STATE OF NEW MEXICO L CONSERVATION DIVISIC ENERGY AND MINERALS DEPARTMENT Form C-101 Revised 10-1-78 P. O. BOX 2088 DISTRIBUTION 5A. Indicate Type of Lease SANTA FE, NEW MEXICO 87501 SANTA FE X STATE 766 FILE 5. State Oil & Gas Lease No. U.S.G.S. B - 1733LAND OFFICE OPERATOR APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK 1a. Type of Work 7. Unit Agreement Name DEEPEN A DRILL PLUG BACK 8. Form or Lease Name Vacuum Grayburg b. Type of Well MULTIPLE ZONE WELL X SINGLE X San Andres Unit 2. Name of Operator 9. Well No. TEXACO Inc. 10. Field and Pool, or Wildcat Vacuum Grayburg San Andres 3. Address of Operator P. O. Box 728, Hobbs, New Mexico 88240 _ LOCATED ___ 1980 __ FEET FROM THE __ NOTED __ LINE 34-E HMPM 18-S *** FEET FROM THE East 1980 LINE OF SEC. 12. County Lea 4735 San Andres Pulling Un: 21B. Drilling Contractor 22. Approx. Date Work will start 21A. Kind & Status Plug. Bond 3998' DF Blanket April 10, 1986 23. PROPOSED CASING AND CEMENT PROGRAM SIZE OF HOLE SIZE OF CASING WEIGHT PER FOOT | SETTING DEPTH | SACKS OF CEMENT | EST. TOP 17-1/2" 13" 301' 275 Circulated 40# 660' 9-5/8" 1539' 12-1/4" 40# <u>350</u> 4154' 250 2850' 8-5/8" 24# 4690' Open Hole Present TD 6-1/4" It is proposed to deepen the well 45' in the same zone and then acidize. 1.) Pull rods, pump, install BOP, pull tubing. TIH w/6-1/4" bit & drill collars on 2-7/8" tubing. Clean out to TD (4690'). 2.) Deepen well to 4735'. Circulate clean. Spot 75 gallons 15% NE-FE acid from 4735' to 4690'. Spot 600# scale 3.) converter. POH. TIH w/7" packer and 650' tailpipe. Set packer at 3600'. Load backside. 4.) Acidize w/10,000 gals of 20% NE-FE acid mixed with 10 gals of scale inhibitor in four stages using rock salt/moth balls as block. 4000 psi. Max. WHIP: 5.) Release packer, check for fill. Cleanout, if necessary. Run production equipment. 6.) 7.) After well stabilizes, resqueeze for scale inhibition. IN A BOVE SPACE DESCRIBE PROPOSED PROGRAM: IF PROPOSAL IS TO DEEPEN OR PLUG BACK, GIVE DATA ON PRESENT PRODUCTIVE ZONE TIVE 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.

(This space for State Use)

CONDITIONS OF APPROVAL, IF ANYI

ORIGINAL SIGNED BY JERRY SEXTON

DISTRICT I SUPERVISOR

L. J. Seeman Dist. Petroleum Engineer Date

MAR 20 1986

March 18, 1986

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