

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

Form C-101

Revised February 10, 1994

Instructions on back

Submit to Appropriate District Office

State Lease - 6 Copies

Fee Lease - 5 Copies

OIL CONSERVATION DIVISION

P.O. Box 2088

Santa Fe, New Mexico 87504-2088

☐ 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 11122	⁵ Property Name CENTRAL VACUUM UNIT	³ API Number 30-025-33332 ⁶ Well No. 178

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
K	36	17-S	34-E		1993	SOUTH	2585	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

VACUUM GRAYBURG SAN ANDRES

¹⁰ Proposed Pool 2

¹¹ Work Type Code N	¹² WellType Code O	¹³ Rotary or C.T. ROTARY	¹⁴ Lease Type Code S	¹⁵ Ground Level Elevation 3996'
¹⁶ Multiple No	¹⁷ Proposed Depth: 4850'	¹⁸ Formation GRAYBURG/ S A	¹⁹ Contractor NABORS	²⁰ Spud Date 4/1/96

²¹ 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#	1550'	550 SACKS	SURFACE
7 7/8	5 1/2	15.5#	4850'	900 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 - 400 SACKS CLASS C w/4% GEL, 2% CACL2 (13.5 PPG, 1.74 CF/S, 9.1 GW/S). F/B 150 SACKS CLASS C w/ 2% CACL2 (14.8, 1.34 CF/S, 6.3 GW/S).

PRODUCTION CASING - 800 SACKS 35/65 POZ CLASS H w/ 6% GEL, 5% SALT, 1/4# FLOCELE (12.8 PPG, 1.94 CF/S, 10.4 GW/S). F/B 100 SACKS CLASS H (15.6 PPG, 1.18 CF/S, 5.2 GW/S).

UNORTHODOX LOCATION: ADMINISTRATIVE ORDER NSL-3618. (COPY ATTACHED)

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

C. Wade Howard

Printed Name

C. Wade Howard

Title Eng. Assistant

Date 3/13/96

Telephone 688-4606

OIL CONSERVATION DIVISION

Approved By:

Title:

Approval Date: ORIGINAL SIGNED BY MAR 15 1996

Expiration Date:

Conditions of Approval:

Attached ☐

DISTRICT I
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State of New Mexico
Energy, Minerals and Natural Resources Department

OIL CONSERVATION DIVISION

PO Box 2088
Santa Fe, NM 87504-2088

Form C-102
Revised February 10, 1994

Instructions on back

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State Lease-4 copies
Fee Lease-3 copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

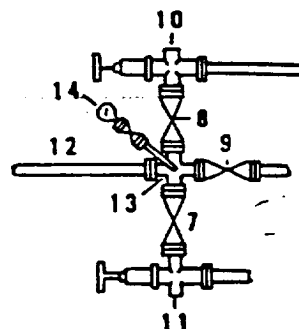
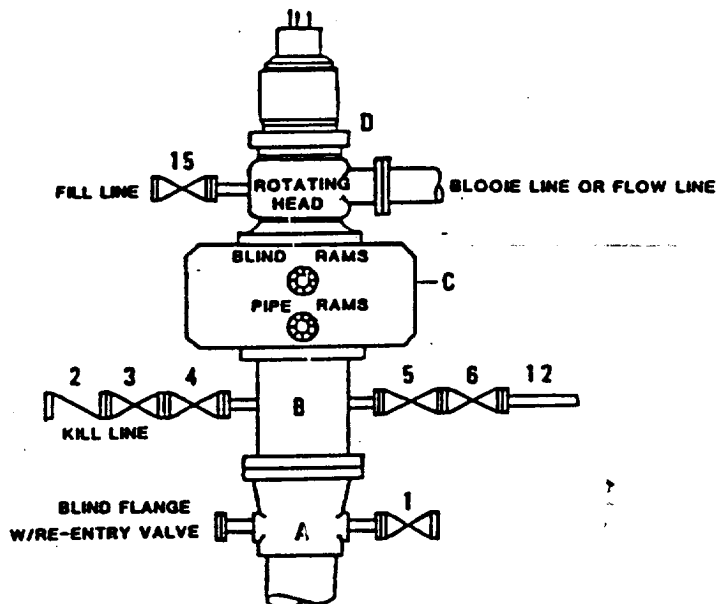
¹ API Number		² Pool Code 62180		³ Pool Name Vacuum Grayburg-San Andres					
⁴ Property Code 11122		⁵ Property Name Central Vacuum Unit						⁶ Well Number 178	
⁷ OGRID No. 22351		⁸ Operator Name TEXACO EXPLORATION & PRODUCTION, INC.						⁹ Elevation 3996'	
¹⁰ Surface Location									
UL or lot no. K	Section 36	Township 17-S	Range 34-E	Lot Idn	Feet from the 1993'	North/South line South	Feet from the 2585'	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 40		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.

