



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
2040 S. PACHECO
SANTA FE, NEW MEXICO 87505
(505) 827-7131

October 16, 1996

Texaco Exploration & Production Inc.
205 E. Bender Blvd.
Hobbs, New Mexico 88240
Attention: Monte C. Duncan

Administrative Order DD-145-A(NSBHL)

Dear Mr. Duncan:

Reference is made to your application dated September 17, 1996 for approval to recomplete the New Mexico "N" State Well No. 10 (API No. 30-025-33434), located on the surface 800 feet from the South line and 510 feet from the West line (Lot 4/Unit M) of Section 30, Township 17 South, Range 35 East, NMPM, Lea County, New Mexico, into the Vacuum-Upper Pennsylvanian Pool at an unorthodox subsurface oil well location.

The Division Director Finds That:

- (1) By Division Administrative Order DD-145, dated May 7, 1996, Texaco Exploration & Production Inc. ("Texaco") was authorized to drill said New Mexico "N" State Well No. 10 from a standard surface oil well location 800 feet from the South line and 510 feet from the West line (Lot 4/Unit M) of said Section 30, drill vertically to an approximate depth of 8,000 feet, kick-off in a south-southwesterly direction, and drill directionally to a targeted standard bottomhole oil well location within the Atoka formation being approximately 380 feet from the South and West lines of said Section 30. The 37.59-acre tract comprising Lot 4 (the SW/4 SW/4 equivalent) of said Section 30 was dedicated to said well to form a (standard) oil spacing and proration unit for wildcat Atoka oil production. Said order DD-145 ascribed the applicable drilling window or "producing area" for said wellbore as that area within Lot 4 (the SW/4 SW/4 equivalent) of said Section 30 being no closer than 330 feet to the outer boundary of said dedicated 37.59-acre tract;
- (2) From well data on file with the New Mexico Oil Conservation Division the New Mexico "N" State Well No. 10 was drilled to a total depth of 11,536 feet in July, 1996, after the Atoka interval between 11,132 feet to 11,252 feet tested dry the Upper Pennsylvanian zone from 10,088 feet to 10,184 feet was completed;

- (3) The Vacuum-Upper Pennsylvanian Pool is subject to the "*Special Rules and Regulations for the Vacuum-Upper Pennsylvanian Pool*", as promulgated by Division Order No. R-2697, as amended, which provides for 80-acre oil spacing and proration units, or drilling units, and requires that wells be located within a 200 foot radius of the center of a governmental quarter-quarter section or lot, provided that the first well on the 80-acre unit is located in either the NW/4 or SE/4 of a governmental quarter section;
- (4) This application has been duly filed under the provisions of **Rule 5** of said special pool rules and **Rules 111.D and E** of the General Rules and Regulations of the New Mexico Oil Conservation Division ("Division"), revised by Division Order No. R-10388, issued by the Oil Conservation Commission in Case 11,274 on June 13, 1995;
- (5) As indicated by the directional survey, dated August 2, 1996, on file with the Division, the actual bottomhole location for this well within the perforated interval of the Vacuum-Upper Pennsylvanian Pool is approximately 400 feet from the South line and 388 feet from the West line (Lot 4/Unit M) of said Section 30.
- (6) The 75.96 acres comprising Lots 3 and 4 (the W/2 SW/4 equivalent) of said Section 30 is to be dedicated to said well per **Rule 2** of said "*Special Rules and Regulations for the Vacuum-Upper Pennsylvanian Pool*"; and,
- (7) Texaco having satisfied all of the appropriate requirements prescribed in **Rule 5** of said "*Special Rules and Regulations for the Vacuum-Upper Pennsylvanian Pool*", the subject unorthodox bottomhole Upper Pennsylvanian oil well should therefore be approved.

IT IS THEREFORE ORDERED THAT:

(1) The unorthodox subsurface oil well location within the Vacuum-Upper Pennsylvanian Pool, being approximately 400 feet from the South line and 388 feet from the West line (Lot 4/Unit M) of Section 30, Township 17 South, Range 35 East, NMPM, Lea County, New Mexico, for the Texaco Exploration and Production Inc. New Mexico "N" State Well No. 10 (API No. 30-025-33434), located on the surface 800 feet from the South line and 510 feet from the West line (Lot 4/Unit M) of said Section 30, is hereby approved.

(2) The 75.96 acres comprising Lots 3 and 4 (the W/2 SW/4 equivalent) of said Section 30 is to be dedicated to said well per **Rule 2** of the "*Special Rules and Regulations for the*

Administrative Order DD-145-A(NSBHL)
Texaco Exploration & Production Inc.
October 16, 1996
Page 3

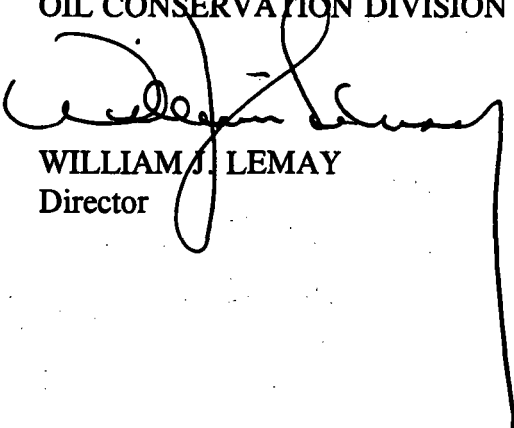
Vacuum-Upper Pennsylvanian Pool", as promulgated by Division Order No. R-2697, as amended.

(3) All provisions of Division Administrative Order DD-145, dated May 7, 1996, not in conflict with this order shall remain in full force and effect until further notice.

(4) Jurisdiction of this cause is retained for the entry of such further orders as the Division may deem necessary.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION


WILLIAM J. LEMAY
Director

S E A L

WJL/MES/kv

cc: Oil Conservation Division - Hobbs
New Mexico State Land Office - Santa Fe
File: DD-145

DD-145-A

Rec: 9-18-96

Susp 10-9-96

Release 10-16-96

October 16, 1996

Texaco Exploration & Production Inc.
205 E. Bender Blvd.
Hobbs, New Mexico 88240

Attention: Monte C. Duncan

Administrative Order DD-145-A(NSBHL)

Dear Mr. Duncan:

Reference is made to your application dated September 17, 1996 for approval to recomplete the New Mexico "N" State Well No. 10 (API No. 30-025-33434), located on the surface 800 feet from the South line and 510 feet from the West line (Lot 4/Unit M) of Section 30, Township 17 South, Range 35 East, NMPM, Lea County, New Mexico, into the Vacuum-Upper Pennsylvanian Pool at an unorthodox subsurface oil well location.

The Division Director Finds That:

- (1) By Division Administrative Order DD-145, dated May 7, 1996, Texaco Exploration & Production Inc. ("Texaco") was authorized to drill said New Mexico "N" State Well No. 10 from a standard surface oil well location 800 feet from the South line and 510 feet from the West line (Lot 4/Unit M) of said Section 30, drill vertically to an approximate depth of 8,000 feet, kick-off in a south-southwesterly direction, and drill directionally to a targeted standard bottomhole oil well location within the Atoka formation being approximately 380 feet from the South and West lines of said Section 30. The 37.59-acre tract comprising Lot 4 (the SW/4 SW/4 equivalent) of said Section 30 was dedicated to said well to form a (standard) oil spacing and proration unit for wildcat Atoka oil production. Said order DD-145 ascribed the applicable drilling window or "producing area" for said wellbore as that area within Lot 4 (the SW/4 SW/4 equivalent) of said Section 30 being no closer than 330 feet to the outer boundary of said dedicated 37.59-acre tract;
- (2) From well data on file with the New Mexico Oil Conservation Division the New Mexico "N" State Well No. 10 was drilled to a total depth of 11,536 feet in July, 1996, after the Atoka interval between 11,132 feet to 11,252 feet tested dry the

Upper Pennsylvanian zone from 10,088 feet to 10,184 feet was completed;

- (3) The Vacuum-Upper Pennsylvanian Pool is subject to the "*Special Rules and Regulations for the Vacuum-Upper Pennsylvanian Pool*", as promulgated by Division Order No. R-2697, as amended, which provides for 80-acre oil spacing and proration units, or drilling units, and requires that wells be located within a 200 foot radius of the center of a governmental quarter-quarter section or lot, provided that the first well on the 80-acre unit is located in either the NW/4 or SE/4 of a governmental quarter section;
- (4) This application has been duly filed under the provisions of **Rule 5** of said special pool rules and **Rules 111.D and E** of the General Rules and Regulations of the New Mexico Oil Conservation Division ("Division"), revised by Division Order No. R-10388, issued by the Oil Conservation Commission in Case 11,274 on June 13, 1995;
- (5) As indicated by the directional survey, dated August 2, 1996, on file with the Division, the actual bottomhole location for this well within the perforated interval of the Vacuum-Upper Pennsylvanian Pool is approximately 400 feet from the South line and 388 feet from the West line (Lot 4/Unit M) of said Section 30.
- (6) The 75.96 acres comprising Lots 3 and 4 (the W/2 SW/4 equivalent) of said Section 30 is to be dedicated to said well per **Rule 2** of said "*Special Rules and Regulations for the Vacuum-Upper Pennsylvanian Pool*"; and,
- (7) Texaco having satisfied all of the appropriate requirements prescribed in **Rule 5** of said "*Special Rules and Regulations for the Vacuum-Upper Pennsylvanian Pool*", the subject unorthodox bottomhole Upper Pennsylvanian oil well should therefore be approved.

IT IS THEREFORE ORDERED THAT:

(1) The unorthodox subsurface oil well location within the Vacuum-Upper Pennsylvanian Pool, being approximately 400 feet from the South line and 388 feet from the West line (Lot 4/Unit M) of Section 30, Township 17 South, Range 35 East, NMPM, Lea County, New Mexico, for the Texaco Exploration and Production Inc. New Mexico "N" State Well No. 10 (API No. 30-025-33434), located on the surface 800 feet from the South line and 510 feet from the West line (Lot 4/Unit M) of said Section 30, is hereby approved.

(2) The 75.96 acres comprising Lots 3 and 4 (the W/2 SW/4 equivalent) of said Section 30 is to be dedicated to said well per **Rule 2** of the "*Special Rules and Regulations for the Vacuum-Upper Pennsylvanian Pool*", as promulgated by Division Order No. R-2697, as amended.

(3) All provisions of Division Administrative Order DD-145, dated May 7, 1996, not in conflict with this order shall remain in full force and effect until further notice.

(4) Jurisdiction of this cause is retained for the entry of such further orders as the Division may deem necessary.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION

WILLIAM J. LEMAY
Director

S E A L

WJL/MES/kv

cc: Oil Conservation Division - Hobbs
New Mexico State Land Office - Santa Fe
File: DD-145



Texaco E & P

205 E. Bender Blvd.
Hobbs NM 88240
505 393 7191

DDCNSBHL

10/9/96

NEW MEXICO OIL CONSERVATION DIVISION
RECEIVED

September 17, 1996

'96 SEP 19 AM 8 52

New Mexico Oil Conservation Division
2040 South Pacheco
Santa Fe, New Mexico 87505

Attn: Mr. William J. LeMay, Division Director

Re: Application for Non-Standard Location
New Mexico N State #10
Unit M, Sec. 30, T-17-S, R-35-E,
Lea County, New Mexico

Dear Sirs :

Texaco Exploration & Production Inc., respectfully requests administrative approval for an exception to Rule 104-C for a non-standard well location in the Vacuum Upper Penn Pool for the above well. This newly completed well is the first well drilled in this pool in this eighty acre oil proration unit..

Attached is NMOCD form C-102 identifying the location of the well on the subject 80 acre proration unit.

Texaco Exploration and Production Inc. has notified offset operators of this application by copy of this application package sent by certified mail. If you need further information concerning this matter, please contact me at (505)-397-0418, Thank you for your consideration of this proposal.

Sincerely,

Monte C. Duncan
Engineer Assistant

/mcd

Chrono, Well File, Attachments

cc: New Mexico Oil Conservation Division, District I Office
Offset Operators

DISTRICT I
P.O. Box 1980, Hobbs, NM 88241-1980

DISTRICT II
P.O. Box Drawer DD, Artesia, NM 88211-0719

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

DISTRICT IV
P.O. Box 2088, Santa Fe, NM 87504-2088

State of New Mexico
Energy, Minerals and Natural Resources Department

OIL CONSERVATION DIVISION

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

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

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-025-33434	² Pool Code 62310	³ Pool Name VACUUM UPPER PENN
⁴ Property Code 11047	⁵ Property Name NEW MEXICO N STATE	⁶ Well No. 10
⁷ OGRID Number 022351	⁸ Operator Name TEXACO EXPLORATION & PRODUCTION INC.	⁹ Elevation 3989'-GR

¹⁰ Surface Location

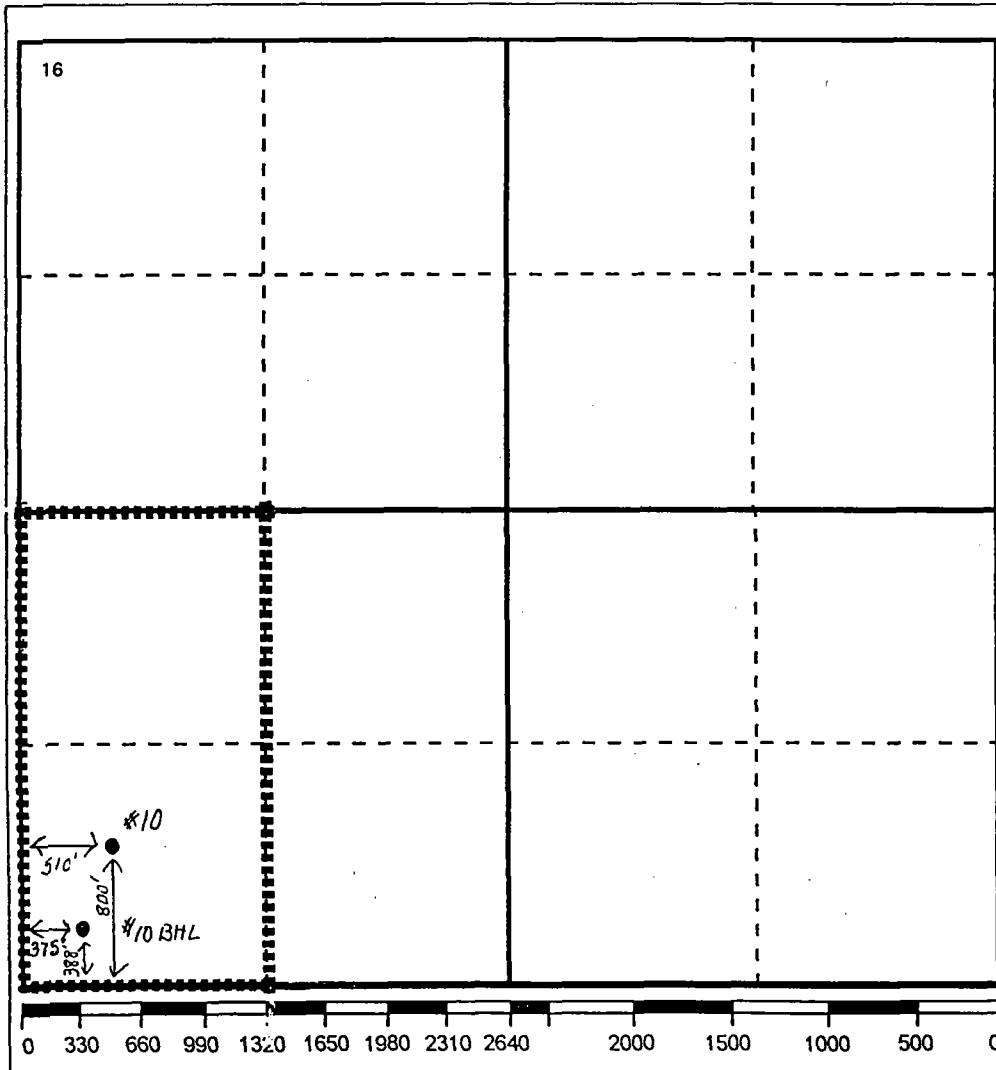
UI or lot no.	Section	Township	Range	Lot.Idn	Feet From The	North/South Line	Feet From The	East/West Line	County
M	30	17S	35E		800	SOUTH	510	WEST	LEA

¹¹ Bottom Hole Location If Different From Surface

UI or lot no.	Section	Township	Range	Lot.Idn	Feet From The	North/South Line	Feet From The	East/West Line	County
M	30	17S	35E		388	SOUTH	375	WEST	LEA

¹² Dedicated Acres 80	¹³ Joint or Infill No	¹⁴ Consolidation Code	¹⁵ Order No.
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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



17 OPERATOR CERTIFICATION

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

Signature

Monte C. Duncan

Printed Name

Monte C. Duncan

Position

Engr Asst

Date

8/21/96

18 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.

