

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 87499

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)
 At surface SE/SW 1130' FSL & 1070' FWL
 At proposed prod. zone

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE
 40 Miles 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)
 1070'

18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.
 3000'

21. ELEVATIONS (Show whether DF, RT, GR, etc.)
 7030' GL

23. GENERAL CONDITIONS AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH
12-1/4"	New 9-5/8"	32.30#, H-40	200'
8-3/4"	New 7"	20#, K-55	4200'
6-1/4"	New 4-1/2"	10.50#, K-55	6450'

Surface formation is San Jose.
 Top of Ojo Alamo sand is at 3297'.
 Top of Pictured Cliffs sand is at 3907'.
 Fresh water will be used to drill from surface to Intermediate Total Depth, and an air system will be used to drill from Intermediate Total Depth to Total Depth.
 It is anticipated that an IES will be run from Intermediate TD to surface shoe, an GR-Density from Intermediate TD to top of Ojo Alamo, an GR-Induction from TD to Intermediate casing shoe and GR-Density from TD to top of Cliff House & any shows in Chacra formation.
 No abnormal pressures or poisonous gases are anticipated in this well.
 It is expected that this well will be drilled before October 1, 1985.
 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. SIGNED *[Signature]* District Operations Engineer DATE 5-14-85

PERMIT NO. _____ APPROVAL DATE _____

APPROVED BY _____ DATE MAY 24 1985

This action is subject to technical and procedural review pursuant to 43 CFR 3165.3 and appeal pursuant to 43 CFR 3165.4.

RECEIVED
MAY 29 1985
OIL CON. DIV. 1
DIST. 3

5. LEASE DESIGNATION AND SERIAL NO.
 Jicarilla Contract 446
 6. IF INDIAN, ALLOTTEE OR TRIBE NAME
 7. UNIT AGREEMENT NAME
 8. FARM OR LEASE NAME
 Jicarilla 446
 9. WELL NO.
 2
 10. FIELD AND POOL OR WILDCAT
 Gavilan Pictured Cliffs Blanco Mesaverde
 11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA
 Section 7, T27N, R3W
 12. COUNTY OR PARISH
 Rio Arriba
 13. STATE
 New Mexico

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 JICARILLA 446		Well No. 2
Unit Letter N	Section 7	Township 27N	Range 3W	County Rio Arriba	
Actual Footage Location of Well: 1130 feet from the South line and 1070 feet from the West line					
Ground Level Elev. 7030	Producing Formation Pictured Cliffs/Mesaverde		Pool Gavilan/Blanco	Dedicated Acreage: 176/352.04 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 _____

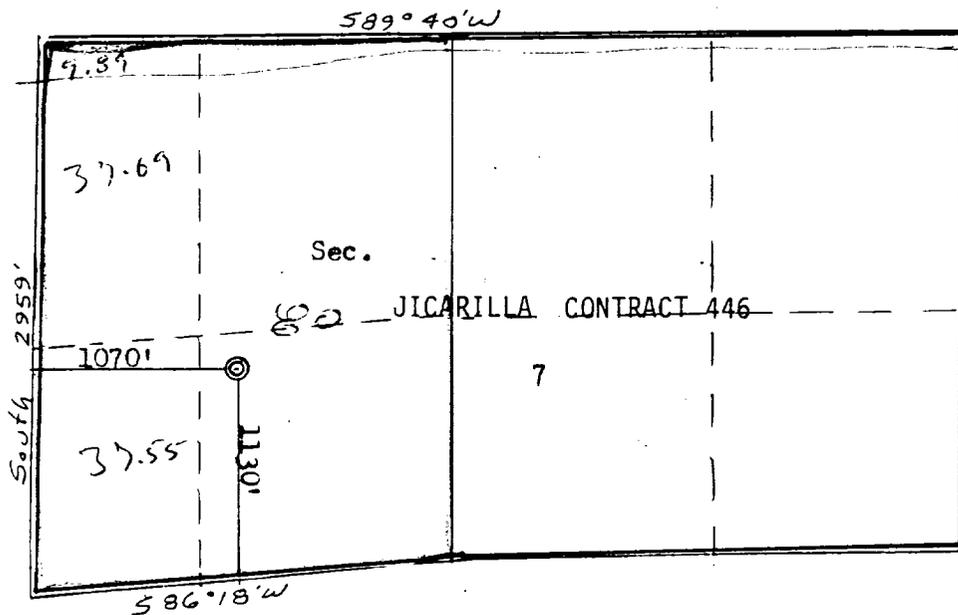
If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) _____

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.

RECEIVED

MAY 15 1985

BUREAU OF LAND MANAGEMENT
FARMINGTON RESOURCE AREA



Scale: 1"=1000'

RECEIVED

MAY 29 1985

OIL CON. DIV.
DIST. 2

CERTIFICATION

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

C. Terry Hobbs

Name C. Terry Hobbs
Position District Operations Engineer
Company Southland Royalty Company
Date May 14, 1985

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 May 6, 1985
Registered Professional Engineer and Licensed Surveyor Fred B. Kees, Jr.
Certificate No. 3950