Form 3160-3
(December 1990)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

N. M. OIL CONS. COMMISSION
P. O. BOX 1980
HOBBS, NEW MEXICO 88240

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

SUBMIT IN TRIPLICATE

5. Lease Designation and Serial No.
NM 14218

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

6. If Indian, Alottee or Tribe Name

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

7. If Unit or CA, Agreement Designation

8. Well Name and Number
C. C. FRISTOE 'B' FEDERAL NCT-2
24

2. Name of Operator
TEXACO EXPLORATION & PRODUCTION INC.

3. Address and Telephone No.
P.O. Box 3109, Midland Texas 79702 688-4606

9. API Well No.
30-025-34862

4. Location of Well (Report location clearly and in accordance with any State requirements.*)
At Surface
Unit Letter H : 1491 Feet From The NORTH Line and 1048 Feet From The EAST Line
At proposed prod. zone
SAME

10. Field and Pool, Explortory Area
JUSTIS BLINEBRY/JUSTIS TUBB DRINKARD

11. SEC., T., R., M., or BLK. and Survey or Area
Sec. 35, Township 24-S, Range 37-E

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

12. County or Parish: LEA
13. State: NM

15. Distance From Proposed* Location to Nearest Property or Lease Line, Ft. (also to nearest drlg. unit line, if any)	16. No. of Acres in Lease	17. No. of Acres Assigned To This Well
171'	400	40

18. Distance From Proposed Location* to Nearest Well, Drilling, Completed or Applied For, On This Lease, Ft.	19. Proposed Depth	20. Rotary or Cable Tools
1053'	6350'	ROTARY

21. Elevations (Show whether DF,RT, GR, etc.)
GR-3169'

22. Approx. Date Work Will Start*
1/3/98

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#	925'	325 SACKS - CIRCULATE
7 7/8	L80/K55, 4 1/2	11.6#	6350'	1400 SACKS - YOC

WITNESS

CAPITAN CONTROLLED WATER BASIN

CEMENTING PROGRAM:
SURFACE CASING: 325 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: 700 SACKS 35/65 POZ H w/6% GEL, 5% SALT, 1/4# FC (12.4 PPG, 2.14 CF/S, 11.9 GW/S). F/B 700 SACKS 50/50 POZ H w/2% GEL, 5% SALT, 1/4# FC (14.2 PPG, 1.35 CF/S, 6.3 GW/S).

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

12 DAYS TO DRILL, 10 DAYS TO COMPLETE.
THERE ARE NO OTHER OPERATORS IN THIS QUARTER QUARTER SECTION.

UNORTHODOX LOCATION: APPLICATION HAS BEEN FILED. (COPY ATTACHED)

APPROVAL SUBJECT TO GENERAL REQUIREMENTS AND SPECIAL STIPULATIONS ATTACHED

UNORTHODOX LOCATION

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 A. Phil Ryan TITLE Commission Coordinator DATE 12/4/97
TYPE OR PRINT NAME

(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 1-5-98
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.

DeSoto/Nichols 10-94 ver 2.0

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
30-025-34262	35262	Justis Blinebry & Justis Tubb Drinkard

[4] Property Code	[5] Property Name	[6] Well Number
[illegible]	C. C. Fristoe "B" Federal NCT-2	24

[7] OGRID No.	[8] Operator Name	[9] Elevation
22351	TEXACO EXPLORATION & PRODUCTION, INC.	3169'

[10] Surface Location

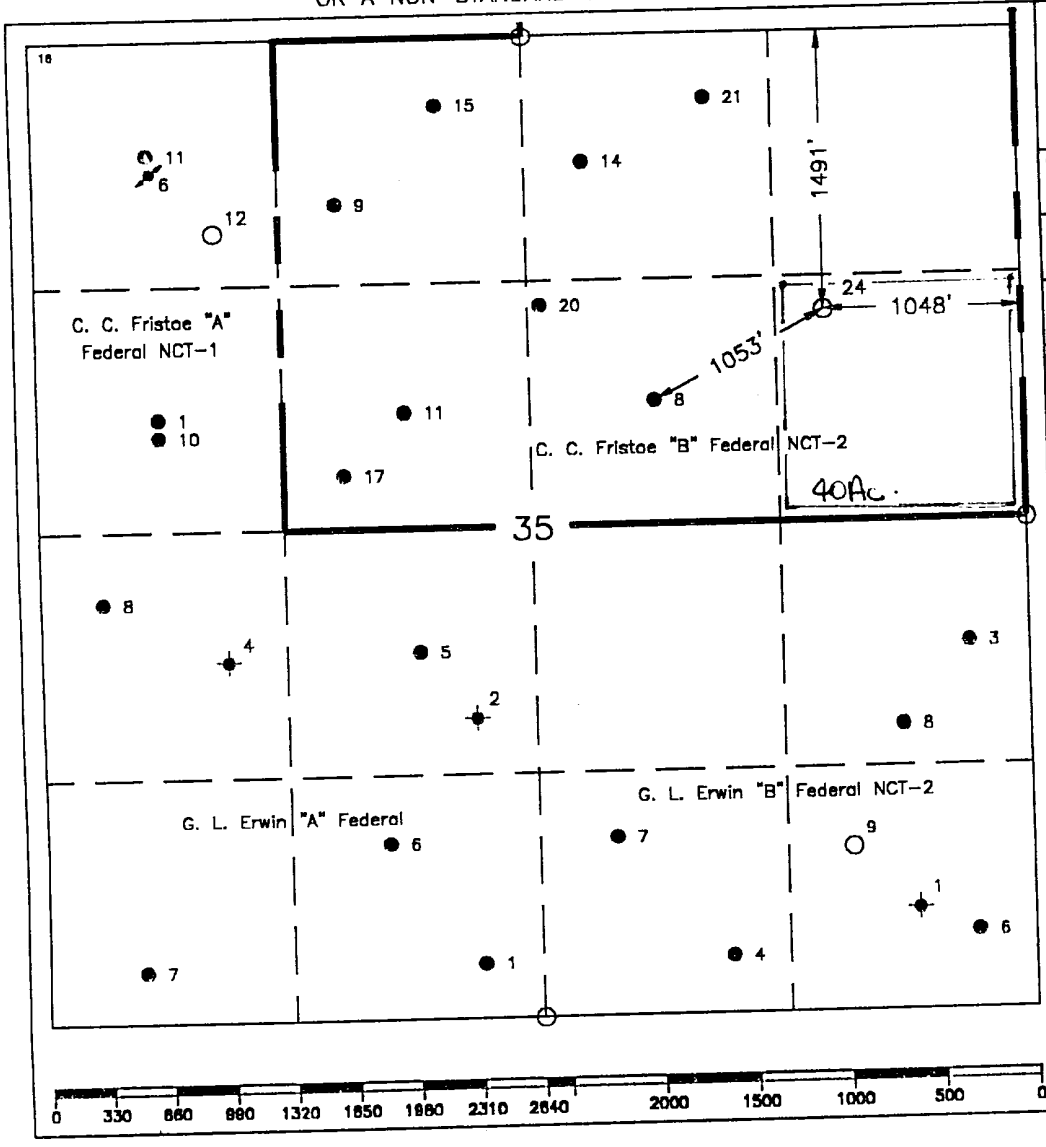
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
H	35	24-S	37-E		1491'	North	1048'	East	Lea

