

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OPER. OGRID NO. 22351
PROPERTY NO. 17325
POOL CODE 53800
EFF. DATE 8/7/95
API NO. 30-025-33049

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

SUBMIT IN TRIPLICATE

APPLICATION FOR PERMIT TO DRILL OR DEEPEN		Lease Designation and Serial No. NM-0559539	
1a. Type of Work DRILL <input checked="" type="checkbox"/> DEEPEEN <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 SAND '18' FEDERAL	
3. Address and Telephone No. P.O. Box 3109, Midland Texas 79702 688-4606		9. API Well No. 2	
4. Location of Well (Report location clearly and in accordance with any State requirements.) At Surface Unit Letter O : 660 Feet From The SOUTH Line and 1980 Feet From The EAST Line At proposed prod. zone SAME		10. Field and Pool, Exploratory Area TRISTE-BRAW-WEST/SAND DUNES SOUTH BONE S PR, N C	
14. Distance In Miles and Direction from Nearest Town or Post Office* 21 MILES EAST OF LOVING, NM.		11. SEC., T., R., M., or BLK. and Survey or Area Sec. 18, Township 23-S, Range 32-E	
15. Distance From Proposed* Location to Nearest Property or Lease Line, Ft. (also to nearest drlg. unit line, if any) 660'		12. County or Parish LEA	
16. No. of Acres in Lease 200		13. State NM	
18. Distance From Proposed Location* to Nearest Well, Drilling, Completed or Applied For, On This Lease, Ft. 1320'		17. No. of Acres Assigned To This Well 40	
19. Proposed Depth 9850'		20. Rotary or Cable Tools ROTARY	
21. Elevations (Show whether DF, RT, GR, etc.) GR-3527 Carlsbad Controlled Water Basin		22. Approx. Date Work Will Start* 8/1/95	

23. PROPOSED CASING AND CEMENT PROGRAM				
SIZE OF HOLE	GRADE, SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
14 3/4	WC40, 11 3/4	42#	550'	400 SACKS - CIRCULATE
11	WC50, 8 5/8	24 & 32#	4500'	1350 SACKS - CIRCULATE
7 7/8	K-55, L-80, 5 1/2	15.5 & 17#	9850'	1400 SACKS - TOP OF CEMENT @ 3500'

CEMENTING PROGRAM:

SURFACE CASING - 400 SACKS CLASS C W/ 2% CACL2 (14.8 PPG, 1.34 CF/S, 6.3 GW/S).

INTERMEDIATE CASING - 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 150 SACKS CLASS H (15.6 PPG, 1.18 CF/S, 5.2 GW/S).

PRODUCTION CASING - 700 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 700 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.

**Approval Subject to
General Requirements and
Special Stipulations
Attached**

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 6/29/95

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 Juan R. Flores TITLE Act. Mg. DATE JUL 26 1995

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.

