

*Re: 10/20/80*

*11-1-80  
on...*



**Southland Royalty Company**

October 20, 1980

*hsh-1277*

Mr. Joe Ramey  
New Mexico Oil Conservation Division  
P. O. Box 2088  
Santa Fe, New Mexico 87501

Subject: Tsaya #2  
Section 4, T22N, R12W  
San Juan County, New Mexico

Dear Mr. Ramey:

Southland Royalty Company applied for an unorthodox well location for the subject well on October 9, 1980. We overlooked the fact that our designation of operator from Mountain Fuel did not cover the S/2 of Section 4, T22N, R12W. Therefore, Mountain Fuel is an offset operator to our proposed location.

We talked to Mr. Bob Pittam in Mountain Fuel's Salt Lake City office and received verbal clearance on the location. Their waiver of objection should be mailed to your office shortly.

I have attached a well location plat and offset ownership map for your reference.

Sincerely yours,

*R. E. Fielder*

Robert E. Fielder  
District Engineer

REF/dg

Attachment

CC: NMOCD/Aztec, N.M.  
USGS/Farmington, N.M.

All distances must be from the corner boundaries of the Section.

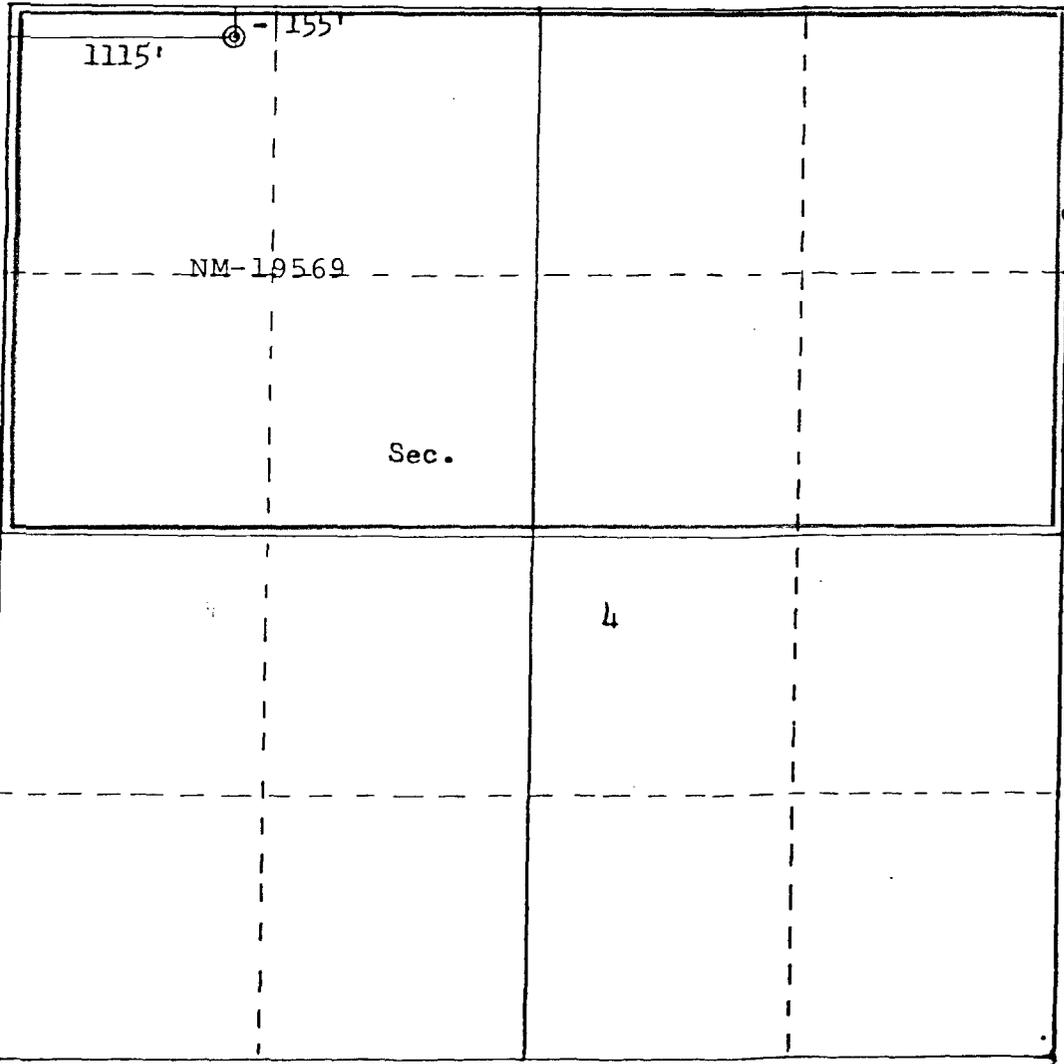
Operator <b>SOUTHLAND ROYALTY COMPANY</b>		Lease <b>TSAYA</b>		Well No. <b>2</b>	
Unit Letter <b>D</b>	Section <b>4</b>	Township <b>22N</b>	Range <b>12W</b>	County <b>San Juan</b>	
Actual Footage Location of Well: <b>155</b> feet from the <b>North</b> line and <b>1115</b> feet from the <b>West</b> line					
Ground Level Elev. <b>6151</b>	Producing Formation <b>WILDCAT</b>		Pool <b>WILDCAT</b>		Dedicated Acreage:  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 \_\_\_\_\_

