

ENRON

Oil & Gas Company

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

April 9, 1997

New Mexico Oil Conservation Division
2040 So. Pacheco St.
Santa Fe, NM 87505

Attn.: Michael E. Stogner

Re: Proposed Revisions
to Rule 111

Please be advised that Enron Oil & Gas supports the proposed changes to Rule 111 - Deviation Tests and Direction Wells. We have participated with Industry Committee representatives several times in recent weeks to incorporate Enron's recommendations into the proposals. It is Enron's opinion that the Rule changes, as proposed, accomplish the intention of eliminating unnecessary requirements on industry and the NMOCD while continuing to protect correlative rights and prevent waste.

Enron asks that the Division consider adding language to cover the specific instance of existing wellbores utilized to drill a horizontal lateral (s) (see attached).

Enron appreciates and supports the NMOCD efforts to streamline and simplify our regulatory procedures.

Respectfully yours,

ENRON OIL & GAS COMPANY



Randall S. Cate
Project Reservoir Engineer

RSC/krp

Attachment

cc: Bill Carr - Santa Fe, NM
Rick Foppiano - Oyx

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BEFORE THE	
OIL CONSERVATION COMMISSION	
Santa Fe, New Mexico	
Case No.	11762
Submitted to	
Hearing Date	4/10/97

PROPOSED CHANGE TO RULE 111

"The 100'/600' Rule"

Enron asks the Division to consider including the following language in addition to that recommended by the Industry Committee.

111.C.(5) Use of Pre-existing, vertical or deviated wellbore for the purpose of directional drilling.

The wellbore shall be considered orthodox if the results of the directional survey as required in 111.C.(4) indicate that the penetration point is no more than 100' from the producing area, the lateral has entered the producing area no more than 600' from the penetration point, and the remainder of the lateral is entirely within the producing area.

Benefits:

- Encourages use of existing wellbores thereby conserving resources.
- Will eliminate the 2-6 month regulatory interruption of drilling operations on most pre-existing wellbores.
- The portion of the lateral outside the producing area will likely be entirely within the drainage area of the vertical completion thereby having little or no effect on offset correlative rights.

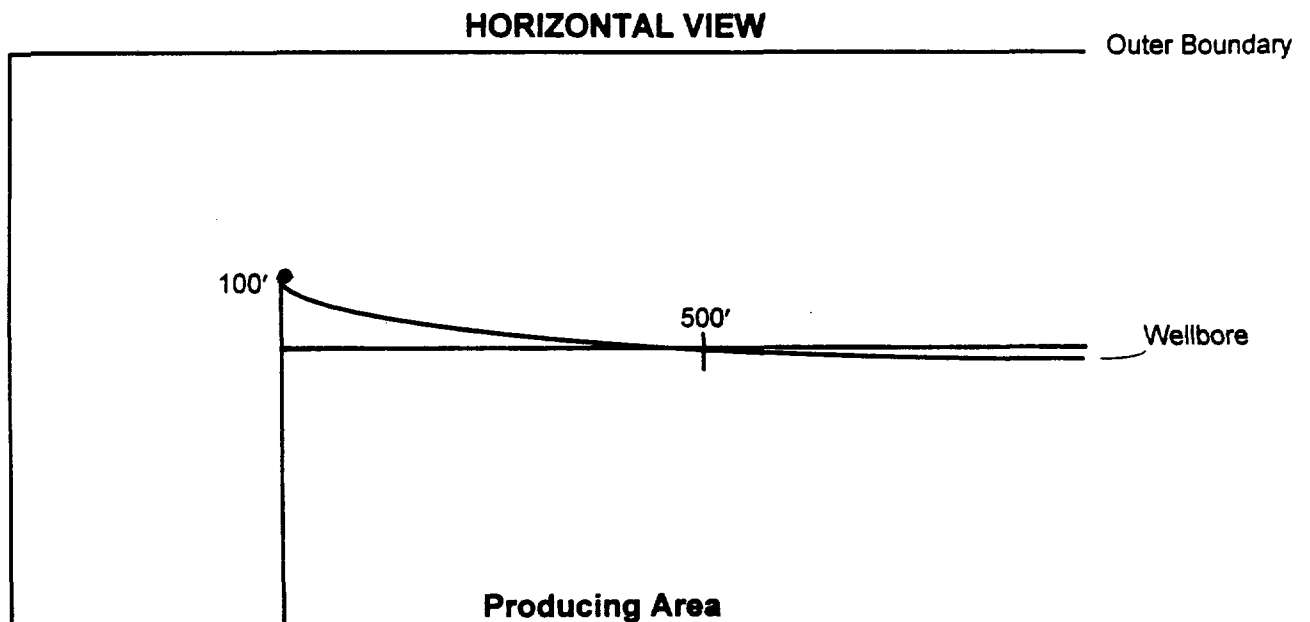
ENRON OIL & GAS COMPANY

Proposed Changes to Rule 111

"The 100' / 600' Rule"

