



NSL 7/28/97

Texaco Exploration
and Production Inc

500 North Loraine
Midland TX 79701

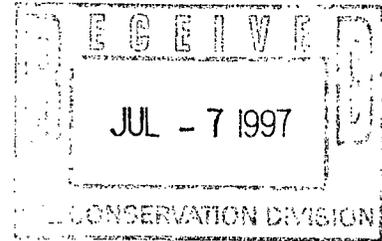
P O Box 3109
Midland TX 79702

July 3, 1997

GOV - STATE AND LOCAL GOVERNMENTS

Unorthodox Location
Cotton Draw Unit Well No. 84
Paduca (Devonian) Field
Eddy 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:

An Exception to Rule 104 F. III, by administrative approval, is requested for the captioned well. This well is located 2615' FSL & 1160' FEL, Unit Letter "I", of Section 2, T-25-S, R-31-E.

This well must be drilled in this location due to geological conditions. As seen on the attached map, structural closure on the Devonian horizon is centered in the SE/4 of Section 2. The proposed location is positioned to drill near the top of the structural closure, and as far from the currently producing CDU No. 76, while taking maximum advantage of indicated karst reservoir as interpreted from seismic data. Production from similar Devonian fields, Chapman Deep and Vermejo Moore Hooper, demonstrate the need to encounter the Devonian structurally high and in a location of good reservoir development to improve reservoir conditions.

Texaco Exploration & Production, Inc. is the Lessee of Record of the affected adjoining and diagonal spacing units. Attached is Form C-102.

Yours very truly,

C. Wade Howard

C. W. Howard
Engineer Assistant

CWH Attachments cc: OCD, Atresia

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

Form C-102
Revised February 10, 1994

Instructions on back

OIL CONSERVATION DIVISION
PO Box 2088
Santa Fe, NM 87504-2088

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 Paduca, Devonian	
⁴ Property Code 10920		⁵ Property Name Cotton Draw Unit			⁶ Well Number 84
⁷ GRID No. 22351		⁸ Operator Name TEXACO EXPLORATION & PRODUCTION, INC.			⁹ Elevation 3455'

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
1	2	25-S	31-E		2615'	South	1160'	East	Eddy

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

¹² Dedicated Acres 320.39	¹³ Joint or Infill	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.

Map details: Section 2, Township 25-S, Range 31-E. Well 65 is located in the center. Well 81 is to the west. Well 84 is to the east. Acreage is 320.39. Distances: 39.66, 39.87, 40.09, 40.30, 2615', 1160'.

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: **June 17, 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.

