

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

30-015-25731
3. LEASE DESIGNATION AND SERIAL NO.

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK
 DRILL DEEPEN PLUG BACK

b. TYPE OF WELL
 OIL WELL GAS WELL OTHER
 SINGLE ZONE MULTIPLE ZONE

2. NAME OF OPERATOR
 Texaco Producing Inc.

3. ADDRESS OF OPERATOR
 P. O. Box 728, Hobbs, New Mexico 88249

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements)
 At surface: Unit Letter J, 1655' FSL & 2825'
 At proposed prod. zone: Same

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ARTESIA OFFICE

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE
 60 Miles Southwest of Jal, New Mexico

16. DISTANCE FROM PROPOSED LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT.
 (Also to nearest drig. unit line, if any) 330'

18. DISTANCE FROM PROPOSED LOCATION TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.
 1019'

21. ELEVATIONS (Show whether DF, RT, GR, etc.)
 2916'

NM-17225-A
6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME
 Salt Mountain Fed. 25

9. WELL NO.
 2

10. FIELD AND POOL, OR WILDCAT

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA
 Section 25, T-26-S, R-29-E

12. COUNTY OR PARISH 13. STATE
 Eddy NM

17. NO. OF ACRES ASSIGNED TO THIS WELL
 40.28

20. ROTARY OR CABLE TOOLS
 Rotary

22. APPROX. DATE WORK WILL START
 March 2, 1987

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
24"	16"	65.0	40'	Redimix to Surface
15"	11-3/4"	42.0	500'	500 CIRCULATE
11"	8-5/8"	24.0	3000'	1150
7-7/8"	5-1/2"	15.5	5350' 6300'	1350

CEMENTING PROGRAM

Surface Casing: 500 sxs Class H w/2% CaCl2 (15.6 ppg, 1.18 cu. ft./sx.)

Intermediate Casing: 900 sxs Light Weight w/15# salt and 1/4# Flocele (12.7 ppg, 1.18 cu. ft./sx.) followed by 250 sxs Class "H" w/1/4# Flocele (15.6 ppg, 1.18 cu. ft./sx.)

Production Casing: 1st Stage: 350 sxs Light Weight w/1/4# Flocele (12.7 ppg, 1.84 cu. ft./sx.) followed by 250 sxs Class "H" w/1/4# Flocele (15.6 ppg, 1.18 cu. ft./sx.)

2nd Stage: 500 sxs Light Weight w/1/4# Flocele (12.7 ppg, 1.84 cu. ft./sx.) followed by 250 sxs Class "H" w/1/4# Flocele (15.6 ppg, 1.18 cu. ft./sx.).

There are no other wells in this 1/4, 1/4 section.

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen or plug back, 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 and true vertical depths. Give blowout preventer program, if any.

24. SIGNED L. J. Seeman TITLE Dist. Petr. Engr. DATE 2/3/87

(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____

APPROVED BY Scott Adams Acting TITLE AREA MANAGER DATE 2-25-87
 CONDITIONS OF APPROVAL, IF ANY: _____

*See Instructions On Reverse Side

All distances must be from the outer boundaries of the Section.

Operator Texaco Producing Inc.		Lease Salt Mountain Federal "25"		Well No. 2
Unit Letter J	Section 25	Township 26-S	Range 29-E	County Eddy
Actual Footage Location of Well: 1655 feet from the South line and 2325 feet from the East line				
Ground Level Elev. 2916'	Producing Formation Cherry Canyon	Pool Brushy Draw Delaware		Dedicated Acreage: 40.28 Acres

