

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

SUBMIT IN TRIPLICATE\*  
(Other instructions on  
reverse side)

Form approved.  
Budget Bureau No. 1004-0136  
Expires August 31, 1985  
30-215-26141

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK  
DRILL ☒ DEEPEN ☐ PLUG BACK ☐

b. TYPE OF WELL  
OIL WELL ☒ GAS WELL ☐ OTHER ☐ SINGLE ZONE ☒ MULTIPLE ZONE ☐

2. NAME OF OPERATOR  
Enron Oil & Gas Company

3. ADDRESS OF OPERATOR  
P. O. Box 2267, Midland, Texas 79702

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements)  
At surface  
330' FNL & 692' FWL  
At proposed prod. zone  
330' FNL & 692' FWL

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE\*  
12 miles Southeast from Loco Hills

15. DISTANCE FROM PROPOSED\*  
LOCATION TO NEAREST  
PROPERTY OR LEASE LINE, FT. 330'  
(Also to nearest drig. unit line, if any) 330'

16. NO. OF ACRES IN LEASE\*  
308.25

17. NO. OF ACRES ASSIGNED  
TO THIS WELL  
34

18. DISTANCE FROM PROPOSED LOCATION\*  
TO NEAREST WELL, DRILLING, COMPLETED,  
OR APPLIED FOR, ON THIS LEASE, FT. 2093'

19. PROPOSED DEPTH  
8600'

20. ROTARY OR CABLE TOOLS  
Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)  
3582' GR

22. APPROX. DATE WORK WILL START\*  
7/10/89

5. LEASE DESIGNATION AND SERIAL NO.  
NM 33437A

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME  
Sand 7 Federal

9. WELL NO.

10. FIELD AND POOL, OR WILDCAT  
Shugart, North Bone Spring

11. SEC., T., R., M., OR BLK.  
AND SURVEY OR AREA  
Sec. 7, T18S, R31E

12. COUNTY OR PARISH  
Eddy

13. STATE  
NM

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
17-1/2"	11-3/4"	42# H-40 ST&C	650'	950 sacks CIRCULATED
11"	8-5/8"	24# K-55 ST&C	2500'	650 sacks CIRCULATED
7-7/8"	5-1/2"	17# K-55 LT&C	8600'	1550 sacks

BOP - Install at 2500 feet with 5000# cap.

Gas is dedicated.

APPROVAL SUBJECT TO  
GENERAL REQUIREMENTS AND  
SPECIAL STIPULATIONS  
ATTACHED

POST ID-1  
NL & APIE  
6-30-89

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen or plug back, 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.

SIGNED Betty Gildon Betty Gildon TITLE Regulatory Analyst DATE 6/8/89

(This space for Federal or State office use)

PERMIT NO. \_\_\_\_\_ APPROVAL DATE \_\_\_\_\_

APPROVED BY Sandra Poreta TITLE AREA SPECIALIST DATE 6-19-89  
CONDITIONS OF APPROVAL, IF ANY: BARLESDAD RESOURCE AREA

\*See Instructions 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.

Submit to Appropriate  
District Office  
State Lease - 4 copies  
Fee Lease - 3 copies

