

S

30-045-27894

06-26-90

F. Loc. 790/N: 1460/ E Elev. 6072 GL Spd. _____ Comp. _____ TD _____ PB _____
 Cu. ft. _____ Cu. ft. _____ Cu. ft. _____
 Casing S. _____ @ _____ W _____ Sx. Int. _____ @ _____ W _____ Sx. Pr. _____ @ _____ W _____ Sx. T. _____ @ _____
 Csg. Perf. _____ Prod. Stim. _____

T Gas
R
A
N
S

BO/D _____ Grav. _____ 1st Del. Gas
 I.P. _____ MCF/D After _____ Hrs. SICP _____ PSI After _____ Days GOR _____ 1st Del. Oil

TOPS		NITD <input checked="" type="checkbox"/>	Well Log	TEST DATA							Ref.No.
Ojo Alamo		C-103	Plat <input checked="" type="checkbox"/>	Schd.	PC	Q	PW	PD	D		
Kirtland		C-104	Electric Log								
Fruitland			C-122								
Pictured Cliffs		Ditr	Dfa								
Chacra		Datr	Dac								
Cliff House											
Mensfee											
Point Lookout											
Mancos											
Gallup											
Greenhorn											
Dakota											
Entrado											
		Acres <u>N/319</u>									

P
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BasinFrCoalCo. SJ S 02 T 27N R 09W UB Oper. Texaco, Inc.

Lse. Hobbs C

No. 2

Hobbs C #2

B-02-27N-09W

TEXACO, INC.

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Submit 3 Copies
to Appropriate
District Office

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-103
Revised 1-1-89

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

OIL CONSERVATION DIVISION

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

SEP - 6 1991

WELL API NO. 30-045-27894
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. E-1200
7. Lease Name or Unit Agreement Name HOBBS 'C'
8. Well No. 2
9. Pool name or Wildcat BASIN FRUITLAND COAL
10. Elevation (Show whether DF, RKB, RT, GR, etc.) GR-6072'

SUNDRY NOTICES AND REPORTS ON WELLS. D.
(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEERESCAPE OR BACK TO A
DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT"
(FORM C-101) FOR SUCH PROPOSALS.)

1. Type of Well: OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER	2. Name of Operator TEXACO EXPLORATION AND PRODUCTION INC.
3. Address of Operator P. O. Box 3109 Midland, Texas 79702	4. Well Location Unit Letter B : 790 Feet From The NORTH Line and 1460 Feet From The EAST Line Section 2 Township 27-N Range 9-W NMPM SAN JUAN County

11. Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data	
NOTICE OF INTENTION TO:	SUBSEQUENT REPORT OF:
PERFORM REMEDIAL WORK <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>
OTHER: CANCEL DRILLING PERMIT <input checked="" type="checkbox"/>	PLUG AND ABANDONMENT <input type="checkbox"/>
	CASING TEST AND CEMENT JOB <input type="checkbox"/>
	OTHER: <input type="checkbox"/>

12. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work) SEE RULE 1103.

TEXACO DOES NOT PLAN TO DRILL THIS WELL IN THE IMMEDIATE FUTURE. PLEASE CANCEL THE DRILLING PERMIT AND THE API NUMBER.

RECEIVED
SEP 11 1991
OIL CON. DIV.
DIST. 3

ABANDONED LOCATION

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

SIGNATURE C. P. Basham / cwh TITLE DRILLING OPERATIONS MANAGER DATE 09-05-91

TYPE OR PRINT NAME C. P. BASHAM TELEPHONE NO. 915-6884620

(This space for State Use)

APPROVED BY _____ TITLE SUPERVISOR DISTRICT # 3 DATE SEP 11 1991

CONDITIONS OF APPROVAL, IF ANY:

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

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

OIL CONSERVATION DIVISION
P.O. Box 2088
Santa Fe, New Mexico 87504-0288

OIL CON. DIV
DIST. 3

API NO. (assigned by OCD on New Wells)
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. E-1200
7. Lease Name or Unit Agreement Name Hobbs C
8. Well No. 2 N/319
9. Pool name or Wildcat Basin Fruitland Coal

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK					
1a. Type of Work: DRILL <input checked="" type="checkbox"/> RE-ENTER <input type="checkbox"/> DEEPEN <input type="checkbox"/> PLUG BACK <input type="checkbox"/>					
b. Type of Well: OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER <input type="checkbox"/> SINGLE ZONE <input checked="" type="checkbox"/> MULTIPLE ZONE <input type="checkbox"/>					
2. Name of Operator Texaco Inc.					
3. Address of Operator 3300 North Butler Farmington, NM 87401					
4. Well Location Unit Letter B : 790' Feet From The North Line and 1460' Feet From The East Line Section 2 Township 27 N Range 9 W NMPM San Juan County					
10. Proposed Depth 2280'		11. Formation Fruitland Coal		12. Rotary or C.T. Rotary	
13. Elevations (Show whether DF, RT, GR, etc.) 6072' GL		14. Kind & Status Plug. Bond State wide		15. Drilling Contractor N/A	
16. Approx. Date Work will start 07/01/90					
17. PROPOSED CASING AND CEMENT PROGRAM					
SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	SACKS OF CEMENT	EST. TOP
12 1/4"	8 5/8"	24 #	300'	300 (348 cuft.)	Surface
7 7/8"	5 1/2"	15.5 #	2280'	550 (897 cuft.)	Surface

Proposed to spud in the San Jose Formation. Will drill a 12 1/4" surface hole to a TD of 300'. Run and cement surface casing with cement returns to surface. WOC 12 hours. Pressure test to 1500 psi/30 mins. Drill a 7 7/8" hole to TD using fresh water mud. No abnormal pressures or poisonous gases are anticipated. Logs will be run at TD. Run and cement production casing with cement returns to surface. The drilling rig will be released and a completion unit moved in. Cased hole cement bond and correlation logs will be run. The Fruitland coals will be perforated and stimulated using either a fresh water base gel or foam system.

APPROVAL EXPIRES 12-26-90
UNLESS DRILLING IS COMMENCED.
SPUD NOTICE MUST BE SUBMITTED
WITHIN 10 DAYS.

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 Alan A. Kleier TITLE Area Manager DATE 6-22-90
TYPE OR PRINT NAME Alan A. Kleier TELEPHONE NO. 505-325-4397

(This space for State Use)

APPROVED BY [Signature] TYPE DEPUTY OIL & GAS INSPECTOR, DIST. #3 DATE JUN 26 1990
CONDITIONS OF APPROVAL, IF ANY:

NMOGCC-Aztec(6), JAS, AAK

OIL CONSERVATION DIVISION

P.O. Box 2088

Santa Fe, New Mexico 87504-2088

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DISTRICT II

P.O. Drawer DD, Artesia, NM 88210

DISTRICT III

1000 Rio Bravos Rd., Aztec, NM 87410

WELL LOCATION AND ACREAGE DEDICATION PLAT

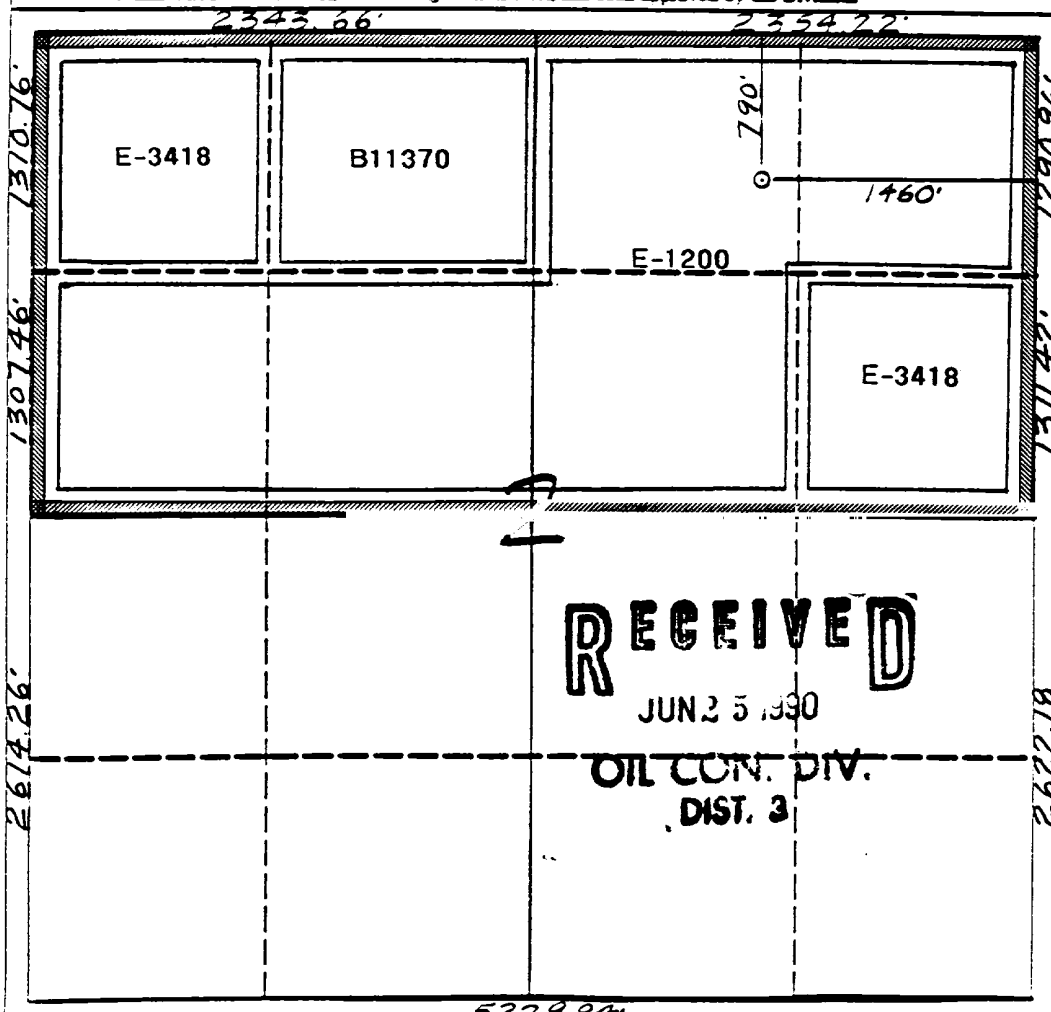
All Distances must be from the outer boundaries of the section