[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	County

[12] Dedicated Acres	[13] Joint or Infill	[14] Consolidation Code	[15] Order No.
40			

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: Phil Ryan

Printed Name: Phil Ryan

Position: Engineer's Assistant

Company: Texaco Expl. & Prod. Inc.

Date: December 1, 1997

[18] 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 17, 1997

Signature & Seal of Professional Surveyor

Certificate No. 7254 John S. Piper

Sheet 8 of 8

= Water Supply Well = Plugged & Abandon Well

DRILLING PROGRAM

C. C. FRISTOE 'B' FEDERAL NCT-2 WELL No. 24

SURFACE DESCRIPTION:

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

FORMATION TOPS: Estimated KB Elevation: 3194'

Formation	Depth	Lithology	Fluid Content
Rustler	925'	Anhy, Salt	----
Tansill	2270'	Anhy, Dolo	----
Yates	2385'	Sandstone, Anhy	----
Queen	3090'	Sandstone, Anhy	----
Blinebry	5115'	Dolomite, Anhy	Oil
Tubb	5800'	Sandstone	Oil
Drinkard	6010'	Dolomite, Anhy	Oil
Abo	6250'	Dolo, Limestone	Oil

The base of the salt section is the top of the Tansill at 2270'. No abnormal pressures or temperatures are anticipated to be encountered in this well. H2S is present in the Blinebry. H2S RADIUS OF EXPOSURE: 100ppm = 26', 500ppm = 12', based on 300ppm H2S and 380 MCF (see attached H2S Drilling Operations Plan. H2S equipment to be operational prior to drilling out Surface Casing Shoe.)

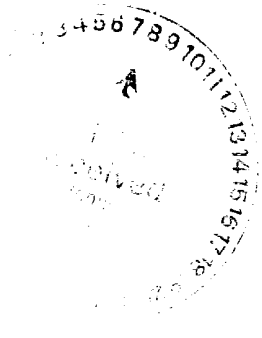
Duration of Operation: 12 Days to Drill & 10 Days to Complete

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

Casing Program:

Surface Casing - 8 5/8", 24#, WC50, STC set at 925'.

Production Casing - 0' to 2000': 4 1/2", 11.6#, L-80, LTC
2000' to 6400': 4 1/2", 11.6#, K-55, LTC.

Centralizer Program:

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

Production Casing - Centralize every 3rd joint on bottom 2000'.

MUD PROGRAM:

Depth	Type	Weight	Viscosity
0'-925'	Fresh Water	8.4	28
925'-4000'	Brine	10.0	29
4000'-6400'	Brine/Starch	10.0	32-36

Bottom Hole Pressure at T.D. estimated to be 6.7 PPG EMW (2230 psi).

LOGGING, TESTING:

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

No Mud Logging Unit will be used.

No drill stem tests will be conducted.

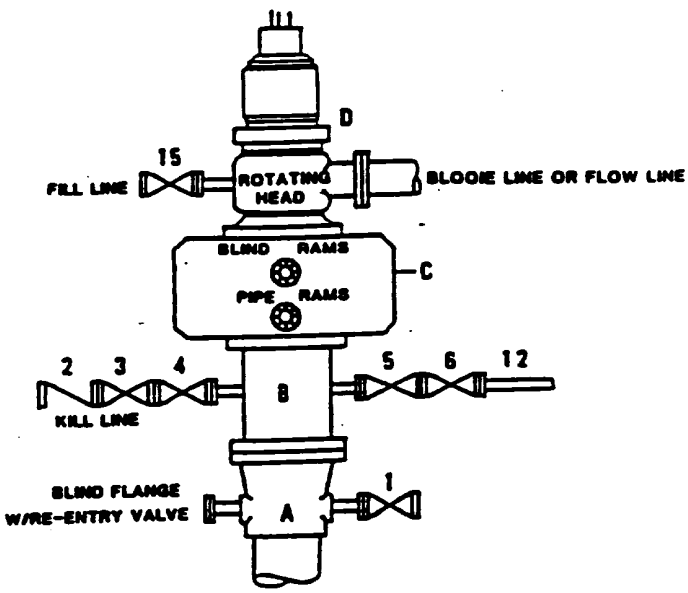
No cores will be taken.

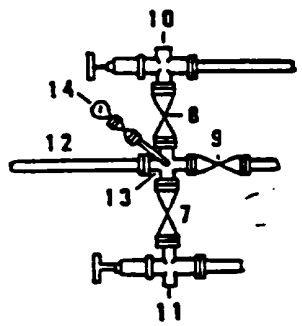
DRILLING CONTROL

CONDITION II-B 3000 WP

FOR AIR DRILLING OR WHERE NITROGEN OR AIR BLOWS ARE EXPECTED

H_2S 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 Blooie 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

OPERATOR - LANDOWNER AGREEMENT

COMPANY: TEXACO EXPLORATION AND PRODUCTION INC.

PROPOSED WELL: C. C. FRISTOE 'B' FEDERAL NCT-2 No. 24

FEDERAL LEASE No. NM 14218

This is to advise that Texaco Exploration and Production Inc. has an agreement with:
El Paso Natural Gas, P. O. Box 1492, El Paso, TX 79978

the surface owner, concerning entry and surface restoration after completion of drilling operations at the above described well.

After abandonment of the well, all pits will be filled and leveled, all equipment and trash will be removed from well site. No other requirements were made concerning restoration of the well site.

