

SUBMIT IN TRIPLICATE

UNIT
DEPARTMENT
BUREAU OF

OPER. OGRID NO. 22351
PROPERTY NO. 10926
POOL CODE 1883D
EFF. DATE 6/4/97
API NO. 3D-225-34000

3240

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

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

5. Lease Designation and Serial No.
LE-067068

6. If Indian, Allottee or Tribe Name

7. If Unit or CA, Agreement Designation

8. Well Name and Number
WEST DOLLARHIDE DRINKARD UNIT

162

9. API Well No.

10. Field and Pool, Exploratory Area
DOLLARHIDE TUBB DRINKARD

11. SEC., T., R., M., or BLK. and Survey or Area
Sec. 31, Township 24-S, Range 38-E

12. County or Parish
LEA

13. State
NM

17. No. of Acres Assigned To This Well
40

20. Rotary or Cable Tools
ROTARY

22. Approx. Date Work Will Start*
3/1/97

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

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 H : 1600 Feet From The NORTH Line and 325 Feet From The WEST Line
At proposed prod. zone
SAME Unit H

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

15. Distance From Proposed* Location to Nearest Property or
Lease Line, Ft. (also to nearest drlg. unit line, if any) 3635'

16. No. of Acres in Lease
3533.52

18. Distance From Proposed Location* to Nearest Well, Drilling,
Completed or Applied For, On This Lease, Ft. 490'

19. Proposed Depth
7250'

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

GR-3144'

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#	1205'	525 SACKS - CIRCULATE
7 7/8	WC50, 5 1/2	15.5 & 17#	7250'	2000 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/ 1% CACL2 (14.8 PPG, 1.32 CF/S, 6.3 GW/S).

PRODUCTION CASING - 1500 SACKS 35/65 POZ CLASS H W/ 6% GEL, 5% SALT, 1/4# FLOCELE (12.8 PPG, 1.94 CF/S, 10.5 GW/S). F/B 500 SACKS CLASS H (15.6 PPG, 1.18 CF/S, 5.2 GW/S).

OXY OPERATES A WELL IN THIS QUARTER QUARTER SECTION AND HAS BEEN FURNISHED A COPY OF THIS APPLICATION.

DAYS TO DRILL: 16 DAYS DAYS TO COMPLETE: 10 DAYS.

UNORTHODOX LOCATION: OCD DISTRICT APPROVAL REQUESTED PER RULE 104.F.(1) FOR EFFICIENT PRODUCTION PATTERN.

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 vertical 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

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.) JAMES G. PETTENGILL TITLE Asst. Dir. MINERALS DATE 6/2/97

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.

State of New Mexico

Energy, Minerals and Natural Resources Department

Form C-102

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 2089, Santa Fe, NM 87504-2089

OIL CONSERVATION DIVISION

P.O. Box 2088

Santa Fe, New Mexico 87504-2088

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

API Number 30-025-34000		Pool Code 18830	Pool Name DOLLARHIDE TUBB DRINKARD
Property Code H12T 10926	Property Name WEST DOLLARHIDE DRINKARD UNIT		Well Number #162
OGRID No. 22351	Operator Name TEXACO EXPLORATION & PRODUCTION INC.		Elevation 3144'

