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SANTA FE, NEW MEXICO 87501
JUL 23 1987
O. C. D.
ARTESIA, OFFICE

1A. Indicate Type of Lease
STATE ☒ PET ☐
2. State Oil & Gas Lease No.
G-8794

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1. Type of Work		7. Unit Agreement Name	
2. Type of Well OIL WELL ☒ GAS WELL ☐ OTHER ☐		8. Farm or Lease Name	
3. Name of Operator Texaco Producing Inc. ✓		Salt Mountain 36 State	
4. Address of Operator P. O. Box 728, Hobbs, New Mexico 88240		9. Well No. 3	
5. Location of Well UNIT LETTER <u>C</u> LOCATED <u>330</u> FEET FROM THE <u>North</u> LINE <u>1677</u> FEET FROM THE <u>West</u> LINE OF SEC. <u>36</u> TWP. <u>26-S</u> REC. <u>29-E</u> WPM		10. Field and Pool, or Wildcat Brushy Draw Delaware	
11. Elevation (show whether DT, RT, etc.) 2901 GR		12. County Eddy	
21A. Kind & Status Plug. Bond Blanket		19. Proposed Depth 5250'	
21B. Drilling Contractor		19A. Formation Cherry Canyon	
22. Approx. Date Work will start August 3, 1987		23. Rotary or C.T. Rotary	

PROPOSED CASING AND CEMENT PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	SACKS OF CEMENT	EST. TOP
24"	16"	65.0#	40'	Redimix	Surface
15"	11-3/4"	42.0#	500'	500	Circulate
11"	8-5/8"	24.0#	3000'	1150	Circulate
7-7/8"	5-1/2"	15.5#	5250'	1350	Circulate

CEMENTING PROGRAM

Surface Casing: 500 sacks Class "H" w/2% CaCl & 1/4# Flocele (15.6 ppg, 1.18 cu. ft./sx., 5.2 gal. water/sx.).

Intermediate Casing: 900 sacks Light Weight w/15# Salt and 1/4# Flocele (12.7 ppg, 2.1 cu. ft./sx., 10.9 gal. water/sx.) followed by 250 sacks Class "H" w/1/4# Flocele (15.6 ppg, 1.18 cu. ft./sx., 5.2 gal water/sx.).

Production Casing: 1ST STAGE: 350 sacks Light Weight w/1/4# Flocele (12.7 ppg, 1.18 cu. ft./sx., 9.9 gal water/sx.) followed by 250 sacks Class "H" w/1/4# Flocele (15.6 ppg, 1.18 cu. ft./sx., 5.2 gal water/sx.).

RECEIVED FOR 180 DAYS
DATE 1-27-88
DRILLING UNDERWAY

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

Continued on Pg. 2

ABOVE SPACE DESCRIBE PROPOSED PROGRAM IF PROPOSAL IS TO DEEPEN OR PLUG BACK, GIVE DATA ON PRESENT PRODUCTIVE ZONE AND PROPOSED NEW PRODU-
TION ZONE. GIVE SLOWOUT PREVENTER PROGRAM, IF ANY.

By certify that the information above is true and complete to the best of my knowledge and belief.

L. J. Seeman Title Dist. Petr. Engr. Date 7/22/87

(This space for State Use)

Original Signed By

Mike Williams

APPROVED BY

Oil & Gas Inspector

DATE JUL 27 1987

SALT MOUNTAIN 36 STATE WELL NO. 3
BRUSHY DRAW DELAWARE
EDDY COUNTY, NEW MEXICO

Continuation to Form C-101

Production Casing: 2nd Stage: 500 sacks Light Weight w/1/4# Flocele (12.7 ppg, 1.84 cu. ft./sx., 9.9 gal water/sx.) followed by 250 sacks Class "H" w/1/4# Flocele (15.6 ppg, 1.18 cu. ft./sx., 5.2 gal water/sx.).

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

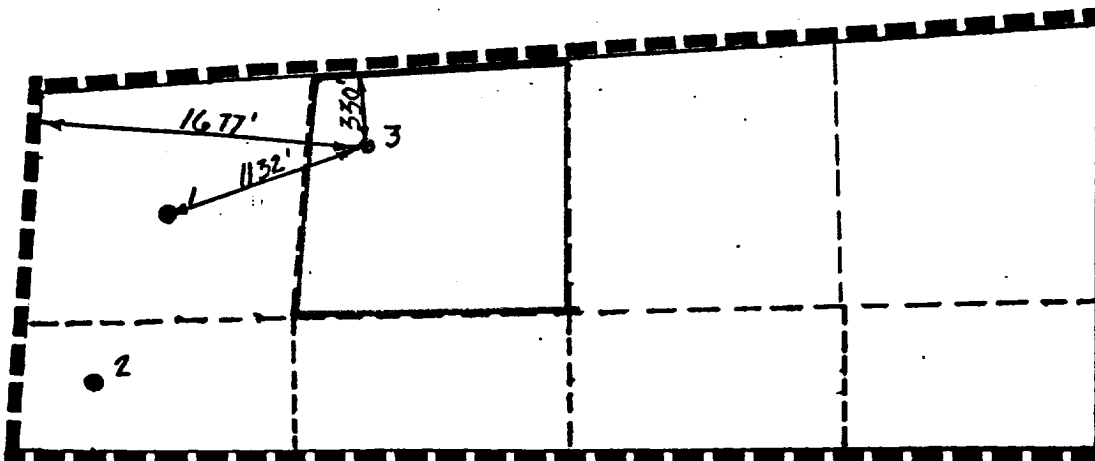
Operator TEXACO PRODUCING INC.		Lease SALT MOUNTAIN 36 STATE		Well No. 3
Unit Letter C	Section 36	Township 26-S	Range 29-E	County EDDY
Actual Postage Location of Wells: 330' feet from the North line and 1677' feet from the West line				
Ground Level Elev. 2901'	Producing Formation Cherry Canyon	Pool Brushy Draw Delaware	Dedicated Acres: 40 Acres	

1. Outline the acreage dedicated to the subject well by colored pencil or hatchure 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?

☐ 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.

Beth L. Eiland
Name

Beth L. Eiland

Position

Division Surveyor

Company

Texaco Producing Inc.

Date

June 1, 1987

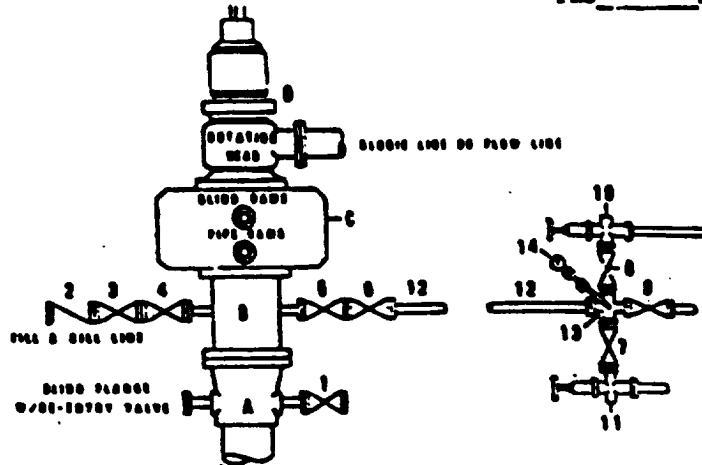
I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge.

Beth L. Eiland
Surveyed
May 28, 1987
Registered Professional Engineer
No. 4386
Beth L. Eiland
Certificate No. 4386

4386

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

H₂S TRIM REQUIRED
 YES _____ NO _____



DRILLING 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 Electric 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.) |



TEXACO, INC.
 WILKINS DIVISION
 WILKINS, TEXAS



SCALE	DATE	EST NO	DRG NO
DRAWN BY			
CHECKED BY			
APPROVED BY			

EXHIBIT C