

AMERIND OIL CO.

January 19, 1989

MTS State No. 1-X (Sidetrack hole)
Bottom Hole Location 330' FEL & 2310' FSL
E/2 SE/4 Section 2, T17S, R37E
Shipp Strawn Field
Lea County, New Mexico

BEFORE EXAMINER CATANACH

OIL CONSERVATION DIVISION

AMERIND EXHIBIT NO. 5

CASE NO. 9591

To re-enter and sidetrack MTS State No. 1 dry hole to 11,800' true vertical depth, (surface location 1830' FSL & 660' FEL).

PROCEDURE

- 1.) Rebuild location and install 8-5/8" S.O. x 11"-3000# casinghead.
- 2.) Rig up fresh water supply well, and line reserve pit.
- 3.) MIRURT
- 4.) Drill out cement plugs and clean out wellbore to 9600'.

Drilling fluid: Use fluid in hole, and add fresh water as needed for volume. Use thinner as needed for cement contamination. Stay in steel pits, and do not contaminate reserve pit area.

- 5.) Displace wellbore with clean fresh water. Use caustic soda for pH 9-10. Discard cleanout fluid to sump pit.
- 6.) POOH & stand back BHA
- 7.) TIH with drill pipe (open ended) to 9450', and break circulation with fresh water.
- 8.) RU Western and set sidetrack plug. (Pre-mix 125 sx Cls "H", 0.20% TF-4, 10#/sx blast sand. Slurry wt 16.98#/gal, yield 1.09 cu ft /sx).
- 9.) POOH
- 10.) RU D.I.G. and run gyro survey from 4500' to surface
- 11.) TIH with 7-7/8" bit (HTC, ATJ-44C), 1 - 6-1/4" x 30' non-magnetic drill collar, and rig tools. Dress off sidetrack plug until proper hardness is observed.
- 12.) Drop magnetic multishot instrument and POOH.
- 13.) TIH with 7-7/8" Diamond sidetrack bit, 5-1/2" high speed mud motor. 2° bent sub, 1 - 6-1/4" x 30' non-magnetic drill collar and rig tools.

AMERIND OIL CO.

MTS State No. 1-X
Reentry Procedure

Page 2

- 14.) Orient assembly with steering tool, and commence time drilling off plug, then weight drill until 4° - 5° of angle is obtained.

Drilling fluid: Fresh water and sweeps. Control pH 9-10 with caustic soda.

- 15.) POOH

- 16.) TIH with 7-7/8" bit (HTC,ATJ-44C), 1 - 7-7/8" IBS, 1 - 6-1/4" x 30' non-magnetic drill collar, 1 - 6-1/4" x 30' drill collar, 1 - 7-7/8" IBS and rig tools, place 3 pt string reamer near top of drill collars for keyseat control.

- 17.) Drill with this assembly until approximate angle of 16° is achieved.

Drilling fluid: Fresh water and sweeps. Control pH 9-10 with caustic soda.

- 18.) POOH

- 19.) TIH with 7-7/8" bit (HTC,ATJ-44C), 1 - 7-7/8" IBS, 1 - 6/14" non-magnetic drill collar, 1 - 7-7/8" IBS, 1 - 6-1/4" x 30' drill collar, 1 - 7/8" IBS and rig tools. Drill with this assembly until TD is achieved or a corrective tool run is necessary.

Drilling fluid: 9300'-10,800' fresh water and sweeps, use drilling soap for torque.
10,800'-TD mud wt 8.6, vis 36, WL 15 treat hardness with soda ash. Mud up with fresh water gel and starch.

- 19-A.) If a corrective run is needed. TIH with 7-7/8" bit (HTC, ATJ-44C), 6-1/2" slow speed mud motor. 1.5° bent sub, 1 - 6-1/4: non-magnetic drill collar. and rig tools. Orient with steering tool and drill until proper trajectory is obtained.

- 20.) Drill 7-7/8" hole to total depth, drop multishot survey and POOH.

- 21.) Run electric logs.

NEW MEXICO DEPARTMENT OF ENERGY, MINERALS AND NATURAL RESOURCES

CASE NO. 9591

STATE OF NEW MEXICO)) ss.
COUNTY OF SANTA FE)

William F. Carr
WILLIAM F. CARR

Frank J. Sere
Notary Public

August 19, 1991

BEFORE EXAMINER CATANACH
OIL CONSERVATION DIVISION
ANERIND EXHIBIT NO. 6
CASE NO. 9591

EXHIBIT A

Bechtel Investments, Inc.
Post Office Box 4253
Houston, Texas 77210
Attn: Karen Franklin

Pennzoil Company
Post Office Box 1828
Midland, Texas 79702

Texaco Inc.
Post Office Box 3109
Midland, Texas 79702
Attn: Curtis Smith

CAMPBELL & BLACK, P.A.