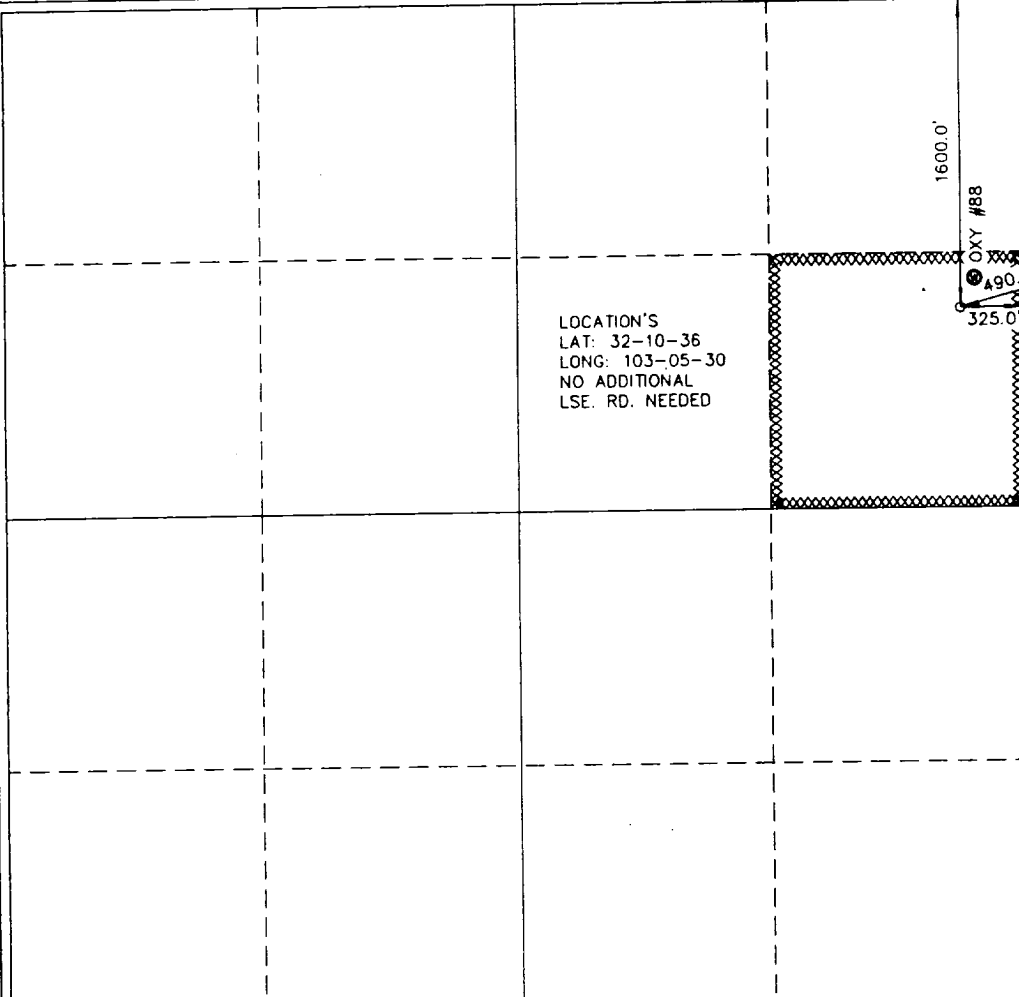
Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
H	31	24-S	38-E		1600.0	NORTH	325.0	EAST WEST	LEA

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	County
Dedicated Acres 40		Joint or Infill		Consolidation Code		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

	OPERATOR CERTIFICATION <i>I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief.</i> Signature <u>C. Wade Howard</u> Printed Name <u>C. WADE HOWARD</u> Position <u>TEXACO WDDU #96 ASSISTANT TECHNICIAN</u> Company <u>TEXACO EXPLOR. & PROD. INC.</u> Date <u>02-03-97</u>
	SURVEYOR CERTIFICATION <i>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.</i> Date Surveyed <u>02-03-97</u> Signature & Seal of Professional Surveyor <u>[Signature]</u> Certificate No. <u>4882</u>

DRILLING PROGRAM

WEST DOLLARHIDE DRINKARD UNIT No. 162

SURFACE DESCRIPTION:

The land surface in the area of the well site is practically level. Drainage is to the southeast. The top soil is sand. Vegetation consists mainly of shinnery oak, weeds, and range grasses.

