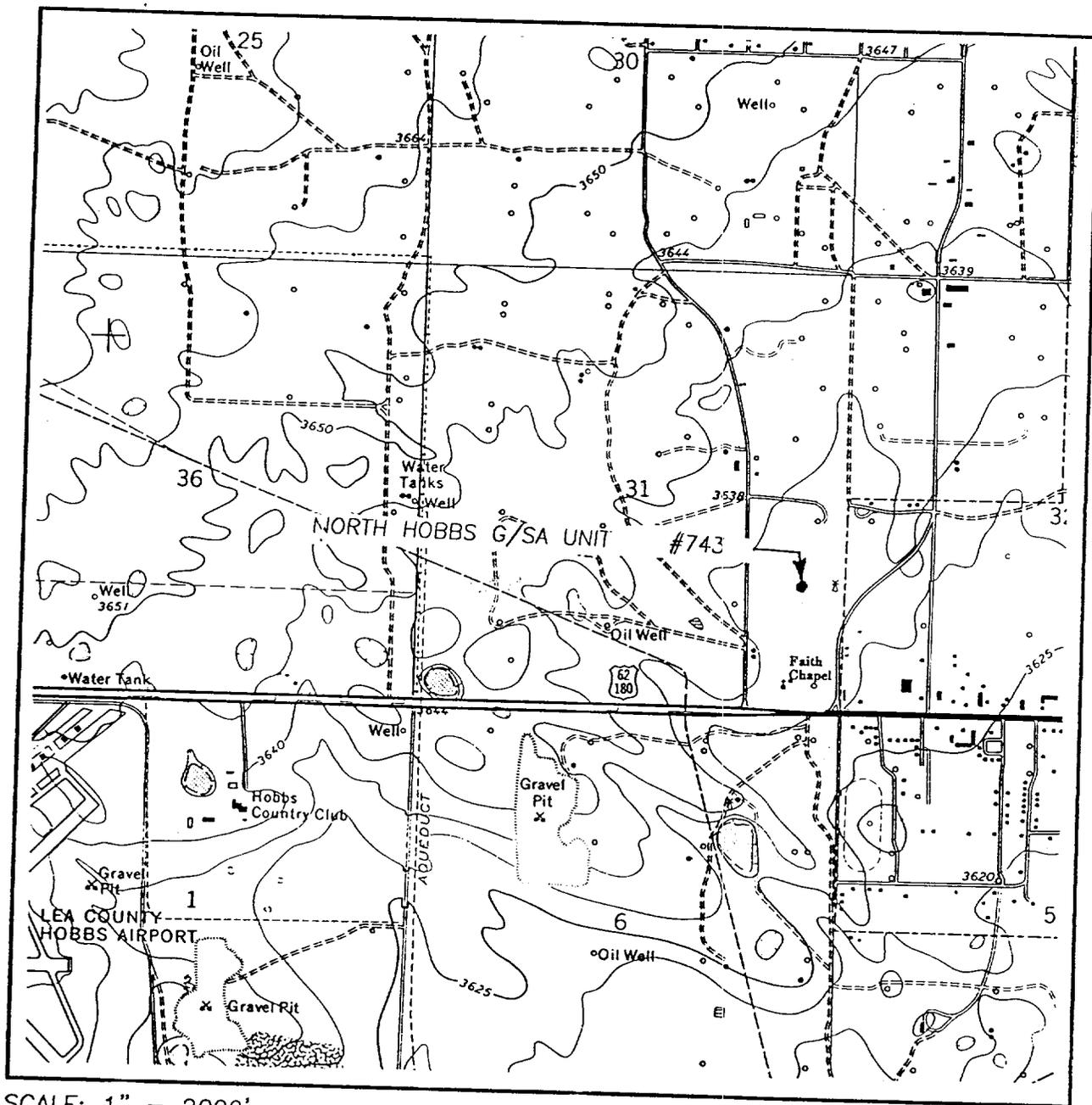
ELEVATION 3633

OPERATOR OCCIDENTAL PERMIAN LTD.

LEASE NORTH HOBBS G/SA UNIT

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

LOCATION VERIFICATION MAP



SCALE: 1" = 2000'

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

SEC. 31 TWP. 18-S RGE. 38-E

SURVEY N.M.P.M.

COUNTY LEA

DESCRIPTION 1549' FSL & 505' FEL

ELEVATION 3633

OPERATOR OCCIDENTAL PERMIAN LTD.

LEASE NORTH HOBBS G/SA UNIT

U.S.G.S. TOPOGRAPHIC MAP
HOBBS, N.M.

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

ELF 6/15/01
ABOVE DATE DOES NOT
INDICATE WHEN
CONFIDENTIAL LOGS
WILL BE RELEASED