

38-145-27294

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK
DRILL

1b. TYPE OF WELL
GAS

2. OPERATOR
SOUTHLAND ROYALTY CO.

3. ADDRESS & PHONE NO. OF OPERATOR
P O BOX 4289
FARMINGTON, NM 87499

4. LOCATION OF WELL
1835'S 1165'W

5. LEASE NUMBER
SF-077648

6. IF INDIAN, ALL. OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME
DAVIS

9. WELL NO.
500

10. FIELD, POOL, OR WILDCAT
BASIN FRUITLAND COAL

11. SEC. T. R. M OR BLK.
L SEC. 1 T31N R12W NMPM

14. DISTANCE IN MILES FROM NEAREST TOWN
11 MILES FROM AZTEC

12. COUNTY
SAN JUAN

13. STATE
NM

15. DISTANCE FROM
PROPOSED LOCATION 1165'
TO NEAREST PROPERTY
OR LEASE LINE.

16. ACRES IN LEASE
2198.38

17. ACRES ASSIGNED TO WELL
310.79

18. DISTANCE FROM
PROPOSED LOCATION
TO NEAREST WELL DR. 700'
COMPL., OR APPLIED
FOR ON THIS LEASE.

19. PROPOSED DEPTH
2927'

20. ROTARY OR CABLE TOOLS
ROTARY

21. ELEVATIONS (DF, FT, GR, ETC.)
6370'GL

22. APPROX. DATE WORK WILL START

23. PROPOSED CASING AND CEMENTING PROGRAM

*SEE OPERATIONS PLAN

DRILLING OPERATIONS AUTHORIZED ARE
SUBJECT TO COMPLIANCE WITH ATTACHED
"GENERAL REQUIREMENTS".

24. AUTHORIZED BY: *Dean Bradford*
REGULATORY AFFAIRS

4-7-89
DATE

PERMIT NO. _____ APPROVAL DATE _____

APPROVED BY _____ TITLE _____ DATE _____

NOTE: THIS FORMAT IS ISSUED IN LIEU OF US BLM FORM 3160-*1*

APPROVED *W*
AS AMENDED
4-18-89

for
MANAGER

OPERATIONS PLAN

DATE: APR 7, 1989

Well Name: 500 DAVIS 1835'S 1165'W
 Sec. 1 T31N R12W SAN JUAN NEW MEXICO
 BASIN FRUITLAND COAL Elevation 6370'GL

Formation tops: Surface- NACIMIENTO
 Ojo Alamo- 1086
 Kirtland- 1108
 Fruitland- 2521
 Fruitland Coal Top- 2741
 Fruitland Coal Base- 2925
 Intermediate TD- 2721
 Total Depth- 2927
 Pictured Cliffs- 2943

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 - 2721	7"	20.0#	K-55
	6 1/4"	2671 - 2927	5 1/2"	15.5#	K-55
Tubing Program:		0 - 2927	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 194 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. 491 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 W/2 of Section 1 is dedicated to this well.