Date Surveyed

Signature & Seal of
Professional Surveyor

Certificate No.

**Offset Operators List
New Mexico N State Well #10
Lea County, New Mexico**

Apache Corporation
2000 Post Oak Blvd
Ste. 100
Houston, Texas 77056

Arco Permian
P.O. Box 1610
Midland, Texas 79702

Marathon Oil Company
P.O. Box 552
Midland, Texas 79702

Mobil E & P US Inc.
P.O. Box 633
Midland, Texas 79702

Shell Western E & P Inc.
P.O. Box 576
Houston, Texas 77001



Texaco E & P

CERTIFIED MAIL

September 17, 1996

To: OFFSET OPERATORS

**Subject: Offset Operators Notification
Request for Exception to Rule 104-C
Non-Standard Well Location
Vacuum Upper Penn Pool
New Mexico N State #10
Unit M, Sec. 30, T-17-S, R-35-E,
Lea County, New Mexico**

Texaco Exploration and Production Inc. respectfully requests administrative approval for an exception to Rule 104-C for a non-standard well location in the Vacuum Upper Penn Pool for the above well.

Attached is a copy of the non-standard location application to the New Mexico Oil Conservation Division. Copies of this administrative application are being provided to our offset operators via Certified Mail.

New Mexico Oil Conservation Division regulations require any objections to this proposal be made within twenty days of the receipt of this letter. If you have any questions concerning this proposal, please contact me at (505) 397-0418.

Thank you for your consideration of this proposal.

Sincerely,

Monte C. Duncan
Engineer Assistant
Hobbs Operating Unit

/mcd
Chrono, Well File, Attachments

P 622 712 515

US Postal Service

Receipt for Certified Mail

No Insurance Coverage Provided.

Marathon Oil Company
P.O. Box 552
Midland, Texas 79702

PS Form 3800, April 1995

Postage	\$	✓
Certified Fee		✓
Special Delivery Fee		
Restricted Delivery Fee		
Return Receipt Showing to Whom & Date Delivered		✓
Return Receipt Showing to Whom, Date, & Addressee's Address		
TOTAL Postage & Fees	\$	2.75
Postmark or Date		

P 622 712 514

US Postal Service

Receipt for Certified Mail

No Insurance Coverage Provided.

Arco Permian
P.O. Box 1610
Midland, Texas 79702

PS Form 3800, April 1995

Postage	\$	✓
Certified Fee		✓
Special Delivery Fee		
Restricted Delivery Fee		
Return Receipt Showing to Whom & Date Delivered		✓
Return Receipt Showing to Whom, Date, & Addressee's Address		
TOTAL Postage & Fees	\$	2.75
Postmark or Date		

P 622 712 513

US Postal Service

Receipt for Certified Mail

No Insurance Coverage Provided.

Apache Corporation
2000 Post Oak Blvd
Ste. 100
Houston, Texas 77056

PS Form 3800, April 1995

Postage	\$	✓
Certified Fee		✓
Special Delivery Fee		
Restricted Delivery Fee		
Return Receipt Showing to Whom & Date Delivered		✓
Return Receipt Showing to Whom, Date, & Addressee's Address		
TOTAL Postage & Fees	\$	2.75
Postmark or Date		

P 622 712 517

US Postal Service

Receipt for Certified Mail

No Insurance Coverage Provided.

Shell Western E & P Inc.
P.O. Box 576
Houston, Texas 77001

PS Form 3800, April 1995

Postage	\$	✓
Certified Fee		✓
Special Delivery Fee		
Restricted Delivery Fee		
Return Receipt Showing to Whom & Date Delivered		✓
Return Receipt Showing to Whom, Date, & Addressee's Address		
TOTAL Postage & Fees	\$	2.75
Postmark or Date		

P 622 712 516

US Postal Service

Receipt for Certified Mail

No Insurance Coverage Provided.

Mobil E & P US Inc.
P.O. Box 633
Midland, Texas 79702

PS Form 3800, April 1995

Postage	\$	✓
Certified Fee		✓
Special Delivery Fee		
Restricted Delivery Fee		
Return Receipt Showing to Whom & Date Delivered		✓
Return Receipt Showing to Whom, Date, & Addressee's Address		
TOTAL Postage & Fees	\$	2.75
Postmark or Date		

COUNTY Lea

POOL

Vacuum - Upper Pennsylvanian

TOWNSHIP 17 South

RANGE

35 East

NMPM

A 36x6 grid with numbers 1-36 in the top row and 1-36 in the bottom row, with a thick border on the left and top.

Ext: $W\frac{1}{2}$ Sec. 31 (P. 2771, 10-1-64) Ext: ^{Sec} 34 Spr. 30 (R-10419, 7-17-95)

[The page contains faint, illegible markings and noise.]

CMD :
OG5SECT

ONGARD
INQUIRE LAND BY SECTION

10/16/96 09:12:21
OGOMES -EMG2
PAGE NO: 2

Sec : 31 Twp : 23S Rng : 37E Section Type : NORMAL

1 3, 37.97	K 40.00	J 40.00	I 40.00
Federal owned C U A A A A	Federal owned C U A A A	Federal owned C U A A	Federal owned C U A
4 37.99	N 40.00	O 40.00	P 40.00
Federal owned C U A A	Federal owned C U A	Federal owned U A	Federal owned C U A

PF01 HELP	PF02	PF03 EXIT	PF04 GoTo	PF05	PF06
PF07 BKWD	PF08 FWD	PF09 PRINT	PF10 SDIV	PF11	PF12

75.96



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
2040 S. PACHECO
SANTA FE, NEW MEXICO 87505
(505) 827-7131

May 7, 1996

Texaco Exploration and Production, Inc.
P. O. Box 3109
Midland, Texas 79702
Attention: C. W. Howard

Administrative Order DD-145

Dear Mr. Howard:

Under the provisions of **Rules 111.D and E** of the General Rules and Regulations of the New Mexico Oil Conservation Division ("Division"), revised by Division Order No. R-10388, issued by the Oil Conservation Commission in Case 11,274 on June 13, 1995, Texaco Exploration and Production Inc. ("Texaco") made application to the New Mexico Oil Conservation Division on March 15, 1996 for authorization to directional drill its proposed New Mexico "N" State Well No. 10, Lea County, New Mexico.

The Division Director Finds That:

- (1) The proposed wellbore, to be drilled to a pre-determined bottom-hole location in the Atoka formation to test for oil production, is subject to the statewide rules and regulations for oil wells, as promulgated by **Rules 104.C(2)(c)**, which provides for 40-acre oil spacing and proration units, or drilling units, and requires that wells be located no closer than 330 feet to any boundary of such tract;
- (2) The 37.59 acres tract comprising Lot 4 (the SW/4 SW/4 equivalent) of said Section 30 is to be dedicated to said well to form a (standard) oil spacing and proration unit for said pool;
- (3) Texaco is requesting to directional drill this well in a conventional manner because surface obstructions prevent drilling at the proposed bottom-hole location;
- (4) It is Texaco's intent to place its New Mexico "N" State Well No. 10 at a standard surface oil well location 800 feet from the South line and 510 feet from the West line (Lot 4/Unit M) of Section 30, Township 17 South, Range 35 East, NMPM,

Lea County, New Mexico, drill vertically to an approximate depth of 8,000 feet, kick-off in a south-southwesterly direction, and drill directionally to a targeted standard bottomhole oil well location that is approximately 380 feet from the South and West lines of said Section 30;

- (5) The applicable drilling window or "producing area" for said wellbore should include that area within Lot 4 (the SW/4 SW/4 equivalent) of said Section 30 that is no closer than 330 feet to the outer boundary of said dedicated 37.59-acre tract; and,
- (6) It appearing the applicant has satisfied all of the appropriate requirements prescribed in said **Rule 111.D** and **E**, the subject application should be approved and the well should be governed by the provisions contained within this order and all other applicable provisions of **Division General Rule 111**.

IT IS THEREFORE ORDERED THAT:

(1) Texaco Exploration and Production, Inc. ("Texaco") is hereby authorized to drill its New Mexico "N" State Well No. 10 from a standard surface oil well location 800 feet from the South line and 510 feet from the West line (Lot 4/Unit M) of Section 30, Township 17 South, Range 35 East, NMPM, Lea County, New Mexico, drill vertically to an approximate depth of 8,000 feet, kick-off in a south-southwesterly direction, and drill directionally to a targeted standard bottomhole oil well location that is approximately 380 feet from the South and West lines of said Section 30.

(2) The 37.59-acre tract comprising Lot 4 (the SW/4 SW/4 equivalent) of said Section 30 shall be dedicated to said well to form a (standard) oil spacing and proration unit for said pool.

(3) The applicable drilling window or "producing area" for said wellbore shall consist of that area within Lot 4 (the SW/4 SW/4 equivalent) of said Section 30 that is no closer than 330 feet to the outer boundary of said dedicated 37.59-acre tract.

PROVIDED HOWEVER THAT prior to commencing directional drilling operations in said wellbore, the applicant shall establish the location of the kick-off point by means of a directional survey acceptable to the Division.

PROVIDED FURTHER THAT during or upon completion of said directional drilling operations, the applicant shall conduct an accurate wellbore survey from the kick-off point to total depth in order that the subsurface bottomhole location, as well as the wellbore's true depth and course, may be determined.

(4) The applicant shall notify the supervisor of the Hobbs District office of the Division of the date and time said wellbore surveys are to be conducted so that they may be witnessed. The applicant shall further provide a copy of said wellbore surveys to the Santa Fe and Hobbs offices of the Division upon completion.

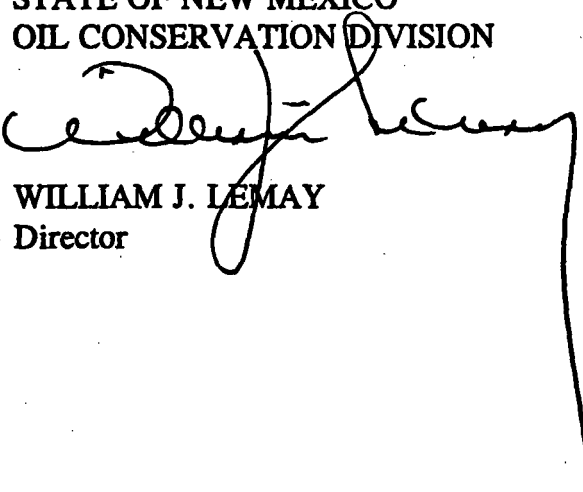
(5) The operator shall comply with all requirements and conditions set forth in Division General Rule 111.E(2) and any applicable requirements in 111.D and F.

(6) Form C-105 shall be filed in accordance with Division Rule 1105 and the operator shall indicate thereon true vertical depth in addition to measured depths.

(7) Jurisdiction of this cause is retained for the entry of such further orders as the Division may deem necessary.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION


WILLIAM J. LEMAY
Director

SEAL

cc: Oil Conservation Division - Hobbs
New Mexico State Land Office - Santa Fe

VACUUM-UPPER PENNSYLVANIAN POOL
Lea County, New Mexico

Order No. R-2697, Adopting Temporary Operating Rules for the Vacuum-Upper Pennsylvanian Pool, Lea County, New Mexico, June 1, 1964.

Order No. R-2697-A, May 19, 1965, makes permanent the temporary rules adopted in Order No. R-2697.

Application of Texaco Inc. for Special Pool Rules, Lea County, New Mexico.

CASE NO. 3016
Order No. R-2697

ORDER OF THE COMMISSION

BY THE COMMISSION: This cause came on for hearing at 9 o'clock a.m. on April 29, 1964, at Santa Fe, New Mexico, before Examiner Elvis A. Utz.

NOW, on this 8th day of May, 1964, the Commission, a quorum being present, having considered the testimony, the record, and the recommendations of the Examiner, and being fully advised in the premises,

FINDS:

(1) That due public notice having been given as required by law, the Commission has jurisdiction of this cause and the subject matter thereof.

(2) That the applicant, Texaco Inc., seeks the promulgation of special pool rules for the Vacuum-Upper Pennsylvanian Pool in Lea County, New Mexico, establishing 80-acre spacing therein.

(3) That in order to prevent the economic loss caused by the drilling of unnecessary wells, to avoid the augmentation of risk arising from the drilling of an excessive number of wells, to prevent reduced recovery which might result from the drilling of too few wells, and to otherwise prevent waste and protect correlative rights, temporary special rules and regulations providing for 80-acre spacing units should be promulgated for the Vacuum-Upper Pennsylvanian Pool.

(4) That the temporary special rules and regulations should provide for limited well locations in order to assure orderly development of the pool and protect correlative rights.

(5) That the temporary special rules and regulations should be established for a one-year period in order to allow the operators in the subject pool to gather reservoir information to establish the area that can be efficiently and economically drained and developed by one well.

(6) That this case should be reopened at an examiner hearing in May, 1965, at which time the operators in the subject pool should be prepared to appear and show cause why the Vacuum-Upper Pennsylvanian Pool should not be developed on 40-acre spacing units.

IT IS THEREFORE ORDERED:

That temporary Special Rules and Regulations for the Vacuum-Upper Pennsylvanian Pool are hereby promulgated as follows, effective June 1, 1964.

**SPECIAL RULES AND REGULATIONS
FOR THE
VACUUM-UPPER PENNSYLVANIAN POOL**

RULE 1. Each well completed or recompleted in the Vacuum-Upper Pennsylvanian Pool or in the Upper Pennsylvanian formation within one mile of the Vacuum-Upper Pennsylvanian Pool, and not nearer to or within the limits of another designated Upper Pennsylvanian pool, shall be spaced, drilled, operated, and produced in accordance with the Special Rules and Regulations hereinafter set forth.

RULE 2. Each well completed or recompleted in the Vacuum-Upper Pennsylvanian Pool shall be located on a standard unit containing 80 acres, more or less, consisting of the N/2, S/2, E/2, or W/2 of a single governmental quarter section; provided, however, that nothing contained herein shall be construed as prohibiting the drilling of a well on each of the quarter-quarter sections in the unit.

RULE 3. The Secretary-Director of the Commission may grant an exception to the requirements of Rule 2 without notice and hearing when an application has been filed for a non-standard unit comprising a single quarter-quarter section or lot. All operators offsetting the proposed non-standard unit shall be notified of the application by registered or certified mail, and the application shall state that such notice has been furnished. The Secretary-Director may approve the application upon receipt of written waivers from all offset operators or if no offset operator has entered an objection to the formation of the non-standard unit within 30 days after the Secretary-Director has received the application.

RULE 4. The first well drilled on every standard or non-standard unit in the Vacuum-Upper Pennsylvanian Pool shall be located within 200 feet of the center of either the NW/4 or the SE/4 of a governmental quarter section.

