

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT 5-22-97 *adm*

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1. TYPE OF WORK
DRILL ☒ DEEPEN ☐

2. TYPE OF WELL
OIL WELL ☐ GAS WELL ☒ OTHER ☐

3. NAME OF OPERATOR
Enron Oil & Gas Company

4. ADDRESS AND TELEPHONE NO.
P. O. Box 2267, Midland, Texas 79702 (915) 686-3714

5. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)
At surface
1980' FNL & 1878' FWL
At proposed prod. zone
1980' FNL & 1878' FWL *Unit F*

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

7. LEASE DESIGNATION AND SERIAL NO.
LC 063798

8. IF INDIAN, ALLOTTEE OR TRIBE NAME

9. UNIT AGREEMENT NAME

10. FARMOR LEASE NAME, WELL NO.
Lela Mae Stevens Fed Com. #1

11. FIELD AND POOL, OR WILDCAT
Johnson Ranch Bone Spring Wolfcamp

12. SEC., T., R., M., OR B.L.K. AND SURVEY OR AREA
Sec 14, T24S, R33E

13. COUNTY OR PARISH
Lea

14. STATE
NM

15. DISTANCE FROM PROPOSED LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT.
(Also to nearest drlg. unit lise, if any) 1878 660

16. NO. OF ACRES IN LEASE
640

17. NO. OF ACRES ASSIGNED TO THIS WELL
320

18. DISTANCE FROM PROPOSED LOCATION TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.
None

19. PROPOSED DEPTH
13,700

20. ROTARY OR CABLE TOOLS
Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)
3602' GR

22. APPROX. DATE WORK WILL START
6/27/97

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#	650	550 sx C1 C CIRCULATED
12-1/4	9-5/8 J-55 LT&C	40#	5000	1000 Prem & 250 C1 C CIRCULATED
8-3/4	7" N-80 LT&C	26#	12900	800 C1 H & 200 Prem TOC 4500'±
6-1/8	4-1/2 N-80 LT&C	15.1#	12700-13700	500 sx 50/50 C1 H Poz
Liner				

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

LC 063798
Sec 14, T24S, R33E
Bone Spring, Wolfcamp Formations
Federal Bond # is MT 0748 with
endorsement to New Mexico

OPER. OGRID NO. 7377
PROPERTY NO. 21766
POOL CODE 79335
EFF. DATE 7/2/97
API NO. 30-025-34050

Approval Subject to
General Requirements and
Special Stipulations
Attached

RECEIVED
1997 MAY 21 A 10:49
BUREAU OF LAND MGMT.
CARLSBAD RESOURCE AREA

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 5/20/97

(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. SGD.) ARMANDO A. LOPEZ TITLE Acting ADM. MINERALS DATE 7-1-97

*See Instructions On Reverse Side

Certificate Number

DRILLING PROGRAM

ENRON OIL & GAS COMPANY
LELA MAE STEVENS FEDERAL COM. NO. 1
1980' FNL & 1878' FWL
Sec 14, T24S, R33E
LEA COUNTY, NEW MEXICO

1. GEOLOGIC NAME OF SURFACE FORMATION:

Permian

2. ESTIMATED TOPS OF IMPORTANT GEOLOGIC MARKERS:

Rustler	850'
Bone Spring	12200'
Middle Wolfcamp	13100'
Lower Wolfcamp	13300'
TD	13700'

3. ESTIMATED DEPTHS OF ANTICIPATED FRESH WATER, OIL OR GAS:

Upper Permian Sands	100'	Fresh Water
Wolfcamp	13100'	Gas

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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 - 5000'	9-5/8"	40# J-55 LT&C
8-3/4"	0 - 12900'	7"	26# N-80 LT&C
6-1/8"	12700'-13700'	4-1/2"	15.1# N-80 LT&C

Cementing Program:

13-3/8" Surface Casing: Cement to surface with 300 sx Cl C 50/50 Poz + 10% gel & 8#/sx salt & 1/4# Flocele followed by 250 sx Cl C + 2% CaCl₂.

9-5/8" Intermediate: Cement to surface with 1000 sx of Premium 50/50 poz + 10% gel, + 8#/sx salt + 1/4#/sx Flocele and 250 sx Cl C + 2% CaCl₂.

7" Intermediate: Cement with 800 sx Cl H + 3% Econolight + 5#/sx salt + 1/4#/sx Flocele followed by 200 sx Prem 50/50 poz + 0.5% Halad-447 + 0.25#/sx D-air-1 + 0.17% HR-5 + 0.5#/sx CaCl. This is designed to bring TOC to 4500'+\-.

