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

COPY

State of New Mexico
Energy, Minerals and Natural Resources Departm.

OIL CONSERVATION DIVISION

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

Form C-102
Revised February 10,1994
Instructions on back
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
30-025-20179	62160	VACUUM GLORIETA

4 Property Code	5 Property Name	6 Well No.
	VACUUM GLORIETA WEST UNIT	86

7 OGRID Number	8 Operator Name	9 Elevation
022351	TEXACO EXPLORATION & PRODUCTION INC.	4009' DF

10 Surface Location

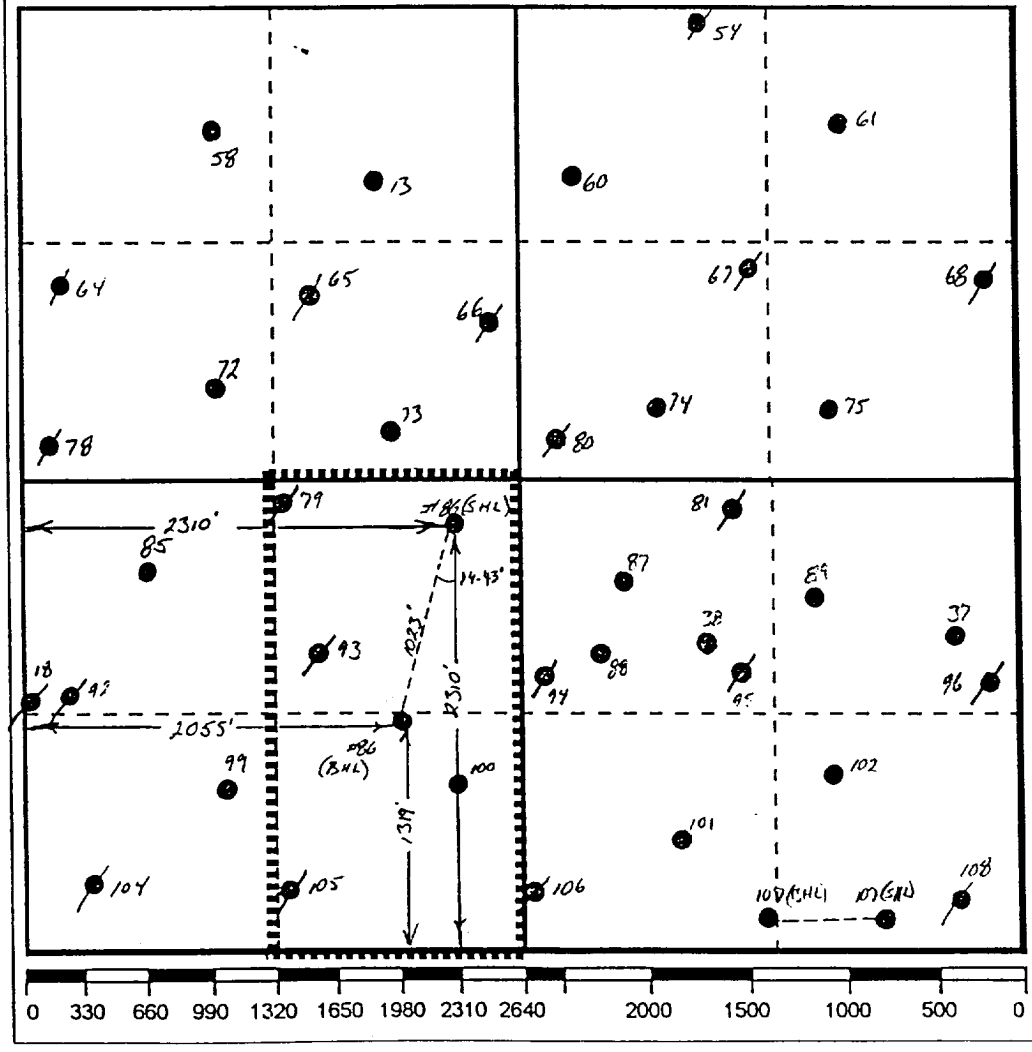
Ul or lot no.	Section	Township	Range	Lot.Idn	Feet From The	North/South Line	Feet From The	East/West Line	County
K	36	17S	34E		2310	SOUTH	2310	WEST	LEA

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
N	36	17S	34E		1319	FSL	2055	FWL	Lea

12 Dedicated Acres	13 Joint or Infill	14 Consolidation Code	15 Order No.
80	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



17 OPERATOR CERTIFICATION

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

Signature: Darrell J. Carriger

Printed Name: Darrell J. Carriger

Position: Prod. Engineer

Date: 6/9/97

18 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

Signature & Seal of Professional Surveyor

Certificate No.

