

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK DRILL <input checked="" type="checkbox"/> DEEPEN <input type="checkbox"/> PLUG BACK <input type="checkbox"/>			5. LEASE DESIGNATION AND SERIAL NO. NM-01772A
b. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER <input type="checkbox"/> SINGLE ZONE <input checked="" type="checkbox"/> MULTIPLE ZONE <input type="checkbox"/>			6. IF INDIAN, ALLOTTEE OR TRIBE NAME
2. NAME OF OPERATOR Southland Royalty Company			7. UNIT AGREEMENT NAME
3. ADDRESS OF OPERATOR P. O. Drawer 570, Farmington, New Mexico			8. FARM OR LEASE NAME Reid "A"
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.) At surface 900' FNL & 1120' FWL At proposed prod. zone			9. WELL NO. #2R
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE* 8 miles East of Bloomfield, New Mexico			10. FIELD AND POOL, OR WILDCAT Aztec Pictured Cliffs
15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any)			11. SEC., T., R., M., OR BLE. AND SURVEY OR AREA Section 13, T29N, R10W
16. NO. OF ACRES IN LEASE			12. COUNTY OR PARISH San Juan
17. NO. OF ACRES ASSIGNED TO THIS WELL 160.00 158.90			13. STATE New Mexico
18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.			20. ROTARY OR CABLE TOOLS Rotary
19. PROPOSED DEPTH 2337'			22. APPROX. DATE WORK WILL START* August 15, 1978
21. ELEVATIONS (Show whether DF, RT, GR, etc.) 5747'			

23. PROPOSED CASING AND CEMENTING PROGRAM				
SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12-1/4"	8-5/8"	24#	120'	100 cu. ft.
6-3/4"	2-7/8"	6.5#	2337'	378 cu. ft.

Surface formation is Nacimiento.

Top of Ojo Alamo sand is at 1103'.

Fresh water will be used to drill from surface to total depth.

It is expected that an IES and a GR-Density log be run at total depth.

No abnormal pressures or poisonous gases are anticipated in this well.

It is expected this well be drilled by October 15, 1978. This depends

on time required for approvals, rig availability and the weather.

Gas is 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] TITLE Dist. Production Manager DATE July 17, 1978
(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____

APPROVED BY [Signature] TITLE _____ DATE _____

CONDITIONS OF APPROVAL, IF ANY:

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.

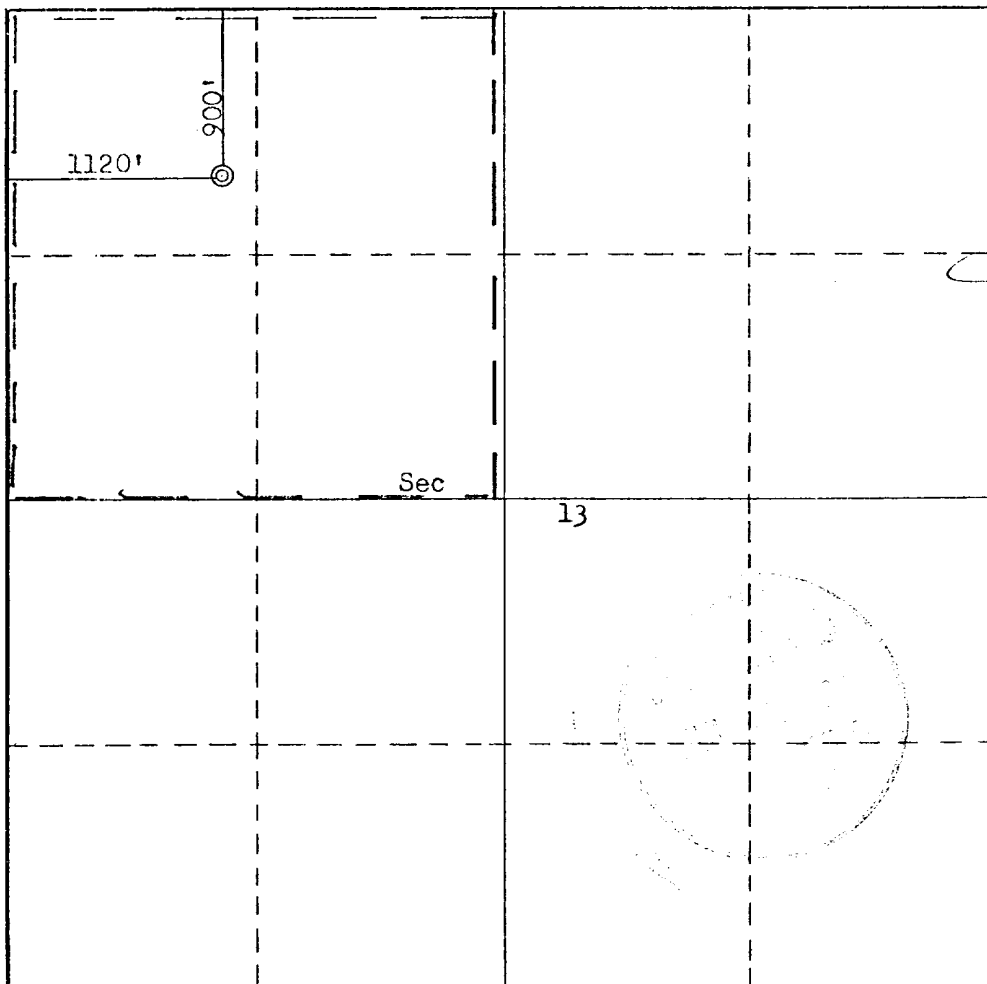
Operator SOUTHLAND ROYALTY COMPANY			Lease REID "A"		Well No. 2-R
Unit Letter D	Section 13	Township 29N	Range 10W	County San Juan	
Actual Footage Location of Well: 900 feet from the North line and 1120 feet from the West line					
Ground Level Elev. 5747	Producing Formation Pictured Cliffs		Pool Aztec	Dedicated Acreage: 158.90 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.



