

**UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY**

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK
 DRILL DEEPEN PLUG BACK

b. TYPE OF WELL
 OIL WELL GAS WELL OTHER SINGLE ZONE MULTIPLE ZONE

2. NAME OF OPERATOR
 TEXACO INC. J. Darrell Smith

3. ADDRESS OF OPERATOR
 TEXACO INC. P. O. BOX 3109, MIDLAND, TEXAS 79701

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)*
 At surface
 590' XAL & 660' FEL, Sec. 7, T-26-S, R-32-E
 At proposed prod. zone
 Same

5. LEASE DESIGNATION AND SERIAL NO.
 25 - 0434 393 - A

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME
 S.C. Higgins-Federal

9. WELL NO.
 2

10. FIELD AND POOL, OR WILDCAT North
 Mason-Delaware

11. SEC. T., R., M., OR BLK. AND SURV. DATA
 Sec. 7, T-26-S, R-32-E

12. COUNTY OR PARISH Lea **13. STATE** New Mexico

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*
 29 miles west of Jal, New Mexico

| | | | | | |
|--|-------|----------------------------------|--------|---|--------|
| 15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any) | 1191' | 16. NO. OF ACRES IN LEASE | 1500.0 | 17. NO. OF ACRES ASSIGNED TO THIS WELL | 40 |
| 18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. | 2689' | 19. PROPOSED DEPTH | 4500' | 20. ROTARY OR CABLE TOOLS | Rotary |

21. ELEVATIONS (Show whether DF, RT, GR, etc.)
 Gr. 3253'

22. APPROX. DATE WORK WILL START*
 At Once

PROPOSED CASING AND CEMENTING PROGRAM

| SIZE OF HOLE | SIZE OF CASING | WEIGHT PER FOOT | SETTING DEPTH | QUANTITY OF CEMENT |
|--------------|----------------|-----------------|---------------|--|
| 11 7/12 1/4" | 8 5/8" | 20 | 350' | *300sx-300' to circulate |
| 7 7/8" | 4 1/2" | 17.5 | 4500' | **400 sx-130X to tie back to base of salt. |

(SEE ATTACHED SHEET)

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen or plug back, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24.
 SIGNED _____ TITLE Civil Engineer DATE August 10, 1973
K. L. Kiland
 (This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____

APPROVED BY _____ TITLE _____ DATE _____

CONDITIONS OF APPROVAL, IF ANY:

Instructions

General: This form is designed for submitting proposals to perform certain well operations, as indicated, on all types of lands and leases for appropriate action by either a Federal or a State agency, or both, pursuant to applicable Federal and/or State laws and regulations. Any necessary special instructions concerning the use of this form and the number of copies to be submitted, particularly with regard to local, area, or regional procedures and practices, either are shown below or will be issued by, or may be obtained from, the local Federal and/or State office.

Item 1: If the proposal is to redrill to the same reservoir at a different subsurface location or to a new reservoir, use this form with appropriate notations. Consult applicable State or Federal regulations concerning subsequent work proposals or reports on the well.

Item 4: If there are no applicable State requirements, locations on Federal or Indian land should be described in accordance with Federal requirements. Consult local State or Federal office for specific instructions.

Item 14: Needed only when location of well cannot readily be found by road from the land or lease description. A plat, or plats, separate or on this reverse side, showing the roads to, and the surveyed location of, the well, and any other required information, should be furnished when required by Federal or State agency offices.

Items 15 and 18: If well is to be, or has been directionally drilled, give distances for subsurface location of hole in any present or objective production zone.

Item 22: Consult applicable Federal or State regulations, or appropriate officials, concerning approval of the proposal before operations are started.

UNITED STATES DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY
TEXACO INC.-N. C. HIGGINS-FEDERAL WELL NO. 2, LEA COUNTY, NEW MEXICO

- (1) Existing Road : See Exhibit "D"
- (2) Planned Access Roads : See Exhibit "D" & "E"
- (3) Location of Wells : See Exhibit "A" & "D"
- (4) Lateral Roads to Wells location : See Exhibit "D"
- (5) Location of Tank Batteries and Flowlines : See Exhibit "D" (None)
- (6) Locations and Types of Water Supply : See Exhibit "D"-Water used for drilling will be purchased from unknown source.
- (7) Methods for Handling Water Disposal : Liquid waste will be ~~pumped into the casing and/or~~ hauled away. Solid waste will be buried.
- (8) Location of Camps : None
- (9) Location of Airstrips : None
- (10) Location Layout to include position of the rig, mud tanks, reserve pits, burn pits, pipe racks, etc. : See Exhibit "E"
- (11) Plans for Restoration of the Surface : If in the event of a dry hole, all surface obstructions will be removed. Earthen pits and location pad will be restored to natural contours.
- (12) Other Information : Texaco Inc. operations will be conducted in a reputable and responsible manner.

NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT

Form C-102
Supersedes C-128
Effective 1-1-65

All distances must be from the outer boundaries of the Section.

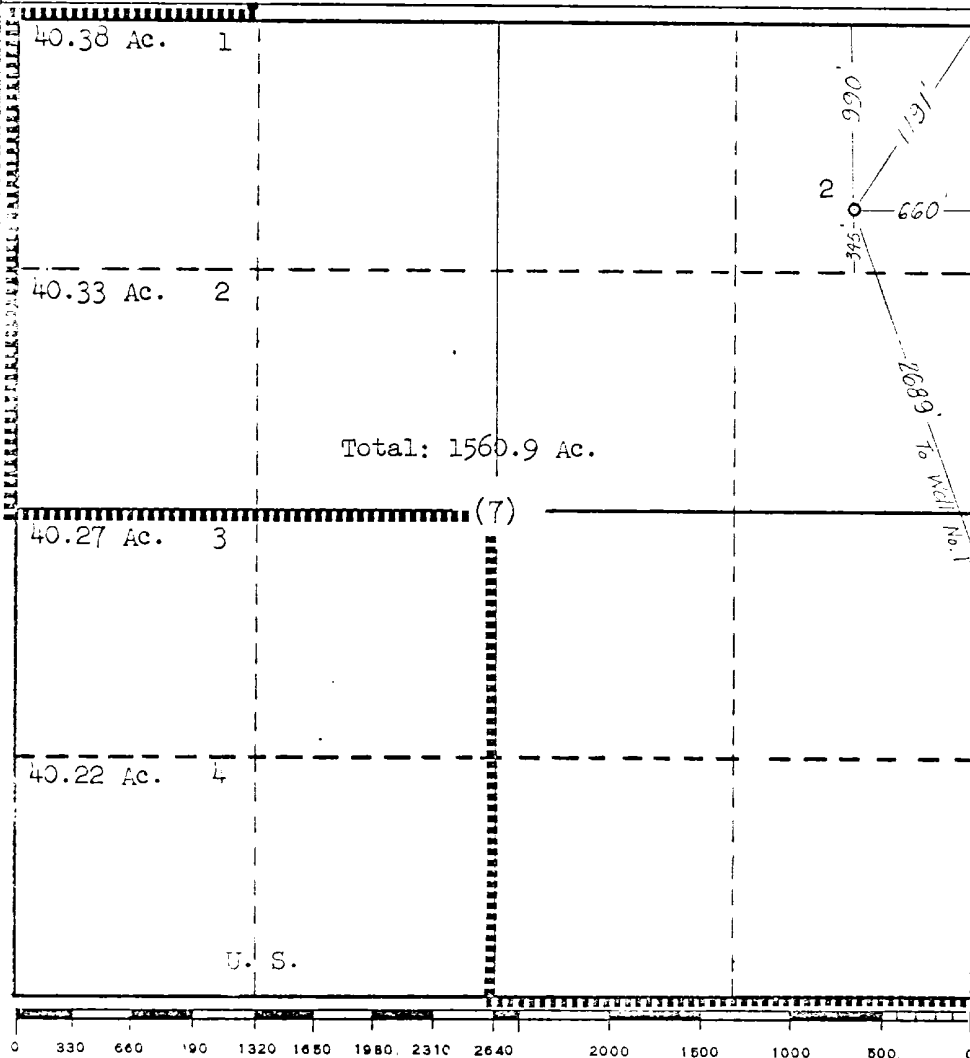
| | | | | |
|---|-------------------------------------|----------------------------------|--------------------------------|---------------|
| Operator TEXACO Inc. | | Lease N. C. Higgins - Federal | | Well No. 2 |
| Unit Letter A | Section 7 | Township 26-South | Range 32-East | County Lea |
| Actual Footage Location of Well: 990 feet from the North line and 660 feet from the East line Sec. 7 | | | | |
| Ground Level Elev. 3253' | Producing Formation Delaware Ss. | Pool North Mason - Delaware | Dedicated Acreage: 40 Acres | |

1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

Yes No If answer is "yes," type of consolidation _____

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

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



Total: 1560.9 Ac.

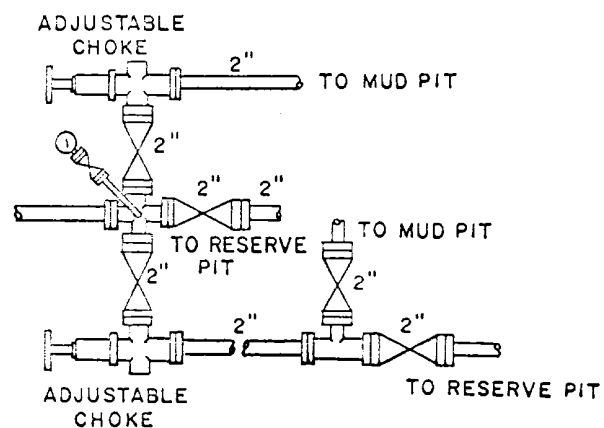
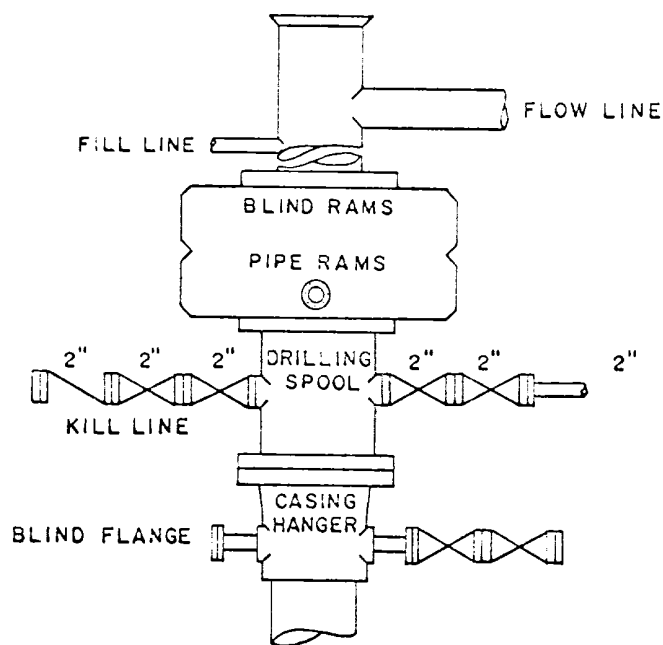
CERTIFICATION

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

| |
|----------------------------|
| Name B. L. Filand |
| Position Civil Engineer |
| Company TEXACO Inc. |
| Date 8/10/73 |

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 8/9/73 |
| Registered Professional Engineer and/or Land Surveyor B. L. Filand |
| Certificate No. 4386 |



SCALE: NONE DATE: EST. NO. DRG. NO.



TEXACO, INC.
 PRODUCING DEPARTMENT-U.S. (EAST)
 MIDLAND, TEXAS



EXHIBIT "B"
 N.C. Higgins - Federal

MUD PROGRAM

| <u>DEPTH</u> | <u>TYPE</u> | <u>WEIGHT</u> | <u>VISCOSITY</u> | <u>WATER LOSS</u> |
|--------------|-------------|-------------------------------------|------------------|-------------------|
| 0-350 | Spud Mud | Paper as needed for Seepage | | |
| 350-4400 | Water | Use Flosal as needed to clean hole. | | |
| 4400-TD | Brine Gel | 9.5-10 | 34-36 | 15-20 |

BLOW OUT PREVENTER PROGRAM

No. 3 MRRS-3000# preventer (Exhibit "B")
TEST FREQUENCY - Blow out preventer drill each tower
each day.

