

SUBMIT IN TRIPLICATE

DEPARTMENT
BUREAU OF

OPER. OGRID NO. 22351
PROPERTY NO. 10899
POOL CODE 7900
EFF. DATE 1/28/97
API NO. 30-025-33802

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

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1a. Type of Work DRILL <input checked="" type="checkbox"/> DEEPEN <input type="checkbox"/>		1b. Type of Well OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input type="checkbox"/>		SINGLE ZONE <input checked="" type="checkbox"/> MULTIPLE ZONE <input type="checkbox"/>	
2. Name of Operator TEXACO EXPLORATION & PRODUCTION INC.					
3. Address and Telephone No. P.O. Box 3109, Midland Texas 79702 688-4606					
4. Location of Well (Report location clearly and in accordance with any State requirements. *) At Surface Unit Letter K : 1330 Feet From The SOUTH Line and 1330 Feet From The WEST Line At proposed prod. zone SAME					
14. Distance In Miles and Direction from Nearest Town or Post Office* 8 MILES SE OF EUNICE, NM					
15. Distance From Proposed* Location to Nearest Property or Lease Line, Ft. (also to nearest drlg. unit line, if any)		1310'		16. No. of Acres in Lease 2255.12	
18. Distance From Proposed Location* to Nearest Well, Drilling, Completed or Applied For, On This Lease, Ft.		914'		17. No. of Acres Assigned To This Well 40	
21. Elevations (Show whether DF, RT, GR, etc.) GR-3387				22. Approx. Date Work Will Start* 1/26/97	

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#	1380'	600 SACKS - CIRCULATE
7 7/8	WC50, WC75, 5 1/2	15.5# & 17	7400'	2500 SACKS - CIRCULATE

CEMENTING PROGRAM:

SURFACE CASING: 400 SACKS CLASS C w/ 4% GEL, 2% CC (13.5 PPG, 1.74 CF/S, 9.1 GW/S). F/B 200 SACKS CLASS C w/ 2% CC (14.8 PPG, 1.34 CF/S, 6.3 GW/S).

PRODUCTION CASING: 2000 SACKS 35/65 POZ H w/ 6% GEL, 5% SALT, 1/4# FC (12.8 PPG, 1.94 CF/S, 10.4 GW/S). F/B 500 SACKS 50/50 POZ H w/ 2% GEL, 5% SALT, 1/4# FC (14.2 PPG, 1.35 CF/S, 6.3 GW/S).

PRODUCTION CASING DETAIL: 4300' OF 5 1/2, 15.5#, WC-50 AND 3100' OF 17#, WC-75, LTC.
THERE ARE NO OTHER OPERATORS IN THIS QUARTER QUARTER SECTION.

* VERBAL APPROVAL FROM OCD HOBBS TO SET 8 5/8 SURFACE CASING IN AN 11 INCH HOLE ON WELLS IN THIS LEASE.

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

OPERATOR/LANDOWNER AGREEMENT WILL BE FILED WHEN COMPLETE.

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 12/18/96
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 (ORIG. SGD.) TONY L. FERGUSON TITLE ADM. MINERALS DATE 1-16-97

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 1
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