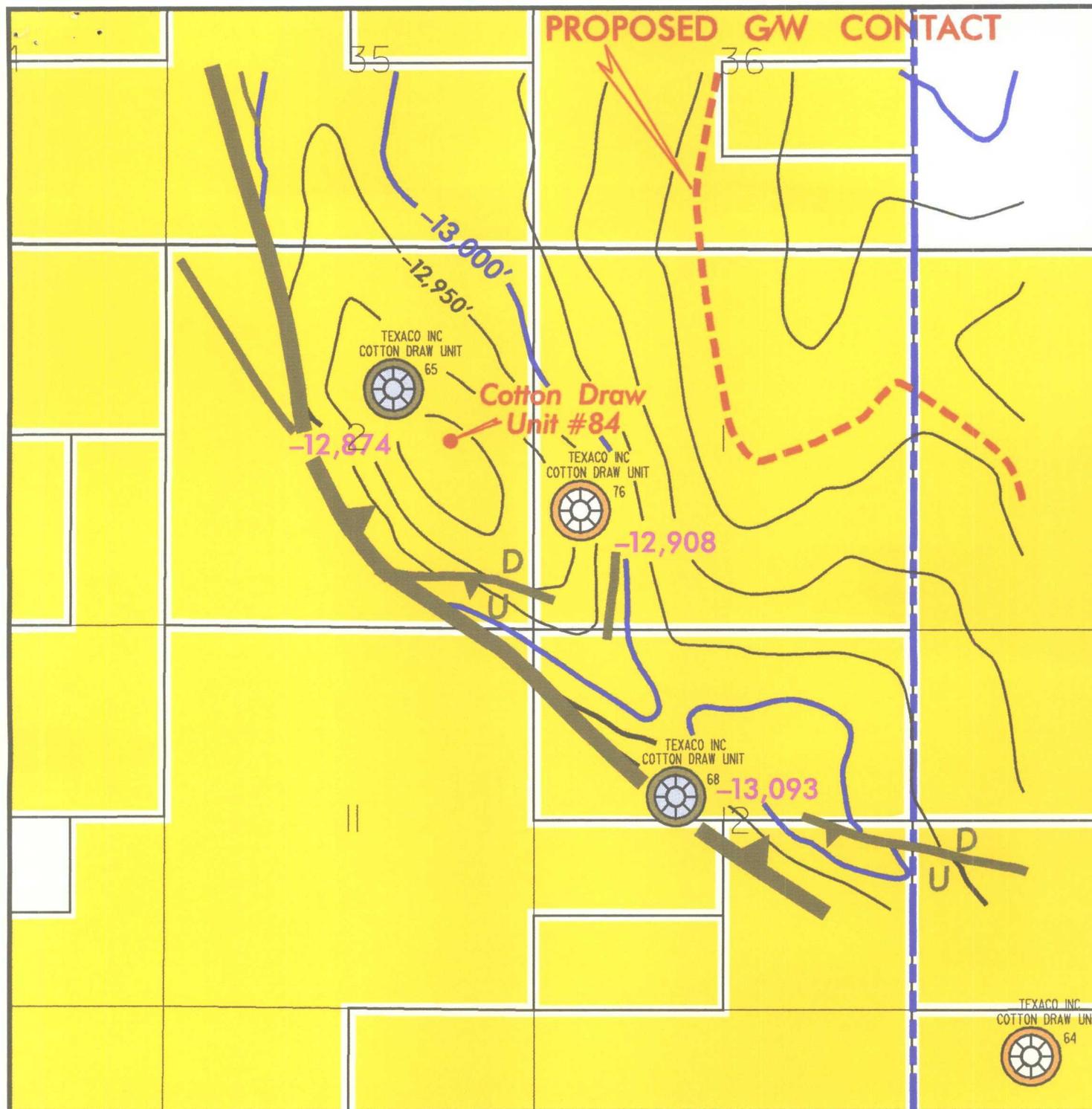
Date Surveyed: **June 11, 1997**

Signature & Seal of Professional Surveyor: *[Signature]*

Certificate No.: **7254 John S. Piper**

Sheet 8 of 8

○ = Staked Location ● = Producing Well ↗ = Injection Well ◊ = Water Supply Well ⊕ = Plugged & Abandon Well



LEGEND

-  TEXACO LEASEHOLD
-  PROSPECT AREA
-  DEVONIAN PRODUCTION
-  DEVONIAN PENETRATION

 TEXACO E & P INC. WESTERN E & P REGION AREA			
COTTON DRAW DEVONIAN STRUCTURE MAP EDDY AND LEA COUNTIES NEW MEXICO STRUCTURE BASE WOODFORD CONTOUR INTERVAL = 50'			
CONT. INT.: 50' DATUM: BASE WOODFORD DATE: JUNE 1994 REV. DATE: JUNE 1997		GEOSCIENTIST: W. R. M. & T. M. S. ENGINEER: J. R. D. LANDMAN: D. L. S.	

