

NM OIL CONS. COMMISSION
 Drawer DD
 Artesia, NM 88210 UNITED STATES
 DEPARTMENT OF THE INTERIOR
 GEOLOGICAL SURVEY

SUBMIT IN TRIPLICATE*
 (Other instructions on reverse side)

Form approved.
 Budget Bureau No. 42-R1425.

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
 Holly Energy Inc.

3. ADDRESS OF OPERATOR
 P.O. Box 726 Artesia, New Mexico 88210

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

1980' FSL & 2180' FWL Section 25 T-17S R-27E
 1650' 2310' G.S.

At proposed prod. zone same
 14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*

11 miles east of Artesia, New Mexico 88210

15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any) 660

16. NO. OF ACRES IN LEASE 320

17. NO. OF ACRES ASSIGNED TO THIS WELL 320

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

19. PROPOSED DEPTH 9950

20. ROTARY OR CABLE TOOLS Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.) 3574.9

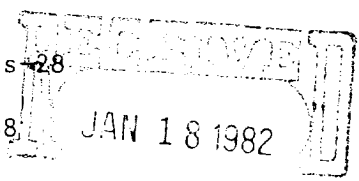
22. APPROX. DATE WORK WILL START* Feb. 24, 1982

5. LEASE DESIGNATION AND SERIAL NO. NM 15868
 6. IF INDIAN, ALLOTTEE OR TRIBE NAME
 7. UNIT AGREEMENT NAME
 8. FARM OR LEASE NAME Empire West Deep Unit
 Federal Com
 9. WELL NO. 1
 10. FIELD AND POOL, OR WILDCAT Empire Morrow
 11. SEC., T., R., M., OR BLEK. AND SURVEY OR AREA Sec 25 T-17S R-27E
 12. COUNTY OR PARISH Eddy
 13. STATE NM

23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
17 1/2	13-3/8	48#	400	circulate
12 1/2	8-5/8	24#	1950	circulate
7-7/8	4 1/2	11.6#	TD	cement w/ sulfate resistant cement to cover all production zones

MUD PROGRAM: Native mud 0-1950
 Fresh water mud; 1950-6000' 8.6 lbs. per gallon Vis-28
 Water Loss; N.C.
 Brine water: 6000'-TD 9.2 lbs. per gallon Vis-37-38
 Water Loss: 6-8 CC



GAS NOT DEDICATED.

B.O.P. PROGRAM: one (1) Hydril 10" Type B BOTH 1500 series, Hydraulic operated
 one (1) Schaffer Double 10" Type B

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 Loyd TITLE Production Superintendent DATE 1-12-82

(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____

APPROVED BY _____ TITLE _____ DATE _____

CONDITIONS OF APPROVAL, IF ANY: