

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

OIL CONSERVATION DIVISION

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

Form C-10/
Revised February 10, 1999
Instructions on back
Submit to Appropriate District Office
State Lease - 6 Copies
Fee Lease - 5 Copies
☐ AMENDED REPORT

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

| | | |
|--|--|---|
| ¹ Operator Name and Address TEXACO EXPLORATION & PRODUCTION INC. 205 E. Bender, HOBBS, NM 88240 | | ² OGRID Number 022351 |
| ⁴ Property Code 20361 | ⁵ Property Name NEW MEXICO 'E' STATE NCT-2 | ³ API Number 30-025-34011 |
| | | ⁶ Well No. 2 |

| 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 |
| F | 23 | 19-S | 36-E | | 2310 | NORTH | 2175 | 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 |
| F | 23 | 19-S | 36-E | | 2310 | NORTH | 1650 | WEST | LEA |
| ⁹ Proposed Pool 1 Monument, ABO | | | | | ¹⁰ Proposed Pool 2 | | | | |

| | | | | |
|-------------------------------------|---|--|------------------------------------|---|
| ¹¹ Work Type Code E/P | ¹² WellType Code O | ¹³ Rotary or C.T. ROTARY | ¹⁴ Lease Type Code S | ¹⁵ Ground Level Elevation 3727' |
| ¹⁶ Multiple No | ¹⁷ Proposed Depth 7327'MD | ¹⁸ Formation ABO | ¹⁹ Contractor | ²⁰ Spud Date 4/15/00 |

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# | 1340' | 600 SACKS | SURFACE |
| 7 7/8 | 5 1/2 | 15.5# | 8000' | 2775 SACKS | 1000' |
| | | | | | |
| | | | | | |
| | | | | | |

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.

TEXACO INTENDS TO DRILL A HORIZONTAL RE-ENTRY ON THE SUBJECT WELL. THE PROPOSED WORK IS ATTACHED.

Permit Expires 1 Year From Approval
Date Unless Drilling Underway
Plug Back

| | |
|--|------------------------|
| 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 | <i>J. Denise Leake</i> |
| Printed Name | J. Denise Leake |
| Title | Engineering Assistant |
| Date | 3/28/00 |
| Telephone | 397-0405 |

| OIL CONSERVATION DIVISION | |
|--|------------------|
| Approved By: <i>[Signature]</i> | |
| Title: FIELD REP. II | |
| Approval Date: | Expiration Date: |
| Conditions of Approval: <i>[Stamp]</i> | |
| Attached <input type="checkbox"/> | |

OVERVIEW

The New Mexico "E" State NCT-2 #2 well was drilled in 1997 in the Abo formation. The well has perforated from 7693' to 7930' (gross interval). This well has 5-1/2", 15.5#, WC-50 and LS-65 casing to 8000'. It is proposed to drill a +628 foot lateral (525' vertical section) at 270 degrees in the Abo formation. The basic well plan is as follows:

- a) TOOH with the pump and tubing. Run a casing scraper to 7600'. Set a 5-1/2" CIBP at +7197' (top of window 7183', bottom of window 7190', collars at 7195' and 7240'). Pressure test to 800 psi. TIH with a 3 degree bottom trip whipstock. Attached is a correlation log.
- b) Drill a short radius curve using a 4-3/4" bit to a measured depth of +7327' (TVD +7300') with a 270 degree azimuth. The final angle will be 66.48 degrees from vertical. Drill +459' horizontal section. The end point will be +7828' MD, +7500' TVD and +525' vertical section.
- c) Retrieve the whipstock.
- d) Acidize the horizontal lateral using ported subs at 60 gallons/net foot 15% HCl.
- e) Pull ported subs. Retrieve the RBP. Place well on production.

50% LOST IN HOLE INSURANCE FOR THE DOWNHOLE MOTOR AND MWD IS INCLUDED WITH THE DAILY RATE FROM SCIENTIFIC DRILLING.

46
17-10
Received
Date
000

10/10/1911

PROPOSED WORK

PRODUCTION HOLE:

1. TOOH with pump and tubing. TIH with casing scraper to 7600'. Set a 5-1/2" RBP at 7197' (top of plug at 7197'). Pressure test to 800 psi. TOOH. Correlate the casing collars with the production logs (casing collar at 7195' & 7240'). TOOH.
2. TIH and tag the RBP. Strap the pipe going in the hole. This measurement will be used when setting the whipstock. Accuracy is very important. Check the strap with the wire line measurement. TOOH.
3. TIH with bottom set retrievable whipstock, starting mill, orientation sub and drill pipe. Stop at a point 5-10' above the RBP and run a gyro. Take a gyro reading to determine the direction of the whipstock face. Rotate the pipe as needed to achieve the required direction (azimuth 270 degrees). Lower the pipe to within one foot of the RBP and take another gyro reading. Rotate pipe again, if necessary, to obtain the required direction. This step may need to be made several times until confident the whipstock is oriented in the proper direction. Pull the gyro to surface, recording the orientation of the wellbore.
4. Lower the drill pipe to set the whipstock. The weight indicator will jump indicating the plunger shear pin is sheared and the whipstock is set. Continue setting down to shear the starting mill bolt. The weight indicator will jump, indicating the bolt is sheared.
5. Pick up the power swivel and begin circulating. Pick up the drill pipe until the starting mill has cleared the whipstock and start rotation. Lower the drill pipe slowly until the torque gauge suggest the starting mill is contacting the casing. Adjust weight and speed until satisfied with the penetration rate. Mill to a predetermined depth that will assure the setting lug is completely removed and a cut out in the casing has been initiated. TOOH.
6. TIH with the metal muncher window mill, string mill and the watermelon mill. Resume milling operations and mill until the complete assembly has cleared the casing. Pick up and lower the string several times without rotation to assure a good clean window has been obtained. Circulate the hole clean. TOOH.
7. Inspect the mill on the surface. If extreme wear is evident, consideration should be given to repeating the above step.

