



Texaco Exploration
and Production Inc

500 North Loraine
Midland TX 79701

P O Box 3109
Midland TX 79702

NSL 9/8/97

August 13, 1997

GOV - STATE AND LOCAL GOVERNMENTS

Unorthodox Location

F. B. Davis Well No. 6

Teague Southwest, Paddock Field

Lea County, New Mexico

AUG 18 1997

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. This well is located 510' FNL & 1335' FEL, Unit Letter "B", of Section 8, T-23-S, R-37-E.

This well must be drilled in this location due to geological considerations. As seen on the attached map, this well will exploit the structure at the best geologic position and capture additional reserves. The proposed location will encounter laterally discontinuous reservoirs that can not be depleted from existing wellbores. If secondary recovery operations are needed in the future, the proposed location will allow the implementation of standard operations.

There are no "affected offset operators" to this location. Attached is Form C-102 for this well.

Yours very truly,

C. Wade Howard

C. W. Howard

Engineer Assistant

CWH: Attachments cc: OCD Hobbs

DISTRICT 1
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

P.O. 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 Teague Southwest, Paddock					
⁴ Property Code 13195		⁵ Property Name F. B. Davis						⁶ Well Number 6	
⁷ OGRID No. 22351		⁸ Operator Name TEXACO EXPLORATION & PRODUCTION, INC.						⁹ Elevation 3325'	
¹⁰ Surface Location									
UL or lot no. B	Section 8	Township 23-S	Range 37-E	Lot ldn	Feet from the 510'	North/South line North	Feet from the 1350'	East/West line East	⁷ County Lea
¹¹ Bottom Hole Location If Different From Surface									
UL or lot no.	Section	Township	Range	Lot ldn	Feet from the	North/South line	Feet from the	East/West line	⁷ County
¹² Dedicated Acres 40		¹³ Joint or Infill		¹⁴ Consolidation Code		¹⁵ Order No.			

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION.

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: **August 13, 1997**

1st 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: **August 12, 1997**

Signature & Seal of Professional Surveyor: *John S. Piper*

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

Scale: 0 330 660 990 1320 1650 1880 2310 2840 2000 1500 1000 500 0

○ = 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

September 8, 1997

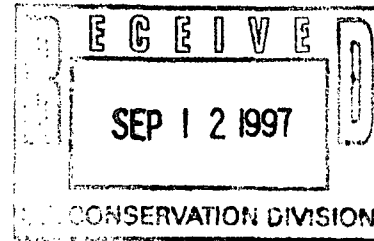
GOV - STATE AND LOCAL GOVERNMENTS

Unorthodox Location

F. B. Davis Well No. 6

Teague Southwest, Paddock 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:

I am in receipt of your letter of September 4, 1997. (Copy attached) . I reference to your questions the answers are as follows.

- (I) The working interest, royalty interest and overriding royalty interest are common throughout the area comprising the NE/4 and E/2 NW/4 of section 8. Texaco is the only working interest owner in this lease.
- (ii) The correct location of this well is 510' FNL and 1350' FEL of Unit Letter B, Section 8, Township 23S, Range 37E.
- (iii) An exception to rule 104.C.1 (Acreage and well location requirements for development wells) is requested to be approved by the Division Director using rule 104.F.2 (Copies attached)

Attached also for your reference are copies of the original request for this unorthodox location.

Please contact me at the above location or by telephone at 915-688-4606 with any questions.

Yours very truly,

Chester Kaup
Technician

CAK: Attachments



NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
2040 South Pacheco Street
Santa Fe, New Mexico 87505
(505) 827-7131

September 4, 1997

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

Attention: C. Wade Howard

RE: Administrative application for an unorthodox oil well location within the Southwest Teague Glorieta-Upper Paddock Pool for the F. B. Davis Well No. 6 (API No. 30-025-34105) to be drilled 510 feet from the North line and, either 1335 or 1350 feet from the East line (Unit B) of Section 8, Township 23 South, Range 37 East, NMPM, Lea County, New Mexico.

Dear Mr. Howard:

So that I might process the subject application dated August 13, 1997 and received by the Division in Santa Fe on August 18, 1997 more effectively and effectively, please provide me with the following information:

- (i) verification that all interest (working, royalty, and overriding royalty) are common throughout the area comprising the NE/4 and E/2 NW/4 of said Section 8 (see copy of your Form C-102 attached);
- (ii) what is the correct location for this well; and,
- (iii) a rough draft administrative order that references the appropriate rules, regulations, and/or orders applicable in this matter.

