OIL CONSERVATION DIVISION

July 17, 1995

Enron Oil & Gas Company
P. O. Box 2267
Midland, Texas 79702

Attention: Betty Gildon

Administrative Order TX-220

Dear Ms. Gildon:

Reference is made to your request for an exception to the tubing setting requirements as contained in Division Rule 107 (d) (3) for the below-named well.

Pursuant to the authority granted me by Rule 107 (d) (4), you are hereby authorized to make a tubingless completion in the following well:

Well Name and Number: Hallwood 1 Federal Well No. 3

Location: Section 1, Township 25 South, Range 33 East, NMPM, Lea County, New Mexico

Remarks: Tubing will be required when this well ceases to flow.

The Division reserves the right to rescind this authority in the event that waste appears to be resulting therefrom.

Sincerely,

William J. LeMay
Director

WJL/RJ/kv

cc: Oil Conservation Division - Hobbs

pVEV2005536385

ENRON
Oil & Gas Company

P. O. Box 2267 Midland, Texas 79702 (915) 686-3600

Mr. William J. LeMay, Director
New Mexico Oil Conservation Commission
P.O. Box 2088
Santa Fe, New Mexico 87501

Re: Hallwood 1 Federal No. 3
Sec 1, T25S. R33E
Red Hills Field
Lea County, New Mexico

Dear Mr. Sexton :

Enron Oil & Gas respectfully requests your approval to complete and produce the above-referenced well from the Bone Spring formation (perforations 12286-12336) without the use of production tubing . The referenced well contains the following tubulars:

CASING	GRADE	DEPTH	TOP OF CEMENT
11-3/4"	H-40	672	Circulated
8-5/8"	S-80 & K-55	4950	Circulated
5-1/2"	P-110	12538	5250

The well was fracture treated via the 5-1/2" production casing and has been allowed to flowback through that casing to achieve faster cleanup and to minimize the risk of formation damage. Our plans are to install 2-7/8" production tubing when the well ceases to flow, which should occur within the first year or two of production.

We believe this "tubingless" completion technique is completely safe and effective for the following reasons:

- The well is in a known producing field
- No corrosive or pressure problems are know to exist
- The well is a single completion
- The 5-1/2" production string has been cemented into the base of the 8-5/8" casing
- The 5-1/2" is very high strength casing
- The stabilized after-frac flowing tubing pressures are low (less than 1,000 psig)
- The technique lowers the cost of the completion, thereby improving the economics of the project

Thank you for your consideration of this request. If you need additional information, please contact me.

Sincerely,

Betty A. Gildon

Regulatory Analyst

cc: NMOCD-HOBBS
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Form 3160-4
(July 1992)

CONFIDENTIAL

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUBMIT IN DUPLICATE* (See other instructions on reverse side)

FORM APPROVED
OMB NO. 1004-0137
Expires: February 28, 1995

WELL COMPLETION OR RECOMPLETION REPORT AND LOG*

5. LEASE DESIGNATION AND SERIAL NO.: NM 19859

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

1a. TYPE OF WELL: OIL WELL [X] GAS WELL [ ] DRY [ ] Other

b. TYPE OF COMPLETION: NEW WELL [X] WORK OVER [ ] DEEP-EN [ ] PLUG BACK [ ] DIFF. RESVR. [ ] Other

7. UNIT AGREEMENT NAME:

8. FARM OR LEASE NAME, WELL NO.: Hallwood 1 Federal #3

2. NAME OF OPERATOR: Enron Oil & Gas Company

9. API WELL NO.: 30 025 32886

3. ADDRESS AND TELEPHONE NO.: P. O. Box 2267, Midland, Texas 79702

10. FIELD AND POOL, OR WILDCAT: Red Hills Bone Spring

4. LOCATION OF WELL (*Report location clearly and in accordance with any State requirements*)*
At surface: 1430' FSL & 1830' FEL
At top prod. interval reported below: 1430' FSL & 1830' FEL
At total depth: 1430' FSL & 1830' FEL

