

STATE OF NEW MEXICO - TAXATION AND REVENUE DEPARTMENT

WELL WORKOVER PROJECT
APPLICATION AND REPORTING INSTRUCTIONS
(FORM RPD-41171)

Diamond 18 Feb 92 25592

Name of Individual, Firm or Organization Enron Oil & Gas Company		OGRID Number (for Tax Filer) 7377	
Contact Richard King		Telephone Number (733) 853-5041	
Mailing Address P.O. Box 4362			
City Houston		State TX	Zip Code 77210-436
Check one: ☒ Well Operator ☐ Working Interest Owner ☐ Purchaser			

PUN

POOL NAME

API NUMBER

PRODUCT KIND

(PLEASE CHECK ALL THAT APPLY)

1047732
Bone Spring
30 025 32604
☒ NATURAL GAS ☒ OIL

PLEASE ATTACH A COPY OF THE OIL CONSERVATION DIVISION'S APPLICATION FOR QUALIFICATION OF WELL WORKOVER PROJECT AND CERTIFICATION OF APPROVAL.
FOR DEPARTMENT USE ONLY

CERTIFICATION OF APPROVAL TO USE WELL WORKOVER INCENTIVE TAX RATE

The New Mexico Taxation and Revenue Department is approving the use of the reduced severance tax rate for the above well completion based on the information that you have provided. This Department reserves the right to determine compliance with the provisions of the Natural Gas and Crude Oil Production Incentive Act.

Approval for use of the reduced severance tax rate begins with sales month 10/96.

Please use Special Tax Rate Code 04 on your Form(s) OGT-2 as it applies to the specific well completion and Production Unit Number listed above.

Approved by [Signature] Date 7-28-97

Office I - (505) 893-6161

Box 1980

Box, NM 88241-1980

Office II - (505) 748-1283

S. First

Box, NM 88210

Office III - (505) 334-6178

10 Rio Brazos Road

Box, NM 87410

Office IV

New Mexico

Energy Minerals and Natural Resources Department

Oil Conservation Division

2040 South Pacheco Street

Santa Fe, New Mexico 87505

(505) 827-7131

Form C-14C

Originated 11/1/97

Submit Original
Plus 2 Copies
to appropriate
District Office

03/15/99-AMENDED PRODUCTION FORECAST

H-0315 3/5

APPLICATION FOR
QUALIFICATION OF WELL WORKOVER PROJECT
AND CERTIFICATION OF APPROVAL

THREE COPIES OF THIS APPLICATION AND ALL ATTACHMENTS MUST BE FILED WITH THE APPROPRIATE DISTRICT OFFICE OF THE OIL CONSERVATION DIVISION.

I. Operator: Enron Oil & Gas Company OGRID #: 7377

Address: P. O. Box 2267, Midland, Texas 79702

Contact Party: Betty Gildon Phone: 915/686-3714

II. Name of Well: Diamond 18 Federal #2 API #: 30 025 32604

Location of Well: Unit Letter C, 660 Feet from the north line and 1980 feet from the west line,
Section 18, Township 25S, Range 34E, NMPM, Lea County

III. Date Workover Procedures Commenced: 9-30-96

Date Workover Procedures were Completed: 9-30-96

IV. Attach a description of the Workover Procedures undertaken to increase the projection from the Well.

Installed tubing

V. Attach an estimate of the production rate of the Well (a production decline curve or other acceptable method, and table showing monthly oil and/or gas Project Production) based on at least twelve (12) months of established production which shows the future rate of production based on well performance prior to performing Workover.

VI. Pool(s) on which Production Projection is based: Red Hills Bone Spring

VII. AFFIDAVIT:

State of Texas)
County of Midland) ss.

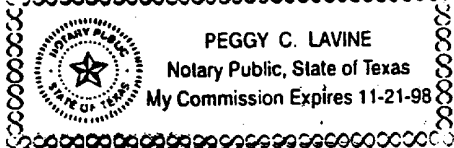
Betty Gildon being first duly sworn, upon oath states:

1. I am the Operator or authorized representative of the Operator of the above referenced Well.
2. I have made, or caused to be made, a diligent search of the production records which are reasonably available and contain information relevant to the production history of this Well.
3. To the best of my knowledge, the data used to prepare the Production Projection for this Well is complete and accurate and this projection was prepared using sound petroleum engineering principles.

