

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUBMIT IN LICATE
(Other instructions on
reverse side)

50-025-30652

Form approved.
Budget Bureau No. 1004-0136
Expires August 31, 1985

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"/>		5. LEASE DESIGNATION AND SERIAL NO. NM 14497
b. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" 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 OF OPERATOR P. O. Box 2267, Midland, Texas 79702		8. FARM OR LEASE NAME Diamond 8 Federal
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		9. WELL NO. 1
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE* 25 miles SW from Jal, NM		10. FIELD AND POOL OR WILDCAT Pitchfork Ranch Morrow
15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. 660' (Also to nearest drlg. unit line, if any) 660'		11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA Sec. 8, T25S, R34E
16. NO. OF ACRES IN LEASE 704		12. COUNTY OR PARISH Lea
17. NO. OF ACRES ASSIGNED TO THIS WELL 320		13. STATE NM
18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. None		20. ROTARY OR CABLE TOOLS Rotary
21. ELEVATIONS (Show whether DF, RT, GR, etc.) 3362'		22. APPROX. DATE WORK WILL START* June 21, 198

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"	48#	650'	575 sacks CIRCULATED
12-1/4"	9-5/8"	36#	5200'	3000 sacks CIRCULATED
8-1/2"	7"	26#	13250'	1500 sacks
6-1/8"	5-1/2" Liner	20#	14100'	150 sacks
4-3/4"	3-1/2" Liner	12.95#	15700'	100 sacks

BOP - Install at 5200' with 3000# cap. and 3000# annular preventor. At 13,250 feet increase to 10,000# cap. with 5000# annular preventor. Will use standard surface controlled BOP installation.

Gas is not dedicated.

APPROVAL SUBJECT TO
GENERAL REQUIREMENTS AND
SPECIAL STIPULATIONS
REACHED

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.

SIGNED Betty Gildon Betty Gildon TITLE Regulatory Analyst DATE 5/24/89

(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____

APPROVED BY Alvin J. [Signature] TITLE _____ DATE 6-19-89

CONDITIONS OF APPROVAL, IF ANY:

*See Instructions On Reverse Side

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

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

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

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

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

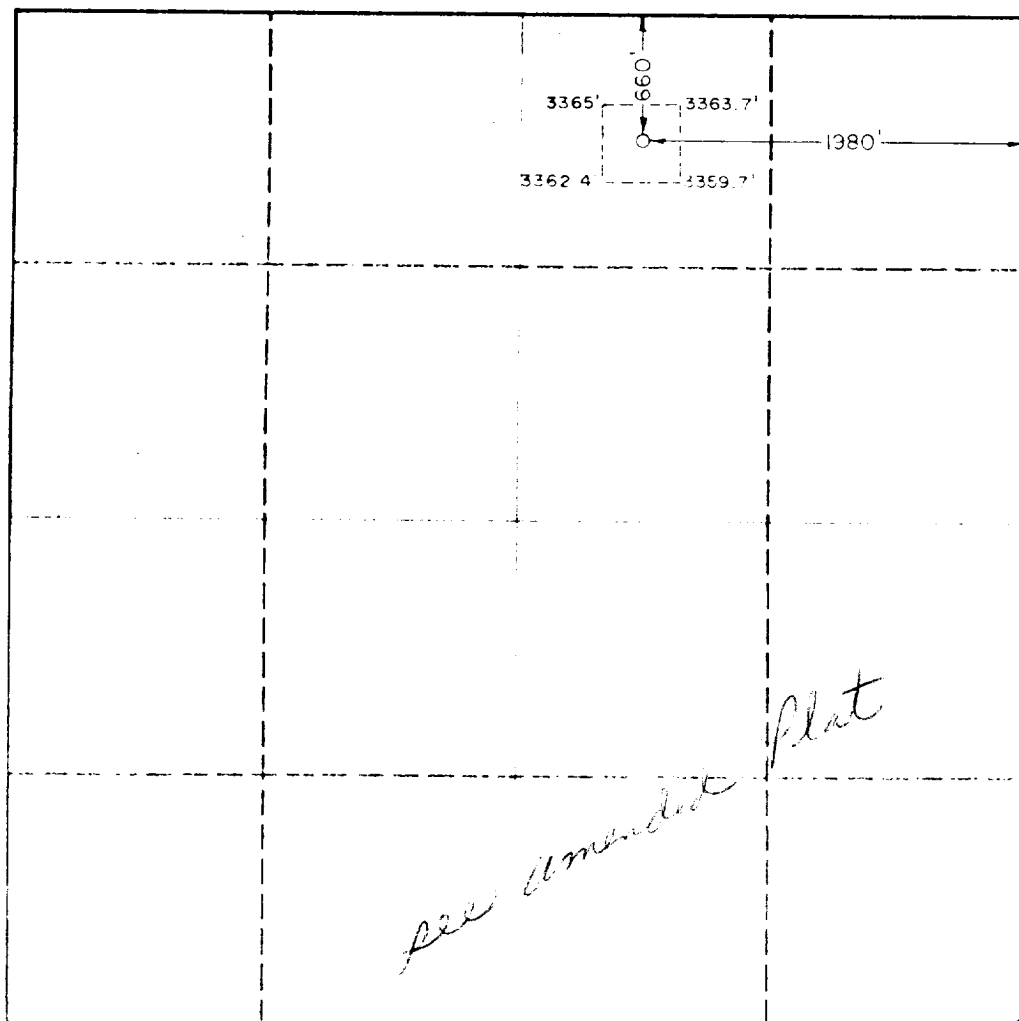
DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

WELL LOCATION AND ACREAGE DEDICATION PLAT

All Distances must be from the outer boundaries of the section

Operator Enron Oil & Gas Company			Lease Diamond 8 Federal		Well No. 1
Unit Letter B	Section 8	Township 25 South	Range 34 East	County NMPM	Lea
Actual Footage Location of Well: 660 feet from the North line and 1980 feet from the East line					
Ground level Elev. 3362.0'		Producing Formation Morrow		Pool Pitchfork Ranch	
				Dedicated Acreage: 320	N/2 Acres

1. Outline the acreage dedicated to the subject well by colored pencil or hachure 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, eliminating 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

Signature

Betty Gildon

Printed Name

Betty Gildon

Position

Regulatory Analyst

Company

Enron Oil & Gas Company

Date

May 24, 1989

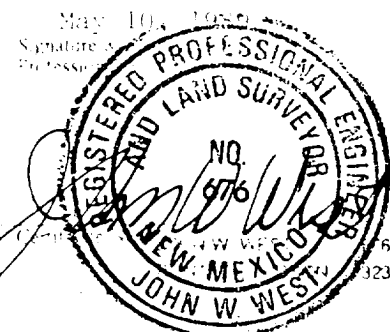
SURVEYOR CERTIFICATION

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

May 10, 1989

Signature of
Professional



0 330 660 990 1320 1650 1980 2310 2640 2000 1000 1500 500 0

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APPLICATION FOR PERMIT TO DRILL

1. The geologic surface formation is Quaternary.
2. The estimated tops of important geologic markers are:
 1. Morrow Sinatra Sand 14,870' 6. _____
 2. Morrow "C" Sand 15,200' 7. _____
 3. Morrow "D" Sand 15,520' 8. _____
 4. _____ 9. _____
 5. _____ 10. _____
3. Depths at which oil, water, or gas bearing formations are expected to be encountered.

Wolfcamp limes	12300 to 13700 feet.
Strawn Lime	13700 to 14050 feet.
Atoka	14050 to 15550 feet.
Morrow "D" Sand	15550 to 15700 feet.
4. Brief description of testing, logging, and coring programs.

Drill stem test as necessary
Gamma Ray: Surface to TD
Sonic and/or Neutron Density: Top Delaware Sand to TD
Mud Logger: Top Delaware Sand to TD

No coring anticipated.
5. Any anticipated abnormal pressures or temperatures expected? Any potential hazards - H₂S?

Possible abnormal pressures from the Wolfcamp through the Atoka.

No H₂S zones expected.