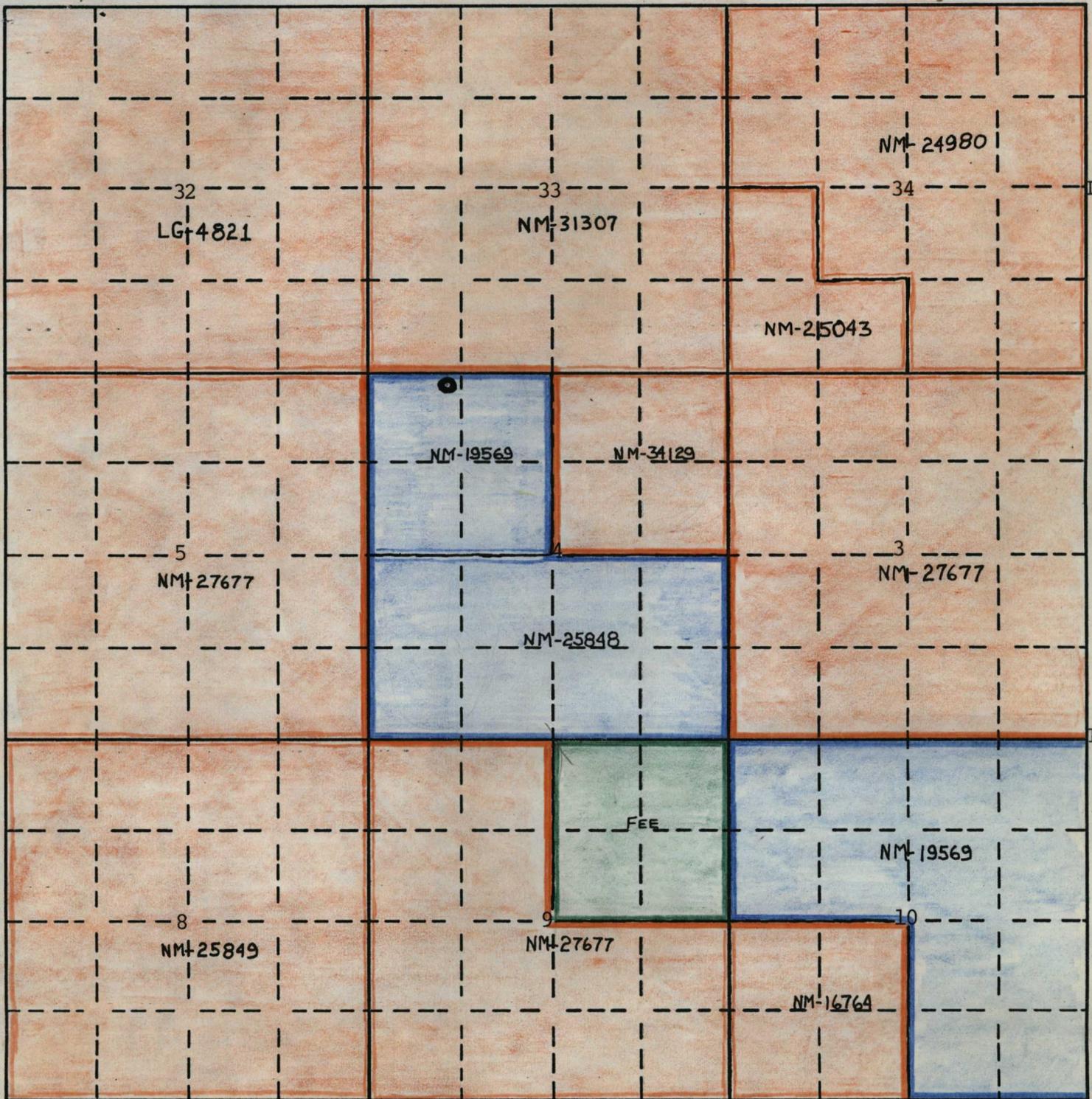
If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) \_\_\_\_\_

