OIL CONSERVATION DIVISION

July 17, 1995

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

Attention: Betty Gildon

Administrative Order TX-221

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 12 Federal Well No. 10

Location: Section 12, 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

PVEV2005536441

OIL CONSERVATION DIVISION
RECEIVED

'95 MAY 15 AM 8 52

ENRON
Oil & Gas Company

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

May 11, 1995

Mr.William J. LeMay, Director
New Mexico Oil Conservation Commission
2040 S. Pacheco
Santa Fe, New Mexico 87505

Re: Hallwood 12 Federal No. 10
Sec 12, 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 12238-12282) without the use of production tubing . The referenced well contains the following tubulars:

CASING	GRADE	DEPTH	TOP OF CEMENT
11-3/4"	H-40	671	Circulated
8-5/8"	S-80 & K-55	4928	Circulated
5-1/2"	P-110	12537	5150

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
N:\ray\Rli0166.doc

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 30400

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7. UNIT AGREEMENT 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

8. FARM OR LEASE NAME, WELL NO.: Hallwood 12 Federal #10

2. NAME OF OPERATOR: Enron Oil & Gas Company

9. API WELL NO.: 30 025 32895

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: 660' FNL & 1880' FWL
At top prod. interval reported below: 660' FNL & 1880' FWL
At total depth: 660' FNL & 1880' FWL

11. SEC., T., R., M., OR BLOCK AND SURVEY OR AREA: Sec 12, 25S, 33E

14. PERMIT NO.	DATE ISSUED	12. COUNTY OR PARISH	13. STATE
-	3-15-95	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
3-27-95	4-11-95	4-15-95	3409' GR	3409'

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'	12,446'		→	X	

24. PRODUCING INTERVAL(S), OF THIS COMPLETION—TOP, BOTTOM, NAME (MD AND TVD)*: 12,238'-12,282' (3rd Bone Spring)

25. WAS DIRECTIONAL SURVEY MADE: No

26. TYPE ELECTRIC AND OTHER LOGS RUN: Z-Densilog-Comp 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	671	14-3/4	350 Prem Plus	Circulated
8-5/8	32	4928	11	1200 Prem H Lite & 200 Prem +	Circulated
5-1/2	17	12537	7-7/8	914 Prem + & 299 50/50 poz A	TOC 5150'

29. LINER RECORD

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

30. TUBING RECORD

SIZE	DEPTH SET (MD)	PACKER SET (MD)

31. PERFORATION RECORD (Interval, size and number)
12,238'-12,262' (.36" 96)
12,262'-12,282' (.36" 80)

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

DEPTH INTERVAL (MD)	AMOUNT AND KIND OF MATERIAL USED
12,262'-12,282'	3,000 gals 15% HCl
	Frac w/3747 bbls fluid & 310,296# sand

33.* PRODUCTION

DATE FIRST PRODUCTION	PRODUCTION METHOD (Flowing, gas lift, pumping—size and type of pump)	WELL STATUS (Producing or shut-in)
4-21-95	Flowing	Producing

DATE OF TEST	HOURS TESTED	CHOKE SIZE	PROD'N. FOR TEST PERIOD →	OIL—BBL.	GAS—MCF.	WATER—BBL.	GAS-OIL RATIO
5-2-95	24	22/64		400	703	61	1758

FLOW. TUBING PRESS.	CASING PRESSURE	CALCULATED 24-HOUR RATE →	OIL—BBL.	GAS—MCF.	WATER—BBL.	OIL GRAVITY-API (CORR.)
-	725					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 (Betty Gildon) TITLE Regulatory Analyst DATE 5/11/95

*(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	721	Redbeds & Anhy
	721	4928	Salt, Anhy
Delaware	4928	8450	Lime, Sand
Bone Spring& Wolfcamp	8450	12550	Sand, Shale, Lime

38. GEOLOGIC MARKERS

NAME	TOP	
	MEAS. DEPTH	TRUE VERT. DEPTH
Delaware	5121	
Bone Spring	9286	
Wolfcamp	12360	

U.S. GOVERNMENT PRINTING OFFICE: 1993 774-672