Should you have any questions, please call me at (505) 827-8185. Thank you for your cooperation.

Sincerely,

Michael E. Stogner
Chief Hearing Officer/Engineer

cc: New Mexico Oil Conservation Division - Hobbs
William J. LeMay, Director - OCD, Santa Fe



Texaco Exploration
and Production Inc

500 North Loraine
Midland TX 79701

P.O. Box 3109
Midland TX 79701

August 13, 1997

GOV - STATE AND LOCAL GOVERNMENTS

Unorthodox Location

F. B. Davis Well No. 6

Teague Southwest, Paddock 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:

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This well must be drilled in this location due to geological considerations. As seen on the attached map, this well will exploit the structure at the best geologic position and capture additional reserves. The proposed location will encounter laterally discontinuous reservoirs that can not be depleted from existing wellbores. If secondary recovery operations are needed in the future, the proposed location will allow the implementation of standard operations.

There are no "affected offset operators" to this location. Attached is Form C-102 for this well.

Yours very truly,

C. W. Howard
Engineer Assistant

CWH: Attachments cc: OCD Hobbs

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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

Submit to Appropriate District Office

State Lease-4 copies
Fee Lease-3 copies

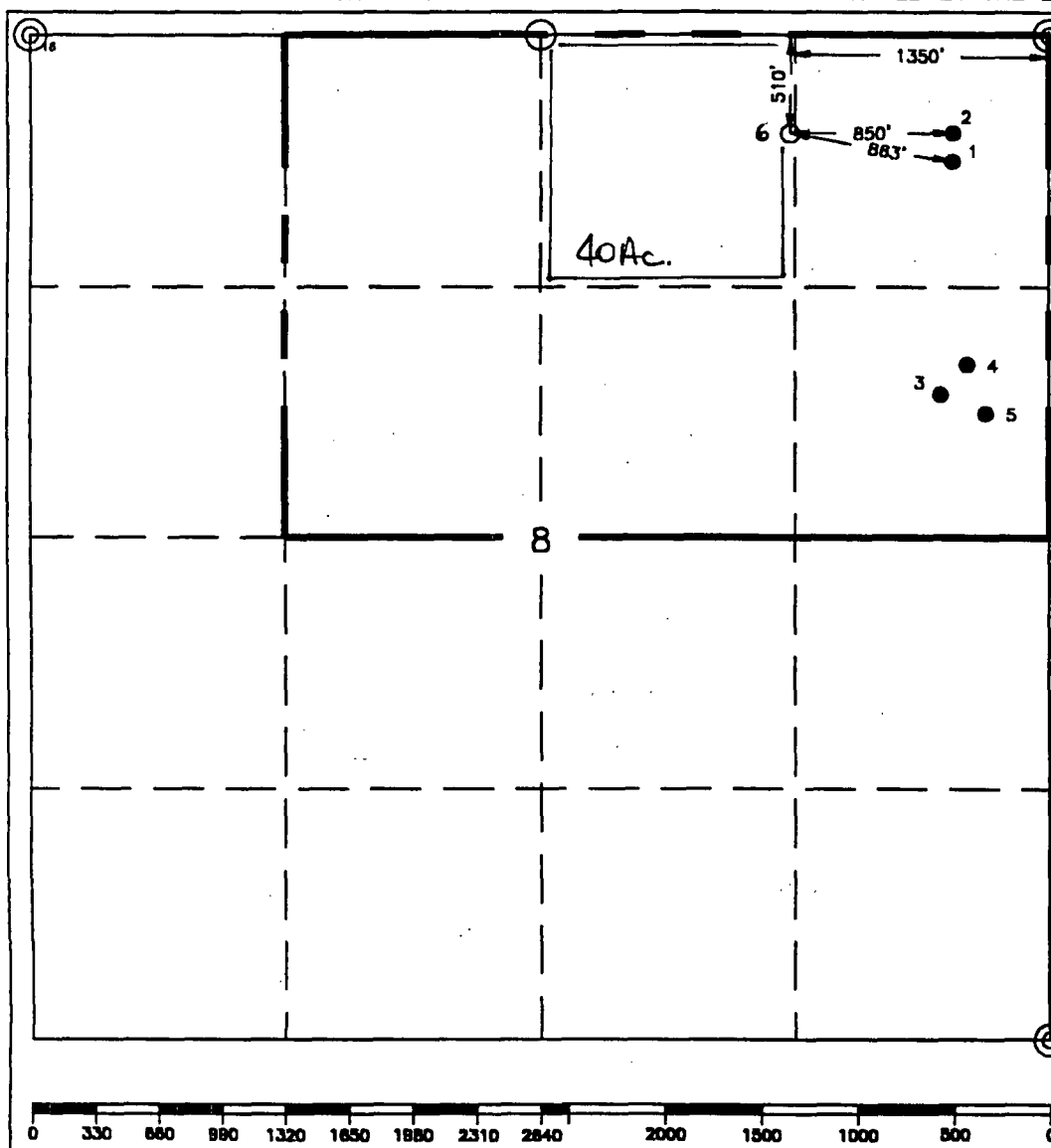
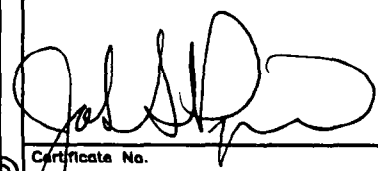
OIL CONSERVATION DIVISION
PO Box 2088
Santa Fe, NM 87504-2088