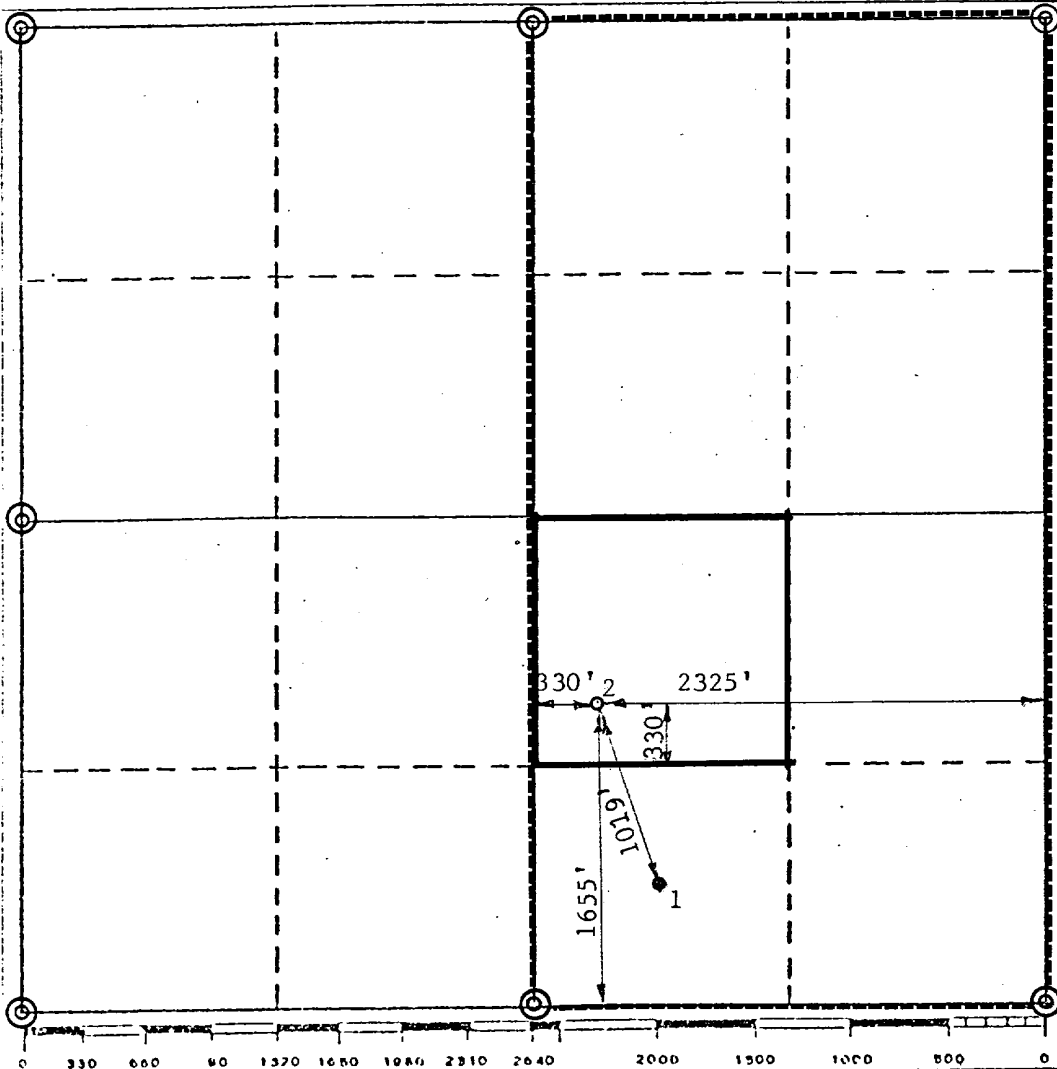
1. Outline the acreage dedicated to the subject well by colored boundary marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

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Yes No If answer is "yes," type of consolidation _____

If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) _____

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Division.



CERTIFICATION

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

B. L. Eiland

Name
B. L. Eiland

Position
Division Surveyor

Company
Texaco Producing Inc.

Date
February 2, 1987

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.

NEW MEXICO REGISTERED LAND SURVEYOR

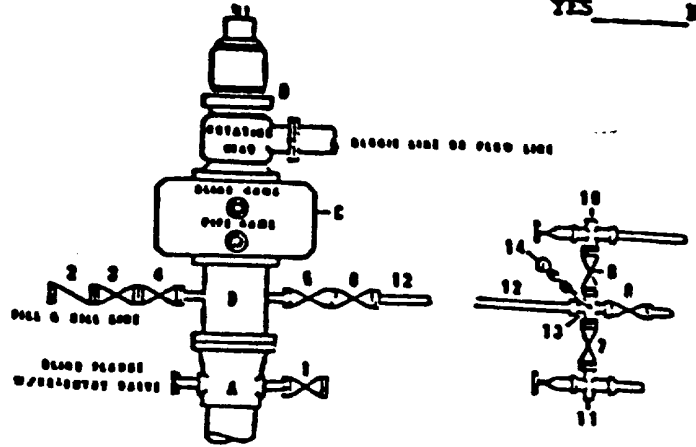
Date Surveyed
January 26, 1987

Registered Professional Engineer and Land Surveyor
B. L. Eiland

Certificate No.
4386

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

H₂S TRIM REGUL
YES _____ NO _____



INSTALLING CONTROL

**MATERIAL LIST - CONDITION II - B
FOR AIR DRILLING**

- 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 and extended Choke Line.
- 1,3,4, 7,8 2" minimum 3000# W.P. flanged full opening steel gate valve, or Halliburton Lo Torr Plug valve.
- 2 2" minimum 3000# W.P. back pressure valve
- 3,6,9 3" minimum 3000# W.P. flanged full opening steel gate valve, or Halliburton Lo Torr 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 Clogs or equivalent (location optional in choke line.)

DATE	BY	REV. NO.	QTY. NO.

TEXACO, INC.
 PRODUCING DEPARTMENT (SICENT)
 MIDLAND, TEXAS

EXHIBIT C

ANTICIPATED WATER, OIL, GAS, AND
MINERAL BEARING FORMATIONS

WELL: Salt Mountain Fed. 25 Well No. 2
LOCATION: 1655' FSL & 2325' FEL, Sec. 25, T-26-S, R-29-E
COUNTY: Eddy STATE: New Mexico
ELEVATION: 2916' PROPOSED TD: 5350'

FORMATION TOPS

<u>DEPTH</u>	<u>FORMATION</u>	<u>OIL</u>	<u>GAS</u>	<u>WATER</u>	<u>MINERALS</u>
0'	Rustler			X	
1240'	T-Salt			X	
2340'	Bell Canyon			X	
3045'	Lamar			X	
3090'	Ramsey			X	
3150'	Olds			X	
5120'	Cherry Canyon	X	X		
5205'	Brushy Canyon	X	X		

The interval from 5120'-5210' (90') will be cored.
 GR-CAL-CNL-FDC and GR-DLL-MSFL surveys will be run.