Betty Gildon
(Name)

Betty Gildon, Regulatory Analyst
(Title)

SUBSCRIBED AND SWORN TO before me this 16th day of June, 1997



Peggy C. Lavine
Notary Public

My Commission expires: _____

FOR OIL CONSERVATION DIVISION USE ONLY:

VIII. CERTIFICATION OF APPROVAL:

This Application for Qualification of Well Workover Project is hereby approved and the above referenced Well is designated as a Well Workover Project pursuant to the "Natural Gas and Crude Oil Production Incentive Act" (Laws 1995, Chapter 15, Sections 1 through 8). The Oil Conservation Division hereby verifies the Production Projection for the Well Workover Project attached to this application. By copy of this Application and Certification of Approval, the Division notifies the Secretary of the Taxation and Revenue Department of this Approval and certifies that this Well Workover Project has been completed as of 9-30-96, 19 .

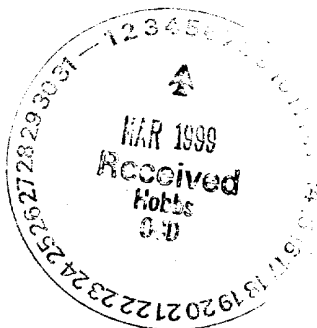
[Signature]
District Supervisor, District 4
Oil Conservation Division

Date: 7/7/97

IX. DATE OF NOTIFICATION TO THE SECRETARY OF THE TAXATION AND REVENUE DEPARTMENT.

DATE: _____

[Signature]
7/24/98



Diamond 18 Fed. No. 2

REVISED 03/15/99

Production Projection Before Workover

Base Rate at WO on 09/96

Decline(exp)

Oil 1500 BOPM

32 %/yr

Gas 1850 mcf/mo

9 %/yr

Date	Oil BOPM	Gas MCF/Mo
Sep-96	1500.0	1850.0
Oct-96	1460.5	1836.2
Nov-96	1422.1	1822.5
Dec-96	1384.7	1808.8
Jan-97	1348.2	1795.3
Feb-97	1312.8	1781.9
Mar-97	1278.2	1768.6
Apr-97	1244.6	1755.4
May-97	1211.8	1742.3
Jun-97	1179.9	1729.2
Jul-97	1148.9	1716.3
Aug-97	1118.7	1703.5
Sep-97	1089.2	1690.8
Oct-97	1060.6	1678.1
Nov-97	1032.7	1665.6
Dec-97	1005.5	1653.2
Jan-98	979.0	1640.8
Feb-98	953.3	1628.5
Mar-98	928.2	1616.4
Apr-98	903.8	1604.3
May-98	880.0	1592.3
Jun-98	856.8	1580.4
Jul-98	834.3	1568.6
Aug-98	812.3	1556.9
Sep-98	790.9	1545.2
Oct-98	770.1	1533.7
Nov-98	749.9	1522.2
Dec-98	730.1	1510.9
Jan-99	710.9	1499.6
Feb-99	692.2	1488.4
Mar-99	674.0	1477.3
Apr-99	656.3	1466.2
May-99	639.0	1455.3
Jun-99	622.2	1444.4
Jul-99	605.8	1433.6
Aug-99	589.9	1422.9
Sep-99	574.3	1412.3
Oct-99	559.2	1401.7
Nov-99	544.5	1391.2
Dec-99	530.2	1380.8
Jan-00	516.2	1370.5
Feb-00	502.6	1360.3
Mar-00	489.4	1350.1

