

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK DRILL <input checked="" type="checkbox"/> DEEPEN <input type="checkbox"/> PLUG BACK <input type="checkbox"/>		
b. TYPE OF WELL OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input type="checkbox"/>		
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: 1750' FNL & 600' FNL At proposed prod. zone: 1750' FNL & 600' FNL		
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE* 12 miles SE from Loco Hills		
15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drilg. unit line if any)	600'	16. NO. OF ACRES IN LEASE 640
18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.	600'	17. NO. OF ACRES ASSIGNED TO THIS WELL 40
21. ELEVATIONS (Show whether DF, FT, GR, etc.) 3579.4' GR	19. PROPOSED DEPTH 8550	20. ROTARY OR CABLE TOOLS Rotary
22. APPROX. DATE WORK WILL START* When permitted		23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
17-1/2	13-3/8	42# H-40 ST&C	700'	750 sacks Circulated
11	8-5/8	28 & 32# K-55 & N-80 ST&C	2500'	1000 sacks Circulated
7-7/8	5-1/2	17# K-55 LT&C	8550'	1550 sacks

BOP - Install at 2500' with 5000# cap.

Gas is dedicated.

Post ID-1
12-14-90
New line & API

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.

24. SIGNED Betty Gilson TITLE Regulatory Analyst DATE 11/26/90

(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____

APPROVED BY _____ TITLE AREA MANAGER DATE 12-5-90

CONDITIONS OF APPROVAL, IF ANY:

APPROVAL SUBJECT TO

GENERAL REQUIREMENTS AND

SPECIAL STIPULATIONS

ATTACHED

*See Instructions On Reverse Side

OIL CONSERVATION DIVISION

DISTRICT I
P.O. Box 1980, Hobbs, NM 88240

DISTRICT II
P.O. Drawer DD, Artesia, NM 88210

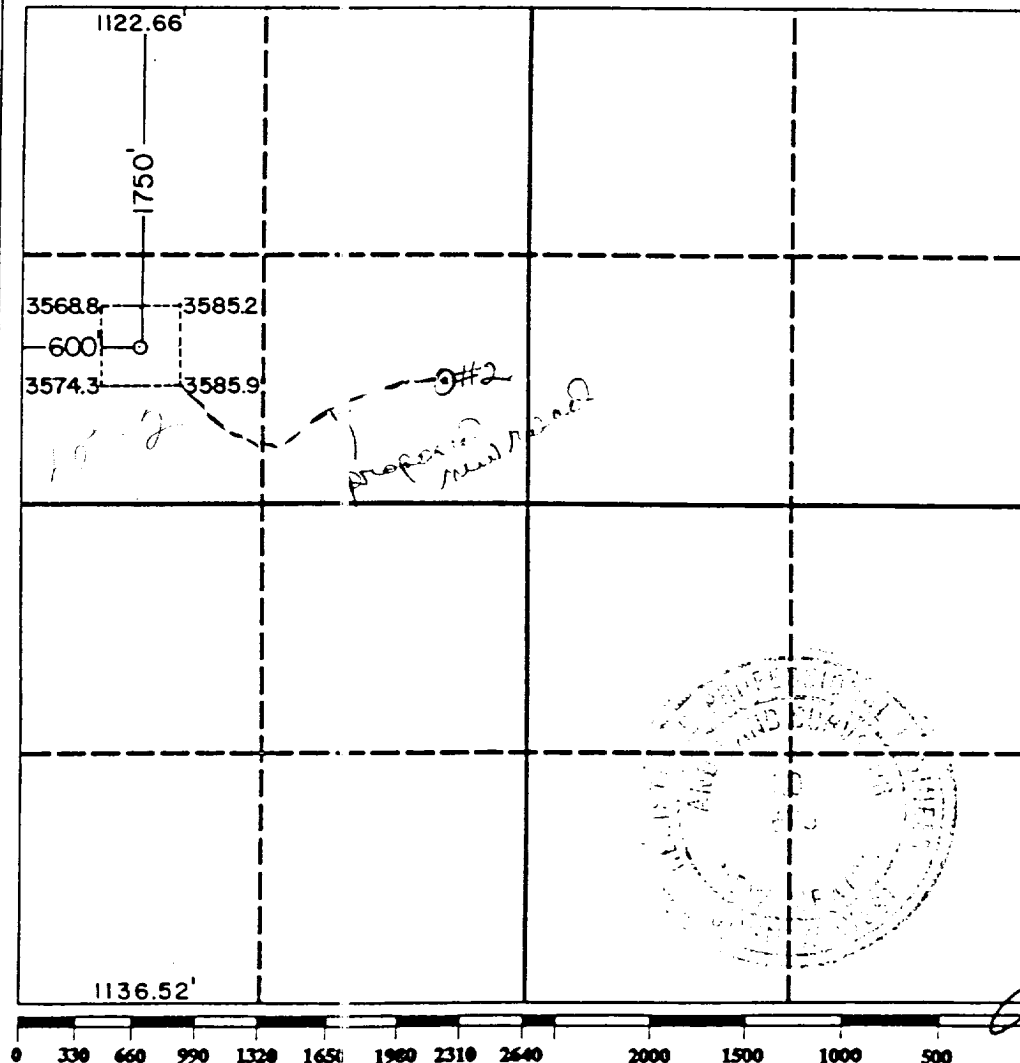
DISTRICT III
1000 Rio Bravo Rd., Aztec, NM 87412

