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U.S.G.S.	
LAND OFFICE	
OPERATOR	

3A. Indicate Type of Lease
STATE <input checked="" type="checkbox"/> REC <input type="checkbox"/>

3. State Oil & Gas Lease No.

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

4. Type of Work

5. Type of Well

DRILL ☒DEEPEN ☐PLUG BACK ☐OIL WELL ☒GAS WELL ☐

OTHER

SINGLE ZONE ☒MULTIPLE ZONE ☐

6. Name of Operator

Texaco Producing Inc.

7. Address of Operator

P. O. Box 728, Hobbs, New Mexico 88240

8. Location of Well

UNIT LETTER J LOCATED 1350 FEET FROM THE South LINE

2410

FEET FROM THE East LINE OF SEC. 32 TWP. 16-S REC. 37-E

7. Unit Agreement Name

8. Firm or Lease Name

State P

9. Well No.

13

10. Field and Pool, or Wildcat

Shipp-Strawn

12. County

Lea

19. Proposed Depth

11,350'

19A. Formation

Strawn Limestone

20. Rotary or C.T.

Rotary

1. Elevations (Show whether DF, RT, etc.)

3794' GR

21A. Kind & Status Plug. Bond

Blanket

21B. Drilling Contractor

22. Approx. Date Work will start

February 8, 1988

PROPOSED CASING AND CEMENT PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	SACKS OF CEMENT	EST. TOP
24"	20"	94#	40'	Redimix	Surface
17-1/2"	13-3/8"	48#	450'	550	Circulate
12-1/4"	8-5/8"	32#	4400'	2050	Circulate
7-7/8"	5-1/2"	17#	11,350'	2300	Circulate

This well was originally approved to drill on October 5, 1987. This application changes the location of the well and also the field. The new location is an unorthodox location and has been set for hearing on January 20, 1988. Affected offset operators have been notified as by attached letter.

CEMENTING PROGRAM

SURFACE CASING: 550 sacks Class "H" 2% CaCl, 1/4# Flocele (15.6 ppg, 1.18 cu. ft./sx.).

INTERMEDIATE CASING: 1800 sacks Class "H" Light Weight, 15# Salt, 1/4# Flocele (12.7 ppg, 2.10 cu. ft./sx.) followed by 250 sacks Class "H", 2% CaCl, 1/4# Flocele (15.6 ppg, 1.18 cu. ft./sx.).

PRODUCTION CASING: 1st Stage: 700 sacks Class "H" Light Weight, 1/4# Flocele (12.3 ppg, 1.84 cu. ft./sx.) followed with 250 sacks 50/50 Poz "H", 1/4# Flocele, .8% Halad-9 (13.6 ppg, 1.40 cu. ft./sx.)

Continued on Page 2

ABOVE SPACE DESCRIBE PROPOSED PROGRAM IF PROPOSAL IS TO DEEPEN OR PLUG BACK, GIVE DATA ON PRESENT PRODUCTION ZONE AND PROPOSED NEW PRODUCTION ZONE. GIVE BLOWOUT PREVENTER PROGRAM, IF ANY.

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

W. B. Cade

Signed W. B. Cade Title District Operations Manager Date 12/30/87

(This space for State Use)

ORIGINAL SIGNED BY JERRY SEXTON

DISTRICT 1 SUPERVISOR

APPROVED BY _____ TITLE _____ DATE MAR 14 1988

CONDITIONS OF APPROVAL, IF ANY:

Permit Expires 6 Months From Approval
Date Unless Drilling Underway.

78 L R-8608

STATE "P" WELL NO. 13
SHIPP - STRAWN FIELD
LEA COUNTY, NEW MEXICO

Continuation to Form C-101

PRODUCTION CASING

2nd Stage: 1100 sacks Class "H" Light Weight, 1/4# Flocele
(12.3 ppg, 1.84 cu. ft./sx) followed with 250
sacks 50/50 Poz "H", 1/4# Flocele (13.6 ppg, 1.40
cu. ft./sx.). (DV Tool @ 8400').