Date	Oil BOPM	Gas MCF/Mo
Apr-00	476.5	1340.0
May-00	464.0	1330.0
Jun-00	451.8	1320.1
Jul-00	439.9	1310.2
Aug-00	428.3	1300.4
Sep-00	417.1	1290.7
Oct-00	406.1	1281.1
Nov-00	395.4	1271.5
Dec-00	385.0	1262.0
Jan-01	374.9	1252.6
Feb-01	365.0	1243.2
Mar-01	355.4	1233.9
Apr-01	346.0	1224.7
May-01	336.9	1215.5
Jun-01	328.1	1206.5
Jul-01	319.4	1197.4
Aug-01	311.0	1188.5
Sep-01	302.8	1179.6
Oct-01	294.9	1170.8
Nov-01	287.1	1162.0
Dec-01	279.6	1153.4
Jan-02	272.2	1144.7
Feb-02	265.0	1136.2
Mar-02	258.1	1127.7
Apr-02	251.3	1119.3
May-02	244.7	1110.9
Jun-02	238.2	1102.6
Jul-02	232.0	1094.4
Aug-02	225.9	1086.2
Sep-02	219.9	1078.1
Oct-02	214.1	1070.0
Nov-02	208.5	1062.0
Dec-02	203.0	1054.1
Jan-03	197.7	1046.2
Feb-03	192.5	1038.4
Mar-03	187.4	1030.6
Apr-03	182.5	1022.9
May-03	177.7	1015.3
Jun-03	173.0	1007.7
Jul-03	168.4	1000.2
Aug-03	164.0	992.7
Sep-03	159.7	985.3
Oct-03	155.5	977.9

Date	Oil BOPM	Gas MCF/Mo
Nov-03	151.4	970.6
Dec-03	147.4	963.4
Jan-04	143.5	956.2
Feb-04	139.8	949.0
Mar-04	136.1	941.9
Apr-04	132.5	934.9
May-04	129.0	927.9
Jun-04	125.6	921.0
Jul-04	122.3	914.1
Aug-04	119.1	907.3
Sep-04	116.0	900.5
Oct-04	112.9	893.8
Nov-04	109.9	887.1
Dec-04	107.0	880.5
Jan-05	104.2	873.9
Feb-05	101.5	867.3
Mar-05	98.8	860.9
Apr-05	96.2	854.4
May-05	93.7	848.1
Jun-05	91.2	841.7
Jul-05	88.8	835.4
Aug-05	86.5	829.2
Sep-05	84.2	823.0
Oct-05	82.0	816.8
Nov-05	79.8	810.7
Dec-05	77.7	804.7
Jan-06	75.7	798.7
Feb-06	73.7	792.7
Mar-06	71.8	786.8
Apr-06	69.9	780.9
May-06	68.0	775.1
Jun-06	66.2	769.3
Jul-06	64.5	763.5
Aug-06	62.8	757.8
Sep-06	61.1	752.2
Oct-06	59.5	746.5
Nov-06	58.0	741.0
Dec-06	56.4	735.4
Jan-07	55.0	729.9
Feb-07	53.5	724.5
Mar-07	52.1	719.1
Apr-07	50.7	713.7
May-07	49.4	708.4

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Production Projection Before Workover Continued

Date	Oil BOPM	Gas MCF/Mo
Jun-07	48.1	703.1
Jul-07	46.8	697.8
Aug-07	45.6	692.6
Sep-07	44.4	687.4
Oct-07	43.2	682.3
Nov-07	42.1	677.2
Dec-07	41.0	672.1
Jan-08	39.9	667.1
Feb-08	38.9	662.1
Mar-08	37.8	657.2
Apr-08	36.8	652.3
May-08	35.9	647.4
Jun-08	34.9	642.5
Jul-08	34.0	637.7
Aug-08	33.1	633.0
Sep-08	32.2	628.3
Oct-08	31.4	623.6
Nov-08	30.6	618.9
Dec-08	29.8	614.3
Jan-09	29.0	609.7
Feb-09	28.2	605.1
Mar-09	27.5	600.6
Apr-09	26.8	596.1
May-09	26.0	591.7
Jun-09	25.4	587.2
Jul-09	24.7	582.9
Aug-09	24.0	578.5
Sep-09	23.4	574.2
Oct-09	22.8	569.9
Nov-09	22.2	565.6
Dec-09	21.6	561.4
Jan-10	21.0	557.2
Feb-10	20.5	553.0
Mar-10	19.9	548.9
Apr-10	19.4	544.8
May-10	18.9	540.7
Jun-10	18.4	536.7
Jul-10	17.9	532.7
Aug-10	17.5	528.7
Sep-10	17.0	524.8
Oct-10	16.6	520.8
Nov-10	16.1	516.9
Dec-10	15.7	513.1
Jan-11	15.3	509.3
Feb-11	14.9	505.4
Mar-11	14.5	501.7

