

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUBMIT IN TRIPLICATE

FORM APPROVED
Budget Bureau No. 1004-0136
Expires: December 31, 1991

APPLICATION FOR PERMIT TO DRILL OR DEEPEN		5. Lease Designation and Serial No. NM-18848
1a. Type of Work DRILL <input checked="" type="checkbox"/> DEEPEN <input type="checkbox"/>		6. If Indian, Alottee or Tribe Name
1b. Type of Well OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input type="checkbox"/>		7. If Unit or CA, Agreement Designation
2. Name of Operator TEXACO EXPLORATION & PRODUCTION INC.		8. Well Name and Number SDE '31' FEDERAL
3. Address and Telephone No. P.O. Box 3109, Midland Texas 79702 688-4606		13
4. Location of Well (Report location clearly and in accordance with any State requirements.) At Surface Unit Letter M : 660 Feet From The SOUTH Line and 660 Feet From The WEST Line At proposed prod. zone SAME		9. API Well No.
14. Distance In Miles and Direction from Nearest Town or Post Office* 23 MILES EAST OF LOVING, NM		10. Field and Pool, Exploratory Area TRISTE DRAW WEST & SAND DUNES SOUTH BONE SPRING
15. Distance From Proposed* Location to Nearest Property or Lease Line, Ft. (also to nearest drlg. unit line, if any) 660'		11. SEC., T., R., M., or BLK. and Survey or Area Sec. 31, Township 23-S, Range 32-E
16. No. of Acres in Lease 1994.13		12. County or Parish LEA
17. No. of Acres Assigned To This Well 46.44		13. State NM
18. Distance From Proposed Location* to Nearest Well, Drilling, Completed or Applied For, On This Lease, Ft. 1320'		14. No. of Acres Assigned To This Well
19. Proposed Depth 9200'		15. Rotary or Cable Tools ROTARY
21. Elevations (Show whether DF, RT, GR, etc.) GR-3541'		22. Approx. Date Work Will Start* 5/15/95

23. PROPOSED CASING AND CEMENT PROGRAM				
SIZE OF HOLE	GRADE, SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
11	WC50, 8 5/8	24#	950'	325 SACKS - CIRCULATE
7 7/8	J55/L80, 5 1/2	17#	9200'	1600 SACKS - CIRCULATE

CEMENTING PROGRAM:

SURFACE CASING - 175 SACKS CLASS C W/ 4% GEL, 2% CACL2 (13.5 PPG, 1.74 CF/S, 9.11 GW/S). F/B 150 SACKS CLASS C W/ 2% CACL2 (14.8 PPG, 1.34 CF/S, 6.3 GW/S).

PRODUCTION CASING - 1ST STAGE - 750 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 @ 5300'. 2ND STAGE - 750 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).

OPER. OGRID NO. 22351

THERE ARE NO OTHER OPERATORS IN THIS QUARTER QUARTER SECTION. PROPERTY NO. 15704

ESTIMATED DRILLING DAYS TO T.D.: 20 DAYS. POOL CODE 53805

EFF. DATE 5/19/95

API NO. 30-025-32953

In Above Space Describe Proposed Program: If proposal is to deepen, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured true verticle depths. Give blowout preventer program, if any.

24. I hereby certify that the foregoing is true and correct

SIGNATURE C. Wade Howard TITLE Eng. Assistant DATE 3/31/95
TYPE OR PRINT NAME C. Wade Howard

(This space for Federal or State office use)

PERMIT NO. APPROVAL DATE

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

APPROVED BY TITLE Acting DATE 4/1/95

CONDITIONS OF APPROVAL, IF ANY:

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

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

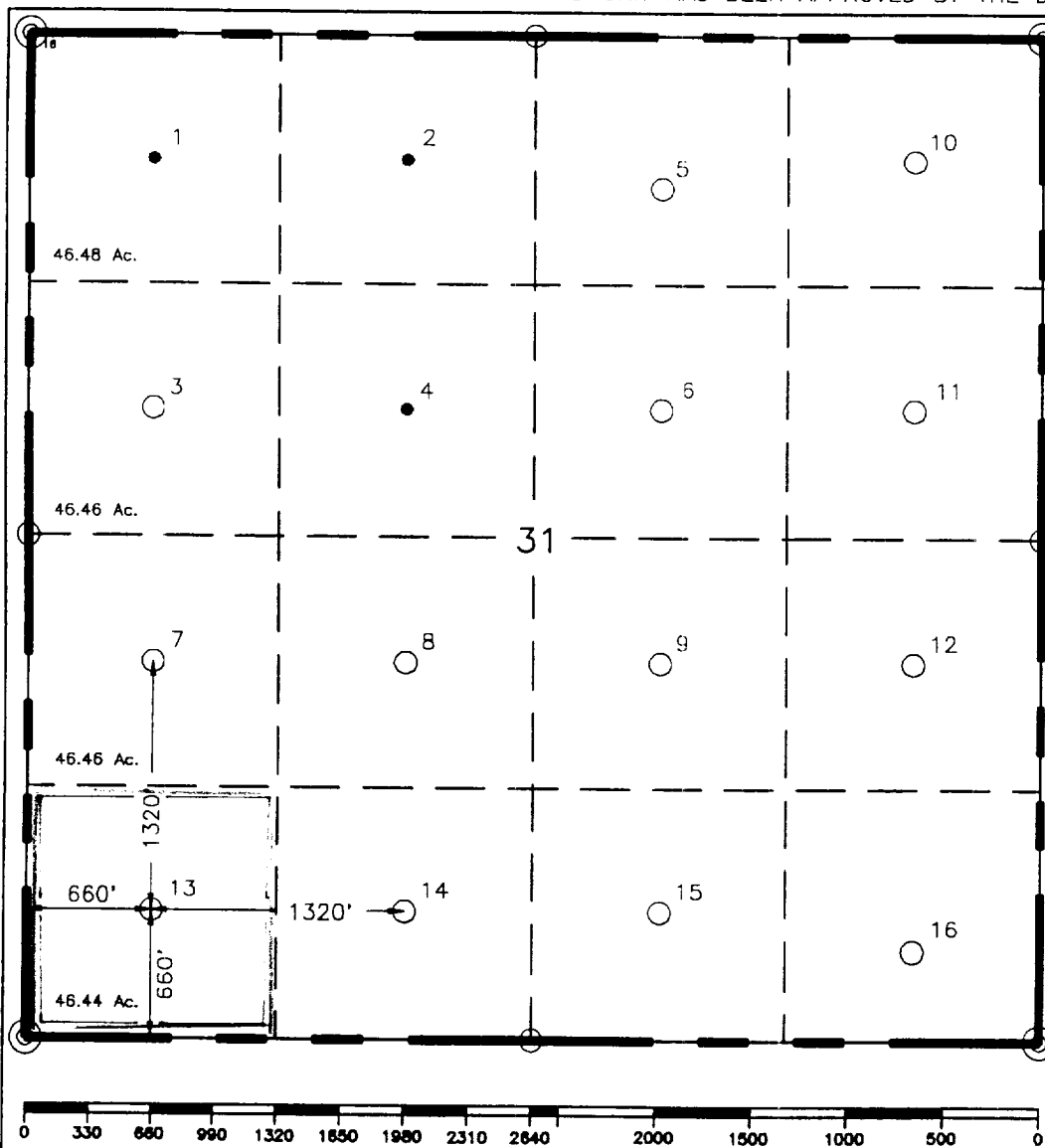
☐ AMENDED REPORT

¹ API Number 30-025-32953		² Pool Code 53805		³ Pool Name 49945 Delaware TRISTE DRAW WEST; SAND DUNES SOUTH BONE SPRINGS	
⁴ Property Code 15704		⁵ Property Name SDE "31" FEDERAL			⁶ Well Number 13
⁷ GRID No. 22351		⁸ Operator Name TEXACO EXPLORATION & PRODUCTION, INC.			⁹ Elevation 3541'

¹⁰ Surface Location									
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	⁷ County
M	31	23-S	32-E		660'	South	660'	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	⁷ County
¹² Dedicated Acres 46.44		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.



¹⁶OPERATOR 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

Engineering Assistant

Company

Texaco Expl. & Prod. Inc.

Date

March 24, 1995

¹⁷SURVEYOR 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 22, 1995

Signature & Seal of
Professional Surveyor

John S. Piper

Certificate No.

7254 John S. Piper

Sheet 8 of 8

DRILLING PROGRAM

SDE `31' FEDERAL WELL NO. 13

SURFACE DESCRIPTION:

The land surface in this area is relatively level with moderate sand dunes. Regionally, the land slopes to the Southwest. Vegetation consists mainly of scrub oak, mesquite, and range grasses.