Sec : 02 Twp : 25S Rng : 31E Section Type : NORMAL

4 39.66 CS K04562 3 11/74 DEVON ENERGY CORP U R	3 39.88 CS K04562 3 11/74 DEVON ENERGY CORP U R	2 40.08 CS K04562 3 11/74 DEVON ENERGY CORP U R	1 40.30 CS K04562 3 11/74 DEVON ENERGY CORP U R
E 40.00 CS K04562 3 11/74 DEVON ENERGY CORP U R	F 40.00 CS K04562 3 11/74 DEVON ENERGY CORP U R	G 40.00 CS K04562 3 11/74 DEVON ENERGY CORP U R A	H 40.00 CS K04562 3 11/74 DEVON ENERGY CORP U R A

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

Sec : 02 Twp : 25S Rng : 31E Section Type : NORMAL

L 40.00 CS K04562 3 11/74 DEVON ENERGY CORP U A	K 40.00 CS K04562 3 11/74 DEVON ENERGY CORP U	J 40.00 CS K04562 3 11/74 DEVON ENERGY CORP U	I 40.00 CS K04562 3 11/74 DEVON ENERGY CORP U
M 40.00 CS K04562 3 11/74 DEVON ENERGY CORP U	N 40.00 CS K04562 3 11/74 DEVON ENERGY CORP U	O 40.00 CS K04562 3 11/74 DEVON ENERGY CORP U	P 40.00 CS K04562 3 11/74 DEVON ENERGY CORP U

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

NORTH CAPROCK QUEEN UNIT

Chaves and Lea Counties, New Mexico

Order No. R-1145, Approving the North Caprock Queen Unit,
Chaves and Lea Counties, New Mexico, Dated April 3, 1958

The application of Graridge Corporation for the approval of the North Caprock Queen Unit Agreement embracing 2,887 acres, more or less, located in Township 12 South, Range 31 East, and Township 12 South, Range 32 East, and Township 13 South, Range 32 East, N.M.P.M., Chaves and Lea Counties, New Mexico.

CASE NO. 1395
Order No. R-1145

ORDER OF THE COMMISSION

BY THE COMMISSION: This cause came on for hearing at 9 o'clock a.m., on March 19, 1958, at Santa Fe, New Mexico, before Daniel S. Nutter, Examiner duly appointed by the New Mexico Oil Conservation Commission, hereinafter referred to as the "Commission," in accordance with Rule 1214 of the Commission Rules and Regulations.

NOW, on this 3rd day of April, 1958, the Commission, a quorum being present, having considered the application, the evidence adduced and the recommendations of the Examiner, Daniel S. Nutter, 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 proposed unit plan will in principle tend to promote the conservation of oil and gas and the prevention of waste.

(3) That the proposed plan will lead to a more efficient and orderly development and operation of the present pilot water flood in the subject area as well as the expected expansion thereof.

IT IS THEREFORE ORDERED:

1. That this order shall be known as the

NORTH CAPROCK QUEEN UNIT AGREEMENT ORDER

2. (a) That the project herein referred to shall be known as the North Caprock Queen Unit Agreement and shall hereinafter be referred to as the "Project."

(b) That the Plan by which the project shall be operated shall be embraced in the form of a unit agreement for the development and operation of the North Caprock Queen Unit Area, referred to in the Petitioner's petition and filed with said petition, and such plan shall be known as the North Caprock Queen Unit Agreement Plan.

3. (a) That the North Caprock Queen Unit Agreement Plan for secondary recovery operations shall be, and hereby is, approved in principle as a proper conservation measure; provided, however, that notwithstanding any of the provisions contained in said unit agreement, this approval shall not be considered as waiving or relinquishing in any manner any right, duties, or obligations which are now, or may hereafter, be vested in the New Mexico Oil Conservation Commission by law relative to the supervision and control of any lands committed to said North Caprock Queen Unit Agreement relative to the production of oil and gas therefrom.

(b) That the unit operator periodically shall file with the Commission a North Caprock Queen Unit Statement of Progress, summarizing the operations of said North Caprock Queen Unit Agreement. This statement of progress shall be filed within 30 days after the expiration of each six-months period during the term of the unit agreement, and shall contain such pertinent data as may be necessary for the Commission to determine the progress being made in the North Caprock Queen Unit Area.