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. 5
Unit Letter E	Section 7	Township 18 South	Range 31 East NMPM	County Eddy
Actual Footage Location of Well:				
1750 feet from the North line and 600 feet from the West line				
Ground level Elev. 3579.4	Producing Formation Snugart, North	Pool 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, dominating 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.

SECRET

Betty Hilden
Printed Name

Printed Name Betty Gildon

Position

Regulatory Analyst

Company

Enron Oil & Gas Company

Date 10/29/90

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 October 26, 1990

Signature & Seal of
Professional Surveyor

Jim W. W.

Certificate No.	JOHN W. WEST,	6766
	RONALD J. EIDSON,	3239

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 7220' 6. _____
 2. 2nd Bone Spring Carb. 7530' 7. _____
 3. 2nd Bone Spring (Roche) sand 8. _____
 4. _____ 8195' 9. _____
 5. _____ 10. _____
3. Depths at which oil, water, or gas bearing formations are expected to be encountered.

Bone Spring 7220' to 8550'
4. Brief description of testing, logging, and coring programs.

Drill Stem test as necessary
Gamma Ray surface to 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 - H₂S?

No abnormal pressures/temperatures anticipated.

No H₂S zones expected

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

1 5000# WP Cameron Iron Works double type "U" Blowout preventor
with pipe & 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.

- (D) Schematic Diagram.

See attached Exhibit "C"

2. Mud Program

Type and Characteristics

0 - 700' 8.5 - 8.8 Native
700' - 2500' 10.0 brine water
2500' - 8700' 8.4 fresh water

Quantities and types of weighting material to be maintained

500 sacks barite on location.

ENRON OIL & GAS COMPANY
MULTI-POINT SURFACE USE AND OPERATIONS PLAN

Sand 7 Federal, Well No. 5
1750' FNL & 600' FWL
Section 7 T18S, R31E
Eddy County, New Mexico

This plan is submitted with the Application for Permit to Drill the above-described well. The purpose of the plan is to describe the location of the proposed well, the proposed construction activities and operations, the magnitude of necessary surface disturbance involved and the procedures to be followed in rehabilitating the surface after completion of the operation so that a complete appraisal can be made of the environmental effects associated with the operation.

1. EXISTING ROADS:

See attached Exhibit "A".

PLANNED ACCESS ROADS:

Proposed road measures approximately 1000' in length and 50' in width.

New road required will be surfaced with six inches of caliche water compacted and graded. It will have a maximum grade of 3 percent with no turnouts anticipated.

The upgraded road will have a drop of 6 inches from the center line on each side for drainage with no culverts, cuts and fills nor gates and cattleguards.

3. LOCATION OF EXISTING WELLS:

Existing wells in the surrounding area include Enron's Sand 7 Federal #2 located 1399' to the east, the #4 well located 3339' to the southeast & the Sand 7 Federal #3 located 1423' to the north.

4. LOCATION OF EXISTING AND/OR PROPOSED FACILITIES:

There are no existing production facilities. If production is encountered, a temporary facility will be established on the drill pad, and if warranted a production facility would be built at a later date in the immediate area of the drill-pad location. If the well is productive, the flowline would also be located on the drill-pad site and no additional disturbance will occur.

