



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION

2040 S. PACHECO
SANTA FE, NEW MEXICO 87505
(505) 827-7131

February 6, 1996

Texaco Exploration and Production Inc.
Attention: C. W. Howard
P. O. Box 3109
Midland, Texas 79702

Administrative Order NSL-3625

Dear Mr. Howard:

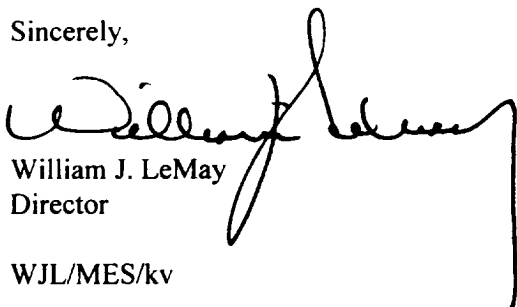
Reference is made to your application dated December 22, 1995 for a non-standard oil well location within a standard 40-acre oil spacing and proration unit comprising the NE/4 SE/4 (Unit I) of Section 35, Township 24 South, Range 37 East, NMPM, Lea County, New Mexico for your proposed G. L. Erwin "B" Federal NCT-2 Well No. 8 to be drilled 1550 feet from the South line and 700 feet from the East line of said Section 35.

It is our understanding that the subject well is to be a triple completion in the Justis-Blinebry, Justis Tubb-Drinkard, and North Justis McKee pools, it also appears that this well is to be a replacement well to your G. L. Erwin "B" Federal NCT-2 Well No. 3, located at a standard oil well location 1980 feet from the South line and 330 feet from the East line of said Section 35, which, according to Division records is to be plugged and abandoned.

The application has been duly filed under the provisions of Rule 104.F of the General Rules and Regulations of the New Mexico Oil Conservation Division ("Division"), revised by Division Order No. R-10533, issued by the Oil Conservation Commission in Case 11,351 on January 18, 1996.

By the authority granted me under the provisions of Division General Rule 104.F(2), the above-described unorthodox oil well location is hereby approved.

Sincerely,



William J. LeMay
Director

WJL/MES/kv

cc: Oil Conservation Division - Artesia
U. S. Bureau of Land Management - Carlsbad



Texaco Exploration
and Production Inc

500 North Loraine
Midland TX 79701

P O Box 3109
Midland TX 79702

December 22, 1995

GOV - STATE AND LOCAL GOVERNMENTS

Unorthodox Location

G. L. Erwin "B" Federal NCT-2 Well No. 8
Justis Blinbry, Justis Tubb Drinkard and
Justis McKee, North 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. III, by administrative approval, is requested for the captioned well. This well is located 1550' FSL & 700' FEL, Unit Letter "I", of Section 35, T-24-S, R-37-E.

This well must be drilled in this location due to topographic conditions. The "legal location" for this well was on the side of a hill which would require a severe cut to build the location (see attached topo map). Mr. Barry Hunt, with the Bureau of Land Management, conducted the "onsite" inspection on November 30, 1995 and requested this location which is 100' south and 100' west of our original location. There is a pipeline 135' north of the original location which prevents moving the location in that direction.

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.

The offset operators to this location have been notified (certified receipts attached). Texaco grants itself a waiver to the unorthodox location. Attached is the C-102, topo map, and offset operators list.

Yours very truly,

C. W. Howard
Engineer Assistant

CWH:cwh Attachments cc: BLM, P. O. Box 1778, Carlsbad, NM 88220



Texaco Exploration
and Production Inc

500 North Loraine
Midland TX 79701

P O Box 3109
Midland TX 79702

December 7, 1995

GOV - STATE AND LOCAL GOVERNMENTS

Unorthodox Location

G. L. Erwin "B" Federal NCT-2 Well No. 1

Sec. 35, T-24-S, R-37-E

Justis Blinebry, Justis Tubb Drinkard and

Justis McKee, North Fields

Lea County, New Mexico

TO THE OFFSET OPERATORS

Gentlemen:

As an offset operator to the captioned lease, you are being furnished with a copy of our Application for an Exception to Rule 104, F. III. If you have no objection, please sign the waiver at the bottom of this letter and return in the enclosed envelope.

Any questions concerning this request should be directed to me at (915) 688-4606.

Yours very truly,

C. Wade Howard

C. W. Howard
Engineer Assistant

CWH:cwh

File

WAIVER APPROVED:

COMPANY: _____

BY: _____

DATE: _____

ILLEGIBLE

Is your RETURN ADDRESS completed on the reverse side?