12/4/97
Date

A. Phil Ryan
A. Phil Ryan
Commission Coordinator
Midland, Texas

ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION

- Engineering Bureau -

ADMINISTRATIVE APPLICATION COVERSHEET

THIS COVERSHEET IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS

Application Acronyms:

[NSP-Non-Standard Proration Unit] [NSL-Non-Standard Location]
[DD-Directional Drilling] [SD-Simultaneous Dedication]
[DHC-Downhole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling]
[PC-Pool Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measurement]
[WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion]
[SWD-Salt Water Disposal] [IPI-Injection Pressure Increase]
[EOR-Qualified Enhanced Oil Recovery Certification] [PPR-Positive Production Response]

[1] **TYPE OF APPLICATION** - Check Those Which Apply for [A]

[A] Location - Spacing Unit - Directional Drilling

☒ NSL ☐ NSP ☐ DD ☐ SD

Check One Only for [B] or [C]

[B] Commingling - Storage - Measurement

☐ DHC ☐ CTB ☐ PLC ☐ PC ☐ OLS ☐ OLM

[C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery

☐ WFX ☐ PMX ☐ SWD ☐ IPI ☐ EOR ☐ PPR

[2] **NOTIFICATION REQUIRED TO:** - Check Those Which Apply, or ☐ Does Not Apply

[A] ☐ Working, Royalty or Overriding Royalty Interest Owners

[B] ☐ Offset Operators, Leaseholders or Surface Owner

[C] ☐ Application is One Which Requires Published Legal Notice

[D] ☐ Notification and/or Concurrent Approval by BLM or SLO
U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office

[E] ☐ For all of the above, Proof of Notification or Publication is Attached, and/or,

[F] ☐ Waivers are Attached

[3] **INFORMATION / DATA SUBMITTED IS COMPLETE** - Statement of Understanding

I hereby certify that I, or personnel under my supervision, have read and complied with all applicable Rules and Regulations of the Oil Conservation Division. Further, I assert that the attached application for administrative approval is accurate and complete to the best of my knowledge and where applicable, verify that all interest (WI, RI, ORRI) is common. I further verify that all applicable API Numbers are included. I understand that any omission of data, information or notification is cause to have the application package returned with no action taken.

Note: Statement must be completed by an individual with supervisory capacity.

A. Phil Ryan	A. Phil Ryan	Commission Coordinator	12/4/97
Print or Type Name	Signature	Title	Date

December 4, 1997

GOV - STATE AND LOCAL GOVERNMENTS
Unorthodox Location
C. C. Fristoe `B' Federal NCT-2 Well No. 24
Justis Blinebry and Justis Tubb Drinkard 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 1491' FNL & 1048' FEL, Unit Letter "H", of Section 35, T-24-S, R-37-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. Attached is Form C-102 for this well.

Yours very truly,

A. Phil Ryan
Commission Coordinator

APR:CES Attachments cc: BLM, Roswell, NM

SURFACE USE AND OPERATIONS PLAN

FOR

TEXACO EXPLORATION AND PRODUCTION, INC.

C. C. FRISTOE "B" FEDERAL (NCT-2) No. 24

1491' FNL & 1048' FEL, Section 35

TWP. 24 South, Range 37 East, N.M.P.M.,

Lea County, New Mexico

LOCATED: 5.8 Miles Northeasterly of Jal, New Mexico

FEDERAL LEASE NUMBER: NM-14218

LEASE ISSUED: Lease is in a producing status

ACRES IN LEASE: 400

RECORD LESSEE: TEXACO EXPLORATION AND PRODUCTION, Inc.

SURFACE OWNERSHIP: El Paso Natural Gas
P. O. Box 1492
El Paso, Texas 79978

POOL: Justis Blinebry; Justis Tubb Drinkard

POOL RULES: Field rules are for no wells to be located closer than 330' to any quarter-quarter section and to be 330' from the lease line.

EXHIBITS: A. Access Road and Facilities Map

B. Drilling Rig Layout Diagram

C. Well Location and Acreage Dedication Plat

1. EXISTING ACCESS ROADS

A. Exhibit "A" is an enlarged portion of a 7.5 minute U.S.G.S. topographic map showing the proposed well site and the existing roads in the area. Point "A" is at the intersection of an existing resource road and County Road C-14, 0.8 miles East of its intersection with County Road C-13, being 4.0 miles North along County Road C-13 from its intersection with State Highway 128 which is approximately 3 miles East of Jal, New Mexico along State Highway 128. From Point "A" as shown on Exhibit "A", go 0.25 miles South and 0.05 miles West to the beginning of the proposed road as shown on Exhibit "A".

2. PLANNED RESOURCE ROAD

A. Length and Width: A new 14 foot wide Resource Road will be constructed approximately 40 South (Shown in Red on Exhibit "A") with access at the Northwest corner of the proposed well pad as shown on Exhibits "A" and "B".

B. Surfacing Material: Caliche material will be used to surface the proposed road. It will be watered compacted, and graded.

C. Maximum Grade: An approximate grade of less than one percent will be encountered to the proposed well pad.

D. Turnouts: Turnouts will not be required.

E. Drainage Design: The new road will be crowned at the center to direct drainage to ditches on both sides of the roadway.

F. Culverts: None will be required.

G. Cuts and Fills: A slight amount of leveling will be required to the proposed well pad.

H. Gates and Cattle Guards: None will be required.

3. LOCATION OF EXISTING WELLS

A. Existing wells on the lease and in the immediate area are shown on Exhibit "A".

4. LOCATION OF EXISTING AND PROPOSED FACILITIES

A. The oil, gas, and/or water that this well produces will be transported by a 2 7/8" steel surface flowline, approximately 500 feet in length, (Shown in Green on Exhibit "A") to the C. C. Fristoe Consolidated Tank Battery located in the Northeast quarter of the Northeast quarter of said Section 35 as shown on Exhibit "A".

B. Approximately 260 feet of electric power line will be built to service this well as shown on Exhibits "A" and "B". Note that some existing electric lines in the area are also shown on Exhibit "A" for reference. It is a 12,470 phase to phase, 7200 volts to ground three phase. It is an operator owned powerline.

5. LOCATION AND TYPE OF WATER SUPPLY

A. It is not contemplated that a water well would be drilled. Water necessary for drilling operations will be purchased and trucked to the well site or will be transported to the well site by a temporary pipeline laid on the ground alongside existing and proposed roads.

