

Form 3160-3
(July 1992)

SUBMIT IN TRIPLICATE*
(Other instructions on
reverse side)

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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 24490	
b. TYPE OF WELL OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <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. C. Box 2267, Midland, Texas 79702			8. FARM OR LEASE NAME, WELL NO. Diamond 18 Federal #1	
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.) At surface 810' FNL & 660' FWL At proposed prod. zone 810' FNL & 660' FWL			9. AM WELL NO.	
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE* 29 miles west from Jal, NM			10. FIELD AND POOL, OR WILDCAT Red Hills Bone Spring	
15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. 660 (Also to nearest drlg. unit line, if any) 510			11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA Sec 18, T25S, R34E	
16. NO. OF ACRES IN LEASE 640			12. COUNTY OR PARISH 13. STATE Lea NM	
17. NO. OF ACRES ASSIGNED TO THIS WELL 80			19. PROPOSED DEPTH 12,650'	
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.) 3349' GR			22. APPROX. DATE WORK WILL START* July 25, 1994	

23. PROPOSED CASING AND CEMENTING PROGRAM				
SIZE OF HOLE	GRADE SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
14-3/4	H-40 A ST&C	11-3/4 42#	650	250 sx <u>CIRCULATED</u>
11	J-55 ST&C	8-5/8 32#	5200	1100 sx <u>CIRCULATED</u>
7-7/8	P-110 LT&C	5-1/2 17#	12600	1400 sx <u>TOC est at 4500'</u>

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

NM 24490
Sec 18, T25S, R34E
Bone Spring Formation
Federal Bond # is MT 0748 with endorsement to New Mexico

Acreage is dedicated to a pipeline

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 <u>Betty Gildon</u> Betty Gildon TITLE <u>Regulatory Analyst</u>		OPER. COND. NO. <u>7-177</u>	PROPER. NO. <u>15-347</u>	POOL CODE <u>510-28</u>	DATE <u>7/12/94</u>
(This space for Federal or State office use)		APPROVAL SUBJECT TO GENERAL REQUIREMENTS AND SPECIAL STIPULATIONS			
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 14 Scott Powers (acting) AREA MANAGER DATE 8-23-94

*See Instructions On Reverse Side

RECEIVED

AUG 11 1966

U.S. DEPT. OF JUSTICE
FEDERAL BUREAU OF INVESTIGATION

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

'API Number	'Pool Code	'Pool Name
	51020	Red Hills Bone Spring
'Property Code	'Property Name	'Well Number
	DIAMOND "18" FEDERAL	1
'OGRID No.	'Operator Name	'Elevation
7377	ENRON OIL & GAS COMPANY	3349'

¹⁰ Surface Location




UL or lot no.	Section	Township	Range	Lot Idn	Feet from the North/South line	Feet from the East/West line	County
1 UL D 18		25-S	34-E		810	660	LEA

¹¹ 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
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"Dedicated Acres	"Joint or Infill	"Consolidation Code	"Order No.
80			

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

<div>16</div> <div>810'</div> <div>660'</div>	<div>17 OPERATOR CERTIFICATION</div> <div>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</div> <div></div> <div>Signature</div> <div>Betty Gildon</div> <div>Printed Name</div> <div>Regulatory Analyst</div> <div>Title</div> <div>7/11/94</div> <div>Date</div>		
	<div>18 SURVEYOR CERTIFICATION</div> <div>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.</div> <div>JUNE 23, 1994</div> <div>Date of Survey</div> <div>Signature and Seal of Professional Surveyor</div> <div></div> <div></div> <div>Certificate Number 8278</div>		
	<div>SEE Amended Location</div>		

DRILLING PROGRAM

Enron Oil & Gas Company
Diamond "18" Federal, Well No. 1
810' FNL & 660' FWL
Sec. 18, T25S, R34E
Lea County, New Mexico

1. Geologic Name of Surface Formation:

Permian

2. Estimated Tops of Important Geologic Markers:

Rustler	850'
Delaware Mt. Group	5175'
Bone Spring Lime	9275'
3rd Bone Spring Sand	12400'
TD	12650'

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

Upper Permian Sands	100'	Fresh Water
3rd Bone Spring Sand	12400'	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 650' and circulating cement back to surface, and 8-5/8" casing will be set at 5200' with cement circulated back to surface.

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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>
14-3/4	0- 650'	11-3/4	42# H-40 A ST&C
11	0- 5200'	8-5/8	32# J-55 ST&C
7-7/8	0-12650'	5-1/2	17# P-110 LT&C

Cementing Program:

11-3/4" Surface casing: Cement to surface with 250 sx of Class C + 2% CaCl₂ + 1/4#/sx flocele.

8-5/8" Intermediate: Cement to surface with 800 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 1200 sx 50/50 Cl H/Poz + 2% gel + .4% CF-14, .1% Diacel LWL. This cement slurry is designed to bring TOC to 7500'.

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

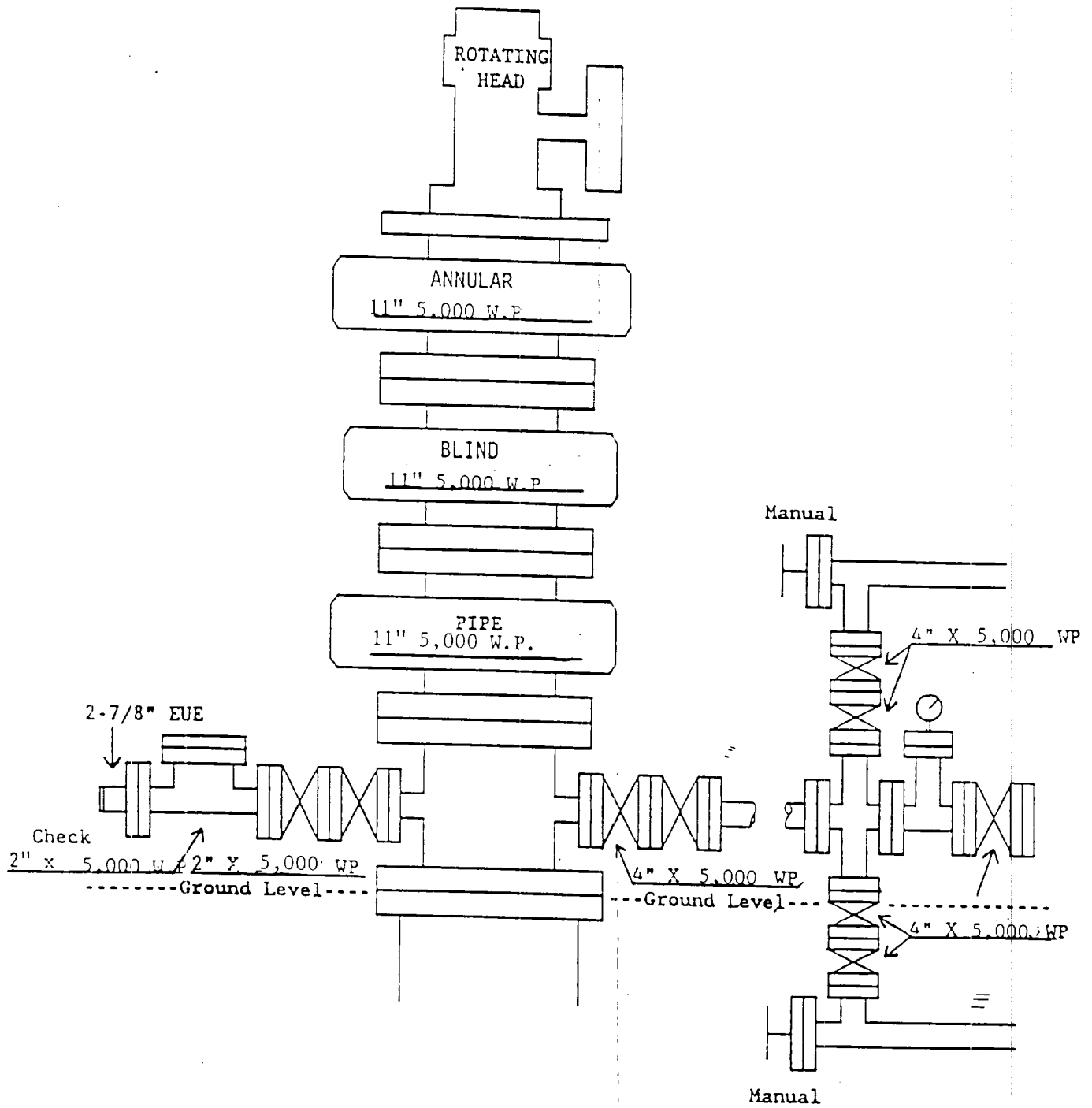


EXHIBIT "1"