



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
HOBBS DISTRICT OFFICE

2/3/98

POST OFFICE BOX 1980
HOBBS, NEW MEXICO 88241-1980
(505) 393-6161

GOVERNOR

OIL CONSERVATION DIVISION
P. O. BOX 2088
SANTA FE, NEW MEXICO 87501

RE: Proposed:

MC	_____
DHC	_____
NSL	_____ X _____
NSP	_____
SWD	_____
WFX	_____
PMX	_____

Gentlemen:

I have examined the application for the:

Texaco Expl & Prod Inc Anderson Ranch Unit # 201-E-14-16s-32e
 Operator Lease & Well No. Unit S-T-R

and my recommendations are as follows:

Hope to get the geology data in!

Yours very truly,

Chris Williams
Supervisor, District 1

/ed



NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT

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

January 26, 1998

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

Attention: A. Phil Ryan
Commission Coordinator

Re: Application for administrative approval to drill the Anderson Ranch Unit Well No. 201 at an unorthodox oil well location within the Anderson Ranch-Devonian Pool 1488 feet from the North line and 1310 feet from the West line (Unit E) of Section 14, Township 16 South, Range 32 East, NMPM, Lea County, New Mexico.

Dear Mr. Ryan:

I am returning the subject application as incomplete, please refer to Division Rule 104.F(3) and submit the appropriate geological data to support the subject application. Thank you for your cooperation.

Sincerely,

Michael E. Stogner
Chief Hearing Officer/Engineer

cc: New Mexico Oil Conservation Division - Hobbs
William F. Carr - Santa Fe
Kathy Valdes, NMOCD - Santa Fe

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]

(a) Adjoining and diagonal spacing units shall be defined as those immediately adjacent existing spacing units in the same pool(s) as the proposed unorthodox well and towards which the unorthodox well location encroaches. [2-9-66...2-1-96]

(b) Affected parties shall be defined as those parties who own interests in leases or operate wells on adjoining or diagonal spacing units and include:

(i) the designated operator of any adjoining or diagonal spacing unit producing from the same pool(s) as the proposed well;

(ii) in the absence of an operator, all lessees of record of any diagonal or adjoining lease owning interests in the same pool(s) as the proposed well; and

(iii) in the absence of an operator or lessee, all owners of record of unleased mineral interests in the same pool(s) as the proposed well.

[2-9-66...2-1-96]

(4) 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 Rule 104.F(3) above by certified or registered mail-return receipt in accordance with Rule 1207(A)(5) 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 unorthodox location upon receipt of waivers from all said parties or if no said party has entered an objection to the unorthodox location within 20 days after the Director has received the application. [2-9-66...2-1-96]

(5) The Division Director may set any application for administrative approval of an unorthodox location for public hearing, and may require that a directional survey be run in the unorthodox well to establish the actual location of the producing interval(s). [1-1-82...2-1-96]

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]

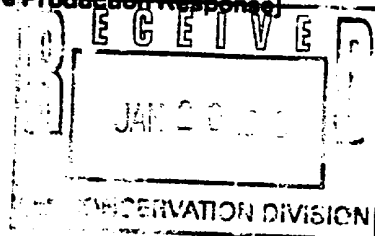
[1] TYPE OF APPLICATION - Check Those Which Apply for [A]

- [A] Location - Spacing Unit - Directional Drilling
- NSL NSP DD SD

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
Title Coordinator

1/19/00
Date



Texaco Exploration
and Production Inc

500 North Loop West
Midland TX 79701

8100 Hwy 101
Midland TX 79701

January 19, 1998

GOV – STATE AND LOCAL GOVERNMENTS

Unorthodox Location

Anderson Ranch Unit Well No. 201

Anderson Ranch Devonian, Anderson Ranch Wolfcamp LS,

Anderson Ranch Morrow LS Fields

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:

An Exception to Rule 104 F. (2) by administrative approval is requested for the captioned well. The well is located 1488' FNL & 1310' FWL, Unit Letter "E", of Section 14, T-16-S, R-32-E.

This well must be drilled in this location due to geological conditions. The proposed location is centered on the structural closure at the Devonian horizon in the NW/4 of Section 14. The proposed location will minimize the risk of drilling the potentially nonproductive flank of the structure. Production from wells in nearby Anderson Ranch Unit demonstrates the need to encounter the Devonian structurally high to improve reservoir conditions.

There are no ' affected offset operators ' to this location. Enclosed, please find Form C-101 and C-102's for this well.

Sincerely

A. Phil Ryan

Commission Coordinator

Attachments

CC: OCD, Hobbs, NM

DISTRICT II

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

OIL CONSERVATION DIVISION

Instructions on back
Submit to Appropriate District Office

DISTRICT III

1000 Rio Brazos Rd., Aztec, NM 87410

P.O. Box 2088

State Lease - 6 Copies

DISTRICT IV

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

Santa Fe, New Mexico 87504-2088

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
⁴ Property Code	⁵ Property Name ANDERSON RANCH UNIT	⁶ Well No. 201

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
E	14	16-S	32-E		1488	North	1310	West	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 1 Anderson Ranch Devonian/Wolfcamp LS					¹⁰ Proposed Pool 2 Anderson Ranch Morrow LS				

¹¹ Work Type Code N	¹² Well Type Code G	¹³ Rotary or C.T. ROTARY	¹⁴ Lease Type Code S	¹⁵ Ground Level Elevation 4298'
¹⁶ Multiple No	¹⁷ Proposed Depth 13,750'	¹⁸ Formation Dev./Morrow/Wolfcamp	¹⁹ Contractor Nabors	²⁰ Spud Date 2/5/98

²¹ Proposed Casing and Cement Program

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	SACKS OF CEMENT	EST. TOP
14 3/4	11 3/4	42#	550'	500 Sacks	Surface
11	8 5/8	32#	4500'	2000 Sacks	Surface
7 7/8	5 1/2	17#	13,750'	2600 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/2% GEL, 2% CC (13.5 PPG, 1.74 CF/S, 9.1 GW/S). F/B 150 SACKS CLASS C w/2% CC (14.8 PPG, 1.34 CF/S, 6.3 GW/S). CIRCULATE CEMENT TO SURFACE.

INTERMEDIATE CASING: 1600 SACKS 35/65 POZ CLASS H w/8% 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). CIRCULATE CEMENT TO SURFACE.

PRODUCTION CASING: 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). F/B 1500 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 3000'.

THERE ARE NO OTHER OPERATORS IN THIS QUARTER QUARTER SECTION.

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.

Signature

A. Phil Ryan

Printed Name

A. Phil Ryan

Title

Commission Coordinator

Date

1/19/98

Telephone

688-4606

OIL CONSERVATION DIVISION

Approved By:

Title:

Approval Date:

Expiration Date:

Conditions of Approval:

Attached

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

Form C-102
Revised February 10, 1994

Instructions on back

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

Submit to Appropriate District Office

State Lease-4 copies
Fee Lease-3 copies

WELL LOCATION AND ACREAGE DEDICATION PLAT

AMENDED REPORT

1 API Number		2 Pool Code		3 Pool Name Anderson Ranch Morrow LS	
4 Property Code		5 Property Name Anderson Ranch Unit			6 Well Number 201
7 GRID No. 22351		8 Operator Name TEXACO EXPLORATION & PRODUCTION, INC.			9 Elevation 4296'

10 Surface Location										
UL or lot no. E	Section 14	Township 16-S	Range 32-E	Lot Idn	Feet from the 1488'	North/South line North	Feet from the 1310'	East/West line West	7 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	7 County	

12 Dedicated Acres 320		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: *Phil Ryan*

Printed Name: Phil Ryan

Position: Commission Coordinator

Company: Texaco Expl. & Prod. Inc.