SENDER:

- Complete items 1 and/or 2 for additional services.
- Complete items 3, and 4a & b.
- Print your name and address on the reverse of this form so that we can return this card to you.
- Attach this form to the front of the mailpiece, or on the back if space does not permit.
- Write "Return Receipt Requested" on the mailpiece below the article number.
- The Return Receipt will show to whom the article was delivered and the date delivered.

1. Article Addressed to:
Arch Petroleum Inc.
Fort Worth Club Tower
Penthouse 11
Fort Worth, TX 76102

2. Article Number:
P 188 919 636

3. Service Type:
☐ Registered ☐ Insured
☒ Certified ☐ COD
☐ Express Mail ☒ Return Receipt for Merchandise

4. Date of Delivery:
DEC 11 1995

5. Addressee's Address (Only if requested and fee is paid):

6. Signature (Addressee):

7. Signature (Agent):

PS Form 3811, December 1991 U.S. GPO: 1992-323-402

DOMESTIC RETURN RECEIPT

Thank you for using Return Receipt Service.

Is your RETURN ADDRESS completed on the reverse side?

SENDER:

- Complete items 1 and/or 2 for additional services.
- Complete items 3, and 4a & b.
- Print your name and address on the reverse of this form so that we can return this card to you.
- Attach this form to the front of the mailpiece, or on the back if space does not permit.
- Write "Return Receipt Requested" on the mailpiece below the article number.
- The Return Receipt will show to whom the article was delivered and the date delivered.

1. Article Addressed to:
Mark L. Shidler, Inc.
911 Walker Street, Ste. 565
Houston, TX 77002
1010 Lamar, Ste 500

2. Article Number:
P 652 054 549

3. Service Type:
☐ Registered ☐ Insured
☒ Certified ☐ COD
☐ Express Mail ☒ Return Receipt for Merchandise

4. Date of Delivery:
13 Dec 95

5. Addressee's Address (Only if requested and fee is paid):

6. Signature (Addressee):

7. Signature (Agent):

PS Form 3811, December 1991 U.S. GPO: 1992-323-402

DOMESTIC RETURN RECEIPT

Thank you for using Return Receipt Service.

Is your RETURN ADDRESS completed on the reverse side?

SENDER:

- Complete items 1 and/or 2 for additional services.
- Complete items 3, and 4a & b.
- Print your name and address on the reverse of this form so that we can return this card to you.
- Attach this form to the front of the mailpiece, or on the back if space does not permit.
- Write "Return Receipt Requested" on the mailpiece below the article number.
- The Return Receipt will show to whom the article was delivered and the date delivered.

1. Article Addressed to:
Five States 1993-A, Ltd.
Five States 1993-C, Ltd.
c/o Five States Energy Co.
1220 One Energy Square
4925 Greenville Avenue
Dallas, TX 75206

2. Article Number:
P 188 919 637

3. Service Type:
☐ Registered ☐ Insured
☒ Certified ☐ COD
☐ Express Mail ☒ Return Receipt for Merchandise

4. Date of Delivery:
12-19-95

5. Addressee's Address (Only if requested and fee is paid):

6. Signature (Addressee):

7. Signature (Agent):

PS Form 3811, December 1991 U.S. GPO: 1992-323-402

DOMESTIC RETURN RECEIPT

Thank you for using Return Receipt Service.

OFFSET OPERATOR OWNERSHIP
(BLINEBRY, TUBB, DRINKARD, MCKEE FORMATIONS)
G. L. ERWIN "B" FEDERAL NCT-2 #8 WELL
NE/4 SE/4 SECTION 35, T-24-S, R-37-E
LEA COUNTY, NEW MEXICO
DECEMBER 6, 1995