4. (a) That the unit area shall be:

NEW MEXICO PRINCIPAL MERIDIAN
Township 12 South, Range 31 East

Sec. 36: SE/4, SE/4 SW/4, and S/2 NE/4
Township 12 South, Range 32 East

Sec. 29: SW/4 SW/4

Sec. 30: S/2 SE/4

Sec. 31: SE/4, NE/4, NE/4 NW/4, E/2 SW/4, and Lots 3 and 4

Sec. 32: SW/4, NW/4, SW/4 NE/4, and NW/4 SE/4
Township 13 South, Range 32 East

Sec. 5: SW/4 NW/4, NW/4 SW/4, and Lots 3 and 4

Sec. 6: S/2 NE/4, SE/4 NW/4, E/2 SW/4, SE/4, and Lots 1, 2, 3, 4, 5, 6, and 7

Sec. 7: NE/4, SE/4, E/2 SW/4, and E/2 NW/4

Sec. 8: SW/4, S/2 NW/4, and NW/4 NW/4

containing 2887 acres more or less, in Chaves and Lea Counties, New Mexico.

(b) The unit area may be enlarged or contracted as provided in said Plan.

5. That the unit operator shall file with the Commission an executed original or executed counterpart of the North Caprock Queen Unit Agreement within 30 days after the effective date thereof.

6. That any party owning rights in the unitized substances who does not commit such rights to said unit agreement before the effective date thereof may thereafter become a party thereto by subscribing to such agreement or counterpart thereof, or by ratifying the same. The unit operator shall file with the Commission within 30 days an original of any such counterpart or ratification.

7. That this order shall become effective upon the approval of said unit agreement by the Commissioner of Public Lands for the State of New Mexico, and shall terminate ipso facto upon the termination of said unit agreement. The last unit operator shall immediately notify the Commission in writing of such termination.

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

COTTON DRAW UNIT

Eddy and Lea Counties, New Mexico

Order No. R-1186, Approving the Cotton Draw Unit, Eddy and
Lea Counties, New Mexico, Dated June 4, 1958

The application of the Texas Company for the approval of its Cotton Draw Unit Agreement embracing 35,144 acres, more or less, located in Township 24 South, Range 31 East, Township 24 South, Range 32 East, Township 25 South, Range 31 East, and Township 25 South, Range 32 East, N.M.P.M., in Eddy and Lea Counties, New Mexico.

CASE NO. 1446
Order No. R-1186

ORDER OF THE COMMISSION

BY THE COMMISSION: This cause came on for hearing at 9 o'clock a.m. on May 28, 1958, at Santa Fe, New Mexico, before Elvis A. Utz, Examiner, duly appointed by the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission," in accordance with Rule 1214 of the Commission Rules and Regulations.

NOW, on this 4th day of June 1958, the Commission, a quorum being present, having considered the application, the evidence adduced and the recommendations of the Examiner, Elvis A. Lutz, and being fully advised in the premises,

(COTTON DRAW UNIT—Cont'd.)

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 proposed unit plan will in principle tend to promote the conservation of oil and gas and the prevention of waste.

IT IS THEREFORE ORDERED:

(1) That this order shall be known as the

COTTON DRAW UNIT AGREEMENT ORDER

(2) (a) That the project herein referred to shall be known as the Cotton Draw Unit Agreement and shall hereinafter be referred to as the "Project."

(b) That the Plan by which the project shall be operated shall be embraced in the form of a unit agreement for the development and operation of the Cotton Draw Unit Area, referred to in the Petitioner's petition and filed with said petition, and such plan shall be known as the Cotton Draw Unit Agreement Plan.

(3) That the Cotton Draw Unit Agreement Plan shall be, and hereby is, approved in principle as a proper conservation measure; provided, however, that notwithstanding any of the provisions contained in said unit agreement, this approval shall not be considered as waiving or relinquishing in any manner any right, duties or obligations which are now, or may hereafter, be vested in the New Mexico Oil Conservation Commission by law relative to the supervision and control of operations for exploration and development of any lands committed to said Cotton Draw Unit Agreement, or relative to the production of oil and gas therefrom.