☐ AMENDED REPORT

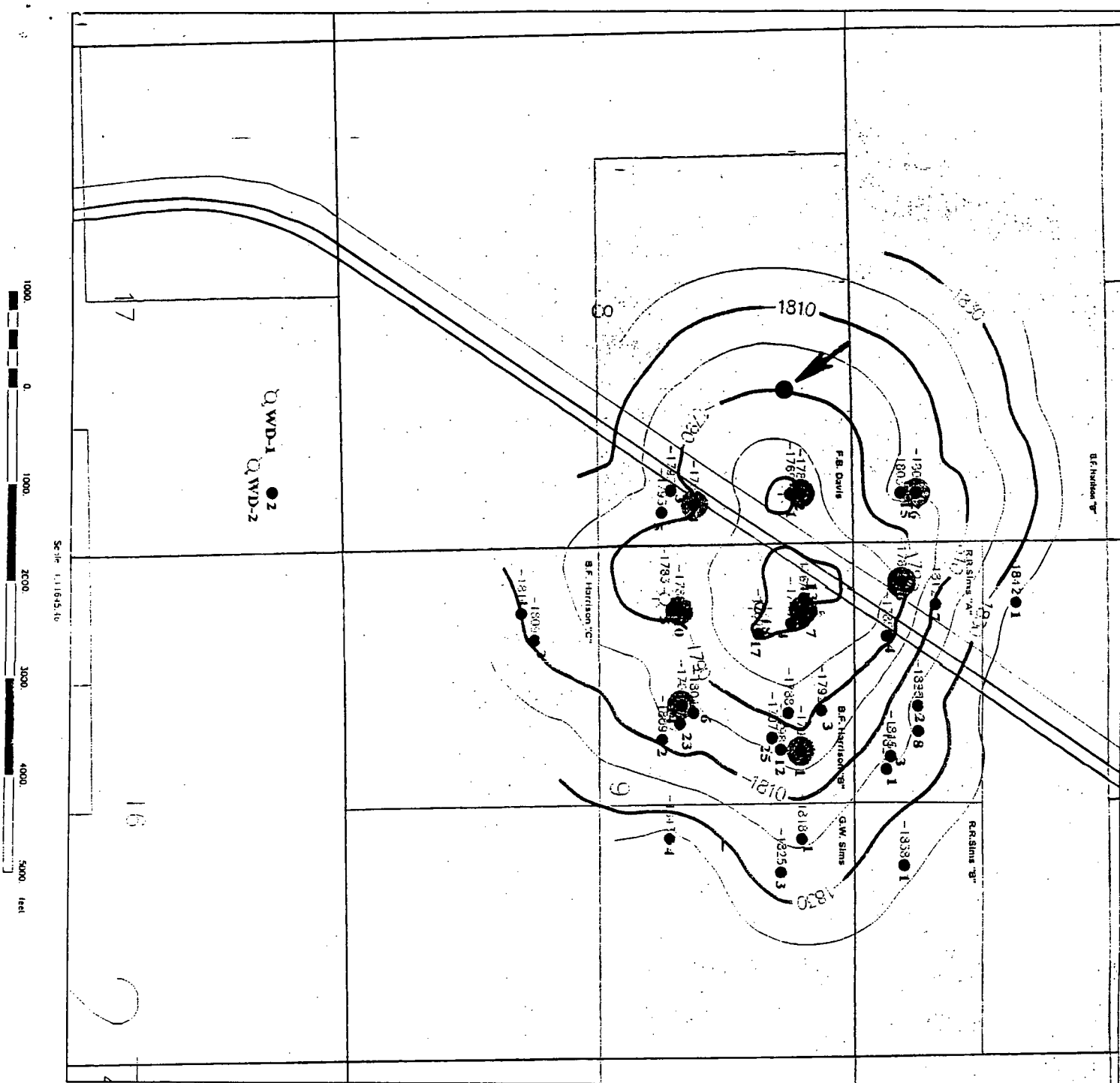
WELL LOCATION AND ACREAGE DEDICATION PLAT

