

submitted in lieu of Form 3160-5

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

Sundry Notices and Reports on Wells

1. Type of Well
GAS

2. Name of Operator
Southland Royalty

3. Address & Phone No. of Operator
PO Box 4289, Farmington, NM 87499 (505) 326-9700

4. Location of Well, Footage, Sec., T, R, M
1640'FSL, 1120'FWL Sec.19, T-28-N, R-9-W, NMPM

5. Lease Number
NM-01772A

6. If Indian, All. or
Tribe Name

7. Unit Agreement Name

8. Well Name & Number
Reid #8

9. API Well No.

10. Field and Pool
Aztec PC/Basin FTC

11. County and State
San Juan Co, NM

12. CHECK APPROPRIATE BOX TO INDICATE NATURE OF NOTICE, REPORT, OTHER DATA

Type of Submission

Type of Action

☒ Notice of Intent

☐ Abandonment

☐ Change of Plans

☐ Subsequent Report

☐ Recompletion

☐ New Construction

☐ Final Abandonment

☐ Plugging Back

☐ Non-Routine Fracturing

☐ Casing Repair

☐ Water Shut off

☐ Altering Casing

☐ Conversion to Injection

☒ Other -

13. Describe Proposed or Completed Operations

It is intended to complete the Fruitland Coal formation in the existing Pictured Cliffs wellbore and produce the two formations via downhole commingling, according to the attached procedure and wellbore diagrams. An application for approval of this commingling is being submitted to the New Mexico Oil Conservation Division.

RECEIVED

AUG 17 1992

OIL CON. DIV.

DIST. 3

RECEIVED
BLM
92 AUG -7 PM 2:03
FARMINGTON, N.M.

14. I hereby certify that the foregoing is true and correct.

Signed [Signature] (KAS) Title Regulatory Affairs Date 8/4/92

(This space for Federal or State Office use)

APPROVED BY _____ Title _____ APPROVED

CONDITION OF APPROVAL, if any:

AUG 11 1992

AREA MANAGER

NMCOO

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

State of New Mexico
Energy, Minerals and Natural Resources Department

OIL CONSERVATION DIVISION

P.O. Box 2083
Santa Fe, New Mexico 87504-2083

Form C-102
Revised 1-1-89

DISTRICT I
P.O. Box 1503, Hobbs, NM 88240

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

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

WELL LOCATION AND ACREAGE DEDICATION PLAT

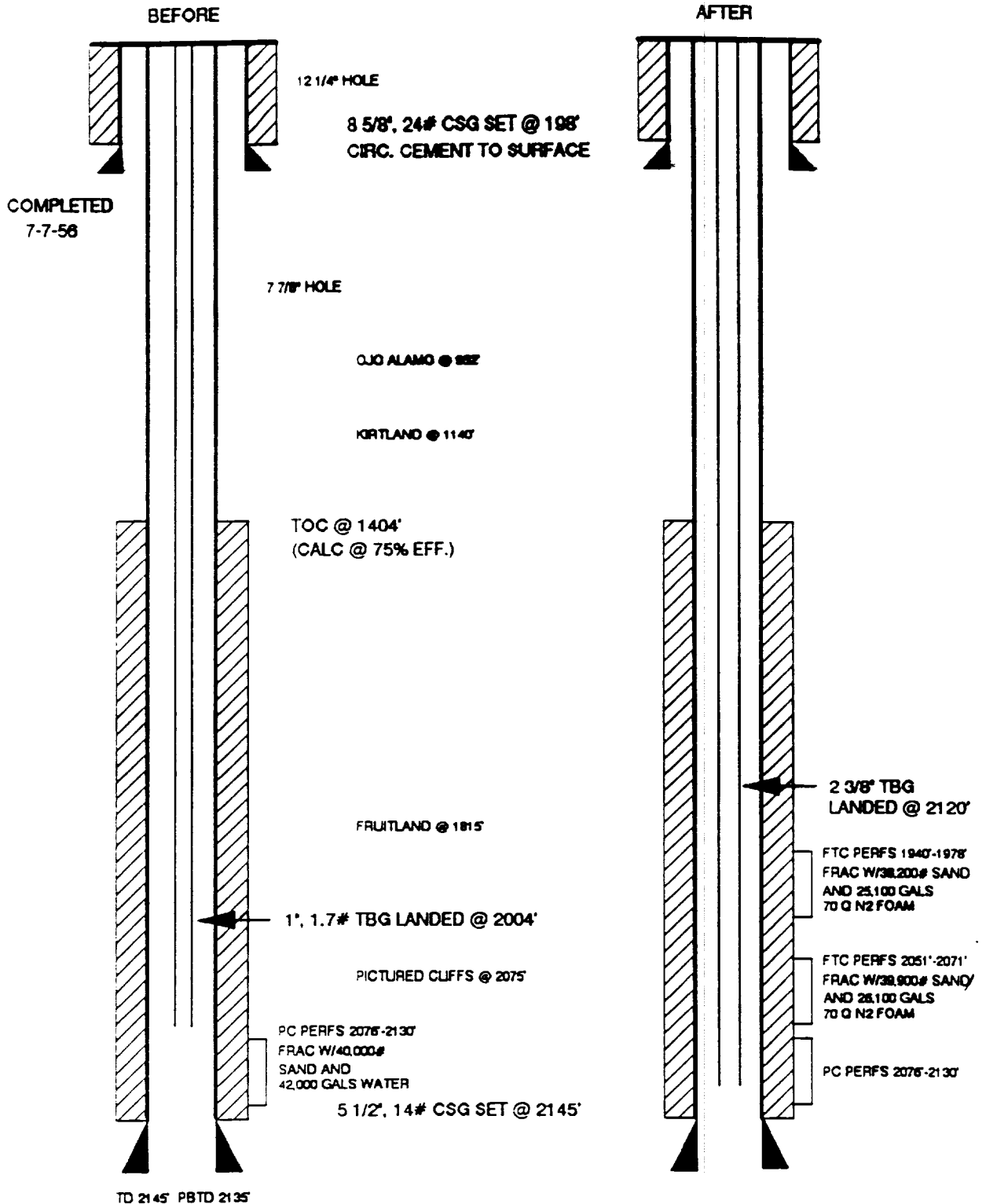
All Distances must be from the outer boundaries of the section

019 FARRINGTON, N.M.

Operator Southland Royalty Company			Lease Reid			Well No. 8		
Unit Letter L	Section 19	Township 28 North	Range 9 West	County San Juan				
Actual Surface Location of Well: 1640 feet from the South line and 1120 feet from the West line								
Ground level Elev. 5932'		Underlying Formation Pic. Cliffs/Fruitland Coal		Foot Aztec/Basin		Dedicated Acreage 160/320 Acres		
<p>1. Outline the acreage dedicated to the subject well by colored pencil or ink on the plat below.</p> <p>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).</p> <p>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, forced pooling, etc.? <input type="checkbox"/> Yes <input type="checkbox"/> No If answer is "yes" type of consolidation: _____ If communitization: _____ If unitization: _____ If forced pooling: _____ If other: _____ No attempt 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 interest, has been approved by the Division.</p>								
<div style="border: 2px solid black; padding: 10px; text-align: center;">RECEIVED AUG 7 1992 OIL CON. DIV.</div>				<p>Not re-surveyed prepared from a plat dated 3-12-56 by Ernest V. Echohawk.</p>				
<div style="border: 2px solid black; padding: 10px; text-align: center;">1120' 1640'</div>				<p>OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief. <i>Peggy Bradfield</i> Signature Peggy Bradfield Printed Name Regulatory Affairs Position Southland Royalty Company 8-4-92 Date</p>				
<div style="border: 2px solid black; padding: 10px; text-align: center;">1120' 1640'</div>				<p>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. NEALE C. EDWARDS Date surveyed 8857 Neale C. Edwards Signature Professional Surveyor <i>Neale C. Edwards</i> 6857</p>				