6. SOURCE OF CONSTRUCTION MATERIALS

A. Caliche needed for the well pad will be taken from the proposed borrow pit located within the 400 x 400' archaeologically cleared tract at the proposed well site (See Exhibit "B" for location). If sufficient quality or quantity of caliche is not available, it will be transported to the proposed road and well site from the existing pit located in the SE/4 of the SE/4 of Section 35, T24S, R37E, Lea County, as shown on Exhibit "A" along the existing resource roads.

7. METHOD OF HANDLING WATE DISPOSAL

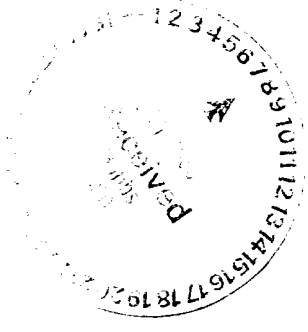
A. Drill cuttings will be disposed of in the drilling pits.

B. Drilling fluids will be allowed to evaporate in the drilling pits until the pits are dry.

C. Water produced during tests will be disposed of at commercial or company facilities.

D. Oil produced during tests will be stored in test tanks until sold.

E. Trash, waste paper, garbage and junk will be stored in a trash bin located on the drill site pad. It will be transported to an approved landfill for disposal within 30 days after completion of drilling and/or completion of operations. All waste material will be contained to prevent scattering by the wind.



8. ANCILLARY FACILITIES

A. None required.

9. WELL SITE LAYOUT

A. Exhibit "B" shows the relative location and dimensions of the well pad, mud pits, borrow pit, and the location of the major rig components.

B. Cut and Fill requirements will be minor, but clearing and leveling of the well site will be necessary.

10. PLANS FOR RECLAMATION OF THE SURFACE

A. After completion of drilling and/or completion of operations, all equipment and other material not necessary for operations will be removed. Pits will be filled and the location will be cleaned of all trash and junk to leave the well site in an as aesthetically pleasing condition as possible.

B. Any unquarded pits containing fluids will be fenced until the pits are dry.

C. After abandonment, all equipment, trash and junk will be removed and the well site will be cleaned. Any special reclamation and/or special revegetation requirements of the Surface Management Agency will be complied with and will be accomplished as rapidly as possible.

11. OTHER INFORMATION

A. Topography: The land surface in the area of the well is relatively level. Regionally, the land slopes to the Southeast with an average slope of approximately of one percent.

B. Soil: Topsoil at the well site is a shallow sandy loam.

C. Flora and Fauna: The vegetation cover is moderate. It includes range grasses, weeds, and mesquite bushes. Wildlife in the area is that typical of a semi-arid desert land and includes coyotes, rabbits, rodents, reptiles, hawks, dove, quail and other small birds.

D. Ponds and Streams: There are no rivers, lakes, ponds or streams in the area.

E. Residences and Other structures: There are no occupied dwellings or other structures within a half mile of the proposed well site.

F. Archaeological, Historical, or other Cultural Sites: None were observed in the area.

G. Land Use: Grazing, oil and gas production, and wildlife habitat.

H. Surface Ownership: Private fee.

12. OPERATOR'S REPRESNTATIVE

Phil Ryan
Engineer's Assistant
Texaco Exploration and Production, Inc.
P. O. Box 3109
Midland, Texas 79701
Office Phone: (915) 688-4606