RULE 5. The Secretary-Director may grant an exception to the requirements of Rule 4 without notice and hearing when an application has been filed for an unorthodox location necessitated by topographical conditions or the recompletion of a well previously drilled to another horizon. All operators offsetting the proposed unorthodox location shall be notified of the application by registered or certified mail, and the application shall state that such notice has been furnished. The Secretary-Director may approve the application upon receipt of written waivers from all offset operators or if no offset operator has entered an objection to the unorthodox location within 20 days after the Secretary-Director has received the application.

RULE 6. A standard proration unit (79 through 81 acres) in the Vacuum-Upper Pennsylvanian Pool shall be assigned an 80-acre proportional factor of 5.67 for allowable purposes, and in the event there is more than one well on an 80-acre proration unit, the operator may produce the allowable assigned to the unit from the wells on the unit in any proportion.

The allowable assigned to a non-standard proration unit shall bear the same ratio to a standard allowable in the Vacuum-Upper Pennsylvanian Pool as the acreage in such non-standard unit bears to 80 acres.

IT IS FURTHER ORDERED:

(1) That any well presently drilling to or completed in the

(VACUUM-UPPER PENNSYLVANIAN POOL - Cont'd.)

Upper Pennsylvanian formation within the Vacuum-Upper Pennsylvanian Pool or within one mile of the Vacuum-Upper Pennsylvanian Pool that will not comply with the well location requirements of Rule 4 is hereby granted an exception to the requirements of said rule. The operator shall notify the Hobbs District Office of the Commission in writing of the name and location of the well on or before June 15, 1964.

(2) That any operator desiring to dedicate 80 acres to a well presently drilling to or completed in the Vacuum-Upper Pennsylvanian Pool shall file a new Form C-128 with the Commission on or before June 15, 1964.

(3) That this case shall be reopened at an examiner hearing in May, 1965, at which time the operators in the subject pool may appear and show cause why the Vacuum-Upper Pennsylvanian Pool should not be developed on 40-acre spacing units.

(4) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

DAGGER DRAW-MORROW GAS POOL
Eddy County, New Mexico

Order No. R-2919, Adopting Temporary Operating Rules for the Dagger Draw-Morrow Gas Pool, Eddy County, New Mexico, June 8, 1965.

Order No. R-2919-A, February 23, 1967, makes permanent the rules adopted in Order No. R-2919.

Application of Monsanto Company for Special Pool Rules, Eddy County, New Mexico.

CASE NO. 3243
Order No. R-2919

ORDER OF THE COMMISSION

BY THE COMMISSION: This cause came on for hearing at 9 o'clock a.m. on April 28, 1965, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 8th day of June, 1965, the Commission, a quorum being present, having considered the testimony, the record, and the recommendations of the Examiner, and being fully advised in the premises,

FINDS:

(1) That due public notice having been given as required by law, the Commission has jurisdiction of this cause and the subject matter thereof.

(2) That the applicant, Monsanto Company, seeks the promulgation of special pool rules for the Dagger Draw-Strawn Gas Pool and the Dagger Draw-Morrow Gas Pool in Eddy County, New Mexico, including provisions for 640-acre spacing and fixed well locations.

(3) That the Monsanto Dagger Draw Well No. 1 located 660 feet from the South line and 1980 feet from the East line of Section 6, Township 20 South, Range 25 East, NMPM, Eddy County, New Mexico, is the only well presently completed in the subject pools.

(4) That in order to prevent the economic loss caused by the drilling of unnecessary wells, to avoid the augmentation of risk arising from the drilling of an excessive number of wells, to prevent reduced recovery which might result from the drilling of too few wells, and to otherwise prevent waste and protect correlative rights, temporary special rules and regulations providing for 640-acre spacing should be promulgated for the Dagger Draw-Morrow Gas Pool.

(5) That the temporary special rules and regulations for the Dagger Draw-Morrow Gas Pool should provide for limited well locations in order to assure orderly development of the pool and protect correlative rights.

(6) That in order to protect correlative rights, a well location in the NW/4 NE/4 of Section 7, Township 20 South, Range 25 East, NMPM, Eddy County, New Mexico, no nearer than 660 feet to the North line of said Section 7 and no nearer than 330 feet to any other boundary of said quarter-quarter section should be authorized.

(7) That the temporary special rules and regulations for the Dagger Draw-Morrow Gas Pool should be established for a temporary period to expire one year from the date that a pipeline connection is first obtained for a well in the pool in order to allow the operators in the subject pool to gather reservoir information to establish the area that can be efficiently and economically drained and developed by one well.

(8) That this case should be reopened at an examiner hearing one year from the date that a pipeline connection is first obtained for a well in the Dagger Draw-Morrow Gas Pool, at which time the operators in the subject pool should appear and show cause why the Dagger Draw-Morrow Gas Pool should not be developed on 320-acre spacing.

(9) That the first operator to obtain a pipeline connection for a well in the Dagger Draw-Morrow Gas Pool should notify the Commission in writing of such fact, and that the Commission should thereupon issue a supplemental order designating an exact date for reopening this case.

(10) That the applicant has not established that the proposed temporary special rules and regulations for the Dagger Draw-Strawn Gas Pool would prevent the economic loss caused by the drilling of unnecessary wells, avoid the augmentation of risk arising from the drilling of an excessive number of wells, prevent reduced recovery which might result from the drilling of too few wells, or otherwise prevent waste.

(11) That the applicant's request for special rules and regulations governing the Dagger Draw-Strawn Gas Pool should be denied.

IT IS THEREFORE ORDERED:

(1) That the applicant's request for special rules and regulations governing the Dagger Draw-Strawn Gas Pool in Eddy County, New Mexico, is hereby denied.

(2) That temporary special rules and regulations for the Dagger Draw-Morrow Gas Pool are hereby promulgated as follows:

DISTRICT I
P.O. Box 1980, Hobbs, NM 88241-1980

DISTRICT II
P.O. Box Drawer DD, Artesia, NM 88211-0719

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

DISTRICT IV
P.O. Box 2088, Santa Fe, NM 87504-2088

State of New Mexico
Energy, Minerals and Natural Resources Department

OIL CONSERVATION DIVISION

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

Form C-104

Revised February 10, 1994

Instructions on back

Submit to Appropriate District Office

5 Copies

96 SEP 27 AM 6 52
AMENDED REPORT

I. REQUEST FOR ALLOWABLE AND AUTHORIZATION TO TRANSPORT

¹ Operator Name and Address TEXACO EXPLORATION & PRODUCTION INC. 205 E. Bender, HOBBS, NM 88240		² OGRID Number 022351	
		³ Reason for Filing Code NW	
⁴ API Number 30-025-33434	⁵ Pool Name VACUUM UPPER PENN		⁶ Pool Code 62310
⁷ Property Code 11047	⁸ Property Name NEW MEXICO N STATE		⁹ Well No. 10

II. ¹⁰ Surface Location

UI or lot no.	Section	Township	Range	Lot.Idn	Feet From The	North/South Line	Feet From The	East/West Line	County
M	30	17S	35E		800	SOUTH	510	WEST	LEA

¹¹ Bottom Hole Location

UI or lot no.	Section	Township	Range	Lot.Idn	Feet From The	North/South Line	Feet From The	East/West Line	County
M	30	17S	35E		388	SOUTH	375	WEST	LEA
¹² Lse Code S	¹³ Producing Method Code P		¹⁴ Gas Connection Date 8/21/96		¹⁵ C-129 Permit Number		¹⁶ C-129 Effective Date		¹⁷ C-129 Expiration Date

III. Oil and Gas Transporters

¹⁸ Transporter OGRID	¹⁹ Transporter Name and Address	²⁰ POD	²¹ O/G	²² POD ULSTR Location and Description
022628	TEXAS NEW MEXICO PIPELINE P.O. BOX 2528 HOBBS, N.M. 88240	2476210	O	O-25-17S-34E LEA, N.M. (N.M. N, O, Q, & BA BATTERY)
022345	TEXACO E & P INC. P.O. BOX 4325, 36TH FLR, GAS ACCT. HOUSTON, TEXAS 77210-4325	2476230	G	O-25-17S-34E LEA, N.M. (N.M. N, O, Q, & BA BATTERY)

INSTRUCTIONS

This form is to be filed with the appropriate District Office of the Division not later than 20 days after the completion of any newly-drilled or deepened well. It shall be accompanied by one copy of all electrical and radio-activity logs run on the well and a summary of all special tests conducted, including drill stem tests. All depths reported shall be measured depths. In the case of directionally drilled wells, true verticle depths shall be reported. For multiple completions, Items 25 through 29 shall be reported for each zone. The form is to be filed in quintuplicate except on state land, where six copies are required. See Rule 1105.

INDICATE FORMATION TOPS IN CONFORMANCE WITH GEOGRAPHICAL SECTION OF STATE

Southeastern New Mexico

T. Anhy	1547'	T. Canyon	10,660'
T. Salt	1653'	T. Strawn	10,945'
B. Salt	2664'	T. Atoka	11,032'
T. Yates	2853'	T. Miss	
T. 7 Rivers	3152'	T. Devonian	
T. Queen	3723'	T. Silurian	
T. Grayburg	4075'	T. Montoya	
T. San Andres	4428'	T. Simpson	
T. Glorieta	5895'	T. McKee	
T. Paddock		T. Ellenburger	
T. Blinebry	6276'	T. Gr. Wash	
T. Tubb	7326'	T. Delaware Sand	
T. Drinkard	7498'	T. Bone Springs	
T. Abo	7922'	T.	
T. Wolfcamp	9312'	T.	
T. Penn	10,068'	T.	
T. Cisco (Bough C)	10,426'	T.	

Northwestern New Mexico

T. Ojo Alamo	T. Penn "B"
T. Kirtland-Fruitland	T. Penn "C"
T. Pictured Cliffs	T. Penn "D"
T. Cliff House	T. Leadville
T. Menefee	T. Madison
T. Point Lookout	T. Elbert
T. Mancos	T. McCracken
T. Gallup	T. Ignacio Otzte
T. Base Greenhorn	T. Granite
T. Dakota	T.
T. Morrison	T.
T. Todilto	T.
T. Entrada	T.
T. Wingate	T.
T. Chinle	T.
T. Permian	T.
T. Penn "A"	T.

OIL OR GAS SANDS OR ZONES

No. 1, from	10,088'	to	10,184'
No. 2, from		to	

No. 3, from	to
No. 4, from	to

IMPORTANT WATER SANDS

Include data on rate of water inflow and elevation to which water rose in the hole.

No. 1, from	to	feet
No. 2, from	to	feet
No. 3, from	to	feet

LITHOLOGY RECORD (Attach additional sheet if necessary)

From	To	Thickness in Feet	Lithology	From	To	Thickness in Feet	Lithology

Submit 3 copies
to Appropriate
District Office

DISTRICT I

P.O. Box 1980, Hobbs, NM 88240

DISTRICT II

P.O. Box Drawer DD, Artesia, NM 88210

DISTRICT III

1000 Rio Brazos Rd., Aztec, NM 87410

CONSERVATION DIVISION

RECEIVED

State of New Mexico

Energy, Minerals and Natural Resources Department

Form C-103

Revised 1-1-89

OIL CONSERVATION DIVISION

P.O. Box 2088

Santa Fe, New Mexico 87504-2088

WELL API NO.

30-025-33434

5. Indicate Type of Lease

STATE ☒

FEE ☐

6. State Oil / Gas Lease No.

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

1. Type of Well: OIL WELL ☒ GAS WELL ☐ OTHER

2. Name of Operator
TEXACO EXPLORATION & PRODUCTION INC.

3. Address of Operator
P.O. Box 2100, Denver Colorado 80201

4. Well Location
Unit Letter M : 800 Feet From The SOUTH Line and 510 Feet From The WEST Line
Section 30 Township 17-S Range 35-E NMPM LEA COUNTY

7. Lease Name or Unit Agreement Name
NEW MEXICO 'N' STATE

8. Well No.
10

9. Pool Name or Wildcat
ATOKA

10. Elevation (Show whether DF, RKB, RT, GR, etc.) 3989'

11. Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐

PLUG AND ABANDON ☐

TEMPORARILY ABANDON ☐

CHANGE PLANS ☐

PULL OR ALTER CASING ☐

OTHER: ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐

COMMENCE DRILLING OPERATION ☐ PLUG AND ABANDONMENT ☐

CASING TEST AND CEMENT JOB ☐

OTHER: ☐ COMPLETION ☒

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.

- SCHLUMBERGER RAN GR-CCL 11,370' - 6000'. RIH W/ 2 7/8" SN, PKR, TOOK, 2 7/8" TBG. SET PKR W/ 10K COMPRESSION. SN @ 11,030'. 07-13-96.
- PERF'D W/ 2 JSPF: 11,132'-11,144', 11,150'-11,156', 11,160'-11,166', 11,240'-11,252'. 152 HOLES. 07-15-96.
- DOWELL ACIDIZED W/ 3,000 GAL 15% NEFE. SWAB TEST. SWAB DOWN TO SN. RECOVERED 75 BLW. 07-17-96.
- RU SCHLUMBERGER. SET CIBP @ 11,100'. TEST TO 3,000 PSI. DUMP BAIL 35' CMT ON PLUG. 07-23-96.
- SCHLUMBERGER PERF'D 10088'-96', 10,104'-26', 10,130'-36', 10,178'-84'. 84 HOLES. TIH W/ PKR. 07-24-96.
- DOWELL ACIDIZED DOWN 2-7/8" TBG W/ 8,500 GAL 15% NEFE. 07-25-96.
- SET ROTAFLEX PUMPING UNIT. 08-06-96.
- PU 2 1/2" X 1 1/2" X 40' PUMP, K-BARS, RODS. 08-11-96.
- HOOK UP ELECTRIC. 'HANG ON' RODS TO UNIT. 08-13-96.
- PUMPED 233 BO,30 BW, 285 MCF IN 24 HOURS. DRLG TO PM. 08-15-96.

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

SIGNATURE C.P. Baaham SEH TITLE Eng. Assistant.

DATE 8/20/96

TYPE OR PRINT NAME Sheilla D. Reed-High

Telephone No. (303)621-4851

(This space for State Use)

APPROVED [Signature] TITLE DISTRICT 1 SUPERVISOR

DATE

SEP 24 1996

DeSoto/Nichols 10-94 ver 2.0

New Mexico N State #10

Sec. 30, T-17-S, R-35-E

Unit Ltr. M

(Give Unit, Section, Township and Range)

Texaco E & P Inc.

800/S + 510/W

NABORS DRILLING USA, INC.

30-025-33434

1996 SEP 27 PM 8 52
DRILLING CONTRACTOR

The Undersigned hereby certifies that he is an authorized representative of the drilling contractor who drilled the above-described well and that he has conducted deviation tests and obtained the following results:

DEGREES @ DEPTH	DEGREES @ DEPTH	DEGREES @ DEPTH	DEGREES @ DEPTH
4.0 @ 10282	0.8 @ 11271		
2.6 @ 10345	0.9 @ 11334		
1.7 @ 10407	1.6 @ 11396		
1.5 @ 10524	1.8 @ 11458		
1.7 @ 10587	1.9 @ 11494		
2.4 @ 10649			
1.1 @ 10649			
1.7 @ 10744			
1.3 @ 10805			
0.6 @ 10867			
0.9 @ 10962			
0.8 @ 11022			
0.8 @ 11085			
0.7 @ 11148			
0.6 @ 11210			

Drilling Contractor

Nabors Drilling USA Inc.