1 API Number		2 Pool Code		3 Pool Name Teague Southwest, Paddock					
4 Property Code 13195		5 Property Name F. B. Davis						6 Well Number 6	
7 OGRID No. 22351		8 Operator Name TEXACO EXPLORATION & PRODUCTION, INC.						9 Elevation 3325'	
10 Surface Location									
UL or lot no. B	Section 8	Township 23-S	Range 37-E	Lot Idn	Feet from the 510'	North/South line North	Feet from the 1350'	East/West line East	County 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	County
12 Dedicated Acres 40		13 Joint or Infill		14 Consolidation Code		15 Order No.			

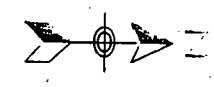
NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION.

	16 OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.	
	Signature C. Wade Howard	
	Printed Name C. Wade Howard	
	Position Engineer's Assistant	
	Company Texaco Expl. & Prod. Inc.	
	Date August 13, 1997	
	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 August 12, 1997	
	Signature & Seal of Professional Surveyor 	
	Certificate No. 7254 John S. Piper	

Sheet



● **LEGEND**
 Glorieta/Paddock Producer



TEXACO EXPLORATION & PRODUCTION INC.		
Teague North Field		
Glor/Paddock Zone A Structure		
Leo County, New Mexico		
Q. 17	Scale 1:100,000	Wells
		CL Scale

104.C. ACREAGE AND WELL LOCATION REQUIREMENTS FOR
DEVELOPMENT WELLS

(1) Oil Wells. All Counties.

- (a) Unless otherwise provided in special pool rules, each development well for a defined oil pool shall be located on a tract consisting of approximately 40 surface contiguous acres substantially in the form of a square which is a legal subdivision of the U.S. Public Land Surveys, or on a governmental quarter-quarter section or lot, and shall be located not closer than 330 feet to any boundary of such tract nor closer than 330 feet to the nearest well drilling to or capable of producing from the same pool, provided however, only tracts committed to active secondary recovery projects shall be permitted more than four wells.

(2) Lea, Chaves, Eddy and Roosevelt Counties.

- (a) Gas Wells. Unless otherwise provided in special pool rules, each development well for a defined gas pool in a formation younger than the Wolfcamp formation, or in the Wolfcamp formation which was created and defined by the Division prior to November 1, 1975, or in a Pennsylvanian age or older formation which was created and defined by the Division prior to June 1, 1964, shall be located on a designated drilling tract consisting of 160 surface contiguous acres, more or less, substantially in the form of a square which is a quarter section being a legal subdivision of the U.S. Public Land Surveys, and shall be located not closer than 660 feet to any outer boundary of such tract nor closer than 330 feet to any quarter-quarter section or subdivision inner boundary nor closer than 1320 feet to the nearest well drilling to or capable of producing from the same pool.
- (b) Unless otherwise provided in the special pool rules, each development well for a defined gas pool in the Wolfcamp formation which was created and defined by the Division after November 1, 1975, or of Pennsylvanian age or older which was created and defined by the Division after June 1, 1964, shall be located on a designated drilling tract consisting of 320 surface contiguous acres, more or less,

Exhibit "B"

Case No. 11351

Order No. R-10533

Page No. 5

[5-25-96...2-1-96]

- (d) The applicant shall submit a statement attesting that applicant, on or before the same date the application was submitted to the Division, has sent notification to the affected parties by submitting a copy of the application, including a copy of the plat described in Subpart (c) above by certified or registered mail-return receipt in accordance with Rule 1207(6)(a) advising them that if they have an objection it must be filed in writing within twenty days from the date notice was sent. The Division Director may approve the non-standard spacing unit upon receipt of waivers from all said parties or if no said party has entered an objection to the non-standard spacing unit within 20 days after the Director has received the application. [5-25-64...2-1-96]
- (e) The Division Director may set any application for administrative approval for a non-standard spacing unit for public hearing. [5-25-64...2-1-96]

(3) Number of Wells Per Spacing Unit in Non-Prorated Gas Pools: Unless otherwise permitted by special pool rules or authorized after notice and hearing, only one (1) well per spacing unit is permitted in non-prorated pools. [5-25-64...2-1-96]