CEMENT PROGRAM

* 300 sx Class "C" w/1% CaCl 14.8 ppg (300% to circulate - cement must circulate)
** 400 sx Class "C" w/10# sk salt 14.8 ppg (130% to tie back to base of salt)

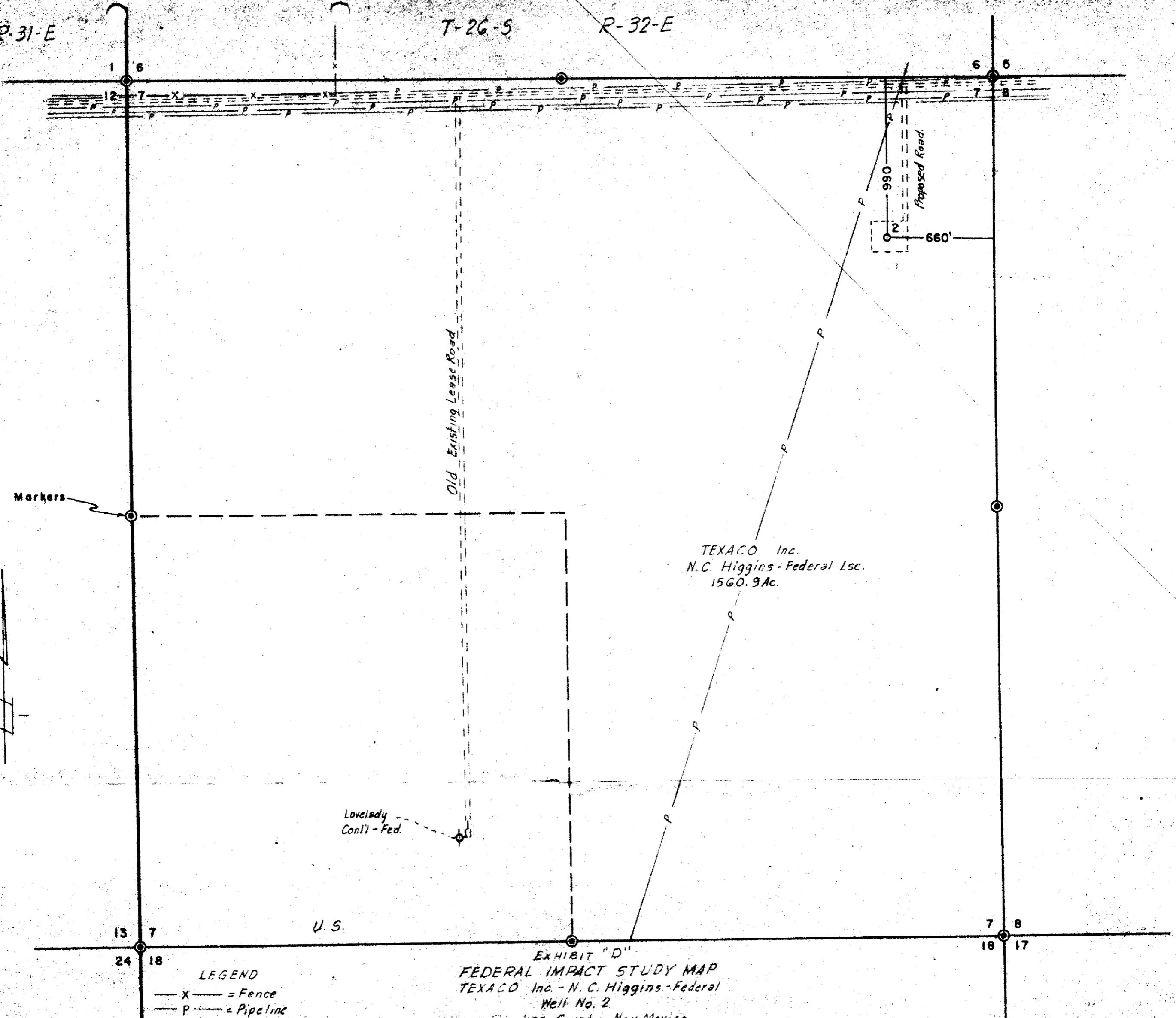
FORMATION TOPS EXPECTED

| | |
|---------------|-------|
| Rustler | 1330' |
| Castile | 2880' |
| Lamar | 4374' |
| Delaware Sand | 4400' |
| TOTAL DEPTH | 4500' |

