

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

| | |
|---|---|
| 1a. TYPE OF WORK PLUG BACK | 5. LEASE NUMBER NM-03465 |
| 1b. TYPE OF WELL GAS | 6. IF INDIAN, ALL. OR TRIBE NAME |
| 2. OPERATOR SOUTHLAND ROYALTY CO. | 7. UNIT AGREEMENT NAME |
| 3. ADDRESS & PHONE NO. OF OPERATOR P.O. BOX 4289 FARMINGTON, NM 87499 (505) 326-9700 | 8. FARM OR LEASE NAME A.D. HUDSON |
| 4. LOCATION OF WELL 990' FNL; 990' FWL | 9. WELL NO. 2 |
| 14. DISTANCE IN MILES FROM NEAREST TOWN | 10. FIELD, POOL, OR WILDCAT BASIN FRUITLAND COAL |
| | 11. SEC. T. R. M OR BLK. D SEC. 29, T27N, R09W |
| | 12. COUNTY SAN JUAN |
| | 13. STATE NEW MEXICO |
| 15. DISTANCE FROM PROPOSED LOCATION TO NEAREST PROPERTY OR LEASE LINE. | 16. ACRES IN LEASE |
| | 17. ACRES ASSIGNED TO WELL 320.00 |
| 18. DISTANCE FROM PROPOSED LOCATION TO NEAREST WELL DR. COMPL., OR APPLIED FOR ON THIS LEASE. | 19. PROPOSED DEPTH |
| | 20. ROTARY OR CABLE TOOLS |
| 21. ELEVATIONS (DF, FT, GR, ETC.) .6373 ⁺ DF | 22. APPROX. DATE WORK WILL START |

23. PROPOSED CASING AND CEMENTING PROGRAM

*SEE OPERATIONS PLAN

24. AUTHORIZED BY: *[Signature]* (SHL)
REGULATORY AFFAIRS

SEP 20 1990

8-29-90
DATE

OIL CON. DIV
DIST. 3

PERMIT NO. _____ APPROVAL DATE _____

APPROVED BY _____ TITLE _____ DATE _____

NOTE: THIS FORMAT IS ISSUED IN LIEU OF US BLM FORM 3160-3.
(NO ADDITIONAL DIRT WORK WILL BE REQUIRED)

APPROVED
SEP 13 1990
AREA MANAGER

Handed over for use

Submit to Appropriate
District Office
State Lease - 4 copies
Fee Lease - 3 copies

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102
Revised 1-1-89

OIL CONSERVATION DIVISION
P.O. Box 2088
Santa Fe, New Mexico 87504-2088

DISTRICT I
P.O. Box 1900, Hobbs, NM 88240

DISTRICT II
P.O. Drawer 60, Aztec, NM 88210

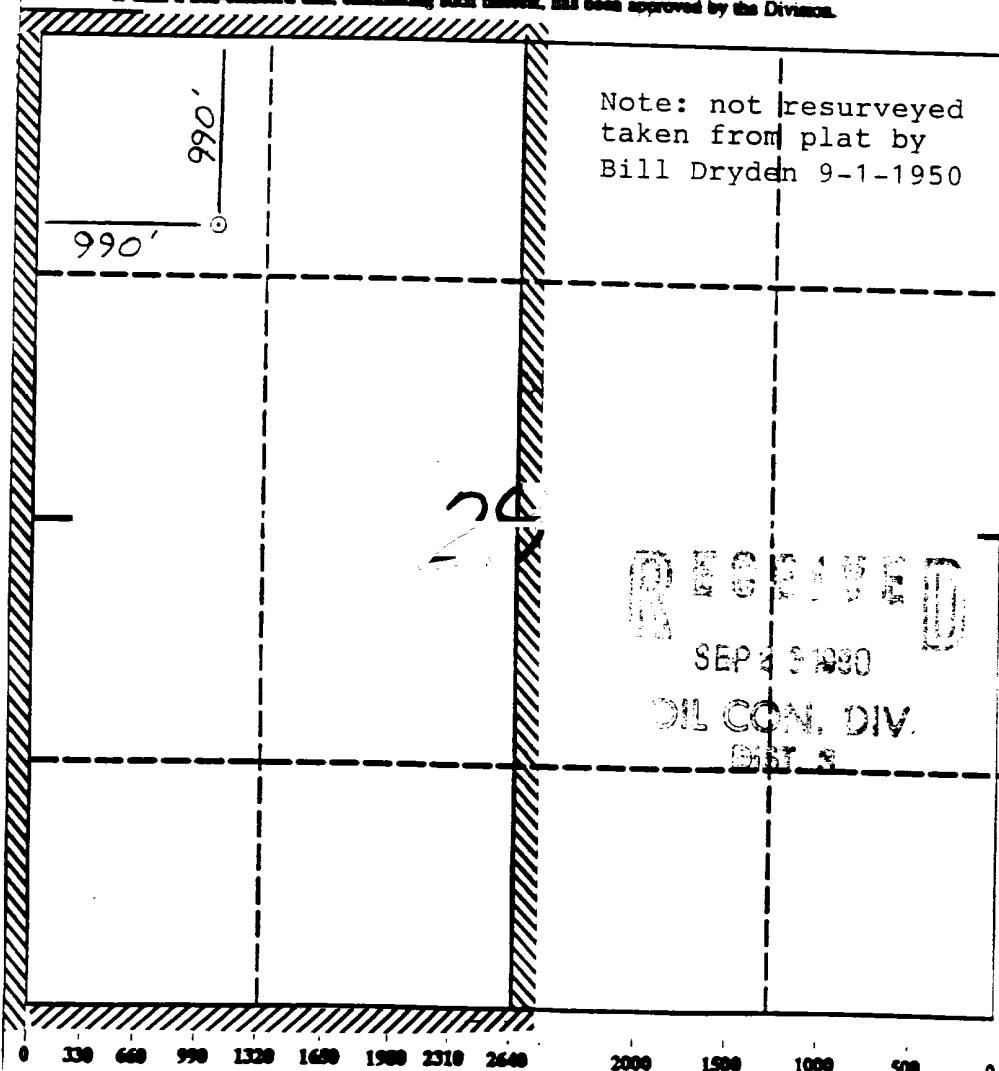
DISTRICT III
1000 Rio Arriba Rd., Aztec, NM 87410

