

New Mexico Oil Conservation Division District I
1625 N. French Drive
Hobbs, NM 88240

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

1. TYPE OF WORK

DRILL ☒

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, TX 79702

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

At surface

660' FWL & 1,650' FSL

At proposed prod. zone

660' FWL & 1650' FSL

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

28 miles west of Jal, NM

7. DISTANCE FROM PROPOSED

LOCATION TO NEAREST

PROPERTY OR LEASE LINE, FT.

(Also to nearest drlg. unit line, if any)

660'

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

1450

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

3331

GRID NO. 7377

PROPERTY NO. 16531

POOL CODE

DATE 10-18-99

API NO. 30-025-34731

10. NO. OF ACRES IN LEASE

640

11. NO. OF ACRES ASSIGNED
TO THIS WELL

320

12. PROPOSED DEPTH

14,000'

13. ROTARY OR CABLE TOOLS

Rotary

14. APPROX. DATE WORK WILL START*

10-20-99

15.

PROPOSED CASING AND CEMENTING PROGRAM

| SIZE OF HOLE | GRADE, SIZE OF CASING | WEIGHT PER FOOT | SETTING DEPTH | QUANTITY OF CEMENT |
|--------------|-----------------------|-----------------|---------------|-----------------------------|
| 14-3/4 | 11-3/4 H40 | STC 42# | 650 | 350 CL C to surface |
| 11 | 8-5/8 J55 | L&TC 32# | 4000 | 1050 C Prem+ WITNESS |
| 11 | 8-5/8 HCK | L&TC 32# | 5000 | to Surface |
| 7-7/8 | 5-1/2 S95/P110 | L&TC 17# | 12800 | 1180 Prem TOC: 4500+/- |
| 4-3/4 | 2-7/8 N-80 | 6.5# | 14000 | 135 Prem TOC: 12300+/- |

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

NM94109

Javelina 17 Federal No. 3

Sec 21, T25S, R34E - Lea County, NM

Federal Bond # is MT 0748 with

endorsement to New Mexico

APPROVAL SUBJECT TO
GENERAL REQUIREMENTS AND
SPECIAL STIPULATIONS
ATTACHED

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 prevention program, if any.

24.

SIGNED

Mike Francis

TITLE Mike Francis, Agent

DATE 9/15/99

(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:

Acting

Assistant Field Office Manager,
Lands and Minerals

APPROVED BY

TITLE

DATE

*See Instructions On Reverse Side

OCT 15 1999

RECEIVED

SEP 16 88

BLM

RESWELL NV

District 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

State of New Mexico
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION
PO Box 2088
Santa Fe, NM 87504-2088

Form C-102
Revised February 21, 1994
Instructions on back
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

| | | | |
|-----------------------------|-------------------------------------------|------------|--------------------------------|
| *API Number 30-025-34731 | | *Pool Code | *Pool Name Wildcat Wolfcamp |
| *Property Code 16531 | *Property Name JAVELINA "17" FEDERAL | | *Well Number 3 |
| *GRID No. 7377 | *Operator Name ENRON OIL & GAS COMPANY | | *Elevation 3331 |

¹⁰Surface Location

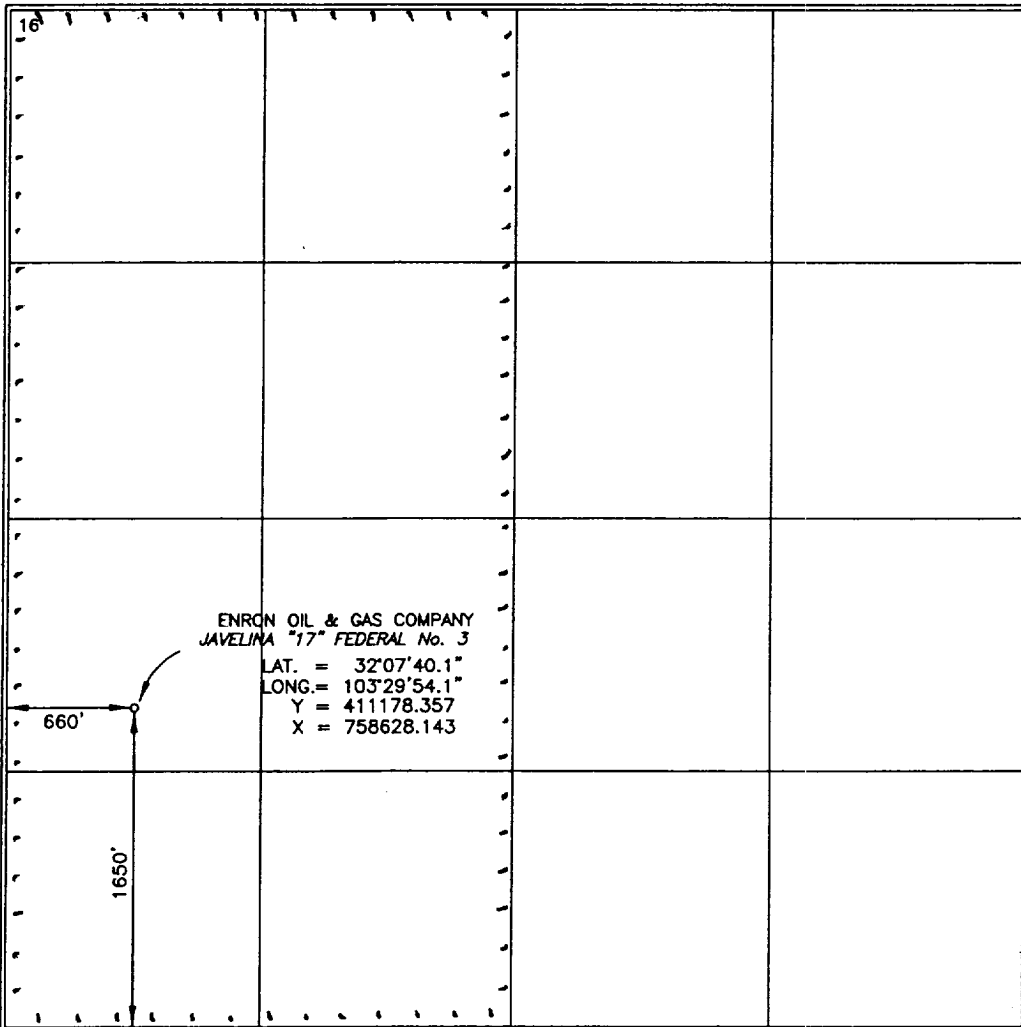
| UL or lot no. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| L | 17 | 25-S | 34-E | | 1650 | SOUTH | 660 | WEST | LEA |

¹¹Bottom 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 |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| | | | | | | | | | |

| | | | |
|-------------------------|------------------|---------------------|------------|
| *Dedicated Acres 320 | *Joint or Infill | *Consolidation Code | *Order No. |
|-------------------------|------------------|---------------------|------------|

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

| | |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|  | <p>¹⁷ OPERATOR CERTIFICATION</p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</p> <p><i>Mike Francis</i> Signature Mike Francis Printed Name Agent Title 9/15/99 Date</p> |
| | <p>¹⁸ SURVEYOR CERTIFICATION</p> <p>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.</p> <p>September 13, 1999 Date of Survey Signature and Seal of Professional Surveyor: <i>Earl Foote</i> Certificate Number 8278</p> <p>EARL FOOTE REGISTERED PROFESSIONAL LAND SURVEYOR NEW MEXICO 8278</p> |

DRILLING PROGRAM

ENRON OIL & GAS COMPANY
JAVELINA 17 FEDERAL NO. 3
660' FWL & 1,650' FSL
SEC. 21, T25S, R34E
LEA COUNTY, NM

1. GEOLOGIC NAME OF SURFACE FORMATION:

Permian

2. ESTIMATED TOPS OF IMPORTANT GEOLOGICAL MARKERS:

| | |
|--------------------------------|--------|
| Delaware | 5175' |
| Bone Spring | 9150' |
| First Bone Spring Sd | 9950' |
| 2 nd Bone Spring Sd | 10850' |
| 3 rd Bone Spring Sd | 11950' |
| Wolfcamp Marker | 12400' |
| Wolfcamp Pay | 13250' |
| Penn Marker | 13800' |

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

| | | |
|---------------------|------|-------------|
| Upper Permian Sands | 100' | Fresh Water |
| Upper Penn | | Gas |

4. CASING PROGRAM

| Hole Size | Interval | OD Casing | Weight Grade Jt. Cond. Type |
|-----------|------------|-----------|-----------------------------|
| 14 3/4" | 0-650' | 11 3/4" | 42# H-40 ST&C |
| 11" | 0-4000' | 8 5/8" | 32# J-55 LT&C |
| 11" | 4000-5000' | 8-5/8" | 32# HCK LT&C |
| 7 7/8" | 0-12800' | 5 1/2" | 17# S95/P110 L&TC |
| 4 3/4" | 0-14000' | 2 7/8" | 6.5# N80 |

Cementing Program:

| | |
|--------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 11 3/4" Surface Casing: | Cement to surface with 200 sx Prem Plus, 3% Econolite, 25 Calcium Chloride, 0.25#/sx Flocele, 150 sx Prem Plus, 2% Calcium Chloride |
| 8 5/8" 1 st Intermediate: | Cement to surface with 800 sx Interfill C, .25#/sx flocele, 250 sx Premium Plus, 2% Calcium Chloride |
| 5 1/2" 2 nd Intermediate: | Cement w/930 sx Premium, 3% Econolite, 5#/sx Salt (3%), 0.2% HR5, .25#/sk Flocele, 250 sx Prem 50/50 Poz mix 'A', 2% Halliburton-Gel First 2%, 0.5% Halad-322. This is designed to bring TOC to 4500'. |
| 2 7/8" Casing: | 135 sx Prem, 0.3% Halad-344, 0.3% Halad-413, 0.3% Super CBL, 0.2% SCR-100 This designed to bring TOC to 12300 +/-. |

