

NATIONAL OIL & GAS COMMISSION UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

SUBMIT IN TRIPLICATE (Other instructions on reverse side)

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

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK DRILL [X] DEEPEN [] PLUG BACK []

b. TYPE OF WELL OIL WELL [X] GAS WELL [] OTHER [] SINGLE ZONE [X] MULTIPLE ZONE []

2. NAME OF OPERATOR OXY USA Inc.

3. ADDRESS OF OPERATOR P.O. Box 50250 Midland, TX 79710

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.) At surface 2560 FSL 120 FWL NW-SW UNORTHOGONAL LOCATION: Subject to like Approval By State

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE 11 miles South from Eunice, NM

15. DISTANCE FROM PROPOSED LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drig. unit line, if any) 2937'

18. DISTANCE FROM PROPOSED LOCATION TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 847'

21. ELEVATIONS (Show whether DF, RT, GR, etc.) 3317'

23. PROPOSED CASING AND CEMENTING PROGRAM Capital Controlled Water Risk

Table with 5 columns: SIZE OF HOLE, SIZE OF CASING, WEIGHT PER FOOT, SETTING DEPTH, QUANTITY OF CEMENT. Rows include 12 1/4" hole with 8 5/8" casing and 7 7/8" hole with 5 1/2" casing.

5. LEASE DESIGNATION AND SERIAL NO. 8910138170 - LC032545b
6. IF INDIAN, ALLOTTEE OR TRIBE NAME
7. UNIT AGREEMENT NAME Myers Langlie Mattix Unit
8. FARM OR LEASE NAME
9. WELL NO. 258
10. FIELD AND POOL, OR WILDCAT Langlie Mattix 7 Rvr-Q-G
11. SEC., T., E., M., OR BLK. AND SURVEY OR AREA Sec 31 T23S R37E
12. COUNTY OR PARISH Lea 13. STATE NM

OPER. OGRID NO. 166596
PROPERTY NO. 14953
POOL CODE 37240
EFF. DATE 7-21-94
API NO. 30-025-32548

It is proposed to drill this well to a TD of 3800'.

Approval Subject to General Requirements and Conditions, including (attach)

See other side

RECEIVED JUN 15 11 01 AM '94 CARLTON OIL & GAS AREA HEADQUARTERS

NSL-3425

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 6/14/94

(This space for Federal or State office use)

PERMIT NO. APPROVAL DATE
APPROVED BY [Signature] TITLE AREA MANAGER DATE 7-15-94

CONDITIONS OF APPROVAL, IF ANY: APPROVAL OF THIS APPLICATION 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 DRILL. See Instructions On Reverse Side

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JUN 20 1954

OFFICE

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

State of New Mexico
Energy, Minerals and Natural Resources Department

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

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

OIL CONSERVATION DIVISION

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

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

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number	Pool Code	Pool Name
Property Code	Property Name MYERS LANGLEI MATTIX UNIT	Well Number 258
OGRID No.	Operator Name OXY U.S.A. INC.	Elevation 3317'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
L	31	23S	37E		2560	SOUTH	120	WEST	LEA

¹¹ 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.						

