UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG la. TYPE OF WORK 5. LEASE NUMBER DRILL SF-076958 lb. TYPE OF WELL 6. IF INDIAN, ALL. OR TRIBE NAME GAS SINGLE ZONE OPERATOR 7. UNIT AGREEMENT NAME SOUTHLAND ROYALTY CO. 3. ADDRESS & PHONE NO. OF OPERATOR 8. FARM OR LEASE NAME P O BOX 4289 HARE FARMINGTON, NM 87499 9. WELL NO. 294 LOCATION OF WELL 10. FIELD, POOL, OR WILDCAT 1200'N 970'E BASIN FRUITLAND COAL 11. SEC. T. R. M OR BLK. SEC. 15 T29N R10W NMPM 14. DISTANCE IN MILES FROM NEAREST TOWN 12. COUNTY 13. STATE 5 MILES FROM BLANCO SAN JUAN MM DISTANCE FROM 16. ACRES IN LEASE 17. ACRES ASSIGNED TO WELL 970' PROPOSED LOCATION 233605 318.38 TO NEAREST PROPERTY OR LEASE LINE. 18. DISTANCE FROM 19. PROPOSED DEPTH 20. ROTARY OR CABLE TOOLS PROPOSED LOCATION 2100' ROTARY TO NEAREST WELL DR. 300' COMPL., OR APPLIED 833 C. FOR ON THIS LEASE. 55.5 21. ELEVATIONS (DF, FT, GR, ETC.) 22. APPROX. DATE WORK WILL START 5710'GL PROPOSED CASING AND CEMENTING PROGRAM *SEE OPERATIONS PLAN tacket 0 4 1989 24. AUTHORIZED BY's REGULATORY AFFAIRS, CON. DIV

DIST. 3

NOTE: THIS FORMAT IS ISSUED IN LIEU OF US BLM FORM 3160-3.

9 Kg

. Jack

DATE: MAR 14,1989

Well Name: 294 HARE

94 HARE 1200'N 970'E

Sec. 15 T29N R10W SAN JUAN NEW MEXICO

BASIN FRUITLAND COAL Elevation 5710'GL

Formation tops: Surface- NACIMIENTO

Ojo Alamo- 910

Kirtland- 1022

Fruitland- 1808

Fruitland Coal Top- 1956

Fruitland Coal Base- 2100

Intermediate TD- 1936

Total Depth- 2100

Pictured Cliffs- 2102

Logging Program: Mud logs from intermediate to total depth.

Mud Program: Low solid non-dispersed mud from surface to total depth.

Casing Program:	Hole Size	Depth Interval	Csg. Size	Weight	Grade
	12 1/4"	0 - 200	9 5/8"	32.3#	H-40
	8 3/4"	0 - 1936	7"	20.0#	K-55
	6 1/4"	1886 - 2100	5 1/2"	15.5#	K-55
Tubing Program:		0 - 2100	2 7/8"	6.5#	J-55

Float Equipment: 9 5/8" surface casing - saw tooth guide shoe.

7" intermediate casing - guide shoe and self-fill insert float valve. Three centralizers run every other joint above shoe. Run insert float one joint above the guide shoe.

 $5\ 1/2$ " production liner - float shoe on bottom and a pre-drilled liner run to the 7" casing with a minimum 50' overlap. Liner hanger is a double slip grip type.

Wellhead Equipment: 9 5/8" x 7" x 2 7/8" x 11" 3000 psi xmas tree assembly.

Cementing:

9 5/8" surface casing - cement with 106 sacks of class "B" cement with 1/4# flocele/sack and 3% calcium chloride (125 cu ft. of slurry, 100% excess to circulate to surface). WOC 12 hours. Test casing to 600 psi for 30 minutes.

7" intermediate casing - lead with 99 sacks of 65/35 class "B" poz with 6% gel, 2% calcium chloride and 1/2 cu.ft. Perlite/sack (10.3 gallons of water/sack) tail with 100 sacks of class "B" with 2% calcium chloride. 308 cu ft. of slurry, 100% excess to cover the Ojo Alamo. Run temperature survey at 8 hours. WOC 12 hours. Test casing to 1500 psi for 30 minutes.

5 1/2" liner - do not cement.

The Fruitland coal formation will be completed.

A 3000 psi WP and 6000 psi test double gate preventer equipped with blind and pipe rams will be used for blow out prevention on this well. This gas is dedicated.

The N/2 of Section 15 is dedicated to this well.

·		All distances must be	rom the outer boundaries			,
Courth] an	d Royalty	Company	Hare	(SF-0	76958)	294
		ownship	Range	County		
Unit Laiter Secti	15 .	29 North	10 West		Juan	
Actual Fastage Location (rth line and	970	cet from the	East	line
Ground Level Elev.	Producing Forma		Pool		Dedic	ated Acreage:
5710	Fruitlan		Basin		31	_8.38_ * ,
1. Outline the ac	reage dedicate	d to the subject w	ell by colored pencil			
dated by comm	unitization, uni No II ans	tization, force-pool wer is "yes," type	of consolidation			
If answer is "	no," list the ov	vners and tract des	criptions which have	actually been	consolidated.	(Use reverse sid
forced-pooling,	ill be assigned or otherwise) or	to the well until a runtil a non-standa	ll interests have beer rd unit, eliminating s	consolidated uch interests, l	(by communit	ization, unitizat
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