

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

30-039-25445

1a. Type of Work DRILL	5. Lease Number Jic Contract 447
1b. Type of Well GAS	6. If Indian, All. or Tribe Jicarilla Apache
2. Operator SOUTHLAND ROYALTY <i>21281</i>	7. Unit Agreement Name
3. Address & Phone No. of Operator PO Box 4289, Farmington, NM 87499 (505) 326-9700	8. Farm or Lease Name <i>10528</i> Jicarilla 447 9. Well Number 2
4. Location of Well 1425' FNL, 1160' FWL Latitude 36° 34' 06", Longitude 107° 11' 18"	10. Field, Pool, Wildcat <i>TAFACETE</i> <i>85920</i> Cheza Mesa PCI <i>EST</i> <i>12319</i> Blanco Mesa Verde 11. Sec., Twn, Rge, Mer. <i>F</i> Sec 19, T-27-N, R-3-W NMPM
14. Distance in Miles from Nearest Town 40 miles to Counselors	12. County Rio Arriba
15. Distance from Proposed Location to Nearest Property or Lease Line 1160'	13. State NM
16. Acres in Lease	17. Acres Assigned to Well 141.68/301.68 NW/4 N/2
18. Distance from Proposed Location to Nearest Well, Drlg, Compl, or Applied for on this Lease 4000'	20. Rotary or Cable Tools Rotary
19. Proposed Depth 6605'	22. Approx. Date Work will Start 3rd quarter 1994
21. Elevations (DF, FT, GR, Etc.) 7138'	
23. Proposed Casing and Cementing Program See Operations Plan attached	
24. Authorized by: <i>[Signature]</i> Regional Drilling Engineer	Date <i>4/22/94</i>

PERMIT NO. _____ APPROVAL DATE _____
 APPROVED BY (Original Signed) HECTOR A. VILLALOBOS TITLE RIO PUERCO RESOURCE AREA DATE AUG 16 1994

Archaeological Report to be submitted
 Threatened and Endangered Species Report to be submitted
 NOTE: This format is issued in lieu of U.S. BLM Form 3160-3

RECEIVED
AUG 18 1994

OIL CON. DIV.
DIST. 2

Handwritten notes and signatures at bottom left

NMOCDC

Schedule to Appropriations
District Office
State Leases - 4 copies
Fee Leases - 3 copies

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-162
Revised 1-1-89

OIL CONSERVATION DIVISION

P.O. Box 2088

Santa Fe, New Mexico 87504-2088

DISTRICT I
P.O. Box 1980, Hobbs, NM 88240

DISTRICT II
P.O. Drawer 00, Arama, NM 88210

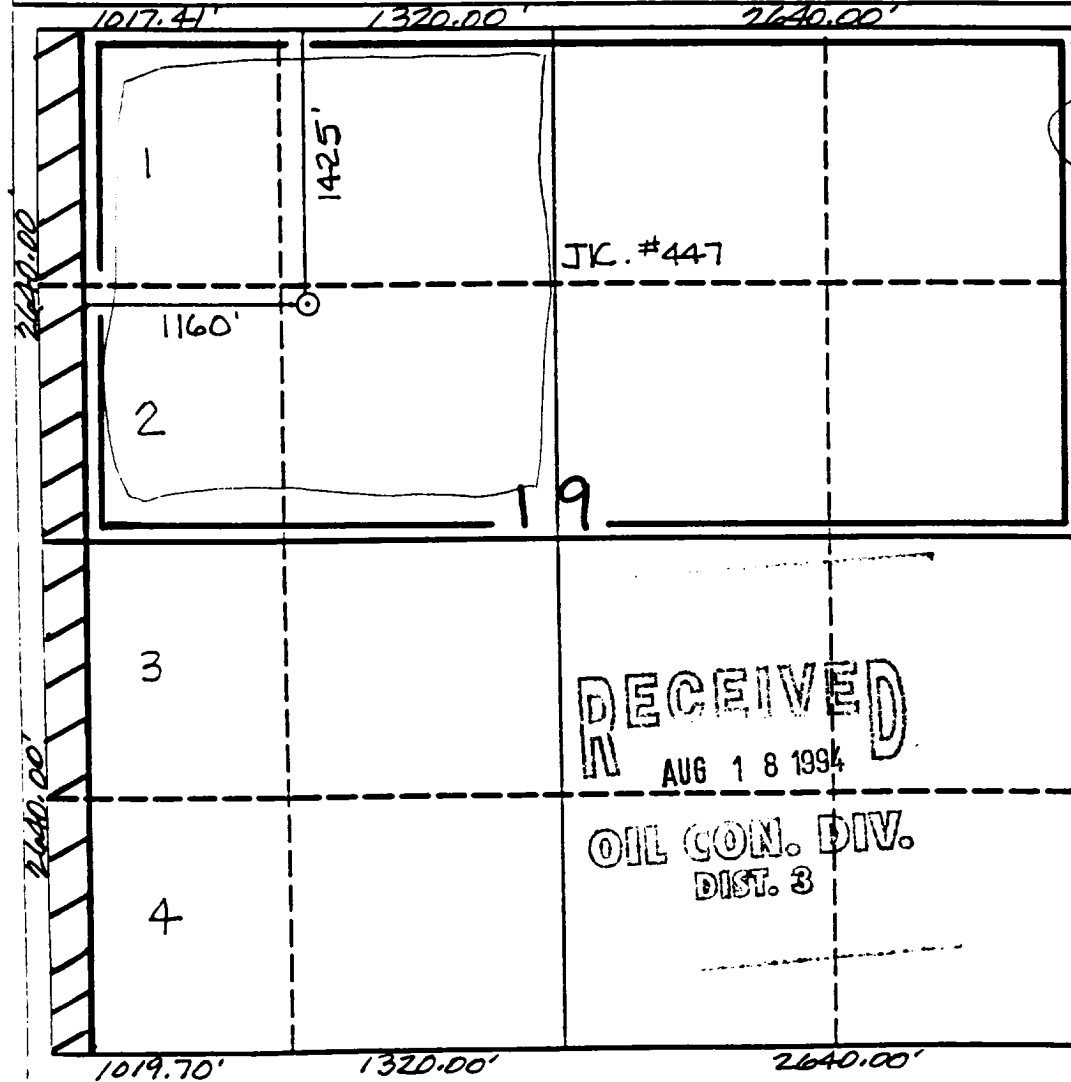
DISTRICT III
1000 Rio Arriba R.A., Aztec, NM 87410

