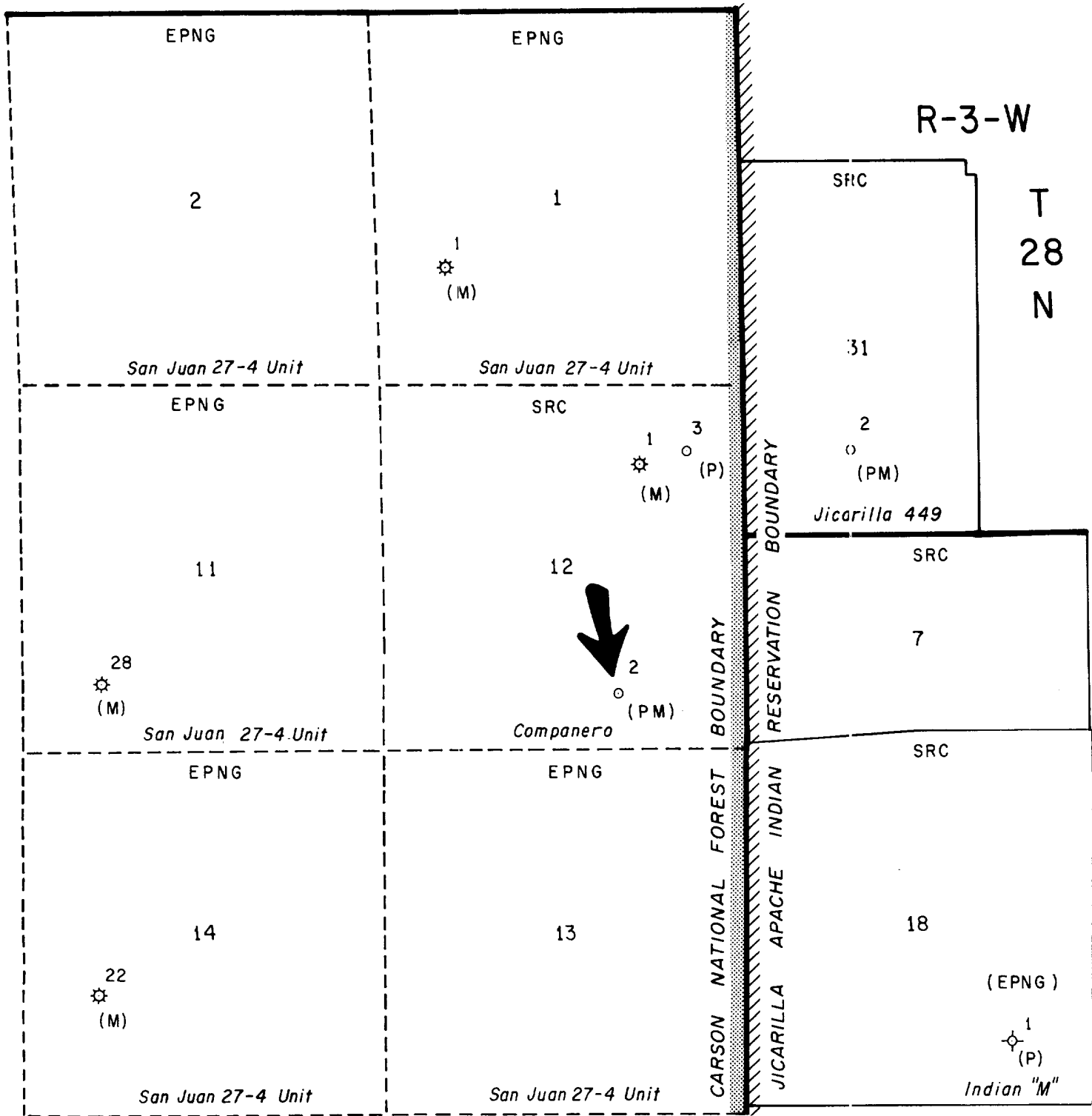


R-4-W

R-3-W

T
28
N

T
27
N



Southland Royalty Company

P.O. Drawer 570
Farmington, New Mexico 87401

9 - 3 - 1979

DATE

C. Parsons

PREPARED BY

San Juan Basin

PROJECT AREA

C.I. HORIZON

1" = 2000'

SCALE

REVISED DATE

FILE NUMBER

RIO ARriba CO., NEW MEXICO

OFFSET OPERATORS'
PERMISSION FOR DUAL COMPLETION OF
PICTURED CLIFFS & MESAVERDE FORMATION

SRC
Companero # 2
810' FSL - 1830' FEL
O - Sec. 12 - T 27 N - R 4 W N.M.P.M.

OIL CONSERVATION COMMISSION
AZETC DISTRICT

OIL CONSERVATION COMMISSION
BOX 2088
SANTA FE, NEW MEXICO

DATE 10/16/79

RE: Proposed MC XXXX
Proposed DHC
Proposed NSL
Proposed SWD
Proposed WFX
Proposed PMX

Carl Ulvog

Gentlemen:

I have examined the application dated 10/11/79
for the S uthland Royalty Co. Companero #2, 0-12-27N-4W
Operator Lease and Well No. Unit, S-T-R

and my recommendations are as follows:

Approve.

