

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1. TYPE OF WORK: DRILL DEEPEN JP 12/12/97

2. TYPE OF WELL: OIL WELL GAS WELL OTHER SINGLE ZONE MULTIPLE ZONE

3. NAME OF OPERATOR: Enron Oil & Gas Company 7377

4. ADDRESS AND TELEPHONE NO.: P. O. Box 2267, Midland, TX 79702 (915) 694-8228 FEB 1998

5. LOCATION OF WELL (Report location clearly and in accordance with any State requirements):
At surface: 660 FNL & 1250 FEL
At proposed prod. zone: 660 FNL & 1250 FEL

6. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE: 5 miles Southwest from Loco Hills

7. DISTANCE FROM PROPOSED LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any): 660

8. DISTANCE FROM PROPOSED LOCATION TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.: N/A

9. ELEVATIONS (Show whether DF, RT, CR, etc.): 3549'

10. NO. OF ACRES IN LEASE: 320

11. NO. OF ACRES ASSIGNED TO THIS WELL: 320

12. PROPOSED DEPTH: 11700'

13. ROTARY OR CASLR TOOLS: Rotary

14. APPROX. DATE WORK WILL START: December 18, 1997

5. LEASE DESIGNATION AND SERIAL NO.: LC 928775 LC 028775A

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARMOR LEASE NAME WELL NO.: 22165

9. LEASE NO.: STW "34" Federal Com. No. 1

10. FIELD AND POOL, OR WILDCAT: Sand Tank (Morrow)

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA: Sec. 34, T17S, R29E

12. COUNTY OR PARISH: Eddy

13. STATE: NM

RECEIVED
OCD - ARTESIA
FEB 1998
SUBJECT TO
LIKE APPROVAL
BY STATE

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	GRADE SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
14 3/4	11 3/4 H-40 A ST&C	42#	650	250 CL
11	8 5/8 J-55 LT&C	32#	4000	800 sx Prem Plus
7 7/8	5 1/2 N-80 BTC	17#	0-500	735 sx 50/50 C1 H Poz
	5 1/2 N-80 LTC	17#	500-11400	
	5 1/2 S-95 LTC	17#	11400-11700	

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

LC 928775
Sec. 34, T17S, R29E
Eddy County, NM
Federal Bond # is MT 0748 with
endorsement to New Mexico

APPROVAL SUBJECT TO
GENERAL REQUIREMENTS AND
SPECIAL STIPULATIONS
ATTACHED

Post FD-1
3-6-98
API + Loc

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 blow-out preventer program, if any.

24. SIGNED: [Signature] TITLE: Agent DATE: 12/10/97

(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:

APPROVED BY: (ORIG. SGO.) ARMANDO A. LOPEZ TITLE: Agent ADM, MINERALS DATE: 2-4-98

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

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

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

*API Number		*Pool Code	*Pool Name Sand Tank Morrow	
*Property Code	*Property Name STW "34" FEDERAL COM.			*Well Number 1
*OGRID No. 7377	*Operator Name ENRON OIL & GAS COMPANY			*Elevation 3549'

¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
A	34	17-S	29-E		660	NORTH	1250	EAST	EDDY

¹¹ 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

¹² Dedicated Acres N/2	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ 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>16</p> <p>EXISTING 8" BURIED PIPELINE</p> <p>LAT.=32°47'46.83442" LONG.=104°03'27.26663" Y=653531 X=584737</p>	<p>17 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>Linda Johnston</i> Signature</p> <p>Linda Johnston Printed Name</p> <p>Agent Title</p> <p>12/10/97 Date</p>
	<p>18 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>DECEMBER 4, 1997 Date of Survey</p> <p>Signature and Seal of Professional Surveyor: <i>Earl Footes</i></p> <p>Earl Footes REGISTERED PROFESSIONAL LAND SURVEYOR 8278</p> <p>Certificate Number 8278</p>