By

Jimmy Stroud

Subscribed and sworn to before me this 16th

day of

July

1996

Notary Public

My Commision Expires

MIDLAND

County

TEXAS



DISTRICT I

P.O. Box 1980, Hobbs, NM 88241-1980

DISTRICT II

P.O. Box Drawer DD, Artesia, NM 88211-0719

DISTRICT III

1000 Rio Brazos Rd., Aztec, NM 87410

DISTRICT IV

P.O. Box 2088, Santa Fe, NM 87504-2088

State of New Mexico

Energy, Minerals and Natural Resources Department

Form C-102

Revised February 10, 1994

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State Lease - 4 Copies

Fee Lease - 3 Copies

☐ AMENDED REPORT

OIL CONSERVATION DIVISION

P.O. Box 2088

Santa Fe, New Mexico 87504-2088

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-025-33434	² Pool Code 62310	³ Pool Name VACUUM UPPER PENN
⁴ Property Code 11047	⁵ Property Name NEW MEXICO N STATE	⁶ Well No. 10
⁷ OGRID Number 022351	⁸ Operator Name TEXACO EXPLORATION & PRODUCTION INC.	⁹ Elevation 3989'-GR

¹⁰ Surface Location

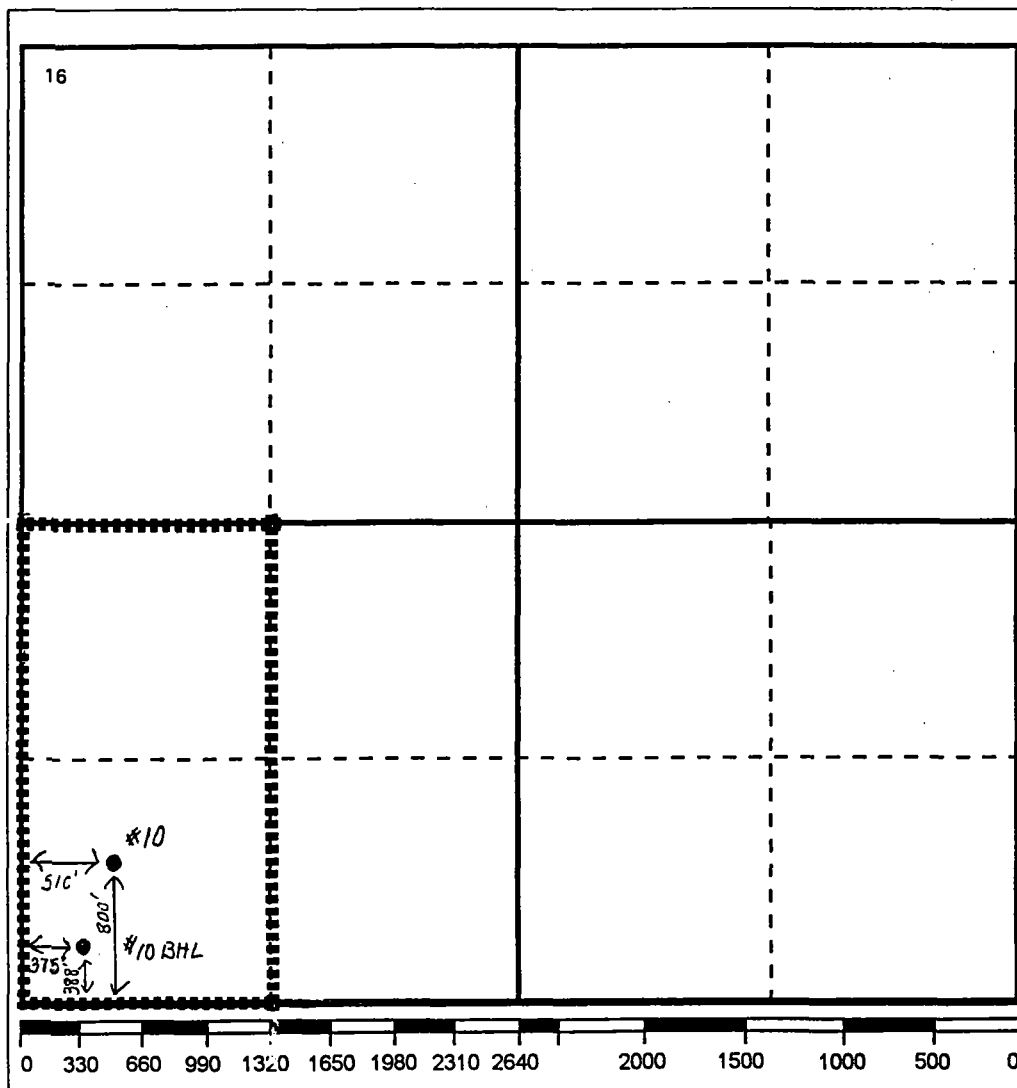
UI or lot no.	Section	Township	Range	Lot.Idn	Feet From The	North/South Line	Feet From The	East/West Line	County
M	30	17S	35E		800	SOUTH	510	WEST	LEA

¹¹ Bottom Hole Location If Different From Surface

UI or lot no.	Section	Township	Range	Lot.Idn	Feet From The	North/South Line	Feet From The	East/West Line	County
M	30	17S	35E		388	SOUTH	375	WEST	LEA

¹² Dedicated Acres 80	¹³ Joint or Infill No	¹⁴ Consolidation Code	¹⁵ 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

¹⁷ OPERATOR CERTIFICATION

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

Signature

Printed Name

Monte C. Duncan

Position

Engr Asst

Date

8/21/96

¹⁸ 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.

Date Surveyed

Signature & Seal of
Professional Surveyor

Certificate No.

DISTRICT I

P.O. Box 1980, Hobbs, NM 88240

DISTRICT II

P.O. Box 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

WELL API NO.	30-025-33434
5. Indicate Type of Lease	STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil / Gas Lea	B-1722
7. Lease Name or Unit Agreement Name	NEW MEXICO N STATE
8. Well No.	10
9. Pool Name or Wildcat	VACUUM UPPER PENN

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

1a. Type of Well: OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> DRY <input type="checkbox"/> OTHER <input type="checkbox"/>	7. Lease Name or Unit Agreement Name NEW MEXICO N STATE			
b. Type of Completion: NEW WELL <input checked="" type="checkbox"/> WORKOVER <input type="checkbox"/> DEEPEN <input type="checkbox"/> PLUG BACK <input type="checkbox"/> DIFF RES. <input type="checkbox"/> OTHER <input type="checkbox"/>				
2. Name of Operator TEXACO EXPLORATION & PRODUCTION INC.	8. Well No. 10			
3. Address of Operator 205 E. Bender, HOBBS, NM 88240	9. Pool Name or Wildcat VACUUM UPPER PENN			
4. Well Location Surf/BHL Unit Letter M : 800/388 Feet From The SOUTH Line and 510/375 Feet From The WEST Line Section 30 Township 17S Range 35E NMPM LEA COUNTY				
10. Date Spudded 5/29/96	11. Date T.D. Reached 7/5/96	12. Date Compl. (Ready to Prod.) 8/13/96	13. Elevations (DF & RKB, RT, GR, etc.) 3989'-GR	14. Elev. Csghead 3989'
15. Total Depth 11,536	16. Plug Back T.D. 11,065'	17. If Mult. Compl. How Many Zones?	18. Intervals Drilled By O-11,536'	Rotary Tools Cable Tools
19. Producing Interval(s), of this completion - Top, Bottom, Name 10,088'-10,184 (VACUUM UPPER PENN)				20. Was Directional Survey Made YES
21. Type Electric and Other Logs Run GR-ALL-CFL;GR-CNL;DLL-MSFL-CNL-LDT; GR-BCS; GR-CCL				22. Was Well Cored NO

23. CASING RECORD (Report all Strings set in well)					
CASING SIZE	WEIGHT LB./FT.	DEPTH SET	HOLE SIZE	CEMENT RECORD	AMOUNT PULLED
11 3/4"	42#	1500'	14 3/4"	CL-C 800 SX, CIR 110	
8 5/8"	32#	5300'	11"	CL-H 1800 SX, CIR 262	
5 1/2"	17#	11,536'	7 7/8"	CL-H 2050SX, CIR 350	

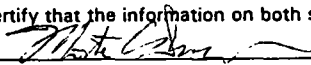
24. LINER RECORD					25. TUBING RECORD		
SIZE	TOP	BOTTOM	SACKS CEMENT	SCREEN	SIZE	DEPTH SET	PACKER SET
					2 7/8"	10202'	-

26. Perforation record (interval, size, and number) 10,088'-96'; 10,104'-26'; 10,130'-36'; 10,178'-84' (2 JSPF, .40", 42 NET FT, 84 HOLES)	27. ACID, SHOT, FRACTURE, CEMENT, SQUEEZE, ETC. DEPTH INTERVAL 10,088'-10,184' AMOUNT AND KIND MATERIAL USED ACID - 8500 GALS 15% NEFE HCL
--	--

28. PRODUCTION							
Date First Production 8/13/96	Production Method (Flowing, gas lift, pumping - size and type pump) PUMPING, 2 1/2" X 1 1/2" X 40'					Well Status (Prod. or Shut-in) PROD.	
Date of Test 8/15/96	Hours tested 24	Choke Size	Prod'n For Test Period	Oil - Bbl. 233	Gas - MCF 285	Water - Bbl. 30	Gas - Oil Ratio 1223
Flow Tubing Press.	Casing Pressure	Calculated 24-Hour Rate	Oil - Bbl.	Gas - MCF	Water - Bbl.	Oil Gravity - API -(Corr.) 38.9	

29. Disposition of Gas (Sold, used for fuel, vented, etc.) SOLD	Test Witnessed By LOCKLAR
--	------------------------------

30. List Attachment DEVIATION SURVEY, DIRECTIONAL REPORT

31. I hereby certify that the information on both sides of this form is true and complete to the best of my knowledge and belief.			
SIGNATURE 	TITLE Engr Asst	DATE 8/21/96	Telephone No. 397-0418
TYPE OR PRINT NAME Monte C. Duncan			

DISTRICT I

P.O. Box 1980, Hobbs, NM 88241-1980

DISTRICT II

P.O. Box Drawer DD, Artesia, NM 88211-0719

DISTRICT III

1000 Rio Brazos Rd., Aztec, NM 87410

DISTRICT IV

P.O. Box 2088, Santa Fe, NM 87504-2088

State of New Mexico

Energy, Minerals and Natural Resources Department

Form C-104

Revised February 10, 1994

Instructions on back

Submit to Appropriate District Office

5 Copies

OIL CONSERVATION DIVISION

P.O. Box 2088

Santa Fe, New Mexico 87504-2088

☐ AMENDED REPORT**I. REQUEST FOR ALLOWABLE AND AUTHORIZATION TO TRANSPORT**

¹ Operator Name and Address TEXACO EXPLORATION & PRODUCTION INC. 205 E. Bender, HOBBS, NM 88240		² OGRID Number 022351
		³ Reason for Filing Code RT AUG-96, 11315 BO
⁴ API Number 30-025-33434	⁵ Pool Name WILDCAT (ATOKA)	⁶ Pool Code
⁷ Property Code 11047	⁸ Property Name NEW MEXICO 'N' STATE	⁹ Well No. 10

II. ¹⁰ Surface Location

UI or lot no.	Section	Township	Range	Lot.Idn	Feet From The	North/South Line	Feet From The	East/West Line	County
M	30	17S	35E		800	SOUTH	510	WEST	LEA

¹¹ Bottom Hole Location

UI or lot no.	Section	Township	Range	Lot.Idn	Feet From The	North/South Line	Feet From The	East/West Line	County
M	30	17S	35E		380 388	SOUTH	380 375	WEST	LEA

¹² Lse Code	¹³ Producing Method Code	¹⁴ Gas Connection Date	¹⁵ C-129 Permit Number	¹⁶ C-129 Effective Date	¹⁷ C-129 Expiration Date
S	P				

III. Oil and Gas Transporters

¹⁸ Transporter OGRID	¹⁹ Transporter Name and Address	²⁰ POD	²¹ O/G	²² POD ULSTR Location and Description
022507	TTT & I P.O. BOX 60628 MIDLAND, TX 79711	2476210	O	O-25-17S-34E LEA CO., N.M.
022345	TEXACO E & P INC., GAS PLT ACCT. 36TH FLOOR, BOX 4325 HOUSTON, TX 77210-4325	2476230	G	O-25-17S-34E LEA CO., N.M.

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

DISTRICT II
P.O. Box 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

WELL API NO.	30-025-30034
5. Indicate Type of Lease	STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil / Gas Lease No.	
7. Lease Name or Unit Agreement Name	NEW MEXICO 'N' STATE
8. Well No.	10
9. Pool Name or Wildcat	ATON
10. Elevation (Show whether DF, RKB, RT, GR, etc.)	3989'

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

1. Type of Well:	OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input type="checkbox"/>
2. Name of Operator	TEXACO EXPLORATION & PRODUCTION INC.
3. Address of Operator	P.O. Box 2100, Denver Colorado 80201
4. Well Location	Unit Letter <u>M</u> : <u>800</u> Feet From The <u>SOUTH</u> Line and <u>510</u> Feet From The <u>WEST</u> Line Section <u>30</u> Township <u>17-S</u> Range <u>35-E</u> NMPM <u>LEA</u> COUNTY
10. Elevation (Show whether DF, RKB, RT, GR, etc.)	3989'

11. Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK	<input type="checkbox"/>	PLUG AND ABANDON	<input type="checkbox"/>
TEMPORARILY ABANDON	<input type="checkbox"/>	CHANGE PLANS	<input type="checkbox"/>
PULL OR ALTER CASING	<input type="checkbox"/>		
OTHER:	<input type="checkbox"/>		

SUBSEQUENT REPORT OF

REMEDIAL WORK	<input type="checkbox"/>	ALTERING CASING	<input type="checkbox"/>
COMMENCE DRILLING OPERATION	<input type="checkbox"/>	PLUG AND ABANDONMENT	<input type="checkbox"/>
CASING TEST AND CEMENT JOB	<input type="checkbox"/>		
OTHER:	<input type="checkbox"/>	SPUD, SURF CSG, INT CSG, PRO CSG.	<input checked="" 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.

