

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

810 N. Dixie Blvd., Suite 202, Odessa, Texas 79761-2838

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

At surface

660' FEL and 1650' FNL

At proposed prod. zone

660' FEL and 1650' FNL

## 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.

660' FWL

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

## 18. DISTANCE FROM PROPOSED LOCATION\*

TO NEAREST WELL, DRILLING COMPLETED,  
OR APPLIED FOR, ON THIS LEASE, FT.

1363.6'

## 16. NO. OF ACRES IN LEASE

80

17. NO. OF ACRES ASSIGNED  
TO THIS WELL

40

## 19. PROPOSED DEPTH

4400'

## 20. ROTARY OR CABLE TOOLS

Rotary to 4330' Cable into Formation

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

3145.0GR

## 22. APPROX. DATE WORK WILL START\*

February 25, 1992

## 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. #	1200'	600 Sacks Class C - Circulate
7 7/8"	5 1/2"	15.5#	4400'	750 Sacks HLCW 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 - 4,320'.
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 890' to 950'.
6. Estimate will encounter oil at 4,320'. Open hole completion.
7. Logging Program: Gamma Ray Neutron Log
8. No coring or drill stem testing.
9. No abnormal pressures or temperatures are expected to be encountered.
10. Anticipated starting date is February 25, 1992.

IN A BARE 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 on deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

SIGNED

Marvin L. Smith

TITLE

President

DATE January 21, 1992

PERMIT NO.

APPROVAL DATE

APPROVED BY

TITLE

DATE

CONDITIONS OF APPROVAL IF ANY

FEDERAL REQUIREMENTS AND  
SPECIAL STIPULATIONS  
ATTACHED

RECEIVED

FEB 25 1992

GOO HOBBS OFFICE

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

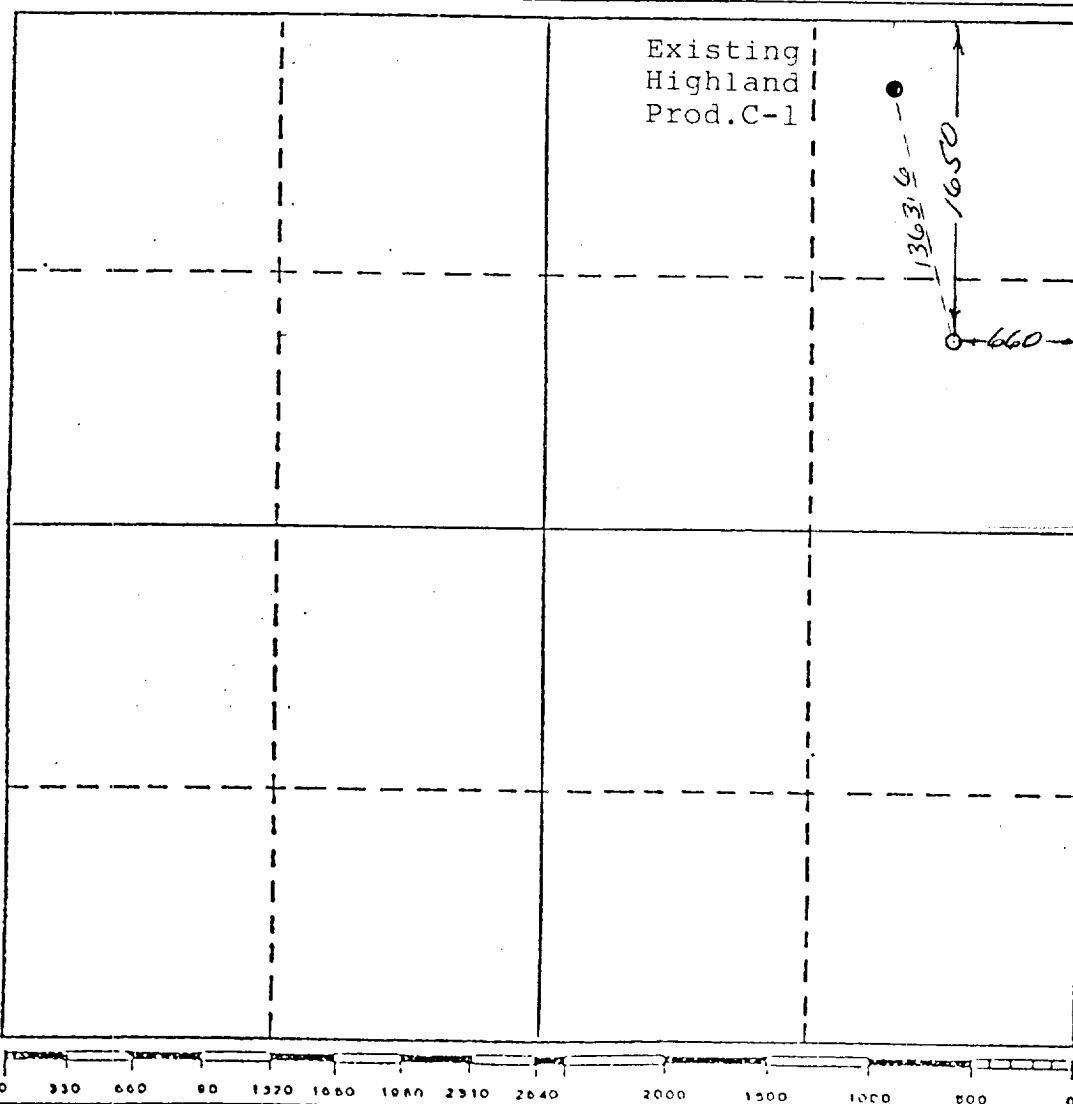
Operator Highland Production Company		Lease Conoco Federal		Well No. E-2
Unit Letter H	Section 30	Township 26 South	Range 32 East	County Lea
Actual Footage Location of Well:				
1650.0 feet from the North line and		660.0 feet from the East line		
Ground Level Elev. 3145.0	Producing Formation Delaware	Pool North Mason	Dedicated Acreage: 40 Acres	

1. Outline the acreage dedicated to the subject well by colored pencil or hachure 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.