Date	Oil BOPM	Gas MCF/Mo
Apr-11	14.1	497.9
May-11	13.7	494.2
Jun-11	13.4	490.5
Jul-11	13.0	486.8
Aug-11	12.7	483.2
Sep-11	12.3	479.6
Oct-11	12.0	476.0
Nov-11	11.7	472.5
Dec-11	11.4	468.9
Jan-12	11.1	465.4
Feb-12	10.8	461.9
Mar-12	10.5	458.5
Apr-12	10.2	455.1
May-12	10.0	451.7
Jun-12	9.7	448.3
Jul-12	9.5	444.9
Aug-12	9.2	441.6
Sep-12	9.0	438.3
Oct-12	8.7	435.0
Nov-12	8.5	431.8
Dec-12	8.3	428.6
Jan-13	8.1	425.4
Feb-13	7.8	422.2
Mar-13	7.6	419.0
Apr-13	7.4	415.9
May-13	7.2	412.8
Jun-13	7.1	409.7
Jul-13	6.9	406.6
Aug-13	6.7	403.6
Sep-13	6.5	400.6
Oct-13	6.3	397.6
Nov-13	6.2	394.6
Dec-13	6.0	391.7
Jan-14	5.9	388.8
Feb-14	5.7	385.8
Mar-14	5.5	383.0
Apr-14	5.4	380.1
May-14	5.3	377.3
Jun-14	5.1	374.4
Jul-14	5.0	371.6
Aug-14	4.9	368.9
Sep-14	4.7	366.1
Oct-14	4.6	363.4
Nov-14	4.5	360.7
Dec-14	4.4	358.0
Jan-15	4.2	355.3

Date	Oil BOPM	Gas MCF/Mo
Feb-15	4.1	352.6
Mar-15	4.0	350.0
Apr-15	3.9	347.4
May-15	3.8	344.8
Jun-15	3.7	342.2
Jul-15	3.6	339.7
Aug-15	3.5	337.1
Sep-15	3.4	334.6
Oct-15	3.3	332.1
Nov-15	3.3	329.6
Dec-15	3.2	327.2
Jan-16	3.1	324.7
Feb-16	3.0	322.3
Mar-16	2.9	319.9
Apr-16	2.8	317.5
May-16	2.8	315.1
Jun-16	2.7	312.8
Jul-16	2.6	310.4
Aug-16	2.6	308.1
Sep-16	2.5	305.8
Oct-16	2.4	303.5
Nov-16	2.4	301.3
Dec-16	2.3	299.0
Jan-17	2.2	296.8
Feb-17	2.2	294.5
Mar-17	2.1	292.3
Apr-17	2.1	290.2
May-17	2.0	288.0
Jun-17	2.0	285.8
Jul-17	1.9	283.7
Aug-17	1.9	281.6
Sep-17	1.8	279.5
Oct-17	1.8	277.4
Nov-17	1.7	275.3
Dec-17	1.7	273.3
Jan-18	1.6	271.2
Feb-18	1.6	269.2
Mar-18	1.5	267.2
Apr-18	1.5	265.2
May-18	1.5	263.2
Jun-18	1.4	261.2
Jul-18	1.4	259.3
Aug-18	1.3	257.4
Sep-18	1.3	255.4
Oct-18	1.3	253.5
Nov-18	1.2	251.6