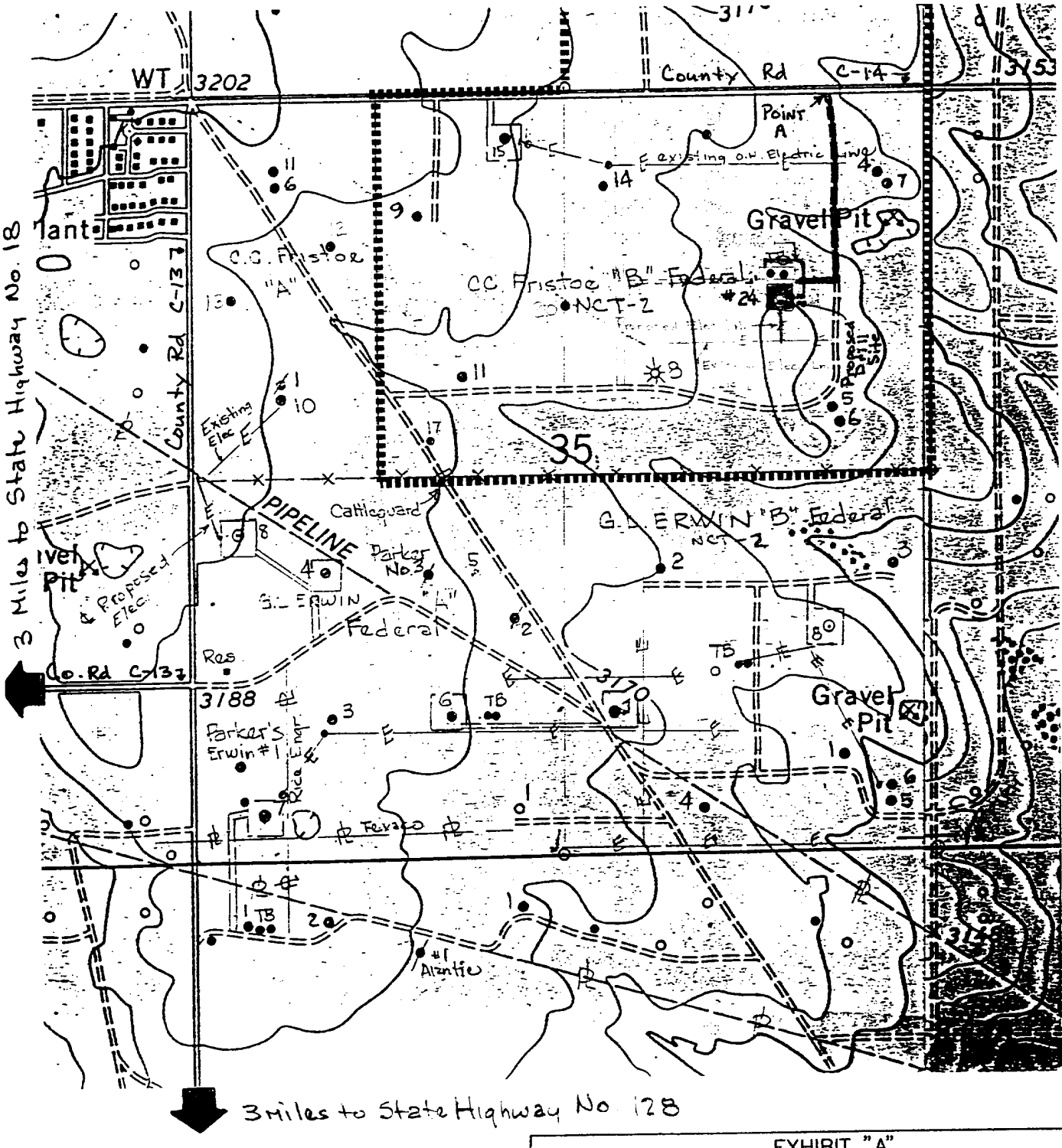
CERTIFICATION

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drill site and access route; that I am familiar with the conditions which currently exist; that the statements made in the plan are, to the best of my knowledge, true and correct; and, that the work associated with the operations proposed herein will be performed by Texaco Exploration and Production, Inc. and its contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved. This statement is subject to the provisions of 18 U. S. C. 1001 for the filing of a false statement.

12/4/97
Date

Phil Ryan
Engineer's Assistant
Midland, Texas

Enclosures
dmb



LEGEND OF SYMBOLS

- = Access Road (Yellow)
- = Resource Road on State Land (Blue)
- = Resource Road on Private Land (Pink)
- = Resource Road on Lease (Brown)
- = Proposed Resource Road (Red)
- -E-E- = Proposed Electric Line (Orange)
- -FL-FL- = Proposed Production Flowline (Green)
- o = Staked Well Location
- ● = Producing Well Location
- = Water Injection Well
- o = Found 1" Iron Pipe With Brass Cap
- ◎ = Found 2 or 3" Iron Pipe With Brass Cap

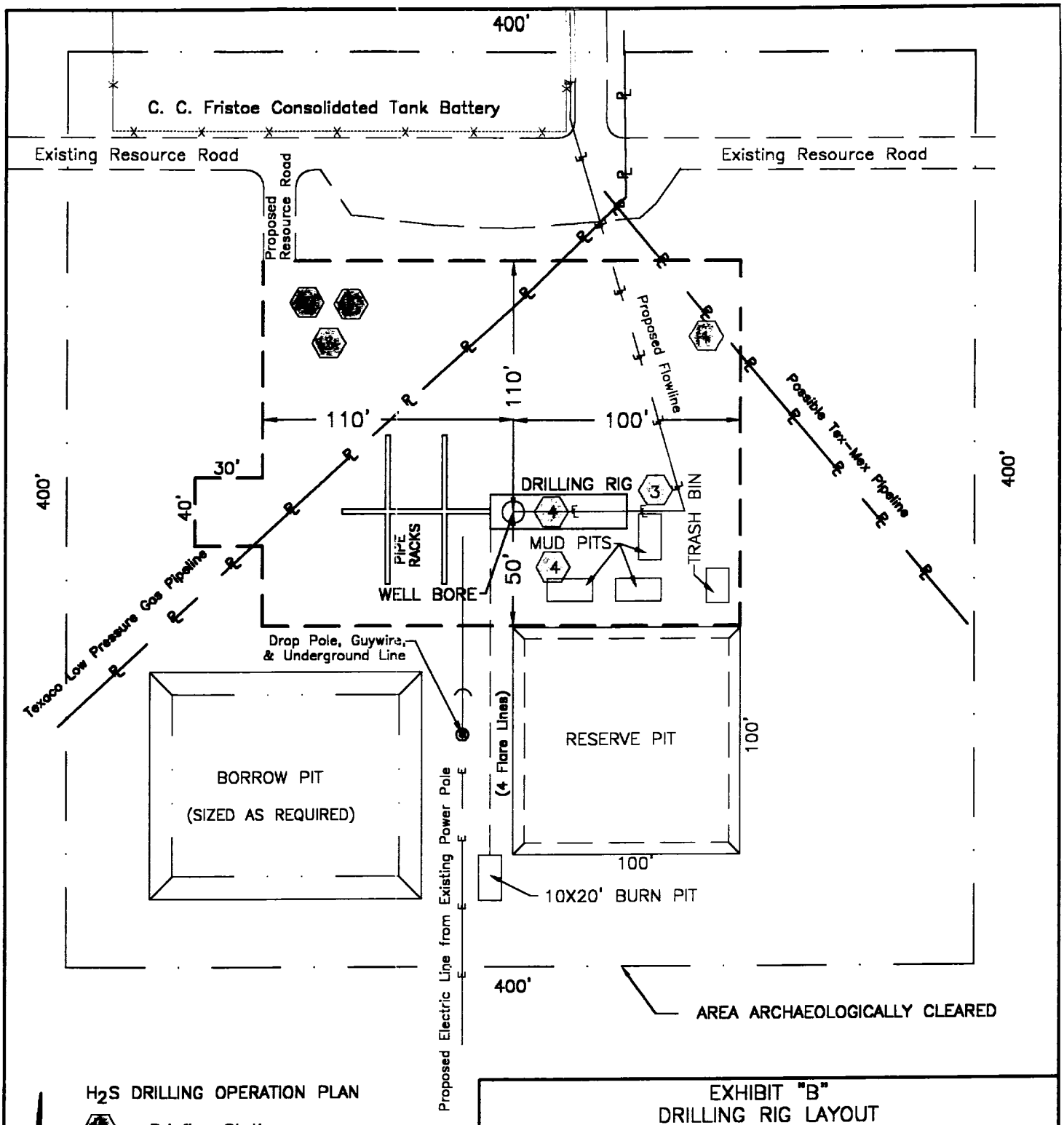
N

EXHIBIT "A"
ACCESS ROAD AND FACILITIES MAP

TEXACO EXPLORATION AND PRODUCTION Inc.

C. C. Fristoe "B" NCT-2 No. 24
1491' FNL & 1048' FEL Section 35,
T-24-S, R-37-E, Lea County, NM

Drawn by: J.S. Piper	Scale: 1" = 1000 Feet
Date: Nov. 24, 1997	Supervisor: Phil Ryan
Checked by: D. Ballew	Sheet 6 of 8



H_2S DRILLING OPERATION PLAN

- Briefing Station
- H_2S Safety Trailer
- Windsocks
- H_2S Detectors, Shale Shaker, Rotating Head, Rig Floor

Prevailing Wind from the South

EXHIBIT "B"
DRILLING RIG LAYOUT

TEXACO EXPLORATION AND PRODUCTION INC.