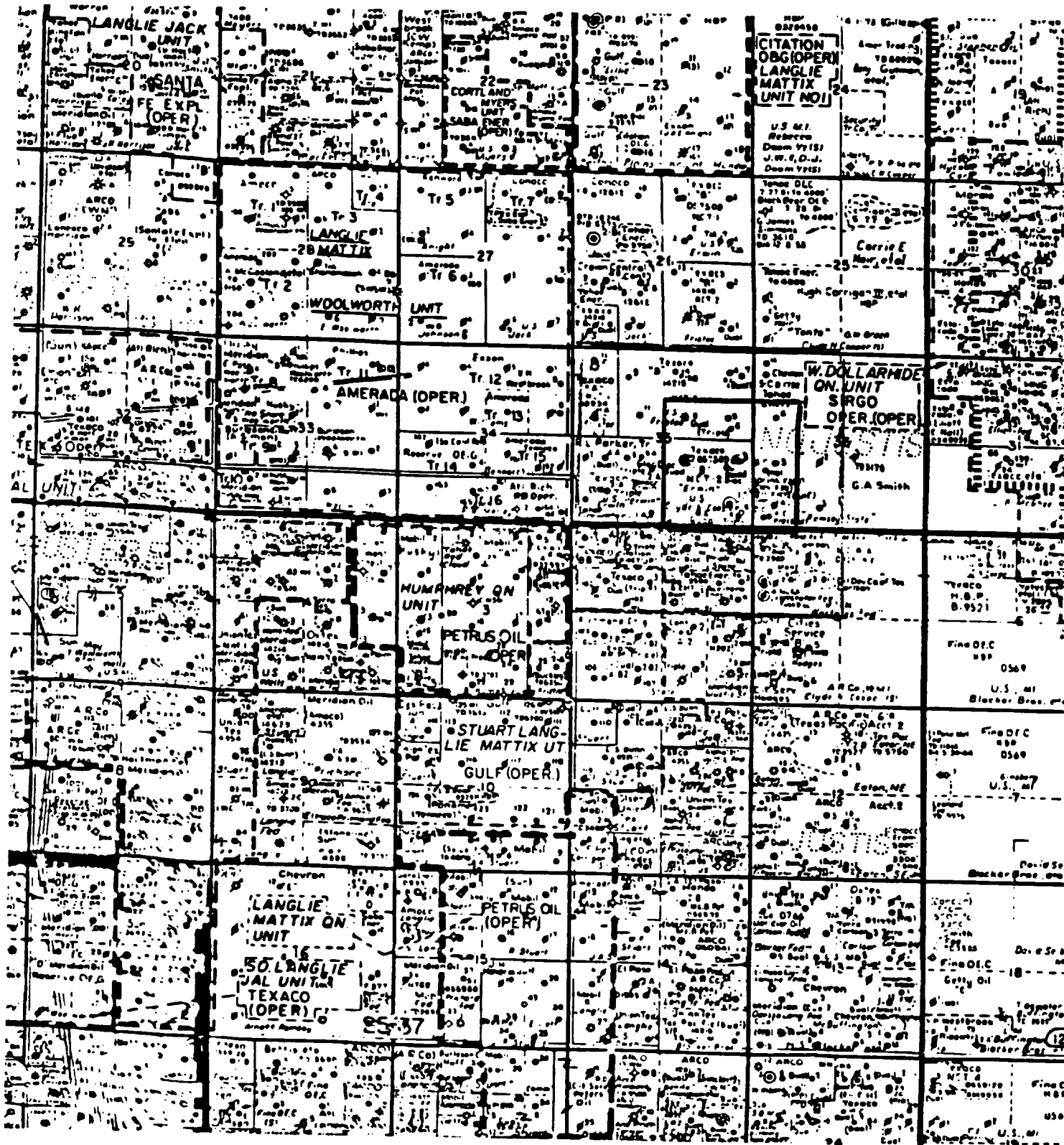
TRACT

OPERATOR

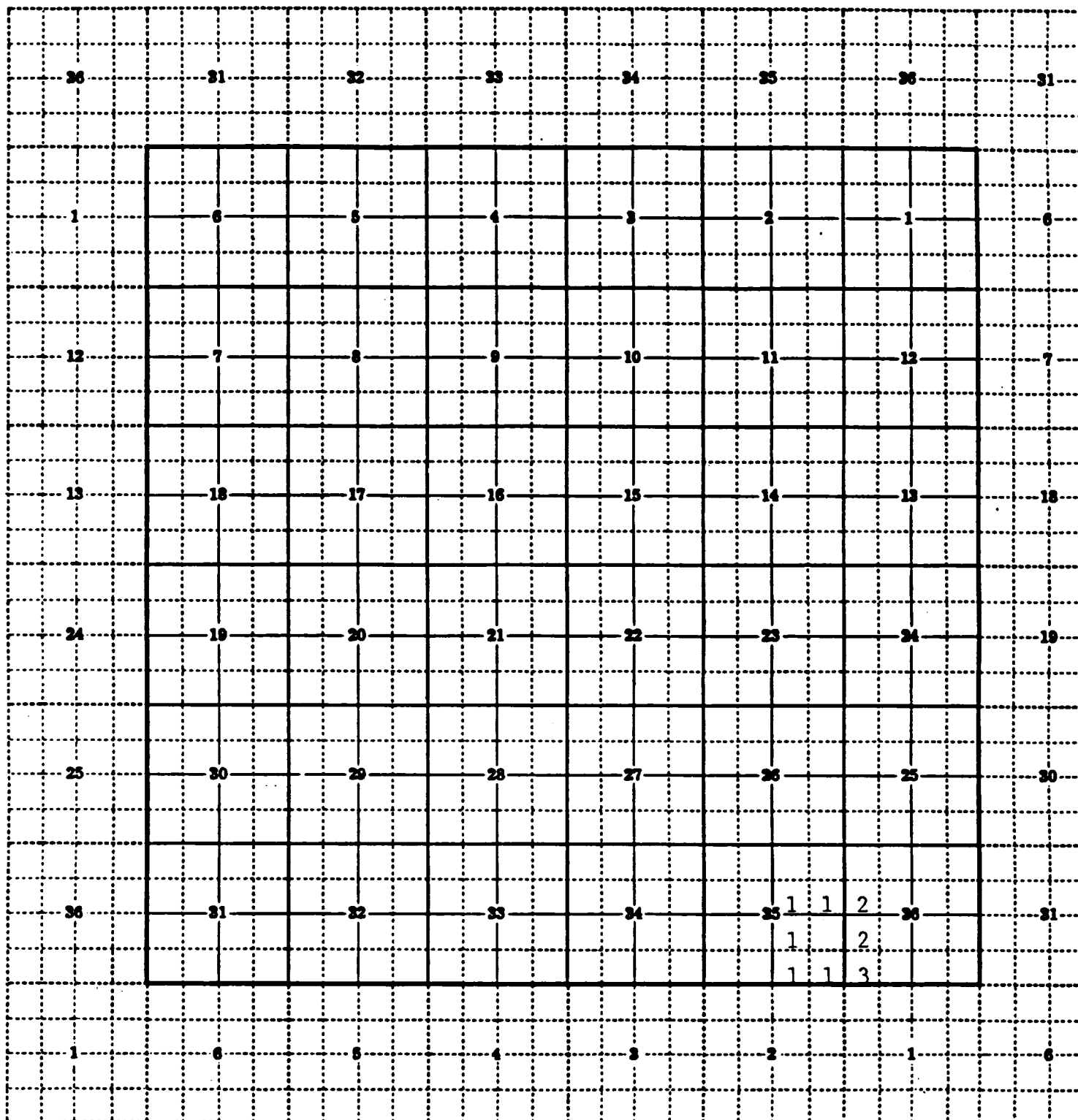
- | | |
|---|--|
| 1 | Texaco Exploration and Production Inc.
P. O. Box 3109
Midland, Texas 79702 |
| 2 | Arch Petroleum Inc.
Fort Worth Club Tower
Penthouse II
Fort Worth, Texas 76102 |
| 3 | Five States 1993-A, Ltd.
Five States 1993-C. Ltd.
& Five States Energy Company
1220 One Energy Square
4925 Greenville Ave.
Dallas, Texas 75206

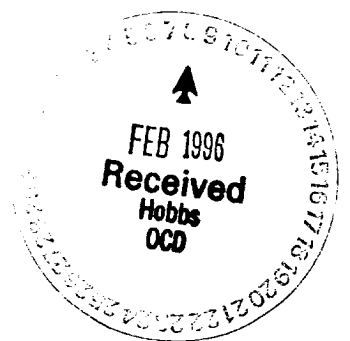
Mark L. Shidler, Inc.
911 Walker St., Suite 565 1010 LAMAR, Suite 500
Houston, Texas 77002 |

OFFSET OPERATOR OWNERSHIP
(BLINEBRY, TUBB, DRINKARD, MCKEE FORMATIONS)
G. L. ERWIN "B" FEDERAL NCT-2 #8 WELL
NE/4 SE/4 SECTION 35, T-24-S, R-37-E
LEA COUNTY, NEW MEXICO
DECEMBER 6, 1995



OFFSET OPERATOR OWNERSHIP
 (BLINEBRY, TUBB, DRINKARD, MCKEE FORMATIONS)
 G. L. ERWIN "B" FEDERAL NCT-2 #8 WELL
 NE/4 SE/4 SECTION 35, T-24-S, R-37-E
 LEA COUNTY, NEW MEXICO
 DECEMBER 6, 1995





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

1a. Type of Work DRILL ☒ DEEPEN ☐
1b. Type of Well SINGLE ZONE ☒
OIL WELL ☒ GAS WELL ☐ OTHER MULTIPLE ZONE ☐

