

12/1/98 12/21/98 MS NV NSL

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

DEC - 1 1998

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.

A. Phil Ryan
Print or Type Name

A. Phil Ryan
Signature

Commission Coordinator
Title

11/30/98
Date



Texaco Exploration
and Production Inc

500 North Loraine
Midland TX 79701

P O Box 3109
Midland TX 79702

November 30, 1998

GOV – STATE AND LOCAL GOVERNMENTS

Unorthodox Location

Texmack "1" Federal Com. No. 1

Fren, Morrow; Undesignated, Atoka; Undesignated, Strawn Fields

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. (2) by administrative approval is requested for the captioned well. The well is located 1650' FNL & 330' FWL, Unit Letter "E", of Section 1, T-17-S, R-31-E.

This well must be drilled in this location due to geological conditions. The proposed location is centered on an area mapped along trend with thicker Morrow reservoir sands, map attached. The proposed location will minimize the risk of drilling away from the main locus of sand deposition where reservoir quality rapidly deteriorates. In addition, the proposed location is on a relatively updip structural position within the proposed proration unit, map attached.

There is one offset operator and we are attaching the waiver letter from Oxy.

If there are any questions, please feel free to contact me at (915) 688-4606.

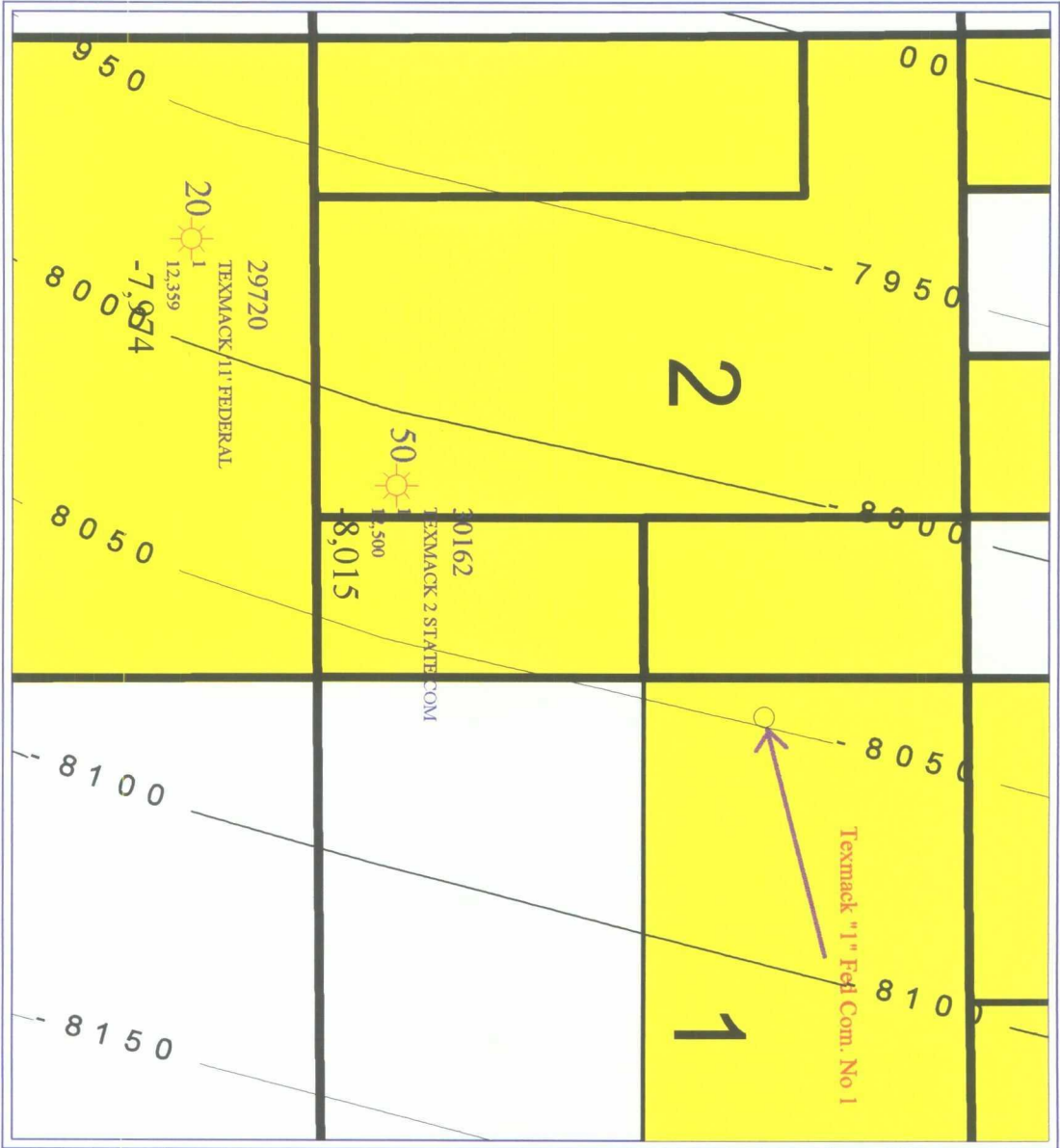
Sincerely,

A. Phil Ryan
A. Phil Ryan

Commission Coordinator

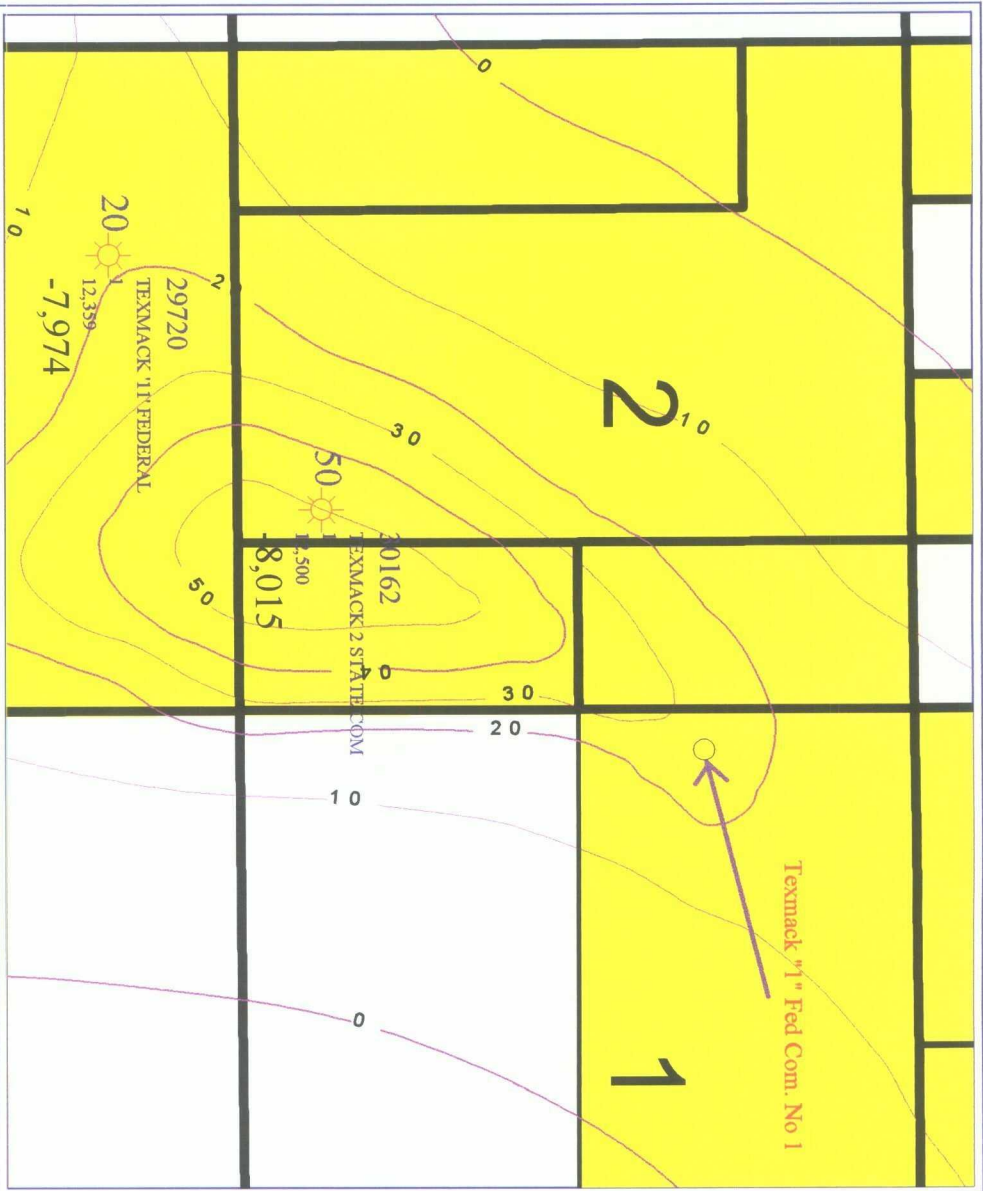
Attachments

CC: OCD, Artesia, NM



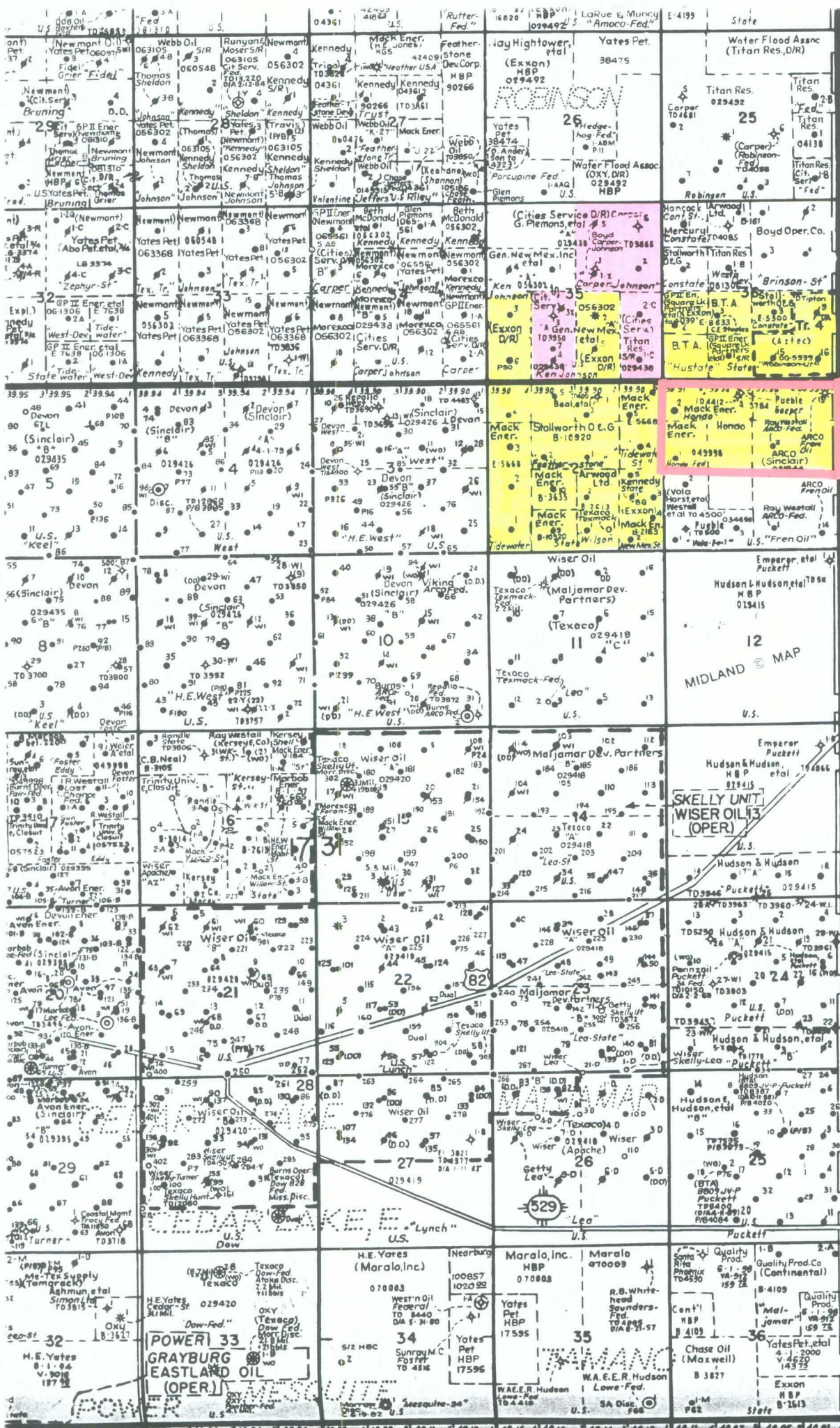
PETRA 11/30/98 8:28:23 AM

Texaco E & P, Inc.	
Morrow Trend, Eddy Co., NM	
Texmack "1" Fed Com No. 1	
1650' FNL, 330' FWL, T17S-R31E, Sec. 1	
Top Morrow Classics Structure Map	
0 1,500 3,000 FEET	
POSTED WELL DATA API Series Lease 402MRWV - NET SAND [MAC] Well Number WELL - TD FMTOPS - 402MRWVCLAS [MAC]	
