

Submit to Appropriate District Office
State Lease - 6 copies
Fee Lease - 5 copies

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-101
Revised 1-1-89

OIL CONSERVATION DIVISION

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

MAR 26 '90

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

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

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

API NO. (assigned by OCD on New Wells)
30-015-26317

5. Indicate Type of Lease
STATE FEE

6. State Oil & Gas Lease No.
N/2 NW/4-K-2646; **

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. Type of Work:
DRILL RE-ENTER DEEPEN PLUG BACK

b. Type of Well:
OIL WELL GAS WELL OTHER

SINGLE ZONE MULTIPLE ZONE

7. Lease Name or Unit Agreement Name
Shugart State Com. "A"

2. Name of Operator
TXO Production Corp. ✓

8. Well No.
#1

3. Address of Operator
415 W. Wall, Suite 900, Midland, Texas 79701

9. Pool name or Wildcat
Shugart North *Morrow*

4. Well Location
Unit Letter C : 660 Feet From The North Line and 1980 Feet From The West Line

Section 16 Township 18 South Range 31 East NMPM Eddy County

10. Proposed Depth
12,000

11. Formation
Morrow

12. Rotary or C.T.
Rotary

13. Elevations (Show whether DF, RT, GR, etc.)
3673.3

14. Kind & Status Plug. Bond
Blanket

15. Drilling Contractor
Not Selected

16. Approx. Date Work will start
March 27, 1990

17. PROPOSED CASING AND CEMENT PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	SACKS OF CEMENT	EST. TOP
17 1/2"	13 3/8	48#	600'	600	Surface
12 1/4"	8 5/8	24 - 28#	4500'	2500	Surface
7 7/8"	4 1/2	11.6#	12000'	800	8500'

See Attached for BOP Sketch

*Part ID-1
3-30-90
New Loc + API*

** SW/NW/4 - E-882; NW/NE/4 - B-2023; NE/NE - V-2481;
S/2 NE & SE/NW - LG-1101

APPROVAL VALID FOR 180 DAYS
EXPIRES 9/29/90
COURTESY OF THE STATE

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. GIVE BLOWOUT PREVENTER PROGRAM, IF ANY.

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

SIGNATURE *Clark L. Vickers* TITLE District Engineer DATE 3/20/90

TYPE OR PRINT NAME Clark L. Vickers TELEPHONE NO. _____

(This space for State Use) ORIGINAL SIGNED BY
MIKE WILLIAMS
APPROVED BY SUPERVISOR, DISTRICT II TITLE _____ DATE MAR 27 1990

CONDITIONS OF APPROVAL, IF ANY: