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 15, 1997

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

Administrative Order DD-171(H)
High Angle/Horizontal

Dear Mr. Howard:

Reference is made to your application dated March 25, 1997 for authorization to initiate a high angle/horizontal directionally drilling project within the SW/4 of Section 1, Township 20 South, Range 36 East, NMPM, Monument-Blinebry Pool, Lea County, New Mexico.

The Division Director Finds That:

(1) The subject application has been duly filed under the provisions of Rule 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;

(2) In Township 20 South, Range 36 East, NMPM, Lea County, New Mexico the Monument-Blinebry Pool currently comprises all of said 1;

(3) The Monument-Blinebry Pool is subject to the statewide rules and regulations, as promulgated by Rule 104.C(1)(a), 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 the outer boundary of a single 40-acre oil spacing and proration unit;

(4) The "project area" proposed by Texaco would consist of an over-sized spacing unit comprising 120 acres (three standard 40-acre tracts) underlying the N/2 SW/4 and the SE/4 SW/4 of said Section 1;

(5) There are currently no producing Monument-Blinebry wells within the proposed project area, however at one time Texaco's New Mexico "E" State NCT-1 Well No. 5 (**API No. 30-025-12722**) in Unit "K" produced from the Monument-Blinebry Pool;

(6) Texaco is seeking to initiate a high angle/horizontal directional drilling project within this portion of the Monument-Blinebry Pool, which is a heterogeneous reservoir where vertical segregation is common, in an attempt to drain laterally discontinuous lenses that would not

otherwise be exploited without dense vertical well spacing;

(7) It is Texaco's intent to place its New Mexico "E" State NCT-1 Well No. 7 **(API No. 30-025-33774)** at a standard Monument-Blinebry Pool oil well location 990 feet from the South line and 1855 feet from the West line (Unit N) of said Section 1, drill vertically to an approximate depth of 5,650 feet, kick-off in a northwesterly direction with a short radius wellbore (80 degrees/100 feet), and drill in horizontally a lateral distance of approximately 2,000 feet through the Blinebry formation;

(8) The applicable drilling window or "producing area" for said wellbore should include that area within the 120-acre area comprising the N/2 SW/4 and the SE/4 SW/4 of said Section 1 that is no closer than 330 feet to the outer boundary of the subject 120-acre non-standard oil spacing and proration unit that is the N/2 SW/4 and SE/4 SW/4 of said Section 1; and,

(9) It appears 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 initiate a high angle/horizontal directional drilling project within a non-standard 120-acre oil spacing and proration unit comprising the N/2 SW/4 and the SE/4 SW/4 of Section 1, Township 20 South, Range 36 East, NMPM, Monument-Blinebry Pool, Lea County, New Mexico, by drilling its New Mexico "E" State NCT-1 Well No. 7 **(API No. 30-025-33774)** at a standard Monument-Blinebry Pool oil well location 990 feet from the South line and 1855 feet from the West line (Unit N) of said Section 1, drill vertically to an approximate depth of 5,650 feet, kick-off in a northwesterly direction with a short radius wellbore (80 degrees/100 feet), and drill in horizontally a lateral distance of approximately 2,000 feet through the Blinebry formation;

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.

(2) 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.

(3) The "project area" for said horizontal well shall consist of an oversized 120-acre non-

standard oil spacing and proration unit for said pool comprising the N/2 SW/4 and the SE/4 SW/4 of said Section 1.

(4) The "producing area" for said horizontal wellbore shall include that area within said project area that is no closer than 330 feet from the outer boundary of said 120-acre area comprising the N/2 SW/4 and SE/4 SW/4 of said Section 1.

(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 (TVD) in addition to measured depths (MVD).

(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

S E A L

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

DD - TEX. HG

Received 4-7-97
Susp: 4-28-97
Released: 5-15-97

May 15, 1997

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

Attention: C. Wade Howard

171

*Administrative Order DD-****(H)*
High Angle/Horizontal

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The Division Director Finds That:

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(5) There are currently no producing Monument-Blinebry wells within the proposed project area, however at one time Texaco's New Mexico "E" State NCT-1 Well No. 5 (**API No. 30-025-12722**) in Unit "K" produced from the Monument-Blinebry Pool;

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(9) It appears 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 initiate a high angle/horizontal directional drilling project within a non-standard 120-acre oil spacing and proration unit comprising the N/2 SW/4 and the SE/4 SW/4 of Section 1, Township 20 South, Range 36 East, NMPM, Monument-Blinebry Pool, Lea County, New Mexico, by drilling its New Mexico "E" State NCT-1 Well No. 7 (**API No. 30-025-33774**) at a standard Monument-Blinebry Pool oil well location 990 feet from the South line and 1855 feet from the West line (Unit N) of said Section 1, drill vertically to an approximate depth of 5,650 feet, kick-off in a northwesterly direction with a short radius wellbore (80 degrees/100 feet), and drill in horizontally a lateral distance of approximately 2,000 feet through the Blinebry formation;

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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

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(2) 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.

(3) The "project area" for said horizontal well shall consist of an oversized 120-acre non-standard oil spacing and proration unit for said pool comprising the N/2 SW/4 and the SE/4 SW/4 of said Section 1.

(4) The "producing area" for said horizontal wellbore shall include that area within said project area that is no closer than 330 feet from the outer boundary of said 120-acre area comprising the N/2 SW/4 and SE/4 SW/4 of said Section 1.

(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 (TVD) in addition to measured depths (MVD).

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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

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

CMD :
OG5SEC

ONGARD
INQUIRE LAND BY SECTION

05/13/97 13:13:05
OGOMES -EMGG
PAGE NO: 1

Sec : 02 Twp : 16S Rng : 35E Section Type : LONG

12 4 5 40.00 49.80 40.00 CS CS CS MULTI P P	11 3 6 40.00 50.13 40.00 CS CS CS MULTI A A	10 2 7 40.00 50.45 40.00 CS CS CS MULTI A C	1 8 9 50.78 40.00 40.00 CS CS CS MULTI A A
13 40.00 CS VA0604 05/97 YATES PETROLEUM C	14 40.00 CS E07720 4 01/64 UMC PET CORP	15 40.00 CS E07720 4 01/64 UMC PET CORP A	16 40.00 CS E07720 4 01/64 UMC PET CORP A

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

120
49.80
169.80
170.13
239.93
170.45
410.38
170.78
581.16
32
901.16

120
50.13
170.13

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50.45
170.45

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170.78

Sec : 02 Twp : 16S Rng : 35E Section Type : LONG

L	K	J	I
40.00	40.00	40.00	40.00
CS	CS	CS	CS
VA0604 05/97	E08266 4 06/64	E07720 4 01/64	E07720 4 01/64
YATES PETROLEUM C	UMC PET CORP	UMC PET CORP	UMC PET CORP
	A		
M	N	O	P
40.00	40.00	40.00	40.00
	CS	CS	CS
	E08266 4 06/64	E07720 4 01/64	E07720 4 01/64
Fee owned	UMC PET CORP	UMC PET CORP	UMC PET CORP
	P	P	

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

Texaco Exploration
and Production Inc

500 North Loraine
Midland TX 79701

P O Box 3109
Midland TX 79702

April, 14, 1997

GOV - STATE AND LOCAL GOVERNMENTS
Directional Drilling - Horizontal
Non-Standard Proration Unit
New Mexico "E" State NCT-1 Well No. 7
Monument Blinebry 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:

Attached are signed Waivers from the Offset Operators concerning this application for horizontal drilling. Please process our Order at your earliest convenience.

Any questions concerning this matter 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

Texaco Exploration
and Production Inc

500 North Loraine
Midland TX 79701

P O Box 3109
Midland TX 79702

March 25, 1997

ONSHORE LAND
MAR 31 1997
RECEIVED

GOV - STATE AND LOCAL GOVERNMENTS
Directional Drilling - Horizontal
Non-Standard Proration Unit
New Mexico "E" State NCT-1 Well No. 7
Sec. 1, T-20-S, R-36-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 a horizontal 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. Wade Howard

C. W. Howard
Engineer's Assistant

CWH:cwh

File

WAIVER APPROVED:

COMPANY: AMERADA HESS

BY: [signature]

DATE: 4/9/97

Texaco Exploration
and Production Inc

500 North Loraine
Midland TX 79701

P O Box 3109
Midland TX 79702

March 25, 1997

GOV - STATE AND LOCAL GOVERNMENTS
Directional Drilling - Horizontal
Non-Standard Proration Unit
New Mexico "E" State NCT-1 Well No. 7
Sec. 1, T-20-S, R-36-E
Lea County, New Mexico

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Yours very truly,

C. Wade Howard

C. W. Howard
Engineer's Assistant

CWH:cwh

File

WAIVER APPROVED:

COMPANY: MOBIL PRODUCING TEXAS & NEW MEXICO INC.

BY: Kathy C. Bourma JF 4/7/97

DATE: 4/7/97

Texaco Exploration
and Production Inc

500 North Loraine
Midland TX 79701

P O Box 3109
Midland TX 79702

March 25, 1997

GOV - STATE AND LOCAL GOVERNMENTS
Directional Drilling - Horizontal
Non-Standard Proration Unit
New Mexico "E" State NCT-1 Well No. 7
Sec. 1, T-20-S, R-36-E
Lea County, New Mexico

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Yours very truly,

C. Wade Howard

C. W. Howard
Engineer's Assistant

CWH:cwh

File

WAIVER APPROVED:

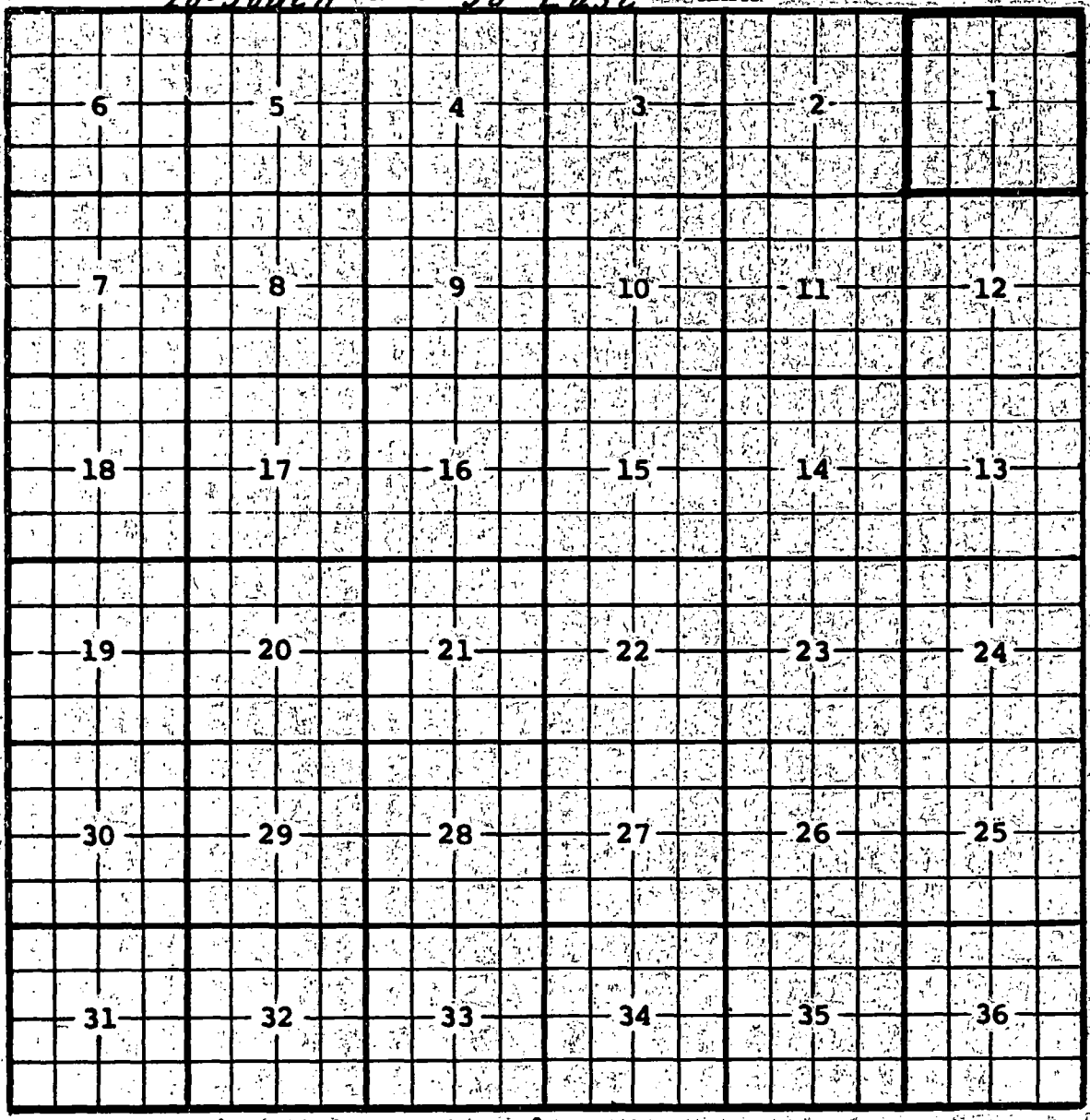
COMPANY: Chevron

BY: Craig A. Wright

DATE: April 4, 1997

COUNTY Lea POOL Monument - Blinebry

TOWNSHIP 19 South RANGE 36 East NMPM



Description: All Sec. 1.

4/7/97	4/28/97	MS	KW	DD

ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION

- Engineering Bureau -

ADMINISTRATIVE APPLICATION COVERSHEET

THIS COVERSHEET IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS

Application Acronyms:

[NSP-Non-Standard Proration Unit] [NSL-Non-Standard Location]
[DD-Directional Drilling] [SD-Simultaneous Dedication]
[DHC-Downhole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling]
[PC-Pool Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measurement]
[WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion]
[SWD-Salt Water Disposal] [IPI-Injection Pressure Increase]
[EOR-Qualified Enhanced Oil Recovery Certification] [PPR-Positive Production Response]

RECEIVED
APR - 7 1997
OIL CONSERVATION DIVISION

[1] **TYPE OF APPLICATION** - Check Those Which Apply for [A]

[A] Location - Spacing Unit - Directional Drilling
☐ NSL ☒ NSP ☒ DD ☐ SD

Check One Only for [B] or [C]

[B] Commingling - Storage - Measurement
☐ DHC ☐ CTB ☐ PLC ☐ PC ☐ OLS ☐ OLM

[C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery
☐ WFX ☐ PMX ☐ SWD ☐ IPI ☐ EOR ☐ PPR

[2] **NOTIFICATION REQUIRED TO:** - Check Those Which Apply, or ☐ Does Not Apply

[A] ☐ Working, Royalty or Overriding Royalty Interest Owners

[B] ☒ Offset Operators, Leaseholders or Surface Owner

[C] ☐ Application is One Which Requires Published Legal Notice

[D] ☐ Notification and/or Concurrent Approval by BLM or SLO
U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office

[E] ☒ For all of the above, Proof of Notification or Publication is Attached, and/or,

[F] ☐ Waivers are Attached

[3] **INFORMATION / DATA SUBMITTED IS COMPLETE** - Statement of Understanding

I hereby certify that I, or personnel under my supervision, have read and complied with all applicable Rules and Regulations of the Oil Conservation Division. Further, I assert that the attached application for administrative approval is accurate and complete to the best of my knowledge and where applicable, verify that all interest (WI, RI, ORRI) is common. I further verify that all applicable API Numbers are included. I understand that any omission of data, information or notification is cause to have the application package returned with no action taken.

Note: Statement must be completed by an individual with supervisory capacity.

C. WADE HOWARD	C. Wade Howard	ENGINEER ASSISTANT	4/3/97
Print or Type Name	Signature	Title	Date

Texaco Exploration
and Production Inc

500 North Loraine
Midland TX 79701

P O Box 3109
Midland TX 79702

March 25, 1997

GOV - STATE AND LOCAL GOVERNMENTS
Directional Drilling - Horizontal
Non-Standard Proration Unit
New Mexico "E" State NCT-1 Well No. 7
Monument Blinebry 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 104.D, and Rule 111.D, is requested to re-enter this well and drill a horizontal lateral in a non-standard 120 acre proration unit in the Blinebry formation.

The New Mexico "E" State NCT-1 No. 7 is a candidate for a horizontal well due to the heterogeneous nature of the reservoir. Vertical segregation is present. Two 10' thick productive intervals exist which are interbedded with a low porosity 5-10' thick interval. Reservoir development also varies laterally as is common in platform carbonates. Application of this horizontal technology will allow for drainage from vertically and laterally discontinuous lenses which would otherwise not be produced without dense vertical well spacing. The proposed horizontal well path is designed to maximize recovery of Blinebry reserves and evaluate the limits of the reservoir.

Attached for your information is a copy of our directional plans, a type log section, and Form C-102.

The offset operators to this well has 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

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	[2] Pool Code	[3] Pool Name
30-025-33774		Monument Blinebry, Monument Paddock, Monument Abo

[4] Property Code	[5] Property Name	[6] Well Number
11037	New Mexico "E" State NCT-1	7

[7] OGRID No.	[8] Operator Name	[9] Elevation
22351	TEXACO EXPLORATION & PRODUCTION, INC.	3565'

[10] Surface Location

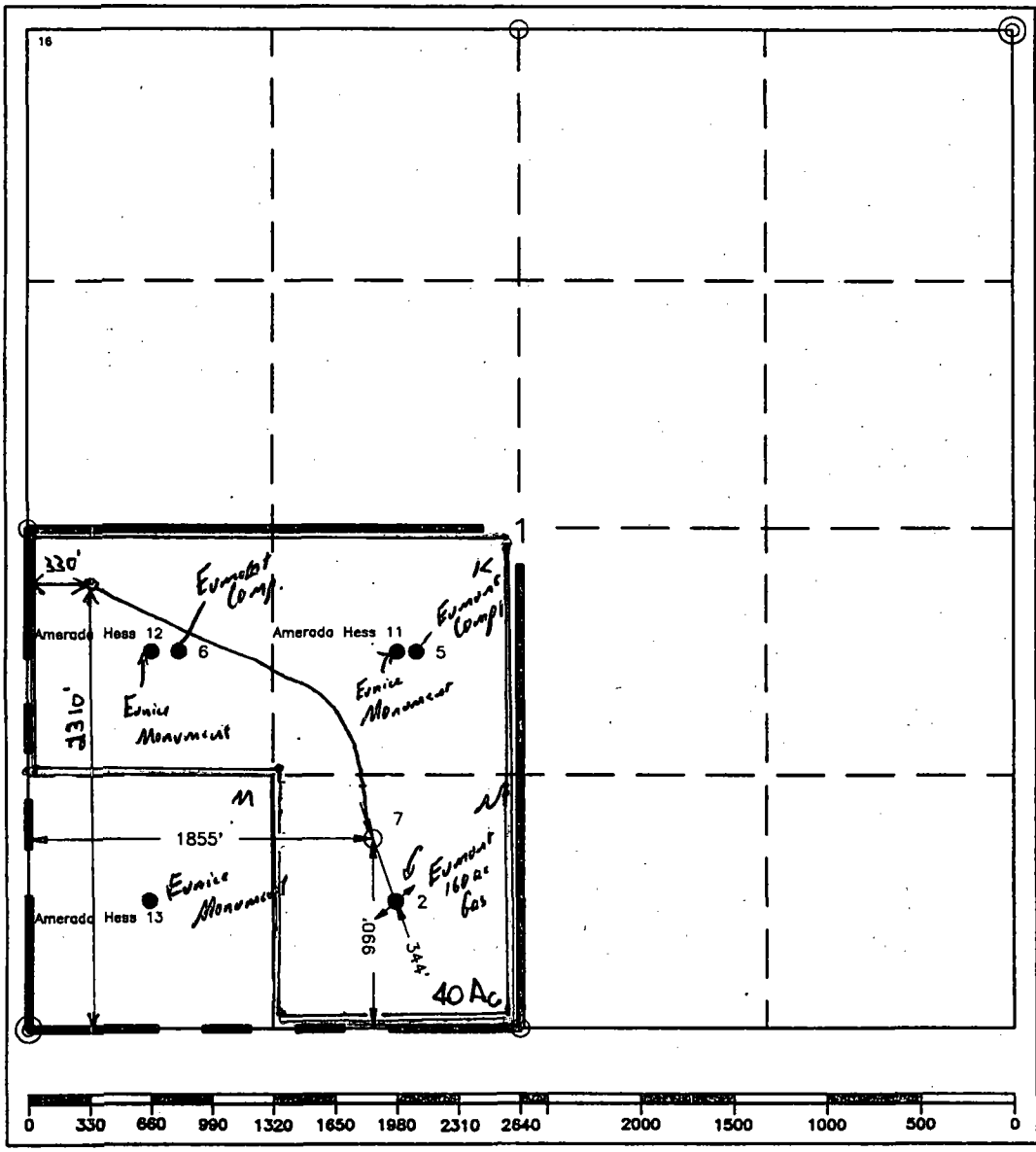
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	[7] County
N	1	20-S	36-E		990'	South	1855'	West	Lea

[11] Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	[7] County
L	1	20-S	36-E		2310'	SOUTH	330	WEST	

[12] Dedicated Acres	[13] Joint or Infill	[14] Consolidation Code	[15] Order No.
120			

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: C. Wade Howard

Printed Name: C. Wade Howard

Position: Engineer's Assistant

Company: Texaco Expl. & Prod. Inc.

Date: January 8, 1997

[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: January 7, 1997

Signature & Seal of Professional Surveyor

Certificate No. 7254 John S. Piper

Sheet

○ = Staked Location ● = Producing Well ◢ = Injection Well ◯ = Water Supply Well ◢ = Plugged & Abandon Well

Texaco Exploration
and Production Inc

500 North Loraine
Midland TX 79701

P O Box 3109
Midland TX 79702

March 25, 1997

GOV - STATE AND LOCAL GOVERNMENTS
Directional Drilling - Horizontal
Non-Standard Proration Unit
New Mexico "E" State NCT-1 Well No. 7
Sec. 1, T-20-S, R-36-E
Lea County, New Mexico

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Yours very truly,

C. Wade Howard

C. W. Howard
Engineer's Assistant

CWH:cwh

File

WAIVER APPROVED:

COMPANY: _____

BY: _____

DATE: _____

OFFSET OPERATOR'S LIST
New Mexico "E" State NCT-1 Well No. 7
LEA COUNTY, NEW MEXICO

Chevron USA Inc.
P. O. Box 1150
Midland, Texas 79702

Mobil Producing Texas & New Mexico Inc.
P. O. Box 633
Midland, Texas 79702

Amerada Hess Corporation
P. O. Box 2040
Houston, Texas 77252

SENDER:
- Complete items 1 and/or 2 for additional services.
- Complete items 3, 4a, and 4b.
- 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. ☐ Addressee's Address
2. ☐ Restricted Delivery

Consult postmaster for fee.

3. Article Addressed to:

Amerada Hess Corporation
P. O. Box 2040
Houston, TX 77252

4a. Article Number
P 497 362 872

4b. Service Type
☐ Registered ☒ Certified
☐ Express Mail ☐ Insured
☒ Return Receipt for Merchandise ☐ COD

7. Date of Delivery
3-31-97

5. Received By: *(Print Name)*

8. Addressee's Address *(Only if requested and fee is paid)*

6. Signature: *(Addressee or Agent)*
X Daryl Hollingsworth

PS Form 3811, December 1994 Domestic Return Receipt

Is your RETURN ADDRESS completed on the reverse side?

Thank you for using Return Receipt Service.

SENDER:
- Complete items 1 and/or 2 for additional services.
- Complete items 3, 4a, and 4b.
- 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. ☐ Addressee's Address
2. ☐ Restricted Delivery

Consult postmaster for fee.

3. Article Addressed to:

Chevron USA Inc.
P. O. Box 1150
Midland, TX 79702

4a. Article Number
P 497 362 873

4b. Service Type
☐ Registered ☒ Certified
☐ Express Mail ☐ Insured
☒ Return Receipt for Merchandise ☐ COD

7. Date of Delivery
MAR 26 1997

5. Received By: *(Print Name)*

8. Addressee's Address *(Only if requested and fee is paid)*

6. Signature: *(Addressee or Agent)*
X Tom Bell

PS Form 3811, December 1994 Domestic Return Receipt

Is your RETURN ADDRESS completed on the reverse side?

Thank you for using Return Receipt Service.

SENDER:
- Complete items 1 and/or 2 for additional services.
- Complete items 3, 4a, and 4b.
- 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. ☐ Addressee's Address
2. ☐ Restricted Delivery

Consult postmaster for fee.

3. Article Addressed to:

Mobil Producing Texas &
New Mexico Inc.
P. O. Box 633
Midland, Texas 79702

4a. Article Number
P 497 362 874

4b. Service Type
☐ Registered ☒ Certified
☐ Express Mail ☐ Insured
☒ Return Receipt for Merchandise ☐ COD

7. Date of Delivery
MAR 26 1997

5. Received By: *(Print Name)*

8. Addressee's Address *(Only if requested and fee is paid)*

6. Signature: *(Addressee or Agent)*
X Tony Hammond

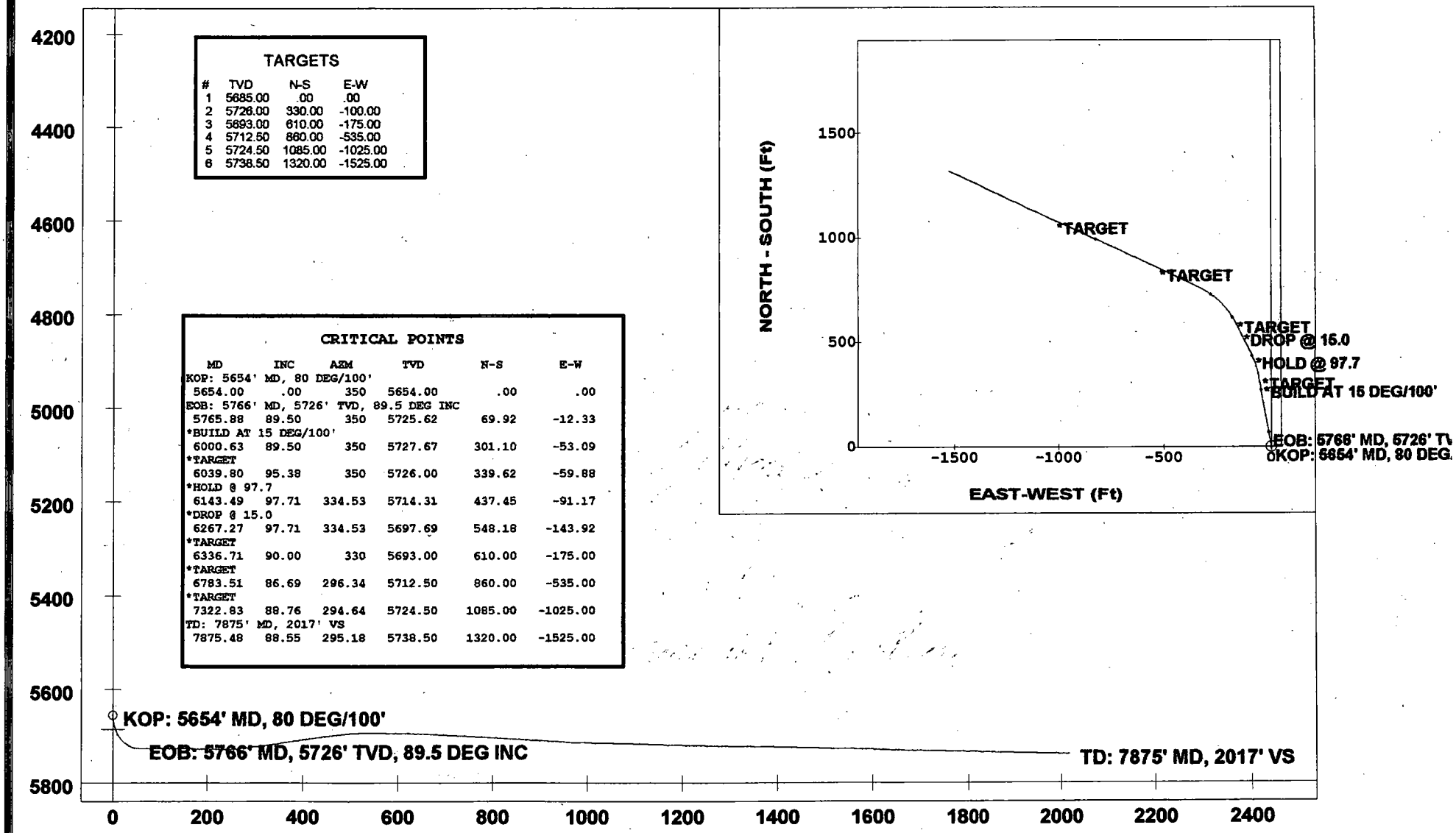
PS Form 3811, December 1994 Domestic Return Receipt

Is your RETURN ADDRESS completed on the reverse side?