CONTOURS FMTOPS - 402MRWVCLAS [MAC] - Top Morrow Classics w/o faults 402MRWVCLAS - Top Morrow Classics Contour Interval = 50	
WELL SYMBOLS  Gas Well	
REMARKS UNICAP LEASE NAME WELL NO TD Top Morrow Classics MRWV Net Sand	
By: M. A. Cervantes	



PETRA 11/30/98 12:39:53 PM

Texaco E & P, Inc.	
Morrow Trend, Eddy Co., NM	
Texmack "1" Fed Com No. 1	
1650' FNL, 330' FWL, T17S-R31E, Sec. 1	
Morrow Net Sand Map	
0 1,500 3,000 FEET	
POSTED WELL DATA APT Series Lease 402ABRRW - NET SAND[NAC] Well Number WELL - TTD FACTORS - 402ABRRWCLAS[NAC]	
WELL SYMBOLS Gas Well	
REMARKS UNIQAPI LEASE NAME WELL NO TD Top Morrow Clastics MRRW Net Sand	
By: M. A. Cervantes	



TEXACO
OXY USA Inc.

MIDLAND MAP

T17S

Handwritten notes and signatures in the bottom right corner, including "White Star Fed", "Alb. 2-10-60", "4-2-60", "5-10-60", and "500 30".



T. Kent Woolley, CPL
Landman Advisor

OXY USA INC.
Box 50250, Midland, TX 79710

Phone (915) 685-5906
Fax (915) 685-5742

November 23, 1998

Texaco Exploration & Production Inc.
P. O. Box 3109
Midland, Texas 79702
Attn: Mr. Ron Lanning

RE: N/2 Section 1, T17S-R31E
1650' FNL, 330' FWL
Eddy County, New Mexico

Dear Ron:

OXY USA Inc. has received notice from Texaco Exploration & Production Inc. of the non-standard location indicated in the captioned. OXY USA Inc. will not object to the non-standard location under the following terms.

1. For the captioned well Texaco agrees to provide OXY with all well logs, tests and other completion data as soon as reasonably practical after the well is drilled. Said data should be provided to Mr. Bob Doty at Fax number 915-685-5742; phone number 915-685-5681.
2. OXY agrees not to spud its proposed Liberator #1 well until after the captioned well has been drilled.

Should you have any questions please feel free to call me.

Yours truly,
OXY USA Inc.

A handwritten signature in black ink, appearing to read "T. Kent Woolley", is written over a horizontal line.

