

Texaco Exploration and Production Inc.

Midiano TY 79701

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April 17, 1997

GOV - STATE AND LOCAL GOVERNMENTS Directional Drilling - Horizontal Non-Standard Proration Unit North Vacuum Abo West Unit Well No. 31 Vacuum Abo, North 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:

Administrative approval, Rule 104.D, and Rule 111.D, is requested to directionally drill a horizontal well in a non-standard proration unit in the Abo formation.

The North Vacuum Abo West Unit is a candidate for horizontal wells due to the heterogeneous nature of the reservoir. This Unit was designated a "Project Area" for horizontal drilling in 1996 (see Administrative Orders DD-153H and DD-154H). We have completed one successful horizontal well in this Unit (Well No. 26) and are currently completing second horizontal well (No. 27).

Attached for your information is a copy of our directional plans, a type log section, and Form C-102.

The "affected" offset operator to this well has been notified of this request. (See attached offset operator's list and certified mail receipts.)

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

Yours very truly,

well shall , 2

C. W. Howard Engineer Assistant

CWH: CC: NMOCD, P. O. Box 1980, Hobbs, NM 88240 Attachments