Thank you for using Return Receipt Service.

Company: TEXACO E & P, INC.
Lease/Well: NEW MEXICO E STATE #7
Location: LEA CO., NEW MEXICO
File name: C:\WINSERVE\NEWMEXE7.SVY
Date/Time: 13-Mar-97 / 06:57

Sw



TARGETS

#	TVD	N-S	E-W
1	5685.00	.00	.00
2	5726.00	330.00	-100.00
3	5693.00	610.00	-175.00
4	5712.50	860.00	-535.00
5	5724.50	1085.00	-1025.00
6	5738.50	1320.00	-1525.00

CRITICAL POINTS

MD	INC	AZM	TVD	N-S	E-W
KOP: 5654' MD, 80 DEG/100'					
5654.00	.00	350	5654.00	.00	.00
EOB: 5766' MD, 5726' TVD, 89.5 DEG INC					
5765.88	89.50	350	5725.62	69.92	-12.33
*BUILD AT 15 DEG/100'					
6000.63	89.50	350	5727.67	301.10	-53.09
*TARGET					
6039.80	95.38	350	5726.00	339.62	-59.88
*HOLD @ 97.7					
6143.49	97.71	334.53	5714.31	437.45	-91.17
*DROP @ 15.0					
6267.27	97.71	334.53	5697.69	548.18	-143.92
*TARGET					
6336.71	90.00	330	5693.00	610.00	-175.00
*TARGET					
6783.51	86.69	296.34	5712.50	860.00	-535.00
*TARGET					
7322.83	88.76	294.64	5724.50	1085.00	-1025.00
TD: 7875' MD, 2017' VS					
7875.48	88.55	295.18	5738.50	1320.00	-1525.00

○-- WELL PLAN 3-12-97 △-- ▽-- ◇--

VERTICAL SECTION (Ft) @ 310.88°

Job Number:
Company: TEXACO E & P, INC.
Lease/Well: NEW MEXICO E STATE #7
Location: LEA CO., NEW MEXICO
Rig Name:

State/Country:
Declination:
Grid:
File name: C:\WINSERVE\NEWMEXE7.SVY
Date/Time: 13-Mar-97 / 06:57
Curve Name: WELL PLAN 3-12-97

Phoenix Drilling Services, Inc.

WINSERVE SURVEY CALCULATIONS
Minimum Curvature Method
Vertical Section Plane 310.88

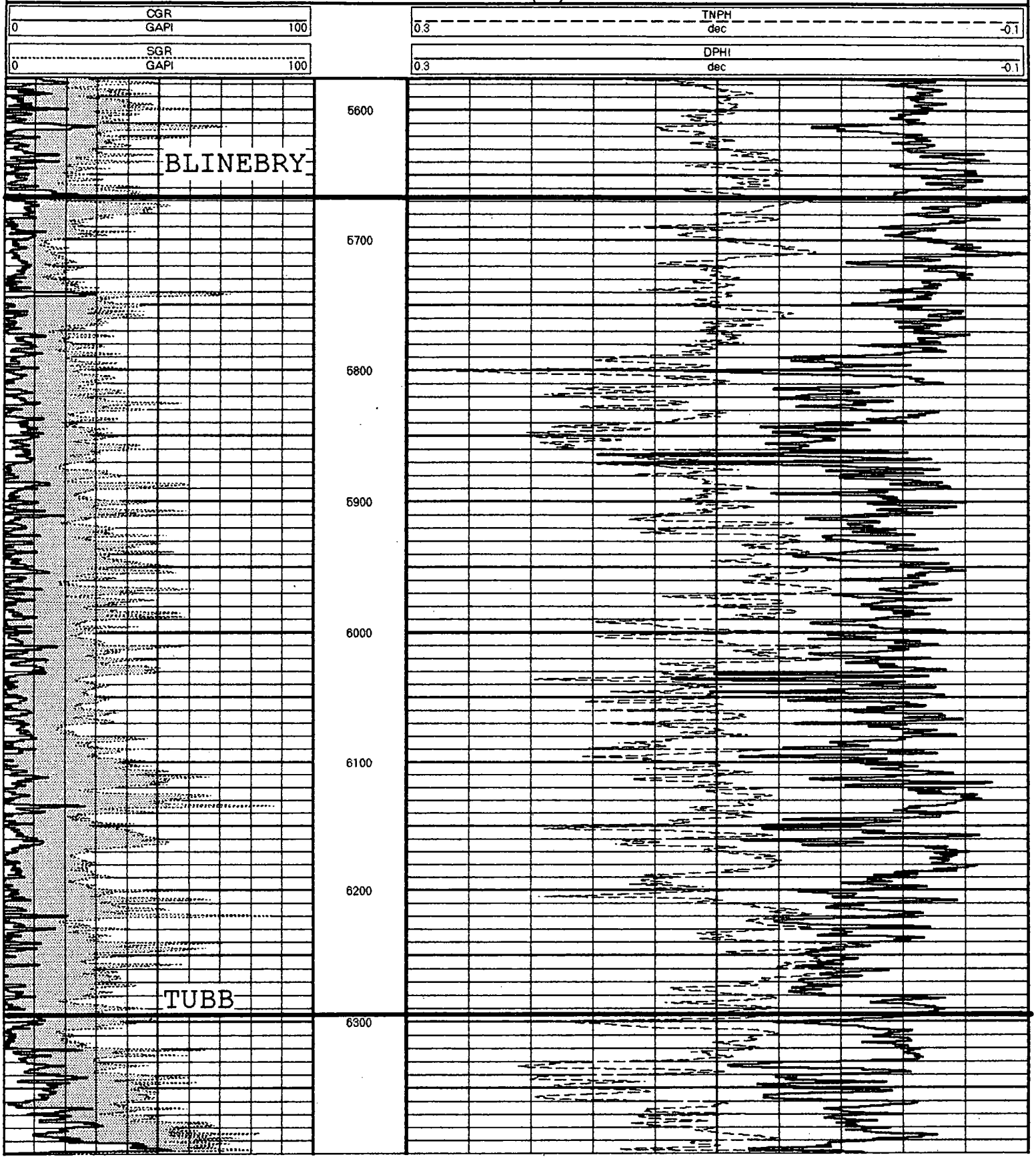
Measured Depth FT	Incl Angle Deg	Drift Direction Deg	True Vertical Depth	Subsea TVD FT	N-S FT	E-W FT	Vertical Section FT	CLOSURE Distance FT	CLOSURE Direction Deg	Dogleg Severity Deg/100
KOP: 5654' MD, 80 DEG/100'										
5654.00	.00	350.00	5654.00	2074.00	.00	.00	.00	.00	.00	.00
5664.00	8.00	350.00	5663.97	2083.97	.69	-.12	.54	.70	350.00	80.00
5674.00	16.00	350.00	5673.74	2093.74	2.73	-.48	2.15	2.77	350.00	80.00
5684.00	24.00	350.00	5683.13	2103.13	6.10	-1.08	4.80	6.19	350.00	80.00
5694.00	32.00	350.00	5691.95	2111.95	10.72	-1.89	8.44	10.88	350.00	80.00
5704.00	40.00	350.00	5700.04	2120.04	16.50	-2.91	13.00	16.76	350.00	80.00
5714.00	48.00	350.00	5707.22	2127.22	23.34	-4.11	18.38	23.70	350.00	80.00
5724.00	56.00	350.00	5713.38	2133.38	31.09	-5.48	24.49	31.57	350.00	80.00
5734.00	64.00	350.00	5718.37	2138.37	39.61	-6.98	31.21	40.22	350.00	80.00
5744.00	72.00	350.00	5722.11	2142.11	48.74	-8.59	38.39	49.49	350.00	80.00
5754.00	80.00	350.00	5724.53	2144.53	58.28	-10.28	45.92	59.18	350.00	80.00

Measured Depth FT	Incl Angle Deg	Drift Direction Deg	True Vertical Depth	Subsea TVD FT	N-S FT	E-W FT	Vertical Section FT	CLOSURE Distance FT	CLOSURE Direction Deg	Dogleg Severity Deg/100
5764.00	88.00	350.00	5725.58	2145.58	68.07	-12.00	53.63	69.12	350.00	80.00
EOB: 5766' MD, 5726' TVD, 89.5 DEG INC										
5765.88	89.50	350.00	5725.62	2145.62	69.92	-12.33	55.08	71.00	350.00	80.00
5865.88	89.50	350.00	5726.49	2146.49	168.39	-29.69	132.66	170.99	350.00	.00
5965.88	89.50	350.00	5727.36	2147.36	266.87	-47.06	210.24	270.99	350.00	.00
5970.00	89.50	350.00	5727.40	2147.40	270.93	-47.77	213.44	275.11	350.00	.01
BUILD AT 15 DEG/100'										
6000.63	89.50	350.00	5727.67	2147.67	301.10	-53.09	237.20	305.74	350.00	.00
6010.63	91.00	350.00	5727.62	2147.62	310.95	-54.83	244.96	315.74	350.00	15.00
6020.63	92.50	350.00	5727.32	2147.32	320.79	-56.56	252.72	325.74	350.00	15.00
6030.63	94.00	350.00	5726.75	2146.75	330.62	-58.30	260.46	335.72	350.00	15.00
TARGET										
6039.80	95.38	350.00	5726.00	2146.00	339.62	-59.88	267.55	344.86	350.00	15.00
6049.80	95.54	348.50	5725.05	2145.05	349.40	-61.74	275.36	354.81	349.98	15.00
6059.80	95.72	347.01	5724.07	2144.07	359.13	-63.85	283.32	364.76	349.92	15.00
6069.80	95.92	345.51	5723.05	2143.05	368.79	-66.21	291.43	374.69	349.82	15.00
6079.80	96.15	344.02	5722.00	2142.00	378.39	-68.83	299.68	384.59	349.69	15.00
6089.80	96.40	342.53	5720.91	2140.91	387.90	-71.69	308.08	394.47	349.53	15.00
6099.80	96.65	341.04	5719.77	2139.77	397.34	-74.79	316.60	404.32	349.34	15.00
6109.80	96.90	339.56	5718.59	2138.59	406.69	-78.14	325.25	414.13	349.12	15.00
6119.80	97.15	338.06	5717.37	2137.37	415.94	-81.73	334.02	423.90	348.88	15.00
6129.80	97.39	336.57	5716.11	2136.11	425.10	-85.55	342.90	433.62	348.62	15.00
6139.80	97.63	335.08	5714.80	2134.80	434.14	-89.61	351.89	443.29	348.34	15.00
HOLD @ 97.7										
6143.49	97.71	334.53	5714.31	2134.31	437.45	-91.17	355.23	446.84	348.23	15.00
6243.49	97.71	334.53	5700.88	2120.88	526.91	-133.79	446.00	543.63	345.75	.00
DROP @ 15.0										
6267.27	97.71	334.53	5697.69	2117.69	548.18	-143.92	467.59	566.76	345.29	.01
6267.95	97.70	334.63	5697.60	2117.60	548.79	-144.21	468.21	567.42	345.28	14.57

Measured Depth FT	Incl Angle Deg	Drift Direction Deg	True Vertical Depth	Subsea TVD FT	N-S FT	E-W FT	Vertical Section FT	CLOSURE Distance FT	CLOSURE Direction Deg	Dogleg Severity Deg/100
6269.16	97.67	334.81	5697.44	2117.44	549.88	-144.72	469.30	568.60	345.25	15.00
6270.83	97.63	335.06	5697.22	2117.22	551.38	-145.42	470.82	570.23	345.22	15.00
6272.87	97.58	335.36	5696.95	2116.95	553.21	-146.27	472.66	572.22	345.19	15.00
6276.71	97.02	335.49	5696.46	2116.46	556.67	-147.85	476.12	575.97	345.13	15.00
6286.71	95.64	334.90	5695.36	2115.36	565.69	-152.02	485.18	585.77	344.96	15.00
6296.71	94.38	334.09	5694.48	2114.48	574.69	-156.31	494.30	595.56	344.78	15.00
6306.71	93.20	333.16	5693.82	2113.82	583.62	-160.74	503.51	605.36	344.60	15.00
6316.71	92.09	332.16	5693.36	2113.36	592.50	-165.33	512.78	615.13	344.41	15.00
6326.71	91.02	331.10	5693.09	2113.09	601.29	-170.08	522.13	624.89	344.21	15.00
TARGET										
6336.71	90.00	330.00	5693.00	2113.00	610.00	-175.00	531.55	634.61	343.99	15.00
6346.71	89.84	328.51	5693.01	2113.01	618.59	-180.11	541.03	644.28	343.77	15.00
6356.71	89.69	327.02	5693.05	2113.05	627.05	-185.45	550.60	653.90	343.52	15.00
6366.71	89.53	325.52	5693.12	2113.12	635.37	-191.00	560.24	663.46	343.27	15.00
6376.71	89.38	324.03	5693.22	2113.22	643.54	-196.77	569.95	672.95	343.00	15.00
6386.71	89.22	322.54	5693.34	2113.34	651.55	-202.74	579.72	682.37	342.72	15.00
6396.71	89.07	321.05	5693.49	2113.49	659.41	-208.93	589.53	691.72	342.42	15.00
6406.71	88.92	319.56	5693.66	2113.66	667.10	-215.31	599.40	700.99	342.11	15.00
6416.71	88.76	318.06	5693.87	2113.87	674.63	-221.90	609.30	710.18	341.79	15.00
6426.71	88.61	316.57	5694.10	2114.10	681.97	-228.67	619.23	719.29	341.46	15.00
6436.71	88.46	315.08	5694.35	2114.35	689.14	-235.64	629.19	728.32	341.12	15.00
6446.71	88.31	313.58	5694.63	2114.63	696.13	-242.79	639.17	737.25	340.77	15.00
6456.71	88.16	312.09	5694.94	2114.94	702.93	-250.12	649.16	746.10	340.41	15.00
6466.71	88.01	310.60	5695.28	2115.28	709.53	-257.62	659.15	754.85	340.04	15.00
6476.71	87.87	309.10	5695.63	2115.63	715.93	-265.30	669.15	763.50	339.67	15.00
6486.71	87.72	307.61	5696.02	2116.02	722.13	-273.13	679.13	772.06	339.28	15.00
6496.71	87.58	306.12	5696.43	2116.43	728.13	-281.12	689.09	780.51	338.89	15.00
6506.71	87.44	304.62	5696.86	2116.86	733.91	-289.27	699.04	788.86	338.49	15.00
6516.71	87.30	303.13	5697.32	2117.32	739.48	-297.57	708.95	797.10	338.08	15.00
6526.71	87.16	301.63	5697.81	2117.81	744.82	-306.00	718.83	805.23	337.67	15.00

Measured Depth FT	Incl Angle Deg	Drift Direction Deg	True Vertical Depth	Subsea TVD FT	N-S FT	E-W FT	Vertical Section FT	CLOSURE Distance FT	CLOSURE Direction Deg	Dogleg Severity Deg/100
6536.71	87.02	300.13	5698.31	2118.31	749.95	-314.57	728.67	813.25	337.24	15.00
6546.71	86.89	298.64	5698.85	2118.85	754.85	-323.27	738.45	821.16	336.82	15.00
6556.71	86.76	297.14	5699.40	2119.40	759.52	-332.10	748.18	828.95	336.38	15.00
6562.09	86.69	296.34	5699.71	2119.71	761.94	-336.90	753.39	833.10	336.15	15.00
6662.09	86.69	296.34	5705.49	2125.49	806.23	-426.37	850.03	912.03	332.13	.00
6762.09	86.69	296.34	5711.26	2131.26	850.52	-515.84	946.66	994.72	328.76	.00
TARGET										
6783.51	86.69	296.34	5712.50	2132.50	860.00	-535.00	967.35	1012.83	328.11	.00
6793.51	87.85	295.38	5712.98	2132.98	864.36	-543.99	977.00	1021.29	327.82	15.00
6801.36	88.76	294.64	5713.21	2133.21	867.68	-551.11	984.56	1027.90	327.58	15.00
6901.36	88.76	294.64	5715.37	2135.37	909.35	-641.98	1080.54	1113.13	324.78	.00
7001.36	88.76	294.64	5717.54	2137.54	951.03	-732.86	1176.53	1200.64	322.38	.00
7101.36	88.76	294.64	5719.71	2139.71	992.70	-823.74	1272.51	1289.96	320.31	.00
7201.36	88.76	294.64	5721.87	2141.87	1034.38	-914.61	1368.50	1380.74	318.52	.00
7301.36	88.76	294.64	5724.04	2144.04	1076.05	-1005.49	1464.48	1472.72	316.94	.00
TARGET										
7322.83	88.76	294.64	5724.50	2144.50	1085.00	-1025.00	1485.09	1492.60	316.63	.00
7326.70	88.55	295.18	5724.59	2144.59	1086.63	-1028.50	1488.81	1496.19	316.57	15.00
7426.70	88.55	295.18	5727.13	2147.13	1129.15	-1118.98	1585.04	1589.68	315.26	.00
7526.70	88.55	295.18	5729.66	2149.66	1171.68	-1209.45	1681.28	1683.92	314.09	.00
7626.70	88.55	295.18	5732.19	2152.19	1214.20	-1299.92	1777.51	1778.79	313.05	.00
7726.70	88.55	295.18	5734.73	2154.73	1256.73	-1390.39	1873.75	1874.18	312.11	.00
7826.70	88.55	295.18	5737.26	2157.26	1299.25	-1480.86	1969.99	1970.03	311.26	.00
TD: 7875' MD, 2017' VS										
7875.48	88.55	295.18	5738.50	2158.50	1320.00	-1525.00	2016.93	2016.93	310.88	.00

NM "E" St. NCT-1 No. 7
24 Mar 1997 @ 14:27
DEPTH (FT)



ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION

- Engineering Bureau -

ADMINISTRATIVE APPLICATION COVERSHEET

THIS COVERSHEET IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS

Application Acronyms:

[NSP-Non-Standard Proration Unit] [NSL-Non-Standard Location]
[DD-Directional Drilling] [SD-Simultaneous Dedication]
[DHC-Downhole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling]
[PC-Pool Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measurement]
[WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion]
[SWD-Salt Water Disposal] [IPI-Injection Pressure Increase]
[EOR-Qualified Enhanced Oil Recovery Certification] [PPR-Positive Production Response]

[1] **TYPE OF APPLICATION** - Check Those Which Apply for [A]

[A] Location - Spacing Unit - Directional Drilling

☐ NSL ☒ NSP ☒ DD ☐ SD

Check One Only for [B] or [C]

[B] Commingling - Storage - Measurement

☐ DHC ☐ CTB ☐ PLC ☐ PC ☐ OLS ☐ OLM

[C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery

☐ WFX ☐ PMX ☐ SWD ☐ IPI ☐ EOR ☐ PPR

[2] **NOTIFICATION REQUIRED TO:** - Check Those Which Apply, or ☐ Does Not Apply

[A] ☐ Working, Royalty or Overriding Royalty Interest Owners

[B] ☒ Offset Operators, Leaseholders or Surface Owner

[C] ☐ Application is One Which Requires Published Legal Notice

[D] ☐ Notification and/or Concurrent Approval by BLM or SLO

U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office

[E] ☒ For all of the above, Proof of Notification or Publication is Attached, and/or,

[F] ☐ Waivers are Attached

[3] **INFORMATION / DATA SUBMITTED IS COMPLETE** - Statement of Understanding

I hereby certify that I, or personnel under my supervision, have read and complied with all applicable Rules and Regulations of the Oil Conservation Division. Further, I assert that the attached application for administrative approval is accurate and complete to the best of my knowledge and where applicable, verify that all interest (WI, RI, ORRI) is common. I further verify that all applicable API Numbers are included. I understand that any omission of data, information or notification is cause to have the application package returned with no action taken.

Note: Statement must be completed by an individual with supervisory capacity.

C. WADE HOWARD	C. Wade Howard	ENGINEER ASSISTANT	4/3/97
Print or Type Name	Signature	Title	Date

Texaco Exploration
and Production Inc

500 North Loraine
Midland TX 79701

P O Box 3109
Midland TX 79702

March 25, 1997

GOV - STATE AND LOCAL GOVERNMENTS
Directional Drilling - Horizontal
Non-Standard Proration Unit
New Mexico "E" State NCT-1 Well No. 7
Monument Blinebry 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 104.D, and Rule 111.D, is requested to re-enter this well and drill a horizontal lateral in a non-standard 120 acre proration unit in the Blinebry formation.

The New Mexico "E" State NCT-1 No. 7 is a candidate for a horizontal well due to the heterogeneous nature of the reservoir. Vertical segregation is present. Two 10' thick productive intervals exist which are interbedded with a low porosity 5-10' thick interval. Reservoir development also varies laterally as is common in platform carbonates. Application of this horizontal technology will allow for drainage from vertically and laterally discontinuous lenses which would otherwise not be produced without dense vertical well spacing. The proposed horizontal well path is designed to maximize recovery of Blinebry reserves and evaluate the limits of the reservoir.

Attached for your information is a copy of our directional plans, a type log section, and Form C-102.

The offset operators to this well has 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

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	[2] Pool Code	[3] Pool Name
30-025-33774		Monument Blinebry, Monument Paddock, Monument Abo

[4] Property Code	[5] Property Name	[6] Well Number
11037	New Mexico "E" State NCT-1	7

[7] OGRID No.	[8] Operator Name	[9] Elevation
22351	TEXACO EXPLORATION & PRODUCTION, INC.	3565'

[10] Surface Location

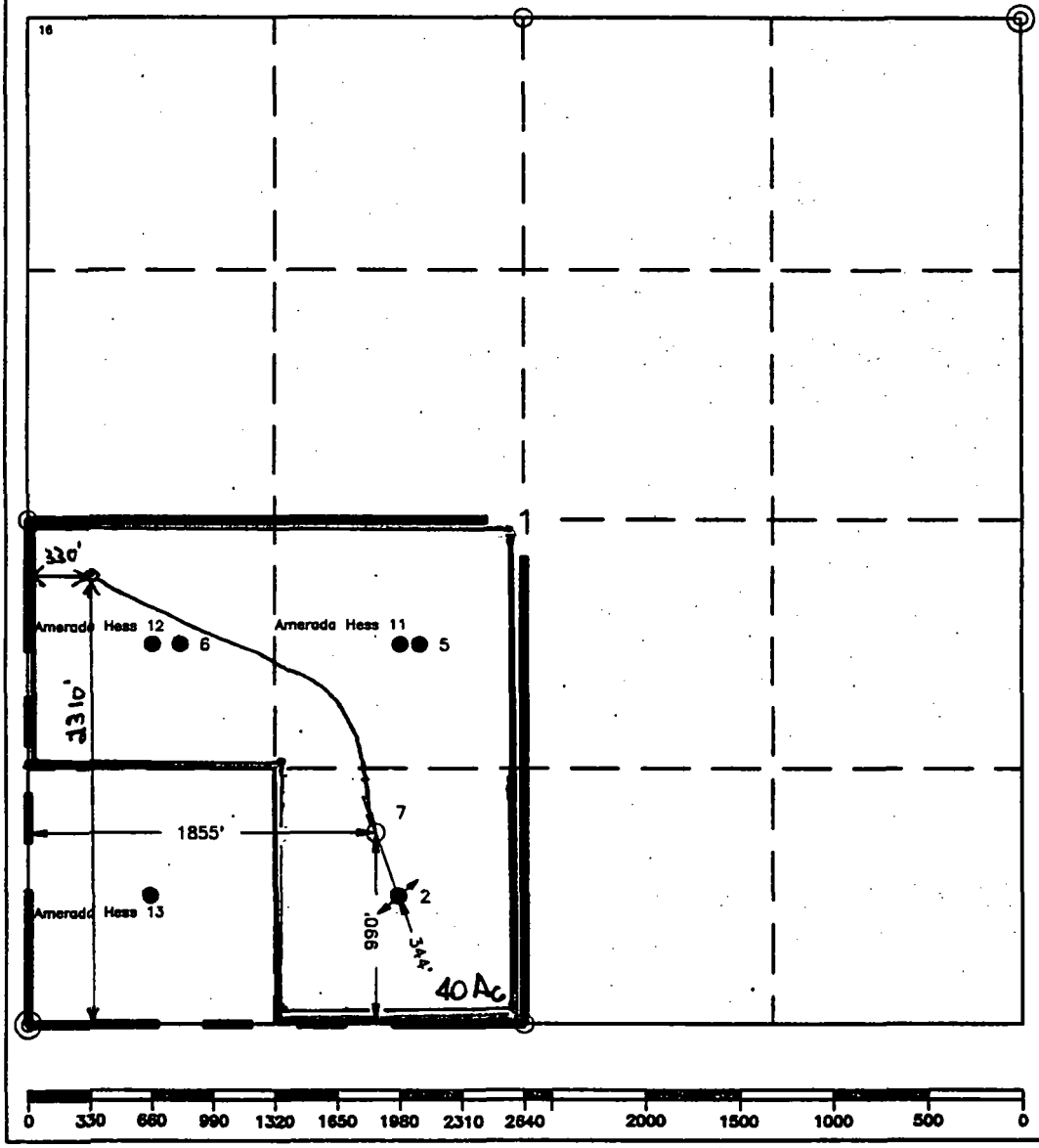
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	[7] County
N	1	20-S	36-E		990'	South	1855'	West	Lea

[11] Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	[7] County
L	1	20-S	36-E		2310'	SOUTH	330	WEST	

[12] Dedicated Acres	[13] Joint or Infill	[14] Consolidation Code	[15] Order No.
120			

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: C. Wade Howard

Printed Name: C. Wade Howard

Position: Engineer's Assistant

Company: Texaco Expl. & Prod. Inc.

Date: January 8, 1997

[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: January 7, 1997

Signature & Seal of Professional Surveyor

Certificate No. 7254 John S. Piper

Sheet

○ = Staked Location ● = Producing Well ⊕ = Injection Well ▽ = Water Source Well ⊕ = Disposal Well

Texaco Exploration
and Production Inc

500 North Loraine
Midland TX 79701

P O Box 3109
Midland TX 79702

March 25, 1997

GOV - STATE AND LOCAL GOVERNMENTS
Directional Drilling - Horizontal
Non-Standard Proration Unit
New Mexico "E" State NCT-1 Well No. 7
Sec. 1, T-20-S, R-36-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 a horizontal 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. Wade Howard

C. W. Howard
Engineer's Assistant

CWH:cwh

File

WAIVER APPROVED:

COMPANY: _____

BY: _____

DATE: _____

OFFSET OPERATOR'S LIST
New Mexico "E" State NCT-1 Well No. 7
LEA COUNTY, NEW MEXICO

Chevron USA Inc.
P. O. Box 1150
Midland, Texas 79702

Mobil Producing Texas & New Mexico Inc.
P. O. Box 633
Midland, Texas 79702

Amerada Hess Corporation
P. O. Box 2040
Houston, Texas 77252

SENDER:
- Complete items 1 and/or 2 for additional services.
- Complete items 3, 4a, and 4b.
- 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. ☐ Addressee's Address
2. ☐ Restricted Delivery

Consult postmaster for fee.

3. Article Addressed to:
Amerada Hess Corporation
P. O. Box 2040
Houston, TX 77252

4a. Article Number
P 497 362 872

4b. Service Type
☐ Registered ☒ Certified
☐ Express Mail ☐ Insured
☒ Return Receipt for Merchandise ☐ COD

7. Date of Delivery
3-31-97

5. Received By: *(Print Name)*

8. Addressee's Address *(Only if requested and fee is paid)*

6. Signature: *(Addressee or Agent)*
X [signature]

PS Form 3811, December 1994 Domestic Return Receipt

Is your RETURN ADDRESS completed on the reverse side?

Thank you for using Return Receipt Service.

SENDER:
- Complete items 1 and/or 2 for additional services.
- Complete items 3, 4a, and 4b.
- 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. ☐ Addressee's Address
2. ☐ Restricted Delivery

Consult postmaster for fee.

3. Article Addressed to:
Chevron USA Inc.
P. O. Box 1150
Midland, TX 79702

4a. Article Number
P 497 362 873

4b. Service Type
☐ Registered ☒ Certified
☐ Express Mail ☐ Insured
☒ Return Receipt for Merchandise ☐ COD

7. Date of Delivery
MAR 26 1997

5. Received By: *(Print Name)*

8. Addressee's Address *(Only if requested and fee is paid)*

6. Signature: *(Addressee or Agent)*
X [signature]

PS Form 3811, December 1994 Domestic Return Receipt

Is your RETURN ADDRESS completed on the reverse side?

Thank you for using Return Receipt Service.

SENDER:
- Complete items 1 and/or 2 for additional services.
- Complete items 3, 4a, and 4b.
- 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. ☐ Addressee's Address
2. ☐ Restricted Delivery

Consult postmaster for fee.

3. Article Addressed to:
Mobil Producing Texas &
New Mexico Inc.
P. O. Box 633
Midland, Texas 79702

4a. Article Number
P 497 362 874

4b. Service Type
☐ Registered ☒ Certified
☐ Express Mail ☐ Insured
☒ Return Receipt for Merchandise ☐ COD

7. Date of Delivery
MAR 26 1997

5. Received By: *(Print Name)*

8. Addressee's Address *(Only if requested and fee is paid)*

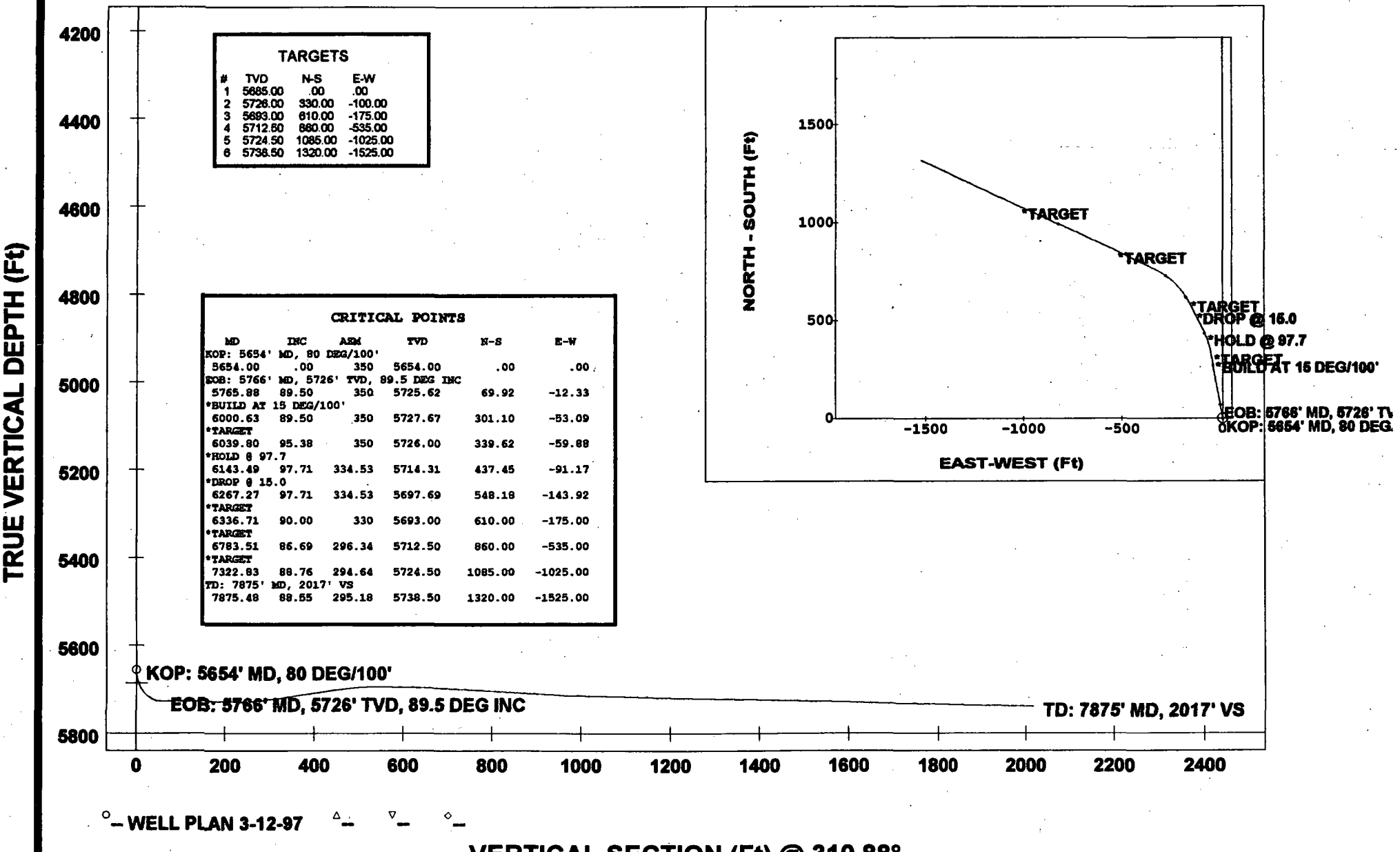
6. Signature: *(Addressee or Agent)*
X [signature]

PS Form 3811, December 1994 Domestic Return Receipt

Is your RETURN ADDRESS completed on the reverse side?

Thank you for using Return Receipt Service.

Company: TEXACO E & P, INC.
Lease/Well: NEW MEXICO E STATE #7
Location: LEA CO., NEW MEXICO
File name: C:\WINSERVE\NEWMEXE7.SVY
Date/Time: 13-Mar-97 / 06:57



TARGETS

#	TVD	N-S	E-W
1	5685.00	.00	.00
2	5726.00	330.00	-100.00
3	5693.00	610.00	-175.00
4	5712.50	860.00	-535.00
5	5724.50	1085.00	-1025.00
6	5738.50	1320.00	-1525.00

CRITICAL POINTS

MD	INC	AZM	TVD	N-S	E-W
KOP: 5654' MD, 80 DEG/100'					
5654.00	.00	350	5654.00	.00	.00
EOB: 5766' MD, 5726' TVD, 89.5 DEG INC					
5765.88	89.50	350	5725.62	69.92	-12.33
*BUILD AT 15 DEG/100'					
6000.63	89.50	350	5727.67	301.10	-53.09
*TARGET					
6039.80	95.38	350	5726.00	339.62	-59.88
*HOLD @ 97.7					
6143.49	97.71	334.53	5714.31	437.45	-91.17
*DROP @ 15.0					
6267.27	97.71	334.53	5697.69	548.18	-143.92
*TARGET					
6336.71	90.00	330	5693.00	610.00	-175.00
*TARGET					
6783.51	86.69	296.34	5712.50	860.00	-535.00
*TARGET					
7322.83	88.76	294.64	5724.50	1085.00	-1025.00
TD: 7875' MD, 2017' VS					
7875.48	88.55	295.18	5738.50	1320.00	-1525.00

○– WELL PLAN 3-12-97 △– ▽– ◇–

Job Number:
Company: TEXACO E & P, INC.
Lease/Well: NEW MEXICO E STATE #7
Location: LEA CO., NEW MEXICO
Rig Name:

State/Country:
Declination:
Grid:
File name: C:\WINSERVE\NEWMEXE7.SVY
Date/Time: 13-Mar-97 / 06:57
Curve Name: WELL PLAN 3-12-97

Phoenix Drilling Services, Inc.

WINSERVE SURVEY CALCULATIONS
Minimum Curvature Method
Vertical Section Plane 310.88

Measured Depth FT	Incl Angle Deg	Drift Direction Deg	True Vertical Depth	Subsea TVD FT	N-S FT	E-W FT	Vertical Section FT	CLOSURE Distance FT	CLOSURE Direction Deg	Dogleg Severity Deg/100
KOP: 5654' MD, 80 DEG/100'										
5654.00	.00	350.00	5654.00	2074.00	.00	.00	.00	.00	.00	.00
5664.00	8.00	350.00	5663.97	2083.97	.69	-.12	.54	.70	350.00	80.00
5674.00	16.00	350.00	5673.74	2093.74	2.73	-.48	2.15	2.77	350.00	80.00
5684.00	24.00	350.00	5683.13	2103.13	6.10	-1.08	4.80	6.19	350.00	80.00
5694.00	32.00	350.00	5691.95	2111.95	10.72	-1.89	8.44	10.88	350.00	80.00
5704.00	40.00	350.00	5700.04	2120.04	16.50	-2.91	13.00	16.76	350.00	80.00
5714.00	48.00	350.00	5707.22	2127.22	23.34	-4.11	18.38	23.70	350.00	80.00
5724.00	56.00	350.00	5713.38	2133.38	31.09	-5.48	24.49	31.57	350.00	80.00
5734.00	64.00	350.00	5718.37	2138.37	39.61	-6.98	31.21	40.22	350.00	80.00
5744.00	72.00	350.00	5722.11	2142.11	48.74	-8.59	38.39	49.49	350.00	80.00
5754.00	80.00	350.00	5724.53	2144.53	58.28	-10.28	45.92	59.18	350.00	80.00

