

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
SOUTHLAND ROYALTY COMPANY

3. ADDRESS OF OPERATOR
P. O. DRAWER 570, FARMINGTON, NEW MEXICO

4. LOCATION OF WELL (Specify location clearly and in accordance with any state regulations.)
At surface 410' FNL & 670' FEL
At proposed prod. zone

5. LEASE DESIGNATION AND SERIAL NO.
30-039-21880

6. IF INDIAN, ALLOTTEE OR TRIBE NAME
Jicarilla 416

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME
Medio Canyon

9. WELL NO.
#3

10. FIELD AND POOL, OR WILDCAT
Chacon Dakota Assoc. et

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA
Section 36, T24N, R4W

12. COUNTY OR PARISH
Rio Arriba

13. STATE
New Mexico

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*
55 miles south/southwest of Dulce, New Mexico

15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drig. unit line, if any)
7228' GR

16. NO. OF ACRES IN LEASE

17. NO. OF ACRES ASSIGNED TO THIS WELL
320

18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.
7912'

19. PROPOSED DEPTH

20. ROTARY OR CABLE TOOLS
Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)
7228' GR

22. APPROX. DATE WORK WILL START*
November 1, 1978

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#	200'	165 cu. ft.
7-7/8"	4-1/2"	10.5#	7000'	873 cu. ft. (1st stage)
7-7/8"	4-1/2"	11.6#	7000'-7912'	754 cu. ft. (2nd stage)
	2-3/8"	4.7#	7700'	

Surface formation is San Jose.

Top of Kirtland sand is at 3042'.

Top of Pictured Cliffs sand is at 3335'.

Fresh water mud will be used to drill from surface to total depth.

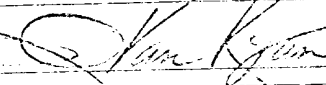
It is anticipated that an IES, GR-Density and Sonic log will be run at total depth.

No abnormal pressures or poisonous gases are anticipated in this well.

It is expected that this well will be drilled before November 15, 1978. This depends on time required for approvals, rig availability and the weather.

Gas is not dedicated.

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.  District Production Manager August 16, 1978
SIGNED _____ TITLE _____ DATE _____
(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____
APPROVED BY _____ TITLE _____ DATE _____
CONDITIONS OF APPROVAL, IF ANY: *ok Frank*

