

Form 3160-3  
(August 2007)

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

**APPLICATION FOR PERMIT TO DRILL OR REENTER**

**Bold\* fields are required.**

Section 1 - Completed by Operator	
<b>1. BLM Office*</b> Canon City, CO	<b>2. Confidentiality</b> <input type="checkbox"/> Confidential
<b>3. Work Type*</b> <input checked="" type="radio"/> DRILL <input type="radio"/> REENTER	<b>4. Well Type*</b> GAS
Operating Company Information	
<b>5. Company Name*</b> OXY USA INC	
<b>6. Address*</b> 760 HORIZON DRIVE SUITE 101 GRAND JUNCTION CO 81506	<b>7. Phone Number*</b> 970-263-3641 ☎
Administrative Contact Information	
<b>8. Contact Name*</b> JOAN _ PROULX	<b>9. Title*</b> REGULATORY
<b>10. Address*</b> 760 HORIZON DRIVE SUITE 101 GRAND JUNCTION CO 81506	<b>11. Phone Number*</b> 970-263-3641 ☎ _
	<b>12. Mobile Number</b> _____
<b>13. E-mail*</b> joan_proulx@oxy.com	<b>14. Fax Number</b> 970-263-3694 ☎
Technical Contact Information	
<input checked="" type="checkbox"/> Check here if Technical Contact is the same as Administrative Contact.	
<b>15. Contact Name*</b> _____	<b>16. Title*</b> _____
<b>17. Address*</b> _____ _____ _____	<b>18. Phone Number*</b> _____
	<b>19. Mobile Number</b> _____
<b>20. E-mail*</b> _____	<b>21. Fax Number</b> _____
Lease and Agreement	
<b>22. Lease Serial Number*</b> COC 010646	_____

24. If Unit or CA/Agreement, Name and/or Number		25. Field and Pool, or Exploratory Area* SHEEP MOUNTAIN	
26. Number of Acres in Lease* 1640		27. Spacing Unit dedicated to this well	
Well			
28. Well Name* SHEEP MOUNTAIN UNIT		29. Well Number* 1-3-M	30. API Number
31. Proposed M.D. 10226	32. Proposed T.V.D. 8942	33. Elevation 8126 Ground Level	
34. BLM/BIA Bond Number ESB000226		35. Work Start Date 05/01/2015	36. Work Duration 2 MONTHS
37. Number of Completions 1		38. Cable Tool <input checked="" type="radio"/> Cable <input type="radio"/> Rotary	
Surface Location			
39. Specify location using one of the following methods: a) State, County, Section, Township, Range, Meridian, N/S Footage, E/W Footage, with Qtr/Qtr, Lot, or Tract b) State, County, Latitude, Longitude, Metes & Bounds description			
County or Parish, State* HUERFANO COUNTY CO			
Section 9	Township 27S	Range 70W	Meridian 6TH PRINCIPAL
Qtr/Qtr NWNE	Lot # —	Tract # —	N/S Footage 395 FNL
Latitude —	Longitude —	Metes and Bounds	
40. Distance in miles and direction from nearest town or post office 18			
41. Distance from proposed location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 395'			
42. Distance from proposed location to nearest well, drilling, completed, applied for, on this lease, ft. NONE			
Bottom Hole Location			
43. Specify location or <input type="checkbox"/> Check here if the bottom hole location is the same as the surface location.			
County or Parish, State* HUERFANO COUNTY CO			
Section 10	Township 27S	Range 70W	Meridian 6TH PRINCIPAL
Qtr/Qtr NWNW	Lot # —	Tract # —	N/S Footage 560 FNL
Latitude —	Longitude —	Metes and Bounds	

**44. Additional Information**

Please provide any additional pertinent information.

OXY USA Inc. is proposing to drill two CO2 wells from an existing pad, the 6-4-I pad, COGCC location # 334553. The existing location will be expanded to accommodate the two proposed wells. The COGCC GIS map indicates there are three pad location numbers for the location in question: 324499, 333353 and 334553. A Form 4 Sundry Notice has been submitted, document #400755420, to consolidate the locations into one location number of #334553.

There are six producing wells on the location:

Well Name API Location #

2-9-H 05-055-06057 324499

6-9-B 05-055-06075 333353

5-9-A 05-055-06073 333353

3-4-O 05-055-06065 334553

4-4-P 05-055-06072 334553

7-9 05-055-06031 334553

The pad lies on private (fee) surface. The proposed 6-4-I well will pass through BLM minerals and bottom hole in fee minerals. The proposed production will be obtained from both BLM and fee minerals. The proposed 1-3-M well will reach into and bottom hole in Federal minerals. The BHLs for both wells lie within an Exploratory Unit. All access roads, pipelines and production facilities are existing, with the exception of an approximate 150' pad access road and a new flowline for the two proposed wells.

OXY will provide appropriate housing for essential personnel in order to conduct safe, efficient drilling operations at this site.

A closed-loop system will be utilized.

The nearest building to the proposed wells is the compressor building located on the original pad footprint. The next closest building is a house located 4,970' away, which is the distance used for the Cultural Distance Information on the Form 2 and Form 2A.

Surface owner consultation: All communication with the surface owner is to be routed through the surface owner's representative. An invitation was extended to the surface owner on Nov. 11, 2014, for a pre-consultation meeting/visit. Her attorney responded that the surface owner's schedule will not allow the surface owner to attend. A second invitation was extended requesting alternate dates and no response was received. Per the BLM, they also sent an invitation to the surface owner to attend the on-site Notice of Staking/pre-consultation meeting and no response was received. The surface owner recently acquired a new representative and a request for a surface owner consultation was received by OXY on January 9, 2015. Arrangements are being made for the surface owner consultation.

The proposed pad extension lies within a black bear area; the OXY BMP for black bear wildlife is attached. The CPW consultation occurred on 12/8/2014 via email to Brett Ackerman.

I hereby certify that the foregoing is true and correct.

<b>45. Name*</b> JOAN _ PROULX	<b>46. Title</b> REGULATORY
<b>47. Date* (MM/DD/YYYY)</b> 01/13/2015 <input type="text" value="Today"/>	<b>48. Signature*</b> <i>You have the ability to sign this form only if a SmartCard or digital certificate has been issued to you.</i>

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make 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.

**Section 2 - System Receipt Confirmation**

49. Transaction _____	50. Date Sent _____	51. Processing Office _____
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**Section 3 - Internal Review #1 Status**

52. Review Category _____	53. Date Completed _____	54. Reviewer Name _____
55. Comments   		

**Section 4 - Internal Review #2 Status**

56. Review Category _____	57. Date Completed _____	58. Reviewer Name _____
59. Comments   		

**Section 5 - Internal Review #3 Status**

60. Review Category _____	61. Date Completed _____	62. Reviewer Name _____
63. Comments   		

**Section 6 - Internal Review #4 Status**

64. Review Category _____	65. Date Completed _____	66. Reviewer Name _____
67. Comments   		

**Section 7 - Final Approval Status**

68. Disposition _____	69. Date Completed _____	70. Reviewer Name _____	71. Reviewer Title _____
72. Comments   			