State of New Mexico  
Energy, Minerals and Natural Resources Department

Form C-101  
Revised 1-1-89

OIL CONSERVATION DIVISION

P.O. Box 2088  
Santa Fe, New Mexico 87504-2088

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

WELL LOCATION AND ACREAGE DEDICATION PLAT

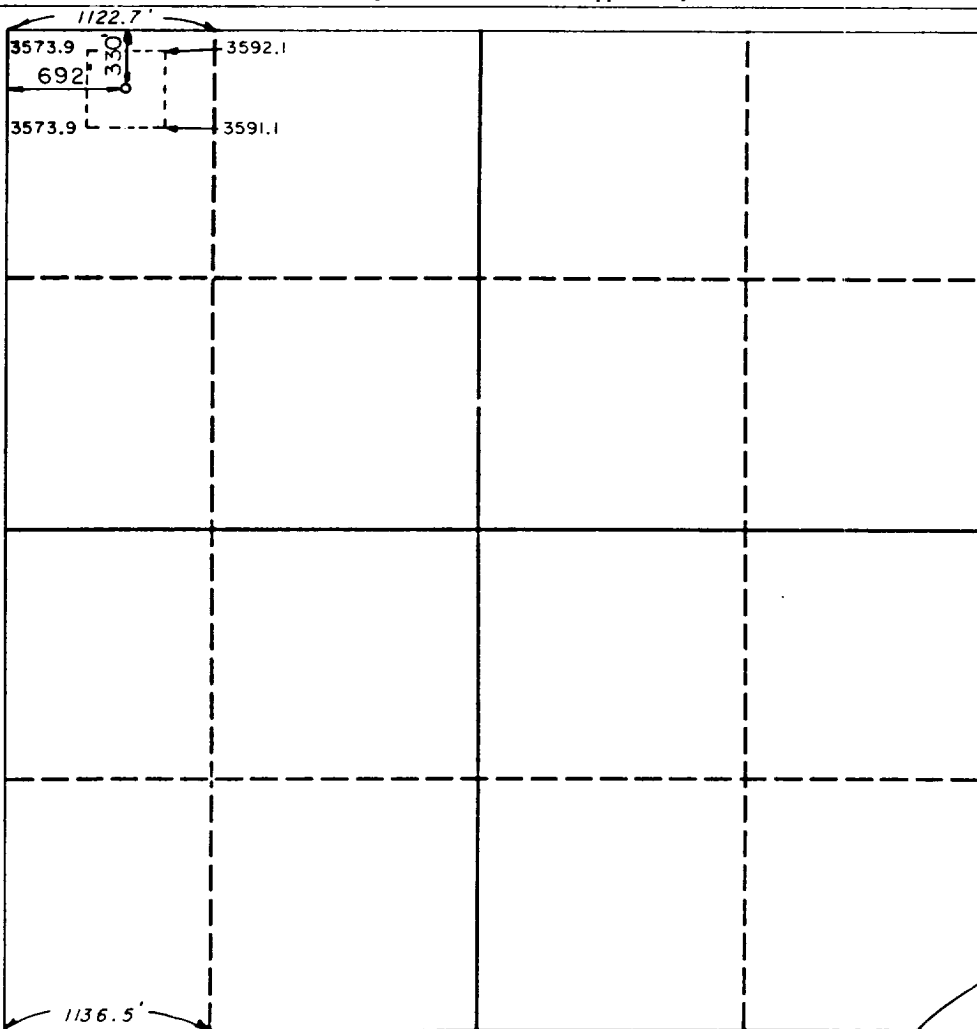
All Distances must be from the outer boundaries of the section

Operator Enron Oil & Gas Company			Lease Sand 7 Federal		Well No. 3
Unit Letter D	Section 7	Township 18 South	Range 31 East	County NMPM	Eddy

Actual Footage Location of Well:

330	feet from the	North	line and	692	feet from the	West	line
Ground level Elev. 3582.0	Producing Formation Bone Spring		Pool Shugart, North BONE SPRING	Dedicated Acreage: 40		Acres	

1. Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interest of all owners been consolidated by communitization, unitization, force-pooling, etc.?  
☐ Yes ☐ No If answer is "yes" type of consolidation \_\_\_\_\_  
If answer is "no" list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary). \_\_\_\_\_  
No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interest, has been approved by the Division.



OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Signature  
*Betty Gildon*  
Printed Name  
Betty Gildon  
Position  
Regulatory Analyst  
Company  
Enron Oil & Gas Company  
Date  
6/8/89

