

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1A. TYPE OF WORK <b>DRILL</b> <input checked="" type="checkbox"/> <b>DEEPEN</b> <input type="checkbox"/> <b>PLUG BACK</b> <input type="checkbox"/>			5. LEASE DESIGNATION AND SERIAL NO. NM-26692		
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		
3. ADDRESS OF OPERATOR 21 Desta Drive, Midland, Texas 79705			8. FARM OR LEASE NAME Huber "17" Federal		
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.) At surface 1980' FSL & 1980' FWL, Sec. 17, T-18-S, R-33-E At proposed prod. zone			9. WELL NO. 2		
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE* 11 miles southeast of Maljamar, New Mexico			10. FIELD AND POOL, OR WILDCAT S. Corbin (Wolfcamp)		
15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drg. unit line, if any) 660'			11. SEC., T., R., M., OR S.E. AND SURVEY OR AREA Sec. 17, T-18-S, R-33-E		
16. NO. OF ACRES IN LEASE 120			12. COUNTY OR PARISH Lea		
17. NO. OF ACRES ASSIGNED TO THIS WELL 40			13. STATE N.M.		
18. DISTANCE FROM PROPOSED* LOCATION TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 1880'			19. PROPOSED DEPTH 11,400'		
20. ROTARY OR CABLE TOOLS Rotary			21. APPROX. DATE WORK WILL START* 2-19-86		
21. ELEVATIONS (Show whether DF, RT, GR, etc.) 3863.8' GR			22. APPROX. DATE WORK WILL START* 2-19-86		

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#	350'	400 sx. C1 "C" <b>CIRCULATE</b>
12 1/4"	8 5/8"	24#	2920'	800 sx. lite & 200 sx C1 "C"
7 7/8"	5 1/2"	17#	11,400'	700 sx. C1 "H". TOC @ 8000'

Drill 17 1/2" hole to 350'. Set 13 3/8" csg @ 350'. Cmt w/400 sx. Circ. Drill 12 1/4" hole to 2920'. Set 8 5/8" csg @ 2920'. Cmt w/1000 sx. Circ. Drill To TD to test the Wolfcamp & intermediate horizons. If commercial, run 5 1/2" csg to 11,400'. Cmt w/sufficient volume to bring above all prospective zones. Estimated TOC @ 8000'. Perf & stimulate Wolfcamp for production.

MUD PROGRAM: 0-350' Fresh wtr gel & lime; 350-2920' salt wtr; 2920-8400' cut brine; 8400-TD cut brine w/Driscap. MW 9-9.5, VIS 32-36, 10-15 cc. No abnormal pressures or temperatures anticipated at TD.

BOP PROGRAM: 13 5/8"-3M annular BOP to be installed on 13 3/8" csg. 11"-5M BOP stack to be installed on 8 5/8" and left on for remainder of drilling. Stack to consist of annular BOP, blind ram BOP and one pipe ram BOP. Test BOP's after setting 8 5/8" csg w/Yellow Jacket, Inc.

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 Danell Roberts TITLE Drilling Engineer DATE 2-5-86  
(This space for Federal or State office use)

PERMIT NO. Orig: Spd. Charles S. Dahlen APPROVAL DATE \_\_\_\_\_  
APPROVED BY Area Manager TITLE \_\_\_\_\_ DATE 3/11/86  
CONDITIONS OF APPROVAL, IF ANY:

\*See Instructions On Reverse Side

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

APPROVAL SUBJECT TO  
GENERAL REQUIREMENTS AND  
SPECIAL STIPULATIONS

RECEIVED  
MAR 12 1986  
HOBBS OFFICE