

**UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT**

CONTACT RECOMMENDING
OFFICE FOR NUMBER OF COPIES REQUIRED
(Other instructions on reverse side)

BLM Roswell District
Modified Form No.
NMO60-3160-2

30-02531065

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. LC-069420	
b. TYPE OF WELL OIL WELL <input checked="" type="checkbox"/> GAS WELL <input 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 Southland Royalty Company			7. UNIT AGREEMENT NAME	
3a. AREA CODE & PHONE NO. 915/686-5600			8. FARM OR LEASE NAME West Corbin Federal	
3. ADDRESS OF OPERATOR 21 Desta Dr., Midland, TX 79705			9. WELL NO. 25	
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)* At surface 510' FSL & 510' FWL <i>Under 7m</i> At proposed prod. zone			10. FIELD AND POOL, OR WILDCAT South Corbin (Wolfcamp)	
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE* 12 miles southeast of Maljamar, NM			11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA Sec. 07, T18S, R33E	
15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any) 510'		16. NO. OF ACRES IN LEASE 960	17. NO. OF ACRES ASSIGNED TO THIS WELL 80	
18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 2800'		19. PROPOSED DEPTH 11,800'	20. ROTARY OR CABLE TOOLS Rotary	
21. ELEVATIONS (Show whether DF, RT, GR, ETC.) 3866' GR.			22. APPROX. DATE WORK WILL START* 25 October NOV. 1990	

23. PROPOSED CASING AND CEMENTING PROGRAM

HOLE SIZE	CASING SIZE	WEIGHT/FOOT	GRADE	THREAD TYPE	SETTING DEPTH	QUANTITY OF CEMENT
17 1/2"	13 3/8"	48#	K-55	STC	350'	350 sx-Circ.
12 1/4"	8 5/8"	24# & 28#	K-55	STC	2900'	1400 sx-Circ.
7 7/8"	5 1/2"	15.5# & 17#	K-55	STC	11,800'	2100 sx

Drill 17 1/2" hole to 350'. Set 13 3/8" csg @350' & cmt w/350 sx Class C. Circ. Drill 12 1/4" hole to 2900'. Run fluid caliper. Set 8 5/8" csg @2900'. Cmt: Lead w/1200 sx Lite C & tail in w/200 sx Class C. Circulate. Drill to TD to test Middle and Lower Wolfcamp. If commercial, run 5 1/2" csg to 11,800'. Cmt w/sufficient volume to bring cmt above all prospective zones. Est. TOC @2900'. Perf. and stimulate the Wolfcamp for production.

MUD PROGRAM: 0-350' spud mud; 350'-2900' brine; 2900'-10,200' cut brine and sweeps (chlorides 30,000+ ppm); 10,200'-TD cut brine and Drispac. MW 9.0-9.2 (solids must be less than 5% w/VIS 32-36).

BOP PROGRAM: 13 5/8" 2M annular BOP to be installed on the 13 3/8" csg. 11"-3M stack to be installed on the 8 5/8" and left for remainder of drilling. The stack is to consist of an annular BOP, a blind ram BOP, and one pipe ram BOP. Test the BOP's after setting the 8 5/8" csg using an independent tester.

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.

24. SIGNED Robert L. Bradshaw TITLE Sr. Staff Env./Reg. Spec. DATE 23 October 1990

(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____

APPROVED BY _____ TITLE _____ DATE 11-14 90

CONDITIONS OF APPROVAL, IF ANY:

APPROVAL SUBJECT TO

GENERAL REQUIREMENTS AND

SPECIAL STIPULATIONS

***See Instructions On Reverse Side**

INSTRUCTIONS

GENERAL: This form is designed for submitting proposals to perform certain well operations, as indicated, on all types of lands and leases for appropriate action by either a Federal or a State agency, or both, pursuant to applicable Federal and/or State laws and regulations. Any necessary special instructions concerning the use of this form and the number of copies to be submitted, particularly with regard to local, area, or regional procedures and practices, either are shown below or will be issued by, or may be obtained from, the local Federal and/or State office.

ITEM 1: If the proposal is to redrill to the same reservoir at a different subsurface location or to a new reservoir, use this form with appropriate notations. Consult applicable State or Federal regulations concerning subsequent work proposals or reports on the well.

ITEM 4: If there are no applicable State requirements, locations on Federal or Indian land should be described in accordance with Federal requirements. Consult local State or Federal office for specific instructions.

ITEM 14: Needed only when location of well cannot readily be found by road from the land or lease description. A plat, or plats, separate or on this reverse side, showing the roads to, and the surveyed location of, the well, and any other required information, should be furnished when required by Federal or State agency offices.

ITEMS 15 AND 18: If well is to be, or has been directionally drilled, give distances for subsurface location of hole in any present or objective production zone.

ITEM 22: Consult applicable Federal or State regulations, or appropriate officials, concerning approval of the proposal before operations are started.

NOTICE

The Privacy Act of 1974 and the regulation in 43 CFR 2.48(d) provide that you be furnished the following information in connection with information required by this application.

AUTHORITY: 30 U.S.C. 181 et seq., 25 U.S.C. 396; 43 CFR Part 3160.

PRINCIPAL PURPOSE: The information is to be used to process and evaluate your application for permit to drill, deepen, or plug back an oil or gas well.

ROUTINE USES: (1) The analysis of the applicant's proposal to discover and extract the Federal or Indian resources encountered. (2) The review of procedures and equipment and the projected impact on the land involved. (3) The evaluation of the effects of proposed operation on surface and subsurface water and other environmental impacts. (4)(5) Information from the record and/or the record will be transferred to appropriate Federal, State, local or foreign agencies, when relevant to civil, criminal or regulatory investigations or prosecutions, as well as routine regulatory responsibility.

EFFECT OF NOT PROVIDING INFORMATION: Filing of this application and disclosure of the information is mandatory only if the lessee elects to initiate drilling operation on an oil and gas lease.

The Paperwork Reduction Act of 1980 (44 U.S.C. 3501 et seq) requires us to inform you that:

This information is being collected to allow evaluation of the technical, safety, and environmental factors involved with drilling for oil and/or gas on Federal and Indian oil and gas leases.

This information will be used to analyze and approve applications.

Response to this request is mandatory only if the lessee elects to initiate drilling operations on an oil and gas lease.