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NEW MEXICO OIL CONSERVATION COMMISSION

30-095 - 03567
Form C-101
Revised 1-1-65

5A. Indicate Type of Lease	
STATE <input type="checkbox"/>	FEE <input checked="" type="checkbox"/>
5. State Oil & Gas Lease No.	

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. Type of Work	
b. Type of Well OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER <input type="checkbox"/>	
DRILL <input checked="" type="checkbox"/> DEEPEN <input type="checkbox"/> PLUG BACK <input type="checkbox"/>	
2. Name of Operator SOUTHLAND ROYALTY COMPANY	
3. Address of Operator P. O. DRAWER 570, FARMINGTON, NEW MEXICO 87401	
4. Location of Well UNIT LETTER H LOCATED 1530 FEET FROM THE North LINE AND 1010 FEET FROM THE East LINE OF SEC. 23 TWP. 31N RGE. 12W NMPM	
7. Unit Agreement Name	
8. Farm or Lease Name Hedges	
9. Well No. #3	
10. Field and Pool, or Wildcat Aztec Pictured Cliffs	
12. County San Juan	
19. Proposed Depth 2850'	
19A. Formation Pictured Cliffs	
20. Rotary or C.T. Rotary	
21. Elevations (Show whether DF, RT, etc.) 6170' GR	
21A. Kind & Status Plug. Bond	
21B. Drilling Contractor	
22. Approx. Date Work will start February 15, 1979	

23.

PROPOSED CASING AND CEMENT PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	SACKS OF CEMENT	EST. TOP
12-1/4"	8-5/8"	24#	120	99 cu. ft.	Circ. to surface
6-3/4"	2-7/8"	6.5#	2850'	502 cu. ft.	cover Ojo Alamo

Surface formation is Nacimiento.

Top of Ojo Alamo sand is at 1205'.

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

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

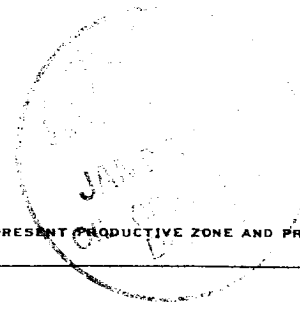
No abnormal pressures or poisonous gases are anticipated in this well.

It is expected that this well will be drilled before July 15, 1979. This depends on time required for approvals, rig availability and the weather.

Gas is dedicated.

APPROVAL VALID
FOR 90 DAYS UNLESS
DRILLING COMMENCED,

EXPIRES 4-23-79



(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. GIVE BLOWOUT PREVENTER PROGRAM, IF ANY.)

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

Signed [Signature] Title District Production Manager Date January 19, 1979

(This space for State Use)

APPROVED BY [Signature] TITLE SUPERVISOR DIST. #3 DATE JAN 23 1979

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.

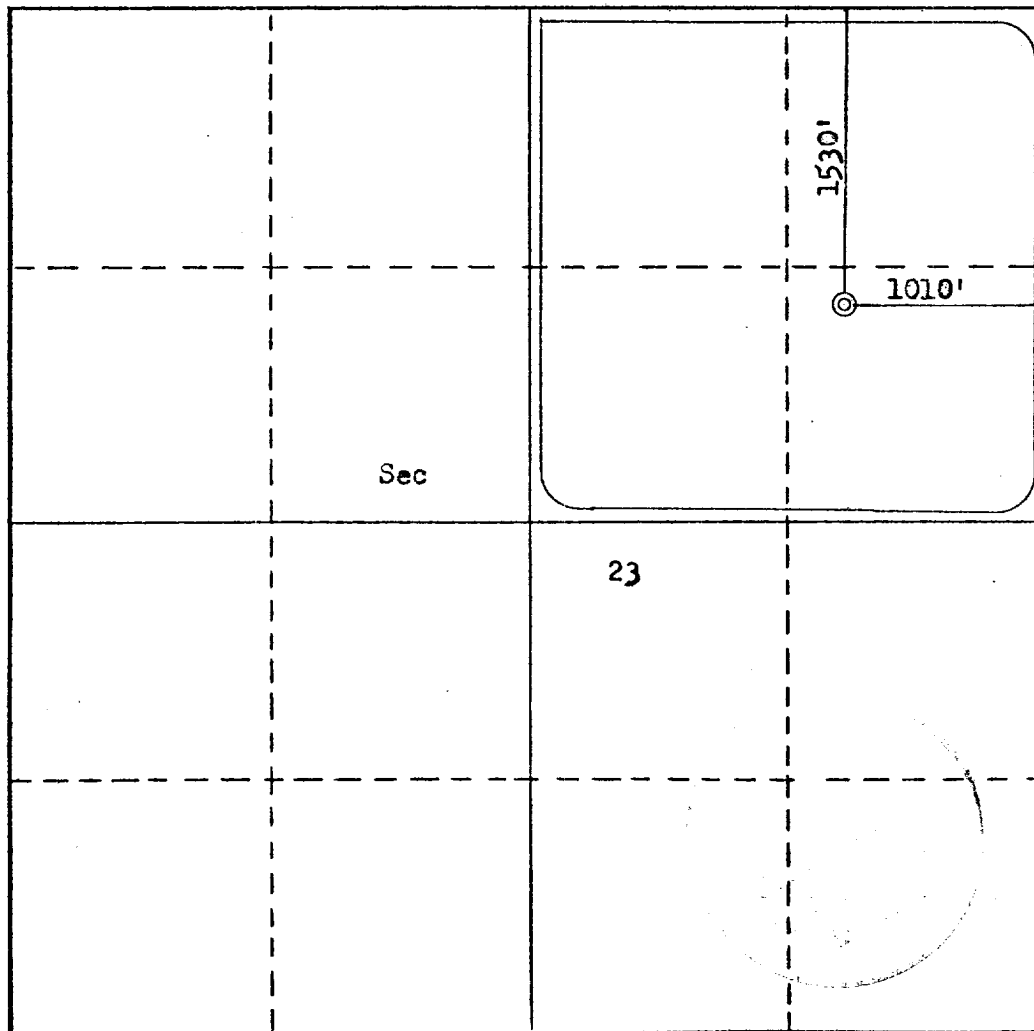
Operator SOUTHLAND ROYALTY COMPANY			Lease HEDGES		Well No. 3
Unit Letter H	Section 23	Township 31N	Range 12W	County SAN JUAN	
Actual Footage Location of Well: 1530 feet from the North line and 1010 feet from the East line					
Ground Level Elev. 6170	Producing Formation Pictured Cliffs		Pool Aztec	EXT	Dedicated Acreage 160 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 _____
 Position
District Production Manager
 Company
Southland Royalty Company
 Date
January 19, 1979

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
January 8, 1979
 Registered Professional Engineer
 and/or Land Surveyor
Fred B. Kerr Jr.
 Certificate No. **3950**



Southland Royalty Company

January 19, 1979

Oil Conservation Division
1000 Rio Brazos Road
Aztec, New Mexico 87410

Attention: Mr. Al Kendrick

Re: Blowout Preventer Plan

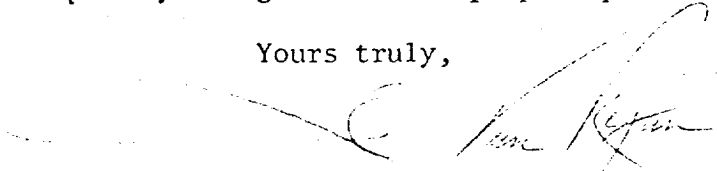
Dear Sir:

All drilling and completion rigs will be equipped with 8" or larger double gate hydraulic blowout preventers and a hydraulic operated 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