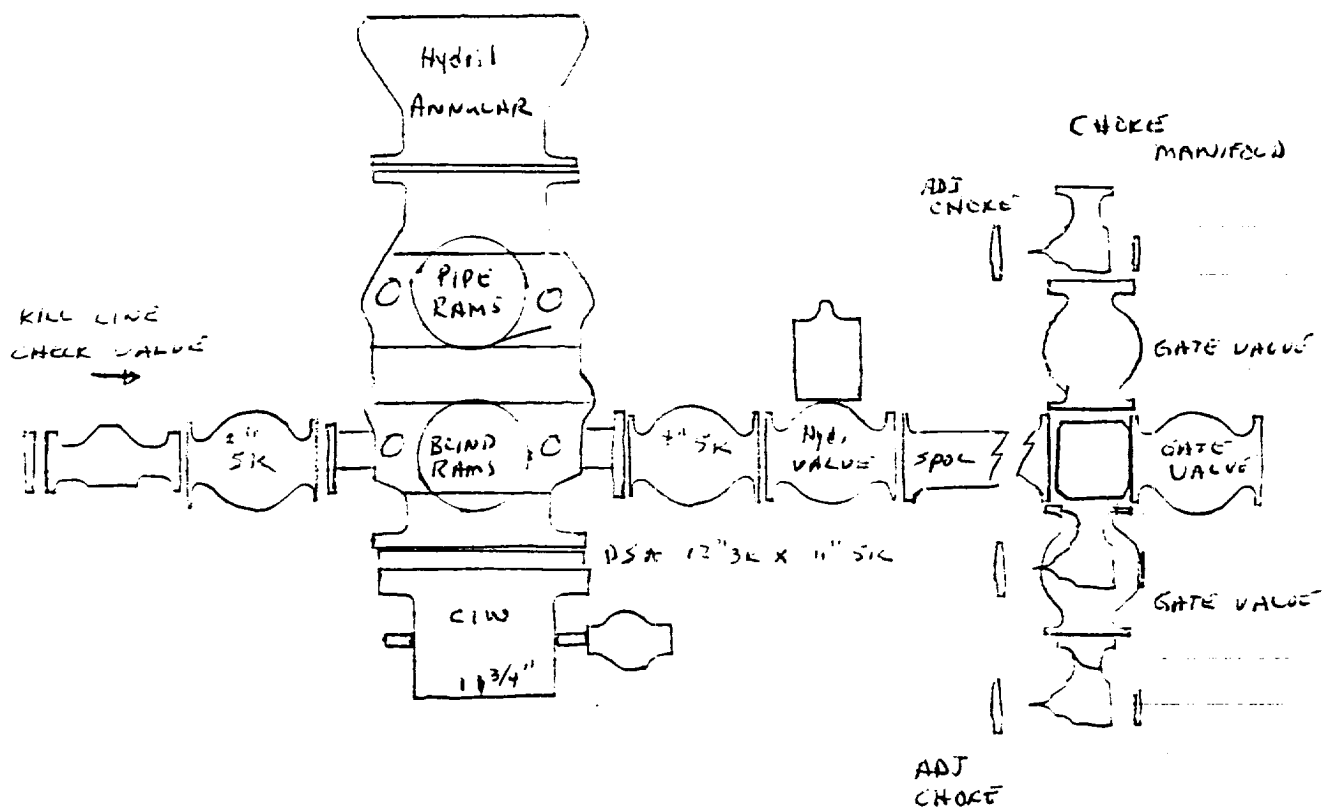
SURVEYOR CERTIFICATION

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  
May 25, 1989  
Signature & Seal of Professional Surveyor  
*John W. West*  
Certificate No. JOHN W. WEST 676  
NEW MEXICO 3239

0 330 660 990 1320 1650 1980 2310 2640 2000 1500 1000 500 0

# EXHIBIT "C"



APPLICATION FOR PERMIT TO DRILL

1. The Geologic surface formation is Quaternary.

2. The estimated tops of important geologic markers are:

1. 1st Bone Spring Sand 7238' 6. \_\_\_\_\_

2. 2nd Bone Spring Carbonate 7540' 7. \_\_\_\_\_

3. 2nd Bone Spring Sand 8210' 8. \_\_\_\_\_

4. \_\_\_\_\_ 9. \_\_\_\_\_

5. \_\_\_\_\_ 10. \_\_\_\_\_

3. Depths at which oil, water or gas bearing formations are expected to be encountered.

Bone Spring 7238 to 8600 feet.

4. Brief description of testing, logging, and coring programs.

Drill Stem test as necessary

Gamma Ray: Surface - TD

Sonic and/or Neutron Density: 2300' +/- to TD

Mud Logger: 2300' +/- to TD

No coring anticipated.

5. Any anticipated abnormal pressures or temperatures expected? Any potential hazards - H<sub>2</sub>S?

None anticipated.

No H<sub>2</sub>S zones expected.

1. (A) Pressure control equipment to be used.

1 - 5000 WP Cameron Iron Works double type "U" Blowout preventor with pipe rams and blind rams.

(B) Pressure ratings (or API series).