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AUG 23 1978

*See Instructions On Reverse Side

U. S. GEOLOGICAL SURVEY
DURANGO, COLO.

NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT

Form C-102
Supersedes C-128
Effective 1-1-65

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

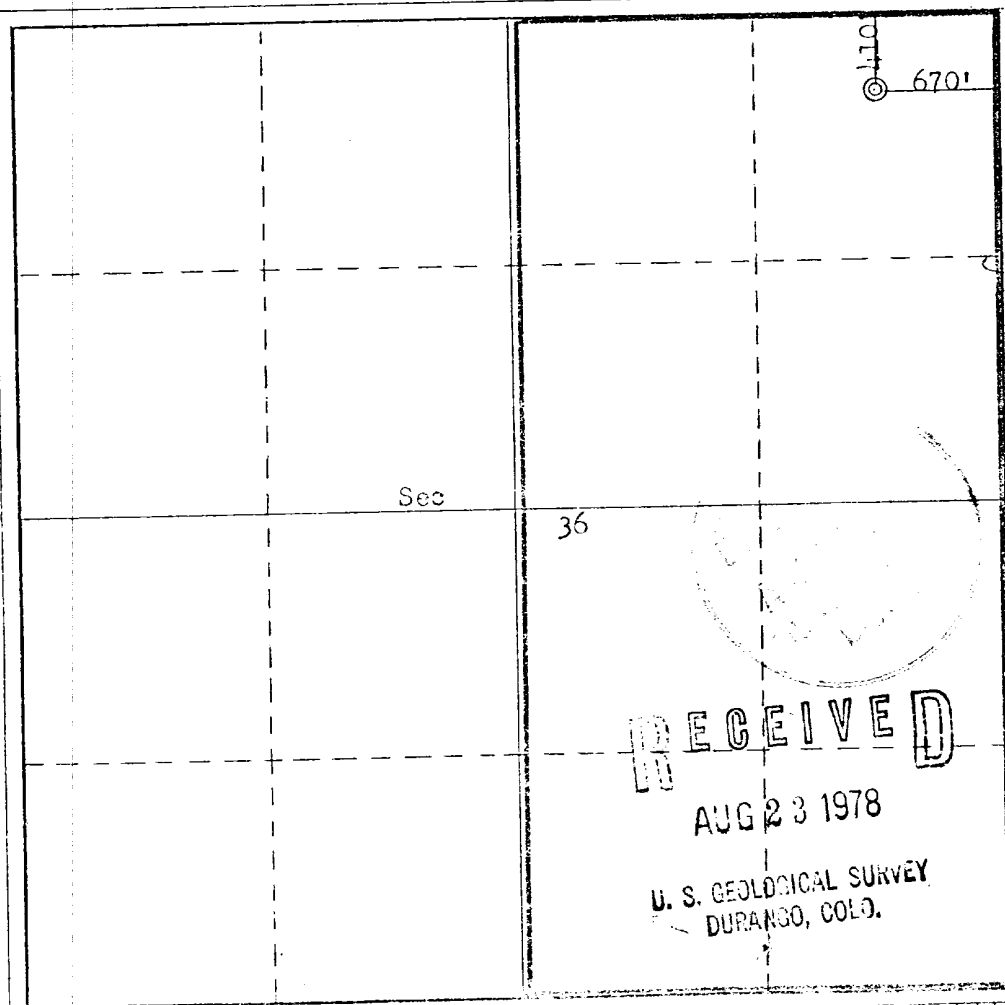
Operator SOUTHLAND ROYALTY COMPANY			Lease MEDIO CANYON		Well No. 3
Unit Letter A	Section 36	Township 24N	Range 4W	County Rio Arriba	
Actual Well Location of Well: 410 feet from the North line and 670 feet from the East line					
Ground Level Elev. 7228	State Dakota		Pool Chacon	Dedicated Acreage 320 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 Commission.



CERTIFICATION

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

Name
Position
District Production Manager
Company
Southland Royalty Company
Date
August 16, 1978

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
June 15, 1978
Registered Professional Engineer and/or Land Surveyor
Fred B. Kerr Jr.
Certificate No.
3950

0 330 660 990 1320 1650 1980 2310 2640 2970 3300 3630 3960 4290 4620 4950 5280 5610 5940 6270 6600

DRILLING SCHEDULE -Medio Canyon #3

Location: 410' FNL 670FEL Sec 36, T24N, R4W, Rio Arriba, New Mexico

Field: Chacon Dakota

Geology:

Formation Tops:	Kirtland	3042	Pt. Lookout	5383
	Pictured Cliffs	3335	Gallup	6441
	Lewis	3426	Greenhorn	7416
	Chacra	4147	Graneros	7428
	Menefee	4961	Dakota	7505
			T.D.	7912

Logging Program: IES, GR Density & Sonic logs @ T.D.

Coring Program: None. Samples to be caught @ each connection from surface pipe to 4500'. Mud logger will come on @ 4500'

Natural Gauges: None

Drilling:

Contractor: 4-Corners

Tool Pusher: Don Bettale

AO&G Representative: Max Larson

AO&G Answering Service: 325-1841
325-7391

Mud Program: Freshwater mud to 200'.
200'-7700' low solids-starch mud, 8.7-8.9 wt., 34-38 viscosity,
6-8 cc water loss.

Materials:

Casing Program:	Hole Size	Depth	Casing Size	Wt.&Grade
	12-1/4"	200'	8-5/8"	24#K-55
	7-7/8"	7000'	4-1/2"	10.5#K-55
	7-7/8"	7000-7912	4-1/2"	11.6#K-55

Float Equipment: 8-5/8" surface casing: Pathfinder type "A" guide shoe.

4-1/2" long string: Pathfinder type "A" guide shoe. Pathfinder self-fill flapper type float collar (run 2 jts off bottom) 5 Pathfinder rigid stabilizers(run every other joint above shoe.)Dowell stage tool @ 3300' w/1cmt basket below & 5 Pathfinder centralizers above.

Tubing: 7700' 2-3/8" J-55 EUE 8Rd.

Wellhead Equipment: OCT 8-5/8" x 10"900 csg head w/ slips for 4-1/2" csg.
10"900 x 6"900 tbh head w/ donut for 2'3/8" EUE 8Rd.

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DENVER, COLO.

Cementing:

8-5/8" surface casing: 140 sx class "B" w/ 1/4# gel flake & 3% CaCl.
WOC 12 hours & test to 600 psi before drilling out. (165 cu. ft.)

4-1/2" long string: First stage 535 sx 50/50 Po2 w/ 6% gel, 1/4# cello
flake, .6% Halad 9, followed by 70 sx class "B" w/ .6% Halad 9. (873 cu. ft.)

Second stage: 510 sx 50/50 POZ w/ 6% gel & .6% Halad 9. Circulate 3 hrs.
thru DV tool before cementing second stage. Run temp. survey after 12 hrs.
(754 cu. ft.)

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U. S. GEOLOGICAL SURVEY
DURANGO, COLO.



Southland Royalty Company

August 16, 1978

United States Geological Survey
P. O. Box 1809
Durango, Colorado

Attention: Blowout Preventer Plan

Dear Sir:

All drilling and completion rigs will be equipped with 6" or larger double gate hydraulic blowout preventers and a hydraulic operated closing unit with steel lines.

The preventer is 3000# working pressure and 6000# test.

All crews will be thoroughly trained in the operation of this preventer. The preventer will be tested frequently enough to insure proper operation.

Yours truly,

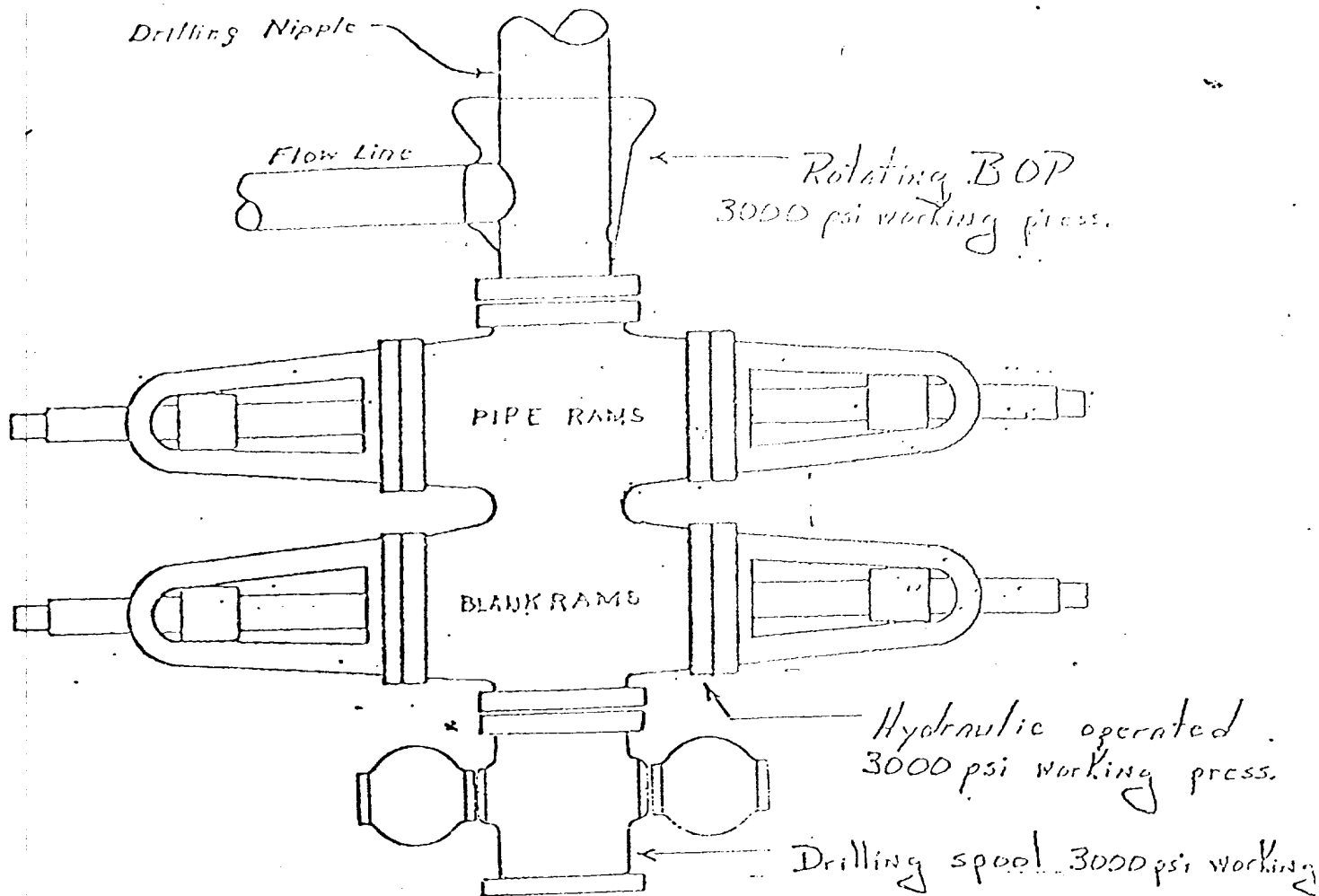
L. O. Van Ryan
District Production Manager

LOVR/dg

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DURANGO, COLO.



Preventers and spools are to have
through bore of 6" - 3000# PSI or larger.

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U. S. GEOLOGICAL SURVEY
DURANGO, COLO.



Southland Royalty Company

United States Geological Survey
P. O. Box 1809
Durango, Colorado

Attention: Mr. Jerry Long

Dear Sir:

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drillsite and access route; that I am familiar with the conditions which presently exist; that the statements made in this plan are, to the best of my knowledge, true and correct; and, that the work associated with the operations proposed herein be performed by Southland Royalty Company and its contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved.

Date: August 16, 1978

Name: CC Parsons

Title: District Engineer

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U. S. GEOLOGICAL SURVEY
DURANGO, COLO.



Southland Royalty Company

August 16, 1978

United States Geological Survey
P. O. Box 1809
Durango, Colorado

Attention: Mr. Jerry Long

Dear Sir:

Enclosed please find map showing existing roads and planned access roads to Southland Royalty Company's Medio Canyon #3 well. The location of tank batteries and flow lines will be on location with well. A burn pit will be provided for disposal of trash. Cuttings, drilling fluid and produced fluids will be put into the reserve pit and properly disposed of depending on amount and type of fluids.

Contractor will furnish restroom facilities on location.

There will be no air strips or camps.

Also, enclosed is a location layout showing approximate location of rig, pits, pipe racks and cut required to build this location.

Water supply will be Water holes along Largo wash. All water will be transported by truck and stored on location.

The location will be restored according to Bureau of Indian Affairs standards. This work will begin when all related construction is finished.

Mr. Max Larson will be Southland Royalty Company's field representative supervising these operations.