FORMATION TOPS: Estimated KB Elevation: 3158'

<u>Formation</u>	<u>Depth</u>	<u>Lithology</u>	<u>Fluid Content</u>
Rustler	1190'	Anhy	----
Yates	2660'	Anhy, Dolo	----
Queen	3590'	Sandstone	Oil/Gas/Wtr
Glorieta	5100'	Sandstone, Dolo	----
Tubb	6000'	Sandstone, Dolo	Oil/Gas/Wtr
Drinkard	6400'	Limestone, Dolo	Oil/Gas/Wtr
Abo	6585'	Limestone, Dolo	Oil/Gas/Wtr

The base of the salt section is at 2600'. No abnormal pressures or temperatures are anticipated to be encountered in this well. H2S is present in the Queen and Drinkard. H2S RADIUS OF EXPOSURE: 100ppm = 24', 500ppm = 11', based on 1,000ppm H2S and 100 MCF (see attached H2S Drilling Operations Plan. H2S equipment to be operational prior to drilling out Surface Casing Shoe.)

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 cementing program is detailed on Form 3160-3. All casing will be new.

Casing Program:

Surface Casing - *11" hole, 8 5/8", 24#, WC-50, STC, set @ 1205'.

*The OCD in Hobbs has approved this program.

Production Casing - 7 7/8" hole, 5 1/2": 6000' of 15.5#, WC-50, LTC,
and 1250' of 17#, WC-50, LTC, set @ 7250'.

Centralizer Program:

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

Production Casing - Centralize every other joint on bottom 1250'.

MUD PROGRAM:

<u>Depth</u>	<u>Type</u>	<u>Weight</u>	<u>Viscosity</u>
0'-1205'	Fresh Water	8.4	28
1205'-7250'	Brine	10.0	29

Bottom Hole Pressure at T.D. estimated to be 6.4 PPG EMW. (2413 psi)

Duration of Operation: 16 Days to Drill + 10 Days to Complete= 26 Days

LOGGING, TESTING:

NGT-CNL-LDT, GR-DLL-MSFL, GR-BHC, and GR-CMR surveys will be run.

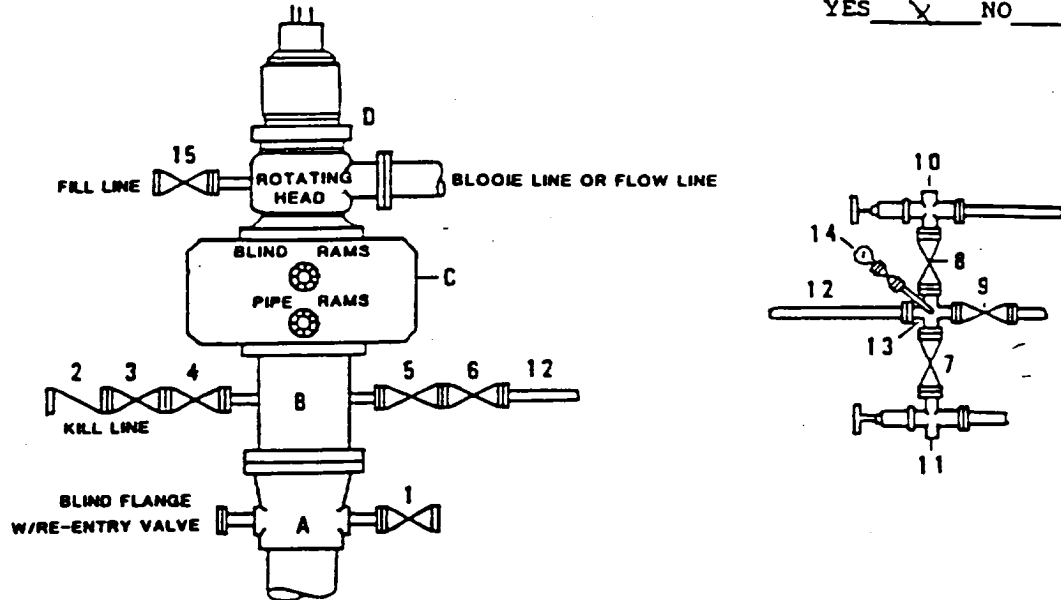
No Mud Logging Unit will be used.

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 Bloop 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