- NABORS RIG #723 SPUD 14.750 INCH HOLE @ 4:30 AM 05-29-96. DRILLED TO 1500'. TD @ 3:37 AM CDT 05-29-96.
- RAN 36 JOINTS OF 11-3/4 INCH, 42#, WC-40, STC CASING SET @ 1500'. RAN 10 CENTRALIZERS.
- DOWELL CEMENTED WITH 600 SACKS CLASS C W/ 4% GEL, 2% CACL2 (13.5 PPG, 1.74 CF/S). F/B 200 SACKS CLASS C W/ 2% CACL2 (14.8 PPG, 1.32 CF/S). PLUG DOWN @ 8:22 PM MDT 05-30-96. CIRCULATED 110 SACKS.
- NU BOP & TESTED TO 1000#. TESTED CASING TO 1000# FOR 30 MINUTES FROM 1:00 PM TO 1:30 PM 06-01-96.
- WOC TIME 16 HOURS AND 38 MINUTES FROM 8:22 PM MDT 05-30-96 TO 1:00 PM 06-01-96. REQUIREMENTS OF RULE 107, OPTION 2:
1. VOL OF CEMENT SLURRY: LEAD 1044 (CU. FT.), 264 TAIL (CU. FT.) 2. APPROX. TEMP OF SLURRY WHEN MIXED: 50 F
3. EST. FORMATION TEMP IN ZONE OF INTEREST: 90 F. 4. EST. CEMENT STRENGTH @ TIME OF CASING TEST: 2000 PSI.
5. ACTUAL TIME CEMENT IN PLACE PRIOR TO TESTING: 16 HOURS AND 38 MINUTES. DRILLING 11 INCH HOLE.
- DRILLED 11 INCH HOLE TO 5300'. TD @ 8:15 AM 06-12-96.
- RU SCHLUMBERGER. RUN PLATFORM EXPRESS 5300-2700'. GR-CNL TO SURF.
- RAN 131 JOINTS (5307') OF 8 5/8 INCH, 32# FS-80, LTC CASING SET @ 5300'. RAN 10 CENTRALIZERS.
- DOWELL CEMENTED W/ 1600 SACKS 35/65 POZ CLASS H W/ 6% GEL, 5% SALT, 1/4# FLOCELE (12.4 PPG, 2.14 CF/S) F/B 200 SACKS CLASS H NEAT (15.6 PPG, 1.18 CF/S). PLUG DOWN @ 5:30 PM 06-13-96. CIRCULATED 262 SACKS.
- NU BOP & TESTED TO 1000#. TESTED CASING TO 1500# FOR 30 MINUTES FROM 1:00 PM TO 1:30 PM 06-15-96.
- WOC TIME 43-1/2 HOURS FROM 5:30 PM 06-13-96 TO 1:00 PM 06-15-96. DRILLING 7 7/8 INCH HOLE.
- DRILLED 7 7/8 INCH HOLE TO 11,536'. TD @ 8:45 AM 07-05-96.
- RU SCHLUMBERGER. RAN 1ST RUN: DLL-MSFL-CNL-LDT. 2ND RUN: GR-BCS.
- RAN 26 JTS (1203') OF 5 1/2 INCH, 17#, S-95 & 236 JTS (10333') OF 5-1/2" L-80, LTC CASING SET @ 11,536'. DV TOOL @ 7994'.
- DOWELL CEMENTED: 800 SACKS 50/50 POZ CLASS H W/ 2% GEL, 5% SALT, 4% D800, 2% D79, 1/4# FLOCELE (14.2 PPG, 1.94 CF/S). PLUG DOWN @ 2:30 AM 07-08-96. DOWELL CEMENTED 2ND STAGE: 950 SACKS 35/65 POZ CLASS H W/ 6% GEL, 5% SALT, 1/4# FLOCELE (12.4 PPG, 2.14 CF/S). F/B 300 SKS 50/50 POZ CLASS H W/ 2% GEL, 5% SALT, 1/4# FLOCELE (14.2 PPG, 1.35 CF/S). PLUG DOWN @ 10:00 A.M. 07-08-96. BUMPED PLUG AND CLOSED DV TOOL. CIRCULATED 350 SACKS.
- ND. RELEASE RIG @ 4:00 PM 07-08-96. PREP TO COMPLETE.

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

SIGNATURE C.P. Barham / S.R.H. TITLE Eng. Assistant.

DATE 7/23/96

TYPE OR PRINT NAME Sheila D. Reed-High

Telephone No. (313) 621-4851

(This space for State Use)

APPROVED [Signature] TITLE DISTRICT 1 SUPERVISOR

DATE

Aug 12 1996
DeSoto/Harris 10-94 Ver 4.0



CEMENTING REPORT

Report Date: _____

Operator: Texas Requester By: _____
 Case No: NM N State #10 Service Point: HUM
 Location: Lee NM Type of Job: Surface

SI Conditions:

SI: 1500 °F. Temp Grad: _____ SHOT: 90 °F. SHOT: 85
 Properties: Density (pcf) Yield (lb/ft³) Mix Water (gal/sk) Total Liquid (gal/sk) Water Source Cement Source
 System No. 1: 13.5 1.74 9.11 9.11 Low C
 System No. 2: 14.2 1.72 6.32 6.32 Low C
 System No. 3: _____
 System No. 4: _____

Cement System Compositions:

System No. 1: C + 42 D20 + 27.51
 System No. 2: C + 27.51
 System No. 3: _____
 System No. 4: _____

Curing Time Results

Rheology Results

SYSTEM	MO. MIN	80	300	200	100	50	25	5	3	PV or n	Typical	REMO. COY. MODEL	LOG.
No. 1	3:40	70	76	31	27	22	17	14	12				
No. 2	2:10	70	40	36	31	26	20	17	14				
No. 3													
No. 4													

Compressive Strengths - psi

SYSTEM	TEMP.	6 HRS.	12 HRS.	27 HRS.
No. 1	90 °F	250	500	800
No. 1	°F			
No. 2	90 °F	600	1400	2000
No. 2	°F			
No. 3	°F			
No. 3	°F			
No. 4	°F			
No. 4	°F			

FLUID LOSS

FREE WATER

SYSTEM	°F.	PSI	°F
	ML/20 min		ML
No. 1			
No. 2			
No. 3			
No. 4			

Remarks: Obtain Data

June 8, 1996

DATE OF TEST : 08-jun-1996

TEST NUMBER : NPD640300001

CUSTOMER : TEXACO
 FIELD : LEA NM
 WELL : NM N STATE 10

CEMENT

Class : H
 Blend : 3565
 Brand : LONESTAR
 Plant : MARYNEAL

BASE FLUID

Density : 8.32 lb/gal
 Volume : 11.95 gal/sk
 Type : LO
 Total liquid : 11.95 gal/sk

SLURRY

Density : 12.40 lb/gal
 Yield : 2.14 ft³/sk

ADDITIVES		
Code	Concent.	Unit
D020	6.000	% BWOC
D029	0.280	% BWOC
D044	5.000	% BWOW

B.H.S.T. : 113.0 F

B.H.C.T. : 106.0 F

Rheometer type : Fann 35

Spring factor : 1.0

Bob No : 1

Rotor No : 1

Rheological model (Dial 1) : Bingham Plastic

 $T_y : 25.764 \text{ lbf}/100 \text{ ft}^2$ $\bar{P}_y : 10.544 \text{ cP}$

Correlation coefficient : 0.997

Thickening Time : 7 hr47 mn to 70 BC

API Schedule :

Set condition :

Consistometer serial number :

No Fluid Loss data available

No Free Water data available

Rheological data		
Temp. (F) :	75.0	0.0
R.P.M.	Dial 1	Dial 2
300.0	36.0	0.0
200.0	33.0	0.0
100.0	29.0	0.0
60.0	0.0	0.0
30.0	0.0	0.0
6.0	15.0	0.0
3.0	13.0	0.0
0.0	0.0	0.0
0.0	0.0	0.0
10 minutes Gel : 0.0		

Compressive strength		
PSI	Hours	Temp. (F)
154	6.0	113.0
255	12.0	113.0
355	24.0	113.0

Comment :

FIELD BLEND

35/65 POZ/H + 6% D20 + 5% D44 (BWOW) + 0.25PPS D29

LOCATION WATER USED

INTERMEDIATE LEAD 5300' POD = 3:45

CemDABE Cement Test Report

June 8, 1996

DATE OF TEST : 08-jun-1996

TEST NUMBER : NPD640300002

CUSTOMER : TEXACO
FIELD : LEA NM
WELL : NM N STATE 10

CEMENT
Class : H
Blend :
Brand : LONESTAR
Plant : MARYNEAL

BASE FLUID

Density : 8.32 lb/gal
Volume : 5.20 gal/sk
Type : LO
Total liquid : 5.20 gal/sk

SLURRY

Density : 15.60 lb/gal
Yield : 1.18 ft³/sk

B.H.S.T. : 113.0 F

B.H.C.T. : 106.0 F

No additives

Rheometer type : Fann 35

Spring factor : 1.0

Bob No : 1

Rotor No : 1

Rheological model (Dial 1) : Bingham Plastic

T_y : 27.102 lbf/100ft²

P_o : 16.570 cP

Correlation coefficient : 0.988

Thickening Time : 5 hr59 mn to 70 BC

API Schedule :

Set condition :

Consistometer serial number :

No Fluid Loss data available

No Free Water data available

Rheological data

Temp. (F) :	75.0	0.0
R.P.M.	Dial 1	Dial 2
300.0	44.0	0.0
200.0	37.0	0.0
100.0	33.0	0.0
60.0	0.0	0.0
30.0	0.0	0.0
6.0	19.0	0.0
3.0	16.0	0.0
0.0	0.0	0.0
0.0	0.0	0.0
10 minutes Gel : 0.0		

Compressive strength

PSI	Hours	Temp. (F)
556	6.0	113.0
1766	12.0	113.0
2586	24.0	113.0

Comment :

FIELD BLEND

CLASS H NEAT

LOCATION WATER USED

INTERMEDIATE TAIL 5300'

Schlumberger

Dowell

CemDABE Cement Test Report

July 3, 1996

DATE OF TEST : 03-jul-1996

CUSTOMER : TEXACO

FIELD : LEA NM

WELL : NM N STATE 10

BASE FLUID

Density : 8.32 lb/gal

Volume : 6.17 gal/sk

Type : LO

Total liquid : 6.17 gal/sk

ADDITIVES		
Code	Concent	Unit
D020	2.000	% BWOC
D029	0.270	% BWOC
D044	5.000	% BWOW
D079	0.200	% BWOC
D800	0.400	% BWOC

TEST NUMBER : NPD646800001

CEMENT

Class : H

Blend : 5050

Brand : LONESTAR

Plant : MARYNEAL

SLURRY

Density : 14.20 lb/gal

Yield : 1.34 ft³/sk

B.H.S.T. : 175.0 F

B.H.C.T. : 142.0 F

Rheometer type : Fann 35

Spring factor : 1.0

Bob No : 1

Rotor No : 1

Rheological model (Dial 1) : Bingham Plastic

 T_y : 15.391 lbf/100ft² P_0 : 19.582 cP

Correlation coefficient : 0.999

Thickening Time : 4 hr 2 mn to 70 BC

API Schedule :

Set condition :

Consistometer serial number :

No Fluid Loss data available

No Free Water data available

Rheological data		
Temp. (F) :	75.0	0.0
R.P.M.	Dial 1	Dial 2
300.0	35.0	0.0
200.0	28.0	0.0
100.0	22.0	0.0
60.0	0.0	0.0
30.0	0.0	0.0
6.0	14.0	0.0
3.0	12.0	0.0
0.0	0.0	0.0
0.0	0.0	0.0
10 minutes Gel : 0.0		

Compressive strength		
PSI	Hours	Temp. (F)
104	6.0	175.0
730	12.0	175.0
1356	24.0	175.0

Comment :

FIELD BLEND

50/50 P02/H + 2% D20 + 5% D44 (BWOW) + 0.2% D79 + 0.4% D800 + 0.25PPS D29

LOCATION WATER USED

LONG STRING 1ST STAGE 11550' POD = 1:46

CemDABE Cement Test Report

July 6, 1996

DATE OF TEST : 06-jul-1996

TEST NUMBER : NPD646800002

CUSTOMER : TEXACO
FIELD : LEA NM
WELL : NM N STATE 10

CEMENT
 Class : H
 Blend : 3565
 Brand : LONESTAR
 Plant : MARYNEAL

BASE FLUID

Density : 8.32 lb/gal
 Volume : 11.80 gal/sk
 Type : LO
 Total liquid : 11.80 gal/sk

SLURRY

Density : 12.40 lb/gal
 Yield : 2.14 ft^3/sk

B.H.S.T. : 144.0 F

B.H.C.T. : 121.0 F

ADDITIVES

Code	Concent.	Unit
D020	6.000	% BWOC
D029	0.250	% BWOC
D044	5.000	% BWOW

Rheometer type : Fann 35

Spring factor : 1.0

Bob No : 1

Rotor No : 1

Rheological model (Dial 1) : Bingham Plastic

 $T_y : 4.456 \text{ lb}_f/100\text{ft}^2$ $P_o : 11.057 \text{ cP}$

Correlation coefficient : 0.992

Thickening Time : 7 hr30 mn to 70 BC

API Schedule :

Set condition :

Consistometer serial number :

No Fluid Loss data available

No Free Water data available

Rheological data

Temp. (F) :	75.0	0.0
R.P.M.	Dial 1	Dial 2
300.0	16.0	0.0
200.0	11.0	0.0
100.0	8.0	0.0
60.0	0.0	0.0
30.0	0.0	0.0
6.0	5.0	0.0
3.0	4.0	0.0
0.0	0.0	0.0
0.0	0.0	0.0
10 minutes Gel : 0.0		

Compressive strength

PSI	Hours	Temp. (F)
100	6.0	144.0
325	12.0	144.0
485	24.0	144.0

Comment :

FIELD BLEND

35/65POZ/H + 6%D20 + 5%D44(BWOW) + 0.25PPSD29

LOCATION WATER USED

LONG STRING 2ND STAGE LEAD 8000' POD = 5:20

Schlumberger

Dowell

CemDABE Cement Test Report

July 7, 1996

DATE OF TEST : 07-jul-1996

TEST NUMBER : NPD646800003

CUSTOMER : TEXACO
 FIELD : LEA NM
 WELL : NM STATE 10

CEMENT
 Class : H
 Blend : 5050
 Brand : LONESTAR
 Plant : MARYNEAL

BASE FLUID

Density : 8.32 lb/gal
 Volume : 6.18 gal/sk
 Type : LO
 Total liquid : 6.18 gal/sk

SLURRY

Density : 14.20 lb/gal
 Yield : 1.34 ft³/sk

ADDITIVES		
Code	Concent.	Unit
D020	2.000	% BWOC
D029	0.250	% BWOC
D044	5.000	% BWOW

B.H.S.T. : 144.0 F

B.H.C.T. : 121.0 F

Rheometer type : Fann 35

Spring factor : 1.0

Bob No : 1

Rotor No : 1

Rheological model (Dial 1) : Bingham Plastic

 $T_y : 20.075 \text{ lbf}/100 \text{ ft}^2$ $P_y : 21.089 \text{ cP}$

Correlation coefficient : 0.971

Thickening Time : 3 hr 2 mn to 70 BC

API Schedule :

Set condition :

Consistometer serial number :

No Fluid Loss data available

No Free Water data available

Rheological data		
Temp. (F) :	75.0	0.0
R.P.M.	Dial 1	Dial 2
300.0	42.0	0.0
200.0	32.0	0.0
100.0	28.0	0.0
60.0	0.0	0.0
30.0	0.0	0.0
6.0	17.0	0.0
3.0	14.0	0.0
0.0	0.0	0.0
0.0	0.0	0.0
10 minutes Gel : 0.0		

Compressive strength		
PSI	Hours	Temp. (F)
125	6.0	144.0
695	12.0	144.0
1150	24.0	144.0

Comment :

FIELD BLEND

50/50PUZH + 2%D20 + 5%D44(BWOW) + 0.25PPSD29

LOCATION WATER USED

LONG STRING 2ND STAGE TAIL 8000' POD = 2:01

PERC

DIRECTIONAL REPORT

WELLNAME: NEW MEXICO "N" STATE #10 *SUR 300/S & 510/W*
 FIELD: VACUUM ATOKA *BHL 388/S & 375/W*
 AFE NO.: 665506 *30-179-350* WELL ID NO.: 665506
 API NO.: 30 025 33434