	¹⁷ OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.
	Signature <i>C. Wade Howard</i>
	Printed Name C. Wade Howard
	Position Engineer's Assistant
	Company Texaco Expl. & Prod. Inc.
	Date December 20, 1995
	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 December 5, 1995
	Signature & Seal of Professional Surveyor <i>John S. Piper</i>
	Certificate No. 7254 John S. Piper

**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 Bleed 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.
MIDLAND DIVISION
MIDLAND, TEXAS



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

EXHIBIT C



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
2040 S. PACHECO
SANTA FE, NEW MEXICO 87505
(505) 827-7131

January 17, 1996

Texaco Exploration and Production, Inc.
P. O. Box 3109
Midland, Texas 79702

Attention: C.W. Howard

Administrative Order NSL-3618

Dear Mr. Howard:

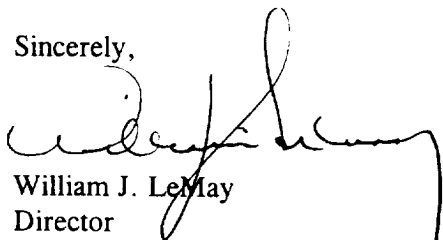
Reference is made to your application dated January 5, 1996 for three unorthodox oil well locations for the purpose of completing an efficient injection/production pattern within your Central Vacuum Unit Pressure Maintenance Project Area, established by Division Order No. R-5530, as amended.

All three wells are to be drilled in Section 36, Township 17 South, Range 34 East, NMPM, Vacuum Grayburg-San Andres Pool, Central Vacuum Unit Area, Lea County, New Mexico.

<i>Name & Well No.</i>	<i>Footage Location</i>	<i>Section</i>	<i>Unit</i>	<i>Dedicated 40-Acre Tract</i>
178	1993' FSL - 2585' FWL	36	K	NE/4 SW/4
179	1997' FSL - 1263' FWL	36	L	NW/4 SW/4
189	751' FSL - 1246' FEL	36	P	SE/4 SE/4

By the authority granted me under the provisions of General Rule 104 F.(1) and Division Order No. R-5530, as amended, the above-described unorthodox oil well locations are hereby approved.

Sincerely,



William J. LeMay
Director

WJL/MES/kv

cc: Oil Conservation Division - Hobbs
New Mexico State Land Office - Santa Fe



Texaco Exploration
and Production Inc

500 North Loraine
Midland TX 79701

P O Box 3109
Midland TX 79702

January 5, 1996

GOV - STATE AND LOCAL GOVERNMENTS

Unorthodox Locations

Central Vacuum Unit
Well Nos. 178, 179, and 189
Vacuum Grayburg-San Andres Field
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.I. by administrative approval is requested for Texaco Exploration and Production Inc.'s Central Vacuum Unit Well Nos. 178, 179, and 189.

These wells must be drilled at 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 and will be producing wells.

Texaco Exploration and Production Inc. is the only "affected offset operator" to Well No. 189. We grant ourselves a waiver to the unorthodox location. There are no "affected offset operators" to Well No. 178. Phillips Petroleum Company is the only "affected offset operator" to Well No. 179 and they have been notified of this request. (see attached certified receipt) Attached is Form C-102 for each well and a lease plat showing the location of the subject wells.

Any questions concerning this request should be directed to me at (915) 688-4606.

Yours very truly,

C. Wade Howard

C. W. Howard
Engineer Assistant

CWH:cwh cc: NMOC, Hobbs, NM



Texaco Exploration
and Production Inc

500 North Loraine
Midland TX 79701

P O Box 3109
Midland TX 79702

January 5, 1996

GOV - STATE AND LOCAL GOVERNMENTS
Unorthodox Locations
Central Vacuum Unit Well No. 179
Vacuum Grayburg-San Andres Field
Lea County, New Mexico

Phillips Petroleum Company
4001 Penbrook
Odessa, Texas 79762

Gentlemen:

As the "affected offset operator" to the captioned well, you are being furnished with a copy of our Application for an Exception to Rule 104, F.I. If you have no objection, please sign the waiver at the bottom of this letter and return in the enclosed envelope.

Any questions concerning this request should be directed to me at (915) 688-4606.

Yours very truly,

C. Wade Howard

C. W. Howard
Engineer Assistant

CWH:cwh

File

WAIVER APPROVED:

COMPANY: _____

BY: _____

DATE: _____

Is your RETURN ADDRESS completed on the reverse side?

