

SUBMIT IN TRIPLICATE*

(Other instructions on
reverse side)Form approved.
Budget Bureau No. 42-R1425UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK

DRILL ☒DEEPEN ☐PLUG BACK ☐

b. TYPE OF WELL

OIL
WELL ☒GAS
WELL ☐

OTHER

SINGLE
ZONE ☒MULTIPLE
ZONE ☐

2. NAME OF OPERATOR

Highland Production Company

3. ADDRESS OF OPERATOR

P. O. Box 6326, Odessa, Texas 79767

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

At surface

1005' FSL & 2337' FEL

At proposed prod. zone

1005' FSL & 2337' FEL

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

30 miles SW Jal, New Mexico

15. DISTANCE FROM PROPOSED*

LOCATION TO NEAREST
PROPERTY OR LEASE LINE, FT. 331.3
(Also to nearest drlg. unit line, if any)

16. NO. OF ACRES IN LEASE

160

17. NO. OF ACRES ASSIGNED
TO THIS WELL

40

18. DISTANCE FROM PROPOSED LOCATION*

TO NEAREST WELL, DRILLING, COMPLETED,
OR APPLIED FOR, ON THIS LEASE, FT. -

19. PROPOSED DEPTH

4600

20. ROTARY OR CABLE TOOLS Rotary to 4420-
Cable tool to 4450

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

3191.0' Ground Level

22. APPROX. DATE WORK WILL START*

December 7, 1985

23.

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12 1/4"	8 5/8"	24#	1040	125 SX Class C Circulate
7 7/8"	5 1/2"	1.05#	4420	1200 SX HLC/W Class C Circulate

Additional Information:

1. Surface formation is Tertiary with some Triassic exposed
2. Estimated geological tops: Rustler - 950', Anhydrite - 1,000', Base Salt - 1,300', Yates - 3,000', Lamar Lime - 4,100', Delaware Top - 4,300'.
3. Pressure control equipment: Double hydrolic pressure tested to 3,000 psi, full closing hydril on top tested to 3,000 psi. Pressure control diagram is attached. Testing will be on installation, daily and on trips.
4. Proposed circulating medium: 0-1,000' - Spud Mud, 1,000-4,500' - Brine Water
5. Estimate will encounter water from 890' to 950'.
6. Estimate will encounter oil at 4,370'.
7. Logging Program: Acoustic velocity gamma ray caliper log: FoRxo guard log.
8. No coring or drill stem testing.
9. No abnormal pressures or temperatures are expected to be encountered.
10. Anticipated starting date is December 7, 1985.

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

Marvin L. Smith

(This space for Federal or State office use)

TITLE

President

DATE

11-14-85

PERMIT NO.

APPROVAL DATE

APPROVED BY

TITLE

DATE

12-6-85

CONDITIONS OF APPROVAL, IF ANY:

APPROVAL SUBJECT TO
GENERAL REQUIREMENTS AND
SPECIAL STIPULATIONS