SURVEY TYPE: MWD MD: 100 ANGLE: 0.55 AZIMUTH: 135.45 TVD: 100.00
 N/S: 0.34 EW: 0.34 VS: TARGET: 197.20

MEASURED DEPTH	INCLINATION ANGLE	AZIMUTH ANGLE	TVD	+NORTH -SOUTH	+EAST -WEST	VERTICAL SECTION	DOGLEG SEVERITY
100	0.55	135.45	100	-0.34	0.34		
200	0.52	148.76	200	-1.07	0.91	0.75	0.13
300	0.53	138.67	300	-1.81	1.45	1.29	0.09
400	0.89	148.61	400	-2.82	2.16	2.05	0.38
500	1.02	159.44	500	-4.31	2.88	3.27	0.22
600	1.02	158.94	600	-5.98	3.51	4.67	0.01
700	1.23	165.20	700	-7.84	4.11	6.28	0.24
800	1.40	180.65	800	-10.10	4.37	8.36	0.39
900	1.48	192.63	900	-12.59	4.07	10.82	0.31
1,000	1.51	191.67	1,000	-15.14	3.52	13.42	0.04
1,100	1.47	191.13	1,100	-17.68	3.01	16.00	0.04
1,200	1.46	193.07	1,200	-20.18	2.47	18.55	0.05
1,300	1.45	194.01	1,300	-22.65	1.88	21.08	0.03
1,400	1.46	193.61	1,400	-25.12	1.27	23.62	0.01
1,500	1.38	191.98	1,500	-27.53	0.72	26.09	0.09
1,600	1.33	192.87	1,600	-29.84	0.21	28.45	0.05
1,700	1.27	187.41	1,700	-32.07	-0.19	30.70	0.14
1,800	1.34	189.98	1,800	-34.32	-0.53	32.95	0.09
1,900	1.40	186.63	1,900	-36.69	-0.88	35.31	0.10
2,000	1.45	190.11	2,000	-39.15	-1.24	37.76	0.10
2,100	1.42	191.36	2,100	-41.61	-1.71	40.25	0.04
2,200	1.36	192.28	2,199	-43.98	-2.20	42.67	0.06
2,300	1.48	187.52	2,299	-46.42	-2.62	45.12	0.17
2,400	1.47	187.80	2,399	-48.97	-2.97	47.66	0.01
2,500	1.45	184.93	2,499	-51.51	-3.25	50.16	0.08
2,600	1.12	173.81	2,599	-53.74	-3.25	52.30	0.41
2,700	0.98	166.97	2,699	-55.54	-2.96	53.93	0.19
2,800	0.88	155.64	2,799	-57.08	-2.45	55.25	0.21
2,900	0.90	149.18	2,899	-58.45	-1.73	56.35	0.10
3,000	0.91	145.18	2,999	-59.78	-0.87	57.36	0.06
3,100	0.95	152.05	3,099	-61.16	-0.03	58.43	0.12
3,200	0.88	155.63	3,199	-62.59	0.68	59.59	0.09
3,300	0.79	154.70	3,299	-63.91	1.29	60.68	0.09
3,400	0.71	158.59	3,399	-65.11	1.81	61.67	0.09
3,500	0.71	165.83	3,499	-66.29	2.19	62.68	0.09
3,600	0.80	160.22	3,599	-67.55	2.57	63.77	0.12
3,700	0.88	174.15	3,699	-68.97	2.89	65.03	0.22
3,800	0.91	176.89	3,799	-70.53	3.01	66.48	0.05
3,900	0.90	194.09	3,899	-72.08	2.86	68.01	0.27
4,000	0.94	189.00	3,999	-73.65	2.54	69.61	0.09
4,100	1.14	189.74	4,099	-75.44	2.25	71.41	0.20
4,200	1.08	187.50	4,199	-77.36	1.95	73.32	0.07
4,300	1.04	186.06	4,299	-79.20	1.74	75.14	0.05
4,400	1.10	180.08	4,399	-81.06	1.64	76.95	0.13
4,500	1.12	181.19	4,499	-83.00	1.62	78.81	0.03
4,600	0.99	186.75	4,599	-84.83	1.49	80.59	0.17
4,700	0.89	188.54	4,699	-86.46	1.28	82.21	0.10
4,800	0.42	181.99	4,799	-87.59	1.15	83.33	0.48
4,900	0.32	238.10	4,899	-88.10	0.90	83.90	0.36
5,000	0.31	215.87	4,999	-88.47	0.50	84.37	0.12
5,100	0.29	173.94	5,099	-88.94	0.37	84.85	0.22
5,200	0.53	185.71	5,199	-89.65	0.35	85.54	0.25
5,300	0.53	171.61	5,299	-90.57	0.37	86.41	0.13
5,400	0.40	171.90	5,399	-91.38	0.49	87.14	0.13
5,500	0.41	165.54	5,499	-92.07	0.63	87.76	0.05

PERC**DIRECTIONAL REPORT**

WELLNAME: NEW MEXICO "N" STATE #10
 FIELD: VACUUM ATOKA
 AFE NO.: 665506

WELL ID NO.: 665506
 API NO.: 30 025 33434

SURVEY TYPE : MWD MD : 100 ANGLE : 0.55 AZIMUTH : 135.45 TVD : 100.00
 N/S : -0.34 EW : 0.34 VS : TARGET : 197.20

MEASURED DEPTH	INCLINATION ANGLE	AZIMUTH ANGLE	TVD	+NORTH -SOUTH	+EAST -WEST	VERTICAL SECTION	DOGLEG SEVERITY
5,600	0.19	134.52	5,599	-92.53	0.84	88.14	0.27
5,700	0.36	133.62	5,699	-92.86	1.18	88.36	0.17
5,800	0.24	95.38	5,799	-93.10	1.62	88.46	0.23
5,900	0.35	100.82	5,899	-93.18	2.13	88.38	0.11
6,000	0.35	77.10	5,999	-93.17	2.73	88.19	0.14
6,100	0.33	66.38	6,099	-92.98	3.29	87.85	0.07
6,200	0.37	24.55	6,199	-92.57	3.69	87.34	0.25
6,300	0.48	46.93	6,299	-91.99	4.13	86.66	0.20
6,400	0.39	28.21	6,399	-91.41	4.59	85.96	0.17
6,500	0.50	38.42	6,499	-90.77	5.02	85.22	0.14
6,600	0.28	46.14	6,599	-90.25	5.47	84.60	0.23
6,700	0.45	28.94	6,699	-89.74	5.84	84.00	0.20
6,800	0.49	43.56	6,799	-89.09	6.32	83.23	0.13
6,900	0.61	37.16	6,899	-88.35	6.94	82.35	0.13
7,000	0.66	41.31	6,999	-87.50	7.64	81.32	0.07
7,100	0.71	29.40	7,099	-86.52	8.32	80.19	0.15
7,200	0.63	30.14	7,199	-85.51	8.90	79.05	0.08
7,300	0.74	23.38	7,299	-84.44	9.44	77.87	0.14
7,400	0.55	14.34	7,399	-83.38	9.81	76.75	0.21
7,500	0.58	358.62	7,499	-82.41	9.92	75.79	0.16
7,600	0.78	359.85	7,599	-81.23	9.91	74.66	0.20
7,700	0.97	349.16	7,699	-79.71	9.74	73.27	0.25
7,800	1.05	7.49	7,799	-77.97	9.70	71.62	0.33
7,898	1.29	356.03	7,897	-75.98	9.75	69.70	0.34
7,932	1.70	7.10	7,931	-75.10	9.78	68.85	1.47
8,003	0.50	195.10	8,002	-74.35	9.83	68.12	3.09
8,065	1.50	163.70	8,064	-75.39	9.99	69.07	1.78
8,128	0.60	134.10	8,127	-76.42	10.46	69.91	1.62
8,221	2.20	184.10	8,220	-78.54	10.68	71.87	2.01
8,253	3.40	183.70	8,252	-80.09	10.57	73.39	3.75
8,315	4.90	190.50	8,314	-84.53	9.97	77.80	2.54
8,376	6.30	195.50	8,374	-90.32	8.60	83.74	2.43
8,438	7.60	200.90	8,436	-97.43	6.23	91.23	2.34
8,501	8.90	201.60	8,498	-105.85	2.95	100.25	2.07
8,576	10.70	195.30	8,572	-117.96	-1.02	112.99	2.79
8,626	11.00	195.30	8,621	-127.04	-3.51	122.40	0.60
8,688	12.00	197.60	8,682	-138.89	-7.02	134.75	1.77
8,749	12.00	198.80	8,742	-150.94	-10.98	147.43	0.41
8,816	11.60	200.00	8,807	-163.86	-15.53	161.13	0.70
8,873	11.80	197.80	8,863	-174.80	-19.27	172.68	0.86
8,936	12.70	200.80	8,925	-187.40	-23.70	186.03	1.75
8,998	12.50	202.20	8,985	-199.99	-28.65	199.52	0.59
9,060	12.00	202.60	9,046	-212.15	-33.66	212.62	0.82
9,122	11.60	201.90	9,106	-223.88	-38.47	225.25	0.69
9,184	12.30	203.70	9,167	-235.71	-43.44	238.02	1.28
9,245	12.00	202.00	9,227	-247.54	-48.43	250.80	0.77
9,307	11.80	202.00	9,287	-259.40	-53.22	263.53	0.32
9,369	12.00	202.20	9,348	-271.24	-58.03	276.27	0.33
9,427	13.00	200.70	9,405	-282.93	-62.62	288.79	1.81
9,464	13.10	201.60	9,441	-290.72	-65.63	297.13	0.61
9,525	13.00	200.50	9,500	-303.57	-70.58	310.87	0.44
9,588	12.50	200.10	9,562	-316.61	-75.40	324.75	0.81
9,650	11.90	202.40	9,622	-328.82	-80.14	337.82	1.25
9,712	11.40	208.10	9,683	-340.14	-85.47	350.20	2.02
9,774	10.10	210.40	9,744	-350.23	-91.10	361.51	2.21

PERC**DIRECTIONAL REPORT**

WELLNAME: NEW MEXICO "N" STATE #10
 FIELD: VACUUM ATOKA
 AFE NO.: 665506

WELL ID NO.: 665506
 API NO.: 30 025 33434

SURVEY TYPE : MWD MD : 100 ANGLE : 0.55 AZIMUTH : 135.45 TVD : 100.00
 N/S : -0.34 E/W : 0.34 VS : TARGET : 197.20

MEASURED DEPTH	INCLINATION ANGLE	AZIMUTH ANGLE	TVD	+NORTH -SOUTH	+EAST -WEST	VERTICAL SECTION	DOGLEG SEVERITY
9,836	9.20	209.50	9,805	-359.24	-96.30	371.65	1.47
9,938	8.70	213.50	9,906	-372.77	-104.57	387.02	0.78
10,031	9.00	214.90	9,998	-384.60	-112.61	400.70	0.40
10,093	7.80	214.90	10,059	-392.03	-117.79	409.33	1.94
10,156	7.00	211.80	10,121	-398.80	-122.26	417.12	1.42
10,219	5.50	210.40	10,184	-404.66	-125.81	423.77	2.39
10,282	4.00	213.50	10,247	-409.10	-128.56	428.82	2.41
10,345	2.60	211.10	10,310	-412.16	-130.51	432.32	2.23
10,407	1.70	226.20	10,372	-414.00	-131.90	434.48	1.70
10,524	1.50	169.90	10,489	-416.71	-132.88	437.36	1.30
10,587	1.70	187.10	10,552	-418.44	-132.85	439.02	0.82
10,649	1.10	188.90	10,614	-419.95	-133.06	440.51	0.97
10,744	1.70	244.10	10,709	-421.46	-134.47	442.38	1.48
10,805	1.30	256.40	10,770	-422.02	-135.95	443.35	0.84
10,867	0.60	299.30	10,832	-422.03	-136.92	443.64	1.54
10,962	0.90	310.50	10,927	-421.30	-137.92	443.24	0.35
11,022	0.80	345.70	10,987	-420.59	-138.38	442.70	0.87
11,085	0.80	36.00	11,050	-419.80	-138.23	441.91	1.08
11,148	0.70	44.40	11,113	-419.17	-137.70	441.15	0.24
11,210	0.60	78.00	11,175	-418.84	-137.12	440.65	0.63
11,271	0.80	27.90	11,236	-418.39	-136.61	440.08	1.02
11,334	0.90	14.50	11,299	-417.52	-136.28	439.15	0.35
11,396	1.60	19.10	11,360	-416.24	-135.88	437.80	1.14
11,458	1.80	11.70	11,422	-414.46	-135.39	435.97	0.48
11,494	1.90	9.90	11,458	-413.32	-135.18	434.81	0.32
11,536	1.90	9.90	11,500	-411.95	-134.94	433.43	0.00

DISTRICT I

P.O. Box 1980, Hobbs, NM 88241-1980

DISTRICT II

P.O. Box Drawer DD, Artesia, NM 88211-0719

DISTRICT III

1000 Rio Brazos Rd., Aztec, NM 87410

DISTRICT IV

P.O. Box 2088, Santa Fe, NM 87504-2088

State of New Mexico CONSERVATION DIVISION
Energy, Minerals and Natural Resources Department

Form C-101

Revised February 10, 1994

Instructions on back

Submit to Appropriate District Office

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☐ AMENDED REPORT**OIL CONSERVATION DIVISION**

P.O. Box 2088

Santa Fe, New Mexico 87504-2088

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE

¹ Operator Name and Address TEXACO EXPLORATION & PRODUCTION INC. P.O. Box 3109, Midland Texas 79702		² OGRID Number 022351
⁴ Property Code 11047	⁶ Property Name NEW MEXICO 'N' STATE	³ API Number 30-025-33434 ⁸ Well No. 10

7 Surface Location

UI or lot no.	Section	Township	Range	Lot.Idn	Feet From The	North/South Line	Feet From The	East/West Line	County
M	30	17-S	35-E		800	SOUTH	510	WEST	LEA

8 Proposed Bottom Hole Location If Different From Surface

UI or lot no.	Section	Township	Range	Lot.Idn	Feet From The	North/South Line	Feet From The	East/West Line	County
M	30	17-S	35-E		380	SOUTH	380	WEST	LEA

⁹ Proposed Pool 1
WILDCAT (ATOKA)¹⁰ Proposed Pool 2

¹¹ Work Type Code N	¹² WellType Code O	¹³ Rotary or C.T. ROTARY	¹⁴ Lease Type Code S	¹⁵ Ground Level Elevation 3989'
¹⁶ Multiple No	¹⁷ Proposed Depth 11550'	¹⁸ Formation ATOKA	¹⁹ Contractor NABORS	²⁰ Spud Date 4/20/96

21 Proposed Casing and Cement Program

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	SACKS OF CEMENT	EST. TOP
14 3/4	11 3/4	42#	1500'	800 SACKS	SURFACE
11	8 5/8	32#	5300'	1500 SACKS	SURFACE
7 7/8	5 1/2	17#	11550'	2400 SACKS	SURFACE
Permit Expires 1 Year From Approval Date Unless Drilling Underway					

22 Describe the proposed program. If this application is to DEEPEN or PLUG BACK give the data on the present productive zone and proposed new productive zone. Describe the blowout prevention program, if any. Use additional sheets if necessary.

CEMENTING PROGRAM:

SURFACE CASING: 600 SACKS CLASS C w/ 4% GEL, 2% CC (13.5 PPG, 1.74 CF/S, 9.1 GW/S). F/B 200 SACKS CLASS C w/ 2% CC (14.8 PPG, 1.34 CF/S, 6.3 GW/S)

INTERMEDIATE CASING: 1300 SACKS 35/65 POZ H w/ 6% GEL, 5% SALT, 1/4# FC (12.4 PPG, 2.14 CF/S, 11.9 GW/S). F/B 200 SACKS CLASS H (15.6 PPG, 1.19 CF/S, 5.2 GW/S).

PRODUCTION CASING: 1st STG - 900 SACKS 50/50 POZ H w/ 2% GEL, 5% SALT, 1/4# FC (14.2 PPG, 1.35 CF/S, 6.3 GW/S).

DV TOOL @ 8000': 2nd STG - 1200 SACKS 35/65 POZ H w/ 6% GEL, 5% SALT, 1/4# FC (12.4 PPG, 2.14 CF/S, 11.9 GW/S). F/B 300 SACKS CLASS H w/ 2% CC (15.6 PPG, 1.19 CF/S, 5.2 GW/S).

THERE ARE NO OTHER OPERATORS IN THIS QUARTER QUARTER SECTION.

APPROVAL TO DIRECTIONALLY DRILL HAS BEEN APPLIED FOR. (COPY ATTACHED)

DD-145

23 I hereby certify that the rules and regulations of the Oil Conservation Division have been complied with and that the information given above is true and complete to the best of my knowledge and belief.