All other wells in this 1/4, 1/4 Section are operated by Texaco
Producing Inc.

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

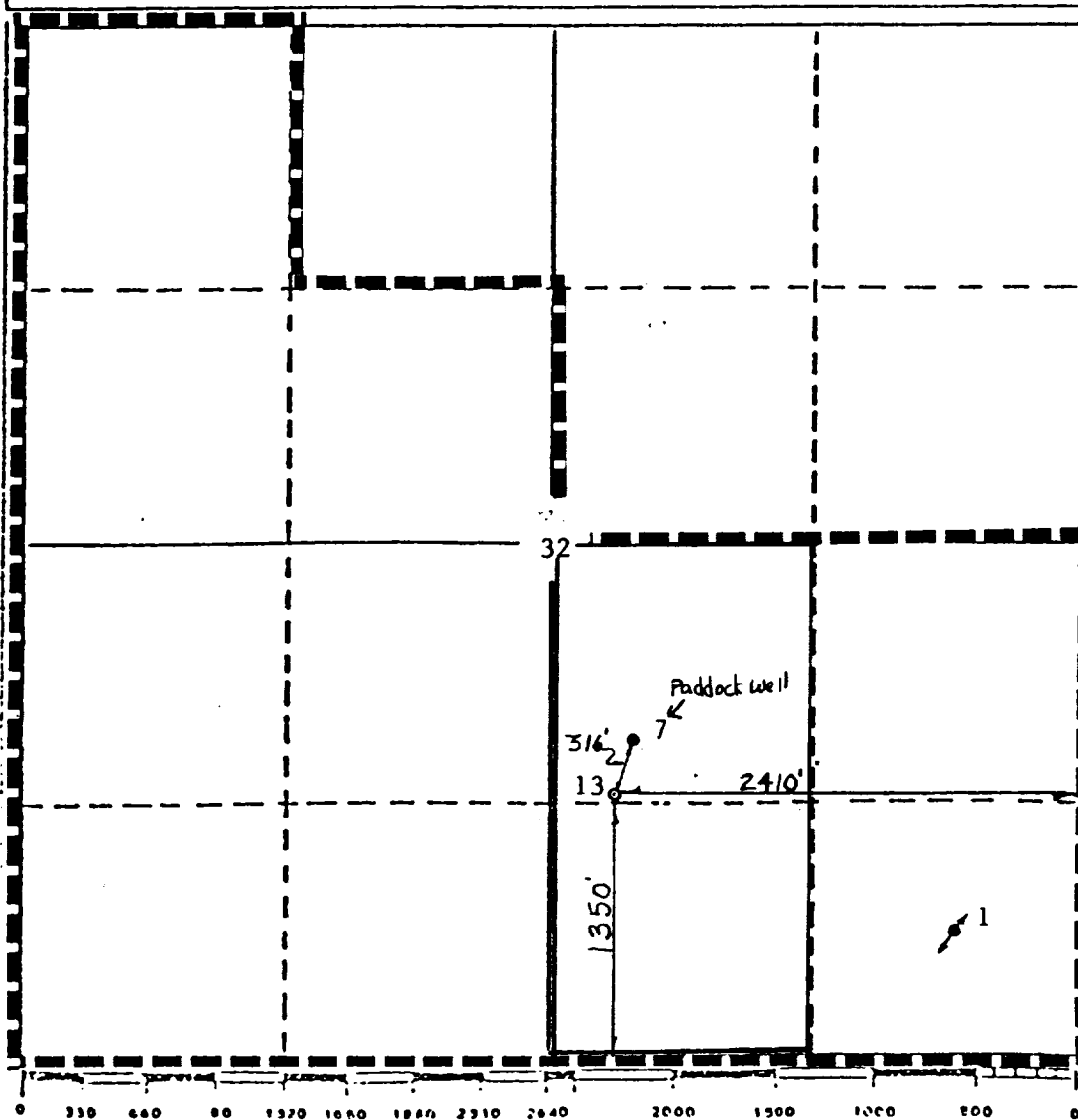
Operator Texaco Producing Inc.			Lease State "P"		Well No. 13
Unit Letter J	Section 32	Township 16-S	Range 37-E	County Lea	
Actual Postage Location of Well:					
1350' feet from the South line and		2410' feet from the East line			
Ground Level Elev. 3794'	Producing Formation Stawn Limestone		Pool Shipp-Strawn		Dedicated Acreage: 80 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.

