

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1a. TYPE OF WORK

DRILL ☒

DEEPEN ☐

b. TYPE OF WELL

OIL WELL ☒

GAS WELL ☐

OTHER

SINGLE ZONE ☒

MULTIPLE ZONE ☐

2. NAME OF OPERATOR

Enron Oil & Gas Company

3. ADDRESS AND TELEPHONE NO.

P. O. Box 2267, Midland, Texas 79702

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)

At surface

990' FNL & 990' FWL

At proposed prod. zone

990' FNL & 990' FWL

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE\*

4-1/2 miles SE from Loco Hills

15. DISTANCE FROM PROPOSED\*

LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. 990'  
(Also to nearest drlg. unit line, if any) 330

18. DISTANCE FROM PROPOSED LOCATION\*

TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 660' to #4

16. NO. OF ACRES IN LEASE

440

19. PROPOSED DEPTH

4000

17. NO. OF ACRES ASSIGNED TO THIS WELL

40

20. ROTARY OR CABLE TOOLS

Rotary

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

3560' GR

22. APPROX. DATE WORK WILL START\*

June 5, 1995

23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	GRADE SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
11	8-5/8 J-55 LT&C	24#	700	175 sx CIRCULATED
7-7/8	5-1/2 J-55 LT&C	14#	4000	600 sx CIRCULATED

The Undersigned accepts all applicable terms, conditions, stipulations, and restrictions concerning operations conducted on leased land or portions thereof as shown below:

LC 047633(b)  
Sec 1, T18S, R30E  
Eddy County, NM

Federal Bond # is MT 0748 with endorsement to New Mexico

RECEIVED

JUN 1 1995

OIL CON. DIV.  
DIST. 2

RECEIVED  
MAY 8 8 40 AM '95

RECEIVED

Post ID-1  
6-9-95  
New Mexico  
API

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 and true vertical depths. Give blowout preventer program, if any.

24.

SIGNED

*Betty Hildon*

TITLE Regulatory Analyst

DATE 5/4/95

(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.

CONDITIONS OF APPROVAL, IF ANY:

APPROVAL SUBJECT TO  
GENERAL REQUIREMENTS AND  
SPECIAL STIPULATIONS  
ATTACHED

APPROVED BY

*John H. Dickey*

TITLE

*acting*

DATE

MAY 26 1995

\*See Instructions On Reverse Side

District I  
PO Box 1980, Hobbs, NM 88241-1980  
District II  
PO Drawer DD, Artesia, NM 88211-0719  
District III  
1000 Rio Brazos Rd., Aztec, NM 87410  
District IV  
PO Box 2088, Santa Fe, NM 87504-2088

State of New Mexico  
Energy, Minerals & Natural Resources Department

RECEIVED

OIL CONSERVATION DIVISION  
PO Box 2088  
Santa Fe, NM 87504-2088

Form C-102  
Revised February 21, 1994  
Instructions on back  
Submit to Appropriate District Office  
State Lease - 4 Copies  
Fee Lease - 3 Copies

OIL CON. DIV.

DIST. 2

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

*API Number 30-015-28533		*Pool Code 39526 50385	*Pool Name Loeco Hills Queen Grayburg San Andres
*Property Code 16472	*Property Name NINETY-NINE FEDERAL "1"		*Well Number 3
*OGRID No. 7377	*Operator Name ENRON OIL & GAS COMPANY		*Elevation 3560'

<sup>10</sup> Surface Location

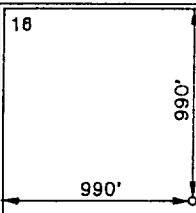
UL or lot no. XD	Section 1	Township 18-S	Range 30-E	Lot Idn	Feet from the 990	North/South line NORTH	Feet from the 990	East/West line WEST	County EDDY
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<sup>11</sup> Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
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*Dedicated Acres 40	*Joint or Infill	*Consolidation Code	*Order No.
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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

					<p><sup>17</sup> OPERATOR CERTIFICATION</p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</p> <p><i>Betty Gildon</i> Signature Betty Gildon Printed Name Regulatory Analyst Title 4-27-95 Date</p>
					<p><sup>18</sup> SURVEYOR CERTIFICATION</p> <p>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 best of my belief.</p> <p>APRIL 18 1995 Date of Survey Signature and Seal Professional Surveyor 8278 Certificate Number</p>

Enron Oil & Gas Company  
Ninety-Nine "1" Federal #3  
990' FNL & 990' FWL  
Sec. 1, T18S, R30E  
Eddy County, New Mexico

4. Casing Program:

<u>Hole Size</u>	<u>Interval</u>	<u>OD csg</u>	<u>Weight Grade Jt. Cond. Type</u>
11	0- 700'	8-5/8	24# J-55 LT&C
7-7/8	0- 4000'	5-1/2	14# J-55 LT&C

Cementing Program:

8-5/8" Surface casing: Cement to surface with 175 sx of Class C  
+ 2% CaCl<sub>2</sub> + 1/4#/sx flocele.

5-1/2" Prod. Casing: Cement with 400 sx 50/50 Cl H/Poz + 2% Gel + .4%  
Halad-9, + 200 sx Cl C & 2% CaCl<sub>2</sub>. This cement  
slurry is designed to bring TOC to Surface.

5. Minimum Specifications for Pressure Control:

The blowout preventer equipment (BOP) shown in Exhibit #1 will consist of a double ram-type (3000 psi WP) preventer and an annular preventer (3000 psi WP). Units will be hydraulically operated and the ram-type will be equipped with blind rams on top and drill pipe rams on bottom. All will be installed on the 11-3/4" surface casing and used continuously until TD is reached. All BOP's and accessory equipment will be tested to 600 psi before drilling out of surface casing. Before drilling out of intermediate casing, the ram-type BOP and accessory equipment will be tested to 3000 psi and the annular to 70% of rated working pressure (2100 psi).

Pipe rams will be operationally checked each 24 hour period. Blind rams will be operationally checked on each trip out of the hole. These checks will be noted on the daily tour sheets. A 2" kill line and 4" choke line will be included in the drilling spool located below the ram-type BOP. Other accessories to the BOP equipment will include a kelly cock and floor safety valve (inside BOP) and choke lines and choke manifold with 3000 psi WP rating.

Ninety-Nine 1 Federal #3

EXHIBIT #1

Attachment to Exhibit #1  
ENRON OIL & GAS COMPANY  
Ninety-Nine "1" Federal, Well No. 3

1. Drilling nipple to be so constructed that it can be removed without use of a welder through rotary table opening, with minimum I.D. equal to preventer bore.
2. Wear ring to be properly installed in head.
3. Blow out preventer and all fittings must be in good condition, 3000 psi W.P. minimum.
4. All fittings to be flanged.
5. Safety valve must be available on rig floor at all times with proper connections, valve to be full bore 3000 psi W.P. minimum.
6. All choke and fill lines to be securely anchored, especially ends of choke lines.
7. Equipment through which bit must pass shall be at least as large as the diameter of the casing being drilled through.
8. Kelly cock on kelly.
9. Extension wrenches and hand wheels to be properly installed.
10. Blow out preventer control to be located as close to driller's position as feasible.
11. Blow out preventer closing equipment to include minimum 40 gallon accumulator, two independent sources of pump power on each closing unit installation, and meet all API specifications.