LAWYERS

JACK M. CAMPBELL
BRUCE D. BLACK
MICHAEL B. CAMPBELL
WILLIAM F. CARR
BRADFORD C. BERGE
MARK F. SHERIDAN
J. SCOTT HALL
JOHN H. BEMIS
MARTE D. LIGHTSTONE
PATRICIA A. MATTHEWS

JEFFERSON PLACE
SUITE 1 - 110 NORTH GUADALUPE
POST OFFICE BOX 2208
SANTA FE, NEW MEXICO 87504-2208
TELEPHONE: (505) 988-4421
TELECOPIER: (505) 983-6043

January 10, 1989

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Texaco Inc.
Post Office Box 3109
Midland, Texas 79702

Attn: Curtis Smith

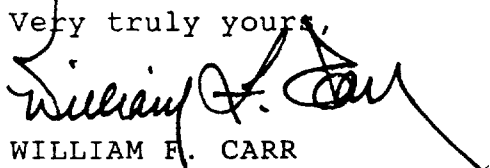
Re: Application of Amerind Oil Company for Directional
Drilling and an Unorthodox Well Location, Lea County, New
Mexico

Dear Mr. Smith:

This letter is to advise you that Amerind Oil Company has filed the enclosed Application with the New Mexico Oil Conservation Division seeking approval to re-enter its MTS State No. 1 Well and directionally drill said well to an unorthodox bottom hole location in the Strawn formation, Shipp-Strawn Pool, 2,310 feet from the South line and 330 feet from the East line of Section 2, Township 17 South, Range 37 East, N.M.P.M., Lea County, New Mexico. Should Amerind be unable to re-enter and directionally drill said well, it is seeking, in the alternative, authority to drill a well to an approximate depth of 11,800 feet to test the Strawn formation at a location 2,310 feet from the South line and 330 feet from the East line of said Section 2.

This application has been set for hearing before a Division Examiner on February 1, 1989. You are not required to attend this hearing, but as an owner of an interest that may be affected by this application, you may appear and present testimony. Failure to appear at that time and become a party of record will preclude you from challenging the matter at a later date.

Very truly yours,



WILLIAM F. CARR
ATTORNEY FOR AMERIND OIL COMPANY
WFC:mlh
Enclosure

P-106 676 241

RECEIPT FOR CERTIFIED MAIL

NO INSURANCE COVERAGE PROVIDED
NO POSTAGE FOR INTERNATIONAL MAIL
(See Reverse)

Sent to: Attn: Curtis Smith Texaco Inc.	
Street and No. Post Office Box 3109	
P.O. State and ZIP Code Midland, Texas 79702	
Postage	\$.25
Certified Fee	.85
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt showing to whom and Date Delivered	.90
Return Receipt showing to whom, Date, and Address of Delivery	
TOTAL Postage and Fees	\$ 2.00
Postmark or Date January 10, 1989	

PS Form 3800, June 1985

SENDER: Complete items 1 and 2 when additional services are desired, and complete items 3 and 4.

Put your address in the "RETURN TO" Space on the reverse side. Failure to do this will prevent this card from being returned to you. The return receipt fee will provide you the name of the person delivered to and the date of delivery. For additional fees the following services are available. Consult postmaster for fees and check box(es) for additional service(s) requested.

1. ☒ Show to whom delivered, date, and addressee's address. 2. ☐ Restricted Delivery (Extra charge)

3. Article Addressed to:
Texaco Inc.
Post Office Box 3109
Midland, Texas 79702
Attn: Curtis Smith

4. Article Number
P 106 676 241

Type of Service: ☐ Registered ☐ Insured
☒ Certified ☐ COD
☐ Express Mail ☐ Return Receipt for Merchandise

Always obtain signature of addressee or agent and DATE DELIVERED.

5. Signature - Address
X

6. Signature - Agent
X *[Signature]*

7. Date of Delivery
12 JAN 89 *[Signature]*

8. Addressee's Address (ONLY if requested and fee paid)

PS Form 3811, Mar. 1988 * U.S.G.P.O. 1988-212-865 DOMESTIC RETURN RECEIPT

CAMPBELL & BLACK, P.A.

LAWYERS

JACK M. CAMPBELL
BRUCE D. BLACK
MICHAEL B. CAMPBELL
WILLIAM F. CARR
BRADFORD C. BERGE
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January 10, 1989

CERTIFIED MAIL
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Pennzoil Company
Post Office Box 1828
Midland, Texas 79702

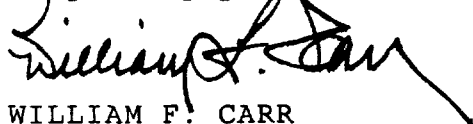
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ATTORNEY FOR AMERIND OIL COMPANY
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P.O., State and ZIP Code Midland, Texas 79702	
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Midland, Texas 79702

4. Article Number
P 106 676 240

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☐ Registered ☐ Insured
☐ Certified ☐ COD
☐ Express Mail ☐ Return Receipt for Merchandise

Always obtain signature of addressee or agent and DATE DELIVERED.

5. Signature - Address
X

6. Signature Agent
X *[Signature]*

7. Date of Delivery
1-12-89

8. Addressee's Address (ONLY if requested and fee paid)

PS Form 3811, Mar. 1988 * U.S.G.P.O. 1988-212-885 DOMESTIC RETURN RECEIPT

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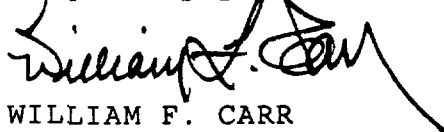
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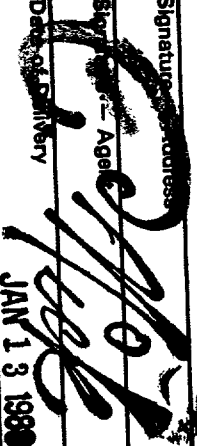
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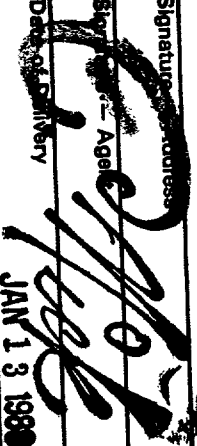
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6. Signature of Agent
 X 

7. Date of Delivery
 JAN 13 1989

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