Signature

C. Wade Howard

Printed Name

C. Wade Howard

Title Eng. Assistant

Date 3/21/96

Telephone 688-4606

OIL CONSERVATION DIVISION

Approved By:

Jerry Sexton
DISTRICT 1 SUPERVISOR

Title:

Approval Date MAY 10 1996

Expiration Date:

Conditions of Approval:

Attached ☐

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

DISTRICT IV
P. O. Box 2088, Santa Fe, NM 87504-2088

State of New Mexico
Energy, Minerals and Natural Resources Department

OIL CONSERVATION DIVISION

PO Box 2088
Santa Fe, NM 87504-2088

Form C-102
Revised February 10, 1994

Instructions on back

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Fee Lease-3 copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

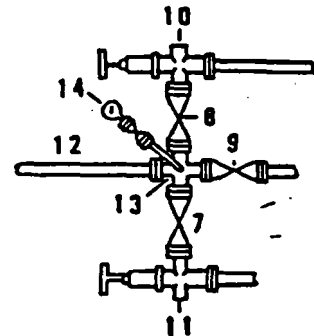
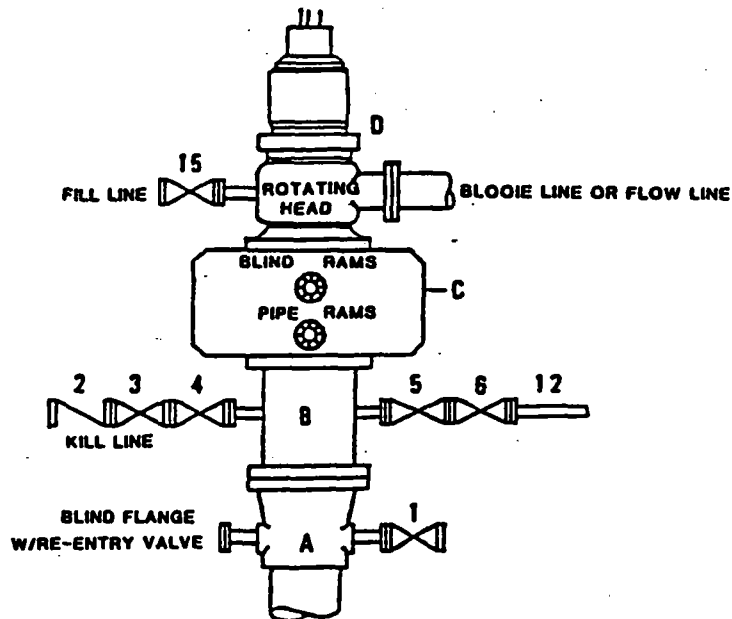
¹ API Number 30-025-33434		² Pool Code		³ Pool Name Wildcat; Atoka					
⁴ Property Code 11047		⁵ Property Name New Mexico "N" State						⁶ Well Number 10	
⁷ OGRID No. 22351		⁸ Operator Name TEXACO EXPLORATION & PRODUCTION, INC.						⁹ Elevation 3989'	
¹⁰ Surface Location									
UL or lot no. M	Section 30	Township 17-S	Range 35-E	Lot Idn	Feet from the 800'	North/South line South	Feet from the 510'	East/West line West	⁷ County Lea
¹¹ Bottom Hole Location if Different From Surface									
UL or lot no. M	Section 30	Township 17-S	Range 35-E	Lot Idn	Feet from the 380'	North/South line South	Feet from the 380'	East/West line West	⁷ County Lea
¹² Dedicated Acres 37.59		¹³ Joint or Infill		¹⁴ Consolidation Code		¹⁵ 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.

	¹⁶ OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.
	Signature <i>C. Wade Howard</i>
	Printed Name C. Wade Howard
	Position Engineer's Assistant
	Company Texaco Expl. & Prod. Inc.
Date March 1, 1996	
¹⁷ 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.	
Date Surveyed February 13, 1996	
Signature & Seal of Professional Surveyor <i>John S. Piper</i>	
Certificate No. 7254 John S. Piper	
Sheet	

**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 sub-structure height is adequate, 2 - 3000# W.P. single ram type preventers may be utilized). |
| D | Rotating Head with fill up outlet and extended Blooe Line. |
| 1,2,4,
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 C



Texaco Exploration
and Production Inc

500 North Loraine
Midland TX 79701

P O Box 3109
Midland TX 79702

March 5, 1996

GOV - STATE AND LOCAL GOVERNMENTS

Directional Drilling
New Mexico "N" State Well No. 10
Wildcat Atoka Field
Lea County, New Mexico

State of New Mexico
Energy and Minerals Department
Oil Conservation Division
2040 South Pacheco
Santa Fe, New Mexico 87505

Attention: Mr. Michael E. Stogner

Gentlemen:

Administrative approval, Rule 111 c.2, is requested to directionally drill the captioned well to an orthodox bottomhole location.

This well must be directionally drilled because surface obstructions prevented staking it at the proposed bottom-hole location. It will be completed in the Atoka formation as a forty-acre oil well. Attached for your information is a copy of our directional plans, a type log section, and Form C-102.

The "affected" offset operators to this well have been notified of this request (see attached offset operator's list and certified mail receipts).

Any questions concerning this request should be directed to me at (915) 688-4606.

Yours very truly,

C. Wade Howard

C. W. Howard
Engineer's Assistant

CWH:

CC: NMOCD, P. O. Box 1980, Hobbs, NM 88240

Attachments

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

DISTRICT IV
P. O. Box 2088, Santa Fe, NM 87504-2088

State of New Mexico
Energy, Minerals and Natural Resources Department

OIL CONSERVATION DIVISION

PO Box 2088
Santa Fe, NM 87504-2088

Form C-102
Revised February 10, 1994

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Submit to Appropriate District Office

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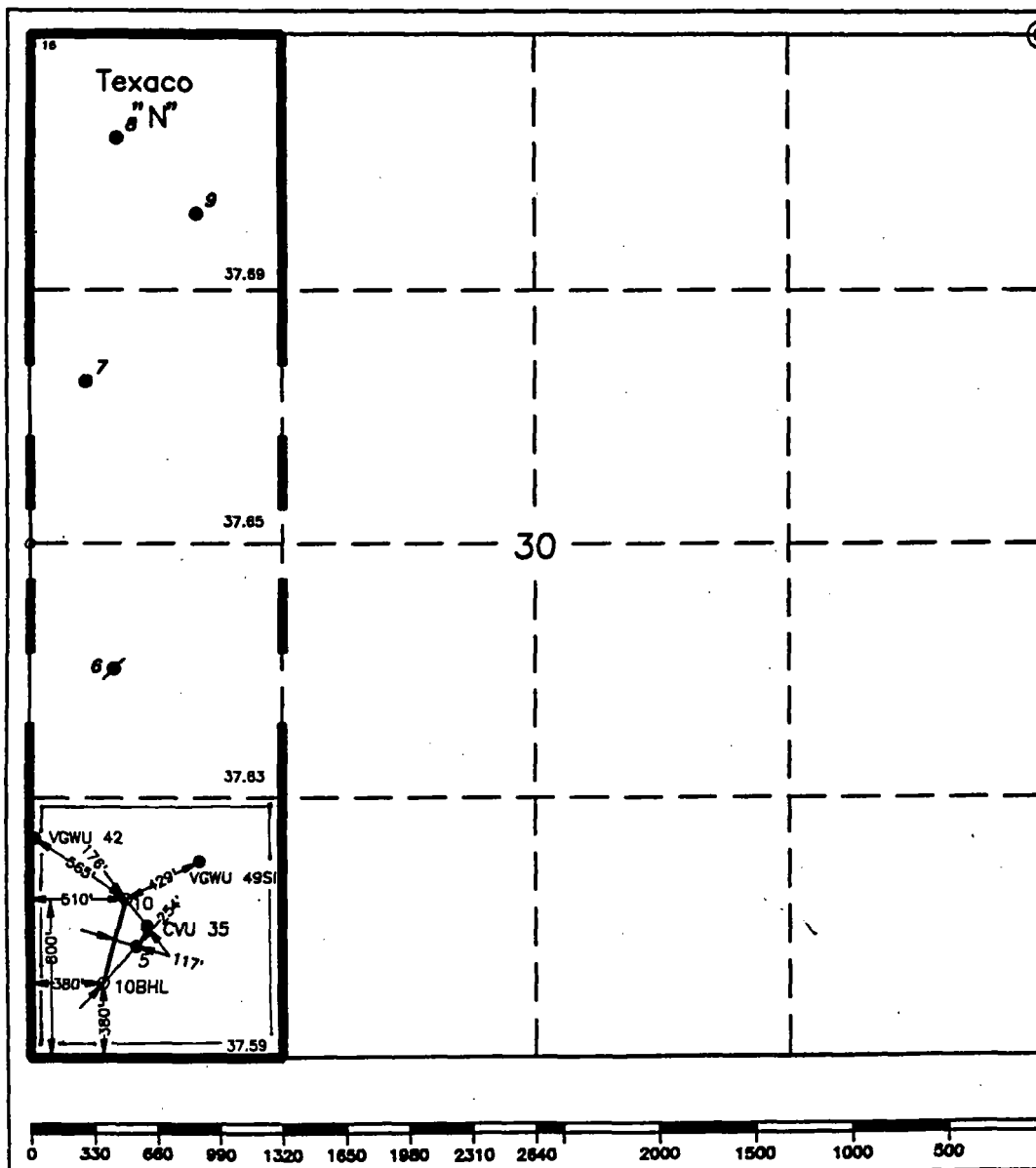
Fee Lease-3 copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number		² Pool Code		³ Pool Name Wildcat; Atoka					
⁴ Property Code 11047		⁵ Property Name New Mexico "N" State				⁶ Well Number 10			
⁷ GRID No. 22351		⁸ Operator Name TEXACO EXPLORATION & PRODUCTION, INC.				⁹ Elevation 3989'			
¹⁰ Surface Location									
UL or lot no. M	Section 30	Township 17-S	Range 35-E	Lot Idn	Feet from the 800'	North/South line South	Feet from the 510'	East/West line West	County Lea
¹¹ Bottom Hole Location If Different From Surface									
UL or lot no. M	Section 30	Township 17-S	Range 35-E	Lot Idn	Feet from the 380'	North/South line South	Feet from the 380'	East/West line West	County Lea
¹² Dedicated Acres 37.59		¹³ Joint or Infill		¹⁴ Consolidation Code		¹⁵ 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.



¹⁶ OPERATOR CERTIFICATION

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

Signature

C. Wade Howard

Printed Name

C. Wade Howard

Position

Engineer's Assistant

Company

Texaco Expl. & Prod. Inc.

Date

March 1, 1996

¹⁷ 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.

Date Surveyed

February 13, 1996

Signature & Seal of
Professional Surveyor

John S. Piper

Certificate No.

7254 John S. Piper

Sheet



Texaco Exploration
and Production Inc

500 North Loraine
Midland TX 79701

P O Box 3109
Midland TX 79702

March 5, 1996

GOV - STATE AND LOCAL GOVERNMENTS

Directional Drilling

New Mexico "N" State Well No. 10

Sec. 30, T-17-S, R-35-E

Lea County, New Mexico

TO THE OFFSET OPERATORS

Gentlemen:

As an offset operator to the captioned lease, you are being furnished with a copy of our Application to directionally drill the captioned well. If you have no objection, please sign the waiver at the bottom of this letter and return in the enclosed envelope.

Any questions concerning this request should be directed to me at (915) 688-4606.

Yours very truly,

C. W. Howard
Engineer's Assistant

CWH:cwh

File

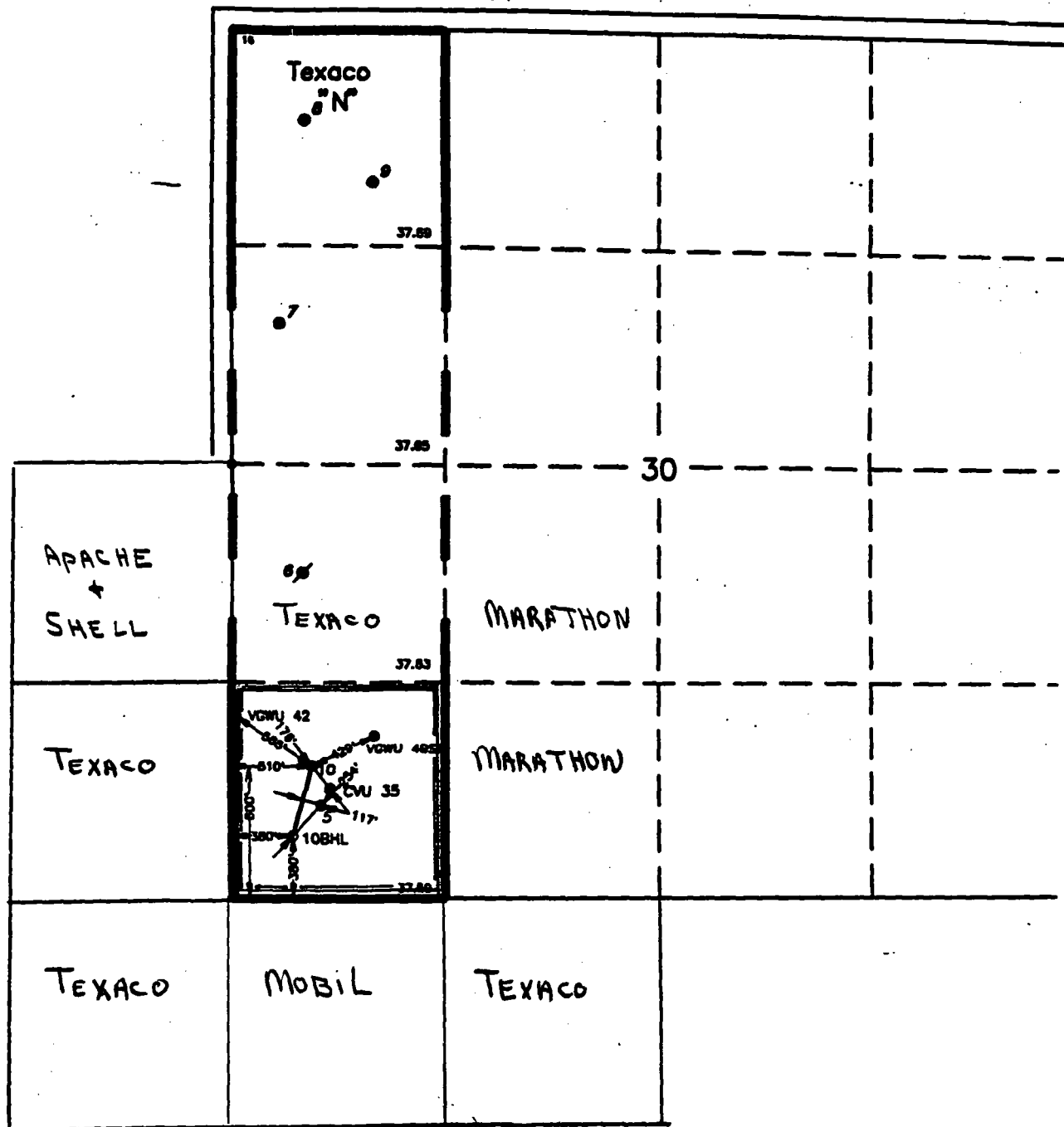
WAIVER APPROVED:

COMPANY: _____

BY: _____

DATE: _____

NEW MEXICO "N" STATE No. 10 OFFSET OPERATOR'S MAP



OFFSET OPERATOR'S LIST
New Mexico "N" State Well No. 10
LEA COUNTY, NEW MEXICO

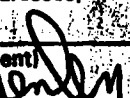
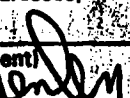
Texaco Exploration and Production Inc.
P. O. Box 3109
Midland, Texas 79702


Marathon Oil Company
P. O. Box 552
Midland, TX 79702

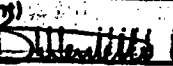
Shell Western E & P Inc.
P. O. Box 576
Houston, TX 77001

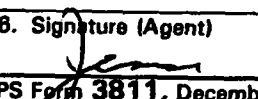
Apache Coproration
2000 Post Oak Blvd., Ste. 100
Houston, TX 77056