DRILLING PROGRAM

ENRON OIL & GAS COMPANY
STW "34 " FED. COM. NO. 1
660' FNL & 1250' FEL
SEC. 34, T17S, R29E
EDDY COUNTY, NM

ATTACHMENT TO EXHIBIT #1

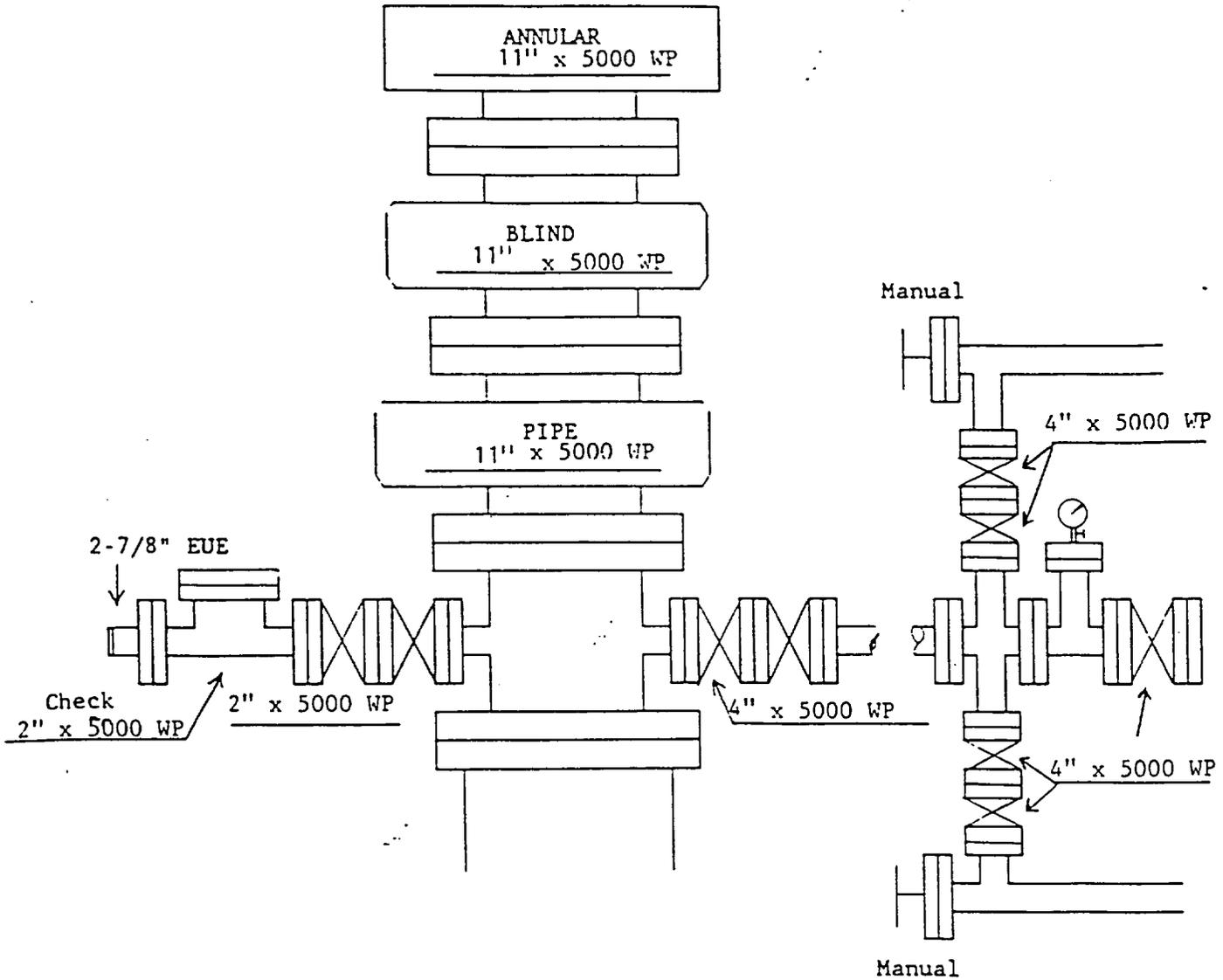
1. Drilling nipple to be so constructed that it can be removed without use of a welder through rotary table opening, with minimum I.D. equal to preventer bore.
2. Wear ring to be properly installed in head.
3. Blow out preventer and all fittings must be in good condition, 5000 psi W.P. minimum.
4. All fittings to be flanged
5. Safety valve must be available on rig floor at all times with proper connections, valve to be full bore 5000 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.

ENRON OIL & GAS COMPANY

STW "34" Fed. Com. No. 1

660' FNL & 1250' FEL Sec. 34, T17S, R29E Eddy County, NM

ATTACHMENT I



STW "34" FEDERAL COM. NO. 1
660.FNL & 1250 FEL
Sec. 34, T17S, R29E
Eddy County, NM

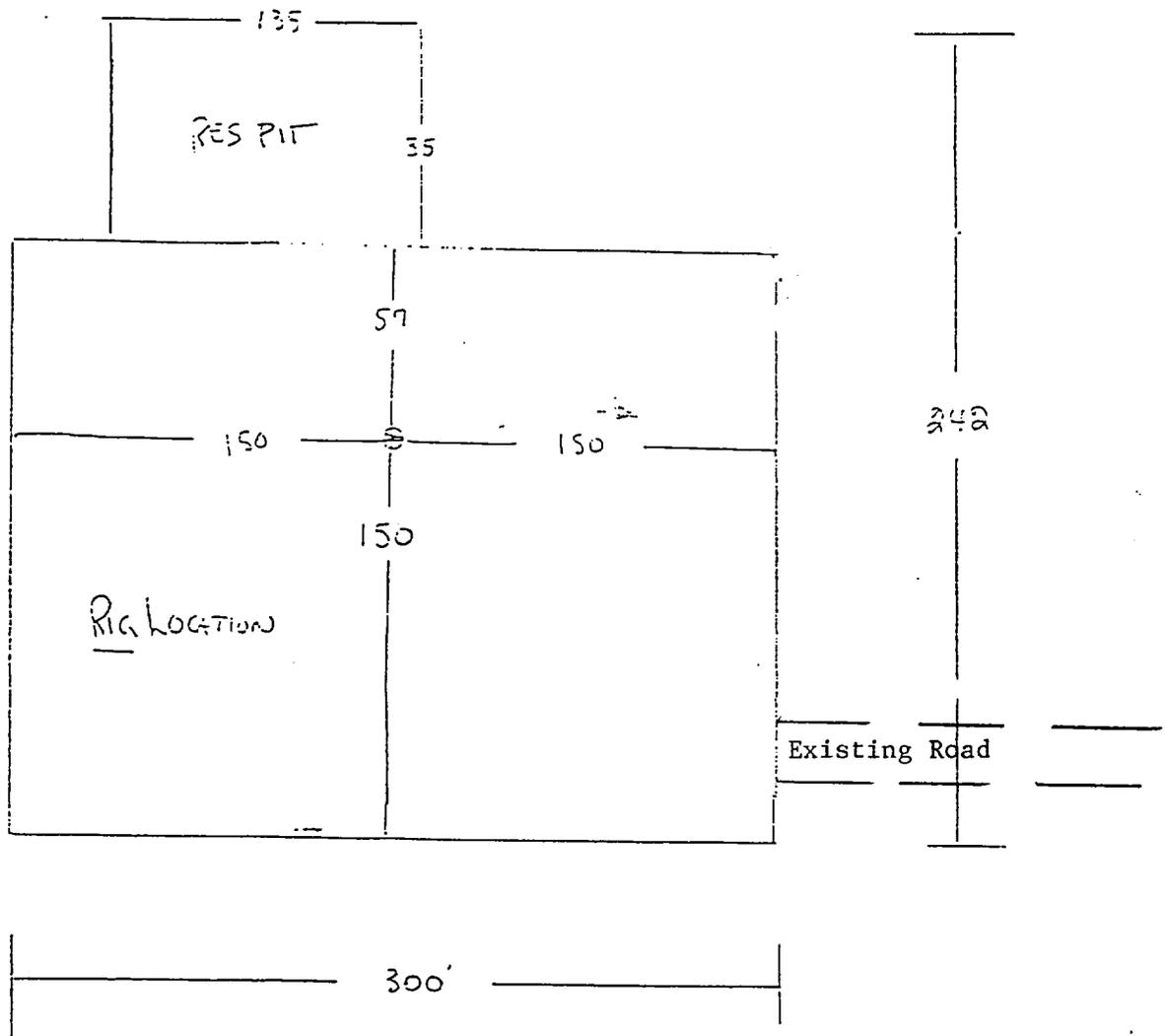


EXHIBIT #4