2. Name of Operator TEXACO EXPLORATION & PRODUCTION INC.

3. Address and Telephone No. P.O. Box 3100, Midland Texas 79702 688-4806

4. Location of Well (Report location clearly and in accordance with any State requirements.)
At Surface
Unit Letter I : 1550 Feet From The SOUTH Line and 700 Feet From The EAST Line
At proposed prod. zone
SAME

14. Distance in Miles and Direction from Nearest Town or Post Office*
5.3 MILES NE OF JAL, NM

15. Distance From Proposed* Location to Nearest Property or Lease Line, Ft. (also to nearest drig. unit line, if any) 700'

16. No. of Acres in Lease 160

18. Distance From Proposed Location* to Nearest Well, Drilling, Completed or Applied For, On This Lease, Ft. 1180' TO 50'

19. Proposed Depth 8300'

21. Elevations (Show whether DF, RT, GR, etc.)

GR-3163'

22. Approx. Date Work Will Start*
1/15/86

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	248	1000'	525 SACKS - CIRCULATE
7 7/8	K55, L80, 5 1/2	15.5 & 178	8300'	2100 SACKS - CIRCULATE

CEMENTING PROGRAM:

SURFACE CASING - 325 SACKS CLASS C W/ 4% GEL, 2% CACL2 (13.5 PPG, 1.74 CF/S, 9.11 GW/S). F/B 200 SACKS CLASS C W/ 2% CACL2 (14.8 PPG, 1.34 CF/S, 6.3 GW/S).

PRODUCTION CASING - 1600 SACKS 35/65 POZ CLASS H W/ 8% GEL, 5% SALT, 1/4# FLOCELE (12.4 PPG, 2.14 CF/S, 11.9 GW/S). F/B 500 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.

ESTIMATED DRILLING DAYS TO T.D.: 20 DAYS ESTIMATED COMPLETION DAYS: 15 DAYS

*VERBAL APPROVAL FROM JERRY SEXTON (NMOCD) 12/5/85 TO SET 8 5/8" SURFACE CASING IN AN 11" HOLE.
UNORTHODOX LOCATION DUE TO TOPOGRAPHY. EXCEPTION IS BEING APPLIED FOR.

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 12/5/85

TYPE OR PRINT NAME C. Wade Howard

(This space for Federal or State office use)