Measured Depth FT	Incl Angle Deg	Drift Direction Deg	True Vertical Depth	Subsea TVD FT	N-S FT	E-W FT	Vertical Section FT	CLOSURE Distance FT	CLOSURE Direction Deg	Dogleg Severity Deg/100
5764.00	88.00	350.00	5725.58	2145.58	68.07	-12.00	53.63	69.12	350.00	80.00
EOB: 5766' MD, 5726' TVD, 89.5 DEG INC										
5765.88	89.50	350.00	5725.62	2145.62	69.92	-12.33	55.08	71.00	350.00	80.00
5865.88	89.50	350.00	5726.49	2146.49	168.39	-29.69	132.66	170.99	350.00	.00
5965.88	89.50	350.00	5727.36	2147.36	266.87	-47.06	210.24	270.99	350.00	.00
5970.00	89.50	350.00	5727.40	2147.40	270.93	-47.77	213.44	275.11	350.00	.01
BUILD AT 15 DEG/100'										
6000.63	89.50	350.00	5727.67	2147.67	301.10	-53.09	237.20	305.74	350.00	.00
6010.63	91.00	350.00	5727.62	2147.62	310.95	-54.83	244.96	315.74	350.00	15.00
6020.63	92.50	350.00	5727.32	2147.32	320.79	-56.56	252.72	325.74	350.00	15.00
6030.63	94.00	350.00	5726.75	2146.75	330.62	-58.30	260.46	335.72	350.00	15.00
TARGET										
6039.80	95.38	350.00	5726.00	2146.00	339.62	-59.88	267.55	344.86	350.00	15.00
6049.80	95.54	348.50	5725.05	2145.05	349.40	-61.74	275.36	354.81	349.98	15.00
6059.80	95.72	347.01	5724.07	2144.07	359.13	-63.85	283.32	364.76	349.92	15.00
6069.80	95.92	345.51	5723.05	2143.05	368.79	-66.21	291.43	374.69	349.82	15.00
6079.80	96.15	344.02	5722.00	2142.00	378.39	-68.83	299.68	384.59	349.69	15.00
6089.80	96.40	342.53	5720.91	2140.91	387.90	-71.69	308.08	394.47	349.53	15.00
6099.80	96.65	341.04	5719.77	2139.77	397.34	-74.79	316.60	404.32	349.34	15.00
6109.80	96.90	339.56	5718.59	2138.59	406.69	-78.14	325.25	414.13	349.12	15.00
6119.80	97.15	338.06	5717.37	2137.37	415.94	-81.73	334.02	423.90	348.88	15.00
6129.80	97.39	336.57	5716.11	2136.11	425.10	-85.55	342.90	433.62	348.62	15.00
6139.80	97.63	335.08	5714.80	2134.80	434.14	-89.61	351.89	443.29	348.34	15.00
HOLD @ 97.7										
6143.49	97.71	334.53	5714.31	2134.31	437.45	-91.17	355.23	446.84	348.23	15.00
6243.49	97.71	334.53	5700.88	2120.88	526.91	-133.79	446.00	543.63	345.75	.00
DROP @ 15.0										
6267.27	97.71	334.53	5697.69	2117.69	548.18	-143.92	467.59	566.76	345.29	.01
6267.95	97.70	334.63	5697.60	2117.60	548.79	-144.21	468.21	567.42	345.28	14.57

Measured Depth FT	Incl Angle Deg	Drift Direction Deg	True Vertical Depth	Subsea TVD FT	N-S FT	E-W FT	Vertical Section FT	CLOSURE Distance FT	CLOSURE Direction Deg	Dogleg Severity Deg/100
6269.16	97.67	334.81	5697.44	2117.44	549.88	-144.72	469.30	568.60	345.25	15.00
6270.83	97.63	335.06	5697.22	2117.22	551.38	-145.42	470.82	570.23	345.22	15.00
6272.87	97.58	335.36	5696.95	2116.95	553.21	-146.27	472.66	572.22	345.19	15.00
6276.71	97.02	335.49	5696.46	2116.46	556.67	-147.85	476.12	575.97	345.13	15.00
6286.71	95.64	334.90	5695.36	2115.36	565.69	-152.02	485.18	585.77	344.96	15.00
6296.71	94.38	334.09	5694.48	2114.48	574.69	-156.31	494.30	595.56	344.78	15.00
6306.71	93.20	333.16	5693.82	2113.82	583.62	-160.74	503.51	605.36	344.60	15.00
6316.71	92.09	332.16	5693.36	2113.36	592.50	-165.33	512.78	615.13	344.41	15.00
6326.71	91.02	331.10	5693.09	2113.09	601.29	-170.08	522.13	624.89	344.21	15.00
TARGET										
6336.71	90.00	330.00	5693.00	2113.00	610.00	-175.00	531.55	634.61	343.99	15.00
6346.71	89.84	328.51	5693.01	2113.01	618.59	-180.11	541.03	644.28	343.77	15.00
6356.71	89.69	327.02	5693.05	2113.05	627.05	-185.45	550.60	653.90	343.52	15.00
6366.71	89.53	325.52	5693.12	2113.12	635.37	-191.00	560.24	663.46	343.27	15.00
6376.71	89.38	324.03	5693.22	2113.22	643.54	-196.77	569.95	672.95	343.00	15.00
6386.71	89.22	322.54	5693.34	2113.34	651.55	-202.74	579.72	682.37	342.72	15.00
6396.71	89.07	321.05	5693.49	2113.49	659.41	-208.93	589.53	691.72	342.42	15.00
6406.71	88.92	319.56	5693.66	2113.66	667.10	-215.31	599.40	700.99	342.11	15.00
6416.71	88.76	318.06	5693.87	2113.87	674.63	-221.90	609.30	710.18	341.79	15.00
6426.71	88.61	316.57	5694.10	2114.10	681.97	-228.67	619.23	719.29	341.46	15.00
6436.71	88.46	315.08	5694.35	2114.35	689.14	-235.64	629.19	728.32	341.12	15.00
6446.71	88.31	313.58	5694.63	2114.63	696.13	-242.79	639.17	737.25	340.77	15.00
6456.71	88.16	312.09	5694.94	2114.94	702.93	-250.12	649.16	746.10	340.41	15.00
6466.71	88.01	310.60	5695.28	2115.28	709.53	-257.62	659.15	754.85	340.04	15.00
6476.71	87.87	309.10	5695.63	2115.63	715.93	-265.30	669.15	763.50	339.67	15.00
6486.71	87.72	307.61	5696.02	2116.02	722.13	-273.13	679.13	772.06	339.28	15.00
6496.71	87.58	306.12	5696.43	2116.43	728.13	-281.12	689.09	780.51	338.89	15.00
6506.71	87.44	304.62	5696.86	2116.86	733.91	-289.27	699.04	788.86	338.49	15.00
6516.71	87.30	303.13	5697.32	2117.32	739.48	-297.57	708.95	797.10	338.08	15.00
6526.71	87.16	301.63	5697.81	2117.81	744.82	-306.00	718.83	805.23	337.67	15.00

Measured Depth FT	Incl Angle Deg	Drift Direction Deg	True Vertical Depth	Subsea TVD FT	N-S FT	E-W FT	Vertical Section FT	CLOSURE Distance FT	CLOSURE Direction Deg	Dogleg Severity Deg/100
6536.71	87.02	300.13	5698.31	2118.31	749.95	-314.57	728.67	813.25	337.24	15.00
6546.71	86.89	298.64	5698.85	2118.85	754.85	-323.27	738.45	821.16	336.82	15.00
6556.71	86.76	297.14	5699.40	2119.40	759.52	-332.10	748.18	828.95	336.38	15.00
6562.09	86.69	296.34	5699.71	2119.71	761.94	-336.90	753.39	833.10	336.15	15.00
6662.09	86.69	296.34	5705.49	2125.49	806.23	-426.37	850.03	912.03	332.13	.00
6762.09	86.69	296.34	5711.26	2131.26	850.52	-515.84	946.66	994.72	328.76	.00
TARGET										
6783.51	86.69	296.34	5712.50	2132.50	860.00	-535.00	967.35	1012.83	328.11	.00
6793.51	87.85	295.38	5712.98	2132.98	864.36	-543.99	977.00	1021.29	327.82	15.00
6801.36	88.76	294.64	5713.21	2133.21	867.68	-551.11	984.56	1027.90	327.58	15.00
6901.36	88.76	294.64	5715.37	2135.37	909.35	-641.98	1080.54	1113.13	324.78	.00
7001.36	88.76	294.64	5717.54	2137.54	951.03	-732.86	1176.53	1200.64	322.38	.00
7101.36	88.76	294.64	5719.71	2139.71	992.70	-823.74	1272.51	1289.96	320.31	.00
7201.36	88.76	294.64	5721.87	2141.87	1034.38	-914.61	1368.50	1380.74	318.52	.00
7301.36	88.76	294.64	5724.04	2144.04	1076.05	-1005.49	1464.48	1472.72	316.94	.00
TARGET										
7322.83	88.76	294.64	5724.50	2144.50	1085.00	-1025.00	1485.09	1492.60	316.63	.00
7326.70	88.55	295.18	5724.59	2144.59	1086.63	-1028.50	1488.81	1496.19	316.57	15.00
7426.70	88.55	295.18	5727.13	2147.13	1129.15	-1118.98	1585.04	1589.68	315.26	.00
7526.70	88.55	295.18	5729.66	2149.66	1171.68	-1209.45	1681.28	1683.92	314.09	.00
7626.70	88.55	295.18	5732.19	2152.19	1214.20	-1299.92	1777.51	1778.79	313.05	.00
7726.70	88.55	295.18	5734.73	2154.73	1256.73	-1390.39	1873.75	1874.18	312.11	.00
7826.70	88.55	295.18	5737.26	2157.26	1299.25	-1480.86	1969.99	1970.03	311.26	.00
TD: 7875' MD, 2017' VS										
7875.48	88.55	295.18	5738.50	2158.50	1320.00	-1525.00	2016.93	2016.93	310.88	.00

NM "E" St. NCT-1 No. 7
24 Mar 1997 @ 14:27
DEPTH (FT)