SENDER:

- Complete items 1 and/or 2 for additional services.
- Complete items 3, and 4a & b.
- Print your name and address on the reverse of this form so that we can return this card to you.
- Attach this form to the front of the mailpiece, or on the back if space does not permit.
- Write "Return Receipt Requested" on the mailpiece below the article number.
- The Return Receipt will show to whom the article was delivered and the date delivered.

I also wish to receive the following services (for an extra fee):

1. ☐ Addressee's Address
2. ☐ Restricted Delivery

Consult postmaster for fee.

3. Article Addressed to:

Phillips Petroleum Company
4001 Penbrook
Odessa, TX 79762

4a. Article Number

P 652 054 551

4b. Service Type

- ☐ Registered ☐ Insured
☒ Certified ☐ COD
☐ Express Mail ☒ Return Receipt for Merchandise


7. Date of Delivery

1-4-96

5. Signature (Addressee)

8. Addressee's Address (Only if requested and fee is paid)

6. Signature (Agent)

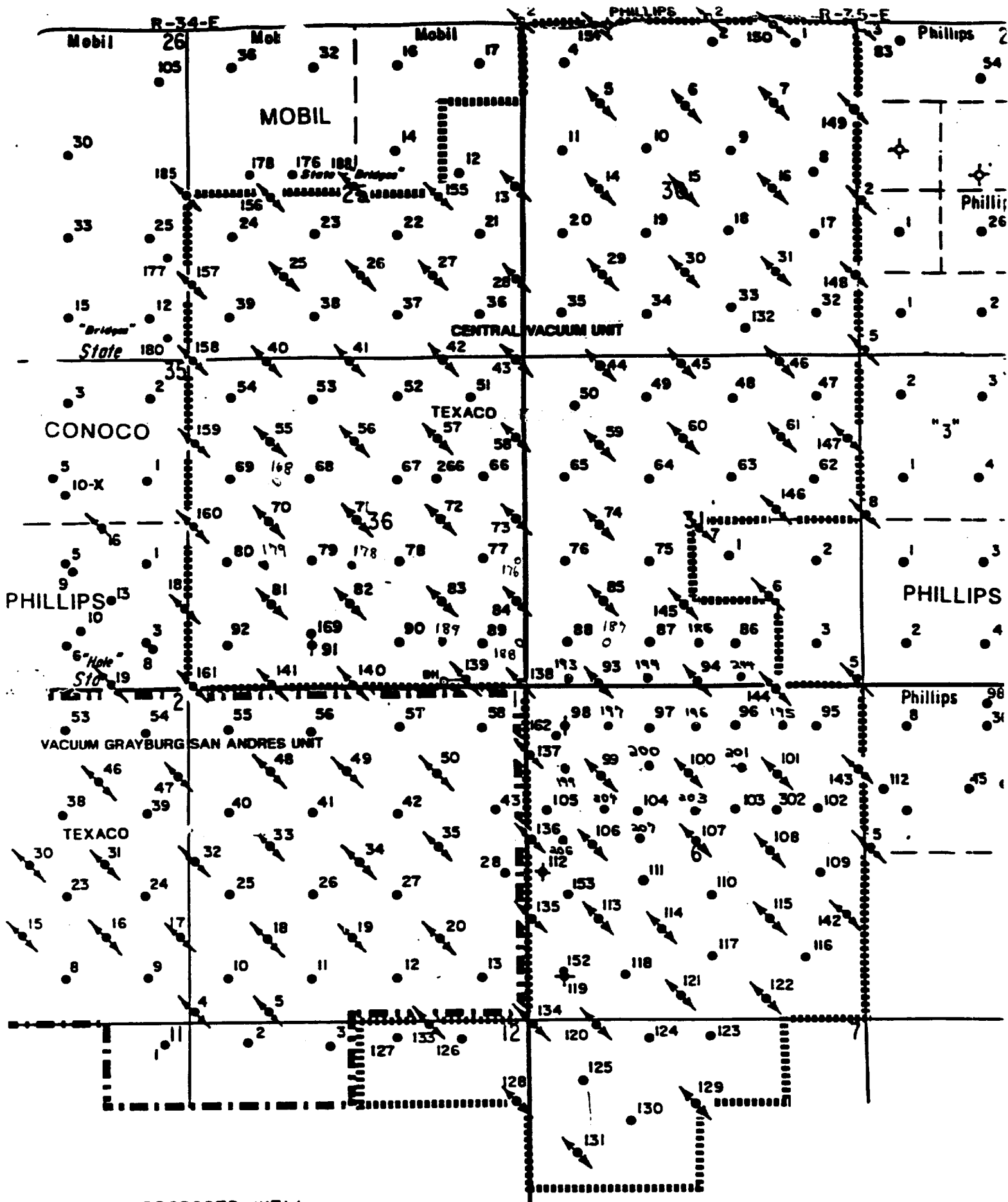


PS Form 3811, December 1991

★U.S. GPO: 1992-323-402

DOMESTIC RETURN RECEIPT

Thank you for using Return Receipt Service.