C. C. Fristoe "B" Federal NCT–2 No. 24
1491' FNL & 1048' FEL, Section 35
T–24–S, R–37–E, Lea County, NM

Drawn by: D. M. Ballew	Scale: 1" = 60'
Date: December 1, 1997	PHIL RYAN
Checked by: J. S. Piper	Sheet 7 of 8

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

[4] Property Code	[5] Property Name	[6] Well Number
	C. C. Fristoe "B" Federal NCT-2	24

[7] OGRID No.	[8] Operator Name	[9] Elevation
22351	TEXACO EXPLORATION & PRODUCTION, INC.	3169'

[10] Surface Location

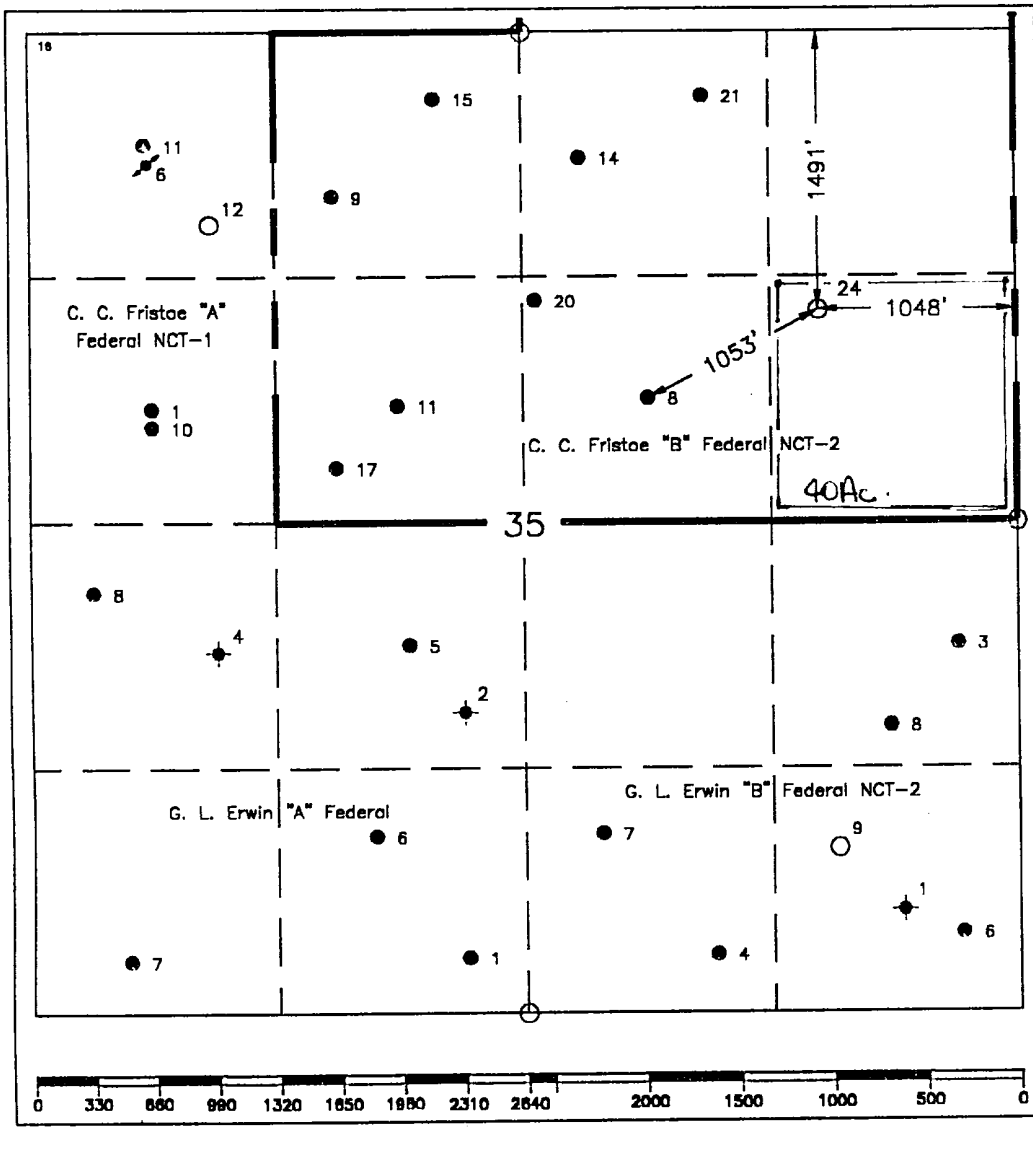
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	[7] County
H	35	24-S	37-E		1491'	North	1048'	East	Lea

[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	[13] Joint or Infill	[14] Consolidation Code	[15] Order No.
40			

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: Phil Ryan

Printed Name: Phil Ryan

Position: Engineer's Assistant

Company: Texaco Expl. & Prod. Inc.

Date: December 1, 1997

[18] 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 17, 1997

Signature & Seal of Professional Surveyor

Certificate No. 7254 John S. Piper

Sheet 8 of 8

○ — ● — ✦ — Plugged & Abandon Well

HYDROGEN SULFIDE DRILLING OPERATIONS PLAN

C. C. FRISTOE 'B' FEDERAL NCT-1 WELL No. 24

RADIUS OF EXPOSURE

100 PPM: 26 feet

500 PPM: 12 feet Based on 300ppm H2S and 380 MCF.

TRAINING

Every person involved in the wellsite operation will be informed of the characteristics of hydrogen sulfide, its danger, safe procedures to be used when it is encountered, use of detection equipment, use of protective breathing equipment, and first aid procedures for regular rig personnel.

On site training will be provided by Texaco prior to reaching Order 6 compliance depth. The Texaco Drilling Supervisor is responsible for insuring all persons working on location have been provided training.

EXHIBIT A

Topographic map of location and surrounding area.

EXHIBIT B

The wellsite layout contains the following information:

1. Drill rig orientation
2. Prevailing wind direction
3. Location of all briefing areas
4. Location of access road
5. Location of flare line
6. Location of windsocks
7. Location of H2S Safety Trailer

EXHIBIT C

Well Control Equipment

PROTECTIVE EQUIPMENT

4 - 30 minute SCBA's: 2 located at each Briefing Station. An additional SCBA will be located at the Tool Pusher's trailer, if used.

5 - 5 minute escape packs will be located in the Dog House.

Means of communication while using protective equipment will be hand signals.

