

**UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT**

FORM APPROVED
OMB NO. 1004-0136
Expires: February 28, 1995

30-025-32398

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

| | | | | | |
|---|--|----------------------------------|--|--|--|
| 1a. TYPE OF WORK DRILL <input checked="" type="checkbox"/> DEEPEN <input type="checkbox"/> | | | 5. LEASE DESIGNATION AND SERIAL NO. NM 77064 68084 (net) | | |
| b. TYPE OF WELL OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input type="checkbox"/> SINGLE ZONE <input checked="" type="checkbox"/> MULTIPLE ZONE <input type="checkbox"/> | | | 6. IF INDIAN, ALLOTTEE OR TRIBE NAME | | |
| 2. NAME OF OPERATOR Enron Oil & Gas Company | | | 7. UNIT AGREEMENT NAME | | |
| 3. ADDRESS AND TELEPHONE NO. P. O. Box 2267, Midland, Texas 79702 | | | 8. FARM OR LEASE NAME, WELL NO. (13286) Mesa Verde 7 Federal #1 | | |
| 4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)* At surface 660' FNL & 1980' FEL At proposed prod. zone 660' FNL & 1980' FEL Unit B | | | 9. API WELL NO. | | |
| 14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE* 35 miles SE of Carlsbad | | | 10. FIELD AND POOL OR WILDCAT Und. Delaware (96036) | | |
| 15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drig. unit line, if any) 660 660 | | 16. NO. OF ACRES IN LEASE 640 | | 17. NO. OF ACRES ASSIGNED TO THIS WELL 40 | |
| 18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 1320 | | 19. PROPOSED DEPTH 8750 | | 20. ROTARY OR CABLE TOOLS Rotary | |
| 21. ELEVATIONS (Show whether DF, RT, GR, etc.) 3556.2' GR | | | 22. APPROX. DATE WORK WILL START* 12/15/93 | | |
| 23. 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# | 600 | 275 sx CIRCULATED |
| 11 | 8-5/8 J-55 LT&C | 32# | 4600 | 725 sx CIRCULATED |
| 7-5/8 | 5-1/2 J-55 LT&C | 17# | 8750 | 350 sx TOC est at 3500'. |

Acreage is dedicated.

Approval Subject to
Bureau Requirements and
State Regulations

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. SIGNER Betty Gildon TITLE Regulatory Analyst DATE 11/9/93

(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 IS/Ron Duntan TITLE (for) DATE JAN 16 1994

*See Instructions On Reverse Side

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-102
Revised 1-1-89

OIL CONSERVATION DIVISION

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

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

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

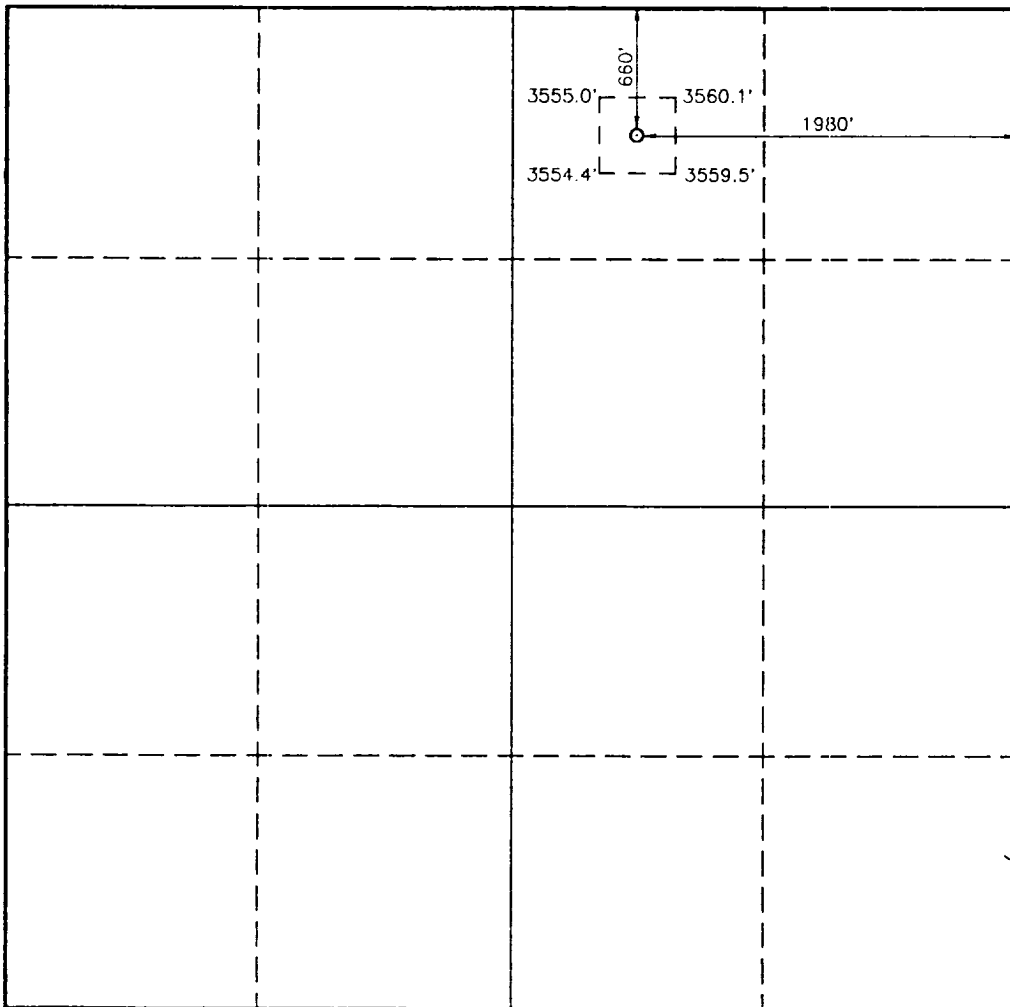
DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

WELL LOCATION AND ACREAGE DEDICATION PLAT

All Distances must be from the outer boundaries of the section

| | | | | | |
|---|---------------------------------|----------------------|---------------------------------|------|---------------|
| Operator ENRON OIL & GAS CO. | | | Lease MESA VERDE "7" FEDERAL | | Well No. 1 |
| Unit Letter B | Section 7 | Township 24 SOUTH | Range 32 EAST | NMPM | County LEA |
| Actual Footage Location of Well: 660 feet from the NORTH line and 1980 feet from the EAST line | | | | | |
| Ground Level Elev. 3556.2' | Producing Formation Delaware | Pool Und | Dedicated Acreage: 40 Acres | | |

- Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.
- If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
- 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 of owners and tract descriptions which have actually been consolidated. (Use reverse side of this form necessary.)
No allowable will be assigned to the well unit all interests have been consolidated (by communitization, unitization, forced-pooling, otherwise) or until a non-standard unit, eliminating such interest, has been approved by the Division.



OPERATOR CERTIFICATION

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

Signature

Printed Name

Betty Gildon
Position
Regulatory Analyst

Company

Enron Oil & Gas Company

Date

11/9/93

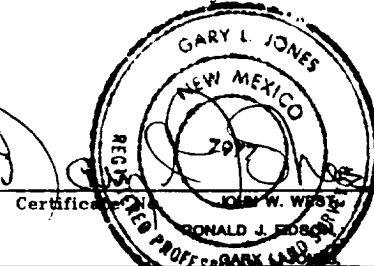
SURVEYOR CERTIFICATION

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 11, 1993

Signature & Seal of
Professional Surveyor



Certificate No. 876
DONALD J. FOSBERG 3239
93-11-4662 7977

DRILLING PROGRAM

Enron Oil & Gas Company
Mesa Verde 7 Federal No. 1
660' FNL & 1980' FEL
Sec. 7, T24S, R32E
Lea County, New Mexico

1. Geologic Name of Surface Formation:

Permian

2. Estimated Tops of Important Geologic Markers:

| | |
|---------------|-------|
| Rustler | 930' |
| Delaware | 4600' |
| Bell Canyon | 4580' |
| Cherry Canyon | 5650' |
| Bone Spring | 8500' |

3. Estimated Depths of Anticipated Fresh Water, Oil or Gas:

| | | |
|----------|-------|-------------|
| Delaware | 4600' | Water & Oil |
|----------|-------|-------------|

No other formations are expected to give up oil, gas or fresh water in measurable quantities. The surface fresh water sands will be protected by setting 11-3/4" casing at 600' and circulating cement back to surface, and 8-5/8" casing will be set at 4600' with cement circulating back to surface.

Enron Oil & Gas Company
Mesa Verde 7 Federal No. 1
660' FNL & 1980' FEL
Sec. 7, T24S, R32E
Lea County, New Mexico

4. Casing Program:

| <u>Hole Size</u> | <u>Interval</u> | <u>OD csg</u> | <u>Weight Grade Jt. Cond. Type</u> |
|------------------|-----------------|---------------|------------------------------------|
| 14-3/4 | 0- 600' | 11-3/4 | 42# H-40 A ST&C |
| 11 | 0- 4600' | 8-5/8 | 32# J-55 LT&C |
| 7-5/8 | 0- 8750' | 5-1/2 | 17# J-55 LT&C |

Cementing Program:

11-3/4" Surface casing: Cement to surface with 275 sx of Class C + 2% CaCl₂ + 1/4#/sx flocele.