Operator TEXACO		Lease Hobbs C		Well No. 2	
Unit Letter B	Section 2	Township 27 North	Range 9 West	County San Juan	
Acres Footage Location of Well: 790 feet from the North line and 1460 feet from the East line					
Ground level Elev. 6072'	Producing Formation Fruitland Coal	Foot Basin Fruitland Coal	Dedicated Acreage: 319.00 Acres		

- Outline the acreage dedicated to the subject well by colored pencil or facsimile marks on the plat below.
- If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
- If more than one lease of different ownership is dedicated to the well, have the interest of all owners been consolidated by communitization, unitization, force-pooling, etc.?
☒ Yes ☐ No If answer is "yes" type of consolidation **Communitization**

If answer is "no" list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.)

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, force-pooling, or otherwise) or until a non-standard unit, eliminating such interest, has been approved by the Division.



OPERATOR CERTIFICATION

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

Signature Alan A. Kleier
Printed Name **Alan A. Kleier**
Position **Area Manager**
Company **Texaco**
Date **6-22-90**

SURVEYOR CERTIFICATION

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 knowledge and belief. 5-19-90

Date Surveyed 5-19-90
Signature [Signature]
Professional Seal
NEW MEXICO
REGISTERED LAND SURVEYOR
6857
6857
Certificate No. **Neale Edwards**

Texaco Inc.
Hobbs C No. 2
790' FNL - 1460' FEL
Section 02, T27N, R9W, NMPM
San Juan Co., New Mexico

Field: Basin Fruitland Coal

Elevation: 6072'GL

Geology:

Formation Tops: San Jose - Surface
Ojo Alamo - 1255'
Kirtland - 1355'
Fruitland - 1925'
Fruitland Coal - 2095'
Pictured Cliffs - 2230'
Total Depth - 2280'

Logging Program: A GR-DIL-ML will be run from TD to surface casing shoe. A GR-CAL-LDT will be run from TD to 700'. 10' cutting samples will be collected from 300' above top of Fruitland to total depth.

Drilling:

Contractor:

Toolpusher:

Operator's Representative:

Mud Program: 0 - 300' : Spud mud of lime and gel.
300' - 1825' : Polymer and water with 5 sack gel sweeps every 500' or less if hole conditions dictate.
1825' - 2280' : Fresh water, low solids mud. Mud wt. - 8.7 to 9.8 ppg, as necessary to control well. 35-40 sec./qt. viscosity. 6-8 cc water loss.

Start mud up 100' above Fruitland

Materials:

Casing Program:

<u>Hole Size</u>	<u>Depth Set</u>	<u>Casing Size</u>	<u>Wt. & Grade</u>
12 1/4"	300'	8 5/8"	24# , K-55
7 7/8"	2280'	5 1/2"	15.5# , K-55

Materials: Cont'd

Float Equipment:

- 8 5/8" surface casing - Cement Nose Guide Shoe. Threadlock guide shoe and bottom 5 collars.
- 5 1/2" production casing- Cement Nose Guide Shoe. Self fill insert float valve run one joint above shoe.
Ten(10) bow spring centralizers. Five run every other joint above shoe and five run across the Ojo Alamo. Threadlock shoe and float valve.
Bottom 385" of 5 1/2" casing will be sandblasted.