HORIZONTAL PRODUCTION HOLE:

1. Rig up Scientific Drilling Company. Adjust plan to target as necessary. Trip in the hole with Scientific Drilling's curve building assembly. This will be a 4-3/4" insert bit, 3-3/4" PDM, float sub/orienter combo, 2-flexible monel collars and 2-7/8" AOH drill pipe.

2. Build curve to estimated target depths and angles as follows:

| | |
|---------------------------|--------------------|
| True Vertical Depth | 7300' |
| Measured Depth | 7327' |
| Final Angle | 66.48 degrees |
| Target Azimuth | 270 degrees |
| Build Rate | 52.54 degrees/100' |

Drill the curve sliding as necessary to stay on target. It is recommended that after each slide, the bit be pulled back and washed through the slide. Once the curve is built, rotate through the curve section noting tight spots and fill. Make at least one short trip prior to tripping out of the hole.

3. Trip in the hole with Scientific Drilling's lateral assembly. This will be a 4-3/4" bit, 3-3/4" motor, float sub/orienter combo, 2 - flexible monel collars and 2-7/8" AOH drill pipe.
4. Drill +501' of horizontal hole per the attached Scientific well plan.
5. Continue drilling the horizontal section per the Texaco Asset Team (Joe Villalobos 915-688-4876 work, 915-683-6770 home) recommendations.
6. Trip out of the hole with the drilling assembly.
7. TIH and retrieve the whipstock.
8. Set a wireline set, tubing retrievable bridge plug for 5-1/2" casing at +6900'. Test plug to 1000 psi.
9. Lay down the drill pipe.
10. Nipple down the BOP stack. Install a manual 3000 psig BOP equipped with blind rams and 3-1/2" pipe rams. Release the rig. Rig down and move out rotary tools.

COMPLETION PROCEDURE:

1. Back drag the location and set pulling unit anchors.
2. Move in and rig up a pulling unit.
3. Trip in the hole with a retrieving head on 3-1/2" tubing. Retrieve the plug. Trip out of the hole and lay down the plug.
4. Rig up Dowell. Acidize the horizontal lateral. The acid job will be done down 3-1/2" tubing in the vertical portion with a packer set 100' above the window. Below the packer, the string will consist of 2-7/8" PH-6 tubing and ported subs.
5. Flow back immediately. Flow test until dead. TOOH with frac string. TIH with production string.
6. Place on production.

POTENTIAL PROBLEMS:**Horizontal Production hole:**

- a) The horizontal lateral will be drilled with fresh water.
- b) Hydrogen sulfide is expected and H₂S detection equipment is to be installed.
- c) Loss circulation material and/or other plugging agents are not to be used in this portion of the hole.

MUD PROGRAM:

| <u>Interval</u> | <u>Type</u> | <u>Weight</u> | <u>Viscosity</u> | <u>Remarks</u> |
|-----------------|-------------|---------------|------------------|---------------------------------|
| Curve | Fresh Water | 8.4 ppg | 35 | Raise visc. with starch and gel |
| Horizontal | Fresh Water | 8.4-9.0 ppg | 28-29 | Circulate reserve |

EVALUATION PROGRAM

Coring:

No cores are anticipated.

Mud Loggers:

A mud logger (MORCO 800-748-2340) will be rigged from the start of the curve to total depth.

Cased Hole Logs:

The following open hole logs will be run in the vertical section of the well:

Run 1: Gyro from 7200' - surface for determination of bottom hole location (Scientific Drilling responsibility).

The guidance system in the curve and horizontal sections of the hole will consist of a MWD system.

Horizontal Hole Logs:

TDT logs will be run in the lateral.

CASING PROPERTIES

| <u>DEPTH</u> | <u>BURST Rated (75%)</u> | <u>COLLAPSE Rated (75%)</u> | <u>TEST PRESSURE</u> |
|----------------------------|------------------------------|---------------------------------|--------------------------|
| 5-1/2", 15.5#, WC-50 8000' | 4400 | 3300 | 3810 2857 800 |

Scientific Drilling Inc.

Planning Report

| | |
|---|--|
| Company: Texaco E & P, Inc. Field: Monument Abo Site: Lea County, New Mexico Well: New Mexico #2H Wellpath: OH Original hole | Date: 03/21/2000 Time: 17:10:17 Page: 1 Co-ordinate(NE) Reference: Site: Lea County, New Mexico, True North Vertical (TVD) Reference: SITE 0.0 above Mean Sea Level Section (VS) Reference: Site (0.0E,0.0N,270.0Azi) Plan: Plan #1 |
|---|--|

Field: Monument Abo

Map System: US State Plane Coordinate System 1927
Ellipsoid: Clarke - 1866
Sys Datum: Mean Sea Level

Map Zone: New Mexico, Eastern Zone
North Reference: True
Geomagnetic Model: IGRF95

Site: Lea County, New Mexico

| | | | |
|-------------------------------------|-------------------------------|---------------------------------------|--|
| Site Position: | Northing: 638537.98 ft | Latitude: 32 45 0.000 N | |
| From: Geographic | Easting: 858696.82 ft | Longitude: 103 10 0.000 W | |
| Position Uncertainty: 0.0 ft | | Magnetic Declination: 8.88 deg | |
| Water Depth: 0.0 ft | | Grid Convergence: 0.63 deg | |