DRILLING PROGRAM

**ENRON OIL & GAS COMPANY
JAVELINA 17 FEDERAL NO. 3
660' FWL & 1,650' FSL
SEC. 21, T25S, R34E
LEA COUNTY, NM**

5. MINIMUM SPECIFICATIONS FOR PRESSURE CONTROL:

(SEE EXHIBIT #1 and #2)

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 BOP's and accessory equipment will be tested to 600 psi before drilling out of surface casing. Before drilling out of 1st intermediate casing, the ram-type BOP and accessory equipment will be tested to 5000/1000 psi and the annular to 3500/5000-psig pressure. The blowout preventer equipment (BOP) shown in Exhibit 2 will consist of a double ram-type (10,000 psi) preventer and an annular preventer (10,000 psi). Before drilling below 2nd Intermediate ram type BOP and accessory equipment will be installed and tested to 10,000/1,000 psi and the annulus to 5000/1000. This equipment will be used from $\pm 12,800'$ to TD.

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.

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>Wt (PPG)</u> | <u>Viscosity (sec)</u> | <u>Waterloss (cc)</u> |
|---------------|---------------------|---------------------|----------------------------|---------------------------|
| 0-650' | Fresh Water (spud) | 8.5 | 40-45 | N.C. |
| 650'-5000' | Brine Water | 10.0 | 30 | N.C. |
| 5000'-12800' | Fresh Water | 8.4 | 28 | N.C. |
| 12800'-14000' | Brine & Polymer xcd | 10-14.0 | 28/45 | 0/<1 CC |

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 frill 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.

DRILLING PROGRAM

**ENRON OIL & GAS COMPANY
JAVELINA 17 FEDERAL NO. 3
660' FWL & 1,650' FSL
SEC. 21, T25S, R34E
LEA COUNTY, NM**

(C) A mud logging unit complete with H₂S detector will be continuously monitoring drilling penetration rate and hydrocarbon shows from 5000' to TD.

8. LOGGING, TESTING AND CORING PROGRAM:

1st Log run @ +/- 12,800' will consist of GR-Dual Induction Focused and GR-Compensated Density-Neutron from TD to intermediate casing with a GR-Compensated Neutron run from intermediate casing to surface and optional Sonic from TD to Intermediate casing.

2nd log run @ +/-14,000' will consist of GR-Compensated Density-Neutron caliper from TD to bottom of 2nd Intermediate .

Possible sidewall cores based on shows.

9. ABNORMAL CONDITIONS, PRESSURES, TEMPERATURES AND POTENTIAL HAZARDS:

The estimated bottom hole temperature (BHT) at TD is 175 degrees F with an estimated maximum bottom-hole pressure (BHP) at TD of 9000 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 month. If the well is productive, an additional 30-60 days will be required for completion and testing before a decision is made to install permanent facilities.

DRILLING PROGRAM

**ENRON OIL & GAS COMPANY
JAVELINA 17 FEDERAL NO. 3
660' FWL & 1,650' FSL
SEC. 21, T25S, R34E
LEA COUNTY, NM**

SURFACE USE AND OPERATIONS PLAN

1. EXISTING ROADS:

Access to location will be made as shown on Exhibit #3

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:

184' of new road is required. Exhibit #3A

No turnouts necessary.

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

Surfacing material consists 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 #4 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.

5. LOCATION AND TYPE OF WATER SUPPLY:

Fresh water for drilling will come from water well C-2373 in section 13,25S,33E, in addition brine water 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:

DRILLING PROGRAM

**ENRON OIL & GAS COMPANY
JAVELINA 17 FEDERAL NO. 3
660' FWL & 1,650' FSL
SEC. 21, T25S, R34E
LEA COUNTY, NM**

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 wellpad removed to promote vegetation and 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.

ANCILLARY FACILITIES:

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

WELL SITE LAYOUT:

Exhibit #5 shows the relative location and dimensions of the well pad.

DRILLING PROGRAM

**ENRON OIL & GAS COMPANY
JAVELINA 17 FEDERAL NO. 3
660' FWL & 1,650' FSL
SEC. 21, T25S, R34E
LEA COUNTY, NM**

OTHER INFORMATION:

The area around the well site is grassland and the topsoil is duned and sandy. The vegetation is native scrub grasses with abundant oakbrush, sagebrush, yucca, and prickly pear.

CERTIFICATION:

I HEREBY CERTIFY that I, or persons under my direct supervision, have inspected 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: 9-16-88

DRILLING PROGRAM

**ENRON OIL & GAS COMPANY
JAVELINA 17 FEDERAL NO. 3
660' FWL & 1,650' FSL
SEC. 21, T25S, R34E
LEA COUNTY, NM**

ATTACHMENT TO EXHIBIT #1 & 2

1. Wear ring to be properly installed in head.
2. Blow out preventer and all fittings must be in good condition, 5000 psi W.P. minimum. Exhibit #1 and 10,000 psi W.P. minimum, Exhibit #2.
3. All fittings to be flanged
4. Safety valve must be available on rig floor at all times with proper connections, valve to be full bore 5000 psi W.P. minimum.
5. All choke and fill lines to be securely anchored especially ends of choke lines.
6. Equipment through which bit must pass shall be at least as large as the diameter of the casing being drilled through.
7. Kelly cock on kelly.
8. Extension wrenches and hand wheels to be properly installed.
9. Blow out preventer control to be located as close to driller's position as feasible.
10. 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

