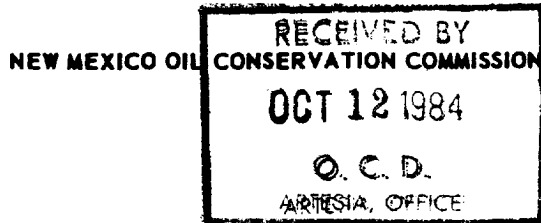


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SANTA FE	<input checked="" type="checkbox"/>
FILE	<input checked="" type="checkbox"/>
U.S.G.S.	<input checked="" type="checkbox"/>
LAND OFFICE	<input checked="" type="checkbox"/>
OPERATOR	<input checked="" type="checkbox"/>



Form C-101
Revised 1-1-85 30-015-25056

5A. Indicate Type of Lease
STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
5. State Oil & Gas Lease No.
OG-5359

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. Type of Work		7. Unit Agreement Name	
b. Type of Well DRILL <input checked="" type="checkbox"/> DEEPEN <input type="checkbox"/> PLUG BACK <input type="checkbox"/>		8. Farm or Lease Name	
OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input type="checkbox"/> SINGLE ZONE <input type="checkbox"/> MULTIPLE ZONE <input type="checkbox"/>		Empire "16" State Com	
2. Name of Operator		9. Well No.	
Southland Royalty Company		1	
3. Address of Operator		10. Field and Pool, or Wildcat	
21 Desta Drive, Midland, Texas 79705		Empire, South (Morrow)	
4. Location of Well		12. County	
UNIT LETTER E LOCATED 1980 FEET FROM THE North LINE		Eddy	
AND 660 FEET FROM THE West LINE OF SEC. 16 TWP. 18S RGE. 29E NMPM			
19. Proposed Depth		19A. Formation	
11,300'		Morrow	
20. Rotary or C.T.		Rotary	
21. Elevations (Show whether DF, RT, etc.)		22. Approx. Date Work will start	
3521.5' GR		10-28-84	

PROPOSED CASING AND CEMENT PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	SACKS OF CEMENT	EST. TOP
17 1/2"	13 3/8"	48#	350'	400 sx.	Circ.
11"	8 5/8"	28 & 24#	3100'	1700 sx.	Circ.
7 7/8"	5 1/2"	17#	11,300'	1000 sx.	TOC @ + 8500'.

Drill 17 1/2" hole to 350'. Set 13 3/8" csg. Circ cmt. Drill 11" hole to 3100'. Set 8 5/8" csg. Circ cmt. Drill 7 7/8" hole to TD to test the Morrow and intermediate horizons with shows. If commercial, run 5 1/2" csg to TD. Cmt w/sufficient volume to bring cmt above prospective zones. Estimated top of cmt @ 8500'. Perforate and stimulate.

MUD PROGRAM: 0-350' spud mud; 350-3100' brine; 3100-10,000' gresh wtr; 10,000'-TD Cut brine, gel, Drispac, Flo-Sal, 3% KCl. MW 9.0-9.2#, VIS 32-36 6 cc. BHP @ TD anticipated to be 4400 psi.

BOP PROGRAM: BOP to be installed and tested after setting 8 5/8" csg & at 8500'. BOP to be tested by Yellow Jacket, Inc.

GAS NOT DEDICATED.

APPROVAL VALID FOR 180 DAYS
PERMIT EXPIRES 4-16-85
UNLESS DRILLING UNDERWAY

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. GIVE BLOWOUT PREVENTER PROGRAM, IF ANY.

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

Signed Danell Roberts Title Operations Engineer Date 9/25/84

(This space for State Use)

APPROVED BY M. H. Williams TITLE OIL AND GAS INSPECTOR DATE OCT 15 1984

CONDITIONS OF APPROVAL, IF ANY: