

DISTRICT I

P.O. Box 1980, Hobbs, NM 88241-1980

DISTRICT II

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

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

OIL CONSERVATION DIVISION

P.O. Box 2088

Santa Fe, New Mexico 87504-2088

Form C-101

Revised February 10, 1994

Instructions on back

Submit to Appropriate District Office

State Lease - 6 Copies

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
⁴ Property Code 22322	⁵ Property Name ANDERSON RANCH UNIT	³ API Number 30-025-34272 ⁶ Well No. 201

7 Surface Location

UI 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

UI 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 WellType Code G	¹³ Rotary or C.T. ROTARY	¹⁴ Lease Type Code S	¹⁵ Ground Level Elevation 4296'
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/6% 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. **Permit Expires 1 Year From Approval Date Unless Drilling Underway**

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 DIVISIONORIGINAL SIGNED BY CHRIS WILLIAMS
DISTRICT I SUPERVISOR

Approved By:

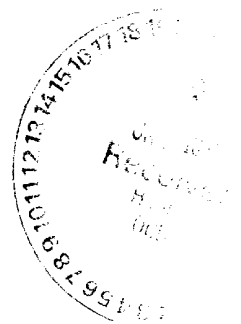
Title:

Approval Date:

FEB 05 1998

Expiration Date:

Conditions of Approval:
Attached ☐*AMP*



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

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-025-34272		² Pool Code 1520		³ Pool Name Anderson Ranch Devonian/Anderson Ranch Wolfcamp LS	
⁴ Property Code 22322		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 40		¹³ Joint or Infill		¹⁴ Consolidation Code		¹⁵ Order No. WSL-3938			

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 <i>Phil Ryan</i> 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 <i>John S. Piper</i> 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 /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		
Ander201	Lea Co. FB. 17, Pg. 38		

DISTRICT 1
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

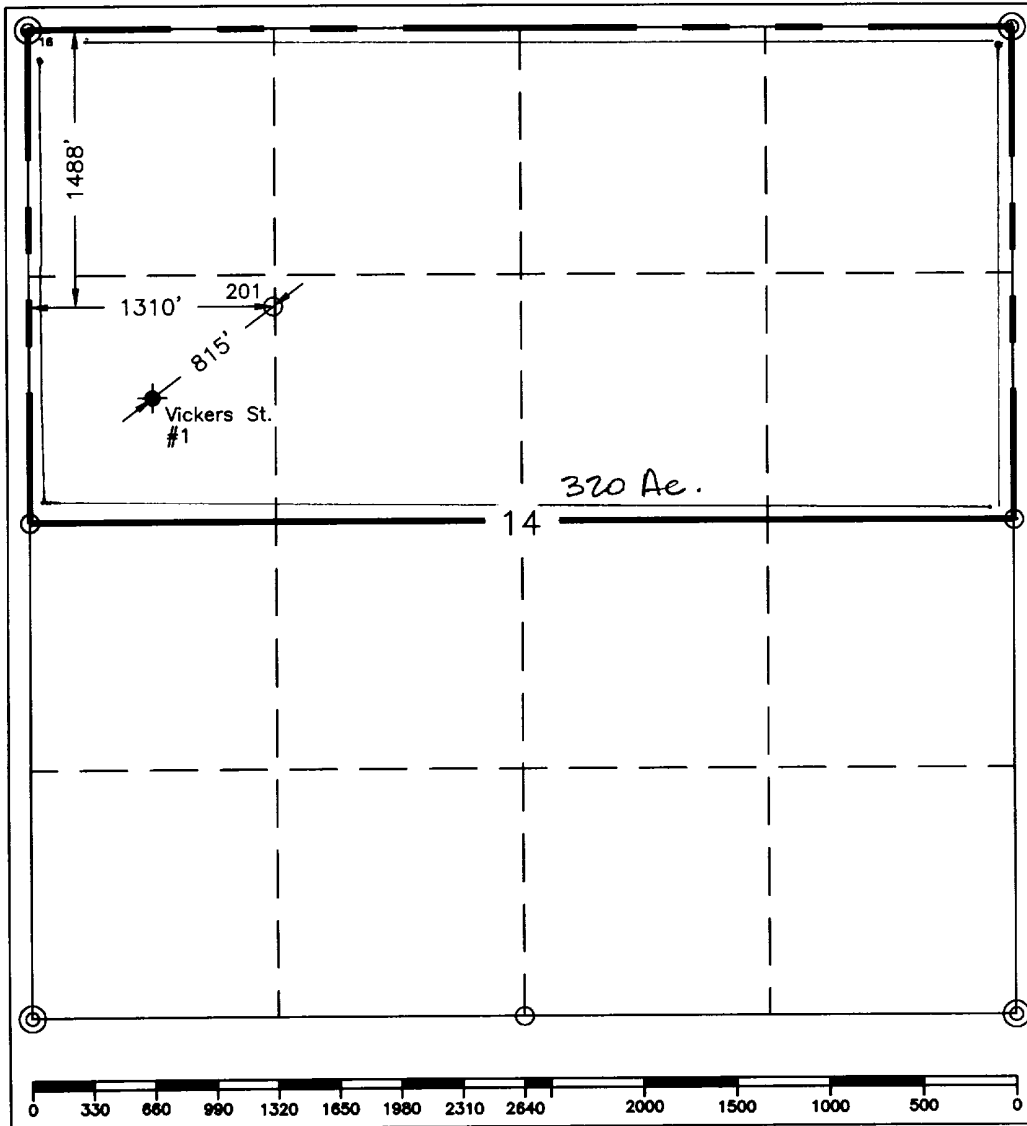
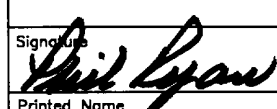
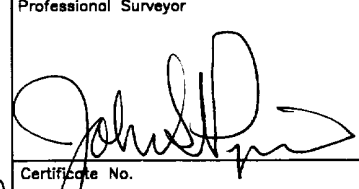
State Lease-4 copies
Fee Lease-3 copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