Wellhead Equipment:

- 8 5/8" X 10" 2000 casing head with 5 1/2" automatic slips.
- 10" 2000 X 6" 3000 tubing head with a 2 7/8" EUE Tubing hanger.

Cement Program:

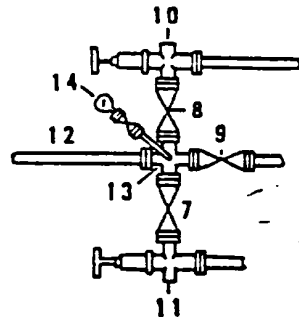
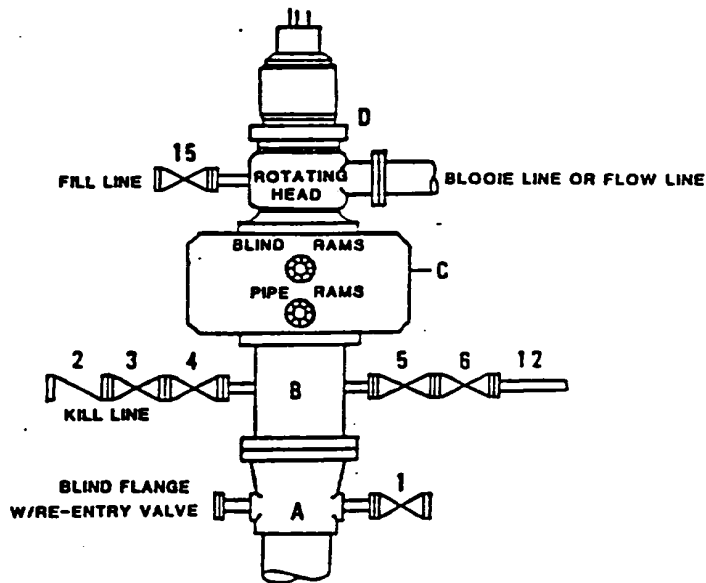
- 8 5/8" surface casing- 300 sacks(348 cuft) of Class G w/ 2% CaCl . 300 % excess to circulate to surface. WOC 12 hours. Pressure test to 1500 psi for 30 minutes prior to drilling surface shoe.
- 5 1/2" production casing-370 sacks(688 cuft) of 65/35 Class G Poz with 6% gel, 5% salt, and 1/4# flocele per sack, followed by 180 sacks(209 cuft) Class G. 225% excess to circulate to surface. Adjust cement volume to caliper volume plus 43% excess after logs are run. WOC for 12 hours. Run temperature survey after 8 hours if cement does not circulate. Pressure test to 3000 psi/ 30 minutes prior to completion.

Miscellaneous:

- Operate pipe rams daily and record in tour reports.
- Operate Blind rams on each trip and record in tour reports.
- 5 1/2" casing rams are to be installed prior to running the production casing.

**DRILLING CONTROL
CONDITION II-B 3000 WP
FOR AIR DRILLING OR
WHERE NITROGEN OR AIR BLOWS ARE EXPECTED**

H₂S TRIM REQUIRED
YES _____ NO _____



DRILLING CONTROL

MATERIAL LIST - CONDITION II - B

- | | |
|----------------|--|
| A | Texaco Wellhead |
| B | 3000# W.P. drilling spool with a 2" minimum flanged outlet for kill line and 3" minimum flanged outlet for choke line. |
| C | 3000# W.P. Dual ram type preventer, hydraulic operated with 1" steel, 3000# W.P. control lines (where substructure height is adequate, 2 - 3000# W.P. single ram type preventers may be utilized). |
| D | Rotating Head with fill up outlet and extended Bloode Line. |
| 1,3,4,
7,8, | 2" minimum 3000# W.P. flanged full opening steel gate valve, or Halliburton Lo Torc Plug valve. |
| 2 | 2" minimum 3000# W.P. back pressure valve. |
| 5,6,9 | 3" minimum 3000# W.P. flanged full opening steel gate valve, or Halliburton Lo Torc Plug valve. |
| 12 | 3" minimum schedule 80, Grade "B", seamless line pipe. |
| 13 | 2" minimum x 3" minimum 3000# W.P. flanged cross. |
| 10,11 | 2" minimum 3000# W.P. adjustable choke bodies. |
| 14 | Cameron Mud Gauge or equivalent (location optional in choke line). |
| 15 | 2" minimum 3000# W.P. flanged or threaded full opening steel gate valve, or Halliburton Lo Torc Plug valve. |



TEXACO, INC.
MIDLAND DIVISION
MIDLAND, TEXAS



SCALE	DATE	EST NO	ORD. NO.
DRAWN BY			
CHECKED BY			
APPROVED BY			

EXHIBIT I

Exhibit 11
DRILLING CONTROL

CONDITION II - 3,000 PSI W. P.

Test Pressure

The ram type preventers, valves, lines, choke manifold, kelly cock valves, inside BOP's and safety valves will be tested to a minimum of 1,000 psi. When casing is set below 1,000 feet the above BOP equipment will be tested to a pressure equal to the lesser of either (a) 1 psi per foot of casing or (b) the minimum internal yield of the casing to which the BOP's are attached. The maximum test pressure allowed will be the rated working pressure of the ram type preventers.

Test Procedure

1. Open valves 3, 4, 5, 6, 7 and 8. Close valve 9 and chokes 10 and 11. Run test plug (see note below) on drill pipe and set in braden head. Close pipe rams in BOP C. Pressure test through drill pipe. Observe valves 2, 9 and chokes 10 and 11 for leaks for 10 minutes.
2. Without relieving test pressure, close valves 3, 7 and 8. Remove check valve 2 and open chokes 10 and 11. Observe valves 3, 7 and 8 for leaks for 1 minutes.
3. Without relieving test pressure, close valves 4 and 6. Open valves 3, 7 and 8. Observe valves 4 and 6 for leaks for 10 minutes.
4. Without relieving pressure close valve 5, open valve 6 and observe valve 5 for leaks for 10 minutes.
5. Relieve test pressure. Pull drill pipe and close blind rams in BOP C. Open valve 5. Pressure test through choke line for 10 minutes.
6. Pressure test lower kelly cock from lower end for 10 minutes.
7. Close upper kelly cock and open lower kelly cock. Pressure test upper kelly cock and kelly joint for 10 minutes.
8. Pressure test extra kelly cocks and safety valves on floor.

NOTE: The initial BOP pressure test on nipple up can be done against the surface casing cement plug before drilling out. Braden head valves will be tested only on the initial BOP pressure test. All subsequent pressure tests will utilize a test plug in the braden head.

Test Frequency

1. When installed
2. Anytime a pressure seal is broken
3. At least every 29 days

Other: Blind and pipe rams shall be activated each trip but not more than once/day.

1. Use of double blowout preventers is optional to using two single flanged BOPs provided either upper or lower sets of rams may be changed without opening doors on the other compartment. Flanged side outlets of blowout preventers may be utilized in lieu of drilling spools.
2. All BOP units will be hydraulically operated. Ram type preventers, manual and hydraulic valves must be equipped with stem extensions, universal joints (if needed) and operating wheels. Steel piping to be utilized in hydraulic lines.
3. The contractor will furnish all valves and piping as indicated on the attached sketch for the BOP stack, manifolding and blow off lines except for valves on the casinghead. Valves employed must be acceptable to Texaco as to make and type. Valve and pipe sizes shown must be indicated size or larger.
4. The choke manifold and lines to pits must be supported and anchored adequately. Sufficient working room must be provided for operating the adjustable chokes and valves.
5. The choke manifold must be connected to valves on the BOP stack by conventional flanged piping.
6. Extra sets of rams must be available on location for each size of drill pipe used in the hole.
7. Minimum operating equipment for the preventers is:
 - (a) an accumulator or accumulators equipped to obtain a fluid charge of sufficient usable volume to close, open, then close all hydraulically operated components of BOP system with a minimum of 200 psi above precharge pressure without assistance from a charging system.
 - (b) a primary accumulator-charging system which shall be automatic.
 - (c) a backup to the primary accumulator-charging system which shall be automatically supplied by a power source independent of the power source to the primary accumulator-charging system.
 - (d) an air operated pump for either the primary or secondary charging system. The minimum acceptable requirements for the air operated system is at least one air compressor driven independently of the rig compound. Should both the primary and secondary charging systems be air systems, at least one air compressor must be driven independently of the rig compound with an air storage tank that is separated from both the rig air compressors and rig air storage tank by check valves.

Accumulator should be located a minimum of 150' from wellbore, or as dictated by location size.