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.



Scale: 1"=1000'

<b>CERTIFICATION</b>	
I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.	
<i>L. O. Van Ryan</i>	
Name	L. O. Van Ryan
Position	District Production Mgr.
Company	Southland Royalty Co.
Date	10-10-80
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	October 9, 1980
Registered Professional Engineer and Lead Surveyor	<i>Fred B. Kerr Jr.</i>
Certificate No.	3950



T23N

T22N

S.R.C.

Mountain Fuel

Sun Oil Company

**SOUTHLAND ROYALTY COMPANY**

AREA  
TSAYA CANYON PROSPECT

LOCATION  
NW/4, Section 4, T22N, R12W

TYPE OF MAP  
Acreage

CONTOURED  C.I.

BY <i>REF</i>	DATE	REVISED BY	DATE	REFERENCE	DATE
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NOTES

SUPERVISOR, OIL AND GAS OPERATIONS:

**DESIGNATION OF OPERATOR**

The undersigned is, on the records of the Bureau of Land Management, holder of oil and gas lease

DISTRICT LAND OFFICE: New Mexico State Office, P. O. Box 1449, Santa Fe, NM 87501  
SERIAL NO.: NM-19569

and hereby designates

NAME: SOUTHLAND ROYALTY COMPANY  
410 SEVENTEENTH STREET - SUITE 1000  
ADDRESS: DENVER, COLORADO 80202

as his operator and agent, with full authority to act in his behalf in complying with the terms of the lease and regulations applicable thereto and on whom the supervisor or his representative may serve written or oral instructions in securing compliance with the Oil and Gas Operating Regulations with respect to (describe acreage to which this designation is applicable):

Township 22 North, Range 12 West, NMPM  
Section 4: Lots 3,4, S $\frac{1}{2}$ NW $\frac{1}{4}$ 

San Juan County, New Mexico

It is understood that this designation of operator does not relieve the lessee of responsibility for compliance with the terms of the lease and the Oil and Gas Operating Regulations. It is also understood that this designation of operator does not constitute an assignment of any interest in the lease.

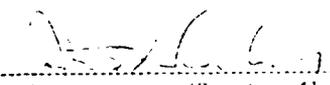
In case of default on the part of the designated operator, the lessee will make full and prompt compliance with all regulations, lease terms, or orders of the Secretary of the Interior or his representative.

The lessee agrees promptly to notify the oil and gas supervisor of any change in the designated operator.

Evidence of authority of  
Attorney-in-Fact is filed in  
NM-0558400 and such  
authority is still in effect.

MOUNTAIN FUEL SUPPLY COMPANY

BY

  
Attorney in Fact

(Signature of lessee)

July 31, 1980

(Date)

P. O. Box 11368, Salt Lake City, UT 84139

(Address)

OIL CONSERVATION COMMISSION  
Alfee DISTRICT

NOV 04 1980  
OIL CONSERVATION COMMISSION  
SANTA FE

OIL CONSERVATION COMMISSION  
BOX 2088  
SANTA FE, NEW MEXICO

DATE October 30, 1980

RE: Proposed MC \_\_\_\_\_  
Proposed DHC \_\_\_\_\_  
Proposed NSL ✓ \_\_\_\_\_  
Proposed SWD \_\_\_\_\_  
Proposed WFX \_\_\_\_\_  
Proposed PMX \_\_\_\_\_

Gentlemen:

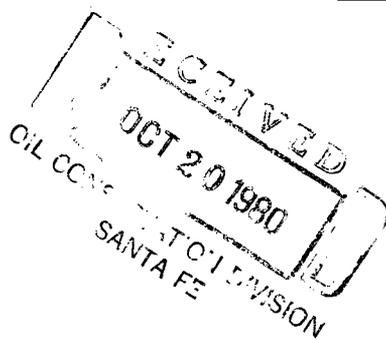
I have examined the application dated October 13, 1980  
for the Southland Royalty Co. 5 says #2 D-4-22N-12W  
Operator Lease and Well No. Unit, S-T-R

and my recommendations are as follows:

Docket for hearing. Surface investigation by this office  
does not indicate an archeological site. Road was allowed to  
go ~~over~~ through site. Second archeologist opinion is needed.

Yours very truly,

Frank S. Chang



Southland Royalty Company

October 15, 1980

Sun Oil Company  
Mr. Joe A. Pearce  
12850 Hillcrest Road  
Dallas, TX 75230

Gentlemen:

Southland Royalty Company has requested approval from the New Mexico Oil Conservation Division for an unorthodox well location for the Tsaya #2. The proposed location is 155' FNL & 1115' FWL, Section 4, T22N, R12W, San Juan County, New Mexico.

This wellsite has been requested by the Bureau of Land Management in order to avoid disturbing archaeological site SJC-644 as outlined on the attached map.

According to our records, Southland operates all offset acreage. However, Sun Oil Company operates acreage as close as one mile. Therefore, we are requesting your approval of this unorthodox wellsite.

Please indicate your approval by signing the waiver below and sending one copy of this letter to New Mexico Oil Conservation Division, P. O. Box 2088, Santa Fe, NM 87501.

We will appreciate your cooperation in this matter.

Sincerely,

SOUTHLAND ROYALTY COMPANY

Robert E. Fielder  
District Engineer

REF/ke

Attachment

cc: Joe Ramey  
Dick Stamets

W A I V E R

\_\_\_\_\_ hereby waives objection to Southland Royalty Company's application for unorthodox location for their Tsaya #2 well as proposed above.

Date: \_\_\_\_\_ By: \_\_\_\_\_





Southland Royalty Company

October 9, 1980

Mr. Joe D. Ramey  
New Mexico Department of Energy and Minerals  
Oil and Gas Division  
P. O. Box 2088  
Santa Fe, New Mexico 87501

Dear Mr. Ramey:

Southland Royalty Company hereby requests approval of an unorthodox location for the Tsaya #2 well. The proposed location is 155' FNL and 1115' FWL, Section 4, T22N, R12W, San Juan County, New Mexico.

This move was requested by the Bureau of Land Management to avoid disturbing archeological site SJC-644 as outlined on the attached topographic map.

Southland Royalty Company operates all offset acreage.

Sincerely,

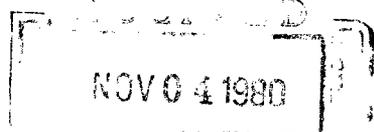
SOUTHLAND ROYALTY COMPANY

*R. E. Fielder*

Robert E. Fielder  
District Engineer

REF/ke

xc: Mr. Frank Chavez  
NMOCD - Aztec



OIL CON. DIVISION  
SANTA FE



RECEIVED  
OCT 24 1980  
OIL CONSERVATION DIVISION  
SANTA FE

WJ AGENT SANA

V+

WJ AGENT SANA

800P MDT

AYB086(1455)(1-015551C294)PD 10/20/80 1455

TLX MFS SLC

ZCZC 1 SALT LAKE CITY UT OCTOBER 20 1980

PMS OIL CONSERVATION COMMISSION

STATE LAND OFFICE BUILDING

SANTA FE NM 87501

MOUNTAIN FUEL AS A WORKING INTEREST OWNER OF AN OFFSET LOCATION  
CONSENTS TO SOUTHLAND ROYALTY UNORTHODOX LOCATION IN SECTION 4  
T22N R12W, SAN JUAN COUNTY.

MOUNTAIN FUEL SUPPLY COMPANY

J L HEALEY, ATTORNEY-IN-FACT

NNNN

Telex/TWX

western union

Telex/TWX

western union

TWX