WELL LOCATION AND ACREAGE DEDICATION PLAT

All Distances must be from the outer boundaries of the section

Operator Southland Royalty Company		Lease Jicariilla 447		Well No. 2
Unit Letter F	Section 19	Township 27 North	Range 3 West	County Rio Arriba
Actual Footage Location of Well: 1425' feet from the North line and 1160 feet from the West line				
Ground level Elev. 7138'	Forming Formation Pictured Cliffs/Mesa Verde	Pool TRIPACTO EXT Cheza Mesa/Blanco	Dedicated Acreage 141.68/301.68 Acres	

- Outline the acreage dedicated to the subject well by colored pencil or ink on the plat below.
- If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
- If more than one lease of different ownership is dedicated to the well, have the interest of all owners been consolidated by commutation, unitization, force-pooling, etc.?
 - Yes No If answer is "yes" type of consolidation _____
 If answer is "no" list the owners and exact descriptions which have actually been consolidated. (Use reverse side of this form if necessary).
 No allowance will be assigned to the well until all interests have been consolidated (by commutation, unitization, force-pooling, or otherwise) or until a non-standard unit, encompassing such interest, has been approved by the Division.



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

Peggy Bradfield
Signature

Peggy Bradfield
Printed Name

Regulatory Representative
Position

Southland Royalty
Company

7-19-94
Date

SURVEYOR CERTIFICATION
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.

10-14-93
Date Surveyed

C. EDWARDS
Name of Surveyor

Professional Surveyor
Signature

9857
Certificate No.

6857
Number

August 8, 1994

OPERATIONS PLAN

Well Name: Jicarilla 447 #2
Location: 1425'FNL, 1160'FWL Section 19, T-27-N, R-3-W
 Rio Arriba County, New Mexico
 Latitude: 36° 34' 06", Longitude 107° 11' 18"
Formation: Choza Mesa Pictured Cliffs/Blanco Mesa Verde
Elevation: 7138'GL

<u>Formation Tops:</u>	<u>Top</u>	<u>Bottom</u>	<u>Contents</u>
Surface	San Jose	3410'	
Ojo Alamo	3410'	3640'	aquifer
Kirtland	3640'	3775'	
Fruitland	3775'	3965'	gas
Pictured Cliffs	3965'	4140'	gas
Lewis	4140'	4580'	
Intermediate TD	4290'		
Chacra	4580'	5680'	
Upper Cliff House	5680'	5805'	gas
Menefee	5805'	6105'	gas
Point Lookout	6105'		gas
Total Depth	6605'		

Logging Program:

Openhole Wireline Logging -
 Surface to Intermediate : DIL-GR, FDC-CNL & ML
 Intermediate TD to Total Depth : DIL-GR, FDC-CNL & Temp
 Mud Logs/Coring/DST -
 Mud logs - 3350' to Total Depth
 Coring - none
 DST - none

Mud Program:

<u>Interval</u>	<u>Type</u>	<u>Weight</u>	<u>Vls.</u>	<u>Fluid Loss</u>
0-200'	Spud	8.4-8.9	40-50	no control
200-4290'	LSND	8.4-9.1	30-60	no control
4290-6605'	Gas/Mist	n/a	n/a	n/a

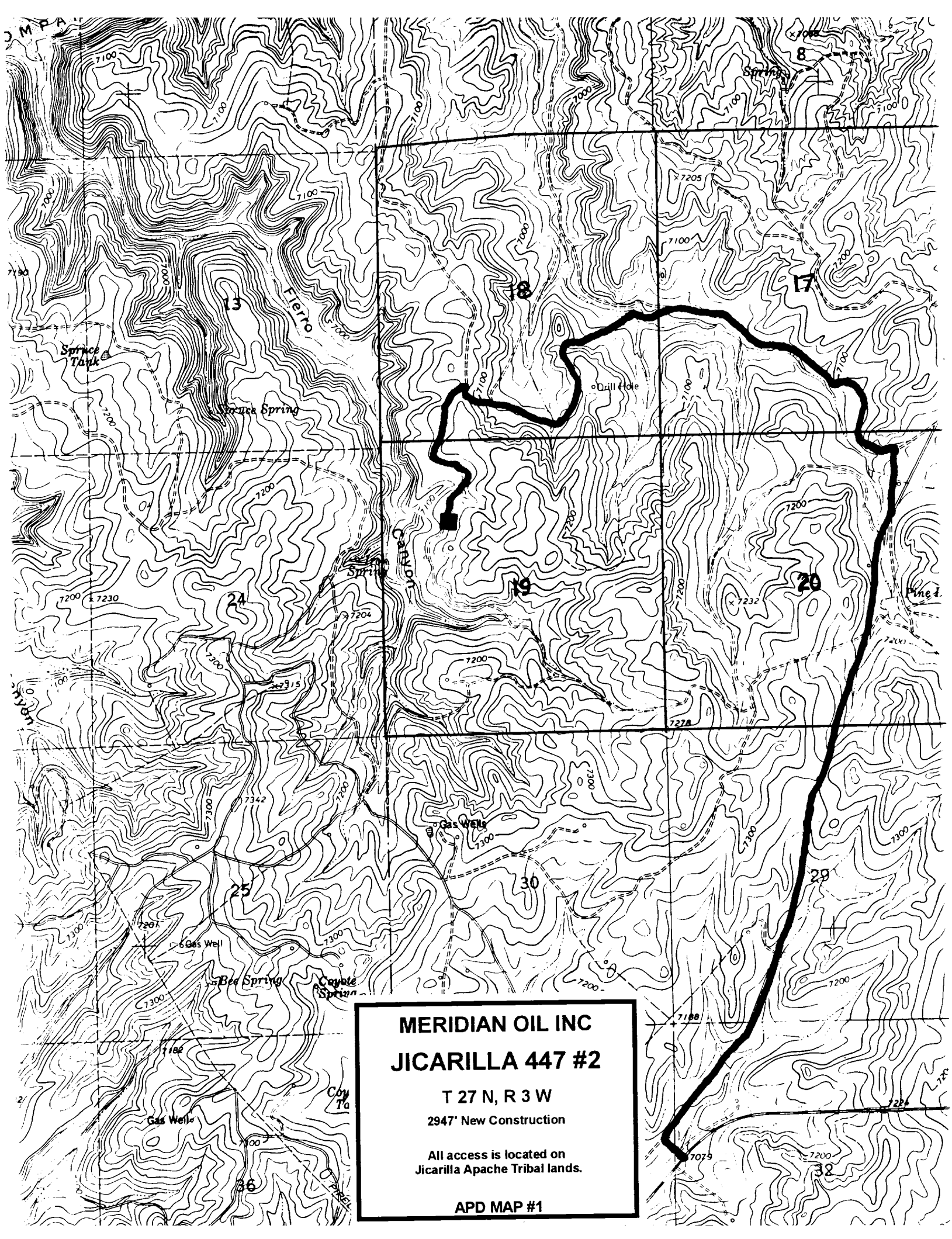
Pit levels will be visually monitored to detect gain or loss of fluid control.

Casing Program:

<u>Hole Size</u>	<u>Depth Interval</u>	<u>Csg. Size</u>	<u>Wt.</u>	<u>Grade</u>
12 1/4"	0' - 200'	9 5/8"	32.3#	H-40
8 3/4"	0' - 4290'	7"	20.0#	K-55
6 1/4"	4140' - 6605'	4 1/2"	10.5#	K-55

Tubing Program:

0' - 6605' 2 3/8" 4.7# J-55 EUE



MERIDIAN OIL INC
JICARILLA 447 #2
T 27 N, R 3 W
2947' New Construction
All access is located on
Jicarilla Apache Tribal lands.
APD MAP #1