(4) (a) That the unit area shall be:

NEW MEXICO PRINCIPAL MERIDIAN**Township 24 South, Range 31 East**

Sec. 13: All
 Sec. 14: S/2
 Secs. 23, 24, 25, 26: All
 Sec. 34: E/2
 Secs. 35 and 36: All

Township 24 South, Range 32 East

Secs. 7, 8, 9: All
 Secs. 16, 17, 18, 19, 20, 21: All
 Sec. 27: W/2, SE/4
 Secs. 28, 29, 30, 31, 32, 33, and 34: All

Township 25 South, Range 31 East

Secs. 1 and 2: All
 Sec. 3: E/2
 Sec. 10: E/2
 Secs. 11, 12, 13, 14: All
 Sec. 15: E/2, E/2 W/2
 Sec. 22: E/2, E/2 W/2, SW/4 NW/4, NW/4 SW/4
 Secs. 23 and 24: All
 Sec. 25: N/2
 Sec. 26: N/2

Township 25 South, Range 32 East

Secs. 3, 4, 5, 6, 7, 8,
 9, 10: All
 Secs. 15, 16, 17, 18, 19, 20, 21, 22: All
 Sec. 27: N/2
 Sec. 28: N/2
 Sec. 29: N/2
 Sec. 30: N/2

containing 35,144 acres, more or less.

(b) The unit area may be enlarged or contracted as provided in said Plan.

(5) That the unit operator shall file with the Commission an executed original or executed counterpart of the Cotton Draw Unit Agreement within 30 days after the effective date thereof.

(6) That any party owning rights in the unitized substances who does not commit such rights to said unit agreement before the effective date thereof may thereafter become a party thereto by subscribing to such agreement or counterpart thereof, or by ratifying the same. The unit operator shall file with the Commission within 30 days an original of any such counterpart or ratification.

(7) That this order shall become effective upon the approval of said unit agreement by the Director of the United States Geological Survey and the Commissioner of Public Lands of the State of New Mexico, and shall terminate ipso facto upon the termination of said unit agreement. The last unit operator shall immediately notify the Commission in writing of such termination.

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

NORTH CAPROCK QUEEN UNIT NO. 2

Chaves and Lea Counties, New Mexico

Order No. R-1194, Approving the North Caprock Unit No. 2,
 Chaves and Lea Counties, New Mexico, Dated June 18, 1958

The application of Ambassador Oil Corporation for the approval of the North Caprock Queen Unit Agreement No. 2, embracing 1808 acres, more or less, located in Township 13 South, Ranges 31 and 32 East, N.M.P.M., Chaves and Lea Counties, New Mexico.

CASE NO. 1448

Order No. R-1194

ORDER OF THE COMMISSION

BY THE COMMISSION: This cause came on for hearing at 9 o'clock a.m., on May 28, 1958, at Santa Fe, New Mexico, before Elvis A. Utz, Examiner duly appointed by the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission," in accordance with Rule 1214 of the Commission Rules and Regulations.

NOW, on this 18th day of June, 1958, the Commission, a quorum being present, having considered the application, the evidences adduced, and the recommendations of the Examiner, Elvis A. Utz, 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 proposed unit plan will in principle tend to promote the conservation of oil and gas and the prevention of waste.

IT IS THEREFORE ORDERED:

(1) That this order shall be known as the

**NORTH CAPROCK QUEEN UNIT AGREEMENT
NO. 2 ORDER**

(2) (a) That the project herein referred to shall be known as the North Caprock Queen Unit Agreement No. 2 and shall hereinafter be referred to as the "Project."

(b) That the Plan by which the project shall be operated shall be embraced in the form of a unit agreement for the development and operation of the North Caprock Queen Unit No. 2 Area, referred to in the Petitioner's petition and filed with said petition, and such plan shall be known as the North Caprock Queen Unit Agreement No. 2 Plan.

(3) (a) That the North Caprock Queen Unit Agreement No. 2 Plan shall be, and hereby is, approved in principle as a proper