Yours truly,

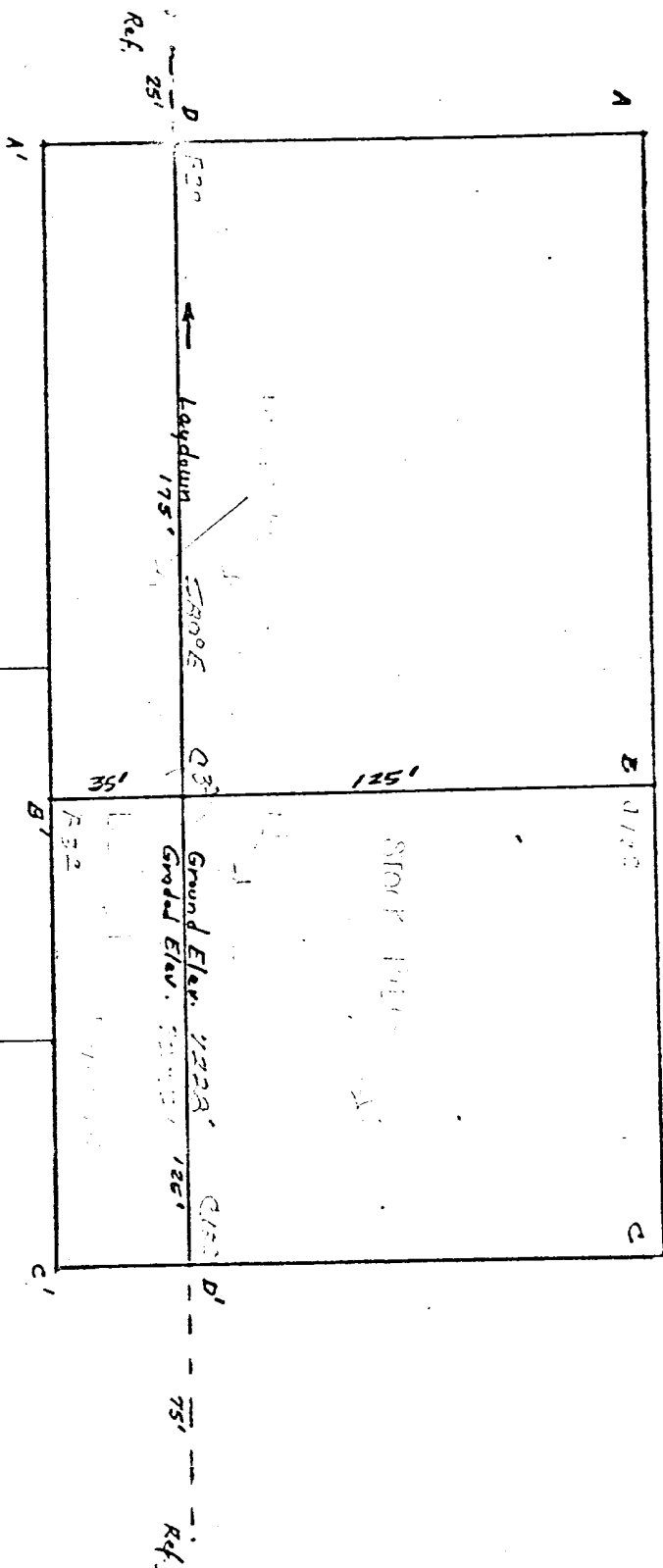
L. O. Van Ryan
District Production Manager

LOVR/dg

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Location Profile for
 SOUTLAND ROYALTY CO, # 3 MEDIO CANTON
 110' FNL 670' FEL Sec 36- T21N-R1W, Rioarriba Co. New Mexico



Scale: 1" = 50'

Vert. 1" = 40'

A-A'

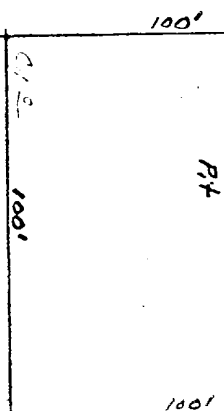
Horiz. 1" = 100'

B-B'

C

Reserve

Rt



Vert. 1" = 40'

C-C'

Horiz. 1" = 100'

B-B'