T. Kent Woolley, CPL
Landman Advisor

TKW/nce

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUBMIT IN TRIPLICATE

FORM APPROVED
Budget Bureau No. 1004-0136
Expires: December 31, 1991

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1a. Type of Work ☒ DRILL ☐ DEEPEN	1b. Type of Well OIL WELL ☐ GAS WELL ☒ OTHER ☐	SINGLE ZONE ☒ MULTIPLE ZONE ☐	5. Lease Designation and Serial No. NMLC-049998(b)
2. Name of Operator TEXACO EXPLORATION & PRODUCTION INC.			6. If Indian, Alottee or Tribe Name
3. Address and Telephone No. P.O. Box 3109, Midland Texas 79702 688-4606			7. If Unit or CA, Agreement Designation
4. Location of Well (Report location clearly and in accordance with any State requirements.) At Surface Unit Letter E : 1650 Feet From The North Line and 330' Feet From The West Line At proposed prod. zone Same			8. Well Name and Number Texmack "1" Federal Com.
14. Distance In Miles and Direction from Nearest Town or Post Office* * 11 Miles Northeast of Loco Hills, NM			9. API Well No. 1
15. Distance From Proposed* Location to Nearest Property or Lease Line, Ft. (also to nearest drlg. unit line, if any) 330'	16. No. of Acres in Lease 319.80	10. Field and Pool, Explortory Area Fren, Morrow/Undesignated, Atoka, Strawn	
18. Distance From Proposed Location* to Nearest Well, Drilling, Completed or Applied For, On This Lease, Ft. 859'	19. Proposed Depth 12,550'	11. SEC., T., R., M., or BLK. and Survey or Area Sec. 1, Township 17-S, Range 31-E	
21. Elevations (Show whether DF, RT, GR, etc.) Gr-4024'		12. County or Parish Eddy	13. State NM
20. Rotary or Cable Tools ROTARY		17. No. of Acres Assigned To This Well 319.80	
22. Approx. Date Work Will Start* 12/15/98			

23. PROPOSED CASING AND CEMENT PROGRAM				
SIZE OF HOLE	GRADE, SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
14 3/4	WC40, 11 3/4	42#	400'	250 Sacks-Circulate
11	WC50, 8 5/8	32#	4500'	2025 Sacks-Circulate
7 7/8	WC70, SS95	17#	12,550'	2125 Sacks-TOC @ 4000'

CEMENTING PROGRAM:

SURFACE CASING--100 Sacks Class C W/2% Gel, 2% Cacl2(13.5 PPG, 1.74 CF/S, 9.1 GW/S). F/B 150 Sacks Class C W/2% Cacl2(14.8 PPG, 1.34 CF/S, 6.3 GW/S). Circulate cement to surface.

INTERMEDIATE CASING--1525 Sacks 35/65 Poz Class H W/6% Gel, 5% Salt, 1/4# FC (12.4 PPG, 2.14 CF/S, 11.9 GW/S). F/B 500 Sacks Class H (15.6 PPG, 1.18 CF/S, 5.2 GW/S) Circulate cement to surface.

PRODUCTION CASING--1st Stage: 1100 Sacks 50/50 Poz Class H W/2% Gel, 5% Salt, 1/4# FC (14.2 PPG, 1.35 CF/S, 6.3 GW/S). DV Tool @ 8900'--2 nd Stage: 625 Sacks 35/65 Poz Class H W/6% Gel, 5% Salt, 1/4# FC (12.4 PPG, 2.14 CF/S, 11.9 GW/S). F/B 400 Sacks 50/50 Poz Class H W/2% Gel, 5% Salt, 1/4# FC (14.2 PPG, 1.35 CF/S, 6.3 GW/S). Top of cement at 4000'.

Days to drill: 46 Days; Days to complete: 8 days

In Above Space Describe Proposed Program: If proposal is to deepen, 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 true verticle depths. Give blowout preventer program, if any.