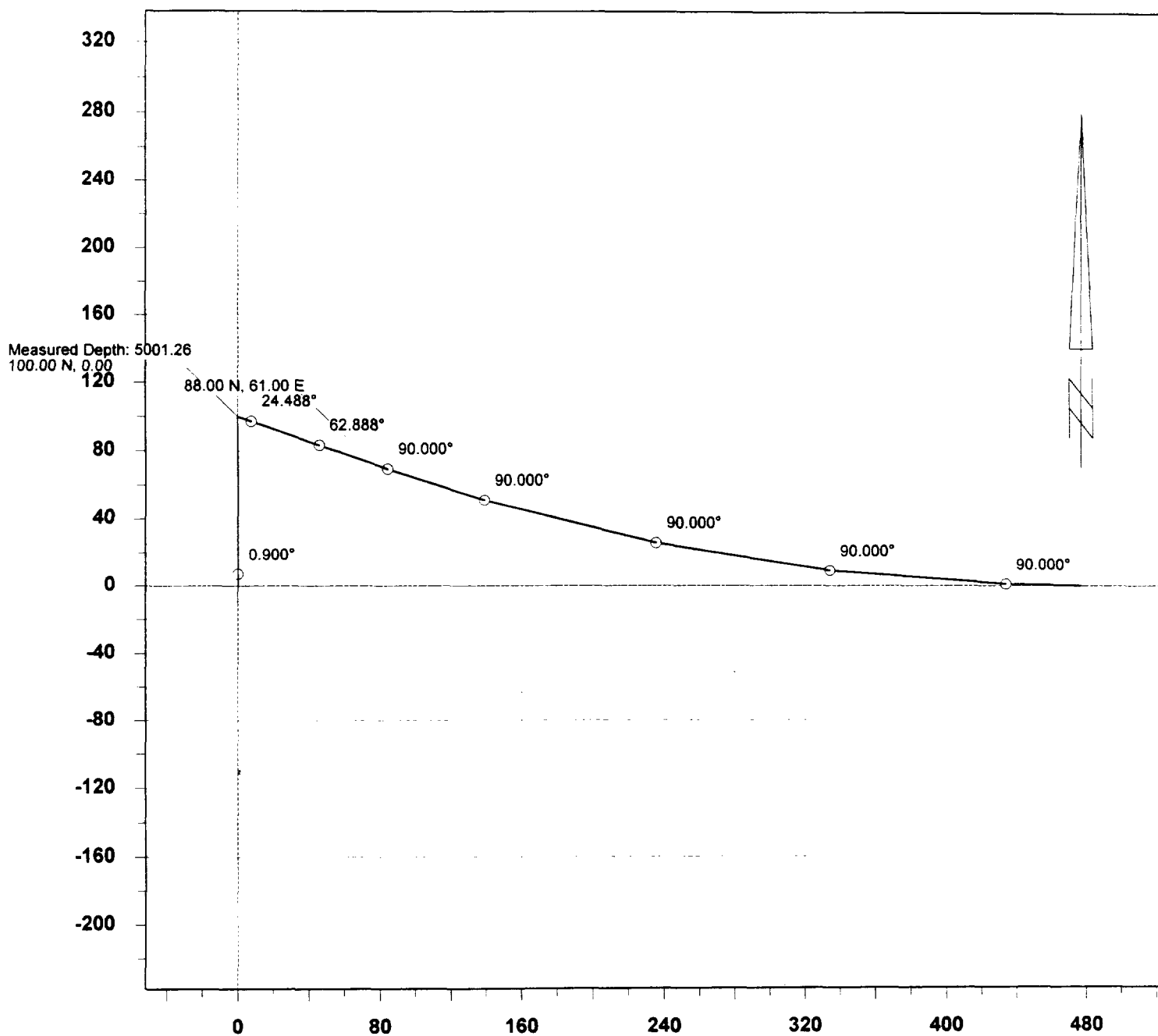
Example: 5,000' reentry with intent to drill a horizontal lateral from a short radius kickoff.

Directional survey indicates the penetration point is 100' from producing area.



SPERRY-SUN DRILLING SERVICES HORIZONTAL SECTION

LATITUDE
VALUES



DEPARTURE VALUES

Depths shown on plot are Vertical Depths.
All measurements are in Feet.