104.E. Form C-102, "Well Location and Acreage Dedication Plat", for any well shall designate the exact legal subdivision allotted to the well and Form C-101, "Application for Permit to Drill, Deepen, or Plug Back", will not be approved by the Division without such proper designation of acreage. [12-29-52...2-1-96]

104.F. UNORTHODOX LOCATIONS

(1) Well locations for producing wells and/or injection wells which are unorthodox based on the well location requirements of Rule 104.C(1)(a) above and which are necessary to permit the completion of an efficient production and injection pattern within a secondary recovery, tertiary recovery, or pressure maintenance project are hereby authorized, provided that any such unorthodox location within such project is no closer than the required minimum orthodox distance to the outer boundary of the lease or the unitized area, nor closer than 10 feet to any quarter-quarter section line or subdivision inner boundary. Such locations shall only require such prior approval as is necessary for an orthodox location. [1-1-50...2-1-96]

(2) The Division Director shall have authority to grant an exception to the well location requirements of Sections 104.B and 104.C above or to the well location requirements of special pool rules without notice and hearing when the necessity for such unorthodox location is based upon geologic conditions, archaeological conditions, topographical conditions, or the recompletion of a well previously drilled to a deeper horizon provided said well was drilled at an orthodox or approved unorthodox location for such original horizon. [1-1-82...2-1-96]

(3) Applications for administrative approval of unorthodox locations pursuant to Rule 104.F(2), above, shall be accompanied by a plat showing the subject spacing unit, its proposed unorthodox well location, the diagonal and adjoining spacing units and/or leases (whichever is applicable) and wells, and a list of affected parties. If the proposed unorthodox location is based upon topography or archaeology, the plat shall also show and describe the existent topographical or archaeological conditions. If the proposed unorthodox location is based upon geology, the application shall include appropriate geologic exhibits and a discussion of the geologic conditions which result in the necessity for the unorthodox location. [2-9-66...2-1-96]

DISTRICT I

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

DISTRICT II

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

DISTRICT III

1000 Rio Brazos Rd., Aztec, NM 87410

DISTRICT IV

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

State of New Mexico
Energy, Minerals and Natural Resources Department

OIL CONSERVATION DIVISION

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

Form C-101

Revised February 10, 1994

Instructions on back

Submit to Appropriate District Office

State Lease - 6 Copies

Fee Lease - 5 Copies

☐ AMENDED REPORT

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

¹ Operator Name and Address TEXACO EXPLORATION & PRODUCTION INC. P.O. Box 3109, Midland Texas 79702		² OGRID Number 022351
		³ API Number 30-025-34105
⁴ Property Code 13195	⁵ Property Name F. B. DAVIS	⁶ Well No. 6

⁷ Surface Location

Ul or lot no.	Section	Township	Range	Lot.Idn	Feet From The	North/South Line	Feet From The	East/West Line	County
B	8	23-S	37-E		510'	NORTH	1350'	EAST	LEA

⁸ Proposed 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	County
⁹ Proposed Pool TEAGUE SOUTHWEST, PADDOCK					¹⁰ Proposed Pool 2				
Glorieta Upper									

¹¹ Work Type Code N	¹² Well Type Code O	¹³ Rotary or C.T. ROTARY	¹⁴ Lease Type Code P	¹⁵ Ground Level Elevation 3325'
¹⁶ Multiple No	¹⁷ Proposed Depth 5400'	¹⁸ Formation PADDOCK	¹⁹ Contractor NABORS	²⁰ Spud Date 8/22/97

²¹ Proposed Casing and Cement Program

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	SACKS OF CEMENT	EST. TOP
11"	8 5/8"	24#	1150'	550 SACKS	SURFACE
7 7/8"	5 1/2"	15.5#	5400'	1700 SACKS	SURFACE

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

CEMENTING PROGRAM:

SURFACE CASING - 350 SACKS CLASS C W/ 4% GEL, 2% CACL2 (13.5 PPG, 1.74 CF/S, 9.11 GW/S). F/B 200 SACKS CLASS C W/ 2% CACL2 (14.8 PPG, 1.34 CF/S, 6.3 GW/S).

PRODUCTION CASING - 1st STG: 400 SACKS 50/50 POZ CLASS H W/ 2% GEL, 5% SALT, 1/4# FLOCELE (14.2 PPG, 1.35 CF/S, 6.3 GW/S)

DV TOOL @ 4000': 2nd STG: 1200 SACKS 35/65 POZ CLASS H W/ 6% GEL, 5% SALT, 1/4# FLOCELE (12.4 PPG, 2.14 CF/S, 11.9 GW/S). F/B 100 SACKS CLASS H (15.6 PPG, 1.18 CF/S, 5.2 GW/S).