T-26-S R-31-E

T-26-S

R-32-E



Markers

Old Existing Lease Road

Proposed Road

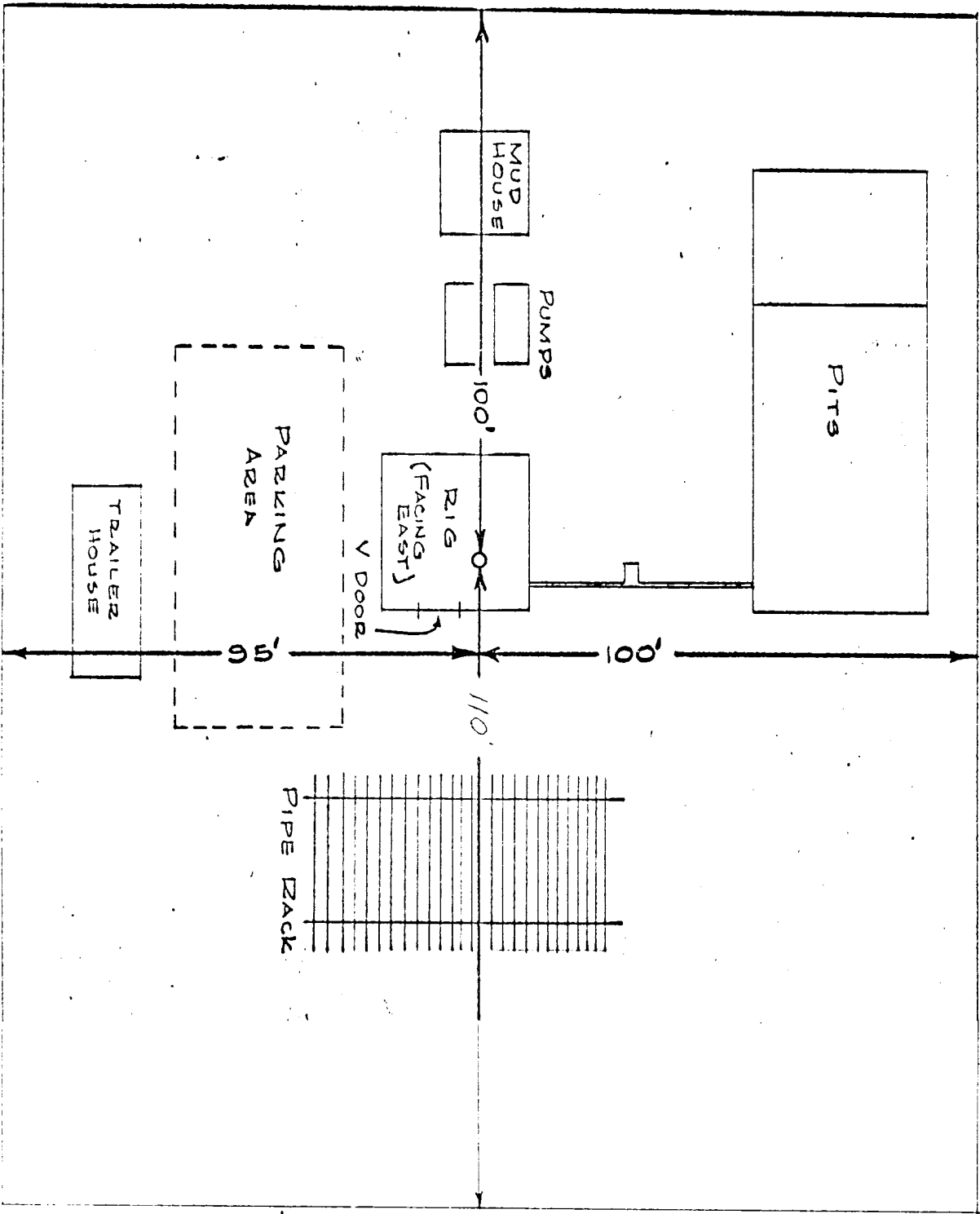
TEXACO Inc.
N.C. Higgins - Federal Lse.
1560.9 Ac.

Lovelady
Con'l - Fed.

U.S.

LEGEND
 — X — = Fence
 — P — = Pipeline
 = = = = = Road
 © = GLO Brass Cap

EXHIBIT "D"
 FEDERAL IMPACT STUDY MAP
 TEXACO Inc. - N. C. Higgins - Federal
 Well No. 2
 Lea County, New Mexico
 Scale 1" = 500'



SCALE: 1" = 30'

EXHIBIT 'E'