11. SEC., T., R., M., OR BLOCK AND SURVEY OR AREA: Sec 1, T25S, R33E

14. PERMIT NO.	DATE ISSUED	12. COUNTY OR PARISH	13. STATE
-	2-22-95	Lea	NM

15. DATE SPUDDED	16. DATE T.D. REACHED	17. DATE COMPL. (*Ready to prod.*)	18. ELEVATIONS (DF, RKB, RT, GR, ETC.)*	19. ELEV. CASINGHEAD
3-5-95	3-20-95	3-27-95	3435' GR	3435'

20. TOTAL DEPTH, MD & TVD	21. PLUG, BACK T.D., MD & TVD	22. IF MULTIPLE COMPL., HOW MANY*	23. INTERVALS DRILLED BY	ROTARY TOOLS	CABLE TOOLS
12,550'	12,440'		→	X	

24. PRODUCING INTERVAL(S), OF THIS COMPLETION—TOP, BOTTOM, NAME (MD AND TVD)*: 12286-12336 (3rd Bone Spring)

25. WAS DIRECTIONAL SURVEY MADE: No

26. TYPE ELECTRIC AND OTHER LOGS RUN: Z-Densilog-Neutron-GR

27. WAS WELL CORED: No

28. CASING RECORD (*Report all strings set in well*)

CASING SIZE/GRADE	WEIGHT, LB./FT.	DEPTH SET (MD)	HOLE SIZE	TOP OF CEMENT, CEMENTING RECORD	AMOUNT PULLED
11-3/4	42	672	14-3/4	350 Prem Plus	Circulated
8-5/8	32#	4950	11	1400 HLP	Circulated
5-1/2	17#	12538	7-7/8	956 Prem & 185 50/50 poz	TOC 5250 per Temp Survey

29. LINER RECORD

SIZE	TOP (MD)	BOTTOM (MD)	SACKS CEMENT*	SCREEN (MD)

30. TUBING RECORD

SIZE	DEPTH SET (MD)	PACKER SET (MD)
None		

31. PERFORATION RECORD (*Interval, size and number*)
12311-12336 (.38" 100)
12286-12311 (.38" 100)

32. ACID, SHOT, FRACTURE, CEMENT SQUEEZE, ETC.

DEPTH INTERVAL (MD)	AMOUNT AND KIND OF MATERIAL USED
12286-12336	76,000 gals Medallion 3000 with 160,440# 20/40 Interprop Plus

33.* PRODUCTION

DATE FIRST PRODUCTION	PRODUCTION METHOD (*Flowing, gas lift, pumping—size and type of pump*)	WELL STATUS (*Producing or shut-in*)
3-29-95	Flowing	Producing

DATE OF TEST	HOURS TESTED	CHOKE SIZE	PROD'N. FOR TEST PERIOD →	OIL—BBL.	GAS—MCF.	WATER—BBL.	GAS-OIL RATIO
4-3-95	24	22/64		358	236	31	659

FLOW. TUBING PRESS.	CASING PRESSURE	CALCULATED 24-HOUR RATE →	OIL—BBL.	GAS—MCF.	WATER—BBL.	OIL GRAVITY-API (CORR.)
-	550					40.0

34. DISPOSITION OF GAS (*Sold, used for fuel, vented, etc.*): Sold

TEST WITNESSED BY:

35. LIST OF ATTACHMENTS: Logs

36. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records

SIGNED Betty Gildon TITLE Regulatory Analyst DATE 4/6/95

*(See Instructions and Spaces for Additional Data on Reverse Side)

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.

37. SUMMARY OF POROUS ZONES: (Show all important zones of porosity and contents thereof; cored intervals; and all drill-stem, tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures, and recoveries):

FORMATION	TOP	BOTTOM	DESCRIPTION, CONTENTS, ETC.
	0	4950	Salt & Anhy
Delaware &	4950	9350	Sand & Lime
Bone Spring	9350	11070	Lime, Shale
Bone Spring & Wolfcamp	11070	12550	Lime, Shale, Sand

38. GEOLOGIC MARKERS

NAME	TOP	
	MEAS. DEPTH	TRUE VERT. DEPTH
Delaware	5164	
Bone Spring	9269	
Wolfcamp	12374	

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