Well: New Mexico #2H

| | | | |
|-------------------------------------|-------------------------------|----------------------------------|--|
| Well Position: +N/-S 0.0 ft | Northing: 638537.98 ft | Latitude: 32 45 0.000 N | |
| From Slot: +E/-W 0.0 ft | Easting : 858696.82 ft | Longitude: 103 10 0.000 W | |
| Position Uncertainty: 0.0 ft | | | |

| | |
|--|--|
| Wellpath: OH Original hole 575' high angle lateral Vertical Section: +N/-S 0.0 ft From: Site +E/-W 0.0 ft Measured Depth Reference: SITE | Drilled From: Surface Tie-on Depth: ft V.Section Direction: 270.00 deg Above System Datum: Mean Sea Level |
|--|--|

| | |
|----------------------|----------------------------------|
| Plan: Plan #1 | Date Composed: 03/21/2000 |
| | Version: 1 |

| | |
|-----------------------|-------------------|
| Principal: Yes | Locked: No |
|-----------------------|-------------------|

Plan Section Information

| MD ft | Incl deg | Azim deg | TVD ft | +N/-S ft | +E/-W ft | DLS deg/100ft | Build deg/100ft | Turn deg/100ft | TFO deg | Target |
|----------|-------------|-------------|-----------|-------------|-------------|------------------|--------------------|-------------------|------------|----------|
| 0.0 | 0.00 | 0.00 | 0.0 | 0.0 | 0.0 | 0.00 | 0.00 | 0.00 | 0.00 | |
| 7200.0 | 0.00 | 0.00 | 7200.0 | 0.0 | 0.0 | 0.00 | 0.00 | 0.00 | 0.00 | |
| 7326.6 | 66.50 | 270.00 | 7300.0 | 0.0 | -65.6 | 52.54 | 52.54 | 0.00 | 270.00 | |
| 7327.0 | 66.48 | 270.00 | 7300.2 | 0.0 | -66.0 | 5.00 | -5.00 | 0.00 | 179.99 | |
| 7827.6 | 66.48 | 270.00 | 7500.0 | 0.0 | -525.0 | 0.00 | 0.00 | 0.00 | 0.00 | Toe-nm2h |

Section 1 : Start Hold

| MD ft | Incl deg | Azim deg | TVD ft | +N/-S ft | +E/-W ft | VS ft | DLS deg/100ft | Build deg/100ft | Turn deg/100ft | TFO deg |
|----------|-------------|-------------|-----------|-------------|-------------|----------|------------------|--------------------|-------------------|------------|
| 0.0 | 0.00 | 0.00 | 0.0 | 0.0 | 0.0 | 0.0 | 0.00 | 0.00 | 0.00 | 0.00 |
| 100.0 | 0.00 | 0.00 | 100.0 | 0.0 | 0.0 | 0.0 | 0.00 | 0.00 | 0.00 | 0.00 |
| 200.0 | 0.00 | 0.00 | 200.0 | 0.0 | 0.0 | 0.0 | 0.00 | 0.00 | 0.00 | 0.00 |
| 300.0 | 0.00 | 0.00 | 300.0 | 0.0 | 0.0 | 0.0 | 0.00 | 0.00 | 0.00 | 0.00 |
| 400.0 | 0.00 | 0.00 | 400.0 | 0.0 | 0.0 | 0.0 | 0.00 | 0.00 | 0.00 | 0.00 |
| 500.0 | 0.00 | 0.00 | 500.0 | 0.0 | 0.0 | 0.0 | 0.00 | 0.00 | 0.00 | 0.00 |
| 600.0 | 0.00 | 0.00 | 600.0 | 0.0 | 0.0 | 0.0 | 0.00 | 0.00 | 0.00 | 0.00 |
| 700.0 | 0.00 | 0.00 | 700.0 | 0.0 | 0.0 | 0.0 | 0.00 | 0.00 | 0.00 | 0.00 |
| 800.0 | 0.00 | 0.00 | 800.0 | 0.0 | 0.0 | 0.0 | 0.00 | 0.00 | 0.00 | 0.00 |
| 900.0 | 0.00 | 0.00 | 900.0 | 0.0 | 0.0 | 0.0 | 0.00 | 0.00 | 0.00 | 0.00 |
| 1000.0 | 0.00 | 0.00 | 1000.0 | 0.0 | 0.0 | 0.0 | 0.00 | 0.00 | 0.00 | 0.00 |
| 1100.0 | 0.00 | 0.00 | 1100.0 | 0.0 | 0.0 | 0.0 | 0.00 | 0.00 | 0.00 | 0.00 |
| 1200.0 | 0.00 | 0.00 | 1200.0 | 0.0 | 0.0 | 0.0 | 0.00 | 0.00 | 0.00 | 0.00 |
| 1300.0 | 0.00 | 0.00 | 1300.0 | 0.0 | 0.0 | 0.0 | 0.00 | 0.00 | 0.00 | 0.00 |
| 1400.0 | 0.00 | 0.00 | 1400.0 | 0.0 | 0.0 | 0.0 | 0.00 | 0.00 | 0.00 | 0.00 |
| 1500.0 | 0.00 | 0.00 | 1500.0 | 0.0 | 0.0 | 0.0 | 0.00 | 0.00 | 0.00 | 0.00 |
| 1600.0 | 0.00 | 0.00 | 1600.0 | 0.0 | 0.0 | 0.0 | 0.00 | 0.00 | 0.00 | 0.00 |
| 1700.0 | 0.00 | 0.00 | 1700.0 | 0.0 | 0.0 | 0.0 | 0.00 | 0.00 | 0.00 | 0.00 |
| 1800.0 | 0.00 | 0.00 | 1800.0 | 0.0 | 0.0 | 0.0 | 0.00 | 0.00 | 0.00 | 0.00 |
| 1900.0 | 0.00 | 0.00 | 1900.0 | 0.0 | 0.0 | 0.0 | 0.00 | 0.00 | 0.00 | 0.00 |
| 2000.0 | 0.00 | 0.00 | 2000.0 | 0.0 | 0.0 | 0.0 | 0.00 | 0.00 | 0.00 | 0.00 |
| 2100.0 | 0.00 | 0.00 | 2100.0 | 0.0 | 0.0 | 0.0 | 0.00 | 0.00 | 0.00 | 0.00 |

Scientific Drilling Inc.

