

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1. TYPE OF WELL

DRILL ☒

DEEPEN ☐

PLUG BACK ☐

2. TYPE OF WELL

OIL ☐

WELL ☒

GAS ☐

WELL ☐

OTHER ☐

SINGLE ☒

LOSS ☐

NO. OF ☐

WELLS ☐

3. NAME OF OPERATOR

Highland Production Company

4. ADDRESS OF OPERATOR

P.O. Box 6326, Odessa, Texas 79767

5. LOCATION OF WELL (Report location on map, and in accordance with any State requirements.)

2310' FEL and 1980' ISL of Section 17

At proposed prod. zone
same as above

6. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR CITY OFFICE

20 miles SW from Jol, New Mexico

7. DISTANCE FROM PROPOSED

LOCATION TO NEAREST

PROPERTY OR LEASE LINE, FT.

8. DISTANCE FROM PROPOSED

LOCATION TO NEAREST WELL, FOOT, IN COMPLETED

OR APPROPRIATE FOR THIS LEASE, FT.

330' FEL

9. NO. OF ACRES IN LEASE

40

10. PROPOSED DEPTH

4300'

11. NO. OF ACRES ASSIGNED

TO THIS WELL

40

12. ROTARY OR CABLE TOOLS

Rotary to 4340', 4380'

13. OTHER DATA (Specify whether 14. RIG G.E. code)

316-08

15. APPROX. DATE WORK WILL START

9-1-84

16. PROPOSED Casing and Cementing Program

SIZE OF HOLES

8 5/8"

ALL CEMENTING

SETTING DEPTH

QUANTITY OF CEMENT

12 1/2"

8 5/8"

100'

1000'

125 sacks class C Circulate

7 7/8"

8"

9.50'

500' 4445'

1200 sacks H/C/W & Class C

Additional Information:

1. Surface formation is Tertiary with some Triassic exposed
2. Estimated geological tops: Rancher - 950', Anhydrite - 1000', Base Salt - 1300', Yates - 3000', Lunar Line - 4100', Delaware top - 4900'.
3. Pressure control equipment: Double hydraulic pressure tested to 3000 psi, full closing hydril on trip tested to 3000 psi. Pressure control diagram is attached. Testing will be on installation, daily and on trips.
4. Proposed circulating medium: 9-1000' - Spud Mud, 1000-4500' - Fringe Water
5. Estimate will encounter water from 890' to 910'.
6. Estimate will encounter oil at 4310'.
7. Logging program: Acoustic velocity gamma ray caliper log; 15Rxo yard log.
8. No coring or drill stem testing.
9. No abnormal pressures or temperatures are expected to be encountered.
10. Anticipated starting date is 9-1-84.

IN ALL CASES THE DRILLER SHALL FOLLOW THE PROGRAM. If proposed to deepen or plug back, give data on present production and proposed new production zone. If proposed to drill or deepen (Cased hole) give data on subsurface locations and measured and true vertical depths. Give at least present program design.

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Signed _____ President

DATE August 24, 1984

Martin E. Smith

(This space for Federal or State office use)

PERMIT NO.

RECEIVED BY

APPROVED BY

CONDITIONS OF APPROVAL, IF ANY

DATE 9-1-84

APPROVAL SUBJECT TO
SPECIAL SURVEILLANCE
ATTACHED