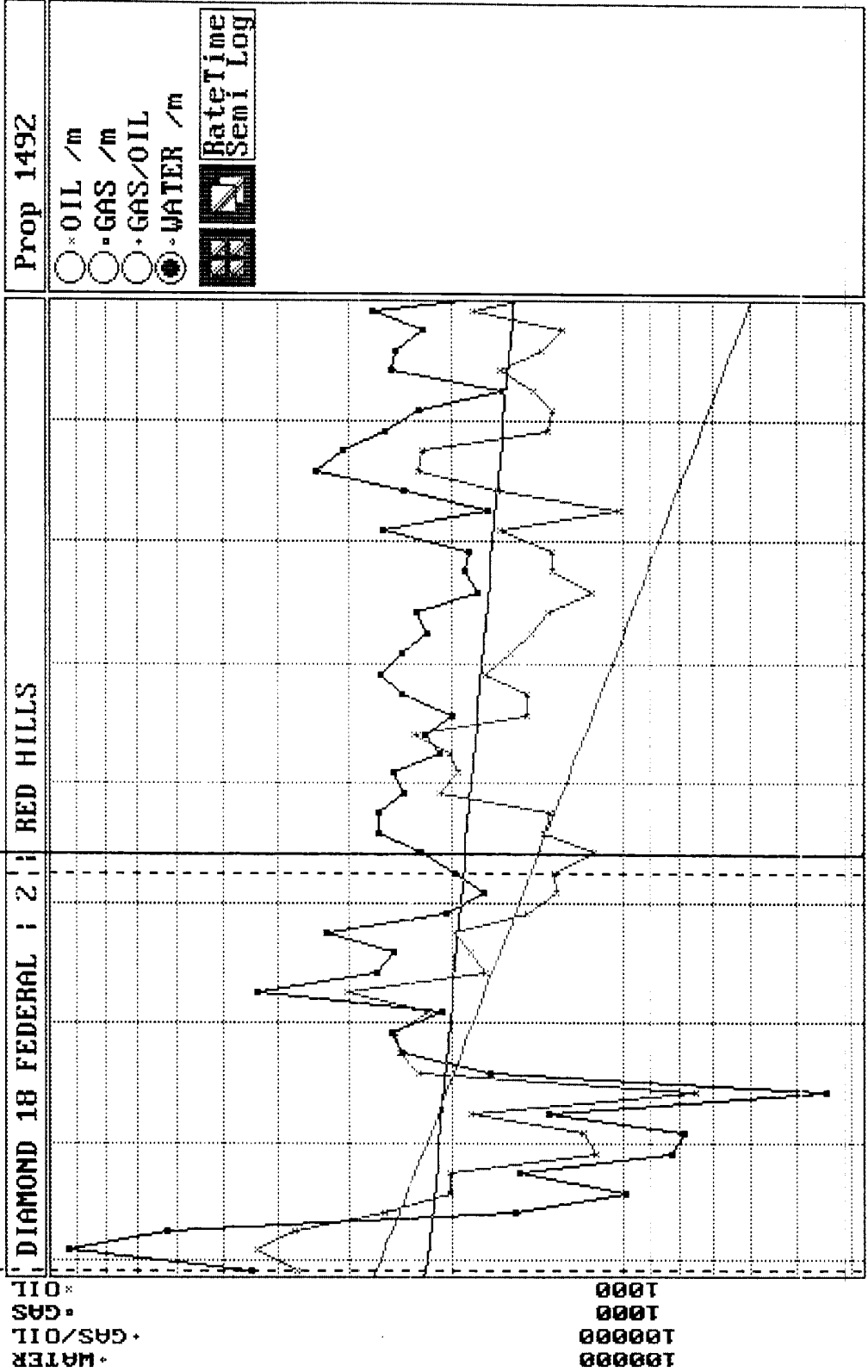
Diamond 18 Fed. No. 2

Production Projection Before Workover Continued

Date	Oil BOPM	Gas MCF/Mo
Dec-18	1.2	249.7
Jan-19	1.2	247.9
Feb-19	1.2	246.0
Mar-19	1.1	244.2
Apr-19	1.1	242.4
May-19	1.1	240.6
Jun-19	1.0	238.8
Jul-19	1.0	237.0
Aug-19	1.0	235.2
Sep-19	1.0	233.4
Oct-19	0.9	231.7
Nov-19	0.9	230.0
Dec-19	0.9	228.2
Jan-20	0.9	226.5
Feb-20	0.8	224.9
Mar-20	0.8	223.2
Apr-20	0.8	221.5
May-20	0.8	219.8
Jun-20	0.8	218.2
Jul-20	0.7	216.6
Aug-20	0.7	215.0
Sep-20	0.7	213.4
Oct-20	0.7	211.8
Nov-20	0.7	210.2
Dec-20	0.6	208.6
Jan-21	0.6	207.0
Feb-21	0.6	205.5
Mar-21	0.6	204.0
Apr-21	0.6	202.4
May-21	0.6	200.9
Jun-21	0.5	199.4
Jul-21	0.5	197.9
Aug-21	0.5	196.5
Sep-21	0.5	195.0

Base Prod Proj. Data

Workover



DIAMOND 18 FEDERAL NO. 2
660' FNL & 1,980' FWL
Sec 18, T25S, R34E
LEA Co., NM
Spud Date: 11/17/94

ENRON OIL & GAS COMPANY
DEV W/O: 12,600' BONE SPRING
RED HILLS Field
EOG#: 100.0000% WI 82.5C00% NRI
AFE No.: 10-1130
DHC: 0; CWC: 5,000

Nearest lease line: 660'

09/28/96 Run flowing pressure gradient and install intermitter equipment.
4 hrs install well anchors, set frac tanks, set pipe racks and
unload tbg. 3 hrs RU Rapid Hot Oiler. Pump down csg 105 bbls 280
deg hot oil to clean out paraffin. RD hot oiler. 2 hrs RU Yale
E. Key WS. ND well head. NU BOP. Remove thread protectors and
tally 2-7/8" tbg. 4 hrs TIH with 4-3/4" bit, 5-1/2 csg scraper
and 250 jts 2-7/8" 6.50# N80 EUE 8rd tbg to approx 8,000'. While
TIH wit tbg oil was running out csg due to full hole. RU vacuum
truck and move oil to frac tank. SDFN.
DWC \$4,510. CWC \$4,510.

09/29/96 8 hrs RCTL. Attempt to bleed well down. Well started flowing.
HU to frac tank. Flowed approx 80 bbls oil to tank. Well
slightly kicking. HU kill truck, pump 15 bbls produced water down
tbg to kill well. Finish TIH with 142 jts 2-7/8" 6.50# N80 EUE
8rd tbg to approx 12,270'. SD till Monday. Will tag fill and
circ frac sand out on Monday. DWC \$1,975. CWC \$6,485.

10/01/96 3 hrs RCTL - open well to frac tank. Well started flowing, flowed
80 bbls fluid to tank. RU kill truck. Pump 15 bbls PW down tbg
to kill well. 9 hrs TIH with 47' of tbg and tag fill @ 12,317'.
Btm of perfs @ 12,318'. Decided not to reverse circ. TOH with
tbg, scraper, and bit. Well started flowing. Pumped 15 bbls
produced water down tbg to kill well. TIH with MA&BP perf sub,
SN, 7 jts tbg, TAC and 381 jts 6.50 N80, EUE 8rd tbg to 12,221'.
SN @ 12,184'. ND BOP set TAC with 13 pts tension. NU tree and
flowline. RD kill truck, left well open on 17/64" chk to
production equipment. SDFN. DWC \$46,546. CWC \$53,031.

10/02/96 6 hrs RCTL. Well not flowing. RU swab equipment, start swabbing
well. Starting FL 1000'. Made 10 swab runs. Rec 40 bbls fluid.
Well started flowing to frac tank. Flowed 60 bbls fluid. Total
rec 100 bbls, tbg 30 psi, csg N/A. Left well flowing to frac
tank. RDMO. DWC \$1,040. CWC \$54,071.