1 - 1500 series - 5000# WP

(C) Testing procedures and frequency.

BOP will be tested at installation point as indicated on Application for Permit to Drill (Form 3160-3).

(D) Schematic Diagram.

Attached Exhibit "C"

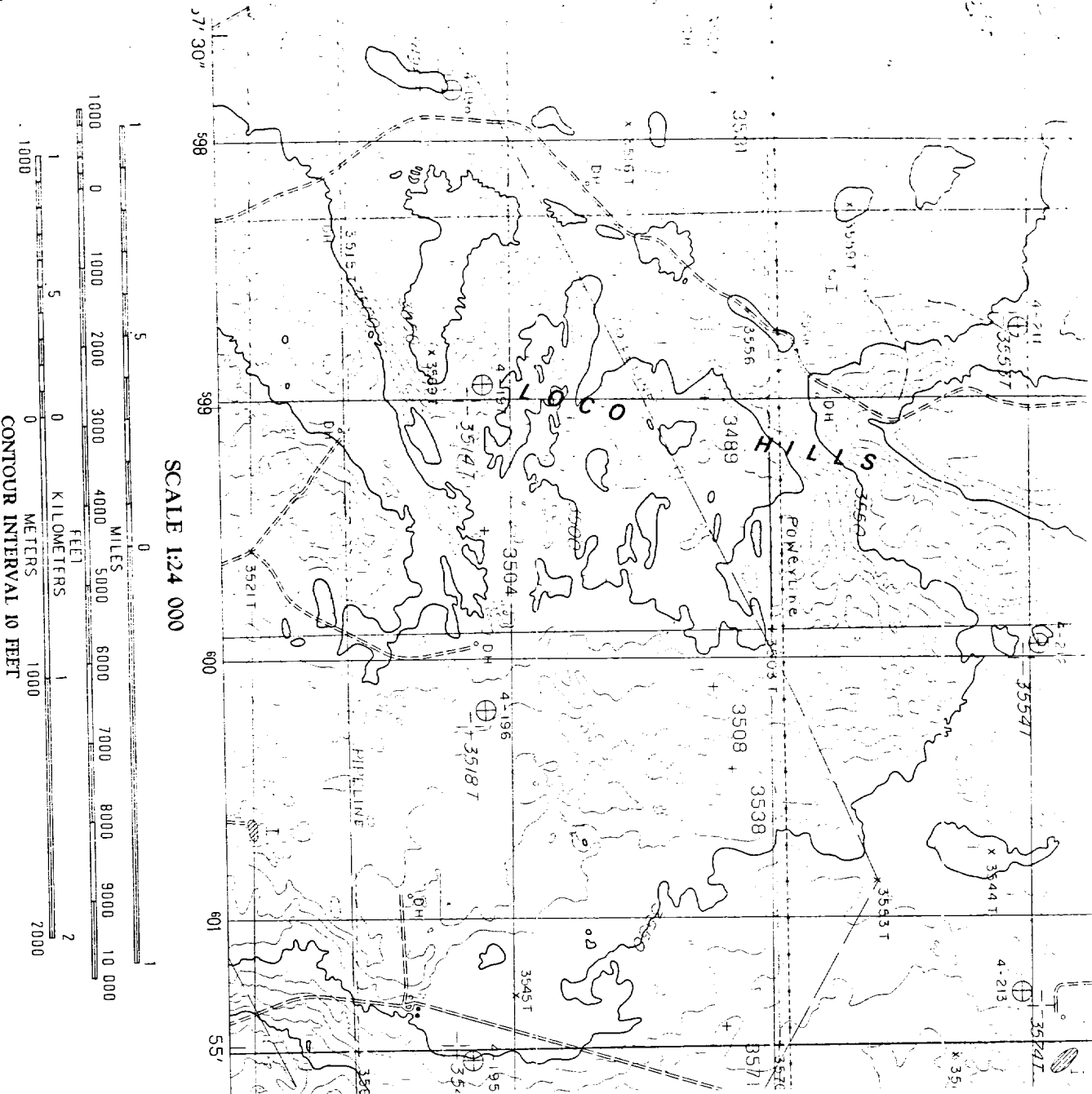
2. Mud Program

Type and Characteristics

0 - 650'	8.5-8.8 Native
650' - 2500'	10.0 Brine water
2500' - 8600'	8.4 Fresh water

Quantities and types of weighting material to be maintained.