4-1/2" Liner: Cement with 500 sx 50/50 sx Cl H/Poz + 2% gel + 0.6% Halad-344 + 0.2% HR-5 + 0.3% Super CBL. This cement slurry is designed to bring TOC to 12300'

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 13 3/8' 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).

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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.

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' - 4200'	Brine Water	10.0	30	N.C.
4200' - 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 2000' to TD.

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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 ran from intermediate casing to surface.
- (B) Possible side-wall cores based on shows.

9. ABNORMAL CONDITIONS, PRESSURES, TEMPERATURES AND 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 4900 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.

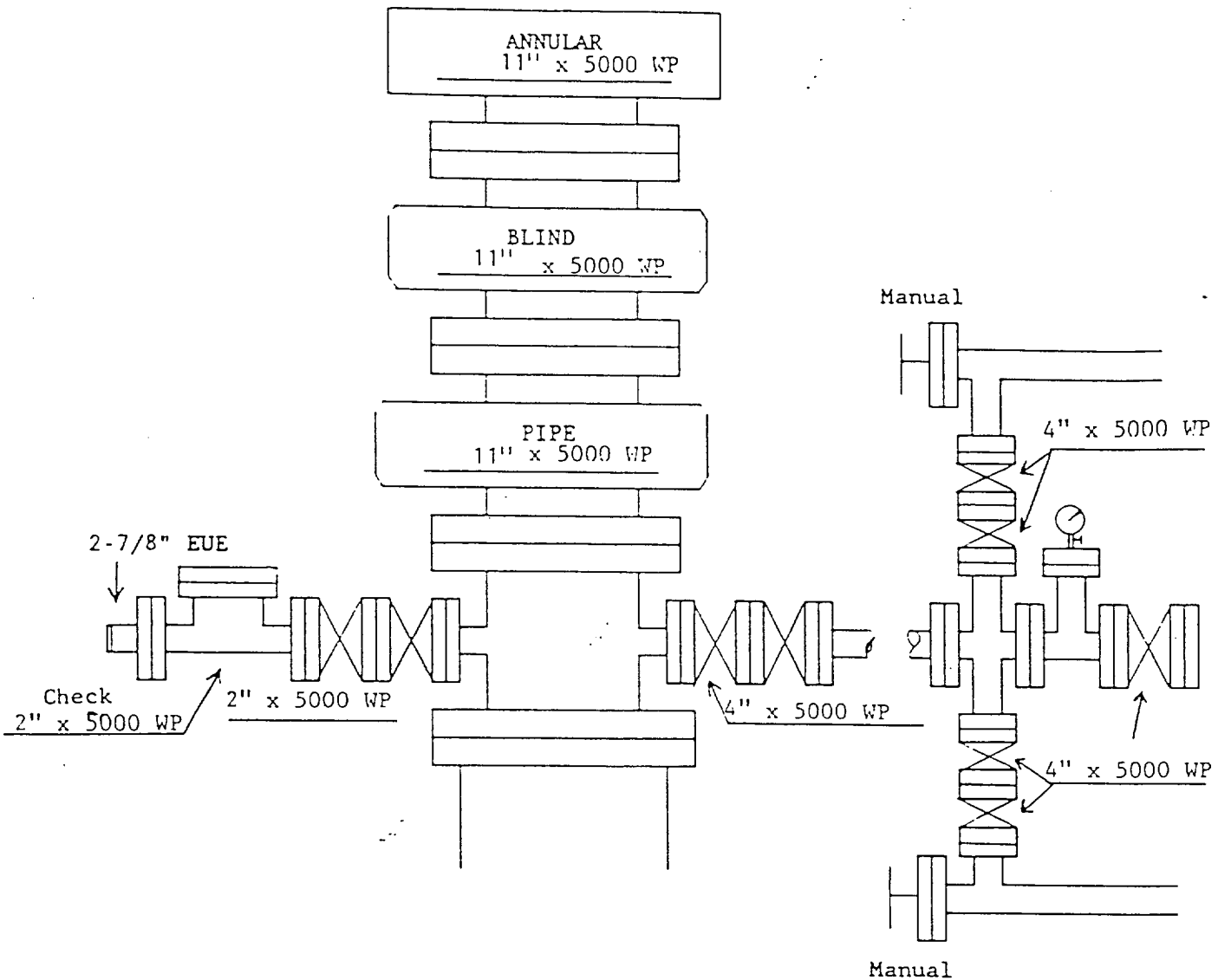
10. ANTICIPATED STARTING DATE AND DURATION OF OPERATIONS:

The drilling operation should be finished in approximately one week to ten 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.