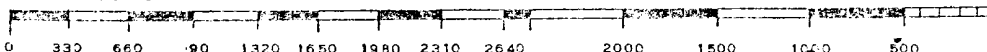
CERTIFICATION

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

Name: *Sam Kerr*
 Position: **District Production Manager**
 Company: **Southland Royalty Company**
 Date: **July 17, 1978**

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 3, 1978**
 Registered Professional Engineer and/or Land Surveyor:
Fred B. Kerr Jr.
 Fred B. Kerr Jr.
 Certification No. **3950**



DRIILLING SCHEDULE: REID A #2R

Location: 900' FNL & 1120' FWL, Section 13, T29N, R10W, San Juan County, New Mexico

Field: Aztec Pictured Cliffs

Geology:

Formation Tops:	Ojo Alamo	1103'
	Fruitland	1855'
	Pictured Cliffs	2157'
	Total Depth	2337'

Logging Program: IES and GR-Density at total depth

Coring Program: None

Natural Gauges: None

Drilling:

Contractor: Aztec Well Service (Rig #50)

Tool Pusher: Bob Young

SRC Answering Service: 325-1841

SRC Representative: Max Larson

Dispatch Number: 325-7391

Mud Program: Fresh water mud from surface to TD

Materials:

Casing Program:	Hole Size	Depth	Casing Size	Wt & Grade
	12-1/4"	120'	8-5/8"	24# K-55
	8-3/4"	2337'	2-7/8"	6.5# K-55

Float Equipment:

8-5/8" surface casing: Pathfinder Econoline Guide Shoe

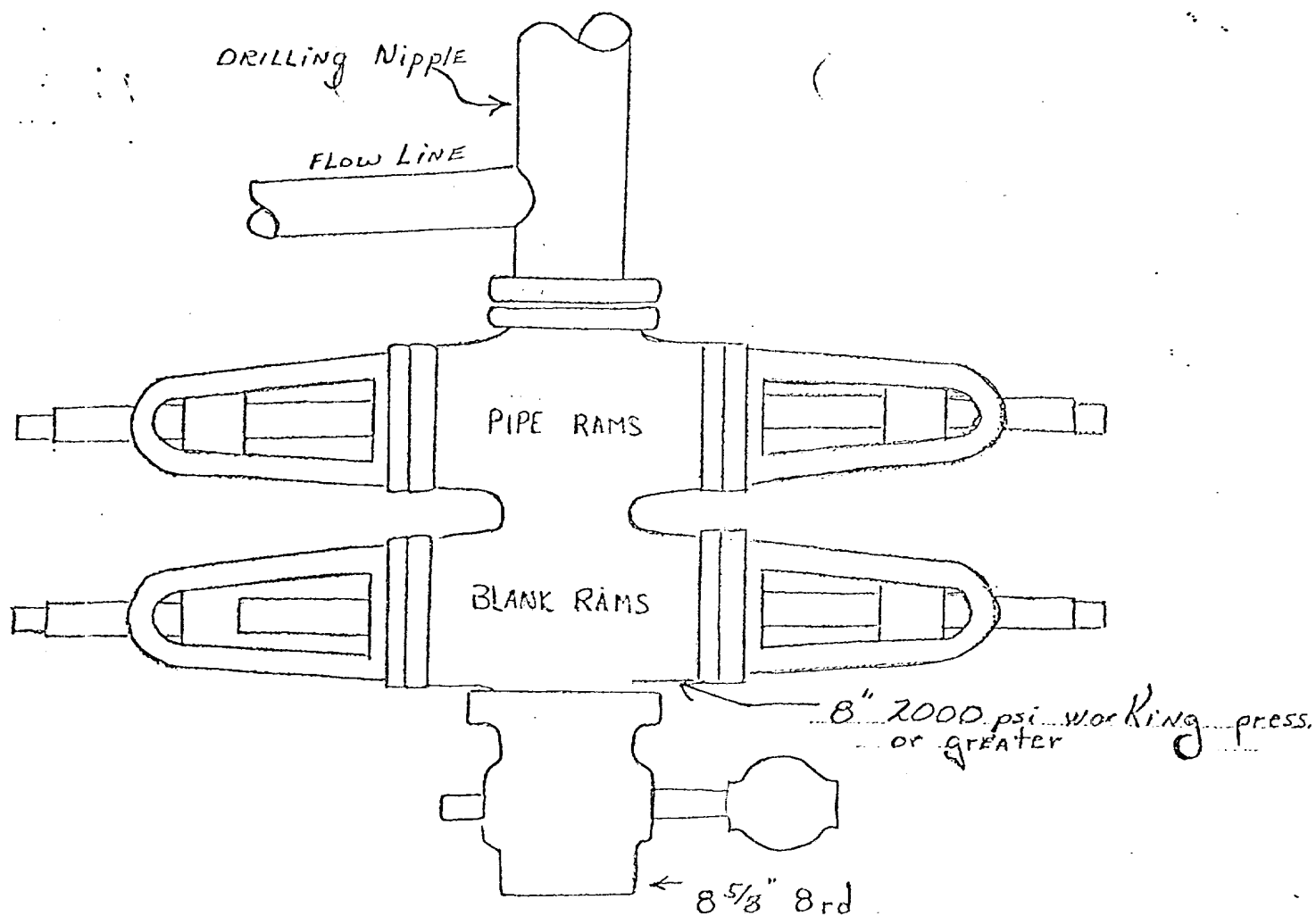
2-7/8" Production casing: Sawtooth collar guide shoe, Howco 2-7/8" latch down baffle (Pr. ref. 60). Two 3-1/16" rubber balls. Howco 2-7/8" Omega plug (Pr. ref. 59). Use 3-1/4" ID plug container head. Run one B & W stabilizer each on bottom jt.

Wellhead Equipment: 8-5/8" X 2-7/8" threaded head

Cementing:

8-5/8" surface casing: 85 sxs Class B with 1/4# gel flake per sx and 3% CaCl₂. (100 cu. ft.) WOC 12 hrs. Test to 600# prior to drlg out.

2-7/8" production casing: 270 sxs 50/50 Class B Poz with 6% gel mixco with 7.2 gals water per sx followed by 50 sxs Class B with 2% CaCl₂. (378 cu. ft.) Bump plug with 50 gals 7-1/2% MSA. Run temperature survey 12 hrs after plug down.



Preventers and spools are to have
through bore of 8" - 2000# or larger.



Southland Royalty Company

July 17, 1978

United States Geological Survey
P. O. Box 959
Farmington, New Mexico

Attention: Mr. P. T. McGrath

Re: Blowout Preventer Plan

Dear Sir:

All drilling and completion rigs will be equipped with 6" or larger double hydraulic blowout preventers and a hydraulic closing unit with steel lines.

The preventer is 3000# working pressure and 6000# test.

All crews will be thoroughly trained in the operation of this preventer. The preventer will be tested frequently enough to insure proper operation.

