

Texado

January 6, 2000

GOV-STATE AND LOCAL GOVERNMENTS

Application for Simultaneous Dedication C.C. Fristoe B Federal NCT-2 #24 & C.C. Fristoe B Federal NCT-2 #25

Justis Blinebry Pool (34200) and Justis Tubb Drinkard Pool (35280) Sec 35, T24S, R37E Lea County, NM

State of New Mexico Energy and Minerals Department Oil Conservation Commission 2040 South Pacheco Santa Fe, NM 87505

Attention: Mr. Mike Stogner

I want to thank you again for helping us to expedite the work involving the Justis Blinebry horizontal lateral in the Fristoe B Federal NCT-2 #24. Also, thanks for educating us on the rule involving Project Areas and Non-Standard locations.

Texaco Exploration and Production Inc. is respectfully requesting approval to form a Project Area in the Justis Blinebry Pool consisting of 240 acres as shown on the attached map. All this acreage is within the CC Fristoe B Federal NCT-2 Lease.

Texaco is also requesting the 120 acres highlighted (Unit letters B, G, H) to be simultaneously dedicated to the CC Fristoe B Federal NCT-2 #24, #14, #20, #8, #21 and #25 in the Justis Blinebry Pool. The CC Fristoe B Federal NCT-2 #24 is an existing well that a horizontal lateral will be drilled in the Justis Blinebry across Unit letters H, G, & B with a bottom hole location in Unit B. (See attached map).

The CC Fristoe B Federal NCT-2 #25 will be a new drill in Unit Letter G, completed in both the Justis Blinebry and Justis Tubb-Drinkard. It is estimated to be spudded within a few months. A 40 acre Non-Standard location, Unorthodox location and simultaneous dedication were obtained for this well. A copy of the order is attached. We are now requesting this well be included in the Project Area for the Justis Blinebry and be included in the 120 acre simultaneous dedication.

The 40 acre dedication in the Justis Tubb for the CC Fristoe B Federal NCT-2 #25 will not change from the prior approved dedication. The well will be simultaneous dedicated with the CC Fristoe Federal B NCT-2 #20 in the Justis Tubb Pool.

The C-102's are attached for all the wells involved in the simultaneous dedication in the Justis Blinebry Pool for the 120 acre dedicated acreage (Unit Letters B, G and H).