UNORTHODOX LOCATION: EXCEPTION HAS BEEN APPLIED FOR. (COPY ATTACHED).

TEXACO REQUESTS PERMISSION TO SPUD WELL PRIOR TO UNORTHODOX APPROVAL.

Approval for drilling only -- CANNOT produce until Non-Standard Location is approved.

²³ I hereby certify that the rules and regulations of the Oil Conservation Division have been complied with and that the information given above is true and complete to the best of my knowledge and belief.		OIL CONSERVATION DIVISION	
Signature <i>C. Wade Howard</i>		Approved By: <i>Chris Williams</i>	
Printed Name C. Wade Howard		Title DISTRICT 1 SUPERVISOR	
Title Eng. Assistant		Approval Date: AUG 18 1997 Expiration Date:	
Date 8/13/97	Telephone 688-4606	Conditions of Approval: Attached <input type="checkbox"/>	

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

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P. O. Drawer DD, Artesia, NM 88210

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

State of New Mexico
Energy, Minerals and Natural Resources Department

OIL CONSERVATION DIVISION

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Santa Fe, NM 87504-2088

Form C-102
Revised February 10, 1994

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☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

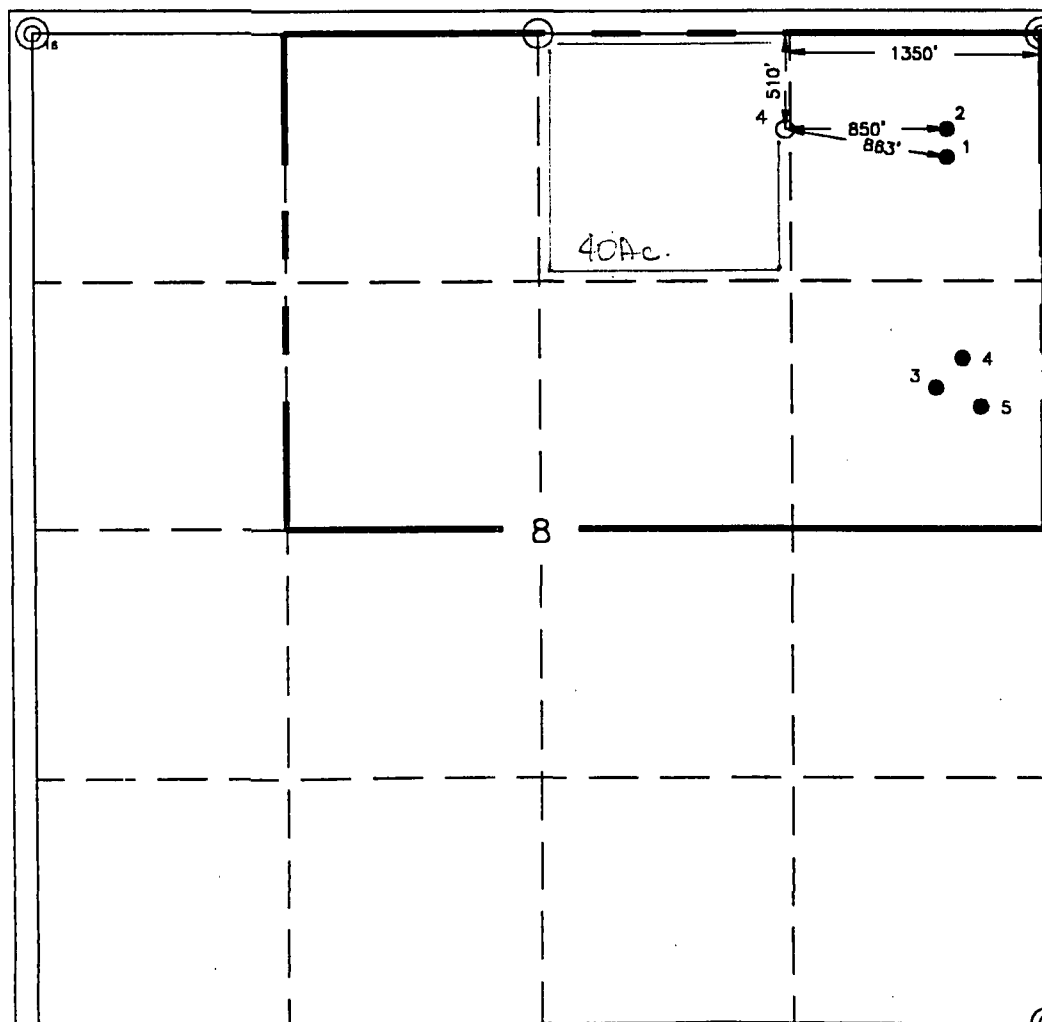
¹ API Number 30-025-34105		² Pool Code 58595		³ Pool Name Teague Southwest, <i>Veloria Upper</i> Paddock	
⁴ Property Code 13195		⁵ Property Name F. B. Davis			⁶ Well Number 6
⁷ GRID No. 22351		⁸ Operator Name TEXACO EXPLORATION & PRODUCTION, INC.			⁹ Elevation 3325'