Planning Report

Company: Texaco E & P, Inc.
 Field: Monument Abo
 Site: Lea County, New Mexico
 Well: New Mexico #2H
 Wellpath: OH Original hole

Date: 03/21/2000 Time: 17:10:17 Page: 2
 Co-ordinate(N/E) Reference: Site: Lea County, New Mexico, True North
 Vertical (TVD) Reference: SITE 0.0 above Mean Sea Level
 Section (VS) Reference: Site (0.0E,0.0N,270.0Azi)
 Plan: Plan #1

Section 1 : Start Hold

| MD ft | Incl deg | Azim deg | TVD ft | +N/-S ft | +E/-W ft | VS ft | DLS deg/100ft | Build deg/100ft | Turn deg/100ft | TFO deg |
|----------|-------------|-------------|-----------|-------------|-------------|----------|------------------|--------------------|-------------------|------------|
| 2200.0 | 0.00 | 0.00 | 2200.0 | 0.0 | 0.0 | 0.0 | 0.00 | 0.00 | 0.00 | 0.00 |
| 2300.0 | 0.00 | 0.00 | 2300.0 | 0.0 | 0.0 | 0.0 | 0.00 | 0.00 | 0.00 | 0.00 |
| 2400.0 | 0.00 | 0.00 | 2400.0 | 0.0 | 0.0 | 0.0 | 0.00 | 0.00 | 0.00 | 0.00 |
| 2500.0 | 0.00 | 0.00 | 2500.0 | 0.0 | 0.0 | 0.0 | 0.00 | 0.00 | 0.00 | 0.00 |
| 2600.0 | 0.00 | 0.00 | 2600.0 | 0.0 | 0.0 | 0.0 | 0.00 | 0.00 | 0.00 | 0.00 |
| 2700.0 | 0.00 | 0.00 | 2700.0 | 0.0 | 0.0 | 0.0 | 0.00 | 0.00 | 0.00 | 0.00 |
| 2800.0 | 0.00 | 0.00 | 2800.0 | 0.0 | 0.0 | 0.0 | 0.00 | 0.00 | 0.00 | 0.00 |
| 2900.0 | 0.00 | 0.00 | 2900.0 | 0.0 | 0.0 | 0.0 | 0.00 | 0.00 | 0.00 | 0.00 |
| 3000.0 | 0.00 | 0.00 | 3000.0 | 0.0 | 0.0 | 0.0 | 0.00 | 0.00 | 0.00 | 0.00 |
| 3100.0 | 0.00 | 0.00 | 3100.0 | 0.0 | 0.0 | 0.0 | 0.00 | 0.00 | 0.00 | 0.00 |
| 3200.0 | 0.00 | 0.00 | 3200.0 | 0.0 | 0.0 | 0.0 | 0.00 | 0.00 | 0.00 | 0.00 |
| 3300.0 | 0.00 | 0.00 | 3300.0 | 0.0 | 0.0 | 0.0 | 0.00 | 0.00 | 0.00 | 0.00 |
| 3400.0 | 0.00 | 0.00 | 3400.0 | 0.0 | 0.0 | 0.0 | 0.00 | 0.00 | 0.00 | 0.00 |
| 3500.0 | 0.00 | 0.00 | 3500.0 | 0.0 | 0.0 | 0.0 | 0.00 | 0.00 | 0.00 | 0.00 |
| 3600.0 | 0.00 | 0.00 | 3600.0 | 0.0 | 0.0 | 0.0 | 0.00 | 0.00 | 0.00 | 0.00 |
| 3700.0 | 0.00 | 0.00 | 3700.0 | 0.0 | 0.0 | 0.0 | 0.00 | 0.00 | 0.00 | 0.00 |
| 3800.0 | 0.00 | 0.00 | 3800.0 | 0.0 | 0.0 | 0.0 | 0.00 | 0.00 | 0.00 | 0.00 |
| 3900.0 | 0.00 | 0.00 | 3900.0 | 0.0 | 0.0 | 0.0 | 0.00 | 0.00 | 0.00 | 0.00 |
| 4000.0 | 0.00 | 0.00 | 4000.0 | 0.0 | 0.0 | 0.0 | 0.00 | 0.00 | 0.00 | 0.00 |
| 4100.0 | 0.00 | 0.00 | 4100.0 | 0.0 | 0.0 | 0.0 | 0.00 | 0.00 | 0.00 | 0.00 |
| 4200.0 | 0.00 | 0.00 | 4200.0 | 0.0 | 0.0 | 0.0 | 0.00 | 0.00 | 0.00 | 0.00 |
| 4300.0 | 0.00 | 0.00 | 4300.0 | 0.0 | 0.0 | 0.0 | 0.00 | 0.00 | 0.00 | 0.00 |
| 4400.0 | 0.00 | 0.00 | 4400.0 | 0.0 | 0.0 | 0.0 | 0.00 | 0.00 | 0.00 | 0.00 |
| 4500.0 | 0.00 | 0.00 | 4500.0 | 0.0 | 0.0 | 0.0 | 0.00 | 0.00 | 0.00 | 0.00 |
| 4600.0 | 0.00 | 0.00 | 4600.0 | 0.0 | 0.0 | 0.0 | 0.00 | 0.00 | 0.00 | 0.00 |
| 4700.0 | 0.00 | 0.00 | 4700.0 | 0.0 | 0.0 | 0.0 | 0.00 | 0.00 | 0.00 | 0.00 |
| 4800.0 | 0.00 | 0.00 | 4800.0 | 0.0 | 0.0 | 0.0 | 0.00 | 0.00 | 0.00 | 0.00 |
| 4900.0 | 0.00 | 0.00 | 4900.0 | 0.0 | 0.0 | 0.0 | 0.00 | 0.00 | 0.00 | 0.00 |
| 5000.0 | 0.00 | 0.00 | 5000.0 | 0.0 | 0.0 | 0.0 | 0.00 | 0.00 | 0.00 | 0.00 |
| 5100.0 | 0.00 | 0.00 | 5100.0 | 0.0 | 0.0 | 0.0 | 0.00 | 0.00 | 0.00 | 0.00 |
| 5200.0 | 0.00 | 0.00 | 5200.0 | 0.0 | 0.0 | 0.0 | 0.00 | 0.00 | 0.00 | 0.00 |
| 5300.0 | 0.00 | 0.00 | 5300.0 | 0.0 | 0.0 | 0.0 | 0.00 | 0.00 | 0.00 | 0.00 |
| 5400.0 | 0.00 | 0.00 | 5400.0 | 0.0 | 0.0 | 0.0 | 0.00 | 0.00 | 0.00 | 0.00 |
| 5500.0 | 0.00 | 0.00 | 5500.0 | 0.0 | 0.0 | 0.0 | 0.00 | 0.00 | 0.00 | 0.00 |
| 5600.0 | 0.00 | 0.00 | 5600.0 | 0.0 | 0.0 | 0.0 | 0.00 | 0.00 | 0.00 | 0.00 |
| 5700.0 | 0.00 | 0.00 | 5700.0 | 0.0 | 0.0 | 0.0 | 0.00 | 0.00 | 0.00 | 0.00 |
| 5800.0 | 0.00 | 0.00 | 5800.0 | 0.0 | 0.0 | 0.0 | 0.00 | 0.00 | 0.00 | 0.00 |
| 5900.0 | 0.00 | 0.00 | 5900.0 | 0.0 | 0.0 | 0.0 | 0.00 | 0.00 | 0.00 | 0.00 |
| 6000.0 | 0.00 | 0.00 | 6000.0 | 0.0 | 0.0 | 0.0 | 0.00 | 0.00 | 0.00 | 0.00 |
| 6100.0 | 0.00 | 0.00 | 6100.0 | 0.0 | 0.0 | 0.0 | 0.00 | 0.00 | 0.00 | 0.00 |
| 6200.0 | 0.00 | 0.00 | 6200.0 | 0.0 | 0.0 | 0.0 | 0.00 | 0.00 | 0.00 | 0.00 |
| 6300.0 | 0.00 | 0.00 | 6300.0 | 0.0 | 0.0 | 0.0 | 0.00 | 0.00 | 0.00 | 0.00 |
| 6400.0 | 0.00 | 0.00 | 6400.0 | 0.0 | 0.0 | 0.0 | 0.00 | 0.00 | 0.00 | 0.00 |
| 6500.0 | 0.00 | 0.00 | 6500.0 | 0.0 | 0.0 | 0.0 | 0.00 | 0.00 | 0.00 | 0.00 |
| 6600.0 | 0.00 | 0.00 | 6600.0 | 0.0 | 0.0 | 0.0 | 0.00 | 0.00 | 0.00 | 0.00 |
| 6700.0 | 0.00 | 0.00 | 6700.0 | 0.0 | 0.0 | 0.0 | 0.00 | 0.00 | 0.00 | 0.00 |
| 6800.0 | 0.00 | 0.00 | 6800.0 | 0.0 | 0.0 | 0.0 | 0.00 | 0.00 | 0.00 | 0.00 |
| 6900.0 | 0.00 | 0.00 | 6900.0 | 0.0 | 0.0 | 0.0 | 0.00 | 0.00 | 0.00 | 0.00 |
| 7000.0 | 0.00 | 0.00 | 7000.0 | 0.0 | 0.0 | 0.0 | 0.00 | 0.00 | 0.00 | 0.00 |
| 7100.0 | 0.00 | 0.00 | 7100.0 | 0.0 | 0.0 | 0.0 | 0.00 | 0.00 | 0.00 | 0.00 |
| 7200.0 | 0.00 | 0.00 | 7200.0 | 0.0 | 0.0 | 0.0 | 0.00 | 0.00 | 0.00 | 0.00 |