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

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102
Revised 1-1-89

OIL CONSERVATION DIVISION

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

DISTRICT I
P.O. Box 1980, Hobbs, NM 88240

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

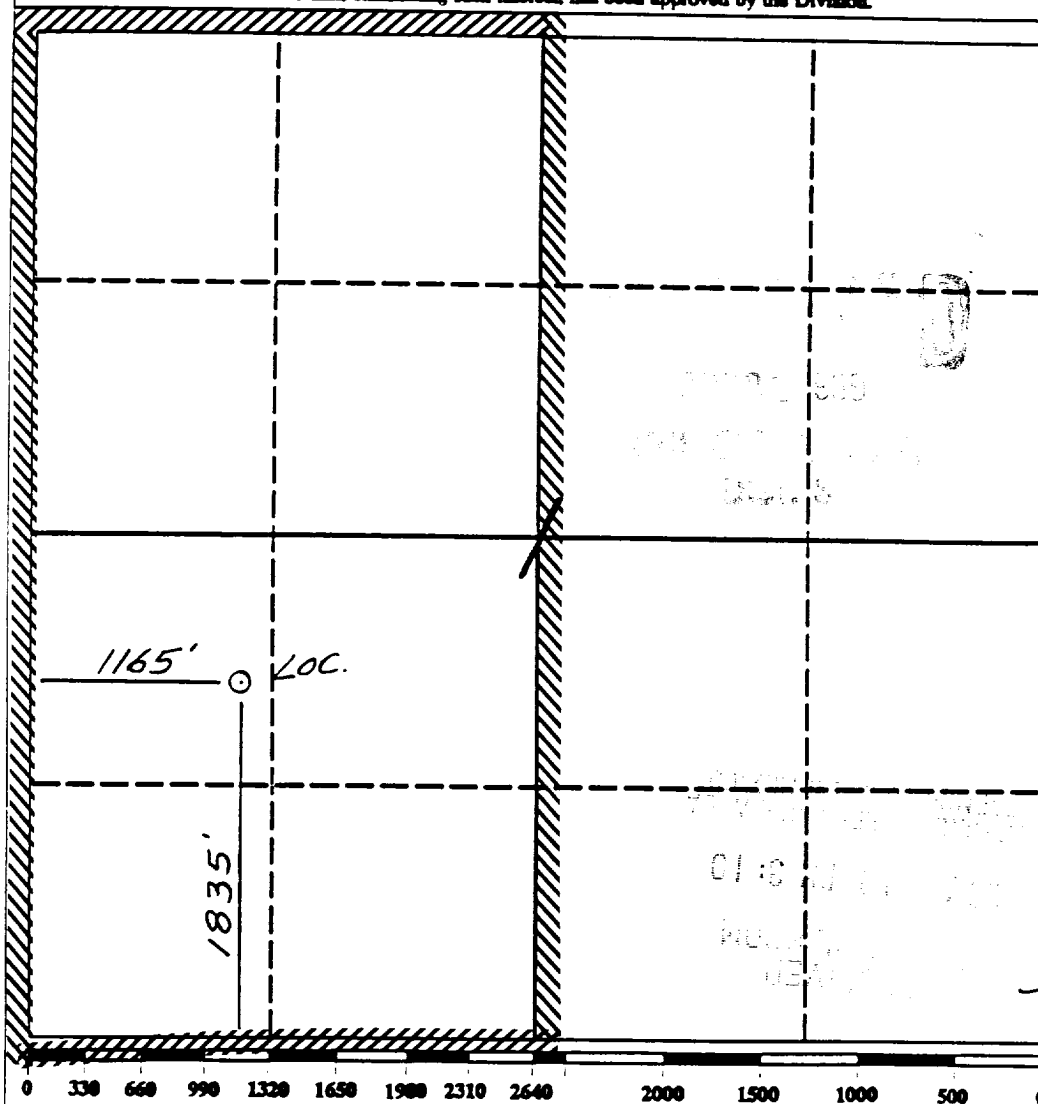
DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

WELL LOCATION AND ACREAGE DEDICATION PLAT

All Distances must be from the outer boundaries of the section

Operator Southland Royalty Company			Lease Davis (SF-077648)		Well No. 500
Unit Letter L	Section 1	Township 11 North	Range 12 West	County NMPM San Juan	
Actual Footage Location of Well: 1835 feet from the South line and 1165 feet from the West line					
Ground level Elev. 6370	Producing Formation Fruitland Coal		Pool Basin	Dedicated Acreage: 310.79 Acres	

1. Outline the acreage dedicated to the subject well by colored pencil or hatchure 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 interest 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 interest, has been approved by the Division.



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
Regulatory Affairs

Position
Southland Royalty

Company
4-7-89

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.