¹⁰ Surface Location									
UL or lot no. B	Section 8	Township 23-S	Range 37-E	Lot Idn	Feet from the 510'	North/South line North	Feet from the 1350'	East/West line East	⁷ County Lea

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UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	⁷ County

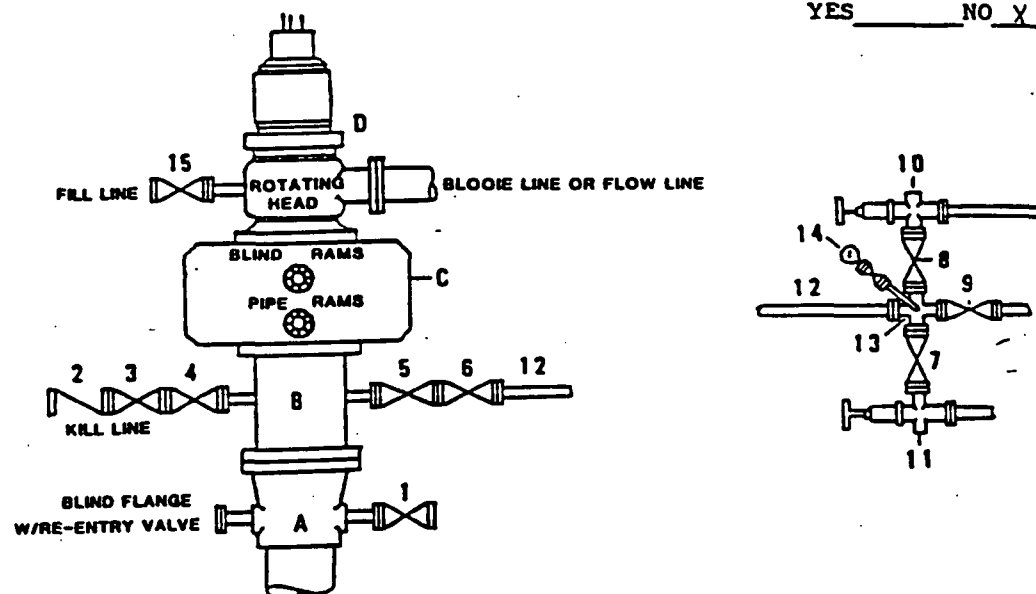
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**DRILLING CONTROL
CONDITION II-B 3000 WP
FOR AIR DRILLING OR
WHERE NITROGEN OR AIR BLOWS ARE EXPECTED**

H₂S TRIM REQUIRED
YES _____ NO X



DRILLING CONTROL

MATERIAL LIST - CONDITION II - B

- | | |
|----------------|---|
| A | Texaco Wellhead |
| B | 3000# W.P. drilling spool with a 2" minimum flanged outlet for kill line and 3" minimum flanged outlet for choke line. |
| C | 3000# W.P. Dual ram type preventer, hydraulic operated with 1" steel, 3000# W.P. control lines (where sub-structure height is adequate, 2 - 3000# W.P. single ram type preventers may be utilized). |
| D | Rotating Head with fill up outlet and extended Bloop Line. |
| 1,3,4,
7,8, | 2" minimum 3000# W.P. flanged full opening steel gate valve, or Halliburton Lo Torc Plug Valve. |
| 2 | 2" minimum 3000# W.P. back pressure valve. |
| 5,6,9 | 3" minimum 3000# W.P. flanged full opening steel gate valve, or Halliburton Lo Torc Plug Valve. |
| 12 | 3" minimum schedule 80, Grade "B", seamless line pipe. |
| 13 | 2" minimum x 3" minimum 3000# W.P. flanged cross. |
| 10,11 | 2" minimum 3000# W.P. adjustable choke bodies. |
| 14 | Cameron Mud Gauge or equivalent (location optional in choke line). |
| 15 | 2" minimum 3000# W.P. flanged or threaded full opening steel gate valve, or Halliburton Lo Torc Plug Valve. |