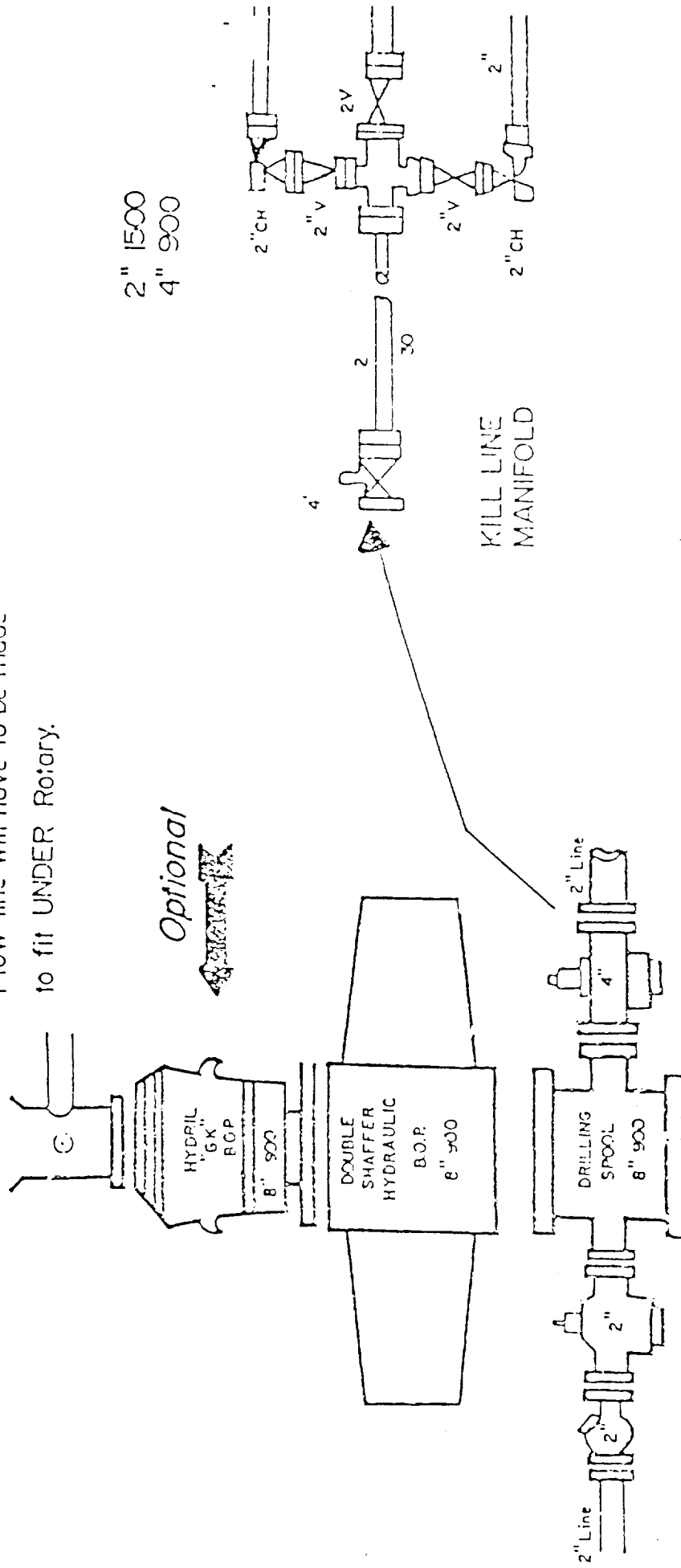
Name  
Marvin L. Smith  
Position  
President  
Company  
Highland Production Company  
Date  
February 14, 1990

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.

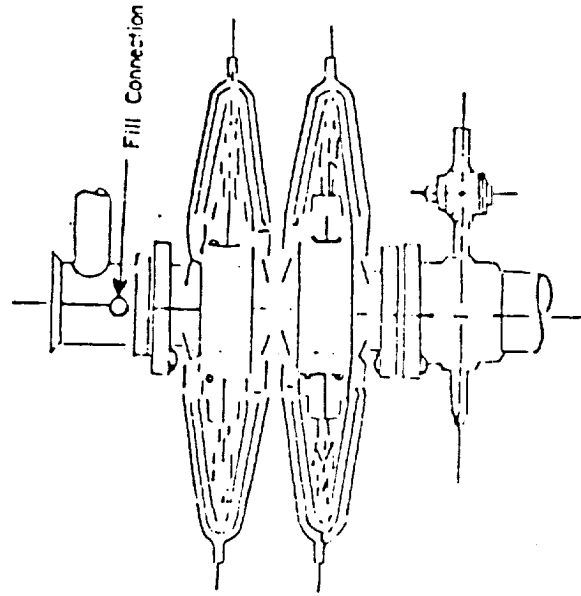
Date Surveyed  
2-6-1990  
Registered Professional Engineer and/or Land Surveyor  
Truman Gaskin  
Certificate No.  
2126

# ASE ROTARY TABLE

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



Highland Production Company  
Conoco "C" Federal Well No. 2  
Lea County, New Mexico



Shaffer Type E Series 900 Hydraulic BOP

# 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.

Highland Production Company  
Conoco "C" Federal Well No. 2  
Lea County, New Mexico

100

RECEIVED  
FEB 9 1992  
ODD MUNDO OFFICE