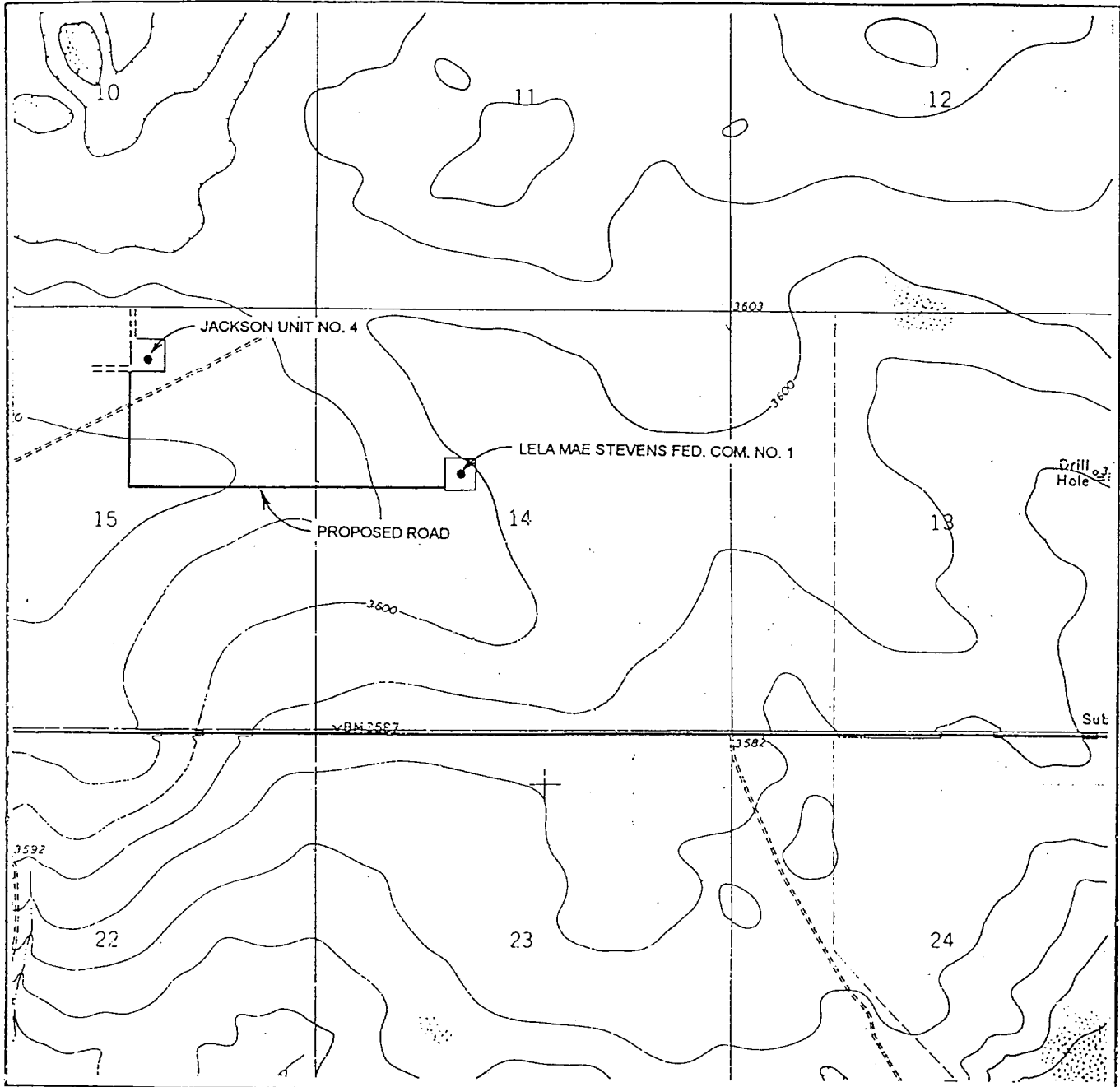
ENRON OIL & GAS COMPANY

Lela Mae Stevens Federal Com. #1

ATTACHMENT I



LOCATION VERIFICATION MAP



SCALE: 1" = 2000'

CONTOUR INTERVAL 10'

WTC 44893

SEC. 14 TWP. 24-S RGE. 33-E

SURVEY N.M.P.M

COUNTY LEA STATE NM

DESCRIPTION 1980' FNL & 1878' FWL

ELEVATION 3602'

OPERATOR ENRON OIL & GAS COMPANY

LEASE LELA MAE STEVENS FED. COM. NO. 1

USGS TOPO MAP BELL LAKE, N. MEX.

WEST TEXAS CONSULTANTS, INC.

ENGINEERS-PLANNERS-SURVEYORS

MIDLAND, TEXAS

915-685-3800