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

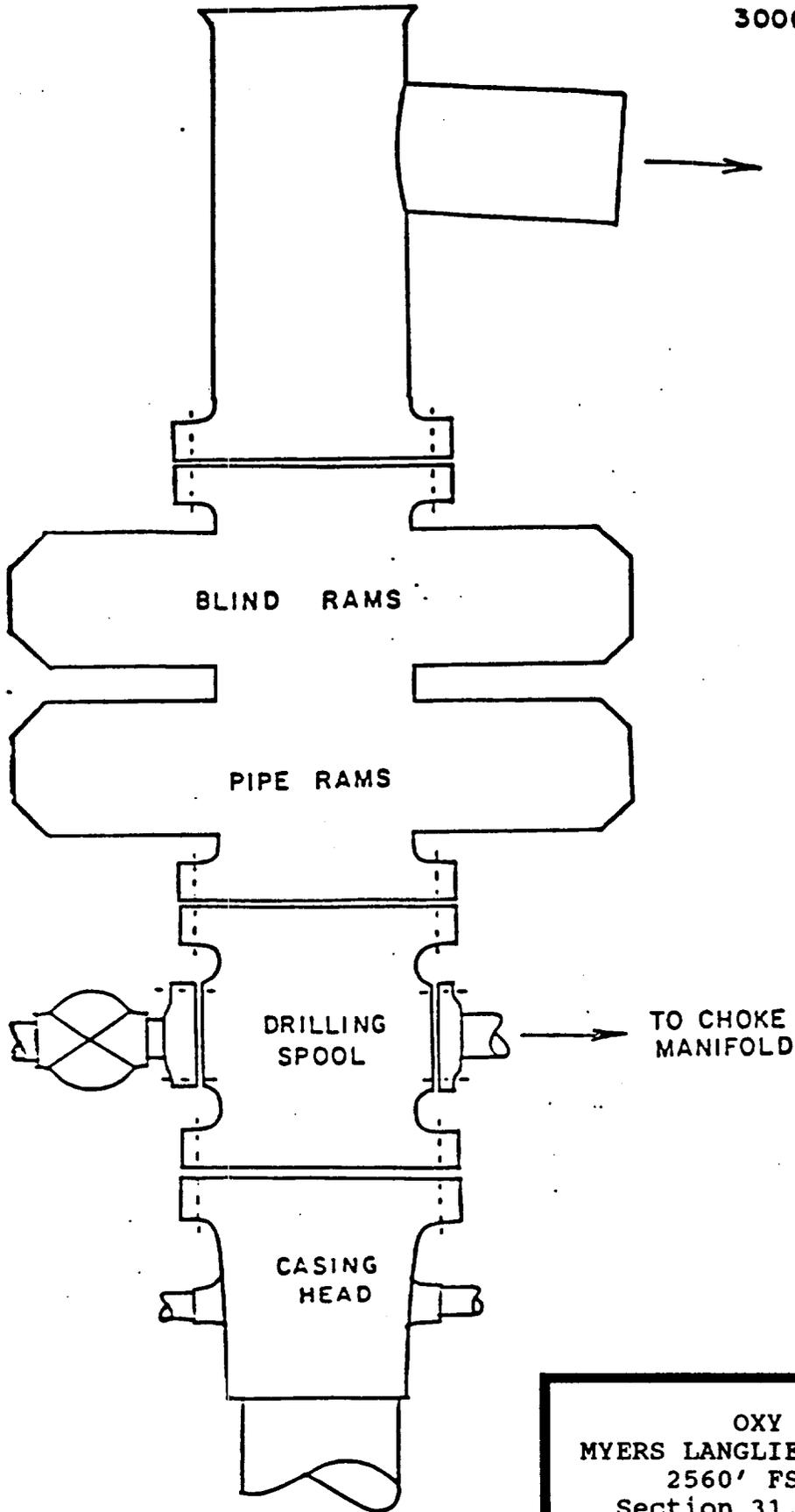
	<p>OPERATOR CERTIFICATION</p> <p>I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief.</p> <p><i>Scott E. Gengler</i> Signature</p> <p>Scott E. Gengler Printed Name</p> <p>Engineering Advisor Title</p> <p>June 10, 1994 Date</p>
	<p>SURVEYOR CERTIFICATION</p> <p>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.</p> <p>MAY 31, 1994 Date Surveyed</p> <p><i>[Signature]</i> Signature & Seal of Professional Surveyor</p> <p>W.C. Num. 94-11-0957</p> <p>Certificate No. JOHN W. WEST, 676 FRONALD V. EIDSON, 3239 L. JONES, 7977</p>

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JUN 20 1964

COMM. DIV.
9541107

**BLOWOUT PREVENTER DIAGRAM
3000[#] W.P.**



OXY USA Inc.
MYERS LANGLIE MATTIX UNIT #258
2560' FSL & 120' FWL
Section 31, T-23-S, R-37-E
Lea County, New Mexico
Federal Lease No. LC-032545(b)

FILED

JUL 20 1964

CLERK
OF DISTRICT COURT



OXY USA INC.
Box 50250, Midland, TX 79710

June 14, 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.
Myers Langlie Mattix Unit #258
Lea County, New Mexico
Lease No. LC-032545(b)

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JUN 15 11 01 AM '94
CARLSBAD RESOURCE AREA

Gentlemen:

OXY USA Inc. respectfully requests permission to drill our Myers Langlie Mattix Unit #258, located 2560' from the south line and 120' from the west line of Section 31, T-23-S, R-37-E, Lea County, New Mexico, Federal Lease No. LC-032545(b).

The location and work area have been staked. It is approximately 11 miles south of Eunice, 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 May 31, 1994. Exhibit attached.
3. The elevation of the unprepared ground is 3317 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 3,800' and run casing. This equipment will then be rigged down and the well will be completed with a pulling unit.

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MONTANA

Application for Permit to Drill
Myers Langlie Mattix Unit #258

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6. Proposed total depth is 3,800 feet.
7. Estimated tops of important geologic markers.

Anhydrite	1160'
Yates	2950'
Seven Rivers	3220'
Queen	3450'
Penrose	3620'
Total Depth	3800'

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

Primary Objective: Queen 3450'

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 260 sacks Class C + 2% CaCl₂ + 0.25 lb/sk cellophane flakes. 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% CaCl₂.

B. 5-1/2" OD production casing set @ 3800' in 7-7/8" hole. Circulate Cement with 660 sacks Class C Light + 15 lb/sk salt + 0.25 lb/sk cellophane flakes followed by 150 sx 50/50 Poz/Class H w/ 2% gel + 3 lb/sk KCl + 0.3% Halad 9.

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

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11. Pressure Control Equipment

0' - 400'	None
400' - 3800'	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 32-34 sec.
400' - 3350'	Brine water. Wt. 10-10.1 ppg, vis 28-29 sec, pH 9.5-10 with lime. Paper for seepage control.

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OGY
STATION

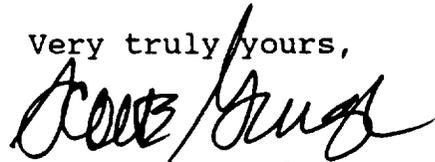
Application for Permit to Drill
Myers Langlie Mattix Unit #258

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3350' - 3800' 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. 10.0 - 10.1, vis 32-34 secs, pH 10 - 10.5 WL < 15 cc's.

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: No cores planned.
14. No abnormal temperatures or H₂S 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

REC-11

JUL 19 1944
OFFICE

76-28-6