

Submit to: Appropriate
District Office
State Lease - 6 copies
Fee Lease - 5 copies

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-101
Revised 1-1-89

OIL CONSERVATION DIVISION
P.O. Box 2088
Santa Fe, New Mexico 87504-2088

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

API NO. (assigned by OCD on New Wells) <u>30-225-32027</u>	
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>	
6. State Oil & Gas Lease No. B-1306-1	
7. Lease Name or Unit Agreement Name VACUUM GRAYBURG SAN ANDRES UNIT	
8. Well No. 127	
9. Pool name or Wildcat VACUUM GRAYBURG SAN ANDRES	

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK	
1a. Type of Work: DRILL <input checked="" type="checkbox"/> RE-ENTER <input type="checkbox"/> DEEPEN <input type="checkbox"/> PLUG BACK <input type="checkbox"/>	
b. Type of Well: OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input type="checkbox"/> SINGLE ZONE <input checked="" type="checkbox"/> MULTIPLE ZONE <input type="checkbox"/>	
2. Name of Operator TEXACO EXPLORATION AND PRODUCTION INC.	
3. Address of Operator P. O. Box 3109, Midland, Texas 79702	
4. Well Location Unit Letter <u>K</u> : <u>1980</u> Feet From The <u>SOUTH</u> Line and <u>2625</u> Feet From The <u>WEST</u> Line Section <u>1</u> Township <u>18-SOUTH</u> Range <u>34-EAST</u> NMPM LEA County	

10. Proposed Depth 4900'		11. Formation GRAYBURG SAN ANDR		12. Rotary or C.T. ROTARY	
13. Elevations (Show whether DF, RT, GR, etc.) GR-3992'		14. Kind & Status Plug. Bond BLANKET		15. Drilling Contractor	
16. Approx. Date Work will start JULY 5, 1993					

17. PROPOSED CASING AND CEMENT PROGRAM					
SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	SACKS OF CEMENT	EST. TOP
11	8 5/8	24#	1500'	650	SURFACE
7 7/8	5 1/2	15.5#	4900'	1360	SURFACE

CEMENTING PROGRAM:

SURFACE CASING - 450 SX CLASS C w/ 4% GEL & 2% CaCl₂ (13.5ppg, 1.74cf/s, 9.1gw/s). F/B 200 SX CLASS C w/ 2% CaCl₂ (14.8ppg, 1.32cf/s, 6.3gw/s).
PRODUCTION CASING - 1160 SX 35/65 POZ CLASS H w/ 6% GEL, 5% SALT, 1/4# FLOCELE (12.8ppg, 1.94cf/s, 10.4gw/s). F/B 200 SACKS CLASS H (15.6ppg, 1.18cf/s, 5.2gw/s).

THERE ARE NO OTHER OPERATORS IN THIS QUARTER QUARTER SECTION.

UNORTHODOX LOCATION: EXCEPTION HAS BEEN REQUESTED. (COPY ATTACHED)

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: IF PROPOSAL IS TO DEEPEN OR PLUG BACK, GIVE DATA ON PRESENT PRODUCTIVE ZONE AND PROPOSED NEW PRODUCTIVE 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.

SIGNATURE C. P. Basham /cwb TITLE DRILLING OPERATIONS MANAGER DATE 06-11-93
TYPE OR PRINT NAME C. P. BASHAM TELEPHONE NO. (915) 688-4620

(This space for State Use)

ORIGINAL SIGNED BY JERRY SEXTON
DISTRICT I SUPERVISOR

APPROVED BY _____ TITLE _____ DATE JUL 07 1993

CONDITIONS OF APPROVAL, IF ANY:

Permit Expires 6 Months From Approval
Date Unless Drilling Underway.

Submit to Appropriate
District Office
State Lease - 4 copies
Fee Lease - 3 copies

