

N. M. DEPT. OF MINES
P. O. BOX 100 UNITED STATES
HOERS DEPARTMENT OF THE INTERIORSUBMIT IN 1. ICATE*
(Other instructions on
reverse side)Form approved.
Budget Bureau No. 42-R1425.

30-025-30613

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

810 N. Dixie Blvd., Suite 202, Odessa, TX

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

At surface

330' FNL and 990' FEL

At proposed prod. zone

330' FNL and 990' FEL

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

17 Miles SW Jal, New Mexico

15. DISTANCE FROM PROPOSED*

LOCATION TO NEAREST

PROPERTY OR LEASE LINE, FT.

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

330'

18. DISTANCE FROM PROPOSED LOCATION*

TO NEAREST WELL, DRILLING, COMPLETED,

OR APPLIED FOR, ON THIS LEASE, FT.

1320'

16. NO. OF ACRES IN LEASE

80

19. PROPOSED DEPTH

4550'

17. NO. OF ACRES ASSIGNED
TO THIS WELL

40

20. ROTARY OR CABLE TOOLS

Rotary to 4300, Cable into format.

22. APPROX. DATE WORK WILL START*

September 10, 1989

23. 3150.2 GR

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12 1/2"	8 5/8"	24. #	1,200'	125 Sacks Class C - Circulate
7 7/8"	5 1/2"	15.5#	4,550'	200 Sacks HLQW Class C - Circulate

Additional Information:

1. Surface formation is Tertiary with some Triassic exposed.
2. Estimated geological tops: Rustler - 950'; Anhydrite - 1,000'; Top Salt - 1,300'; Castile - 3,000'; Lamar Lime - 4,100'; Top of Delaware - 4,300'.
3. Pressure control equipment: Double hydraulic 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: 0-1,200' - Spud Mud; 1,200 to 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; FoRoXo 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 September 10, 1989.

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. Smith

TITLE President

DATE August 17, 1989

(This space for Federal or State office use)

PERMIT NO.

APPROVAL DATE

APPROVED BY

TITLE

DATE 9-12-89

CONDITIONS OF APPROVAL, IF ANY:

All distances must be from the outer boundaries of the Section.

Operator Highland Production			Lease Conoco Federal			Well No. C-1
Unit Letter A	Section 30	Township 26 South	Range 32 East	County Lea		

Actual Footage Location of Well:

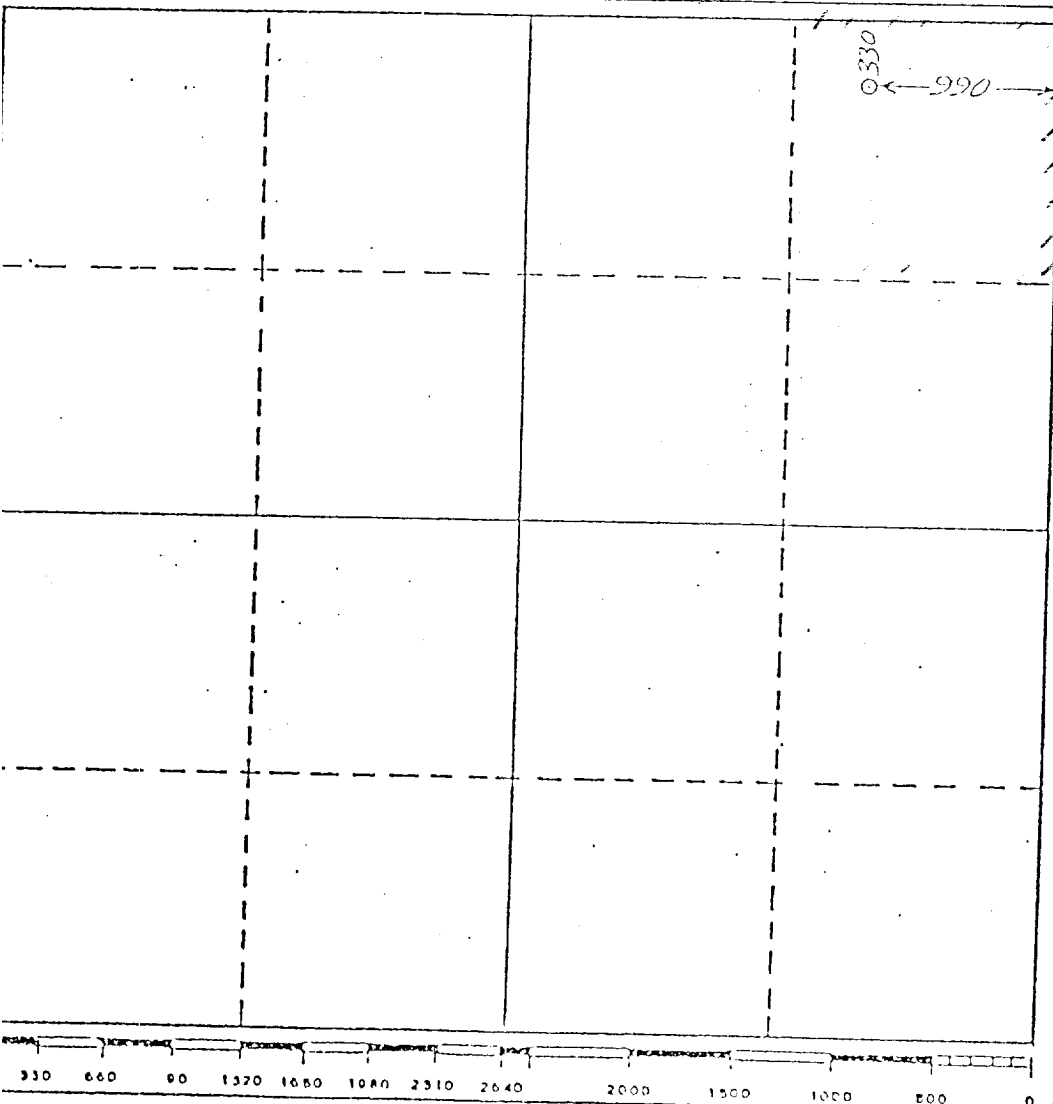
330 feet from the North line and		990 feet from the East line	
Ground Level Elev. 3150.2	Producing Formation Delaware	Pool North Mason	Dedicated Acreage: 40 Acres

1. Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

☐ Yes ☒ No If answer is "yes," type of consolidation _____

If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) _____

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Division.



CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Name
Johnnye L. Nance
Position
Corporate Secretary
Company
Highland Production Company
Date
August 15, 1989

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.

