

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

N.M. Oil Cons. Division
811 S. 1st Street
Artesia, NM 88210-2884
FORM APPROVED
Budget Bureau No. 1004-0136
Expires December 31, 1991

SUBMIT IN TRIPLICATE

5. Lease Designation and Serial No.
LC 029420A

6. If Indian, Alottee or Tribe Name

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

7. If Unit or CA, Agreement Designation

SKELLY UNIT

8. Well Name and Number

SKELLY UNIT

2. Name of Operator

TEXACO EXPLORATION & PRODUCTION INC.

3. Address and Telephone No.

205 E. Bender, HOBBS, NM 88240

904

9. API Well No.

30-015-29461

4. Location of Well (Report location clearly and in accordance with any State requirements.)

At Surface

Unit Letter O : 625 Feet From The SOUTH Line and 1709

At proposed prod. zone

Feet From The EAST Line

SAME

10. Field and Pool, Exploratory Area

PADDOCK

11. SEC., T., R., M., or BLK. and Survey or Area

Sec. 22, Township 17-S, Range 31-E

14. Distance In Miles and Direction from Nearest Town or Post Office*

12. County or Parish

13. State

EDDY

NM

15. Distance From Proposed* Location to Nearest Property or Lease Line, Ft. (also to nearest drlg. unit line, if any)

16. No. of Acres in Lease

17. No. of Acres Assigned To This Well

40

18. Distance From Proposed Location* to Nearest Well, Drilling, Completed or Applied For, On This Lease, Ft.

19. Proposed Depth

20. Rotary or Cable Tools

9200'

ROTARY

21. Elevations (Show whether DF, RT, GR, etc.)

GR-3831'

22. Approx. Date Work Will Start*

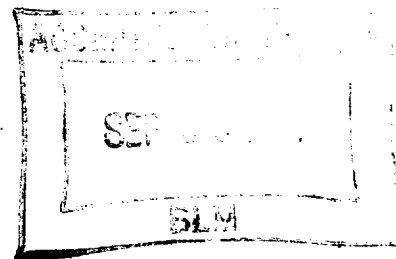
9/15/00

23 PROPOSED CASING AND CEMENT PROGRAM

SIZE OF HOLE	GRADE, SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
	WC40 11.75"	42#	599'	501 SACKS
	WC50 8 625"	32#	4828'	2350 SACKS
	WC50 5.5"	17#	9200'	2100 SACKS

TEXACO INTENDS TO RECOMLETE THE SUBJECT WELL TO THE PADDOCK. THE INTENDED PROCEDURE IS AS FOLLOWS:

- 1) RUPU.
- 2) NDWH. NUBOP. SCANALOG 7430' PROD TBG OUT OF HLE.
- 3) MAKE CSG SCRAPER RUN TO 7250 ON WS.
- 4) SET CIBP @ 7260'. DUMP 35' CMT ON TOP OF CIBP.
- 5) TIH W/PKR ON WS. SET @ 5000'.
- 6) ACIDIZE PERF 5118-5185 W/5000 GALS 15% HCL. FLUSH ACID TO BTM PERF W/2% KCL WTR.
- 7) ACID FRAC PADDOCK 5118-5185 W/32,000 GALS 20% HCL & 54,000 GALS 40# GEL, 5000 GALS 15% HCL.
- 8) TOH W/WS & TRTNG PKR.
- 9) TIH W/PURGE VALVE, SN & TBG. SET TA @ 5000'. SET SN @ 5250. RUN GAS ANCHOR, PUMP & RDS.
- 10) RETURN WELL TO PROD. RDPU. TRT FOR CORROSION & PARAFFIN.