Date: January 13, 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: January 9, 1998

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

Certificate No.: 7254 John S. Piper

Sheet

○ = 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 700685.09 (1927=700619.99)		Easting 722955.20 (1927=681777.30)	
Latitude 32°55'29.263"		Longitude 103°44'29.161"	
Zone	North American Datum	Combined Grid Factor	Coordinate File
East	1983	0.9997417	Anderson.cr5
Drawing File		Field Book	

DISTRICT I
P. O. Box 1960, 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
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Form C-102
Revised February 10, 1994

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PO Box 2088
Santa Fe, NM 87504-2088

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WELL LOCATION AND ACREAGE DEDICATION PLAT

AMENDED REPORT

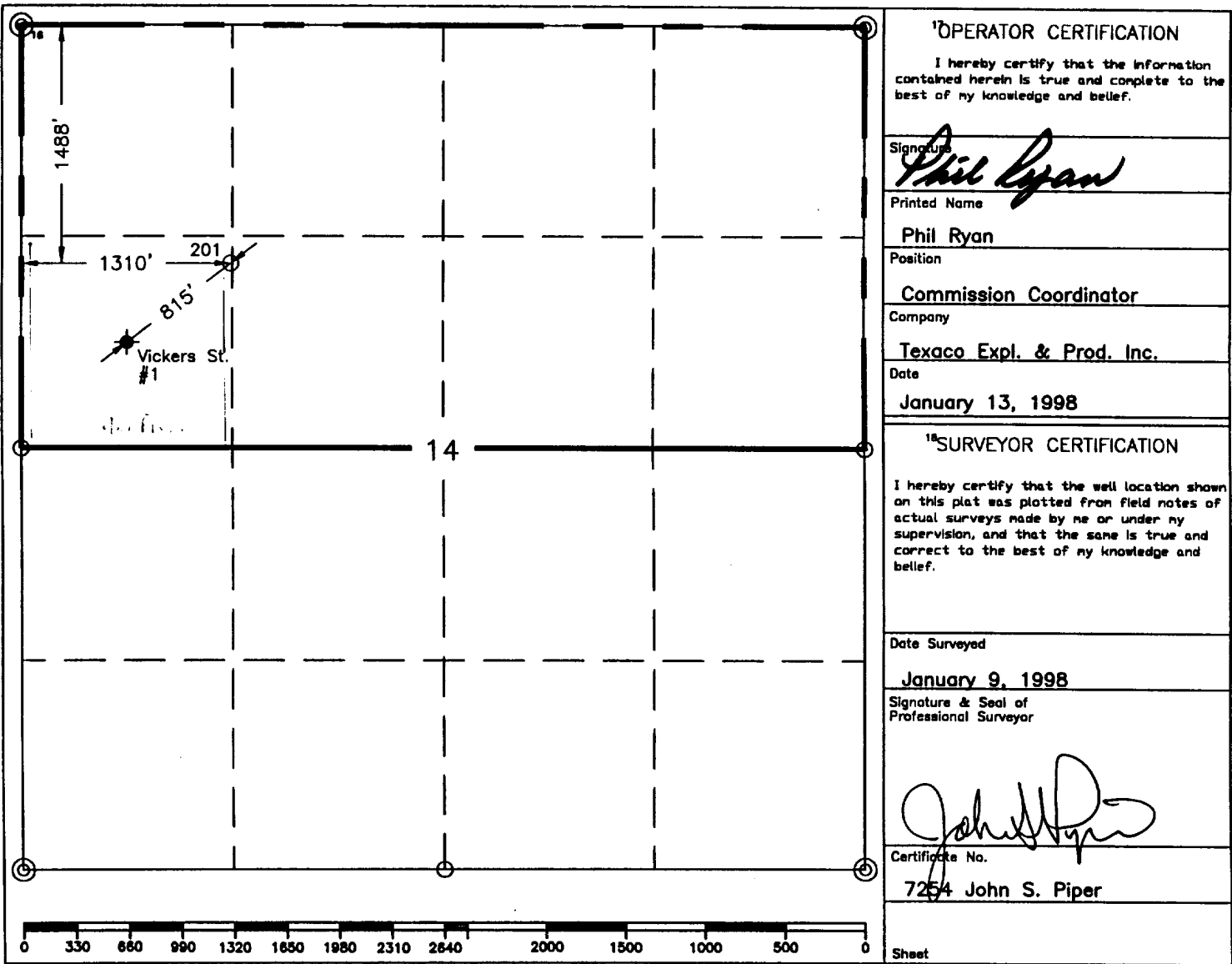
¹ API Number		² Pool Code		³ Pool Name	
				Anderson Ranch Devonian; Anderson Ranch Wolfcamp LS	
⁴ Property Code		⁵ Property Name			⁶ Well Number
		Anderson Ranch Unit			201
⁷ OGRID No.		⁸ Operator Name			⁹ Elevation
22351		TEXACO EXPLORATION & PRODUCTION, INC.			4296'