RECEIVED

AUG 01 1995

ALCO HOBBS,
OFFICE

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

Form C-102
Revised February 10, 1994

Instructions on back

OIL CONSERVATION DIVISION
PO Box 2088
Santa Fe, NM 87504-2088

Submit to Appropriate District Office

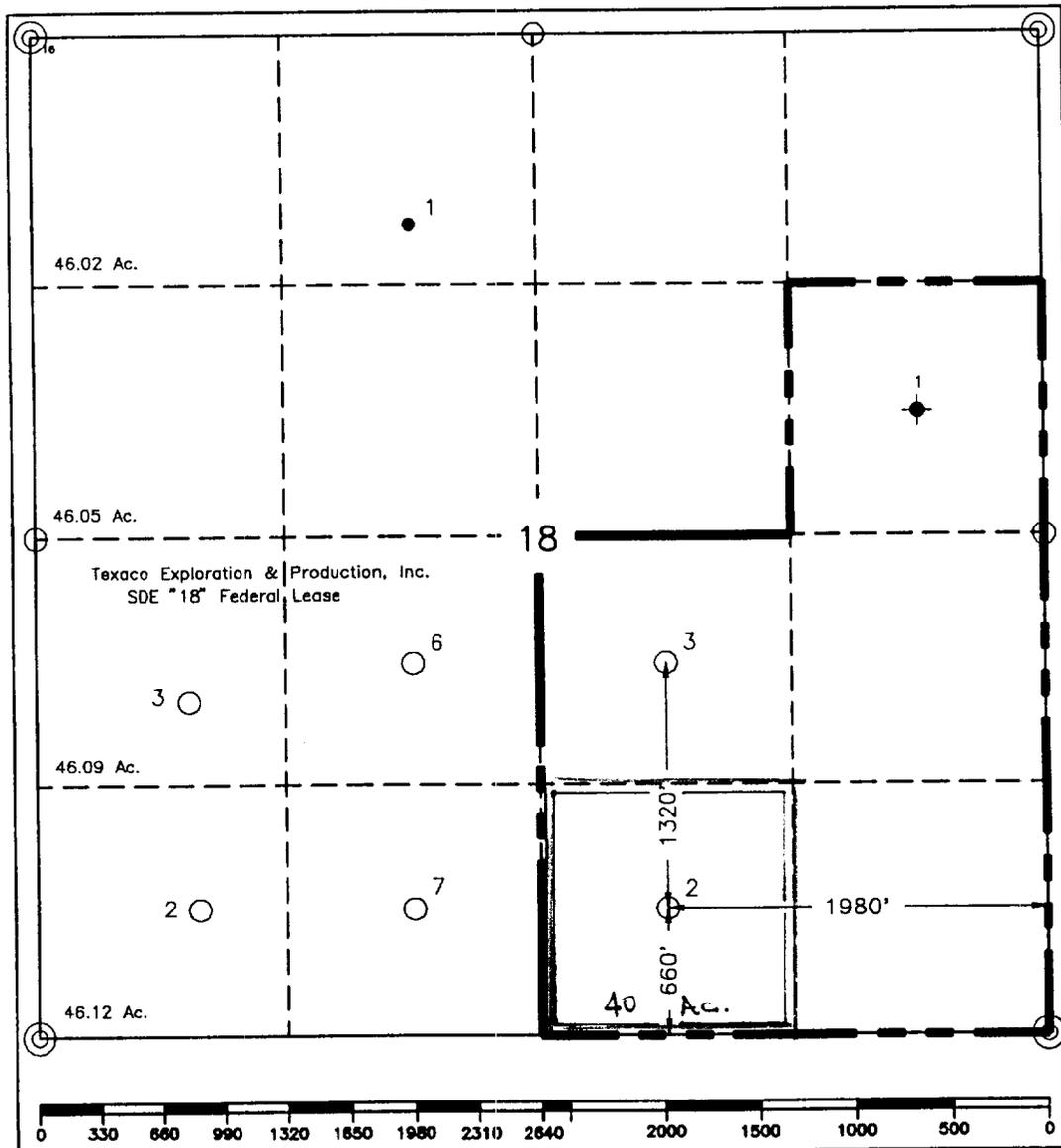
State Lease-4 copies
Fee Lease-3 copies

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-025-33049		² Pool Code 53800		³ Pool Name TRISTE DRAW WEST , SAND DUNES-SOUTH BONE SPRING					
⁴ Property Code 17325		⁵ Property Name SAND "18" FEDERAL						⁶ Well Number 2	
⁷ GRID No. 22351		⁸ Operator Name TEXACO EXPLORATION & PRODUCTION, INC.						⁹ Elevation 3627'	
¹⁰ Surface Location									
UL or lot no. 0	Section 18	Township 23-S	Range 32-E	Lot Idn	Feet from the 660'	North/South line South	Feet from the 1980'	East/West line East	⁷ 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	⁷ 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.