DeSoto/Nichols 3/94 ver 1.10

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Fee Lease - 5 Copies

☐ AMENDED REPORT

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE

1 Operator Name and Address	2 OGRID Number
TEXACO EXPLORATION & PRODUCTION INC. 205 E. Bender, HOBBS, NM 88240	022351 3 API Number 30-025-20179

4 Property Code	5 Property Name	6 Well No.
11125	VACUUM GLORIETA WEST UNIT	86

7 Surface Location

Ul or lot no.	Section	Township	Range	Lot.Idn	Feet From The	North/South Line	Feet From The	East/West Line	County
K	36	17S	34E		2310	SOUTH	2310	WEST	LEA

8 Proposed 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
N	36	17S	34E		1319	FSL	2055	FWL	Lea

9 Proposed Pool 1	10 Proposed Pool 2
Vacuum Glorieta (Same Pool)	

11 Work Type Code	12 WellType Code	13 Rotary or C.T.	14 Lease Type Code	15 Ground Level Elevation
D	O	Rotary	S	4009' DF
16 Multiple	**17 Proposed Depth**	**18 Formation**	**19 Contractor**	**20 Spud Date**
No	6890'	Glorieta	Dawson	7/1/97

21 Proposed Casing and Cement Program

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	SACKS OF CEMENT	EST. TOP
12-1/4"	8-5/8"	24	1538'		Circulated
7-7/8"	5-1/2"	15.5	6850'		TOC @ 2610'

22 Describe the proposed program. If this application is to DEEPEN or PLUG BACK give the data on the present productive zoneand proposed new productive zone. Describe the blowout prevention program, if any. Use additional sheets if necessary.

Please see the attached procedure.

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

Printed Name Darrell J. Carriger

Title Prod. Engineer

Date 6/10/97 Telephone 397-0426

OIL CONSERVATION DIVISION

Approved By:

Title:

Approval Date: Expiration Date:

Conditions of Approval:
Attached ☐

DeSoto/Nichols 3-94 ver 1.10

67-4163

VGWU #86 Horizontal Lateral Procedure

1. MIRU pulling unit. TOH with rods and pump. Install BOP. TOH with 2-7/8" production tubing. RIH with bit. Clean out casing to 5930'. TOH with drill bit and tubing. Rig down pulling unit.

2. Rig up Schlumberger logging services. Run cement bond log from 5600' to 5930'. Rig down Schlumberger.

3. Rig up wireline company. Set CIBP @ approximately 5870' and cap CIBP with 30' cement (depth of CIBP may change depending on cement bond log. The new PBTD needs to be 5' above the casing collar in a 38' casing joint). Load casing and pressure test casing to 500 psi.

4. MIRU (drilling) pulling unit with substructure and mud equipment. Commence 24 hour operation.

5. Pick up 4-3/4" window mill, scraper, and smooth watermelon mill. Clean out wellbore to PBTD. Tag PBTD. Set 15,000# on PBTD to ensure stability.

Trip #1

6. Measure and caliper all mills to be used. Pick up a single joint of the drill pipe and place it in the mouse hole. Pick up orienting sub and make-up on top of the joint of drill pipe.

7. TIH (slowly - about the speed of running a packer) with 4-1/2" 1-1/2° Concave Face Retrievable "WhipBack" whipstock, 4-3/4" starting mill, 1 joint drill pipe, orientation sub, 12 3-1/2" drill collars on 2-7/8" drill pipe.

8. Rig up and TIH with surface readout gyro (SRG). Survey wellbore on the fly to determine bottomhole location. Orient whipstock face to an azimuth of 14.4301° West of due South. Lower whipstock and tag PBTD. Confirm Gyro reading. Slack to shear lower assembly and set whipstock slips. TOH with gyro.

9. Commence milling operation with starting mill (pump rate of ~ 150 GPM). Pump a sweep and circulate well out.

10. TOH with BHA and visually inspect starting mill for bright space on mill, a ring and wear on blades, and a bevel on the outside of the blades. Lay down orienting sub.

Trip #2 (Window cutting trip)

11. Pick up and TIH with 4-3/4" Window mill, and 4-3/4" rough OD watermelon mill, bit sub, 1 joint drillpipe, and drill collars on drillpipe.

12. Drill/ream window section and approximately 5' of rathole to KOP. TOH with bottom hole assembly.

13. TIH with 4-3/4" window mill, 4-3/4" rough OD watermelon mill, and a 4-3/4" smooth OD string mill on drill collars and drillpipe. Make final cleanup run until drillstring passes through window with no rotation with minimal drag. Circulate hole with VGWU produced water. TOH with BHA.

14. Rig up mudloggers.

15. TIH with curve building assembly and drill 100' (long radius) radius curvature section as per attached Phoenix recommendation

16. Circulate hole clean.

17. Drill ahead following attached well path in accordance to Phoenix attached recommendations. Circulate hole clean.

Stimulation:

18. Rig up coiled tubing unit and acid stimulate horizontal lateral in accordance to the attached stimulation procedure.

19. Swab back load taking samples and recording oil cut. Unichem personnel should be on location recording pH levels in swab samples. When pH level reaches 5.5 or above, proceed with procedure.