Section 2 : Start Build 52.54

| MD ft | Incl deg | Azim deg | TVD ft | +N/-S ft | +E/-W ft | VS ft | DLS deg/100ft | Build deg/100ft | Turn deg/100ft | TFO deg |
|----------|-------------|-------------|-----------|-------------|-------------|----------|------------------|--------------------|-------------------|------------|
| 7210.0 | 5.25 | 270.00 | 7210.0 | 0.0 | -0.5 | 0.5 | 52.54 | 52.54 | 0.00 | 0.00 |
| 7220.0 | 10.51 | 270.00 | 7219.9 | 0.0 | -1.8 | 1.8 | 52.54 | 52.54 | 0.00 | 0.00 |
| 7230.0 | 15.76 | 270.00 | 7229.6 | 0.0 | -4.1 | 4.1 | 52.54 | 52.54 | 0.00 | 0.00 |
| 7240.0 | 21.02 | 270.00 | 7239.1 | 0.0 | -7.3 | 7.3 | 52.54 | 52.54 | 0.00 | 0.00 |
| 7250.0 | 26.27 | 270.00 | 7248.3 | 0.0 | -11.3 | 11.3 | 52.54 | 52.54 | 0.00 | 0.00 |
| 7260.0 | 31.53 | 270.00 | 7257.0 | 0.0 | -16.1 | 16.1 | 52.54 | 52.54 | 0.00 | 0.00 |
| 7270.0 | 36.78 | 270.00 | 7265.3 | 0.0 | -21.7 | 21.7 | 52.54 | 52.54 | 0.00 | 0.00 |
| 7280.0 | 42.03 | 270.00 | 7273.0 | 0.0 | -28.1 | 28.1 | 52.54 | 52.54 | 0.00 | 0.00 |

Scientific Drilling Inc.