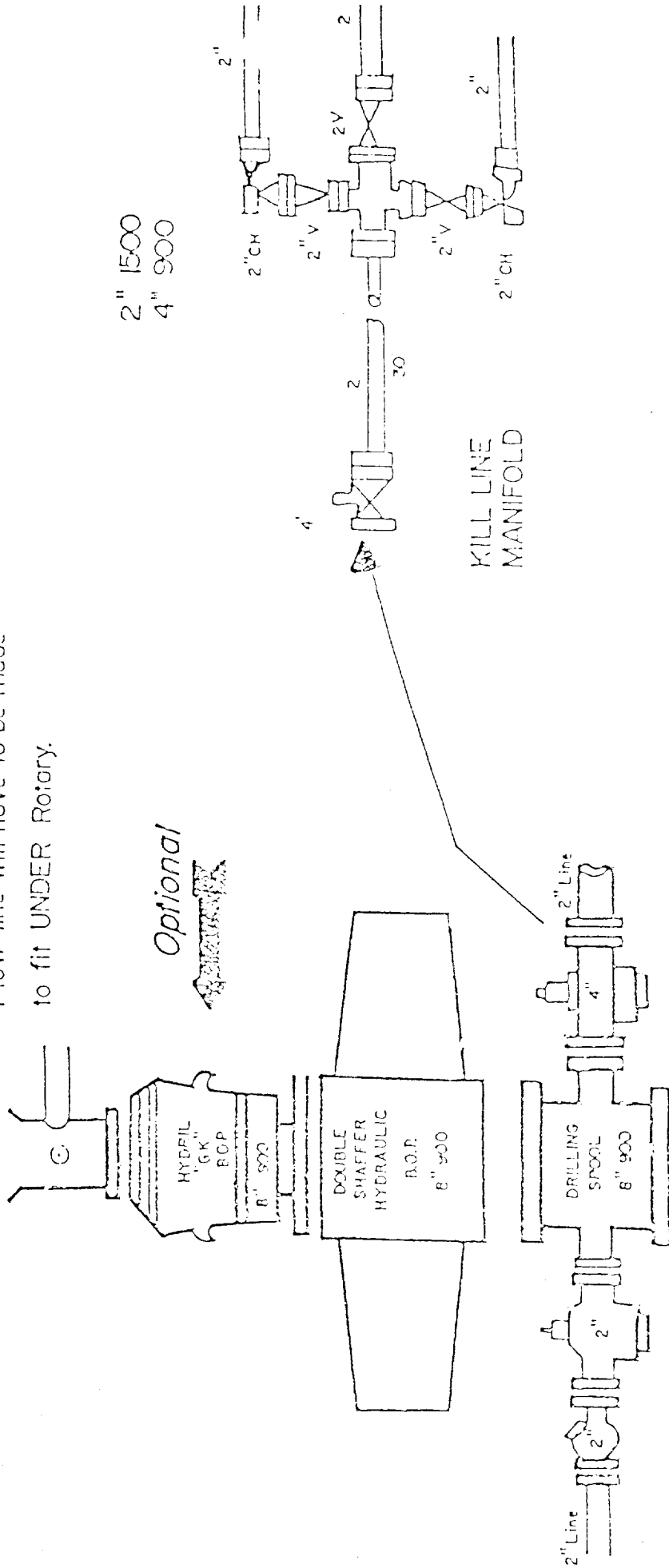
Date Surveyed 6-19-1989

Registered Professional Engineer and/or Land Surveyor

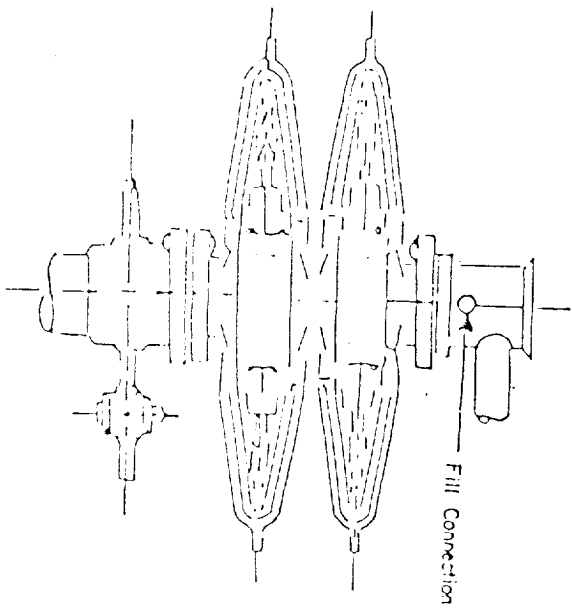
Truman Gaskin
Certificate No. 2126

ASE ROTARY TABLE

Flow line will have to be made
to fit UNDER Rotary.



Conoco "C" Federal Well No. 1
Lea County, New Mexico
Highland Production Company



Shaffer Type E Series 800 Hydraulic B.O.P.

3000 PSI WORKING PRESSURE
BLOWOUT PREVENTER HOOK-UP

Series 800 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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