

UNITED STATES  
DEPARTMENT OF THE  
BUREAU OF LAND MANAGEMENT

OPER. OGRID NO. 7377 on  
PROPERTY NO. 19275  
POOL CODE 71960  
EFF. DATE 10/30/96  
API NO. 3D-025-33522

FORM APPROVED  
OMB NO. 1004-0136  
Expires: February 23, 1995

APPLICATION FOR PERMIT

1. TYPE OF WORK

DRILL ☒ Amend DEEPEN ☐

2. TYPE OF WELL

OIL WELL ☐ GAS WELL ☒ OTHER ☐ SINGLE ZONE ☒ MULTIPLE ZONE ☐

3. NAME OF OPERATOR

Enron Oil & Gas Company

4. ADDRESS AND TELEPHONE NO.

P. O. Box 2267, Midland, Texas 79702

5. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)\*

At surface  
2200' FNL & 1980' FEL

At proposed prod. zone

2200' FNL & 1980' FEL

6. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE\*

Limit "0"

7. DISTANCE FROM PROPOSED\*

LOCATION TO NEAREST  
PROPERTY OR LEASE LINE, FT. 660  
(Also to nearest drilg. unit line, if any) 660

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

None

9. NO. OF ACRES IN LEASE

320

10. PROPOSED DEPTH

14,500'

11. NO. OF ACRES ASSIGNED  
TO THIS WELL

320

12. ROTARY OR CABLE TOOLS

Rotary

13. ELEVATIONS (Show whether DF, RT, GR, etc.)

3612' GR

22. APPROX. DATE WORK WILL START\*  
October 31, 1996

23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	GRADE, SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
17-1/2	13-3/8 H-40 A	ST&C 48#	640	575 sx CIRCULATED
12-1/4	9-5/8 J-55 ST&C	36/40	5200	1250 sx CIRCULATED
8-3/4	7 P-110 LT&C	26	12500	1200 sacks
6-1/2	3-1/2 LT&C	12.95	14500	500 sacks

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

LC-066653

Sec 7, T24S, R34E  
Federal Bond # is MT 0748 with  
endorsement to New Mexico

Bone Spring Formation

APPROVAL SUBJECT TO  
GENERAL REQUIREMENTS AND  
SPECIAL STIPULATIONS  
ATTACHED

RECEIVED  
SEP 30 1 57 PM '96

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. SIGNED Betty Gildon TITLE Regulatory Analyst

DATE 9/27/96

(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:

(ORIG. SGD.) TONY L. FERGUSON

ADM, MINERALS

APPROVED BY \_\_\_\_\_ TITLE \_\_\_\_\_ DATE 10/31/96

\*See Instructions On Reverse Side

Revised February 21, 1994

Instructions on back

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

☐ AMENDED REPORTState of New Mexico  
Energy, Minerals & Natural Resources DepartmentOIL CONSERVATION DIVISION  
PO Box 2088  
Santa Fe, NM 87504-2088District 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

## WELL LOCATION AND ACREAGE DEDICATION PLAT

<sup>1</sup> API Number 30 025 33522	<sup>2</sup> Pool Code 71960	<sup>3</sup> Pool Name Bell Lake Morrow, South
<sup>4</sup> Property Code 19275	<sup>5</sup> Property Name BELL LAKE 7 UNIT	<sup>6</sup> Well Number 1
<sup>7</sup> OGRID No. 7377	<sup>8</sup> Operator Name ENRON OIL AND GAS COMPANY	<sup>9</sup> Elevation 3612

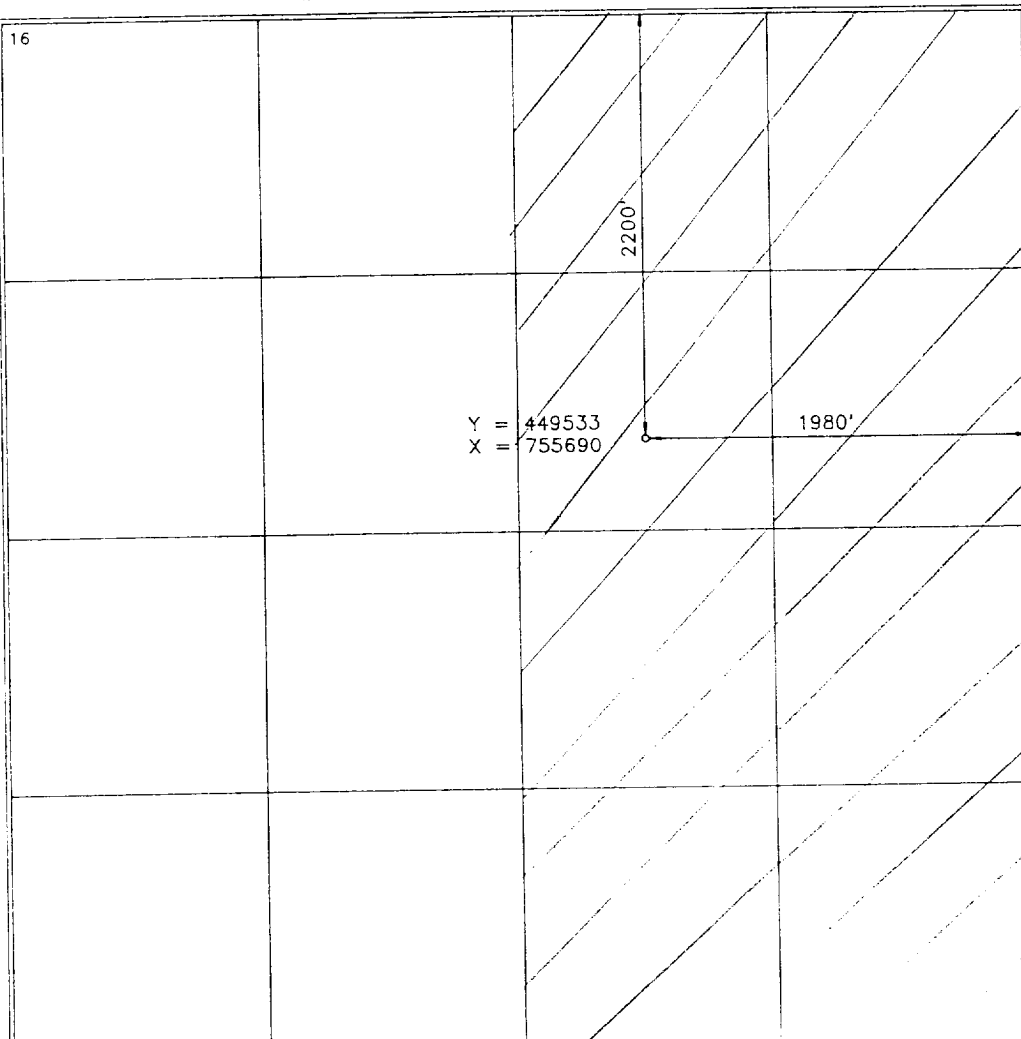
<sup>10</sup>Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
G	7	24-S	34-E		2200	NORTH	1980	EAST	LEA

<sup>11</sup>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

<sup>12</sup> Dedicated Acres 320 E/2	<sup>13</sup> Joint or Infill	<sup>14</sup> Consolidation Code	<sup>15</sup> 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<sup>17</sup> OPERATOR CERTIFICATION

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

*Betty Gildon*  
 Signature  
 Betty Gildon  
 Printed Name  
 Regulatory Analyst  
 Title  
 9/19/96  
 Date

<sup>18</sup> 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 best of my belief.

APRIL 16, 1996

Date of Survey

Signature and Seal of Professional Land Surveyor  
*Earl Foot*  
 8278  
 Certificate Number

## DRILLING PROGRAM

Enron Oil & Gas Company  
Bell Lake 7 Unit, Well No. 1  
2200' FNL & 1980' FEL  
Sec. 7, T24S, R34E  
Lea County, New Mexico

1. Geologic Name of Surface Formation:

Permian

2. Estimated Tops of Important Geologic Markers:

Morrow "C" Sand	14,000'
Morrow "D-2" Sand	14,175'

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

Upper Permian Sands	100'	Fresh Water
Morrow Sand	14,000'	Gas

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 13-3/8" casing at 650' and circulating cement back to surface, and 9-5/8" casing set at 5200' with cement circulated back to surface.

Enron Oil & Gas Company  
 Bell Lake 7 Unit, Well No. 1  
 2200' FNL & 1980' FEL  
 Sec. 7, T24S, R34E  
 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>
17-1/2"	0 - 650'	13-3/8"	48# H-40 A ST&C
12-1/4"	0 - 5200'	9-5/8"	36#/40# J-55 ST&C
8-3/4"	6500-12500'	7"	26# P-110 LT&C
6-1/2"	12500'-14500'	3-1/2"	12.95#/9.30# LT&C

Cementing Program:

13-3/4" Surface Casing: Cement to surface with 325 sx Class C + + 3% Econolite + 2% CaCl<sub>2</sub> + 1/4#/sx Flocele, followed by 250 sacks of Prem Plus 2% CaCl.

9-5/8" Intermediate: Cement to surface with 1000 sx Premium Plus 50/50 poz + 10% gel + 8#/sx salt + 1/4#/sx Flocele and 250 sx Cl C + 2% CaCl<sub>2</sub>.

7" Prod. Casing: Cement with 1000 sx Prem + 3% Econolite + 5#/sx salt + 1/4#/sx Flocele, followed by 200 sx 50/50 Cl H Poz + 2% gel + 0.5% Halad-322 + 3#/sx KCl. This cement slurry is designed to bring TOC to 4500'.

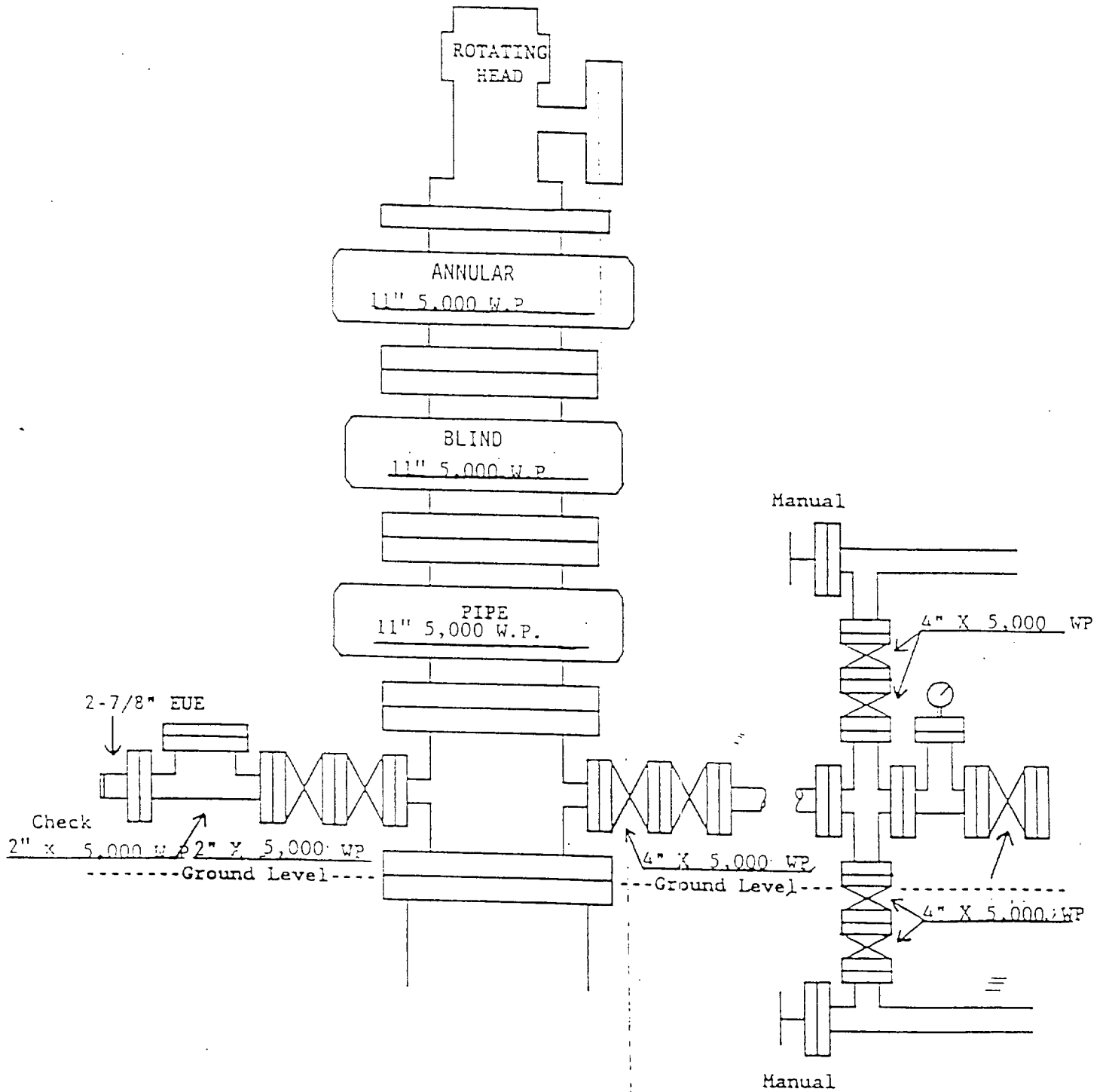
3-1/2" Prod. Casing: Cement with 500 sx Prem 50/50 poz + 0.3% Halad-322 + 0.2% Halad 344 + 0.3% WR-5.

5. Minimum Specifications for Pressure Control:

The blowout preventer equipment (BOP) shown in Exhibit #1 will consist of a double ram-type (5000 psi WP) preventer and an annular preventer (5000 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 600 psi before drilling out of surface casing. Before drilling out of intermediate casing, the ram-type BOP and accessory equipment will be tested to 5000 psi and the annular to 70% of rated working pressure (3500 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 5000 psi WP rating.

ENRON OIL & GAS COMPANY  
Bell Lake 7 Unit #1



Attachment to Exhibit #1  
ENRON OIL & GAS COMPANY  
Bell Lake 7 Unit, Well No. 1

1. Blow out preventer and all fittings must be in good condition, 5000 psi W.P. minimum.
2. All fittings to be flanged.
3. Safety valve must be available on rig floor at all times with proper connections, valve to be full bore 5000 psi W.P. minimum.
4. All choke and fill lines to be securely anchored, especially ends of choke lines.
5. Equipment through which bit must pass shall be at least as large as the diameter of the casing being drilled through.
6. Kelly cock on kelly.
7. Extension wrenches and hand wheels to be properly installed.
8. Blow out preventer control to be located as close to driller's position as feasible.
9. 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  
Bell Lake 7 Unit, Well No. 1  
2200' FNL & 1980' FEL  
Sec. 7, T24S, R34E  
Lea County, New Mexico

6. Types and Characteristics of the Proposed Mud System:

The well will be drilled to TD with a combination of brine, cut brine, and polymer/KCl mud system. The applicable depths and properties of this system are as follows:

<u>Depth</u>	<u>Type</u>	<u>Weight (ppg)</u>	<u>Viscosity (sec)</u>	<u>Waterloss (cc)</u>
0 - 650'	Fresh Water (spud)	8.5	40-45	N.C.
650'-5200'	Brine water	10.0	30	N.C.
5200'-TD	Cut Brine & Polymer/KCL	8.8-9.2	28	N.C.

Sufficient mud materials to maintain mud properties and meet minimum lost circulation and weight increase requirements will be kept at the wellsite at all times.

7. Auxiliary Well Control and Monitoring Equipment:

- (A) A kelly cock will be kept in the drill string at all times.
- (B) A full opening drill pipe stabbing valve (inside BOP) with proper drill pipe connections will be on the rig floor at all times.
- (C) A mud logging unit complete with H2S detector will be continuously monitoring drilling penetration rate and hydrocarbon shows from 4500' to TD.

Enron Oil & Gas Company  
Bell Lake 7 Unit, Well No. 1  
2200' FNL & 1980' FEL  
Sec. 7, T24S, R34E  
Lea County, New Mexico

8. Logging, Testing and Coring Program:

- (A) The electric logging program will consist of GR-Dual Laterolog-MSFL and GR-Compensated Density-Neutron from TD to intermediate casing with a GR-Compensated Neutron run from intermediate casing to surface.
- (B) Possible side wall cores based on shows.

9. Abnormal Conditions, Pressures, Temperatures, & Potential Hazards:

No abnormal pressures or temperatures are anticipated. The estimated bottom hole temperature (BHT) at TD is 175 degrees F with an estimated maximum bottom-hole pressure (BHP) at TD of 8900 psig. No hydrogen sulfide or other hazardous gases or fluids have been encountered, reported or are known to exist at this depth in this area. No major loss circulation zones have been reported in offsetting wells.

Anticipated Starting Date and Duration of Operations:

Road and location work will not begin until approval has been received from the BLM. Anticipated spud date is unknown at the present time. Once drilling has commenced, the drilling operation should be finished in approximately 30 days. If the well is productive, an additional 30 to 45 days will be required for completion and testing before a decision is made to install permanent facilities.

Enron Oil & Gas Company  
Bell Lake 7 Unit, Well No. 1  
2200' FNL & 1980' FEL  
Sec. 7, T24S, R34E  
Lea County, New Mexico

SURFACE USE AND OPERATIONS PLAN

1. Existing Roads:

Access to location will be made as shown on Exhibit #2.

Routine grading and maintenance of existing roads will be conducted as necessary to maintain their condition as long as any operations continue on this lease.

2. Proposed Access Road:

Exhibit #2 shows the 992 feet of new access road to be constructed. Proposed road will measure 30' in width. Surface material will consist of six (6) inches of caliche, water compacted and graded with a minimum grade of 3 percent. Drainage will have a drop of 6 inches from the center line on each side.

Turnouts will be as per BLM specifications.

No culverts, cattleguards, gates, low-water crossings, or fence cuts are necessary.

Surfacing material will consist of native caliche to be obtained from the nearest BLM-approved caliche pit. Any additional materials required will be purchased from the dirt contractor.

3. Location of Existing Wells:

Exhibit #3 shows all existing wells within a one-mile radius of this well.

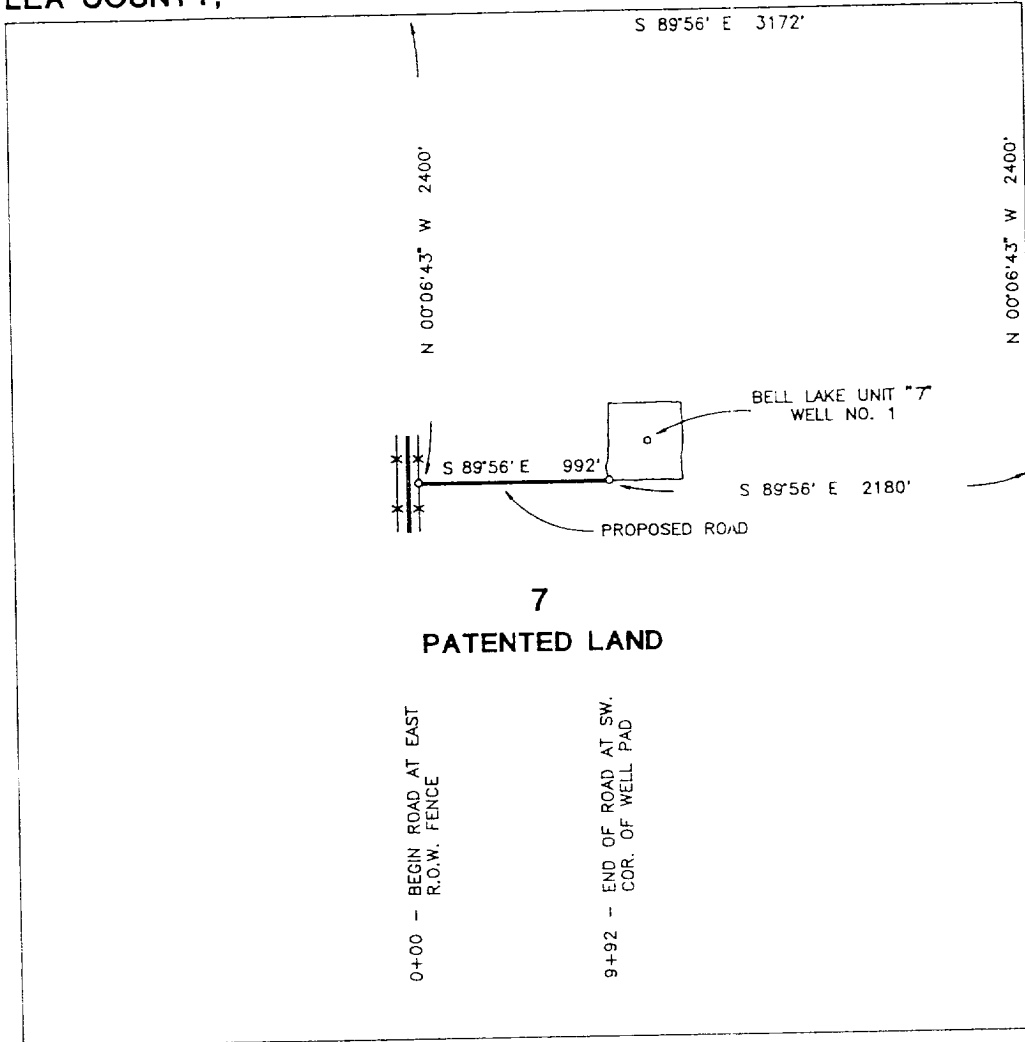
4. Location of Existing and/or Proposed Facilities:

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.

SECTION 7, TOWNSHIP 24 SOUTH, RANGE 34 EAST, N.M.P.M.

LEA COUNTY,

NEW MEXICO



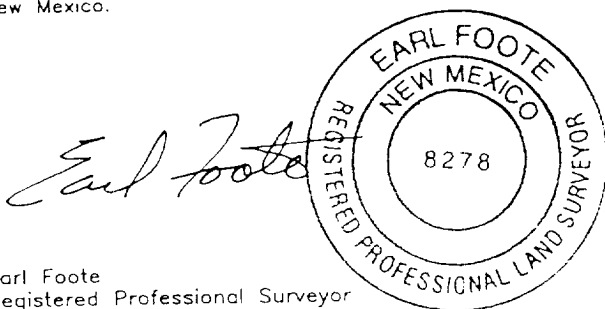
CENTERLINE DESCRIPTION OF A PROPOSED ROAD

BEGINNING at a point on the fenced east boundary of an existing north-south road in Section 7, T-24-S, R-34-E, N.M.P.M., Lea County, New Mexico, from which point the northeast corner of Section 7 bears N 00° 06' 43" W, 2400.0 feet and S 89° 56' E, 3172.0 feet;

THENCE S 89° 56' E, with the centerline of proposed road, 992 feet to the southwest corner of the 400 feet X 400 feet site for Bell Lake Unit "7" No. 1, for the end of this road, from which point the northeast corner of Section 7 bears S 89° 59' E, 2180.0 feet N 00° 06' 43" W, 2400.0 feet.

PROPOSED ROAD

I hereby certify that this plat was prepared from an actual survey made on the ground and meets or exceeds all requirements for land surveys as specified by the state of New Mexico.



ENRON OIL AND GAS COMPANY

Proposed Road to Bell Lake Unit "7" No. 1  
Section 7, T-24-S, R-34-E, NMPM  
Lea County, New Mexico

WEST TEXAS CONSULTANTS, INC.

ENGINEERS-PLANNERS-SURVEYORS

MIDLAND, TEXAS

Survey Date: 4-16-96	Date: 4-17-96	Scale: 1" = 1000'
WTC No. 44449	Drawn By: MEB	Sheet 1 of 1



Enron Oil & Gas Company  
Bell Lake 7 Unit, Well No. 1  
2200' FNL & 1980' FEL  
Sec. 7, T24S, R34E  
Lea County, New Mexico

5. LOCATION AND TYPE OF WATER SUPPLY:

Water for drilling will be purchased from commercial sources and transported to the well site over the roads as shown on Exhibit #2.

6. PLANS FOR RESTORATION OF THE SURFACE:

A verbal agreement with Rubert Madera has been made regarding restoration of the surface at this location. Agreement is the same as agreement attached.

After completion of drilling and/or completion operations, all equipment and other material not needed for operations will be removed. Location will be cleaned of all trash and junk to leave the well in an aesthetically pleasing condition as possible.

Any unguarded pits containing fluid will be fenced until they are dry and back filled.

After abandonment of the well, surface restoration will be in accordance with current Federal laws and regulations. Location will be cleaned, and the well pad removed to promote vegetation. Reseeding will be as per BLM specifications.