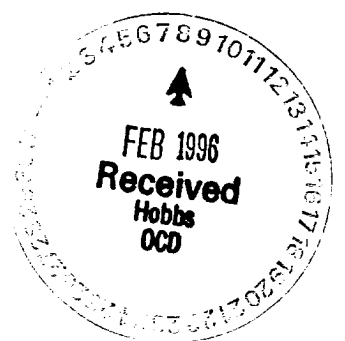
PERMIT NO. _____ APPROVAL DATE _____

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 _____ DATE _____

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

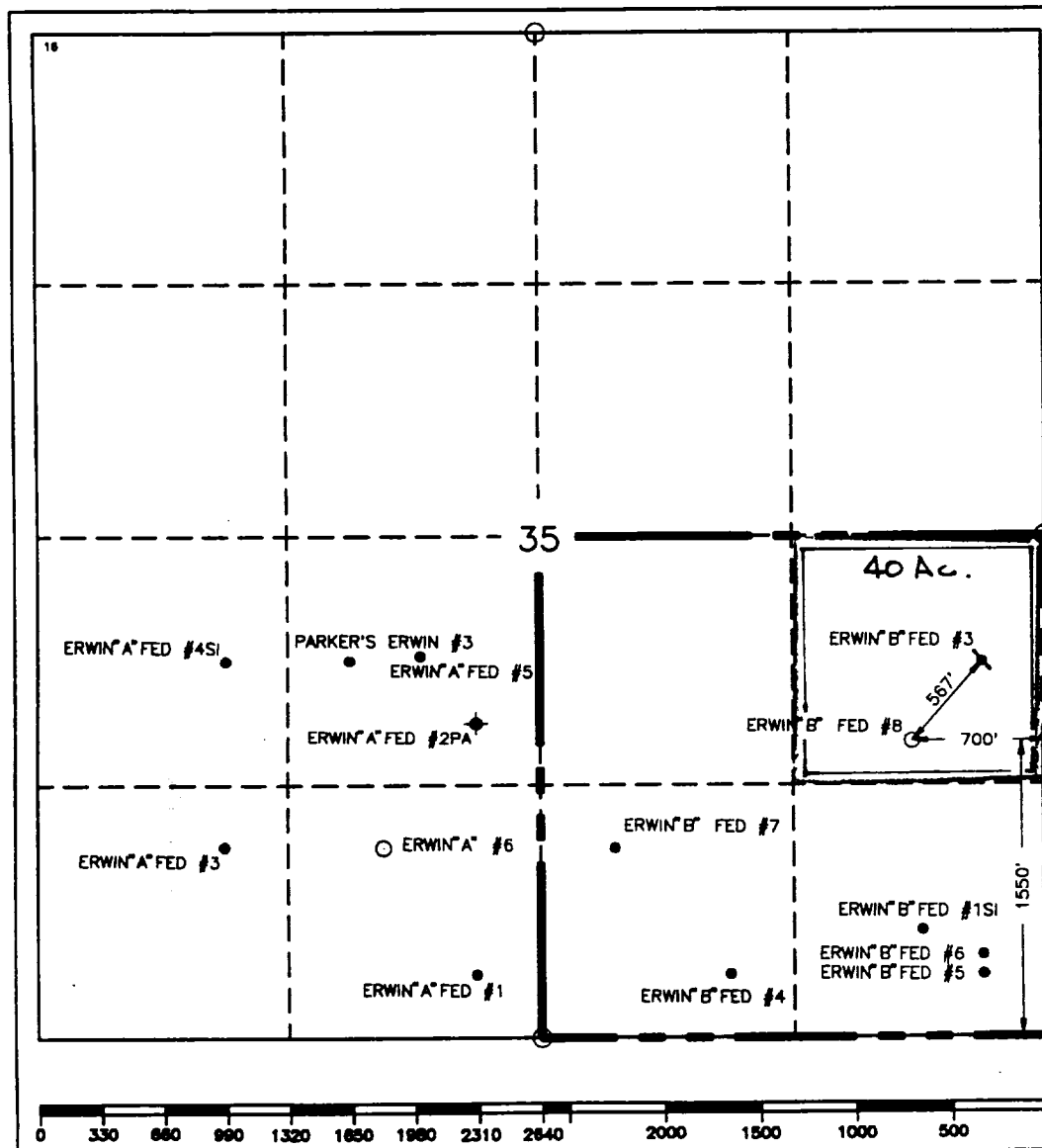
State Lease-4 copies
Fee Lease-3 copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number		² Pool Code		³ Pool Name Justis Blinebry; Justis Tubb Drinkard; Justis McKee, North					
⁴ Property Code 10931		⁵ Property Name G.L. Erwin "B" Federal NCT-2						⁶ Well Number 8	
⁷ GRID No.		⁸ Operator Name TEXACO EXPLORATION & PRODUCTION, INC.						⁹ Elevation 3163'	
¹⁰ Surface Location									
UL or lot no. 1	Section 35	Township 24-S	Range 37-E	Lot Idn	Feet from the 1550'	North/South line South	Feet from the 700'	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.



¹⁶ 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

C. Wade Howard

Position

Engineer's Assistant

Company

Texaco Expl. & Prod. Inc.

