

**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**

<sup>1</sup> Operator Name and Address TEXACO EXPLORATION & PRODUCTION INC. P.O. Box 3109, Midland Texas 79702		<sup>2</sup> OGRID Number 022351
		<sup>3</sup> API Number 30-025-33857
<sup>4</sup> Property Code 11076	<sup>5</sup> Property Name S. J. SARKEYS	<sup>6</sup> Well No. 7

**<sup>7</sup> Surface Location**

UI or lot no.	Section	Township	Range	Lot.Idn	Feet From The	North/South Line	Feet From The	East/West Line	County
D	26	21-S	37-E		330	NORTH	1050	WEST	LEA

**<sup>8</sup> 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
<sup>9</sup> Proposed Pool 1 WANTZ ABO					<sup>10</sup> Proposed Pool 2 DRINKARD				

<sup>11</sup> Work Type Code N	<sup>12</sup> WellType Code O	<sup>13</sup> Rotary or C.T. ROTARY	<sup>14</sup> Lease Type Code P	<sup>15</sup> Ground Level Elevation 3393'
<sup>16</sup> Multiple No	<sup>17</sup> Proposed Depth 7550'	<sup>18</sup> Formation ABO/DRINKARD	<sup>19</sup> Contractor NABORS	<sup>20</sup> Spud Date 3/7/97

**<sup>21</sup> 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#	1225'	500 SACKS	SURFACE
7 7/8	5 1/2	15.5 & 17#	7550'	2300 SACKS	925'

Permit Expires 1 Year From Approval  
Date Unless Drilling Underway

<sup>22</sup> 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, 9.11 GW/S). F/B 100 SACKS CLASS C W/ 2% CACL2 (14.8 PPG, 1.34 CF/S, 6.3 GW/S).

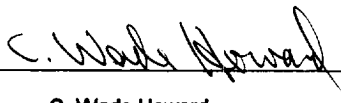
PRODUCTION CASING - 1ST STG: 1000 SACKS 50/50 POZ CLASS H W/ 2% GEL, 5% SALT, 1/4# FLOCELE (14.2 PPG, 1.35 CF/S, 6.3 GW/S).  
DV TOOL @ 4200' - 2ND STG: 1200 SACKS 35/65 POZ CLASS H W/ 6% GEL, 5% SALT, 1/4# FLOCELE (12.4 PPG, 2.14 CF/S, 11.9 GW/S). F/B 100 SACKS 50/50 POZ CLASS H W/ 2% GEL, 5% SALT, 1/4# FLOCELE (14.2 PPG, 1.35 CF/S, 6.3 GW/S).

THERE ARE NO OTHER OPERATORS IN THIS QUARTER QUARTER SECTION.

UNORTHODOX LOCATION: EXCEPTION HAS BEEN APPLIED FOR. (COPY ATTACHED)

<sup>23</sup> 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

C. Wade Howard

Title Eng. Assistant

Date 2/25/97

Telephone 688-4606

**OIL CONSERVATION DIVISION**

Approved By: ORIGINAL SIGNED BY JERRY SEXTON  
DISTRICT I SUPERVISOR

Title:

Approval Date: MAR 03 1997 Expiration Date:

Conditions of Approval:  
Attached ☐

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

DISTRICT IV  
P. O. Box 2088, Santa Fe, NM 87504-2088

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

Submit to Appropriate District Office

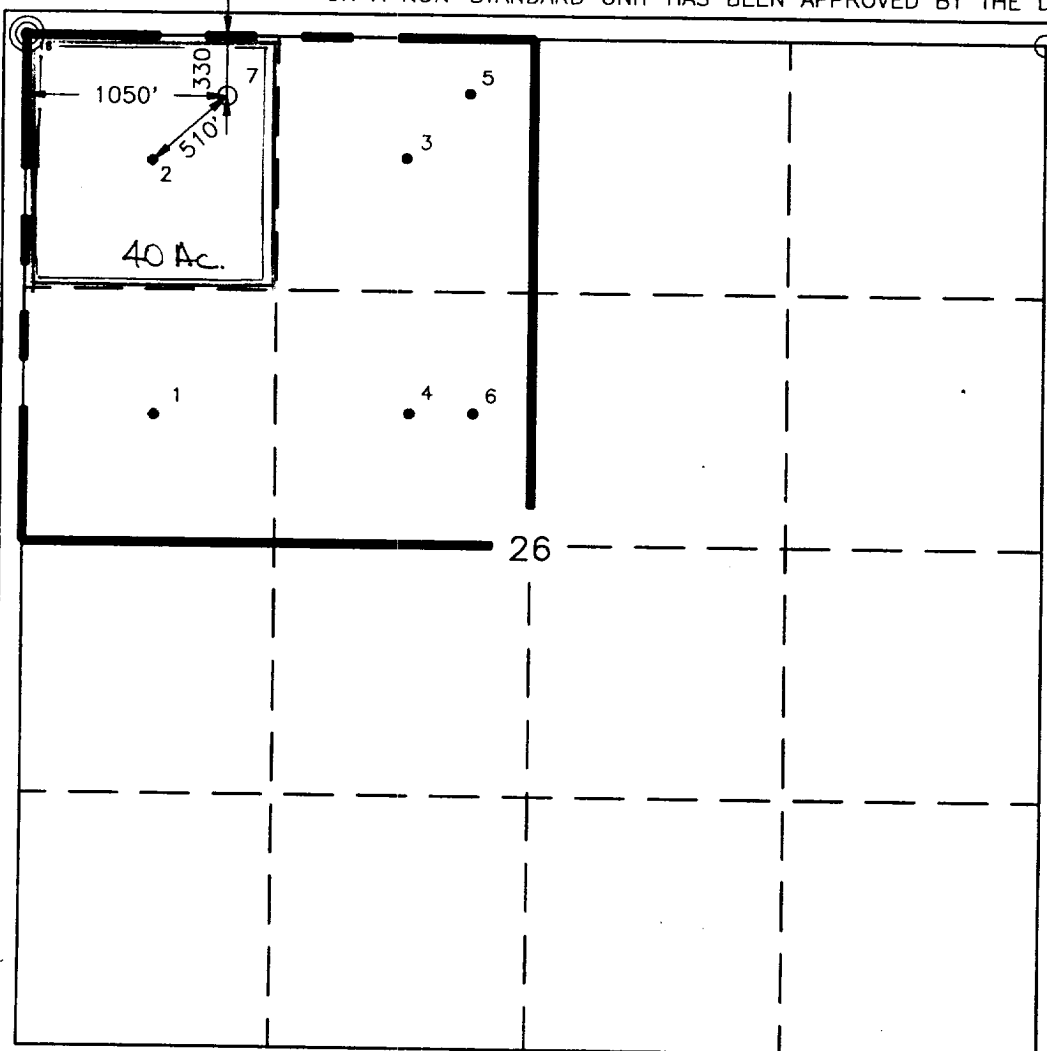
State Lease-4 copies  
Fee Lease-3 copies

WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

<sup>1</sup> API Number 3D-025-33851		<sup>2</sup> Pool Code 62700/1990		<sup>3</sup> Pool Name Wantz Abo; Drinkard					
<sup>4</sup> Property Code 11076		<sup>5</sup> Property Name S. J. Sarkeys			<sup>6</sup> Well Number 7				
<sup>7</sup> GRID No. 22351		<sup>8</sup> Operator Name TEXACO EXPLORATION & PRODUCTION, INC.			<sup>9</sup> Elevation 3393'				
<sup>10</sup> Surface Location									
UL or lot no. D	Section 26	Township 21-S	Range 37-E	Lot Idn	Feet from the 330'	North/South line North	Feet from the 1050'	East/West line West	<sup>11</sup> County Lea
<sup>11</sup> 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	<sup>12</sup> County
<sup>13</sup> Dedicated Acres 40		<sup>14</sup> Joint or Infill		<sup>15</sup> Consolidation Code		<sup>16</sup> 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.



<sup>17</sup> 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 February 19, 1997	
<sup>18</sup> 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 February 8, 1997	
Signature & Seal of Professional Surveyor <i>John S. Piper</i>	
Certificate No. 7254 John S. Piper	
Sheet	



Texaco Exploration  
and Production Inc

500 North Loraine  
Midland TX. 79701

P O Box 3109  
Midland TX 79702

February 19, 1997

GOV - STATE AND LOCAL GOVERNMENTS

Unorthodox Location  
S. J. Sarkeys Well No. 7  
Wantz Abo, Drinkard 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. (3), by administrative approval, is requested for the captioned well. This well is located 330' FNL & 1050' FWL, Unit Letter "D", of Section 26, T-21-S, R-37-E.

This well must be drilled in this location due to topographic conditions. This well was to be staked at 990' FWL, but there was a Pipeline 53' from that location which prevented staking at a standard location. The well was moved 60' east to be a safe distance from the Pipeline. Geological condition were not favorable to move the well to the west.

We believe drilling a directional well to reach a legal bottom-hole location is not feasible due to the cost involved. A pumping completion is anticipated and the associated costs of pumping as well as drilling a directional well severely impacts the economics.

There are no "affected offset operators" to this location. Attached is the C-102 for this well.

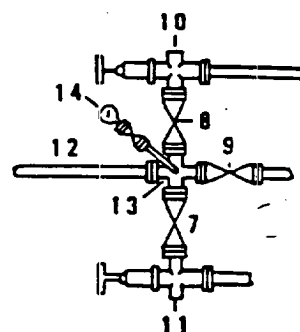
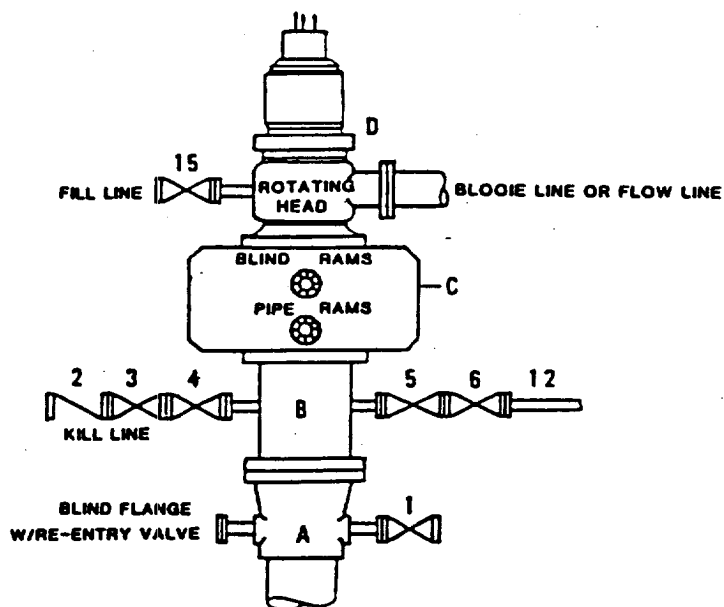
Yours very truly,

C. W. Howard  
Engineer Assistant

CWH:cwh Attachments

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

H<sub>2</sub>S 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 substructure 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         | 1" 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