

State of New Mexico
Energy, Minerals and Natural Resources Department

Susana Martinez
Governor

Tony Delfin
Acting Cabinet Secretary

David R. Catanach, Division Director
Oil Conservation Division



New Mexico Oil Conservation Division approval and conditions listed below are made in accordance with OCD Rule 19.15.7.11 and are in addition to the actions approved by BLM on the following 3160-4 or 3160-5 form.

Operator Signature Date: 8/8/16

Well information:

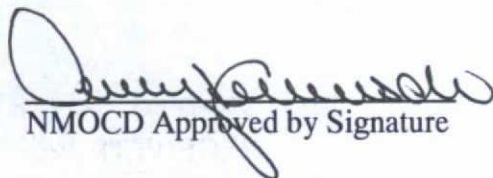
API WELL #	Well Name	Well #	Operator Name	Type	Stat	County	Surf_Owner	UL	Sec	Twp	N/S	Rng	W/E	Feet	NS	Ft	EW	Last Insp
30-031-05265-00-00	FARRIS	002	FARRIS MINES	O	H	McKinley	P	P	18	18	N	10	W	990	S	1650	E	8/2/2016

Application Type:

- ☐ P&A ☐ Drilling/Casing Change ☐ Location Change
- ☐ ☐ Recomplete/DHC (For hydraulic fracturing operations review EPA Underground injection control Guidance #84; Submit Gas Capture Plan form prior to spudding or initiating recompletion operations)
- ☒ Other:

Conditions of Approval:

For Perforations above or below existing perfs please file a C-104 and completion report before returning to production


NMOCD Approved by Signature

9-1-16
Date

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB NO. 1004-0135
Expires: July 31, 2010

SUNDRY NOTICES AND REPORTS ON WELLS
Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE - Other instructions on reverse side.

5. Lease Serial No.
NMSF079485A

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.
891001056C

8. Well Name and No.
SAN JUAN 30-4 UNIT 41B

9. API Well No.
30-039-26624-00-S1

10. Field and Pool, or Exploratory
BLANCO MESAVERDE

11. County or Parish, and State
RIO ARriba COUNTY, NM

1. Type of Well
☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator
SOUTHLAND ROYALTY COMPANY LLC
Contact: ROBBIE A GRIGG
Email: rgrigg@mspartners.com

3a. Address
400 W 7TH STREET
FORT WORTH, TX 76102

3b. Phone No. (include area code)
Ph: 817-334-7842

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
Sec 18 T30N R4W NESW 2490FSL 860FWL
36.811262 N Lat, 107.299564 W Lon

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

SRC proposes to isolate the existing Mesaverde perforations (6,108-6,572') and add Mesaverde/Lewis Shale pay in two stages at 5,040-5,432'.

These will be fracture stimulated.

The new intervals will be tested for a period of several months and then commingled downhole with the existing Mesaverde perforations.

OIL CONS. DIV DIST. 3

AUG 25 2016

14. I hereby certify that the foregoing is true and correct.

Electronic Submission #347111 verified by the BLM Well Information System
For SOUTHLAND ROYALTY COMPANY LLC, sent to the Farmington
Committed to AFMSS for processing by WILLIAM TAMBEKOU on 08/22/2016 (16WMT0417SE)

Name (Printed/Typed) ROBBIE A GRIGG

Title SUPVR. REG REPORTING

Signature (Electronic Submission)

Date 08/08/2016

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By WILLIAM TAMBEKOU

Title PETROLEUM ENGINEER

Date 08/22/2016

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office Farmington

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

**** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ****

NMOCD

San Juan 30-4 Unit #41B

ELEV: KB: 7,228'
GL: 7,114'