TEXACO, INC.
MIDLAND DIVISION
MIDLAND, TEXAS

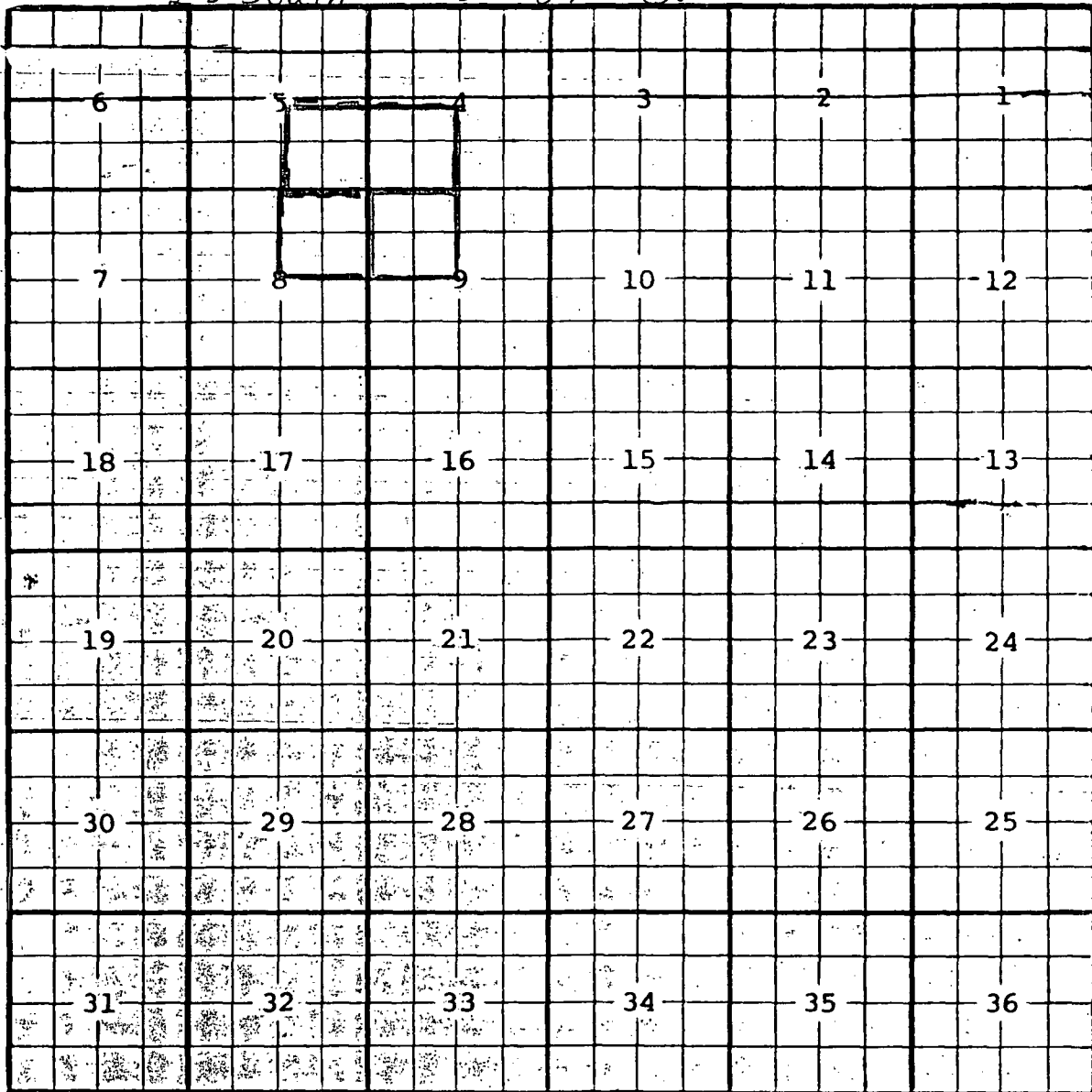


SCALE	DATE	EST. NO.	DWG. NO.
DRAWN BY			
CHECKED BY			
APPROVED BY			

EXHIBIT C

County Lea Pool Southwest Teague, Glorieta-Upper Paddock

TOWNSHIP 23 South Range 37 East NMPM



Description: NW 1/4 Sec. 9 (A-9937, 8-12-93)

Ext: NE 1/4 Sec. 8 (A-1009, 3-28-94) Ext: SW 1/4 Sec. 4, SE 1/4 Sec. 5 (A-10556, 3-11-96)