24. I hereby certify that the foregoing is true and correct.
SIGNATURE A. Phil Ryan TITLE Commission Coordinator DATE 11/30/98
TYPE OR PRINT NAME A. Phil Ryan
(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

APPROVED BY _____ TITLE _____ DATE _____

CONDITIONS OF APPROVAL, IF ANY:

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

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 Fren, Morrow; Undesignated, Atoka, Strawn	
⁴ Property Code		⁵ Property Name Texmack "1" Federal Com.			⁶ Well Number 1
⁷ DGRID No. 22351		⁸ Operator Name TEXACO EXPLORATION & PRODUCTION, INC.			⁹ Elevation 4024'

¹⁰ Surface Location									
UL or lot no. E	Section 1	Township 17-S	Range 31-E	Lot Idn	Feet from the 1650'	North/South line North	Feet from the 330'	East/West line West	⁷ County 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 319.80	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.

Lot 4 39.91 Acres Lot 3 39.94 Acres Lot 2 39.96 Acres Lot 1 39.99 Acres Hondo Fed. #2 1650' 659' 330' Texmack "1" Federal 661' Hondo Fed. #1 319.80 Acres	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>A. Phil Ryan</i> Printed Name A. Phil Ryan Position Commission Coordinator Company Texaco Expl. & Prod. Inc. Date November 18, 1998 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 November 12, 1998 Signature & Seal of Professional Surveyor <i>John S. Piper</i> Certificate No. 7254 John S. Piper Sheet
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○ = Staked Location ● = Producing Well ■ = Injection Well ◇ = Water Supply Well ◆ = Plugged & Abandon Well
⊙ = Found Section Corner, 2 or 3" Iron Pipe & GLO B.C. ○ = Found 1/4 Section Corner, 1" Iron Pipe & GLO B.C.

ADDITIONAL INFORMATION ON THE LOCATION

State Plane Coordinates			
Northing 679298.572 (1927 NAD= 679,234.24)		Easting 695680.493 (1927 NAD= 654,502.10)	
Latitude 32°51'59.053"		Longitude 103°49'50.347"	
Zone	North American Datum	Combined Grid Factor	Coordinate File
East	1983	0.9997675	Skelly.cr5
Drawing File		Field Book	
Tex1_Fed.Dwg		Lea County Field Book 6, Pg. 62	



ONGARD
INQUIRE LAND BY SECTION
NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT

12/02/98 07:29:00
OGOIV - EMEB
OIL CONSERVATION DIVISION
2040 South Pacheco Street
Santa Fe, New Mexico 87505
(505) 827-7131
PAGE NO: 1

4 39.91 Federal owned A	3 39.94 Federal owned	2 39.96 Federal owned	1 39.99 Federal owned
E 40.00 Federal owned A	F 40.00 Federal owned	G 40.00 Federal owned A	H 40.00 Federal owned

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

79.94
79.91
159.85
159.95
319.80

79.99
79.96
159.95



T

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NEW MEXICO ENERGY, MINERALS

& NATURAL RESOURCES DEPARTMENT NORMAL

ONGARD

INQUIRE LAND BY SECTION

12/02/98 07:29:25

OGOIV - EMEB

OIL CONSERVATION DIVISION

2040 South Pacheco Street

Santa Fe, New Mexico 87505

(505) 827-7131

PAGE NO: 2

L 40.00 Federal owned A	K 40.00 Federal owned	J 40.00 Federal owned	I 40.00 Federal owned
M 40.00 Federal owned A	N 40.00 Federal owned A	O 40.00 Federal owned A	P 40.00 Federal owned

PF01 HELP
PF07 BKWDPF02
PF08 FWDPF03 EXIT
PF09 PRINTPF04 GoTo
PF10 SDIVPF05
PF11PF06
PF12

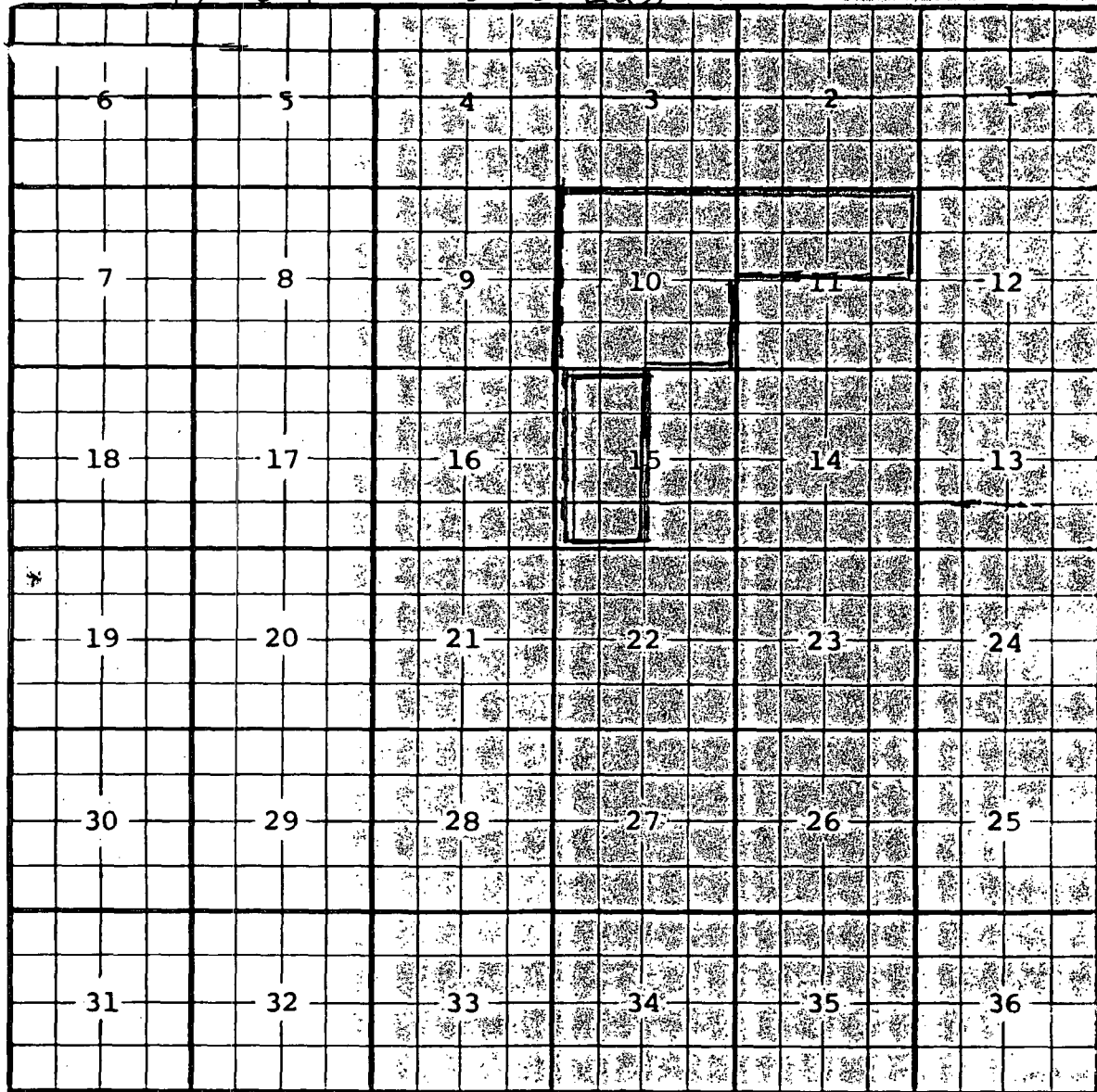
County Eddy

Pool Fren-Morrow Gas

TOWNSHIP 17 South

Range 31 East

NMPM:



Description: W $\frac{1}{2}$ Sec. 15 (R-10844, 7-16-97)

EXT: All Sec. 10, N $\frac{1}{2}$ Sec. 11 (R-10951, 2-4-98)