WELL LOCATION AND ACREAGE DEDICATION PLAT

All Distances must be from the outer boundaries of the section

| | | | | | |
|---|----------------------|-----------------------------|--|---------------------------|----------------------|
| Operator Southland Royalty Company | | | Lease A.D. Hudson (NM-03465) | | Well No. 2 |
| Unit Letter D | Section 29 | Township 27 North | Range 9 West | County San Juan | |
| Actual Footage Location of Well: 990 feet from the North line and 990 feet from the West line Ground level Elev. 6363' Producing Formation Fruitland Coal Basin | | | | | |
| Estimated Acreage: 320 | | | | | Acre |

- Outline the acreage dedicated to the subject well by colored pencil or machine marks 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 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, force-pooling, or otherwise) or until a non-standard unit, eliminating 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

Position

Regulatory Affairs

Company's

Southland Royalty Co.

Date
8-29-90

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.

8-28-90

Date Surveyed

Neale Edwards
Signature

NEALE EDWARDS
Printed Name

Position

6857

6857

NEALE EDWARDS

NEALE EDWARDS

NEALE EDWARDS

RECOMPLETION PROCEDURE

A. D. Hudson #2

NO WORK IS TO BE PERFORMED OR EQUIPMENT TO BE LOCATED OFF APPROVED WELL PAD

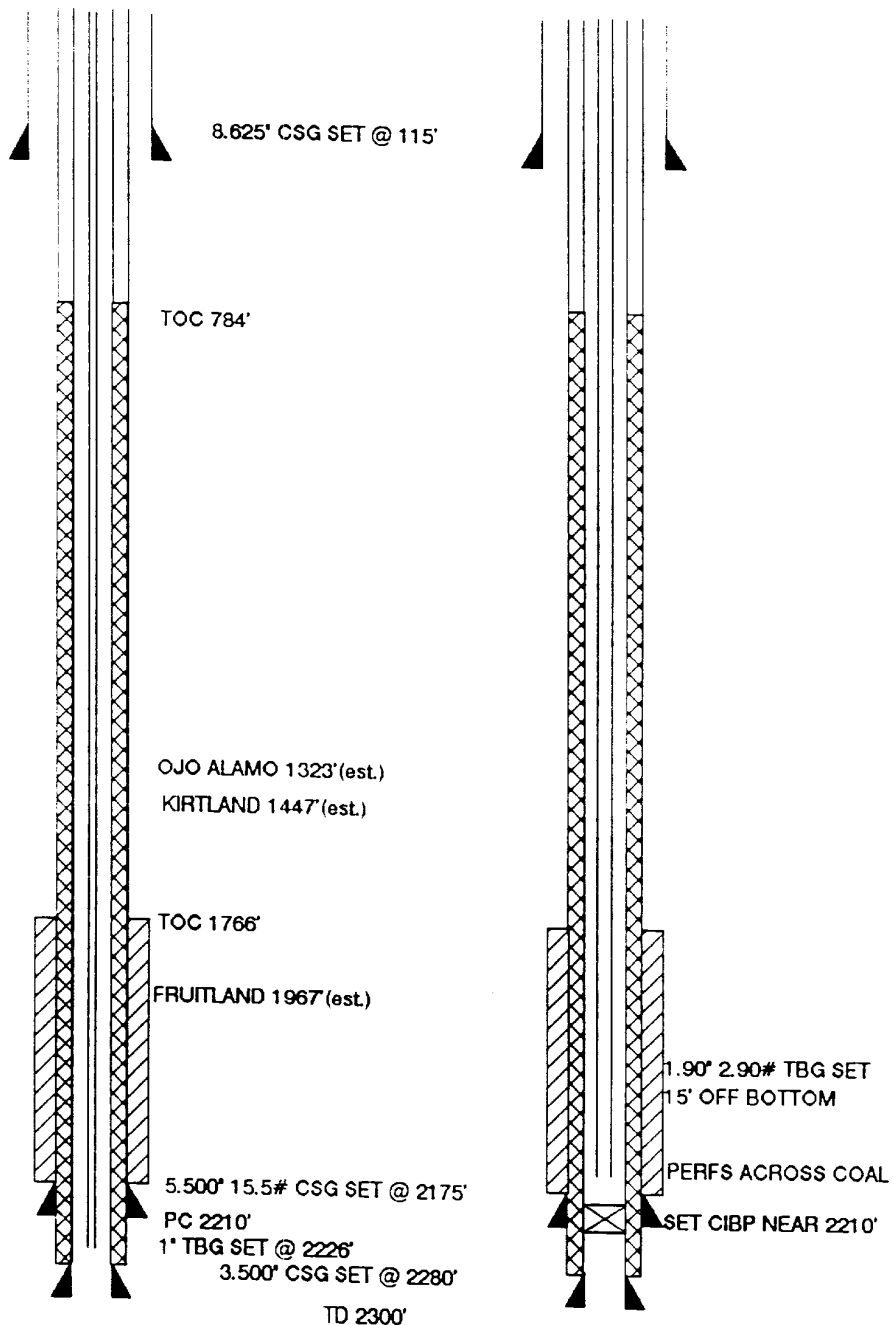
1. Prepare location for workover. Install or replace anchors as necessary.
2. MOL with workover rig, hold safety meeting, install safety signs and proper fire equipment at strategic points. Comply with all BLM, NMOC, and MOI regulations.
3. Rig up blow lines, record tubing and casing pressures and blow well down. NU 6" 3000 psi BOP and test. Load hole with water.
4. TOOH with 1" tubing.
5. RU wireline unit and set a 3 1/2" CIBP near 2210'. Pressure test casing to 1000 psi for 15 minutes.
6. Run logs.
7. Perforate coal interval. Perforations to be picked from log. Clean perforations.
8. TIH with 1 1/4" tubing and swab wellbore dry. Check well for gas flow. Evaluate well overnight. Check well for buildup pressure and gas flow. Fracture stimulate if required. Land tubing. Swab well in. Record final 30, 45 and 60 minute gauges on morning report. ND BOP. NU tree. Rig down and release rig.
9. Shut well in for pressure build up. Obtain gas and water sample for analysis.