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

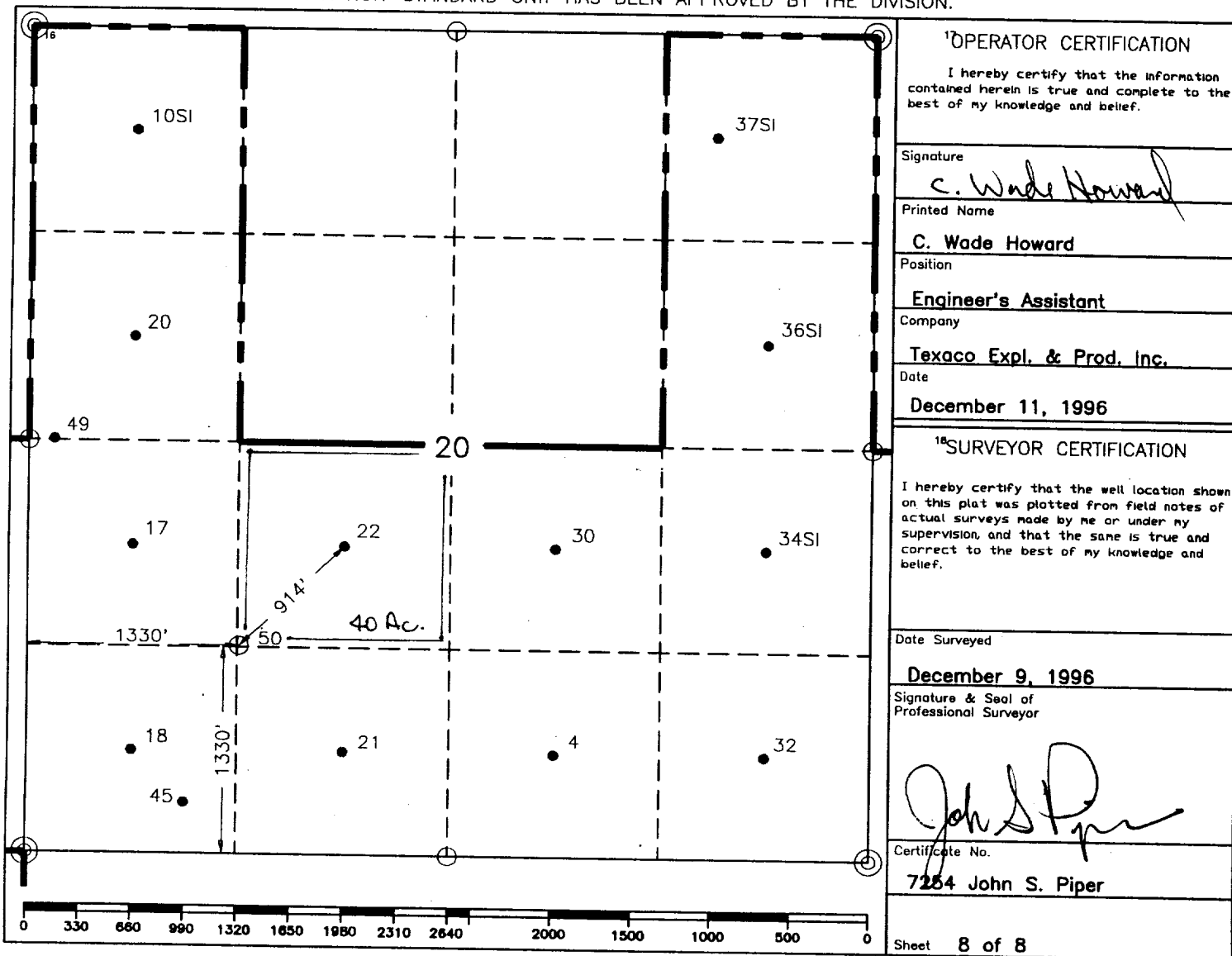
¹ API Number 30-025-338D2		² Pool Code 7900 6024D		³ Pool Name South Brunson Drinkard-ABO; Tubb Oil & Gas	
⁴ Property Code 10899		⁵ Property Name A. H. Blinbery NCT-1			⁶ Well Number 50
⁷ GRID No. 22351		⁸ Operator Name TEXACO EXPLORATION & PRODUCTION, INC.			⁹ Elevation 3387'

¹⁰ Surface Location									
UL or lot no. K	Section 20	Township 22-S	Range 38-E	Lot Idn	Feet from the 1330'	North/South line South	Feet from the 1330'	East/West line West	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. USL-3756
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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.



○ = Staked Location ● = Producing Well ↗ = Injection Well ~ = Water Supply Well ● = Plugged & Abandon Well

DRILLING PROGRAM

A. H. BLINEBRY FEDERAL NCT-1 No. 50

SURFACE DESCRIPTION:

See Item 11 (other information) in the attached Surface Use and Operations Plan.

FORMATION TOPS: Estimated KB Elevation: 3401'

<u>Formation</u>	<u>Depth</u>	<u>Lithology</u>	<u>Fluid Content</u>
Rustler	1150'	Anhy, Salt	----
Tansill	2400'	Anhy, Dolo	----
Yates	2535'	Sandstone, Dolo	----
Glorieta	5085'	Dolomite	----
Blinebry	5565'	Dolomite	Oil
Tubb	6085'	Sandstone	Oil
Drinkard	6360'	Dolomite	Oil
Abo	6660'	Limestone, Dolo	Oil

The base of the salt section is the top of the Tansill at 2400'. No abnormal pressures or temperatures are anticipated to be encountered in this well. H₂S is possible in the Yates. H₂S RADIUS OF EXPOSURE: 100ppm = 18', 500ppm = 8', based on 1050ppm H₂S and 60 MCF (see attached H₂S Drilling Operations Plan. H₂S equipment to be operational prior to drilling out Surface Casing Shoe.)