SPERRY-SUN DRILLING SERVICES WELL PROFILE DATA

MEASURED DEPTH	ANGLE DEG	DIRECTION DEG	VERTICAL DEPTH	LATITUDE (Ft.)	DEPARTURE (Ft.)	VERTICAL SECTION	DOG LEG	TOOL FACE
0.00	0.000	0.000	0.00	0.00	0.00	20.50		
100.00	0.100	0.000	100.00	0.09 N	0.00	20.49		
200.00	0.200	0.000	200.00	0.35 N	0.00	20.43		
300.00	0.300	0.000	300.00	0.79 N	0.00	20.34		
400.00	0.400	0.000	400.00	1.40 N	0.00	20.22		
500.00	0.500	0.000	499.99	2.18 N	0.00	20.06		
600.00	0.600	0.000	599.99	3.14 N	0.00	19.86		
700.00	0.700	0.000	699.98	4.28 N	0.00	19.63		
800.00	0.800	0.000	799.97	5.58 N	0.00	19.36		
900.00	0.900	0.000	899.96	7.07 N	0.00	19.05		
1000.00	1.000	0.000	999.95	8.73 N	0.00	18.71		
1100.00	1.100	0.000	1099.93	10.56 N	0.00	18.34		
1200.00	1.200	0.000	1199.91	12.57 N	0.00	17.93		
1300.00	1.300	0.000	1299.89	14.75 N	0.00	17.48		
1400.00	1.400	0.000	1399.86	17.10 N	0.00	17.00		
1500.00	1.500	0.000	1499.83	19.63 N	0.00	16.48		
1600.00	1.600	0.000	1599.79	22.34 N	0.00	15.92		
1700.00	1.700	0.000	1699.75	25.22 N	0.00	15.33		
1777.50	1.778	0.000	1777.22	27.57 N	0.00	14.85	0.100	0.000
2000.00	1.778	0.000	1999.61	34.47 N	0.00	13.44		
3000.00	1.778	0.000	2999.13	65.49 N	0.00	7.08		
3223.76	1.778	0.000	3222.78	72.43 N	0.00	5.65	0.000	0.000
3300.00	1.701	0.000	3298.99	74.74 N	0.00 E	5.18		
3400.00	1.601	0.000	3398.94	77.63 N	0.00 E	4.59		
3500.00	1.501	0.000	3498.91	80.33 N	0.00 E	4.03		
3600.00	1.401	0.000	3598.88	82.87 N	0.00 E	3.51		
3700.00	1.301	0.000	3698.85	85.22 N	0.00 E	3.03		
3800.00	1.201	0.000	3798.82	87.41 N	0.00 E	2.58		
3900.00	1.101	0.000	3898.80	89.42 N	0.00 E	2.17		
4000.00	1.001	0.000	3998.79	91.25 N	0.00 E	1.79		
4100.00	0.901	0.000	4098.77	92.91 N	0.00 E	1.45		
4200.00	0.801	0.000	4198.76	94.40 N	0.00 E	1.15		
4300.00	0.701	0.000	4298.75	95.71 N	0.00 E	0.88		
4400.00	0.601	0.000	4398.75	96.85 N	0.00 E	0.65		
4500.00	0.501	0.000	4498.74	97.81 N	0.00 E	0.45		
4600.00	0.401	0.000	4598.74	98.59 N	0.00 E	0.29		
4700.00	0.301	0.000	4698.74	99.21 N	0.00 E	0.16		
4800.00	0.201	0.000	4798.74	99.65 N	0.00 E	0.07		
4900.00	0.101	0.000	4898.74	99.91 N	0.00 E	0.02		
5000.00	0.001	0.000	4998.74	100.00 N	0.00 E	0.00		
5001.26	0.000	0.000	5000.00	100.00 N	0.00	0.00	0.100	180.000
5001.74	0.000	0.000	5000.48	100.00 N	0.00	0.00	0.000	0.000
5025.00	14.888	110.000	5023.48	98.97 N	2.82 E	2.97		
5050.00	30.888	110.000	5046.43	95.66 N	11.93 E	12.57		
5075.00	46.888	110.000	5065.83	90.31 N	26.63 E	28.05		
5100.00	62.888	110.000	5080.16	83.33 N	45.79 E	48.23		
5125.00	78.888	110.000	5088.32	75.28 N	67.91 E	71.54		
5142.36	90.000	110.000	5090.00	69.38 N	84.13 E	88.62	64.000	110.000
5142.36	90.000	110.000	5090.00	69.38 N	84.13 E	88.62	0.000	0.000
5200.00	90.000	107.118	5090.00	51.04 N	138.76 E	145.85		
5300.00	90.000	102.118	5090.00	25.81 N	235.49 E	245.70		
5400.00	90.000	97.118	5090.00	9.11 N	334.06 E	345.60		
5500.00	90.000	92.118	5090.00	1.06 N	433.70 E	444.77		
5542.36	90.000	90.000	5090.00	0.27 N	476.05 E	486.39	5.000	270.000

**SPERRY-SUN DRILLING SERVICES
WELL PROFILE DATA**

**The Dogleg Severity is in Degrees per 100.00 Feet
Vertical Section was calculated along an Azimuth of 101.832° (True)**

**Based upon Minimum Curvature type calculations. At a Measured Depth of 5542.36 Feet,
the Bottom Hole Displacement is 486.39 Feet, in the Direction of 101.832° (True)**

SPERRY-SUN DRILLING SERVICES VERTICAL SECTION