Mobil Exploration and Producing US Inc.
P. O. Box 633
Midland, TX 79702

SENDER: Complete items 1 and/or 2 for additional services. Complete items 3, and 4a & b. Print your name and address on the reverse of this form so that we can return this card to you. Attach this form to the front of the mailpiece, or on the back if space does not permit. Write "Return Receipt Requested" on the mailpiece below the article number. The Return Receipt will show to whom the article was delivered and the date delivered.		I also wish to receive the following services (for an extra fee): 1. <input type="checkbox"/> Addressee's Address 2. <input type="checkbox"/> Restricted Delivery Consult postmaster for fee.	
3. Article Addressed to: SHELL WESTERN E&P INC. P. O. BOX 576 HOUSTON, TEXAS 77001		4a. Article Number P 329 313 916	
4b. Service Type <input type="checkbox"/> Registered <input type="checkbox"/> Insured <input checked="" type="checkbox"/> Certified <input type="checkbox"/> COD <input type="checkbox"/> Express Mail <input checked="" type="checkbox"/> Return Receipt for Merchandise		7. Date of Delivery MAR 8 1996	
Signature (Addressee) 		8. Addressee's Address (Only if requested and fee is paid)	
Signature (Agent) 		Thank you for using Return Receipt Service.	
PS Form 3811, December 1991 U.S. GPO: 1993-352-714 DOMESTIC RETURN RECEIPT			

SENDER: Complete items 1 and/or 2 for additional services. Complete items 3, and 4a & b. Print your name and address on the reverse of this form so that we can return this card to you. Attach this form to the front of the mailpiece, or on the back if space does not permit. Write "Return Receipt Requested" on the mailpiece below the article number. The Return Receipt will show to whom the article was delivered and the date delivered.		I also wish to receive the following services (for an extra fee): 1. <input type="checkbox"/> Addressee's Address 2. <input type="checkbox"/> Restricted Delivery Consult postmaster for fee.	
3. Article Addressed to: MARATHON OIL COMPANY P. O. BOX 552 MIDLAND, TEXAS 79702		4a. Article Number P 329 313 915	
4b. Service Type <input type="checkbox"/> Registered <input type="checkbox"/> Insured <input checked="" type="checkbox"/> Certified <input type="checkbox"/> COD <input type="checkbox"/> Express Mail <input checked="" type="checkbox"/> Return Receipt for Merchandise		7. Date of Delivery MAR - 6 1996	
5. Signature (Addressee)		8. Addressee's Address (Only if requested and fee is paid)	
6. Signature (Agent) 		Thank you for using Return Receipt Service.	
PS Form 3811, December 1991 U.S. GPO: 1993-352-714 DOMESTIC RETURN RECEIPT			

SENDER: Complete items 1 and/or 2 for additional services. Complete items 3, and 4a & b. Print your name and address on the reverse of this form so that we can return this card to you. Attach this form to the front of the mailpiece, or on the back if space does not permit. Write "Return Receipt Requested" on the mailpiece below the article number. The Return Receipt will show to whom the article was delivered and the date delivered.		I also wish to receive the following services (for an extra fee): 1. <input type="checkbox"/> Addressee's Address 2. <input type="checkbox"/> Restricted Delivery Consult postmaster for fee.	
3. Article Addressed to: APACHE CORPORATION 2000 POST OAK BLVD., SUITE 100 HOUSTON, TEXAS 77056		4a. Article Number P 329 313 917	
4b. Service Type <input type="checkbox"/> Registered <input type="checkbox"/> Insured <input checked="" type="checkbox"/> Certified <input type="checkbox"/> COD <input type="checkbox"/> Express Mail <input checked="" type="checkbox"/> Return Receipt for Merchandise		7. Date of Delivery 3-7-96	
Signature (Addressee)		8. Addressee's Address (Only if requested and fee is paid)	
Signature (Agent) 		Thank you for using Return Receipt Service.	
PS Form 3811, December 1991 U.S. GPO: 1993-352-714 DOMESTIC RETURN RECEIPT			

SENDER: Complete items 1 and/or 2 for additional services. Complete items 3, and 4a & b. Print your name and address on the reverse of this form so that we can return this card to you. Attach this form to the front of the mailpiece, or on the back if space does not permit. Write "Return Receipt Requested" on the mailpiece below the article number. The Return Receipt will show to whom the article was delivered and the date delivered.		I also wish to receive the following services (for an extra fee): 1. <input type="checkbox"/> Addressee's Address 2. <input type="checkbox"/> Restricted Delivery Consult postmaster for fee.	
3. Article Addressed to: MOBIL E&P US INC. P. O. BOX 633 MIDLAND, TEXAS 79702		4a. Article Number P 329 313 918	
4b. Service Type <input type="checkbox"/> Registered <input type="checkbox"/> Insured <input checked="" type="checkbox"/> Certified <input type="checkbox"/> COD <input type="checkbox"/> Express Mail <input checked="" type="checkbox"/> Return Receipt for Merchandise		7. Date of Delivery MAR - 6 1996	
5. Signature (Addressee)		8. Addressee's Address (Only if requested and fee is paid)	
6. Signature (Agent) 		Thank you for using Return Receipt Service.	
PS Form 3811, December 1991 U.S. GPO: 1993-352-714 DOMESTIC RETURN RECEIPT			

sc11000

BASE OF STRAWN
TOP OF ATOKA

sc11100

sc11200

TENS

SGR

SGR

TNPP

RHOZ

sc11300

HDRA

BASE OF ATOKA
TOP OF MORROW

sc11400

HGA

FR

TD

sc11500

Stuck

Texaco Exploration & Production, Inc.

State 10

Sec 30, Blk 40, Tshp 28, Lea County, New Mexico
Directional Proposal

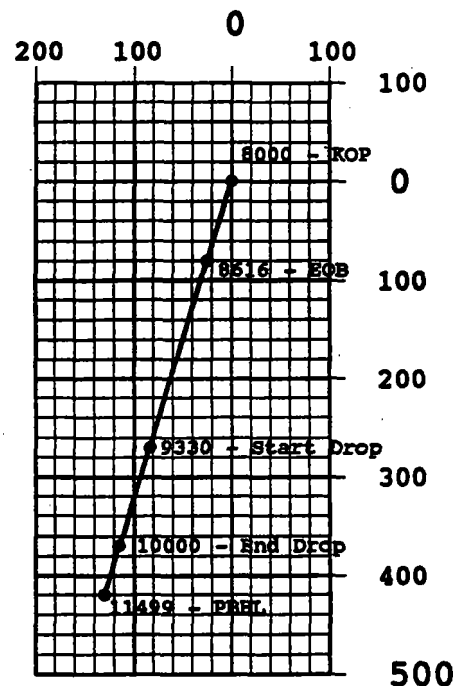
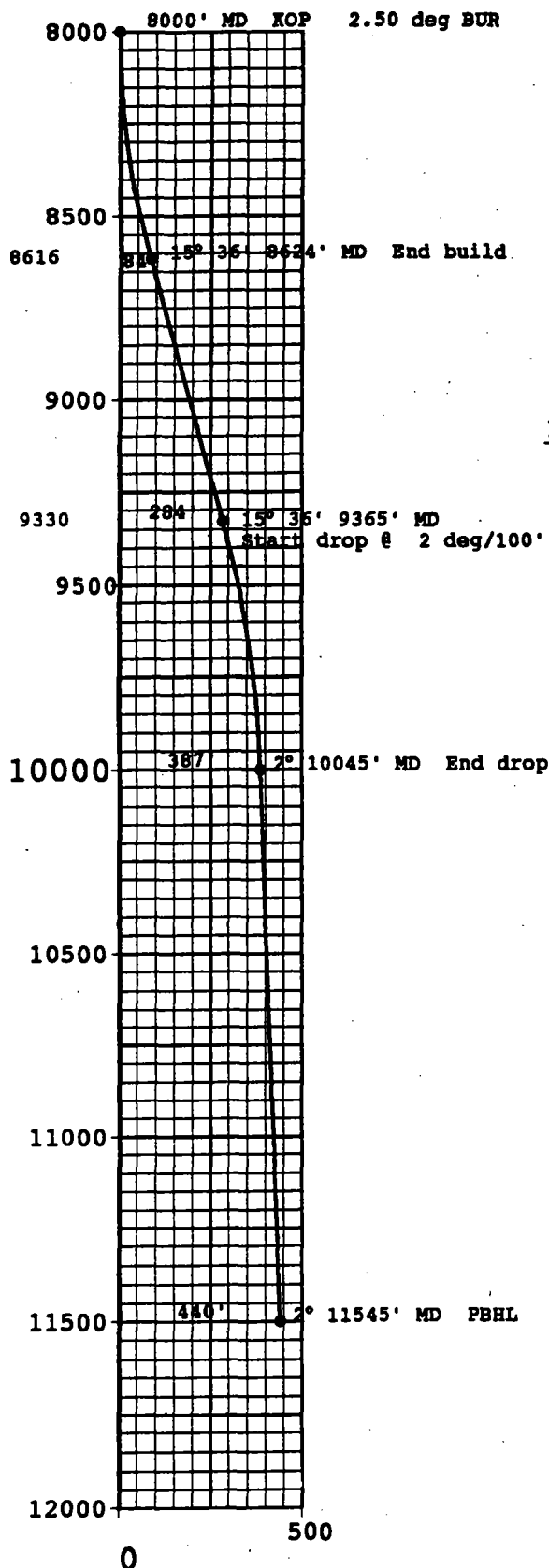
PLANE OF PROPOSAL

S 17° 12' W



VERTICAL SECTION

Scale 1" = 500'



HORIZONTAL PLAN

Scale 1" = 200'

Points of Interest

(Ref fm SW of 30)

- 1) Surface Location
- 800' FSL & 510' FWL
- 2) KOP
- 8000'
- 3) EOB
- 8624' MD, 8616' TVD
- 719' FSL & 485' FWL
- 4) Start Drop
- 9365' MD & 9330' TVD
- 529' FSL & 426' FWL
- 5) End Drop
- 10045' MD & 10000' TVD
- 430' FSL & 395' FWL
- 6) PBHL
- 11545' MD & 11500' TVD
- 380' FSL & 380' FWL

PDS

Directional Proposal - Ref from Well Bore

Texaco State 10 Lea Cty, N.M.

Plane of Section = 197.2 Degs.

VS N/S Zero Point = 0 Feet

VS E/W Zero Point = 0 Feet

Calculation Method = Radius

	Measured Depth feet	Incl. Degrees	Azimuth Degrees	Course Length feet	Vertical Section feet	TVD feet	COORDINATES N/S E/W feet		Dogleg Severity Deg/100'
S	8000.00	0.00	0.00	0.00	0.00	8000.00	0.00	0.00	0.00
C	KOP								
C	BUR 2.5 deg/100'								
S	8100.00	2.50	197.20	100.00	2.18	8099.97	-2.08	-.64	2.50
S	8200.00	5.00	197.20	100.00	8.72	8199.75	-8.33	-2.58	2.50
S	8300.00	7.50	197.20	100.00	19.61	8299.14	-18.73	-5.80	2.50
S	8400.00	10.00	197.20	100.00	34.82	8397.97	-33.26	-10.30	2.50
S	8500.00	12.50	197.20	100.00	54.33	8496.04	-51.90	-16.06	2.50
S	8600.00	15.00	197.20	100.00	78.09	8593.17	-74.60	-23.09	2.50
S	8623.76	15.59	197.20	23.76	84.36	8616.09	-80.59	-24.94	2.50
C	End of build								
S	9123.76	15.59	197.20	500.00	218.77	9097.68	-208.99	-64.69	0.00
S	9364.82	15.59	197.20	241.06	283.57	9329.87	-270.89	-83.85	0.00
C	Start of drop								
C	Drop rate 2 deg/100'								
S	9464.82	13.59	197.20	100.00	308.77	9426.64	-294.96	-91.30	2.00
S	9564.82	11.59	197.20	100.00	330.57	9524.23	-315.79	-97.75	2.00
S	9664.82	9.59	197.20	100.00	348.95	9622.52	-333.35	-103.18	2.00
S	9764.82	7.59	197.20	100.00	363.90	9721.39	-347.62	-107.60	2.00
S	9864.82	5.59	197.20	100.00	375.38	9820.72	-358.59	-111.00	2.00
S	9964.82	3.59	197.20	100.00	383.39	9920.40	-366.24	-113.36	2.00
S	10044.52	2.00	197.20	79.70	387.28	10000.00	-369.96	-114.51	2.00
C	End of drop								
C	Target in Pennsilvanian								
S	10544.52	2.00	197.19	500.00	404.73	10499.70	-386.63	-119.67	0.00
S	11044.52	2.00	197.20	500.00	422.18	10999.39	-403.30	-124.83	0.00
S	11544.52	2.00	197.19	500.00	439.63	11499.09	-419.97	-129.99	0.00
S	11545.44	2.00	197.20	0.92	439.66	11500.01	-420.00	-130.00	0.06
C	PBHL								
C	Final location 439.65' at 197.2 deg azimuth								

Scharbaruer

Directional Proposal - Ref from SW Corner

Texaco State 10 Lea Cty, N.M.

Plane of Section = 197.2 Degs.
VS N/S Zero Point = 800 Feet
VS E/W Zero Point = 5100 Feet
Calculation Method = Radius

	Measured Depth feet	Incl. Degrees	Azimuth Degrees	Course Length feet	Vertical Section feet	TVD feet	COORDINATES N/S E/W feet		Dogleg Severity Deg/100'
S	8000.00	0.00	0.00	0.00	1357.30	8000.00	800.00	510.00	0.00
C	KOP								
C	BUR 2.5 deg/100'								
S	8100.00	2.50	197.20	100.00	1359.48	8099.97	797.92	509.36	2.50
S	8200.00	5.00	197.20	100.00	1366.02	8199.75	791.67	507.42	2.50
S	8300.00	7.50	197.20	100.00	1376.91	8299.14	781.27	504.20	2.50
S	8400.00	10.00	197.20	100.00	1392.12	8397.97	766.74	499.70	2.50
S	8500.00	12.50	197.20	100.00	1411.63	8496.04	748.10	493.94	2.50
S	8600.00	15.00	197.20	100.00	1435.39	8593.17	725.40	486.91	2.50
S	8623.76	15.59	197.20	23.76	1441.66	8616.09	719.41	485.06	2.50
C	End of build								
S	9123.76	15.59	197.20	500.00	1576.07	9097.68	591.01	445.31	0.00
S	9364.82	15.59	197.20	241.06	1640.87	9329.87	529.11	426.15	0.00
C	Start of drop								
C	Drop rate 2 deg/100'								
S	9464.82	13.59	197.20	100.00	1666.07	9426.64	505.04	418.70	2.00
S	9564.82	11.59	197.20	100.00	1687.87	9524.23	484.21	412.25	2.00
S	9664.82	9.59	197.20	100.00	1706.25	9622.52	466.65	406.82	2.00
S	9764.82	7.59	197.20	100.00	1721.20	9721.39	452.38	402.40	2.00
S	9864.82	5.59	197.20	100.00	1732.68	9820.72	441.41	399.00	2.00
S	9964.82	3.59	197.20	100.00	1740.69	9920.40	433.76	396.64	2.00
S	10044.52	2.00	197.20	79.70	1744.58	10000.00	430.04	395.49	2.00
C	End of drop								
C	Target in Pennsilvanian								
S	10544.52	2.00	197.19	500.00	1762.03	10499.70	413.37	390.33	0.00
S	11044.52	2.00	197.20	500.00	1779.48	10999.39	396.70	385.17	0.00
S	11544.52	2.00	197.19	500.00	1796.93	11499.09	380.03	380.01	0.00
S	11545.44	2.00	197.20	0.92	1796.96	11500.01	380.00	380.00	0.06
C	PBHL								
C	Final location 537.4' at 45 deg azimuth								

Scharbaruer