Date

December 1, 1995

¹⁷ 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

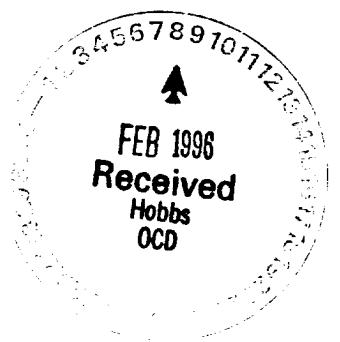
November 29, 1995

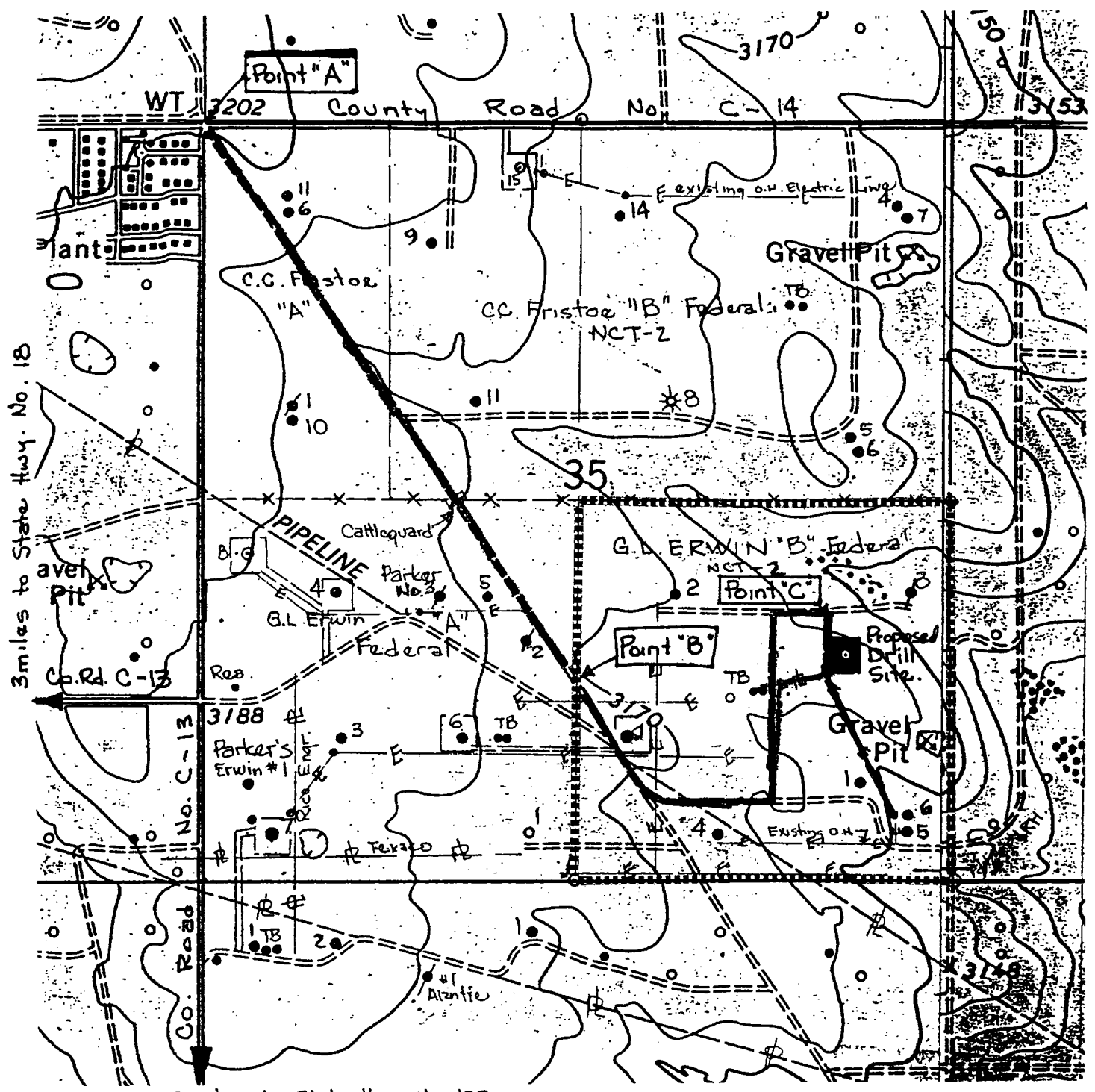
Signature & Seal of
Professional Surveyor

Certificate No.