Planning Report

Company: Texaco E & P, Inc.
Field: Monument Abo
Site: Lea County, New Mexico
Well: New Mexico #2H
Wellpath: OH Original hole

Date: 03/21/2000 **Time:** 17:10:17 **Page:** 3
Co-ordinate(NE) Reference: Site: Lea County, New Mexico, True North
Vertical (TVD) Reference: SITE 0.0 above Mean Sea Level
Section (VS) Reference: Site (0.0E,0.0N,270.0Azi)
Plan: Plan #1

Section 2 : Start Build 52.54

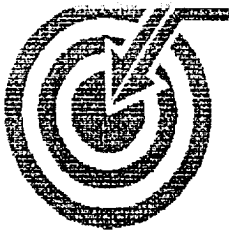
| MD ft | Incl deg | Azim deg | TVD ft | +N/-S ft | +E/-W ft | VS ft | DLS deg/100ft | Build deg/100ft | Turn deg/100ft | TFO deg |
|----------|-------------|-------------|-----------|-------------|-------------|----------|------------------|--------------------|-------------------|------------|
| 7290.0 | 47.29 | 270.00 | 7280.1 | 0.0 | -35.1 | 35.1 | 52.54 | 52.54 | 0.00 | 0.00 |
| 7300.0 | 52.54 | 270.00 | 7286.6 | 0.0 | -42.7 | 42.7 | 52.54 | 52.54 | 0.00 | 0.00 |
| 7310.0 | 57.80 | 270.00 | 7292.3 | 0.0 | -50.9 | 50.9 | 52.54 | 52.54 | 0.00 | 0.00 |
| 7320.0 | 63.05 | 270.00 | 7297.2 | 0.0 | -59.6 | 59.6 | 52.54 | 52.54 | 0.00 | 0.00 |
| 7326.6 | 66.50 | 270.00 | 7300.0 | 0.0 | -65.6 | 65.6 | 52.54 | 52.54 | 0.00 | 0.00 |

Section 3 : Start DLS 5.00 TFO 179.99

| MD ft | Incl deg | Azim deg | TVD ft | +N/-S ft | +E/-W ft | VS ft | DLS deg/100ft | Build deg/100ft | Turn deg/100ft | TFO deg |
|----------|-------------|-------------|-----------|-------------|-------------|----------|------------------|--------------------|-------------------|------------|
| 7327.0 | 66.48 | 270.00 | 7300.2 | 0.0 | -66.0 | 66.0 | 5.00 | -5.00 | 0.00 | 179.99 |

Section 4 : Start Hold

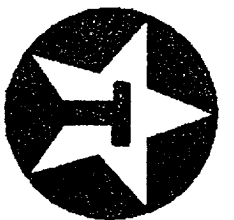
| MD ft | Incl deg | Azim deg | TVD ft | +N/-S ft | +E/-W ft | VS ft | DLS deg/100ft | Build deg/100ft | Turn deg/100ft | TFO deg |
|----------|-------------|-------------|-----------|-------------|-------------|----------|------------------|--------------------|-------------------|------------|
| 7400.0 | 66.48 | 270.00 | 7329.3 | 0.0 | -132.9 | 132.9 | 0.00 | 0.00 | 0.00 | 180.00 |
| 7500.0 | 66.48 | 270.00 | 7369.2 | 0.0 | -224.6 | 224.6 | 0.00 | 0.00 | 0.00 | 180.00 |
| 7600.0 | 66.48 | 270.00 | 7409.1 | 0.0 | -316.3 | 316.3 | 0.00 | 0.00 | 0.00 | 180.00 |
| 7700.0 | 66.48 | 270.00 | 7449.1 | 0.0 | -408.0 | 408.0 | 0.00 | 0.00 | 0.00 | 180.00 |
| 7800.0 | 66.48 | 270.00 | 7489.0 | 0.0 | -499.7 | 499.7 | 0.00 | 0.00 | 0.00 | 180.00 |
| 7827.6 | 66.48 | 270.00 | 7500.0 | 0.0 | -525.0 | 525.0 | 0.00 | 0.00 | 0.00 | 180.00 |