H2S SENSORS

H2S sensors will be located at (1) Shale Shaker (2) Rotating Head and (3) Rig Floor.

A light will be located on the rig floor. It will be set to go off at 10 PPM. It will be visible from anywhere on the location.

A siren will be located on the rig floor. It will be set to go off at 15 PPM.

Texaco Drilling Supervisor will maintain a portable H2S monitor.

MUD PROGRAM

A Fresh Water/ Brine system will be used. Ph will be maintained at 10 or higher if H2S is encountered. Sufficient quantities of H2S scavenger will be on location for use as required.

Drilling will be through an on site gas separator to separate gas from the drilling fluid with gas vented down a flare line equipped with an igniter.

METALLURGY

All wellheads, trees, BOP's, rotating heads, choke manifolds and piping will be constructed/trimmed with materials suitable for H2S service.

All casing and tubing will be no greater than 80000 psi yield strength and no greater than a Rockwell C-22 hardness.

OTHER REQUIREMENTS OF ORDER 6

The flare line (item 4 of exhibit I) will be equipped with a propane ignition.

The flare gun and flares will be located in the H2S Safety Trailer.

Communications for the location will be by Rig Telephone.

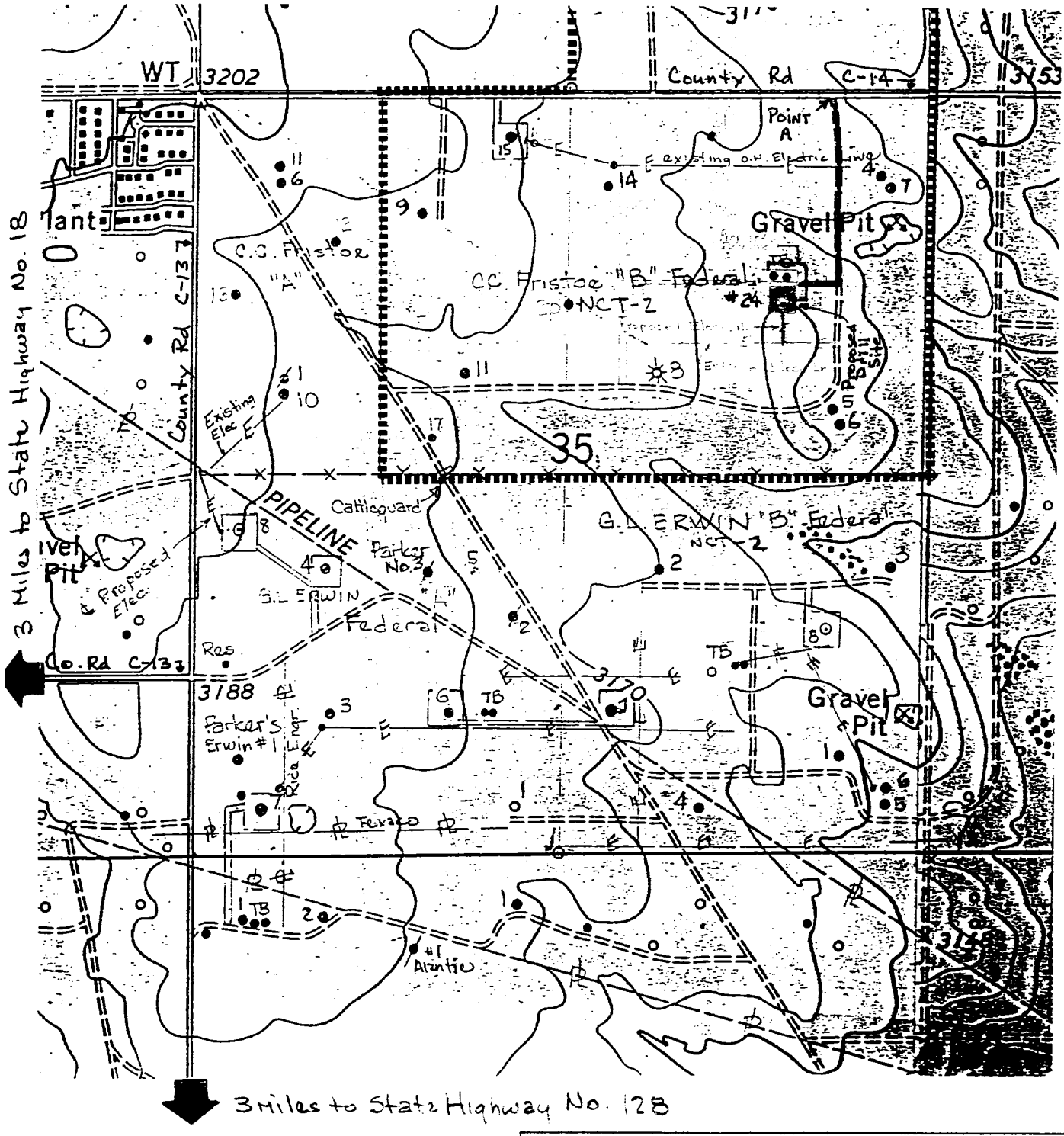
Wind direction indicators will be on the rig floor and at one briefing station with at least one visible from all points on the location.

Caution/danger signs and flags will be maintained at all entrances into the location.

An automatic remote-controlled choke will not be used. We will have installed and tested two manual, H2S trimmed, chokes.

WELL TESTING

No DST's are planned.



LEGEND OF SYMBOLS

- = Access Road (Yellow)
- = Resource Road on State Land (Blue)
- = Resource Road on Private Land (Pink)
- = Resource Road on Lease (Brown)
- = Proposed Resource Road (Red)
- E—E— = Proposed Electric Line (Orange)
- FL—FL— = Proposed Production Flowline (Green)
- o = Staked Well Location
- ● = Producing Well Location
- = Water Injection Well
- o = Found 1" Iron Pipe With Brass Cap
- ◎ = Found 2 or 3" Iron Pipe With Brass Cap