A nitrogen system consisting of separate pressurized bottled nitrogen gas is acceptable as a backup to the primary charging system provided it meets requirements in 7-a.

8. *A kelly cock with the pressure rating specified for other BOP equipment on the well must be included in the drill string below the kelly.
9. New ring gaskets will be furnished throughout on the first installation and for any subsequent separations.

*Item 8 applies to Exhibits "E", "F", "G", and "H" only, unless otherwise specified in the Drilling Bid Contract.

Other:

1. Upper & lower kelly cocks with valve handle available
2. Safety valve & subs to fit all drill string connections in use.



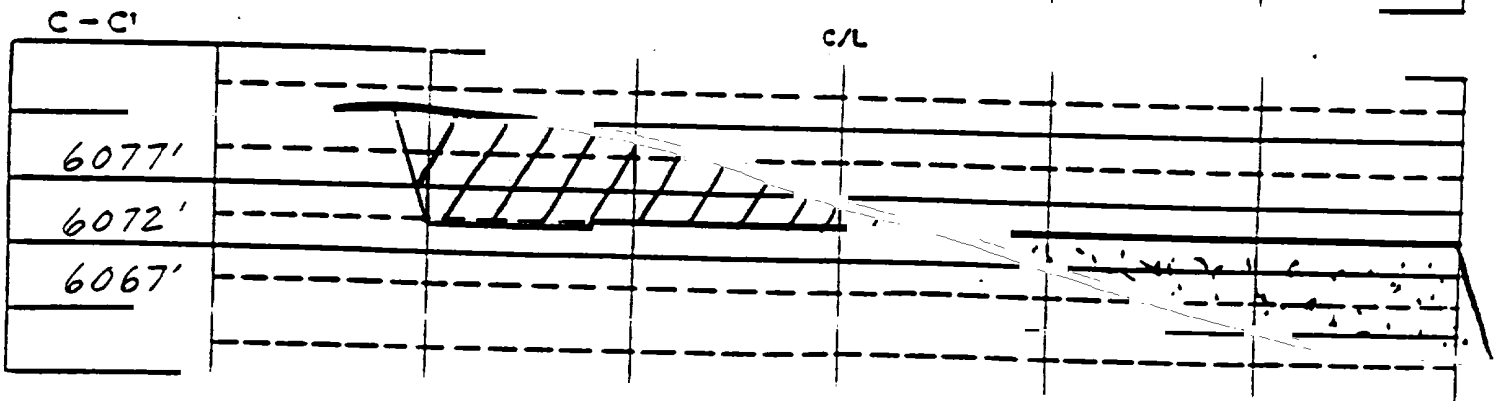
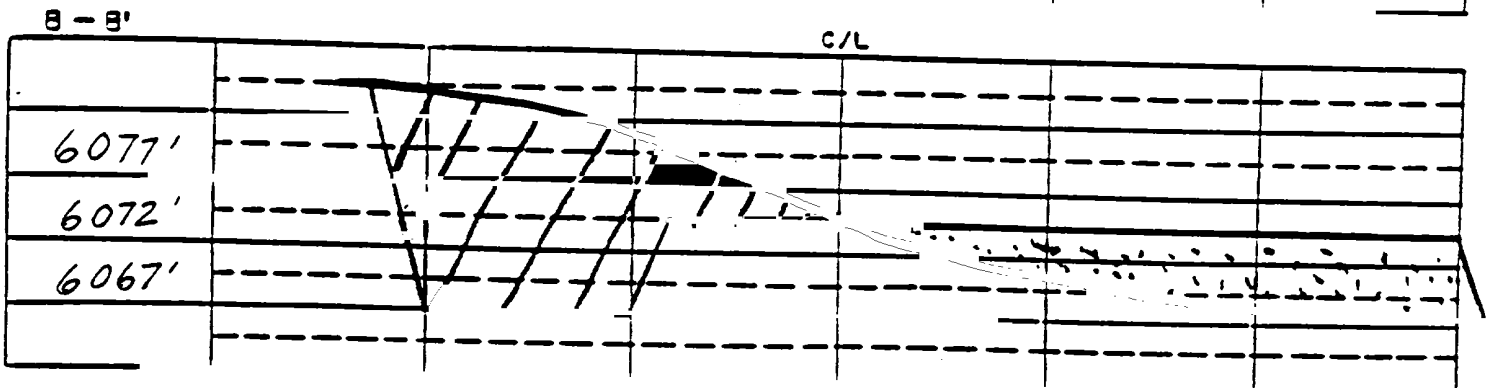
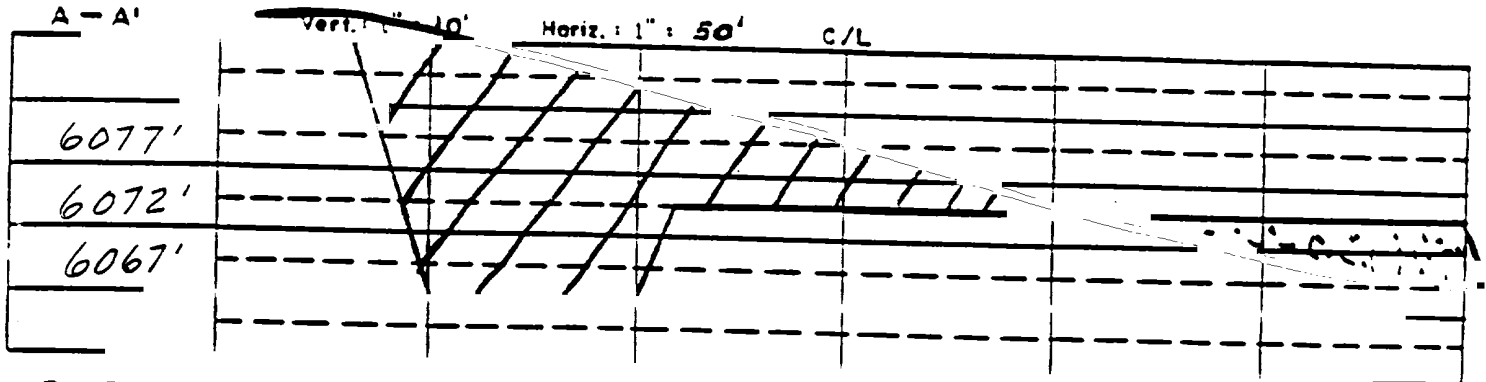
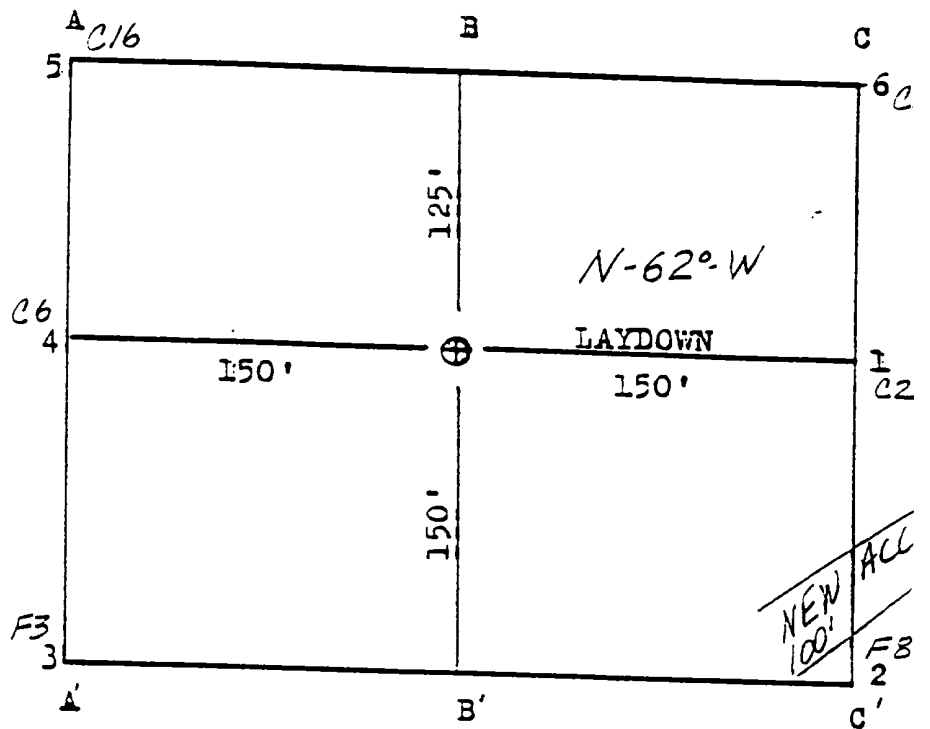
TEXACO, INC.
MIDLAND DIVISION
MIDLAND, TEXAS