Javelina 17 Federal No. 3

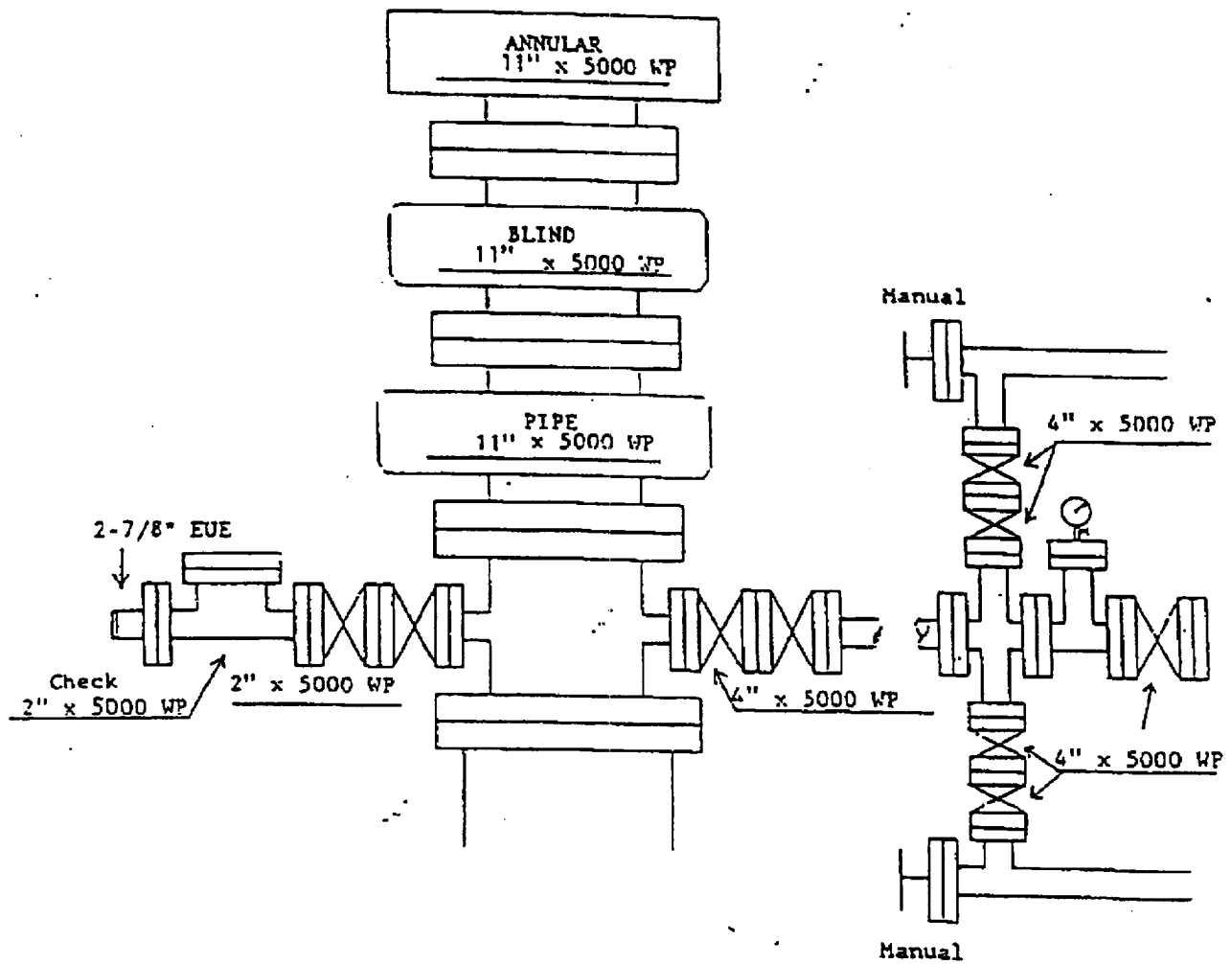


Exhibit #1

ENRON OIL & GAS COMPANY