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102
Revised 1-1-89

OIL CONSERVATION DIVISION

P.O. Box 2088

Santa Fe, New Mexico 87504-2088

DISTRICT I
P.O. Box 1980, Hobbs, NM 88240

DISTRICT II
P.O. Drawer DD, Artesia, NM 88210

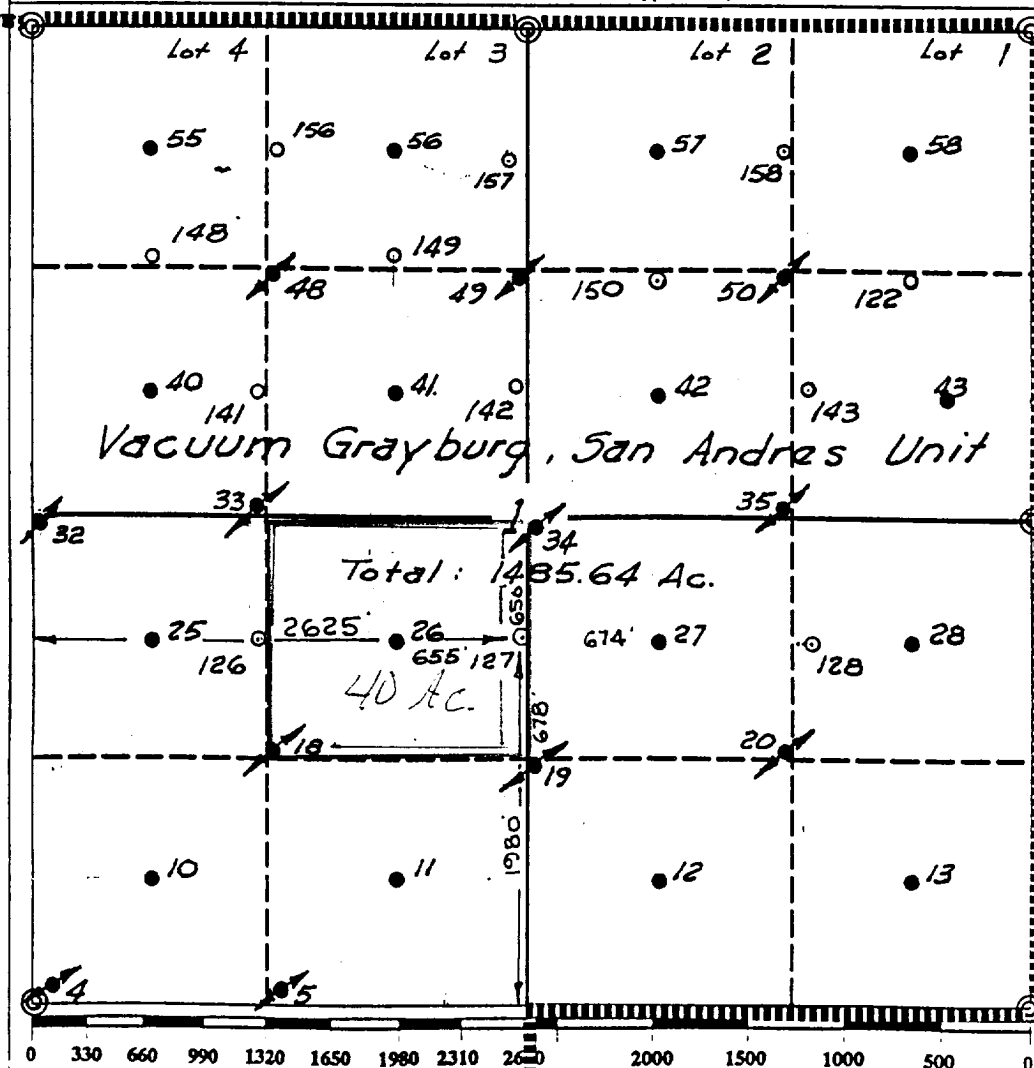
DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

WELL LOCATION AND ACREAGE DEDICATION PLAT

All Distances must be from the outer boundaries of the section

Operator TEXACO EXPLORATION AND PRODUCTION Inc.			Lease Vacuum Grayburg, San Andres Unit		Well No. 127
Unit Letter K	Section 1	Township 18 South	Range 34 East	County NMPM	Lea
Actual Footage Location of Well: 1980 feet from the South line and 2625 feet from the West line					
Ground level Elev. 3992	Producing Formation Grayburg - San Andres		Pool Vacuum Grayburg - San Andres		Dedicated Acreage: 40 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 interest of all owners been consolidated by communitization, unitization, force-pooling, etc.?
☒ Yes ☐ No If answer is "yes" type of consolidation Unitization
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 interest, has been approved by the Division.



OPERATOR CERTIFICATION

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

Signature
Royce Mariott
Printed Name
Royce Mariott
Position
Division Surveyor
Company
Texaco Expl. & Prod. Inc.
Date
June 9, 1993

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
May 28, 1993
Signature & Seal of
Professional Surveyor
John S. Piper
Certificate No.
7254
John S. Piper

NSL-3266



Texaco Exploration and Production, Inc.

