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August 8, 2000

United States Department of the Interior Bureau of Land Management Roswell District Office 2909 West Second Street Roswell, New Mexico 88201

Re: Application for Permit to Drill Occidental Permian Limited Partnership South Mattix Unit Federal #46 Lea County, New Mexico Lease No. NM0321613

Gentlemen:

Occidental Permian Limited Partnership respectfully requests permission to drill our South Mattix Unit Federal #46 located 2130 FNL and 750 FEL of Section 15, T24S, R37E, Lea County, New Mexico, Federal Lease No. NM0321613. The proposed well will be drilled to a TD of approximately 6500′ (TVD). The location and work area has been staked. It is approximately 6 miles northeast of Jal, 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:

- Form 3160.3, Application for Permit to Drill.
- 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 July 10, 2000.
- The elevation of the unprepared ground is 3238 feet above sea level.
- 4. The geologic name of the surface formation is Permian Rustler.
- 5. Rotary drilling equipment will be utilized to drill the well to TD 6500' (TVD), and run casing. This equipment will then be rigged down and the well will be completed with a pulling unit.
- Proposed total depth is 6500' TVD.
- Estimated tops of important geologic markers.

Drinkard		
	6000′	TVD
Blinebry	5300′	TVD
Yeso	5100′	TVD
Queen	3 20 0′	TVD
Grayburg	3 48 0′	TVD
7 River	2 7 00′	TVD

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

Primary Objective: Drinkard 6000' TVD