7254 John S. Piper

Sheet Sheet 8 of 8

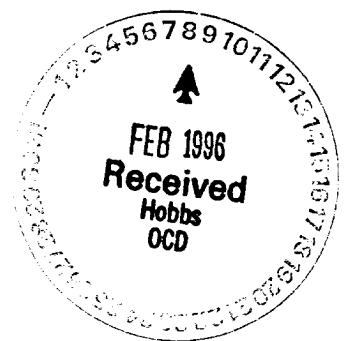


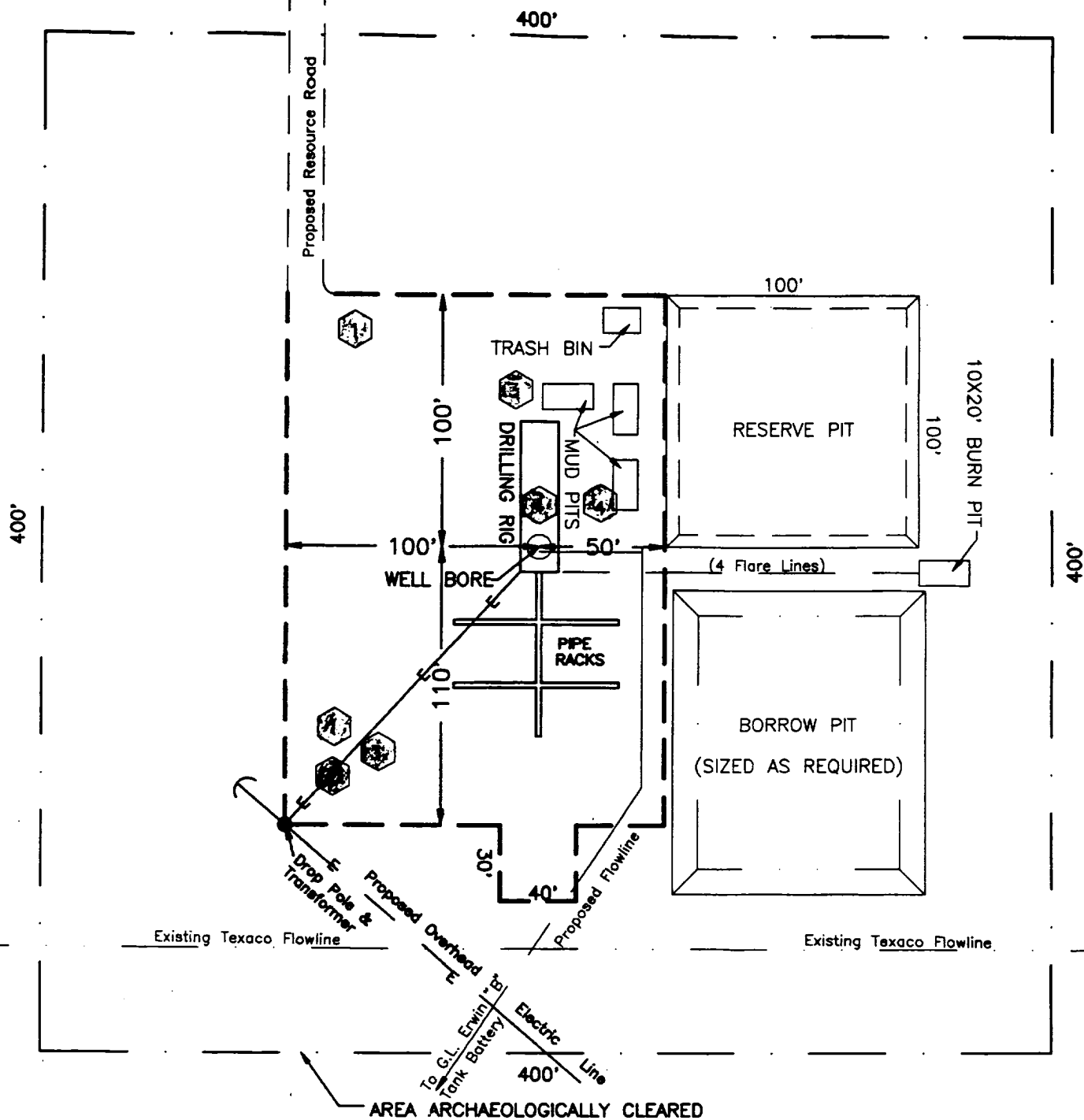


3 miles to State Hwy. No. 128
LEGEND OF SYMBOLS

- = Access Road (Yellow)
- = Resource Road Federal Land (Pink)
- = Resource Road on Lease (Brown)
- = Proposed Resource Road (Red)
- = Proposed Electric Line (Orange)
- = Proposed Production Flowline (Green)
- = Staked Well Location
- = Producing Well Location
- = Water Well
- = Found 1" Iron Pipe With Brass Cap
- ⊙ = Found 2" Iron Pipe With Brass Cap
- = Unit or Lease Boundary

EXHIBIT "A"	
ACCESS ROAD AND FACILITIES MAP	
TEXACO EXPLORATION AND PRODUCTION	
G. L. Erwin "B" Federal NCT-2 No. 8 1550' FSL & 700 FEL, Section 35 T-24-S, R-37-E, NMPM, Lea County, NM	
Drawn by: J. S. Piper	Scale: 1" = 1000 Feet
Date: December 1, 1995	C. Wade Howard
Checked by: D. M. Ballew	Sheet: 6 of 8





H₂S DRILLING OPERATION PLAN



Briefing Station



H₂S Safety Trailer



Windsocks



H₂S Detectors, Shale Shaker,
Rotating Head,
Rig Floor

Prevailing Wind from the South

EXHIBIT "B" DRILLING RIG LAYOUT

TEXACO EXPLORATION AND PRODUCTION INC.

G. L. ERWIN "B" Federal NCT-2 No. 8
Located 1550' FSL & 700' FEL, Section 35,
T-24-S, R-37-E, NMPM, Lea County, NM

Drawn by: D. M. Balley

Scale: 1" = 60'

Date: December 1, 1995

C. WADE HOWARD

Checked by: J. S. Piper

Sheet 7 of 8

96/7/7
ELF