Duration of Operation: 16 Days to Drill, 10 Days to Complete.

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 every other joint on bottom 1700'.

MUD PROGRAM:

<u>Depth</u>	<u>Type</u>	<u>Weight</u>	<u>Viscosity</u>
0'-1380'	Fresh Water	8.4	28
1380'-7400'	Brine	10.0	29

Bottom Hole Pressure at T.D. estimated to be 6.0 PPG EMW. (2308 PSI)

LOGGING, TESTING:

GR-CNL-LDT and GR-DLL-MSFL surveys will be run.

Two-man Mud Logging Unit will be used from 5000' to 7400'.

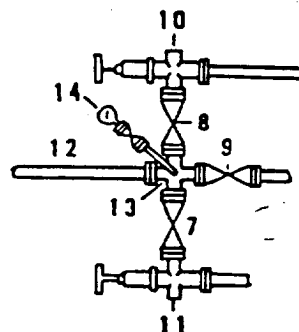
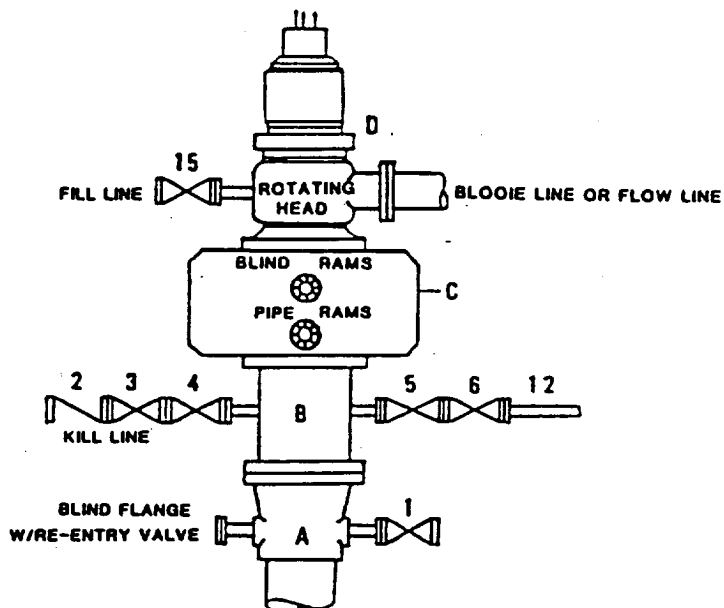
No drill stem tests will be conducted.

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 _____



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 Blooe 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. |

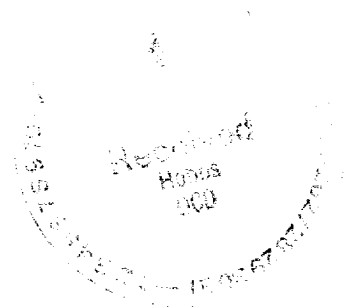


TEXACO, INC.
MIDLAND DIVISION
MIDLAND, TEXAS



SCALE	DATE	EST. NO.	DRG. NO.
DRAWN BY			
CHECKED BY			
APPROVED BY			

EXHIBIT C





Texaco Exploration
and Production Inc

500 North Loraine
Midland TX 79701

P O Box 3109
Midland TX 79702

December 12, 1996

GOV - STATE AND LOCAL GOVERNMENTS

Unorthodox Location

A. H. Blinebry Federal NCT-1 Well No. 50
South Brunson Drinkard-Abo, Tubb Oil and Gas,
and Blinebry Oil and Gas Fields
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. (2) by administrative approval, is requested for the captioned well. This well is located 1330' FSL & 1330' FWL, Unit Letter "K", of Section 20, T-22-S, R-38-E.

This well must be drilled in this location due to geological conditions. As seen on the attached map, this location is approximately equidistance to the offsetting 40 Acre producers. The proposed location will encounter laterally discontinuous reservoirs that can not be depleted from existing wellbores. If secondary recovery operations are needed in the future, the proposed location will allow the implementation of standard patterns.

There are no "affected offset operators" to this location. All interests in the applicable zones are common in all of the SW/4 of Section 20, T-22-s, R-38-E. Attached is Form C-102 for this well.

Yours very truly,

C. Wade Howard

C. W. Howard
Engineer Assistant

CWH:CES Attachments cc: BLM, Roswell, NM

[Handwritten signature]