Yours very truly,


A. R. Kendrick

NEW MEXICO OIL CONSERVATION COMMISSION
SANTA FE, NEW MEXICO
APPLICATION FOR MULTIPLE COMPLETION

Form C-107
5-1-61

| | | | | |
|--|-------------------|-----------------------------|--------------------|---------------------------------|
| Operator Southland Royalty Company | | County Rio Arriba | | Date October 11, 1979 |
| Address P. O. Drawer 570, Farmington, NM 87401 | | Lease Companero | | Well No. 2 |
| Location of Well O | Unit 12 | Section 27N | Range 4W | |

1. Has the New Mexico Oil Conservation Commission heretofore authorized the multiple completion of a well in these same pools or in the same zones within one mile of the subject well? YES _____ NO X
2. If answer is yes, identify one such instance: Order No. _____ ; Operator Lease, and Well No.: _____

| 3. The following facts are submitted: | Upper Zone | Intermediate Zone | Lower Zone |
|--|----------------------------------|-------------------|--------------------------|
| a. Name of Pool and Formation | <u>Tapacitos Pictured Cliffs</u> | | <u>Blanco Mesa Verde</u> |
| b. Top and Bottom of Pay Section (Perforations) | <u>4038' - 4123'</u> | | <u>5874' - 6351'</u> |
| c. Type of production (Oil or Gas) | <u>Gas</u> | | <u>Gas</u> |
| d. Method of Production (Flowing or Artificial Lift) | <u>Flow</u> | | <u>Flow</u> |

4. The following are attached. (Please check YES or NO)

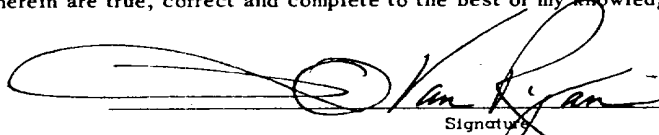
| Yes | No | |
|-------------------------------------|--------------------------|---|
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | a. Diagrammatic Sketch of the Multiple Completion, showing all casing strings, including diameters and setting depths, centralizers and/or turbolizers and location thereof, quantities used and top of cement, perforated intervals, tubing strings, including diameters and setting depth, location and type of packers and side door chokes, and such other information as may be pertinent. |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | b. Plat showing the location of all wells on applicant's lease, all offset wells on offset leases, and the names and addresses of operators of all leases offsetting applicant's lease. |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | c. Waivers consenting to such multiple completion from each offset operator, or in lieu thereof, evidence that said offset operators have been furnished copies of the application.* |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | d. Electrical log of the well or other acceptable log with tops and bottoms of producing zones and intervals of perforation indicated thereon. (If such log is not available at the time application is filed it shall be submitted as provided by Rule 112-A.) |

5. List all offset operators to the lease on which this well is located together with their correct mailing address.

El Paso Natural Gas Company, P. O. Box 990, Farmington, New Mexico 87401

6. Were all operators listed in Item 5 above notified and furnished a copy of this application? YES X NO _____. If answer is yes, give date of such notification October 11, 1979.

CERTIFICATE: I, the undersigned, state that I am the Dist. Production Manager of the Southland Royalty Company (company), and that I am authorized by said company to make this report; and that this report was prepared under my supervision and direction and that the facts stated therein are true, correct and complete to the best of my knowledge.


Signature

*Should waivers from all offset operators not accompany an application for administrative approval, the New Mexico Oil Conservation Commission will hold the application for a period of twenty (20) days from date of receipt by the Commission's Santa Fe office. If, after said twenty-day period, no protest nor request for hearing is received by the Santa Fe office, the application will then be processed.

NOTE: If the proposed multiple completion will result in an unorthodox well location and/or a non-standard proration unit in one or more of the producing zones, then separate application for approval of the same should be filed simultaneously with this application.

SOUTHLAND ROYALTY COMPANY

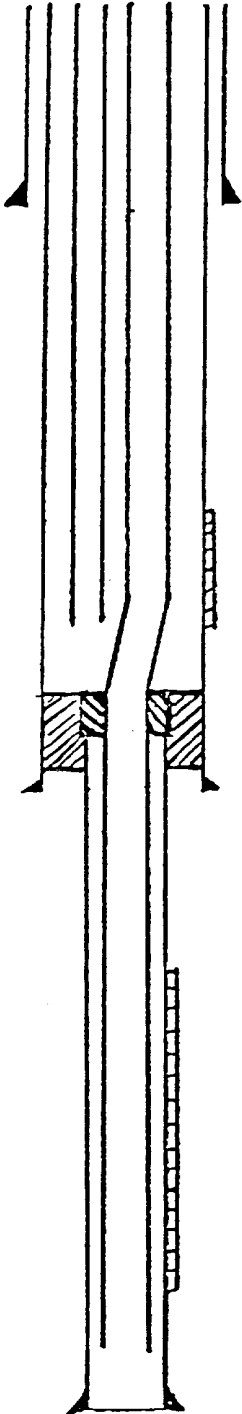
DUAL COMPLETION DIAGRAM

COMPANERO #2

810' FSL & 1830' FEL

Section 12, T27N, R4W

Rio Arriba County, New Mexico



9-5/8", 32.30#, H-40 set at 242'. Cemented with 125 sacks.

Perforated Pictured Cliffs from 4038' - 4123', with total of 14 holes.

1-1/2", 2.76#, V-55 tubing set at 4109'.

7", 20#, K-55 casing set at 4356'. Cemented with 150 sacks.

B&W Liner Hanger set at 4179'.

Packer set at 4317'.

Perforated Mesa Verde from 5874' - 6351', with total of 13 holes.

2-3/8", 4.7#, J-55 tubing set at 6336'.

4-1/2", 10.50#, K-55 casing set from 4179' - 6547'.

Cemented with 272 sacks.