B. L. Eiland

Name

B. L. Eiland

Position

Division Surveyor

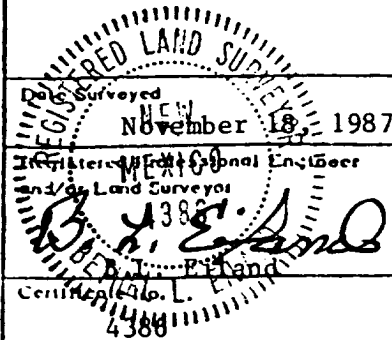
Company

Texaco Producing Inc.

Date

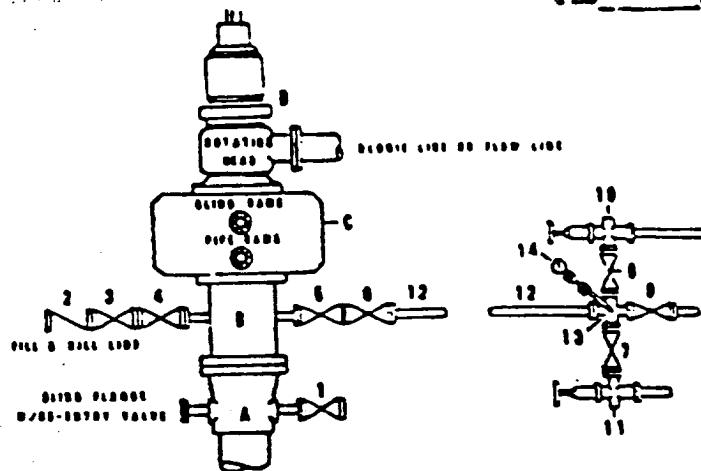
November 23, 1987

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.



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 Bleeble 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.
 MIDLAND DIVISION
 MIDLAND, TEXAS



SCALE	DATE	EST. NO.	DWG. NO.
DRAWN BY			
CHECKED BY			
APPROVED BY			

EXHIBIT C

December 16, 1987

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Conoco Inc.
P. O. Box 460
Hobbs, New Mexico 88240

Chevron U.S.A., Inc.
15 Smith Road
Midland, Texas 79702 JDC

Attention: Mr. Boyd Nelson

Attention: Mickey F. Cohlma

RE: MC-7726 - EAST LOVINGTON UNIT
10689 - STATE "P" LEASE
STATE "P" WELL NO. 13
1350' FSL & 2410' FEL SEC. 32
T-16-S, R-37-E
LEA COUNTY, NEW MEXICO

Gentlemen:

This letter is to advise you that Texaco Producing Inc. has filed an application with the New Mexico Oil Conservation Division seeking approval of an unorthodox well location for a well to be drilled at a location 1350 feet from the South line and 2410 feet from the East line of Section 32, Township 16 South, Range 37 East, N.M.P.M., Lea County, New Mexico. This well will be drilled within one mile of the Shipp-Strawn Field, and the W/2 SE/4 Section 32 will be dedicated to the well.

This application has been set for a hearing before a Division Examiner on January 20, 1988. You are not required to attend this hearing, but as an offsetting interest owner, 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.

Yours very truly,

S. L. Chandler
Land Manager
Texaco Inc.

By _____
Curtis D. Smith

CDS:BBH

cc: J. Scott Hall, Esq., Box 2208, Santa Fe, NM 87504-2208

bcc: CGK (JEK (DBW)) FSH-JDG (RKW)