Javelina 17 Federal No. 3

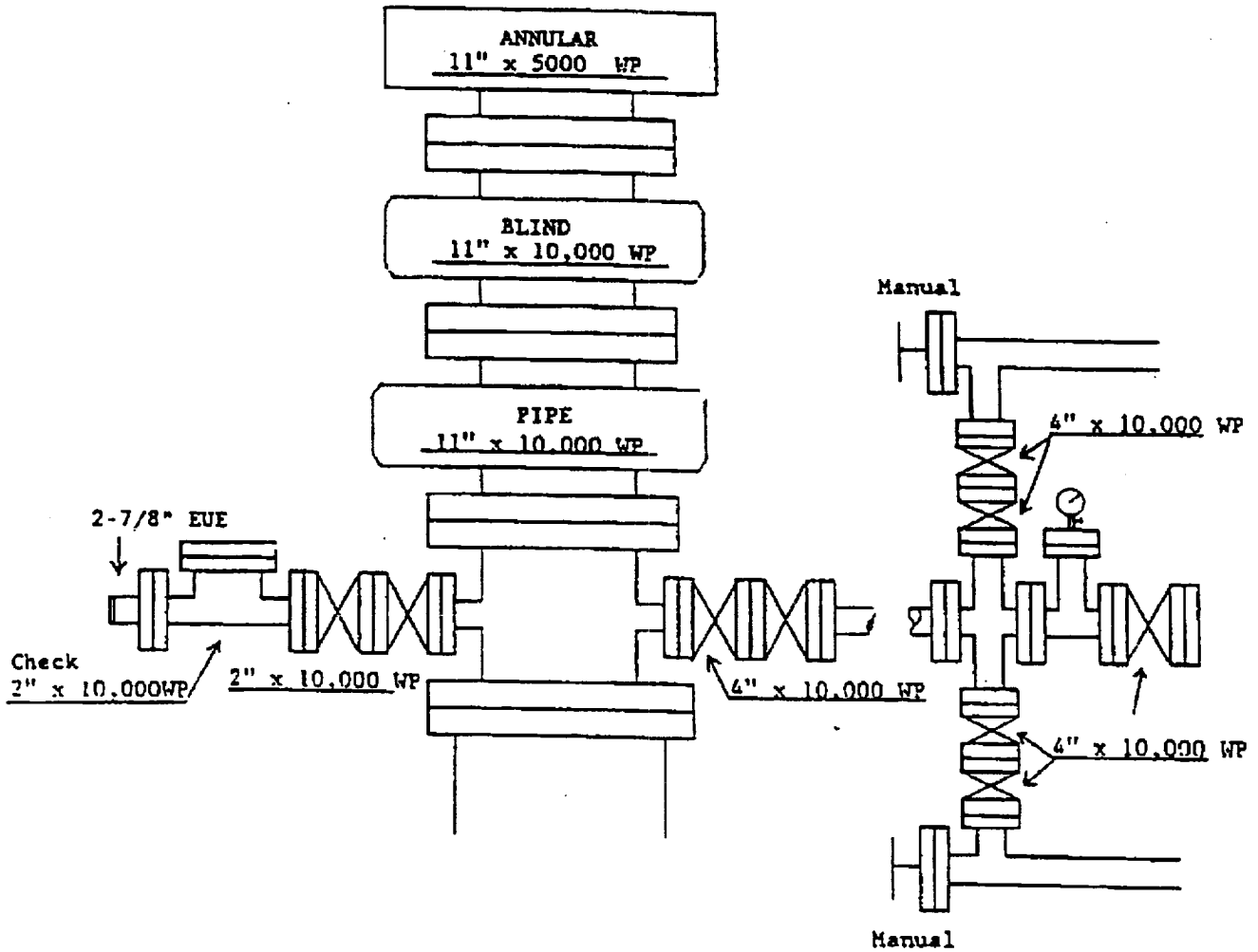
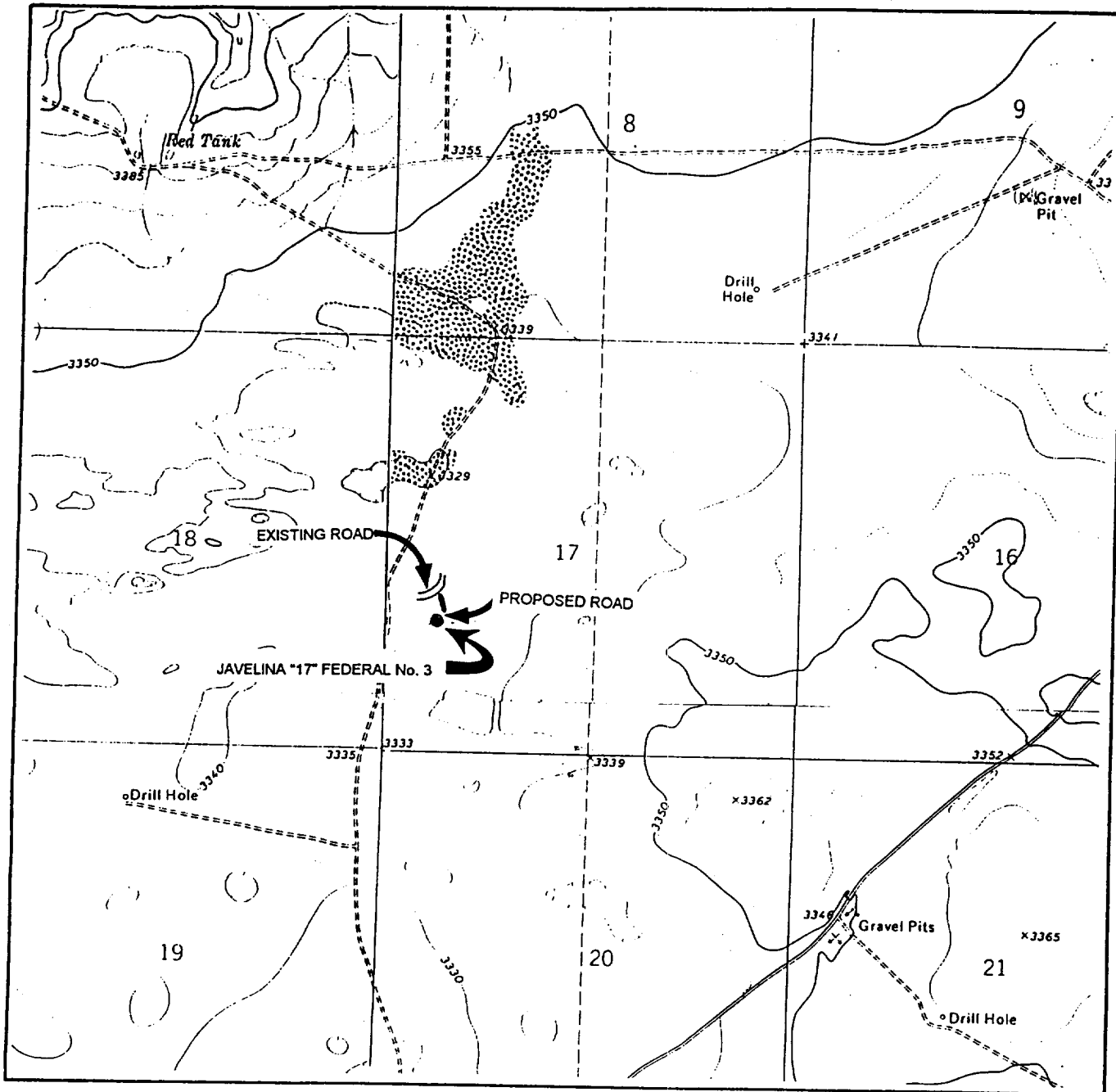