Yours truly,

L. O. Van Ryan
District Production Manager

LOVR/dg



Southland Royalty Company

United States Geological Survey
P. O. Box 959
Farmington, New Mexico 87401

Attention: Mr. P. T. McGrath

Dear Sir:

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drillsite and access route; that I am familiar with the conditions which presently exist; that the statements made in this plan are, to the best of my knowledge, true and correct; and, that the work associated with the operations proposed herein be performed by Southland Royalty Company and its contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved.

Date: July 17, 1978

Name: *C. C. [Signature]*

Title: District Engineer



Southland Royalty Company

July 17, 1978

United States Geological Survey
P. O. Box 959
Farmington, New Mexico

Attention: Mr. P. T. McGrath

Dear Sir:

Enclosed please find map showing existing roads and planned access roads to Southland Royalty Company's Reid A #2R well. The locations of tank batteries and flow lines will be on location with well. A burn pit will be provided for disposal of trash. Cuttings, drilling fluid and produced fluids will be put into the reserve pit and properly disposed of depending on amount and type of fluids.

Contractor will furnish restroom facilities on location.

There will be no air strips or camps.

Also, enclosed is a location layout showing approximate location of rig, pits and pipe racks and cut required to build this location.

Water supply will be the San Juan River. All water will be transported by truck and stored on location.

The location will be restored according to Bureau of Land Management standards. This work will begin when all related construction is finished.

Mr. Max Larson will be Southland Royalty Company's field representative supervising these operations.

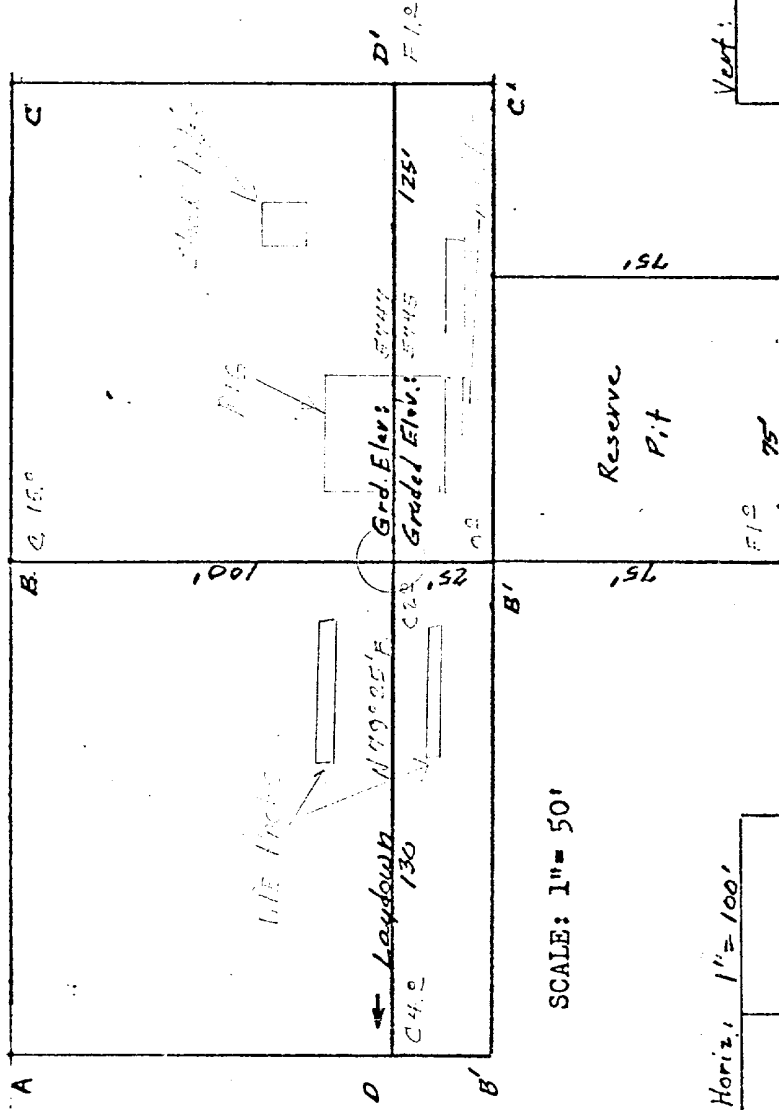
Yours truly,

L. O. Van Ryan
District Production Manager

LOVR/dg

Location Profile for

SOUTHLAND ROYALTY CO. #2-R Reid A
900'FNL 1120'FNL Sec 13-T29N-R9W
San Juan County, New Mexico



SCALE: 1"= 50'

[illegible]

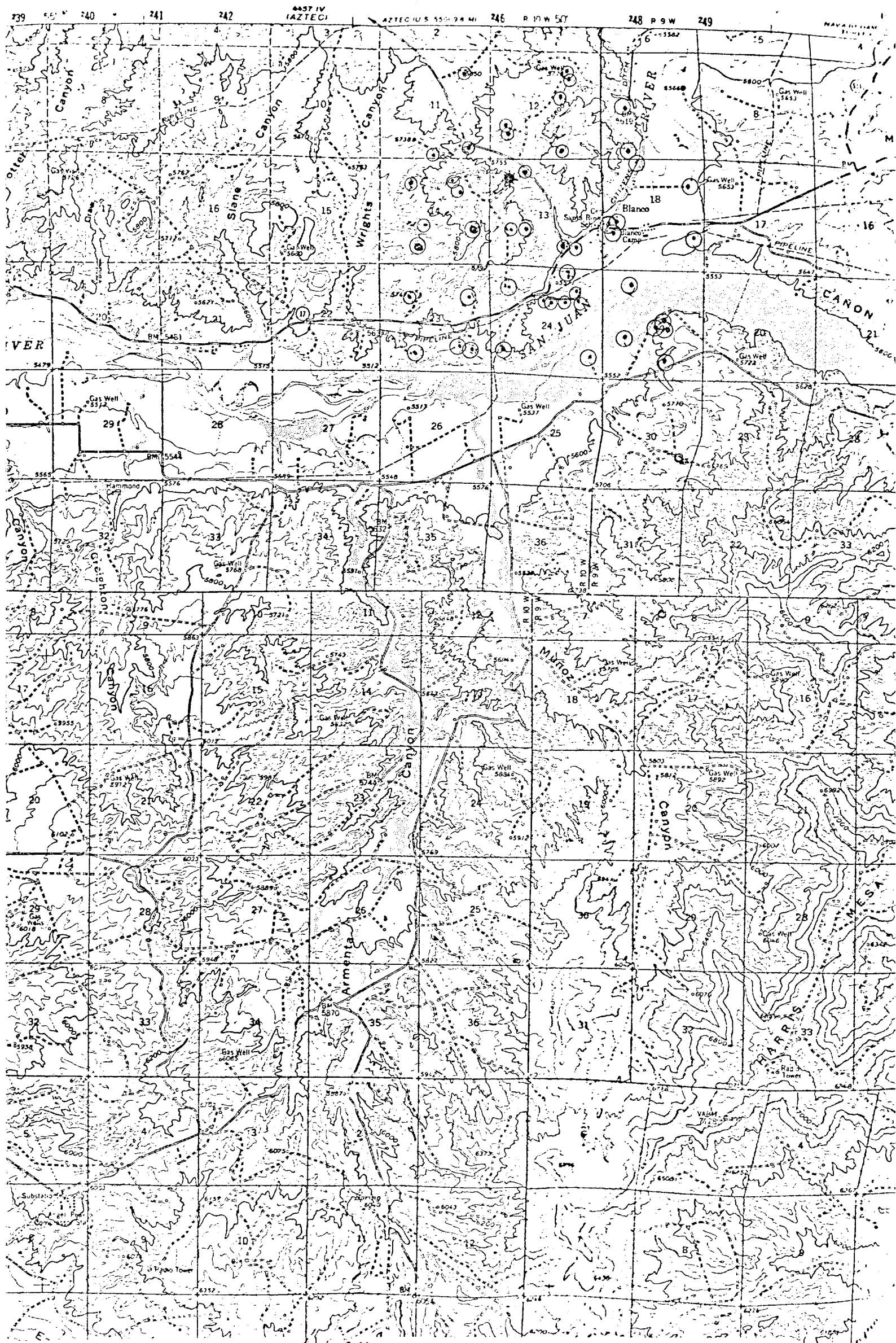
5750							
5760							
5770							
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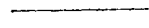
Vert: 1"=40' C-C' & Horiz: 1"=100'

	D-O'		d
5160			
5170			
5180			
5190			

KERR LAND SURVEYING

Date: May 3, 1978



PROPOSED LOCATION 
 EXISTING LOCATIONS 
 PROPOSED ROADS 
 EXISTING ROADS 

Vicinity Map for
 SOUTHLAND ROYALTY CO. #2-R Reid "A"
 900'FNL 1120'FWL Sec 13-T29N-R10W
 San Juan County, New Mexico