- PROPOSED WELL
- PRODUCING WELL
- ⚡ INJECTION WELL
- ◆ SHUT-IN WELL

TEXACO
CENTRAL VACUUM UNIT
VACUUM G-SA FIELD
LEA COUNTY, NEW MEXICO

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State of New Mexico
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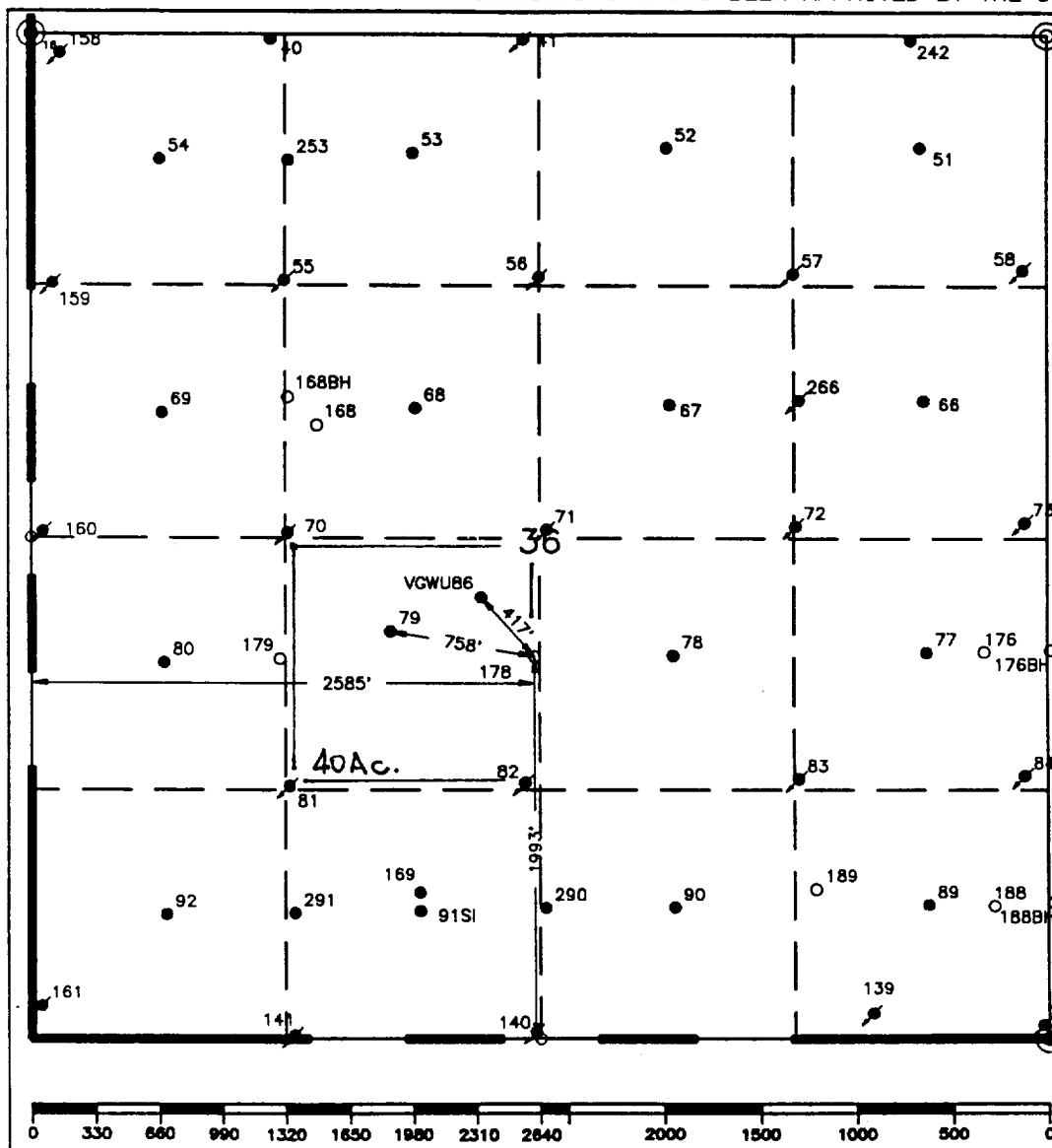
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16 OPERATOR CERTIFICATION

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

Signature

C. Wade Howard

Printed Name

C. Wade Howard

Position

Engineer's Assistant

Company

Texaco Expl. & Prod. Inc.

Date

December 20, 1995

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

December 5, 1995

Signature & Seal of
Professional Surveyor

Certificate No.

7254 John S. Piper

Sheet