Exhibit #2

LOCATION VERIFICATION MAP



SCALE: 1" = 2000'
WTC 45683

SEC. 17 TWP. 25-S RGE. 34-E

SURVEY N.M.P.M.

COUNTY LEA STATE NM

DESCRIPTION 1650' FSL & 660' FWL

ELEVATION 3331'

OPERATOR ENRON OIL & GAS CO.

LEASE JAVELINA 17 FEDERAL No. 3

USGS TOPO MAP WOODLEY FLAT, NEW MEXICO AND
ANDREWS PLACE, NEW MEXICO - TEXAS

CONTOUR INTERVAL 10'

WEST TEXAS CONSULTANTS, INC.

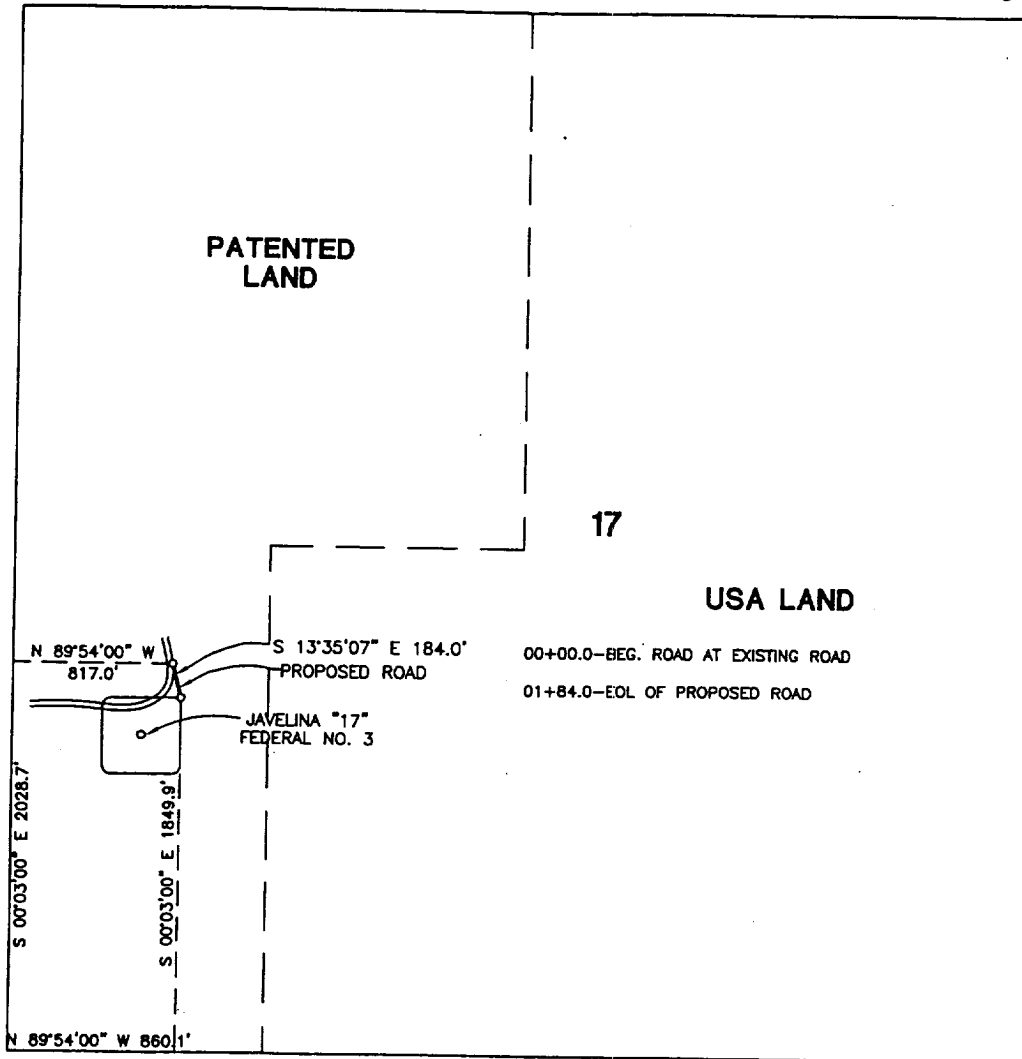
ENGINEERS-PLANNERS-SURVEYORS

MIDLAND, TEXAS

915-685-3800

Exhibit No. 3

SECTION 17, T. 25 SOUTH, RANGE 34 EAST, N.M.P.M.
LEA COUNTY, NEW MEXICO



CENTERLINE DESCRIPTION OF A PROPOSED ROAD:

BEGINNING at a point in an existing road, from which point the southwest corner of Section 17, T-25-S, R-34-E, N.M.P.M., Lea County, New Mexico, bears N 89° 54' 00" W, 817.0 feet and S 00° 03' 00" E, 2028.7 feet;
THENCE S 13° 35' 07" E, with the centerline of proposed road, 184.0 feet to a point in the northeast corner of a well pad for Enron Oil & Gas Company JAVELINA "17" FEDERAL No. 3, for the end of this road, from which point the southwest corner of said Section 17 bears S 00° 03' 00" E, 1849.9 feet and N 89° 54' 00" W, 860.1 feet.

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.

PROPOSED ROAD TO SERVE
JAVELINA "17" FEDERAL No. 3

ENRON OIL AND GAS COMPANY

184.0 feet of proposed road in
Section 17, T-25-S, R-34-E, N.M.P.M.,
Lea County, New Mexico

WEST TEXAS CONSULTANTS, INC.

ENGINEERS-PLANNERS-SURVEYORS

MIDLAND, TEXAS

| | | |
|----------------------|---------------|-------------------|
| Survey Date: 9-11-99 | Date: 9-13-99 | Scale: 1" = 1000' |
| WTC No. 45683 | Drawn By: JLE | Sheet 1 of 1 |