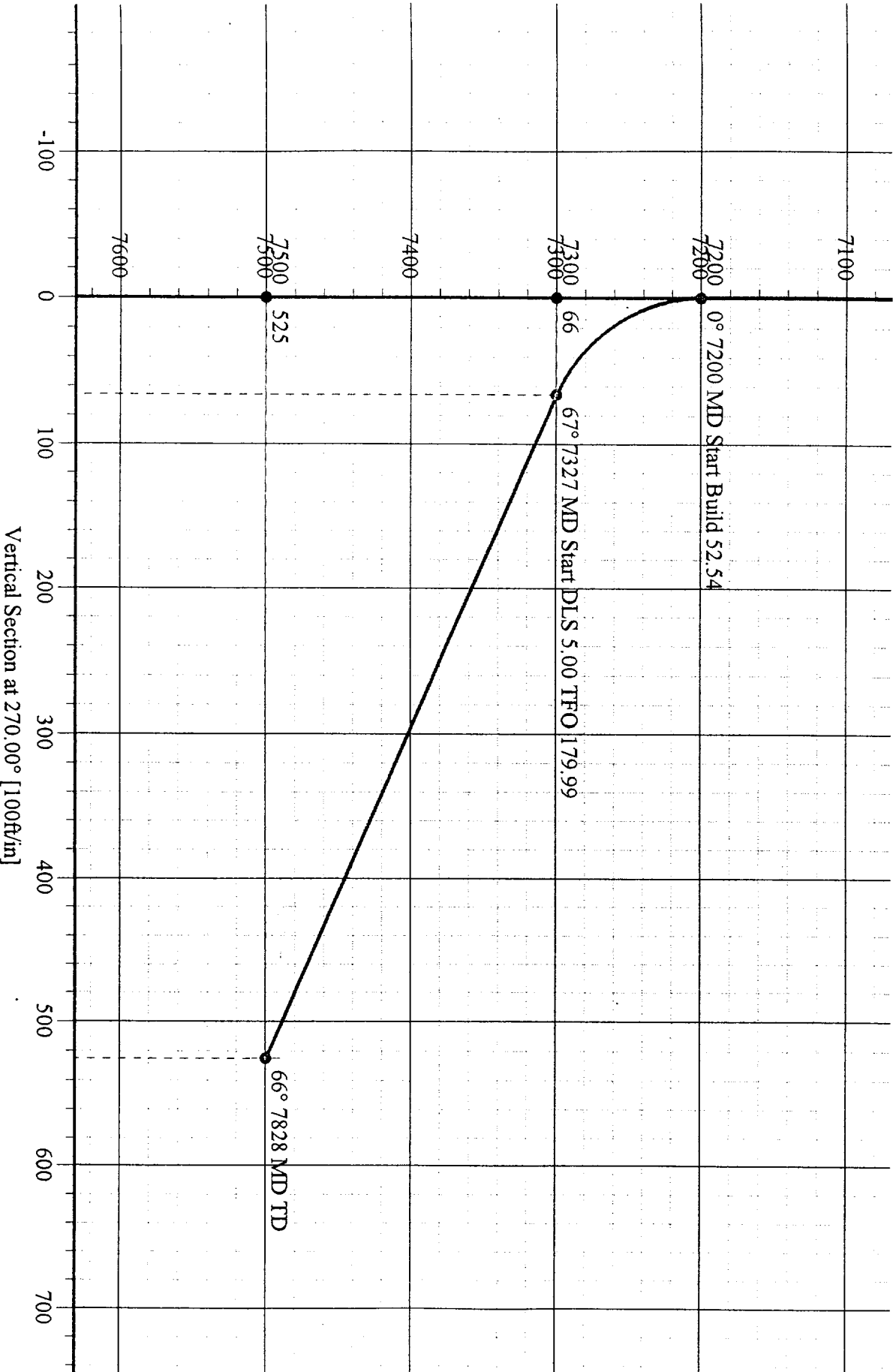
Scientific
Drilling

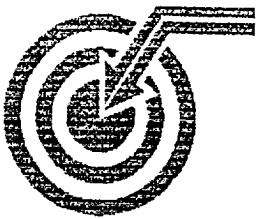
Texaco E & P, Inc.

Field: Monument Abo
Site: Lea County, New Mexico
Well: New Mexico #2H
Wellpath: OH Original hole
Plan: Plan #1



True Vertical Depth [100ft/in]

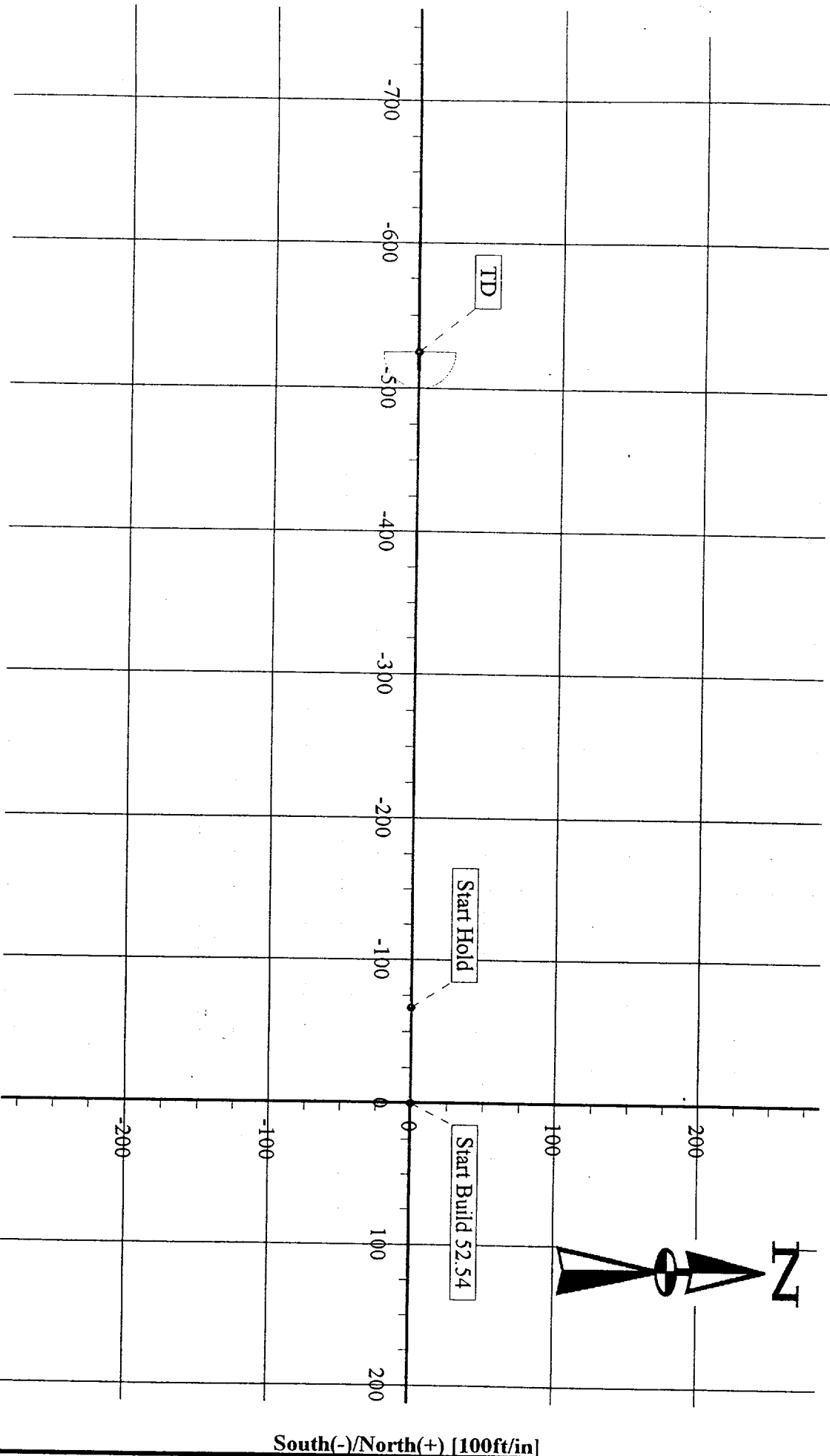
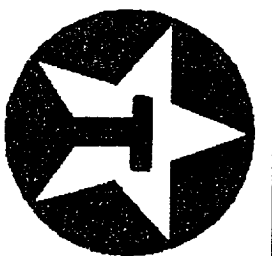




Scientific
Drilling

Texaco E & P, Inc.

Field: Monument Abo
Site: Lea County, New Mexico
Well: New Mexico #2H
Wellpath: OH Original hole
Plan: Plan #1



South(-)/North(+) [100ft/in]

West(-)/East(+) [100ft/in]

12 13 14 15 16 17 18
Received
Hubbs
OCD
2007-2008

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

OIL CONSERVATION DIVISION

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

Form C-10

Revised February 10, 1999

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 30-025-34011 | | ² Pool Code 46970 | | ³ Pool Name MONUMENT ABO | |
| ⁴ Property Code 20361 | | ⁵ Property Name NEW MEXICO 'E' STATE NCT-2 | | | ⁶ Well No. 2 |
| ⁷ OGRID Number 022351 | | ⁸ Operator Name TEXACO EXPLORATION & PRODUCTION INC. | | | ⁹ Elevation 3727' |

¹⁰ Surface Location

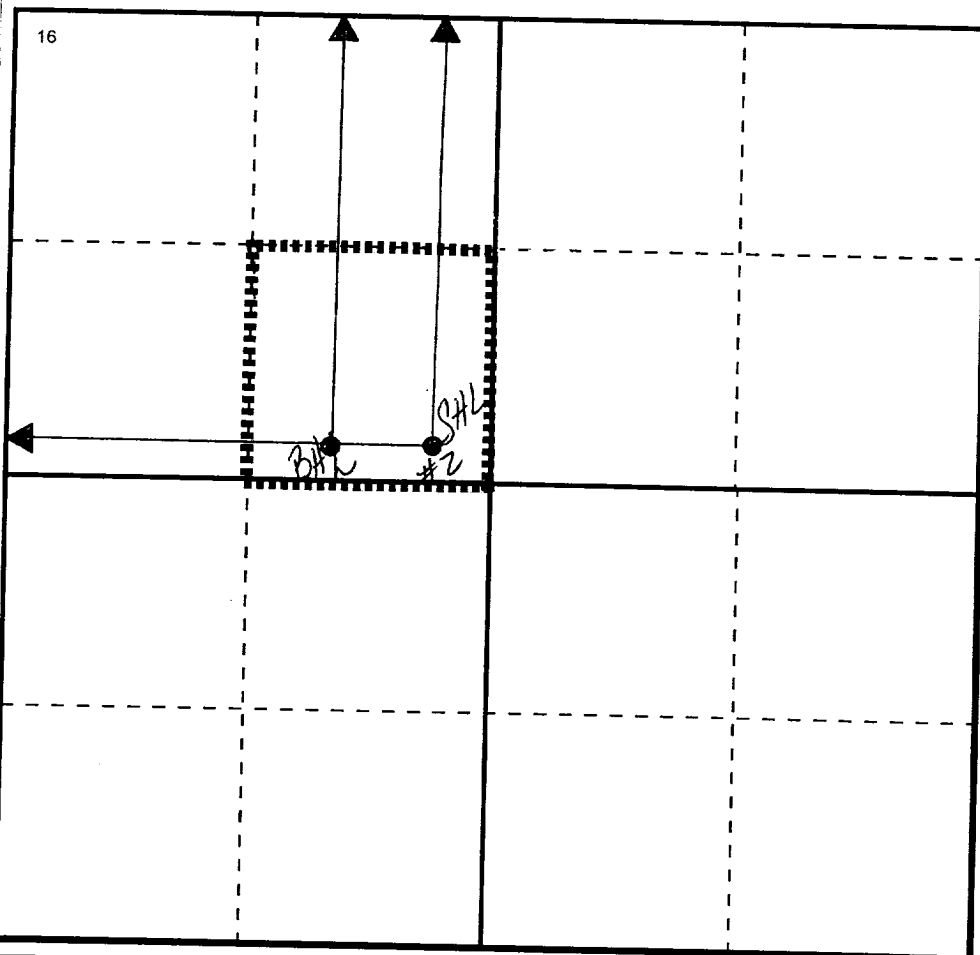
| UI or lot no | Section | Township | Range | Lot.Idn | Feet From The | North/South Line | Feet From The | East/West Line | County |
|--------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| F | 23 | 19-S | 36-E | | 2310 | NORTH | 2175 | WEST | LEA |

¹¹ 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 |
|--------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| F | 23 | 19-S | 36-E | | 2310 | NORTH | 1650 | WEST | LEA |

| | | | |
|------------------------------------|-------------------------------------|----------------------------------|-------------------------|
| ¹² Dedicated Acre 40 | ¹³ Joint or Infill No | 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

Printed Name

J. Denise Leake

Position

Engineering Assistant

Date

3/28/00

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.