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

J. Denise Leake

TITLE Engineering Assistant

DATE

8/29/00

TYPE OR PRINT NAME

J. Denise Leake

(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 (BIG SGD.) GARY GOURLEY

CONDITIONS OF APPROVAL IF ANY:

TITLE

PETROLEUM ENGINEER

DATE

SEP 08 2000

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 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-10
Revised February 10, 1999
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 30-015-29461	2 Pool Code 49210	3 Pool Name PADDOCK
4 Property Code 011091	5 Property Name SKELLY UNIT	6 Well No. 904
7 OGRID Number 022351	8 Operator Name TEXACO EXPLORATION & PRODUCTION INC.	9 Elevation GR-3831'

10 Surface Location

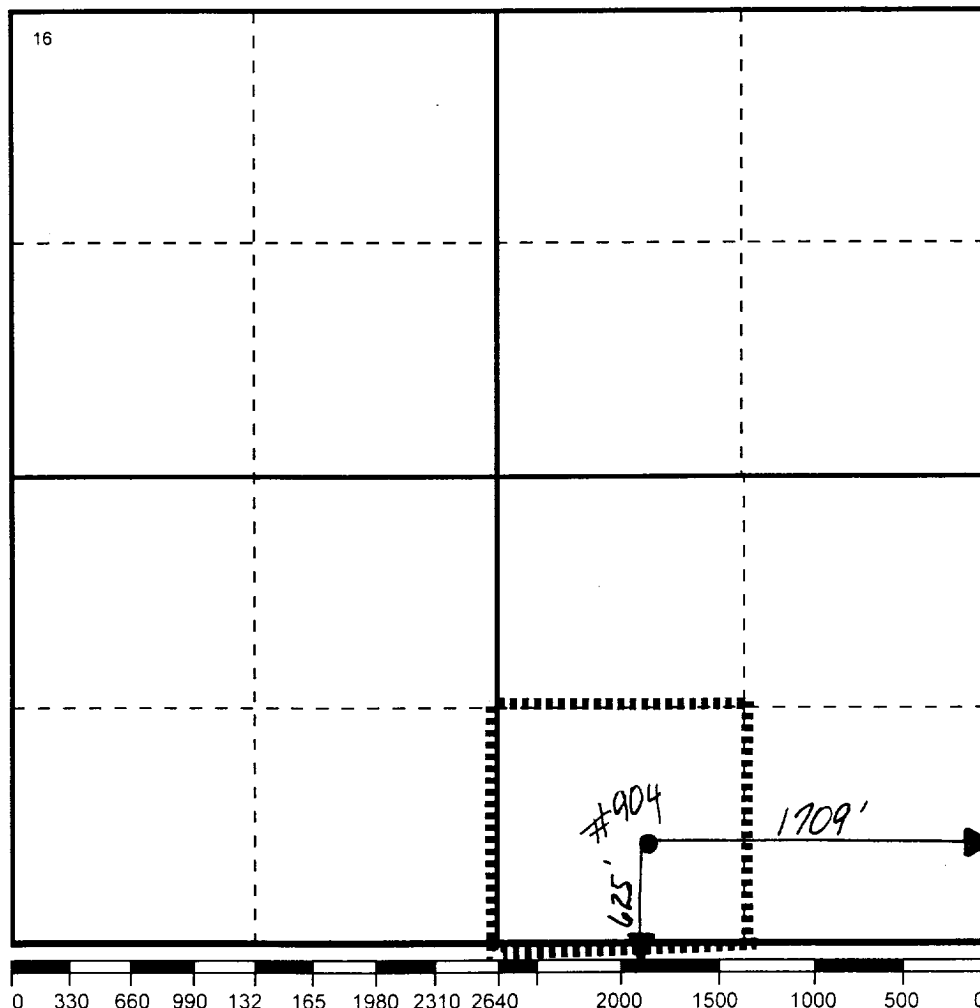
Ul or lot no	Section	Township	Range	Lot.Idn	Feet From The	North/South Line	Feet From The	East/West Line	County
O	22	17-S	31-E		625	SOUTH	1709	EAST	EDDY

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	County
--------------	---------	----------	-------	---------	---------------	------------------	---------------	----------------	--------

12 Dedicated Acre 40	13 Joint or Infill No	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



17 OPERATOR CERTIFICATION

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

Signature

Printed Name

J. Denise Leake

Position

Engineering Assistant

Date

8/29/00

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

Signature & Seal of
Professional Surveyor

Certificate No.