No abnormal pressures, temperatures or hazardous gases are anticipated to be encountered in this well.

MUD PROGRAM

<u>DEPTH</u>	<u>TYPE</u>	<u>WEIGHT</u>
0-500'	Spud Mud	8.4 - 8.8
500'- 3000'	Brine Water	10.0
3000' - TD	Cut Brine	9.0 - 9.6

Blowout Preventer will be installed after surface pipe is set at 500'. Testing frequency every 8 hours.

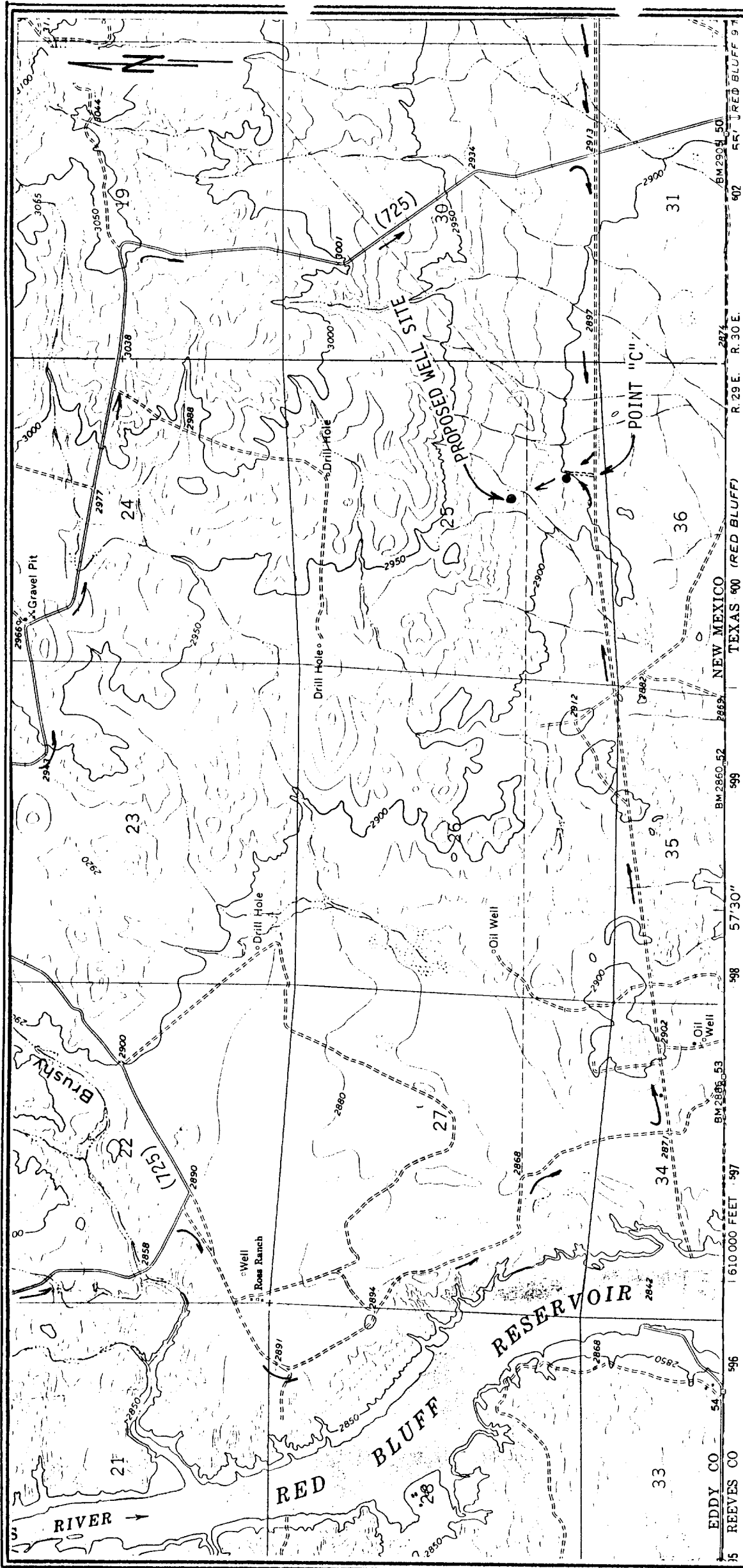


EXHIBIT "D"

TEXACO INC.
 SALT MOUNTAIN FEDERAL 25 WELL NO. 2
 1655' FSL & 2325' FEL SEC. 25, T. 26 S., R. 29 E.
 EDDY COUNTY, N.M. TOPO PLAT