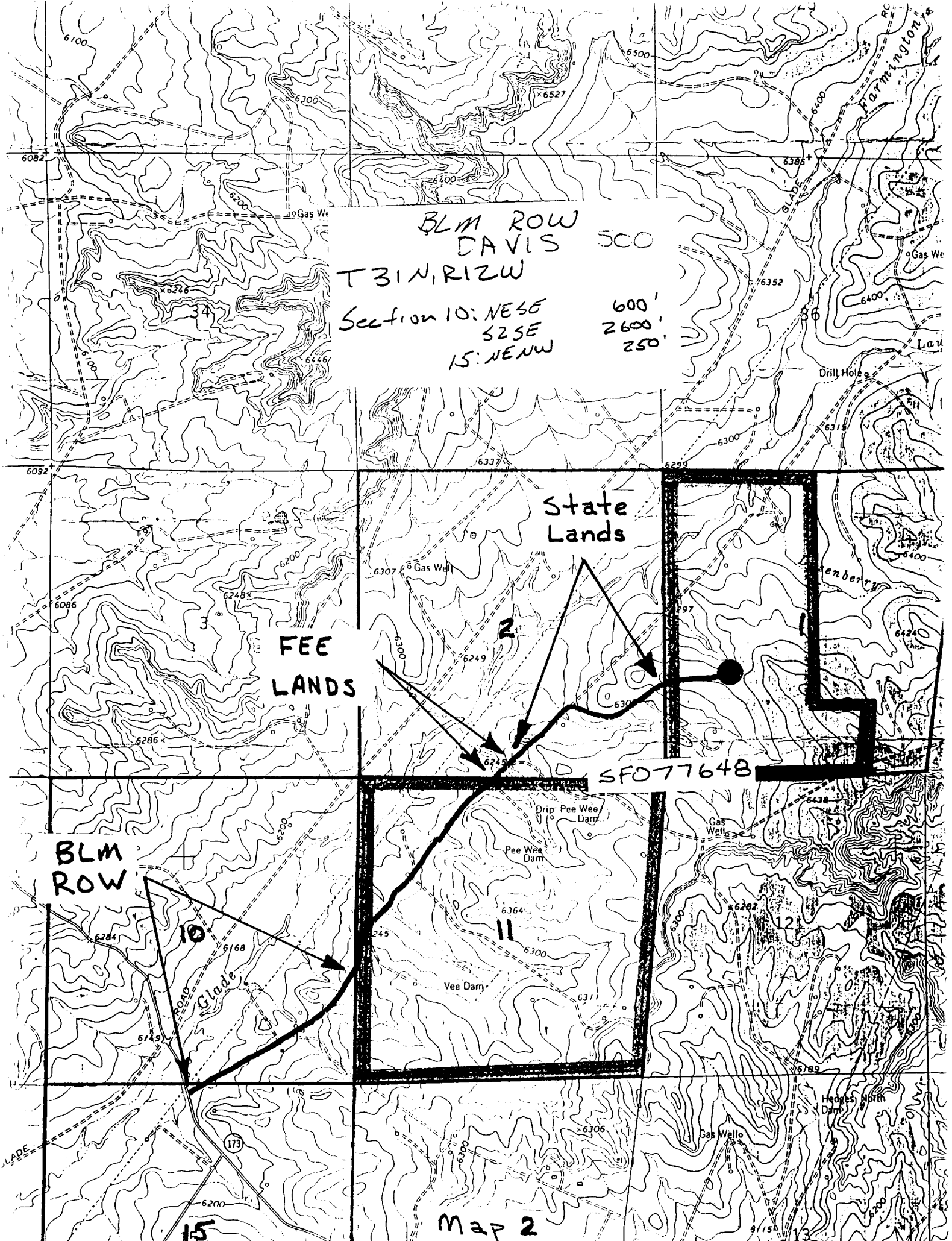
Neale C. Edwards

Date Surveyed

2-17-89

Signature & Seal of
Professional Surveyor





BLM ROW
DAVIS 500
T31N, R12W
Section 10: NESE
S2SE
15: NENW
600'
2600'
250'

State
Lands

FEE
LANDS

SFO7764B

BLM
ROW

Map 2

173