- ** 1. (A) Pressure control equipment to be used.
- 1-900 series rotating blowout preventer & stripper
 - 1-1500 series Hydrill annular blowout preventer
 - 1-10,000# WP Cameron Iron Works double type "U" blowout preventer with pipe rams & blind rams.
 - 1-10,000# CIW single type "U" blowout preventer with pipe rams.
- (B) Pressure ratings (or API series).
- 900 series - 3000# WP
 - 1,500 series - 5000# WP
 - 10,000 Series - 10,000# WP

(C) Testing procedures and frequency.

BOP's will be tested at installation point as indicated on Application for Permit to Drill.

(D) Schematic Diagram.

Attached. (Exhibit "C")

2. Mud Program

Type and Characteristics

0 - 650	-	Native
650 - 5200	-	10.0 ppg brinewater
5200 - 13250	-	9.2 ppg brinewater
13250 - 15700	-	Drill out with brine and possibly switch to oil-base mud, if needed.

Quantities and types of weighting material to be maintained

1000 sacks Barite on location.

** BOP's can be activated from a remote control closing unit. Drillstring safety valve will be installed at 13-3/8" casing point.

ENRON OIL & GAS COMPANY

MULTI-POINT SURFACE USE AND OPERATIONS PLAN

Diamond 8 Federal, Well No. 1
660' FNL & 1980' FEL
Section 8, T25S, R34E
Lea 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:

A New Mexico County Road runs east and west 2000 feet to the south of the proposed location. See attached Exhibit "A".

2. PLANNED ACCESS ROADS:

- A. Length & Width: Initial new road required will be 20 feet in width and will be approximately 2000 feet in length. The center line of the proposed new road has been staked and flagged with stakes visible from any one to the next.
- B. Surfacing Material: Six inches of caliche, water compacted and graded.
- C. Minimum Grade: 3 percent.
- D. Turnouts: None anticipated.
- E. Drainage Design: The new road will have a drop of 6 inches from the center line on each side.
- F. Culverts: None required.
- G. Cuts & Fills: None required.
- H. Gates & Cattleguards: None required.

3. LOCATION OF EXISTING WELLS:

Closest existing wells are Mica Industries' Longway Draw Federal located 2640 feet to the south, Enron's Half 5 Federal Com. #1 located approximately 3000 feet to the northwest in Sec. 5, 25S, 34E, and Enron's Diamond 5 Federal #1 located in the NWNW1/4 of Sec 5, the #2 well located in the NWNW1/4 of Sec 5, the #3 well located in the NENW1/4 of Sec. 5, 25S, 34E.

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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 as depicted on Exhibit "A".

6. SOURCE OF CONSTRUCTION MATERIALS:

Caliche for surfacing the road and the pad will be obtained from a Federally owned pit located in the NWSE1/4 of Sec. 9, 25S, 34E, and will be transported by truck to the well 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 gently sloping landform. Drainage is to the southeast with slope being 0.60° .
- B. Soil: Soil is made up of clay loams and sandy clay loams. Overall surface is overlain with a detritus of light caliche.
- C. Flora & Fauna: Vegetation primarily consists of mesquite, plains yucca, prickly pear, plains brittle grass, 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: None in the immediate vicinity
- E. Residences & other structures: None
- F. Archaeological, Historical & Cultural Sites: None

