

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

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

HIGHLAND PRODUCTION COMPANY

3. ADDRESS OF OPERATOR

P. O. BOX 6326, ODESSA, TEXAS 79767-6326

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

At surface

330' FNL and 1,000' FEL of Sec. 20

At proposed prod. zone

330' FNL and 1,000' FEL of Sec. 20

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*

20 miles SW of Jal, New Mexico

15. DISTANCE FROM PROPOSED*

LOCATION TO NEAREST

PROPERTY OR LEASE LINE, FT.

(Also to nearest drlg. unit line, if any) 1,000 FEL

18. DISTANCE FROM PROPOSED LOCATION*

TO NEAREST WELL, DRILLING, COMPLETED,

OR APPLIED FOR, ON THIS LEASE, FT. 1,293.1

16. NO. OF ACRES IN LEASE

640

19. PROPOSED DEPTH

4,600

17. NO. OF ACRES ASSIGNED
TO THIS WELL

40

20. ROTARY OR CABLE TOOLS

Rotary to 4,350-Cable tool to 4,370

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

3,148.9' Ground level elevation

22. APPROX. DATE WORK WILL START*

November 30, 1985

23.

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12 1/4"	8 5/8"	24#	1,000'	125 SX Class C Circulate
7 7/8"	5 1/2"	1.05#	4,600'	1,200 SX HLC/W Class C Circulate

Additional Information:

1. Surface formation is Tertiary with some Triassic exposed
2. Estimated geological tops: Rustler - 950', Anhydrite - 1,000', Base Salt - 1,300' Yates - 3,000', Lamar Lime - 4,100', Delaware Top - 4,300'.
3. Pressure control equipment: Double hydrolic pressure tested to 3,000 psi, full closing hydril on top tested to 3,000 psi. Pressure control diagram is attached. Testing will be on installation, daily and on trips.
4. Proposed circulating medium: 0-1,000' - Spud Mud, 1,000-4,500' - Brine Water
5. Estimate will encounter water from 390' to 950'.
6. Estimate will encounter oil at 4,370'.
7. Logging Program: Acoustic velocity gamma ray caliper log: ForXo guard log.
8. No coring or drill stem testing.
9. No abnormal pressures or temperatures are expected to be encountered.
10. Anticipated starting date is November 30, 1985.

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 Marvin L. SmithTITLE PresidentDATE October 29, 1985

(This space for Federal or State office use)

PERMIT NO. _____

APPROVAL DATE _____

APPROVED BY _____

TITLE _____

DATE 11-14-85

CONDITIONS OF APPROVAL, IF ANY:

APPROVAL SUBJECT TO
GENERAL REQUIREMENTS AND
SPECIAL STIPULATIONS
ATTACHED

RECEIVED

NOV 15 1985

C. H. B.
HOBBS OFFICE