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
E	14	16-S	32-E		1488'	North	1310'	West	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	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
40			

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¹⁰ OPERATOR CERTIFICATION

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

Signature: *Phil Ryan*

Printed Name: Phil Ryan

Position: Commission Coordinator

Company: Texaco Expl. & Prod. Inc.

Date: January 13, 1998

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Certificate No.: 7254 John S. Piper

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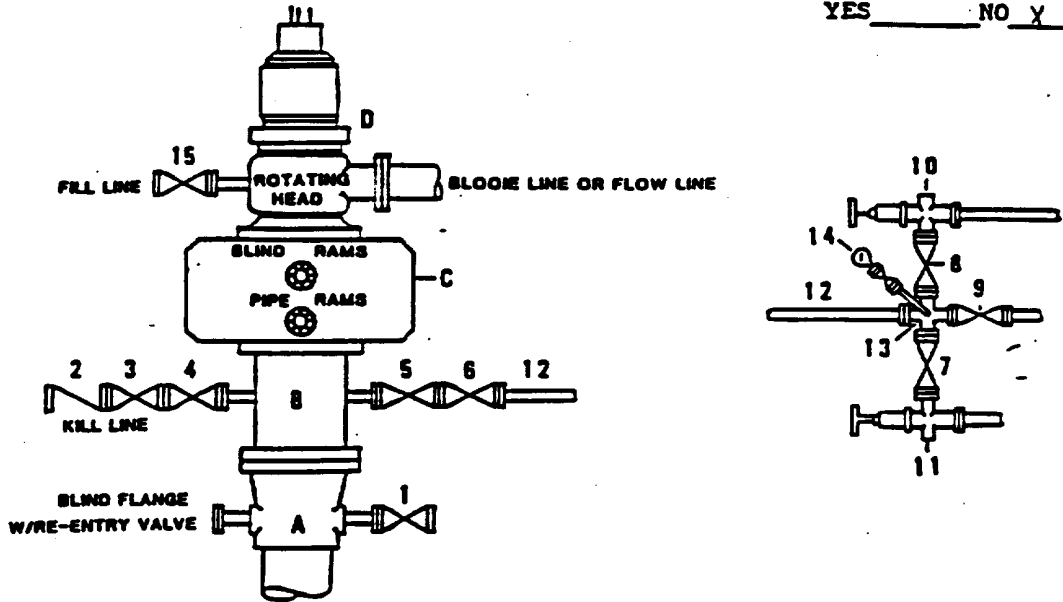
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Latitude	32°55'29.263"	Longitude	103°44'29.161"
Zone	North American Datum	Combined Grid Factor	Coordinate File
East	1983	0.9997417	Anderson.cr5
Drawing File		Field Book	

**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 substructure 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 cheke 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.	DRG. NO.
DRAWN BY			
CHECKED BY			
APPROVED BY			

EXHIBIT C

4/20/98
4/22/98