REID #8

AZTEC PICTURED CLIFFS
SW1/4 SECTION 19, T28N-R09W



FTC CAPITAL WORKOVER
REID #8
SW/4, Section 19 T28 R9W
San Juan County, New Mexico

1. Install 2x400 bbl frac tanks and fill with filtered (25 micron) 2% KCl water the day before moving the rig on location. Add 5#'s of biocide to each tank before filling.
2. MIRU. Comply with all BLM, NMOC, and MOI rules and regulations. Blow down well and kill with water if needed. ND WH and NU BOP assembly.
3. TOOH w/1" tbg and laydown. TIH with 5-1/2" 14.0# casing scraper and 2-3/8" tbg. Make scraper run to 2074'. TOOH.
4. RU wireline and set 5-1/2" RBP @ 2074'. Dump sand on top of RBP. Run CBL @ 1000 psi. If casing does not hold pressure, contact production engineering and a repair procedure will be provided. If casing holds pressure, install treesaver and pressure test casing to 3000 psi. RD treesaver. If casing does not hold pressure, contact production engineering and a repair procedure will be provided.
5. Perforate the following coal intervals with 3-3/8" HSC and 16 gram charges (0.45" Dp) @ 4 SPF and 90 degree phasing.

2051-71' (20')

Total 20 feet; 80 holes
6. TIH with SAP tool and 2-3/8" tubing. Breakdown perforations in one foot intervals with 7-1/2% HCl (add 0.2% quaternary amine type clay stabilizer, inhibitor, and a sequestering agent to the acid). Use 1 bbl/perforated foot at 2 bpm. Record each BD pressure, injection pressure, injection rate, and ISIP. Unload hole with air, TOOH.
7. Install treesaver. RU stimulation company for first stage. Hold safety meeting. Pressure test surface lines to 4000 psi; maximum allowable pressure is 3000 psi. Stimulate during daylight w/nitrogen foam. See attached stimulation procedure.
8. RD treesaver. RU wireline and set RBP @ 2010'. RU treesaver. Pressure test to 3000 psi. RD treesaver.
9. Perforate the following coal intervals with 3-3/8" HSC and 16 gram charges (0.45" Dp) @ 4 SPF and 90 degree phasing.

1940-53' (13')
1970-78' (8')

Total 21 feet; 84 holes

10. TIH with SAP tool and 2-3/8" tubing. Breakdown perforations in one foot intervals with 7-1/2% HCl (add 0.2% quaternary amine type clay stabilizer, inhibitor, and a sequestering agent to the acid). Use 1 bbl/perforated foot at 2 bpm. Record each BD pressure, injection pressure, injection rate, and ISIP. Unload hole with air, TOOH.
11. Install treesaver. RU stimulation company for second stage. Hold safety meeting. Pressure test surface lines to 4000 psi; maximum allowable pressure is 3000 psi. Stimulate during daylight w/nitrogen foam. See attached stimulation procedure. RD treesaver.
12. Flow well to pit on 1/8" choke. Increase choke size as needed but do not exceed 20 BPH or 2.5 MMCF/D estimated returns at any time. TIH w/ retrieving head and 2-3/8" tubing. Clean out to RBP. Obtain gauge then tag fill. When sand returns stop and fluid production is minimal; TOOH w/RBP at 2010'.
13. TIH w/retrieving head and 2-3/8" tubing. Clean out to RBP. Obtain gauge then tag fill. When sand returns stop, obtain final gauge from Fruitland Coal. TOOH w/RBP at 2074'.
14. TIH w/ 2-3/8" production string and SN one joint off bottom. CO to TD (including Pictured Cliffs). When fluid production becomes negligible, land tubing at 2120' and obtain a final gauge from the combined Fruitland Coal and Pictured Cliffs.
15. ND BOP, NU WH. RDMO.

J. A. Howieson

Service Company:

Stimulation - Smith Energy (327-7281)
Wireline - Basin Perforating Logging (327-5244)