

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
1750'FNL, 850'FEL 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 #7

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

☒ Notice of Intent

☐ Subsequent Report

☐ Final Abandonment

Type of Action

☐ Abandonment

☐ Recompletion

☐ Plugging Back

☐ Casing Repair

☐ Altering Casing

☒ Other -

☐ Change of Plans

☐ New Construction

☐ Non-Routine Fracturing

☐ Water Shut off

☐ Conversion to Injection

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
BLM
AUG-7 PM 2:02
SANTA FE, 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 _____

CONDITION OF APPROVAL, if any:

APPROVED
Date

AUG 11 1992

AREA MANAGER

NMOCD

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

State of New Mexico
Energy, Minerals and Natural Resources Department

OIL CONSERVATION DIVISION

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

Form C-182
Revised 1-1-89
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92 AUG -7 PM 2:02

019 FARMINGTON, N.M.

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

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

DISTRICT III
1000 Rio Brazos 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 Reid		Well No. 7
Unit Letter H	Section 19	Township 28 North	Range 9 West	County San Juan	
Actual Footage Location of Well: 1750 feet from the North line and 850 feet from the East line					
Ground level Elev. 5823'		Producing Formation Pic. Cliffs/Fruitland Coal		Dedicated Acreage 160/320 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 communitization, unitization, forced 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 interest, has been approved by the Division.

Not re-surveyed prepared
from a plat dated 3-12-56
by Ernest V. Echohawk.

RECEIVED
AUG 17 1992

OIL CON. DIV.
(DIST. 3)

OPERATOR CERTIFICATION

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

Signature: *Peggy Bradfield*

Printed Name: Peggy Bradfield

Position:

Regulatory Affairs

Company:

Southland Royalty

8-4-92

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. 8-4-92

Date Surveyed:

Neale C. Edwards

Signature & Seal of 6857
Professional Surveyor

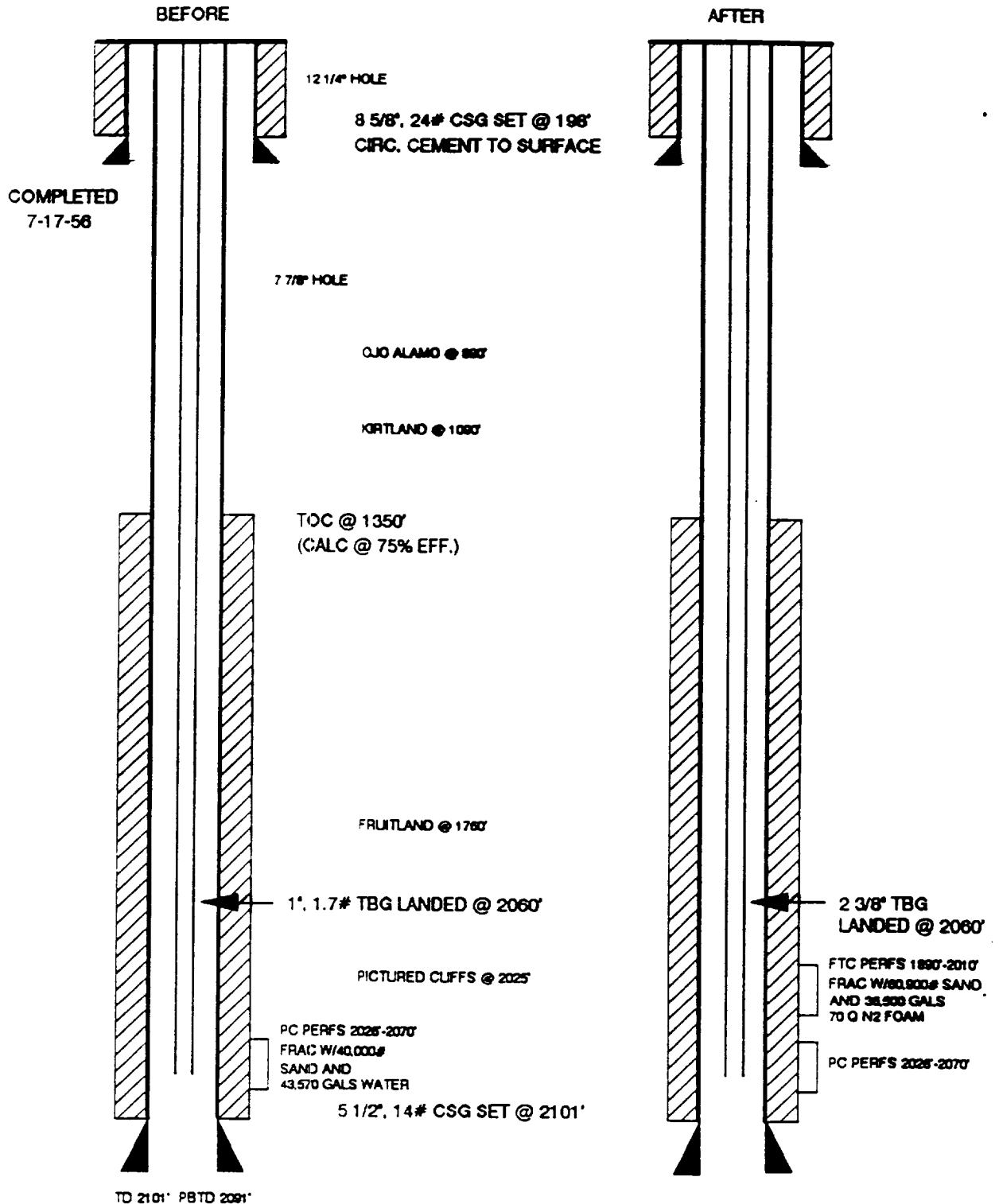
Certificate No.

6857

0 330 660 990 1320 1650 1980 2310 2640 2970 3300 3630 3960 4290 4620 4950 5280 5610 5940 6270 6600 6930 7260 7590 7920 8250 8580 8910 9240 9570 9900

REID #7

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



FTC CAPITAL WORKOVER
REID #7
NE/4, Section 19 T28 R9W
San Juan County, New Mexico

1. Install 1x400 bbl frac tank and fill with filtered (25 micron) 2% KCl water the day before moving the rig on location. Add 5#'s of biocide to 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 2020'. TOOH.
4. RU wireline and set 5-1/2" RBP @ 2020'. 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 3-1/8" HSC and 16 gram charges (0.45" Dp) @ 4 SPF and 90 degree phasing.~~

1890-96'	(6')
1912-20'	(8')
1994-2010'	(16')

Total 30 feet; 120 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. 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. Immediately upon completion of the stimulation, flow the well to the pit on a 1/8" choke until closure is observed. RD treesaver. SI well for 4 hours for gel break.
8. 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 and clean out to RBP. Obtain gauge then tag fill. When sand returns stop and fluid production is minimal; obtain final gauge from Fruitland Coal and TOOH w/RBP at 2020'.

9. 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 2060' and obtain a final gauge from the combined Fruitland Coal and Pictured Cliffs.
10. ND BOP, NU WH. RDMO.

J. A. Howieson

Service Company:
Stimulation - Western Company (327-6222)
Wireline - Petro Wireline (326-6669)