¹⁰OPERATOR 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: June 19, 1995

¹⁶SURVEYOR 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: June 12, 1995

Signature & Seal of Professional Surveyor: *John S. Piper*

Certificate No.: 7254 John S. Piper

Sheet 8 of 8

○ = Staked Location ● = Producing Well ● = Injection Well ⊗ = Water Supply Well ⊕ = Plugged & Abandon Well

1953

1953
HUBBARD
OFFICE

DRILLING PROGRAM

SAND `18' FEDERAL WELL NO. 2

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: 3637'

<u>Formation</u>	<u>Depth</u>	<u>Lithology</u>	<u>Fluid Content</u>
Rustler	930'	Anhydrite, Salt	----
Salado	1245'	Salt	----
Delaware Mtn Group	4640'	Sandstone, Shale	Oil/Gas
Cherry Canyon	5560'	Sandstone, Shale	Oil/Gas
Brushy Canyon- Pay	7125'	Sandstone, Shale	Oil/Gas
Lower Brushy Canyon- Pay	8130'	Sandstone, Shale	Oil/Gas
Bone Spring- Pay	8560'	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.

Intermediate Casing - Centralize the bottom 3 joints.

Production Casing - Centralize the bottom 500', every other cplg.

MUD PROGRAM:

<u>Depth</u>	<u>Type</u>	<u>Weight</u>	<u>Viscosity</u>
0'-550'	Fresh Water	8.4	28
550'-4500'	Brine Water	10.0	29
4500'-9850'	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.

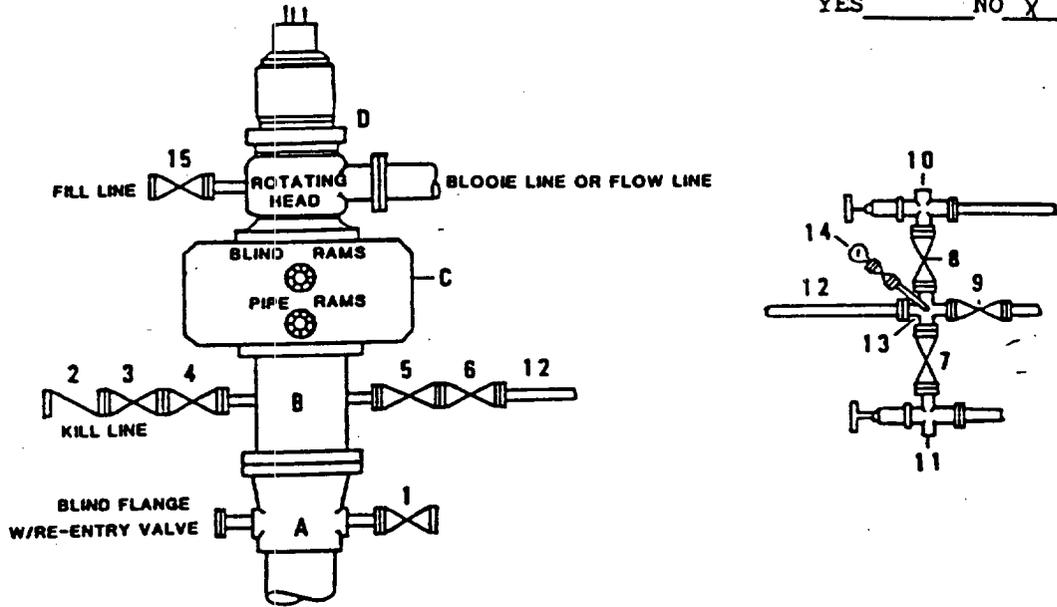
A two-man Mud Logging Unit will be used from 4400' to 9850'.

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 Bloopie 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.	DWG. NO.
DRAWN BY			
CHECKED BY			
APPROVED BY			

EXHIBIT C

OF NEWELL

1995

NEWELL
OFFICE