20. Scale squeeze horizontal lateral with 330 gallons TH 756 (Unichem - low pH Acetic Phosphonate scale inhibitor) + 23 bbls fresh water using coiled tubing unit. Squeeze treatment as follows:
    a) Run DS 1-1/2" coiled tubing in horizontal lateral to a measured depth setting of ~ 6890'
    b) Spot 129 gallons inhibitor/water mix
    c) Run DS 1-1/2" coiled tubing in horizontal lateral to a measured depth setting of ~ 6790'
    d) Spot 129 gallons inhibitor/water mix
    e) Run DS 1-1/2" coiled tubing in horizontal lateral to a measured depth setting of ~ 6690'
    f) Spot 129 gallons inhibitor/water mix

g) Run DS 1-1/2" coiled tubing in horizontal lateral to a measured depth setting of ~ 6590'
h) Spot 129 gallons inhibitor/water mix
i) Run DS 1-1/2" coiled tubing in horizontal lateral to a measured depth setting of ~ 6490'
j) Spot 129 gallons inhibitor/water mix
k) Run DS 1-1/2" coiled tubing in horizontal lateral to a measured depth setting of ~ 6390'
l) Spot 129 gallons inhibitor/water mix
m) Run DS 1-1/2" coiled tubing in horizontal lateral to a measured depth setting of ~ 6290'
n) Spot 129 gallons inhibitor/water mix
o) Run DS 1-1/2" coiled tubing in horizontal lateral to a measured depth setting of ~ 6190'
p) Spot 129 gallons inhibitor/water mix
q) Run DS 1-1/2" coiled tubing in horizontal lateral to a measured depth setting of ~ 6090'
r) Spot 129 gallons inhibitor/water mix
s) Run DS 1-1/2" coiled tubing in horizontal lateral to a measured depth setting of ~ 6040'
t) Flush coiled tubing fresh water + 100 bbls fresh water

21. Rig down DS coiled tubing unit.

22. TIH with production equipment. Size and type of production equipment will be based on fluid volume estimates from swab runs.

23. Return well to production and place on test.

PROPOSED DRILLING PROCEDURE

PREPARED BY
PHOENIX DRILLING SERVICES, INC.
FOR
TEXACO EXPLORATION & PRODUCTION, INC.
WELL: VACUUM GLORIETTA WEST UNIT #86
4-3/4" HOLE, 5-1/2" CASING RE-ENTRY
LEA COUNTY, NEW MEXICO
P97-254R
JUNE 4, 1997

1. Set a whipstock and prepare the wellbore for KOP at 5830' MD.
2. Circulate hole clean and TOOH.
3. Pick up, orient, and test BHA #1 consisting of:
   c. 4-3/4" bit
   d. 3-3/4" short radius motor.
   e. 3-3/4" orienting/float sub
   f. Two 3-1/2" Flex Monel Drill Collars.
   g. 1320' 2-7/8" PH-6 (8.7#/ft) P-105 tubing.
   h. 2-7/8" AOH (10.4#/ft) drill pipe to surface.
1. Run in hole to KOP. Break circulation at 130 gpm and drill one foot to insure proper operation of motor.
5. Run in hole with surface recording gyro. Survey as per state requirements and seat in mule shoe. Orient toolface to desired azimuth.
6. POOH with gyro.
7. Begin pumping at 130 gpm and drill ahead slowly increasing differential to 200 psi. Drill ahead checking tool face orientation as necessary with the gyro until sufficient inclination has been built to steer from high side toolface reading.
8. PU gamma/steering tool (if gamma option is selected) and run in hole to seat steering tool in mule shoe. RU Wet Connect.
9. Continue drilling at the same flow rate and pressure to complete the build portion at:
   i. 5992' MD
   j. 5931' TVD
   k. 91.54° inclination
   l. 194.43° azimuth
10. Circulate hole clean.
11. Trip out of hole to Wet Connect and retrieve steering tool.
12. Continue trip out of hole with BHA #1. Lay down same.
13. Pick up, orient, and test BHA #2 (lateral assembly with slightly less bend). TIH to KOP at 5830' MD.
14. PU steering tool and run in hole to seat in mule shoe. RU the Wet Connect. Resume TIH to bottom.
15. Drill ahead following the programmed well path at 130 gpm and 200 psi differential pressure to TD at:
    p. 6911' MD
    q. 5920' TVD
    r. 88.98° inclination

s. 194.43° azimuth
t. 1023' vertical section

16. Circulate hole clean.
17. Trip out of hole to Wet Connect and retrieve steering tool.
18. Continue trip out of hole with BHA #2
19. Demobilize.

Vacuum Glorieta West Unit #86
Unit Letter K, Section 36, TWS 17S, Range 34E,
Lea County, New Mexico