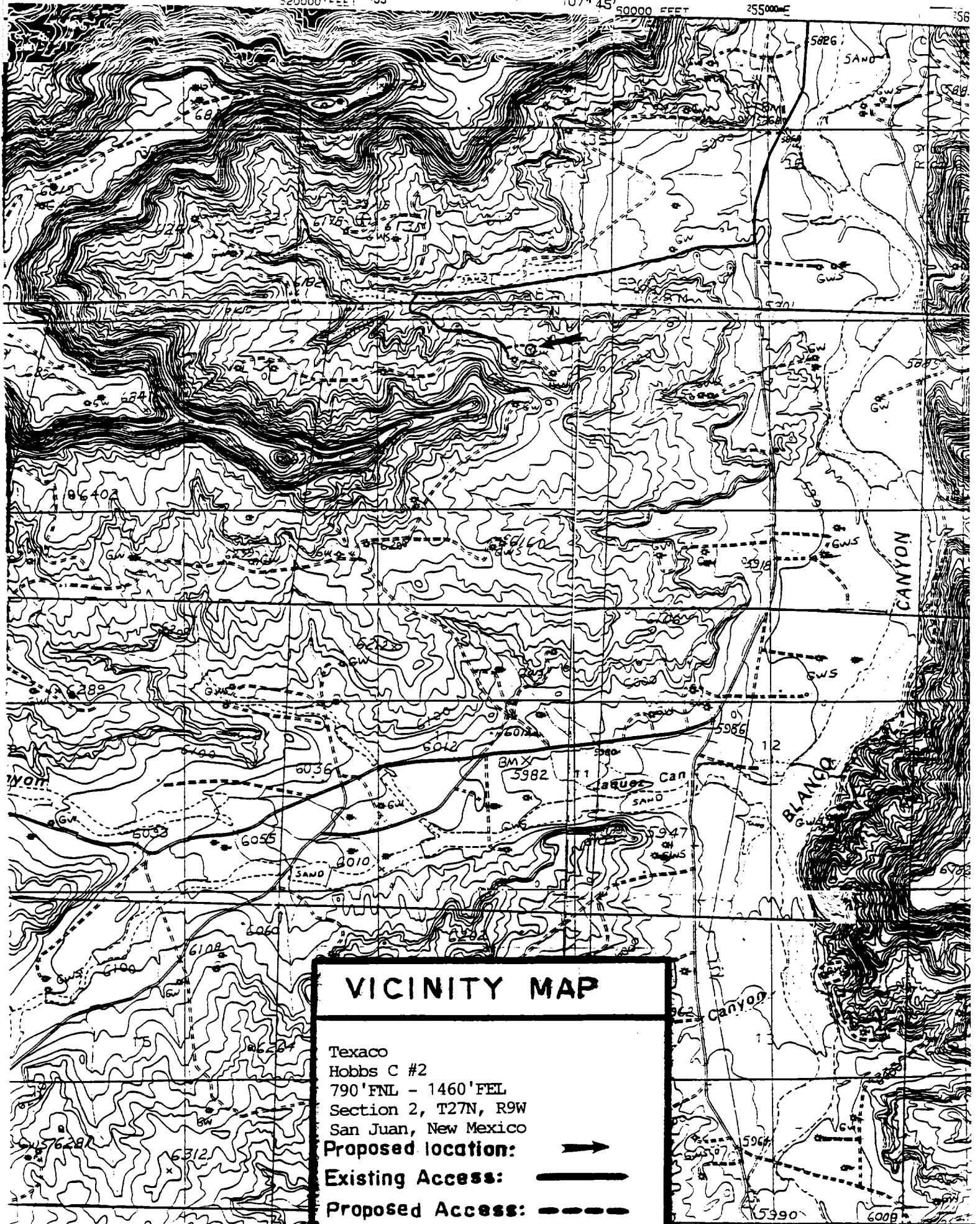


EXHIBIT III

TEXACO

Hobbs C # 2
 790' FNL, 1460' FEL,
 Sec. 2, T27N, R9W, NMPM.,
 San Juan Co., N.M.







STATE OF NEW MEXICO
ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION
AZTEC DISTRICT OFFICE

1000 RIO BRAZOS ROAD
AZTEC, NEW MEXICO 87410
(505) 334-6178

DATE: Jan. 11, 1991

Texaco, Inc.

3300 N. Butler ATTN: Al Kleier

Farmington, NM 87401

RE: Hobbs C #2 B-2-27N-9W
Farming A #2 H-16-27N-9W

The Application to Drill for the referenced well has expired.
Please send a sundry requesting an extension of time to drill
or a cancellation.

If you have any questions, please call this office.

Sincerely,

A handwritten signature in cursive script, appearing to read "W. Cortez".

Tech. I

xc: Well File