

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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"/>		
b. TYPE OF WELL OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input type="checkbox"/>		
2. NAME OF OPERATOR Southland Royalty Company		
3. ADDRESS OF OPERATOR 21 Desta Drive, Midland, Texas 79705		
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.) At surface: 660' FWL & 660' FSL, Sec. 8, T-18-S, R-33-E At proposed prod. zone		
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE 11 miles southeast of Maljamar, N.M.		
10. DISTANCE FROM PROPOSED LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any)	16. NO. OF ACRES IN LEASE	17. NO. OF ACRES ASSIGNED TO THIS WELL
660'	960	80
18. DISTANCE FROM PROPOSED LOCATION TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.	19. PROPOSED DEPTH	20. ROTARY OR CABLE TOOLS
NA	11,450'	Rotary
21. ELEVATIONS (Show whether DF, RT, GR, etc.) 3885' GL		22. APPROX. DATE WORK WILL START 15 January 1988

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'	Circ w/350 sx Cl "C" w/2% CaCl2
12 1/4"	8 5/8"	24#	2900'	Circ w/+1200 sx Lite "C" w/15# salt & 1/4# cello, tail in w/200 sx Cl "C" w/2% CaCl2
7 7/8"	5 1/2"	17 & 15.50#	11,450'	1st stage-cmt w/+800 sx Cl "H"; 2nd stage-cmt w/+1200 sx Lite & 100 sx Cl "H" to bring TOC to 2900'.

Drill 17 1/2" hole to 350'. Set 13 3/8" csg @ 350'. Cmt w/350 sx Cl "H" w/2% CaCl2, Circ. Drill 12 1/4" hole to 2900'. Run fluid caliper. Set 8 5/8" csg @ 2900'. Lead w/+1200 sx Lite "C" w/15# salt & 1/4# cello, tail in w/200 sx Cl "C" w/2% CaCl2, circ. Drl to TD to test Middle & Lower Wolfcamp. If commercial, run 5 1/2" csg to 11,450'. Cmt w/sufficient volume to bring above all prospective zones. Est TOC @ 2900'. Perf & stimulate Wolfcamp for production.

MUD PROGRAM: 0-350' spud mud; 350-2900' brine; 2900-10,300' cut brine & sweeps (chlorides 30,000+); 10,300-TD cut brine & Drispac. MW 9.0-9.2 (Solids must be less than 5% w/VIS 32-36).

BOP PROGRAM: 13 5/8"-3M annular BOP to be installed on 13 3/8" csg. 11"-5M stack to be installed on 8 5/8" & left on for remainder of drlg. Stack to consist of annular BOP, blind ram BOP, & one pipe ram BOP. Test BOP's after setting 8 5/8" csg with 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 [Signature] TITLE Sr. Staff Env./Reg. Spec. DATE 12/10/87

(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____

APPROVED BY _____ TITLE _____ DATE 12-28-87

CONDITIONS OF APPROVAL, IF ANY:

*See Instructions On Reverse Side