8-5/8" Intermediate: Cement to surface with 425 sx of Premium Plus lite + 15#/sx salt + 1/4#/sx Flocele and 300 sx Cl C + 2% CaCl₂

5-1/2" Prod casing: Cement with 350 sx 50/50 Cl H/Poz + 0.8% Halad 9 + 1/4#/sx Flocele. This cement slurry is designed to bring TOC to 3500'.

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 1000 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.

ENRON OIL & GAS COMPANY

ATTACHMENT

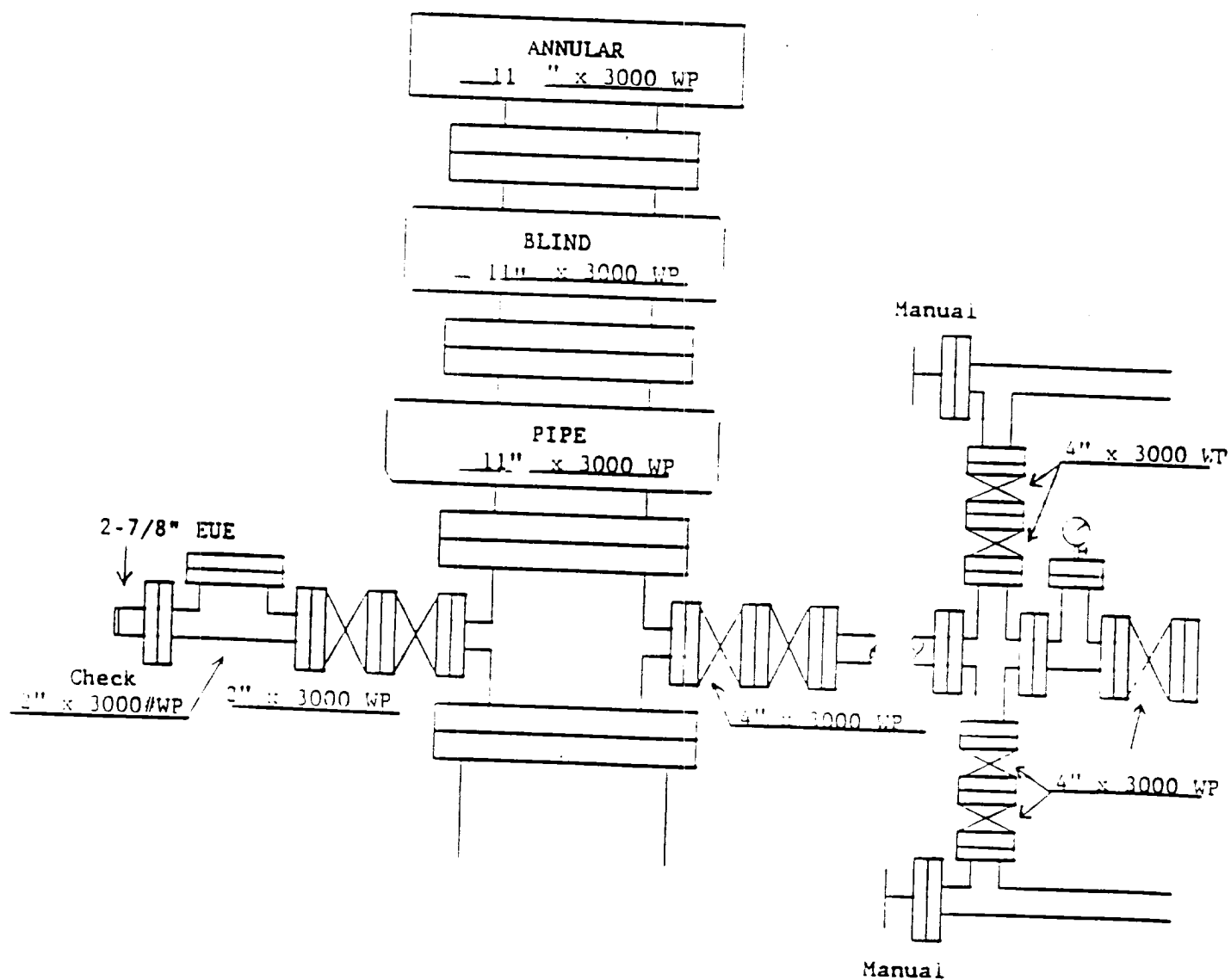


EXHIBIT "1"