5. LOCATION AND TYPE OF WATER SUPPLY:

Water will be purchased from commercial sources and transported to the well site over the roads as shown.

6. SOURCE OF CONSTRUCTION MATERIALS:

Caliche for surfacing the well pad will be obtained from an approved Federal pit located in Section 13, 18S, 30E and transported by truck to the site.

7. METHODS OF HANDLING WASTE DISPOSAL:

- A. Drill cuttings will be disposed of in the drilling pits.
- B. Drilling fluids will be allowed to evaporate in the drilling pits until pits are dry.
- C. Water produced during tests will be disposed of in the drilling pits. Oil produced during tests will be in test tanks until sold.
- D. Current laws and regulations pertaining to the disposal of human waste will be complied with.
- E. Trash, waste paper, garbage and junk will be buried in a separate trash pit and covered with a minimum of 24 inches of dirt. All waste material will be contained to prevent scattering by the wind. Location of the trash pit is shown on Exhibit "B".
- F. All trash and debris will be buried or removed from the well site within 30 days after finishing drilling and/or completion of operations.

8. ANCILLARY FACILITIES:

None required.

9. WELLSITE LAYOUT:

- A. Exhibit "B" shows the relative location and dimensions of the well pad, mud pits, trash pit and location of major rig components.
- B. Only minor levelling of the well site will be required.
- C. The reserve pit will be plastic lined.
- D. The pad and pit area have been staked and flagged.

10. PLANS FOR RESTORATION OF THE SURFACE:

- A. After completion of drilling and/or completion operations, all equipment and other material not needed for operations will be removed. Pits will be filled and locations cleaned of all trash and junk to leave the well in an aesthetically pleasing condition as possible.
- B. Any unguarded pits containing fluid will be fenced until they are filled.
- C. After abandonment of the well, surface restoration will be in accordance with current Federal laws and regulations. Pits will be filled and location will be cleaned. The pit area, and well pad will be removed to promote vegetation.

11. OTHER INFORMATION:

- A. Topography: Proposed location is located on a west-facing knoll of an interconnecting duned surface. Present surface deposits are subject to the effects of erosion produced by wind & rain. Slope is 0.85%.
- B. Soil: Overall surface is made up of clay, silt & sand.
- C. Flora & Fauna: Vegetation primarily consists of mesquite, plains yucca, sand sage, sandbur, etc. Wildlife in the area is that characteristic of a semi-arid desert land and includes coyotes, rabbits, rodents, reptiles and some birds.
- D. Ponds & Streams: There are no streams, lakes or ponds in the area.
- E. Residences & other structures: None
- F. Archaeological, Historical & Cultural Sites:

Category 1 archaeological site NMAS 5961 in NESWSWNW 1/4 of Section 7, T18S, R31E.

NM-06-4506 is situated within 1350' of the proposed easement.

NMAS 5084 is situated within 3000' of the proposed easement.

NMAS 5873 is situated within 3250' of the proposed easement.

NMAS 5942 is situated within 850' of the proposed easement.

PAC/ED is situated within 950' of the proposed easement.

12. OPERATOR'S REPRESENTATIVE:

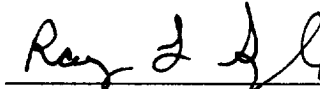
The field representative responsible for assuring compliance with the approved surface use and operations plan is as follows:

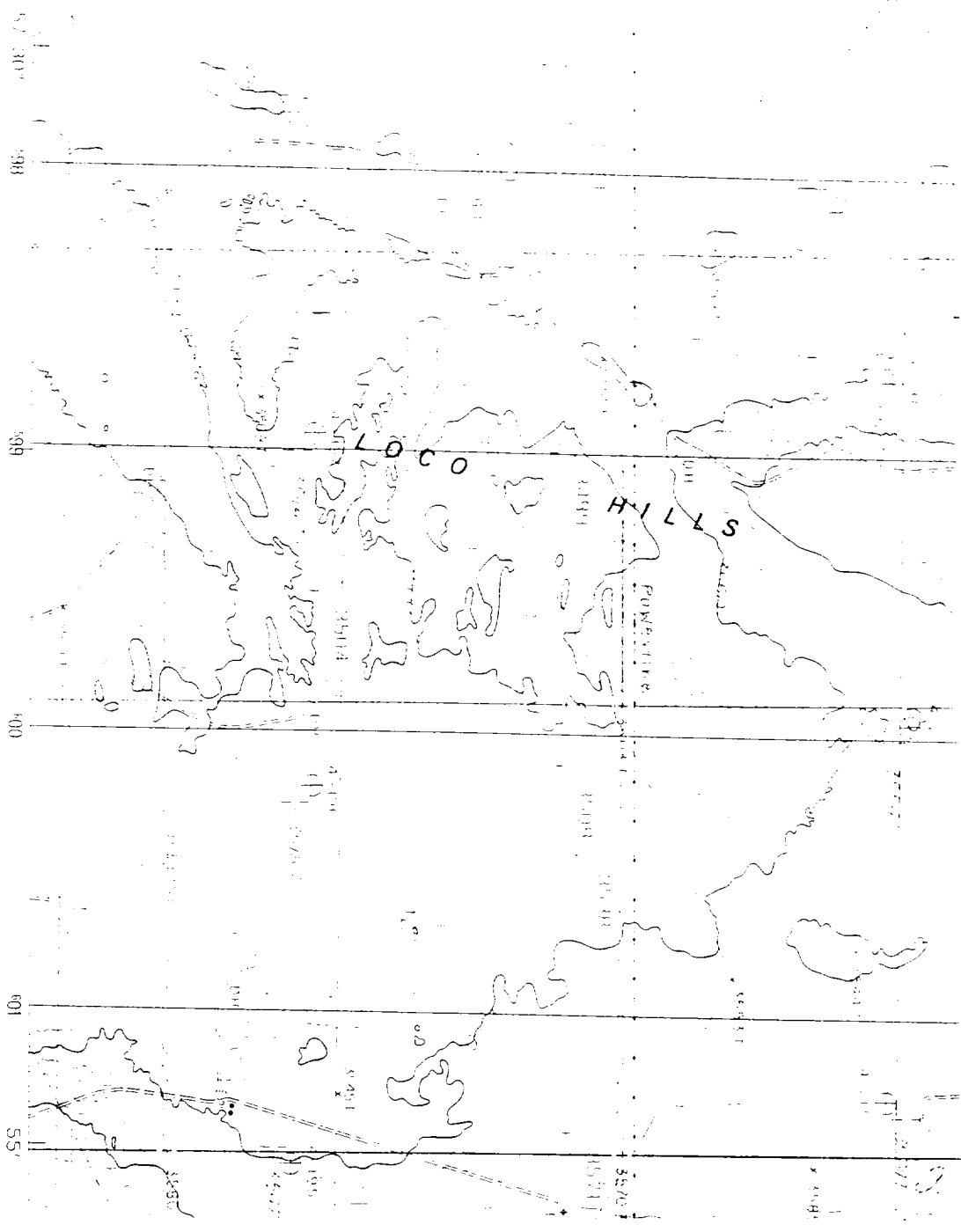
Mr. John R. Frick
3406 Meadowridge Lane
Midland, Texas 79701

Phones: Business: (915) 686-3725
Home: (915) 694-4323

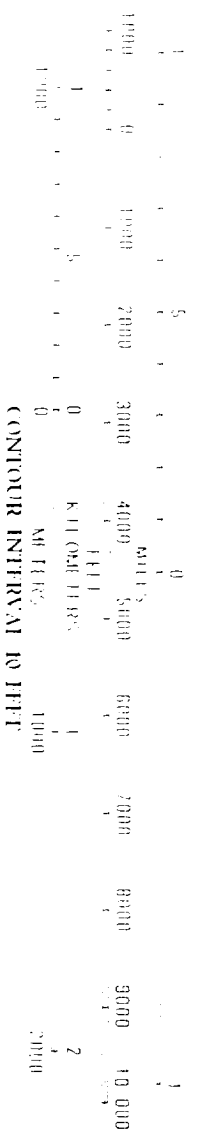
13. CERTIFICATION:

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drillsite and access route; that I am familiar with the conditions which presently exist, that the statements made in this plan are, to the best of my knowledge, true and correct; and that the work associated with the operations proposed herein will be performed by Enron Oil & Gas Company and its contractors and sub-contractors in conformity with this plan and the terms and conditions under which it is approved.


Ray L. Ingle
Operations Manager



SCALE 1:24 000



CONTOUR INTERVAL 10 FEET

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

EXHIBIT "C"