A. D. HUDSON #2

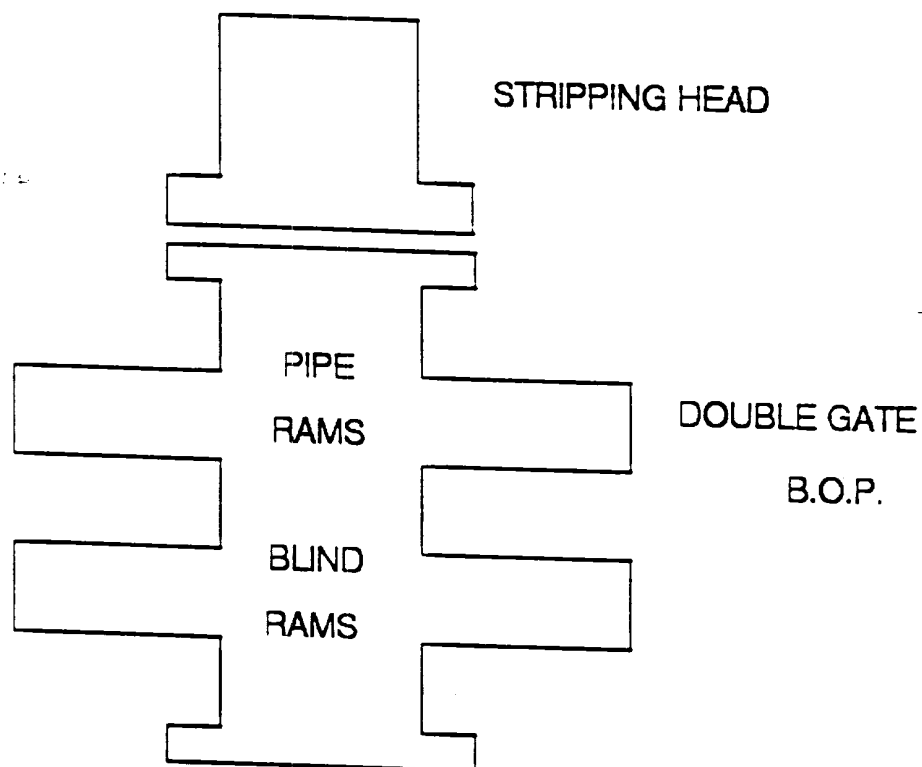
WELLBORE DIAGRAMS

BEFORE R/C

AFTER R/C



WORKOVER / RECOMPLETION B.O.P. SCHEMATIC



MINIMUM: 6" 2000 PSI DOUBLE GATE B.O.P.
MAXIMUM ANTICIPATED SHUT-IN WELLHEAD
PRESSURE IS LESS THAN 2000 PSI