FORMATION TOPS: Estimated KB Elevation: 3561'

<u>Formation</u>	<u>Depth</u>	<u>Lithology</u>	<u>Fluid Content</u>
Rustler	930'	Anhydrite, Salt	----
Salado	1245'	Salt	----
Delaware Mtn Group	4620'	Sandstone, Shale	Oil/Gas
Cherry Canyon	5550'	Sandstone, Shale	Oil/Gas
Brushy Canyon- Pay	7100'	Sandstone, Shale	Oil/Gas
Lower Brushy Canyon- Pay	8150'	Sandstone, Shale	Oil/Gas
Bone Spring- Pay	8570'	Limestone	Oil/Gas

The base of the salt section is found around 4390'. No abnormal pressures, temperatures, or hazardous gases are anticipated to be encountered in this well. Texaco recently drilled wells in this area and no H2S was encountered.

PRESSURE CONTROL EQUIPMENT:

A 3000 psi Dual Ram type preventer with rotating head will be used. (See Exhibit C). We do not plan to have an annular preventer. We will be able to achieve full closure of the well with the double ram preventer. It will be installed after surface casing is set. BOP will be tested each time it is installed on a casing string and at least every 29 days, and operated at least once each 24-hour period during drilling.

A PVT system will not be installed. We will be drilling thru the reserve pit and will circulate the steel pits one hour each tour to check for gains and losses and will be noted on the driller's log, which is Texaco's policy.

We do not plan to run an automatic remote-controlled choke. We will have installed and tested two manual, H2S trimmed, chokes.

CASING AND CEMENT PROGRAM:

The casing and cementing programs are detailed on Form 3160-3. All casing will be new.

Centralizer Program:

Surface Casing - Centralize the bottom 3 joints and every 4th to surface.

Production Casing - Centralize bottom 500' every other cplg. and above and below the DV tool.

MUD PROGRAM:

<u>Depth</u>	<u>Type</u>	<u>Weight</u>	<u>Viscosity</u>
0'-950'	Fresh Water	8.4	28
950'-7000'	Brine Water	10.0	29
7000'-9200'	Fresh Water Gel	8.4-8.8	45

Bottom Hole Pressure at T.D. estimated to be 8.4 PPG EMW.

LOGGING, TESTING:

GR-CAL-DSN-SDL and GR-CAL-DISFL surveys will be run.

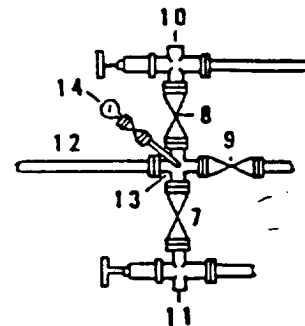
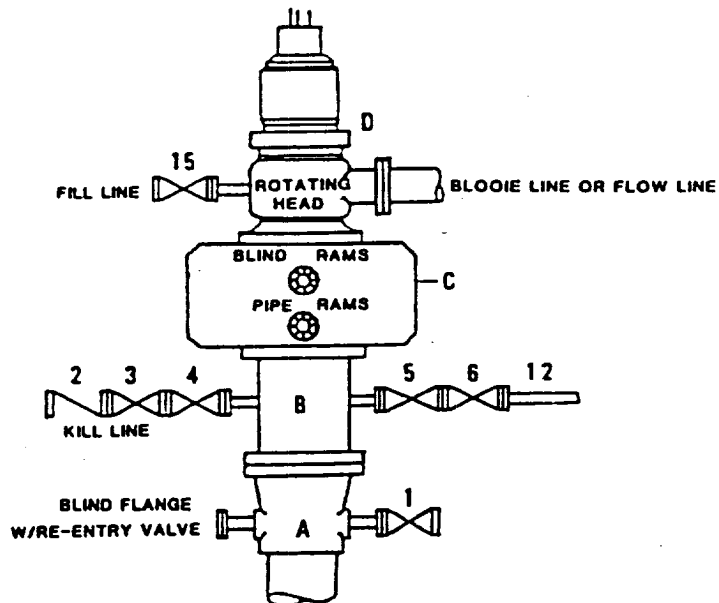
A two-man Mud Logging Unit will be used from 4400' to 9200'.

No drill stem tests will be conducted.

No cores will be taken.

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

H₂S TRIM REQUIRED
YES _____ NO X



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 Bloode 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