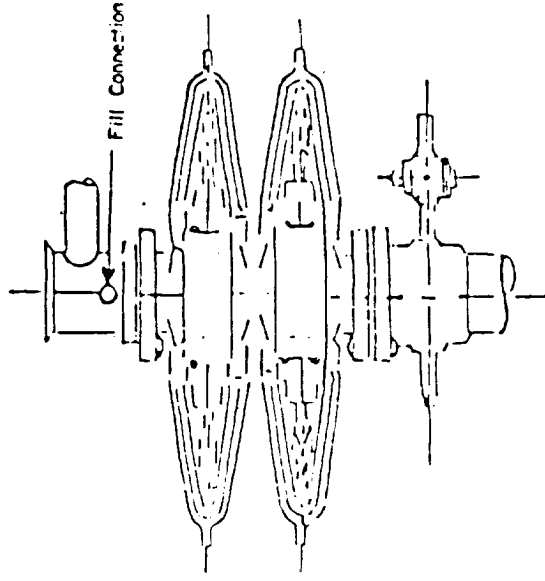


HIGHLAND PRODUCTION COMPANY
Highland Federal
Application to Drill
Well #1



Shaffer Type E Series 900 Hydraulic B.O.P.

3000 PSI WORKING PRESSURE
BLOWOUT PREVENTER HOOK-UP

Series 900 Flanges, or Better.

Note: B.O.P. system will meet the conditions of drilling approval
required by the USGS District Office in Hobbs, New Mexico.

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