Earl Foote
Registered Professional Surveyor
New Mexico Certificate No. 8278



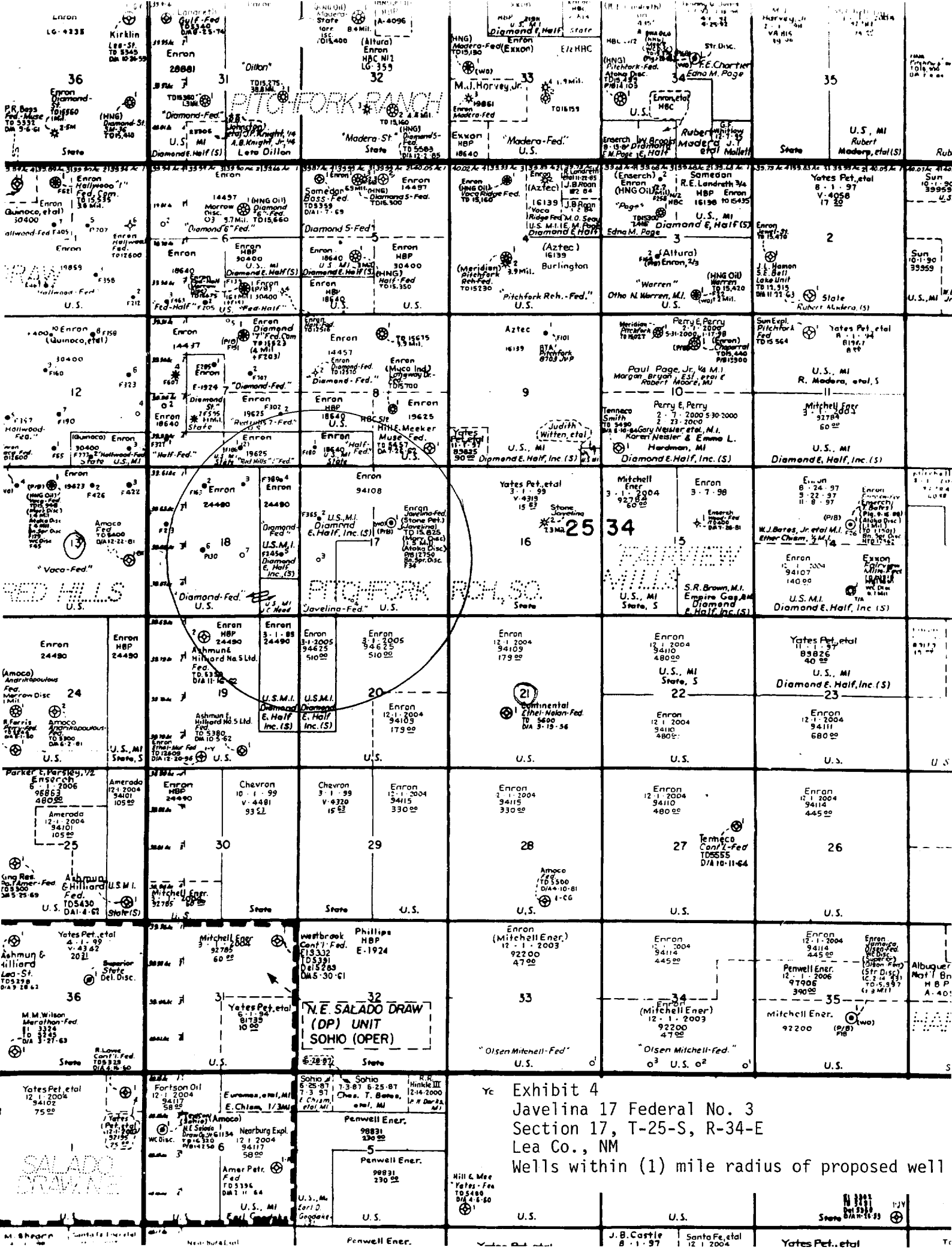


Exhibit 4
Javelina 17 Federal No. 3
Section 17, T-25-S, R-34-E
Lea Co., NM
Wells within (1) mile radius of proposed well

Well Pad Dimension
Javelina 17 Federal No. 3

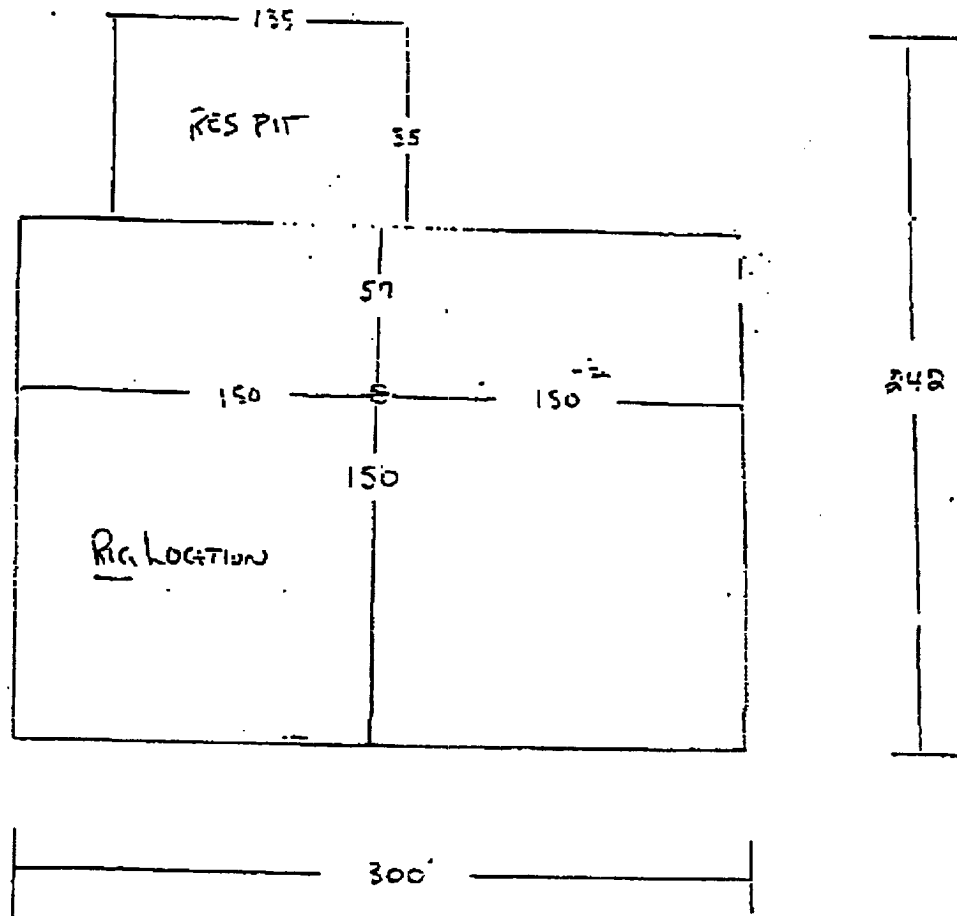


EXHIBIT #5



**Enron Oil & Gas
Company**

P.O. Box 2267
Midland, TX 79702
(915) 686-3600

September 15, 1999

Bureau of Land Management
Roswell District Office
2909 West Second Street
Roswell, NM 88202

RE: Private Surface Owners Agreement
Javelina 17 Federal No. 3
Section 17-T25S-R34E
Lea Co., New Mexico

Gentlemen:

Please be advised that Enron Oil & Gas Company and Diamond and Halff Inc., the private surface owner for the captioned land have entered into a surface use agreement for the drilling of the referenced well.

Said agreement dated December 15, 1997 covers all private lands owned by Diamond and Halff Inc. in Lea Co., New Mexico.

Sincerely,


Mike Francis
Agent

ELF 12/13/99
ABOVE DATE DOES NOT
INDICATE WHEN
CONFIDENTIAL LOGS
WILL BE RELEASED