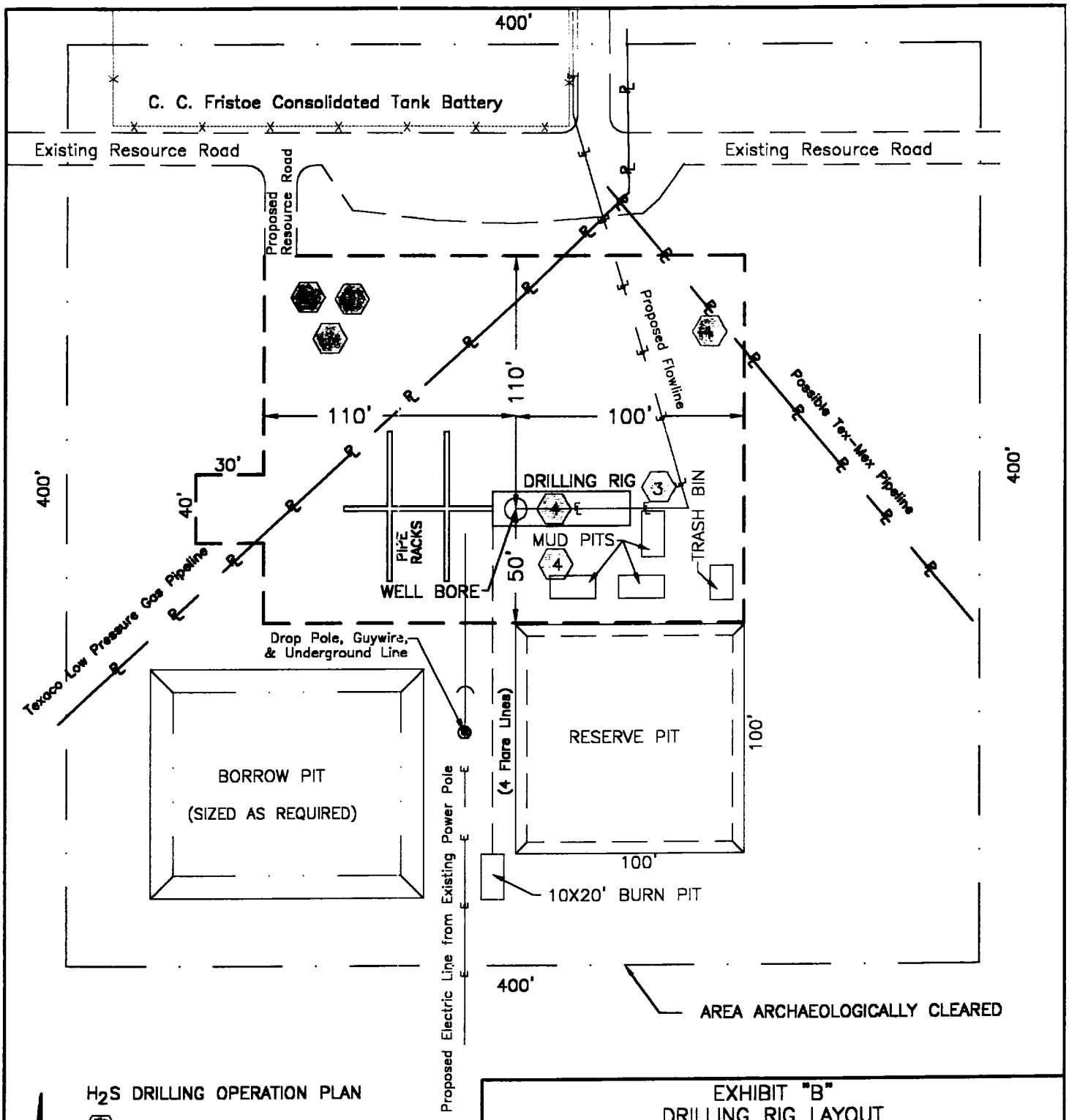
N

EXHIBIT "A"
ACCESS ROAD AND FACILITIES MAP

TEXACO EXPLORATION AND PRODUCTION Inc.

C. C. Fristoe "B" NCT-2 No. 24
1491' FNL & 1048' FEL Section 35,
T-24-S, R-37-E, Lea County, NM

Drawn by: J.S. Piper	Scale: 1" = 1000 Feet
Date: Nov. 24, 1997	Supervisor: Phil Ryan



H_2S DRILLING OPERATION PLAN

- Briefing Station
- H_2S Safety Trailer
- Windsocks
- H_2S Detectors, Shale Shaker, Rotating Head, Rig Floor

Prevailing Wind from the South

EXHIBIT "B"
DRILLING RIG LAYOUT

TEXACO EXPLORATION AND PRODUCTION INC.

C. C. Fristoe "B" Federal NCT-2 No. 24
1491' FNL & 1048' FEL, Section 35
T-24-S, R-37-E, Lea County, NM

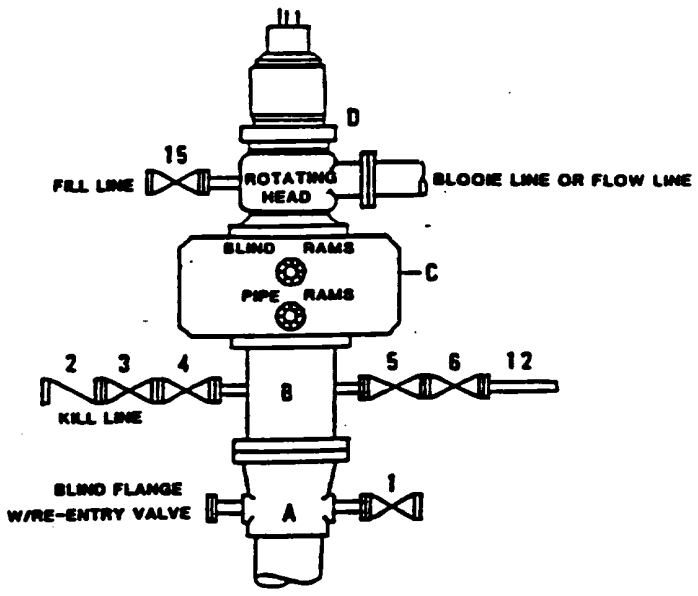
Drawn by: D. M. Ballew	Scale: 1" = 60'
Date: December 1, 1997	PHIL RYAN
Checked by: J. S. Piper	Sheet 7 of 8

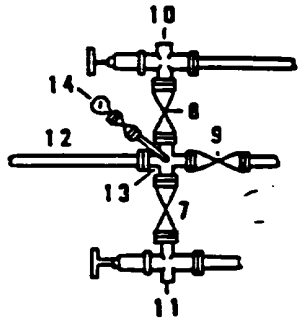
DRILLING CONTROL

CONDITION II-B 3000 WP

FOR AIR DRILLING OR WHERE NITROGEN OR AIR BLOWS ARE EXPECTED

H_2S 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 Blooie 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


Received