1000 sacks barite on location.



THIS MAP COMPLIES WITH NATIONAL MAP ACCURACY STANDARDS  
 FOR SALE BY U.S. GEOLOGICAL SURVEY, DENVER, COLORADO 80225  
 OR RESTON, VIRGINIA 22092

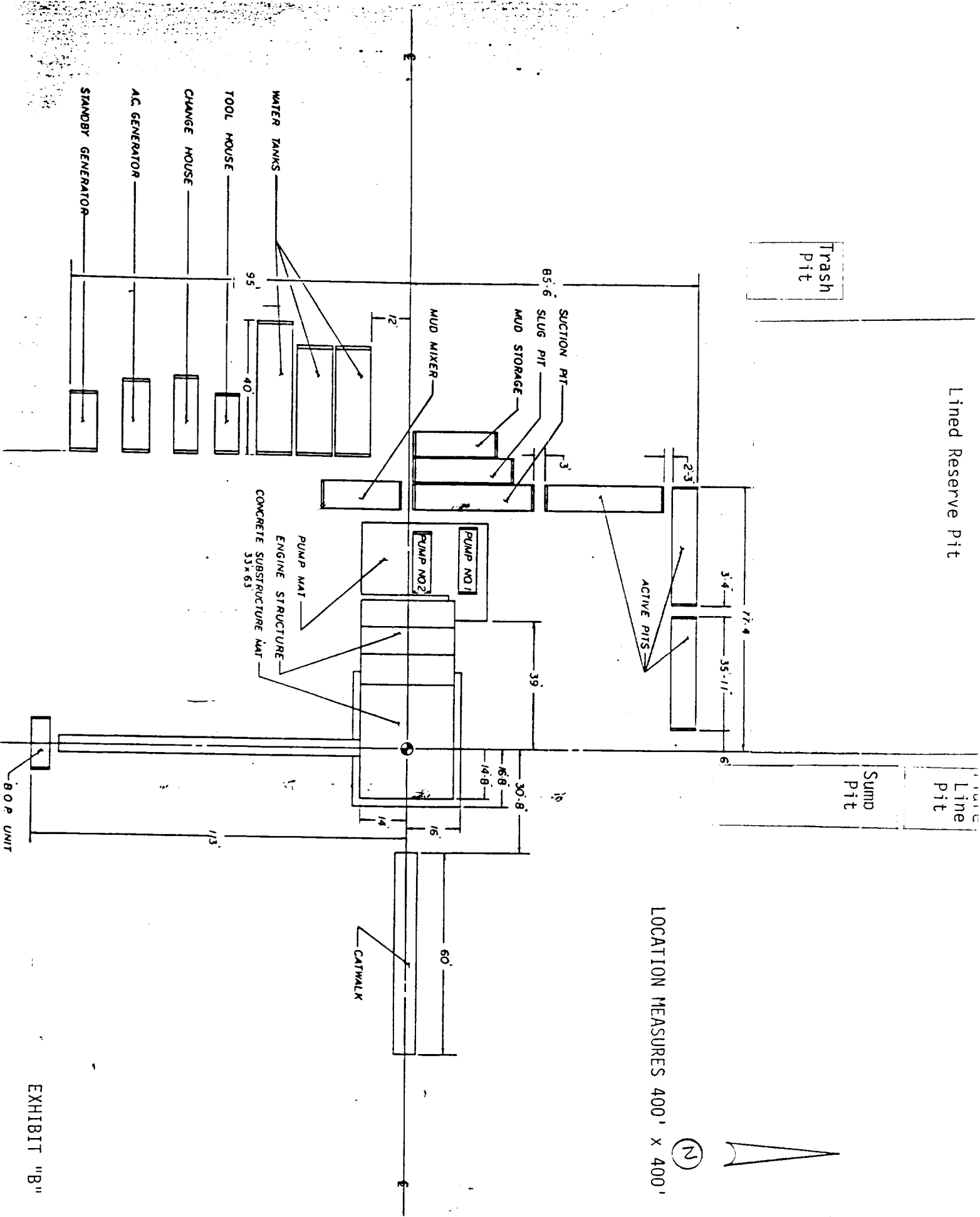


EXHIBIT "B"