100 N. Loraine
Midland TX 79701

P. O. Box 3409
Midland TX 79702

June 11, 1993

GOV - STATE AND LOCAL GOVERNMENTS

Unorthodox Locations

Vacuum Grayburg San Andres Unit

Well Nos. 126, 127, and 128

Lea County, New Mexico

State of New Mexico

Energy and Minerals Department

Oil Conservation Division

P. O. Box 2088

Santa Fe, New Mexico 87501-2088

Attention: Mr. Michael E. Stogner

Gentlemen:

An Exception to Rule 104 F.I. by administrative approval is requested for Texaco Exploration and Production's Vacuum Grayburg San Andres Unit Well Nos. 126, 127, and 128. These wells are located as follows:

Well No. 126: 1980' FSL, 1308' FWL, Sec. 1, T-18-S, R-34-E

Well No. 127: 1980' FSL, 2625' FWL, Sec. 1, T-18-S, R-34-E

Well No. 128: 1980' FSL, 1220' FEL, Sec. 1, T-18-S, R-34-E

These wells must be drilled in these locations to ensure proper development of 10-acre spacing. Wells drilled previously on 10-acre spacing have proven to be viable wells. They will be completed in the Grayburg San Andres formation.

There are no "affected" offset operators to Well Nos. 126 and 127. Texaco is the only "affected" offset operator to Well No. 128 and we grant ourselves a waiver to this request. Attached is Form C-102 for each well and a lease plat showing the location of the subject wells.

Yours very truly,

C. P. Basham / cwh

C. P. Basham
Drilling Operations Manager

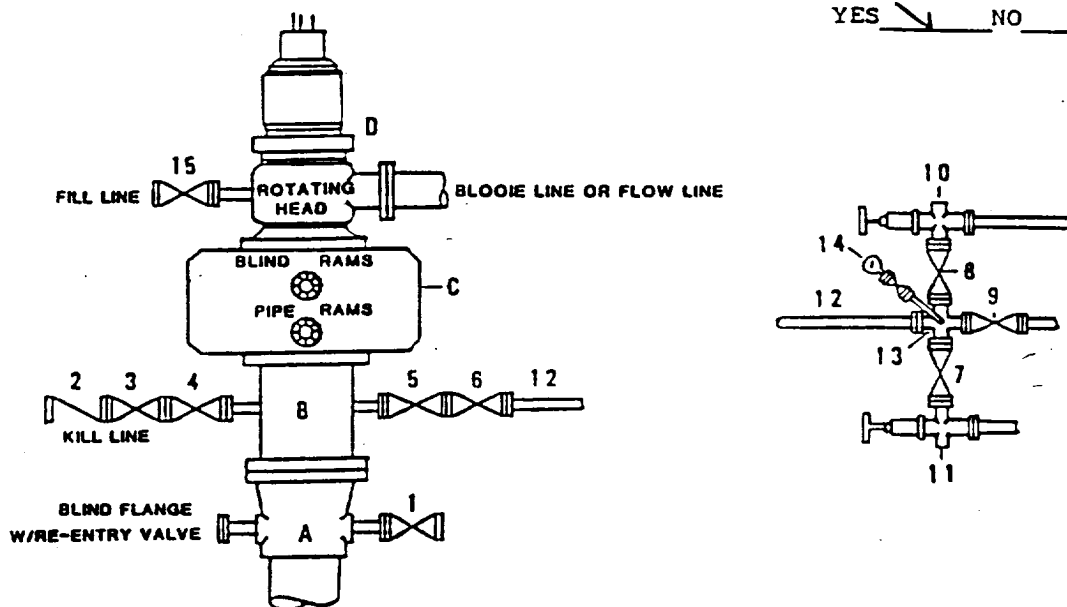
CWH:cwh

Attachment

cc: NMOCD, P. O. Box 1980, Hobbs, NM 88240

**DRILLING CONTROL
CONDITION II-B 3000 WP
FOR AIR DRILLING OR
WHERE NITROGEN OR AIR BLOWS ARE EXPECTED**

H₂S TRIM REQUIRED
YES ☒ NO ☐



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 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 choke 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.
HIGHLAND DIVISION
HIGHLAND, TEXAS



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

EXHIBIT C



JUN 1 1993
LCC HUBBARD OFFICE