7. METHODS OF HANDLING WASTE DISPOSAL:

A small reserve pit will be utilized. Reserve pit will be evacuated of drilling fluid within 10 days after the well is completed.

Drill cuttings will be encapsulated in plastic and buried 2' below ground level.

Water produced during tests and waste water will be saved and hauled to a disposal well. Oil produced during tests will be in test tanks until sold.

Current laws and regulations pertaining to the disposal of human waste will be complied with.

Trash, waste paper, garbage and junk will be hauled to an approved disposal site in an enclosed trash trailer.

All trash and debris will be removed from the well site within 30 days after finishing drilling and/or completion operations.

8. ANCILLARY FACILITIES:

No airstrip, campsite, or other facilities will be built.

Enron Oil & Gas Company  
Bell Lake 7 Unit, Well No. 1  
2200' FNL & 1980' FEL  
Sec. 7, T24S, R34E  
Lea County, New Mexico

9. WELL SITE LAYOUT:

Exhibit #4 shows the relative location and dimensions of the well pad, steel mud pits, and location of major rig components. Pad area has been staked and flagged.

Only minor leveling of the well site will be required.

10. OTHER INFORMATION:

The area around the well site is grassland and the top soil is duned and sandy. Vegetation is very sparse.

There is no permanent or live water in the immediate area.

Cultural resources examination was completed by Archaeology Survey Consultants on May 3, 1996. ASC Job 96-055.

11. OPERATORS REPRESENTATIVE:

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

Mr. Dewey Smeltzer  
4806 Rustic Trail

Phones: Business - 1-915/686-3601  
Home - 1-915/697-7719

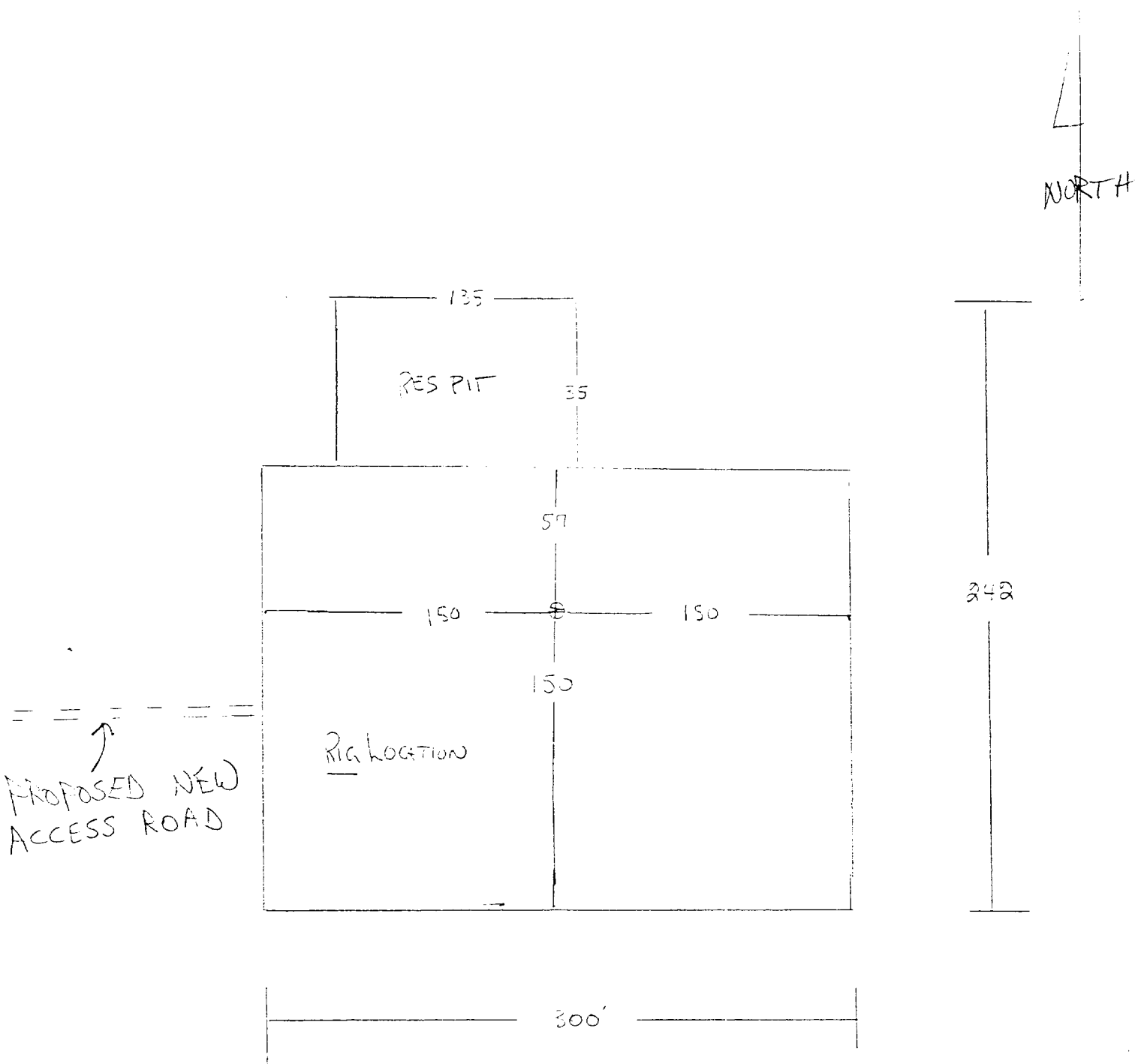


EXHIBIT #4

Enron Oil & Gas Company  
Bell Lake 7 Unit, Well No. 1  
2200' FNL & 1980' FEL  
Sec. 7, T24S, R34E  
Lea County, New Mexico

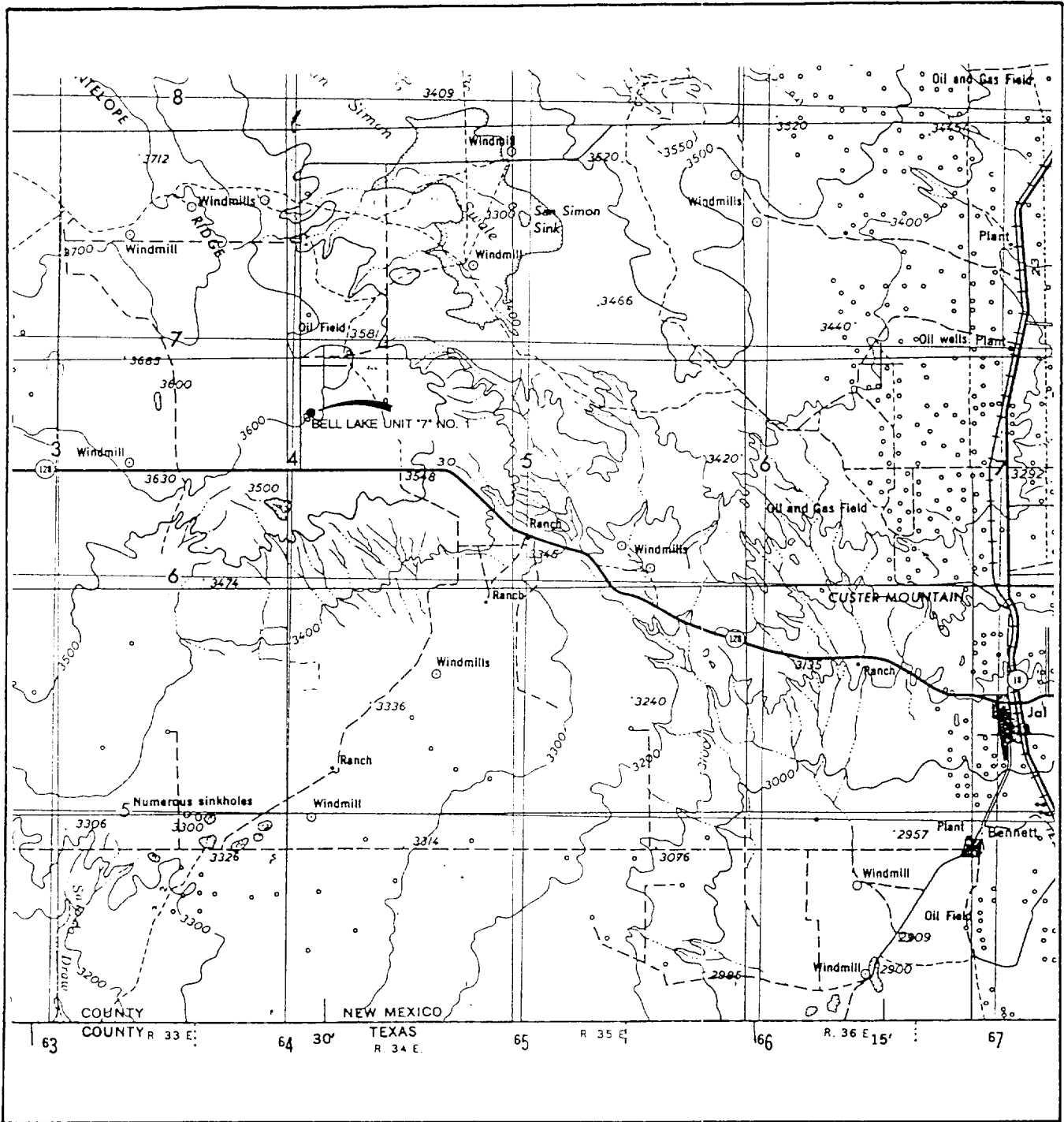
12. CERTIFICATION:

I hereby certify that I, or persons under my direct supervision, have inspection the proposed drill site 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.

  
\_\_\_\_\_  
W. D. Smeltzer  
Drilling Manager

Date: 9-27-76

# VICINITY MAP



SCALE: 1" = 4 MILES

WTC 44449

SEC. 7 TWP. 24-S RGE. 34-E

SURVEY N.M.P.M

COUNTY LEA STATE NM

DESCRIPTION 2200' FNL & 1980' FEL

ELEVATION 3612'

OPERATOR ENRON OIL & GAS COMPANY

LEASE BELL LAKE UNIT '7' WELL NO. 1

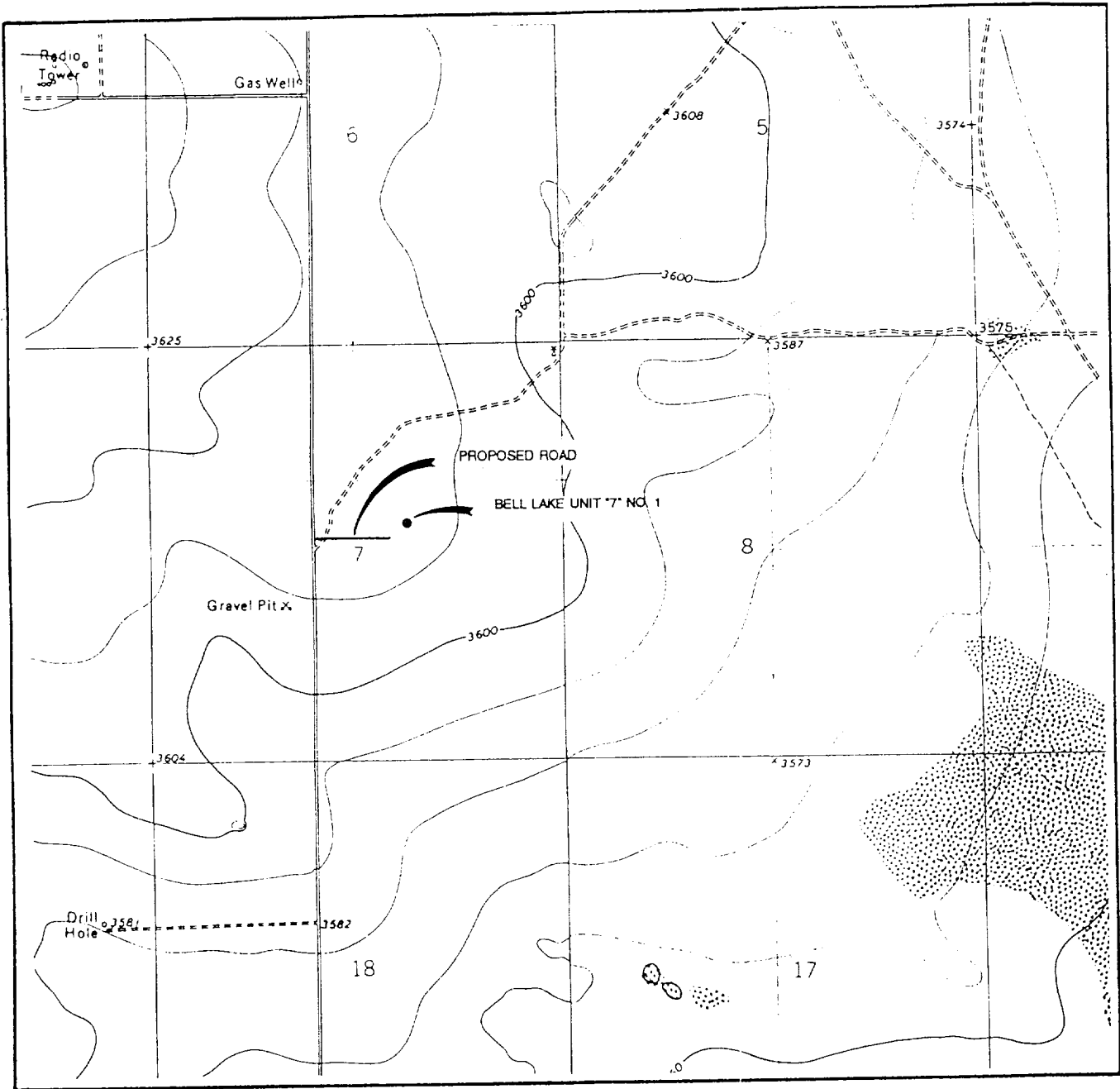
**WEST TEXAS CONSULTANTS, INC.**

ENGINEERS-PLANNERS-SURVEYORS

MIDLAND, TEXAS

915-685-3800

# LOCATION VERIFICATION MAP



SCALE: 1" = 2000'  
CONTOUR INTERVAL 10'  
WTC 44449

SEC. 7 TWP. 24-S RGE. 34-E

SURVEY N.M.P.M.

COUNTY LEA STATE N.M.

DESCRIPTION 2200' FNL & 1980' FEL

ELEVATION 3612'

OPERATOR ENRON OIL & GAS COMPANY

LEASE BELL LAKE UNIT #7 WELL NO. 1

U.S.G.S. TOPO. MAP BELL LAKE, NM

**WEST TEXAS CONSULTANTS, INC.**

ENGINEERS-PLANNERS-SURVEYORS

MIDLAND, TEXAS

915-685-3800