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 OGRID 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	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	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 	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 	
	Certificate No. 7254 John S. Piper	
Sheet		

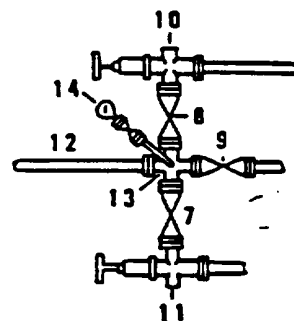
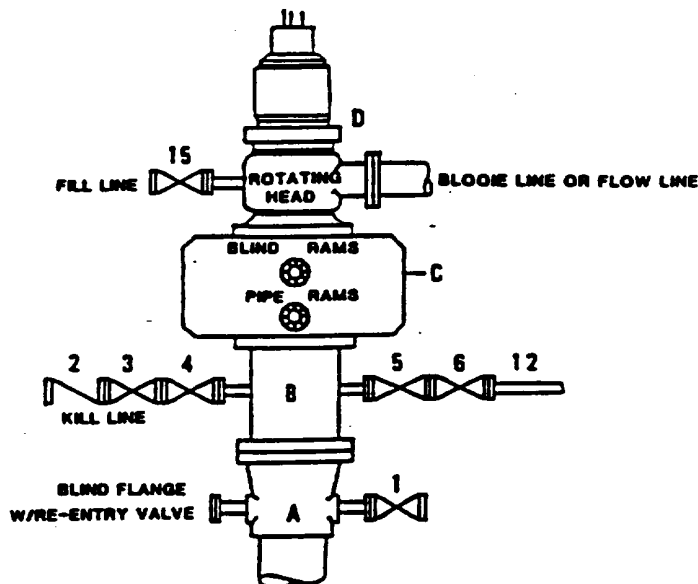
○ = Staked Location ● = Producing Well ↗ = Injection Well ◇ = Water Supply Well ◆ = Plugged & Abandon Well
⊙ = Found Section Corner, 2 or 3" Iron Pipe & GLO B.C. ○ = Found 1/4 Section Corner, 1" Iron Pipe & GLO B.C.

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	
And201_B		Lea Co. FB. 17, Pg. 38	

**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 sub-structure height is adequate, 2 - 3000# W.P. single ram type preventers may be utilized). |
| D | Rotating Head with fill up outlet and extended Choke 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. |

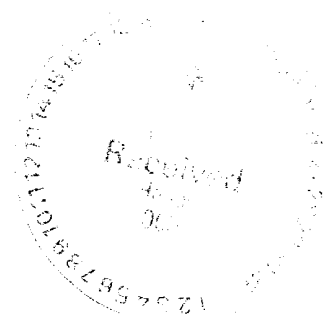


TEXACO, INC.
MIDLAND DIVISION
MIDLAND, TEXAS



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

EXHIBIT C



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

1/12/98
Date



Texaco Exploration
and Production Inc

500 North Lorain
Midland TX 79701

P.O. Box 910
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