C

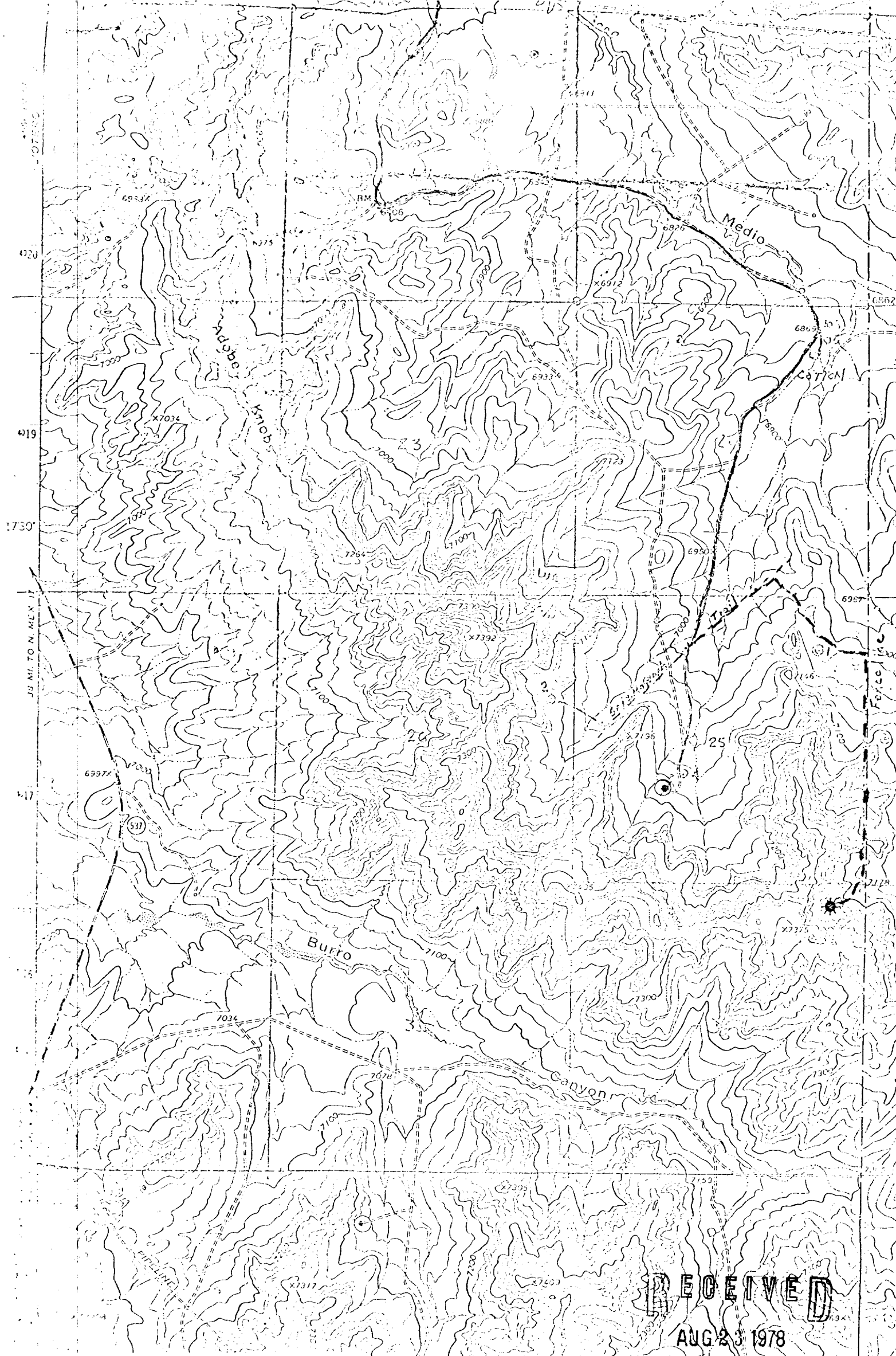
KERR LAND SURVEYING
 Date: 6/15/78

Field Notes

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U. S. GEOLOGICAL SURVEY
 DURANGO, COLO.



PROPOSED LOCATION ●
EXISTING LOCATIONS ○
PROPOSED ROADS - - -
EXISTING ROADS ———

Survey

U. S. GEOLOGICAL SURVEY
Vicinity Map
SOUTHLAND ROYALTY CO. #3 MEDIO CANYON
410' ECL 670' ECL Sec 36-T24N-R14W
RIO ARriba COUNTY, NEW MEXICO