12. OPERATOR'S REPRESENTATIVE:

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

Mr. G. M. Spears
1500 Sandalwood
Odessa, Texas 79760

Phones: Business: (915) 686-3720
Home: (915) 367-6763

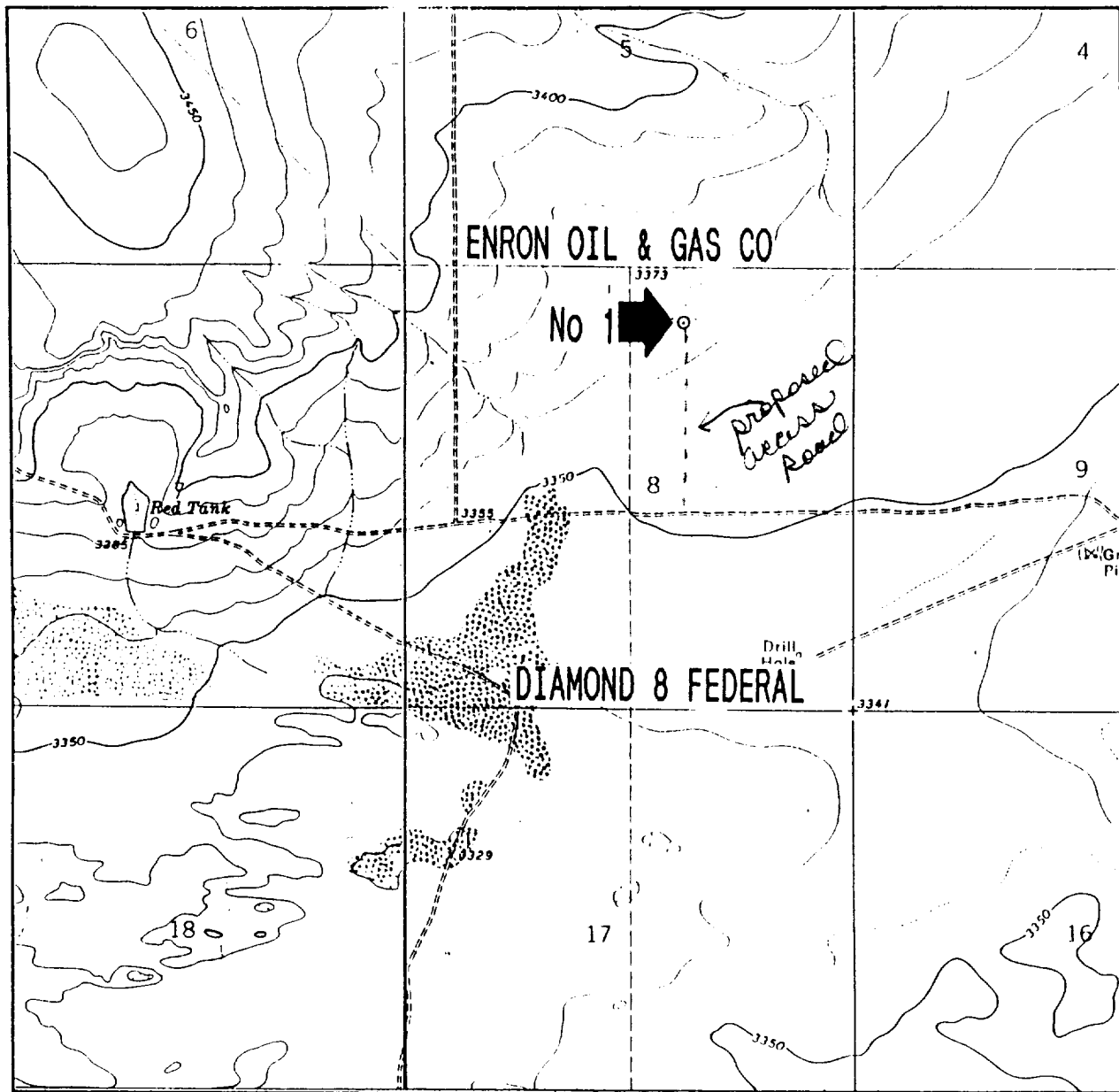
13. CERTIFICATION:

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

LOCATION VERIFICATION MAP



SCALE: 1" = 2000'

CONTOUR INTERVAL 10'

SEC. 8 TWP. 25S RGE. 34E

SURVEY NMPM

COUNTY Lea STATE NM

DESCRIPTION 660' FNL & 1980' FEL

ELEVATION 3362.0'

OPERATOR Enron Oil & Gas Company

LEASE Diamond 8 Federal No 1

U.S.G.S. TOPOGRAPHIC MAP

Bell Lake & Woodley Flat, NM

EXHIBIT "A"

Lined Reserve Pit

Trash Pit

Flare Line Pit

Sump Pit

LOCATION MEASURES 400' x 400'

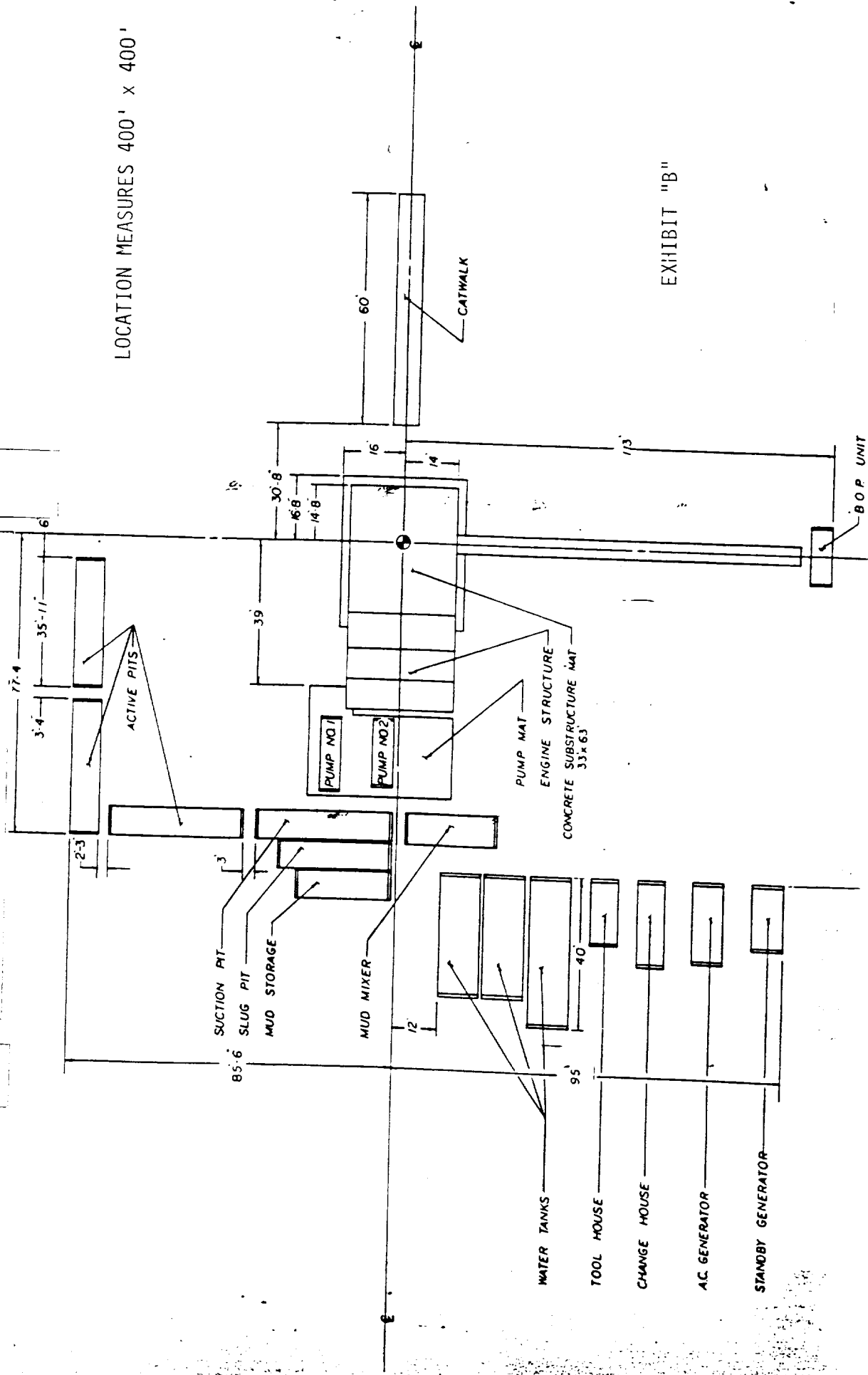
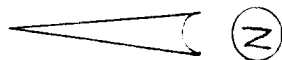


EXHIBIT "B"

B.O.P. UNIT

FIELD: PITCHFORK RANCH
 LEASE: Diamond 8 Federal #1

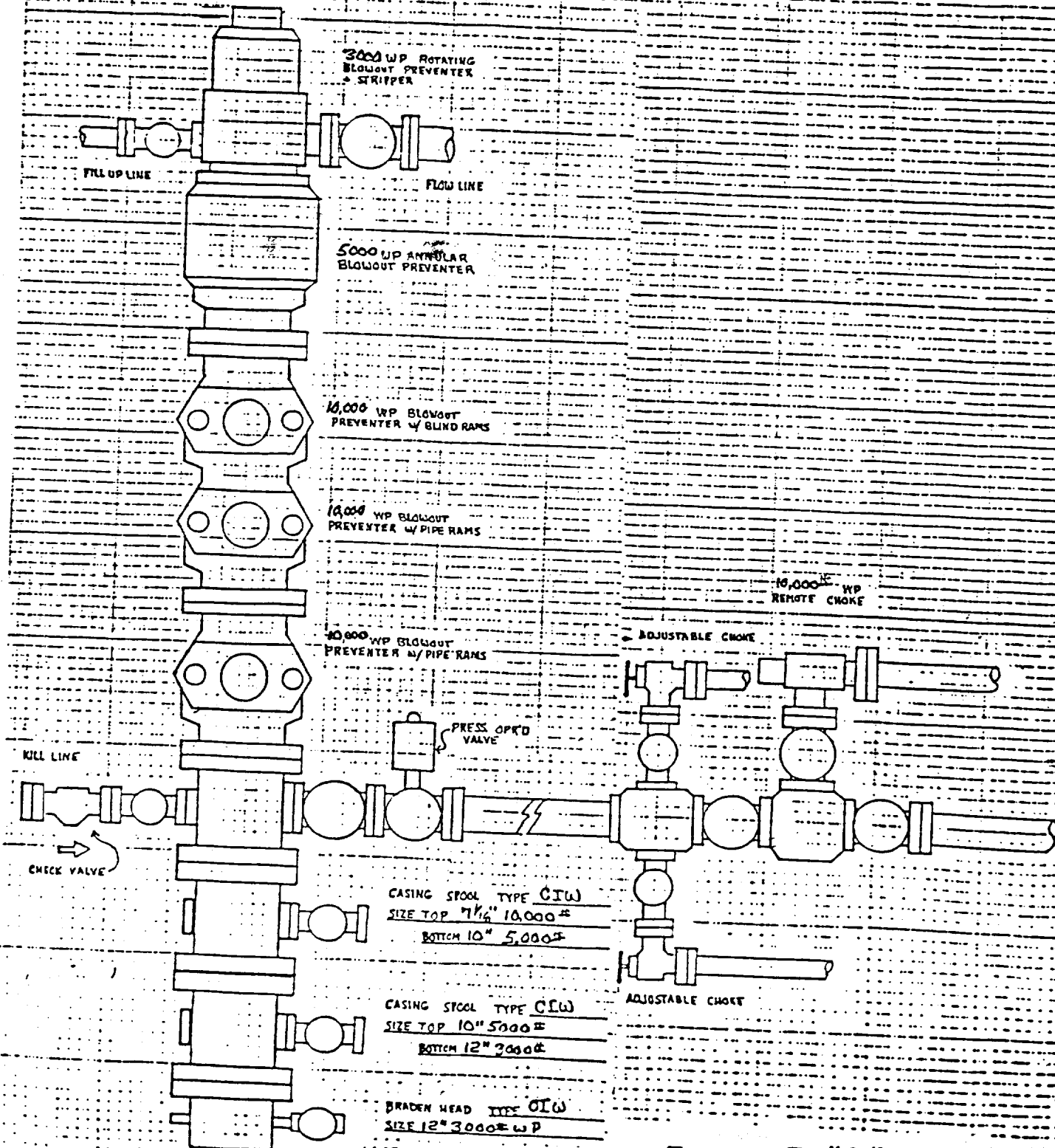


EXHIBIT "C"

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