

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

SUBMIT 1 REPLICATE\*  
(Other instructions on  
reverse side)

Form approved.  
Budget Bureau No. 1004-0136  
Expires August 31, 1985

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. 2C M-029387-C	
b. TYPE OF WELL OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <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 21 Desta Drive, Midland, Texas 79705		8. FARM OR LEASE NAME Shugart (APCO) A	
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements*) At surface 1420' FNL & 1520' FEL, Sec. 29, T-18-S, R-31-E At proposed prod. zone		9. WELL NO. 6	
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE* 15 miles southwest of Maljamar, New Mexico		10. FIELD AND POOL, OR WILDCAT Shugart (Y, SR, Q, G)	
18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 930'		11. SEC., T., R., M., OR BLM. AND SURVEY OR AREA Sec. 29, T-18-S, R-31-E	
16. NO. OF ACRES IN LEASE 160		12. COUNTY OR PARISH Eddy	
17. NO. OF ACRES ASSIGNED TO THIS WELL 40		13. STATE N.M.	
19. PROPOSED DEPTH 3650'		20. ROTARY OR CABLE TOOLS Rotary	
21. ELEVATIONS (Show whether DF, RT, GR, etc.) 3615.1' GR		22. APPROX. DATE WORK WILL START* 2-13-86	

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#	600'	300 sx. (Circulate)
7 7/8"	5 1/2"	14#	3650'	Volume may vary w/upper xone development (TOC by Temp Survey)

Drill 12 1/4" hole to 600'. Set 8 5/8" csg @ 600'. Cmt w/300 sx. Circulate. Test Grayburg and intermediate horizons. If commercial, run 5 1/2" csg to TD. Cmt with sufficient volume to bring above all prospective zones. Est TOC @ surf. Perf and stimulate Penrose and Queen for production.

MUD PROGRAM: 0-600' fresh wtr gel; 600-3150' brine; 3150-TD brine w/salt gel. MW 9.5-10.1 VIS 35-40, 6-10 cc. BHP @ TD expected to be 1600 psi.

BOP PROGRAM: 10"-3M BOP stack to be installed on 8 5/8" and left on for remainder of drilling. Stack to consist of blind ram BOP and one pipe ram BOP. Test BOP's after each new installation w/Yellow Jacket, Inc. Install rotating head after setting surface pipe.

Revised API  
No. 10-1  
2-14-86

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 Danell Roberts TITLE Drilling Engineer DATE 1/30/86  
(This space for Federal or State office use)

PERMIT NO. \_\_\_\_\_ APPROVAL DATE \_\_\_\_\_

APPROVED BY \_\_\_\_\_ TITLE \_\_\_\_\_ DATE 2-14-86

CONDITIONS OF APPROVAL, IF ANY:

Subject to  
Like Approval

\*See Instructions On Reverse Side

APPROVAL SUBJECT TO  
GENERAL REQUIREMENTS AND  
SPECIAL STIPULATIONS

NEW MEXICO OIL CONSERVATION COMMISSION  
WELL LOCATION AND ACREAGE DEDICATION PLAT

Form C-112  
Supersedes C-128  
Effective 10-65

All distances must be from the outer boundaries of the Section

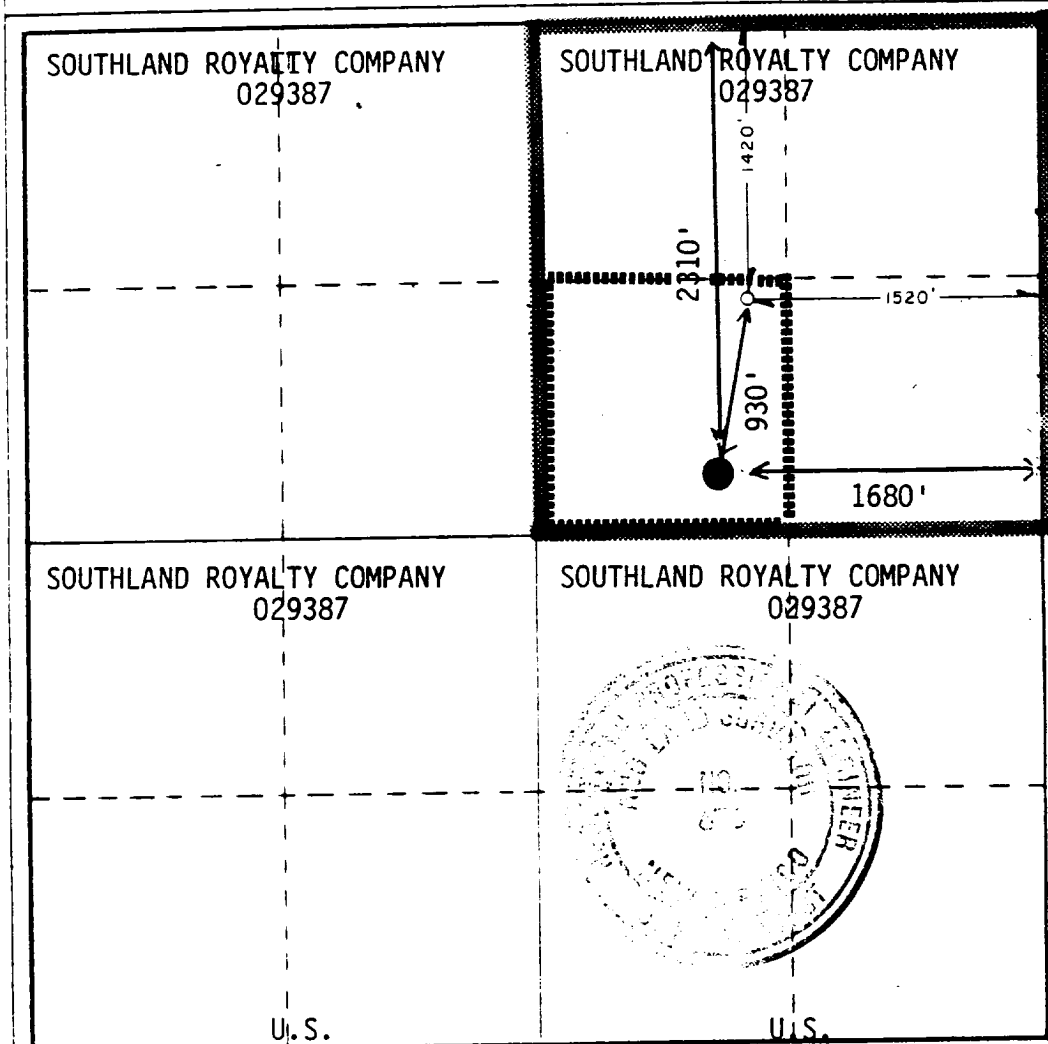
Operator <b>SOUTHLAND ROYALTY COMPANY</b>		Lease <b>SHUGART (APCO) A</b>		Well No. <b>6</b>
Unit Letter <b>G</b>	Section <b>29</b>	Township <b>18 SOUTH</b>	Range <b>31 EAST</b>	County <b>EDDY</b>
Actual Footage Location of Well: <b>1420</b> feet from the <b>NORTH</b> line and <b>1520</b> feet from the <b>EAST</b> line				
Ground Level Elev. <b>3615.1'</b>	Producing Formation <b>Yates, Queen, 7Rivers, Grayburg</b>		Pool <b>Shugart</b>	Estimated Acreage <b>40</b>

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 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

*Darrell Roberts*

Name

**Darrell Roberts**

Position

**Drilling Engineer**

Company

**Southland Royalty Company**

Date

**1/29/86**

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 6, 1986**

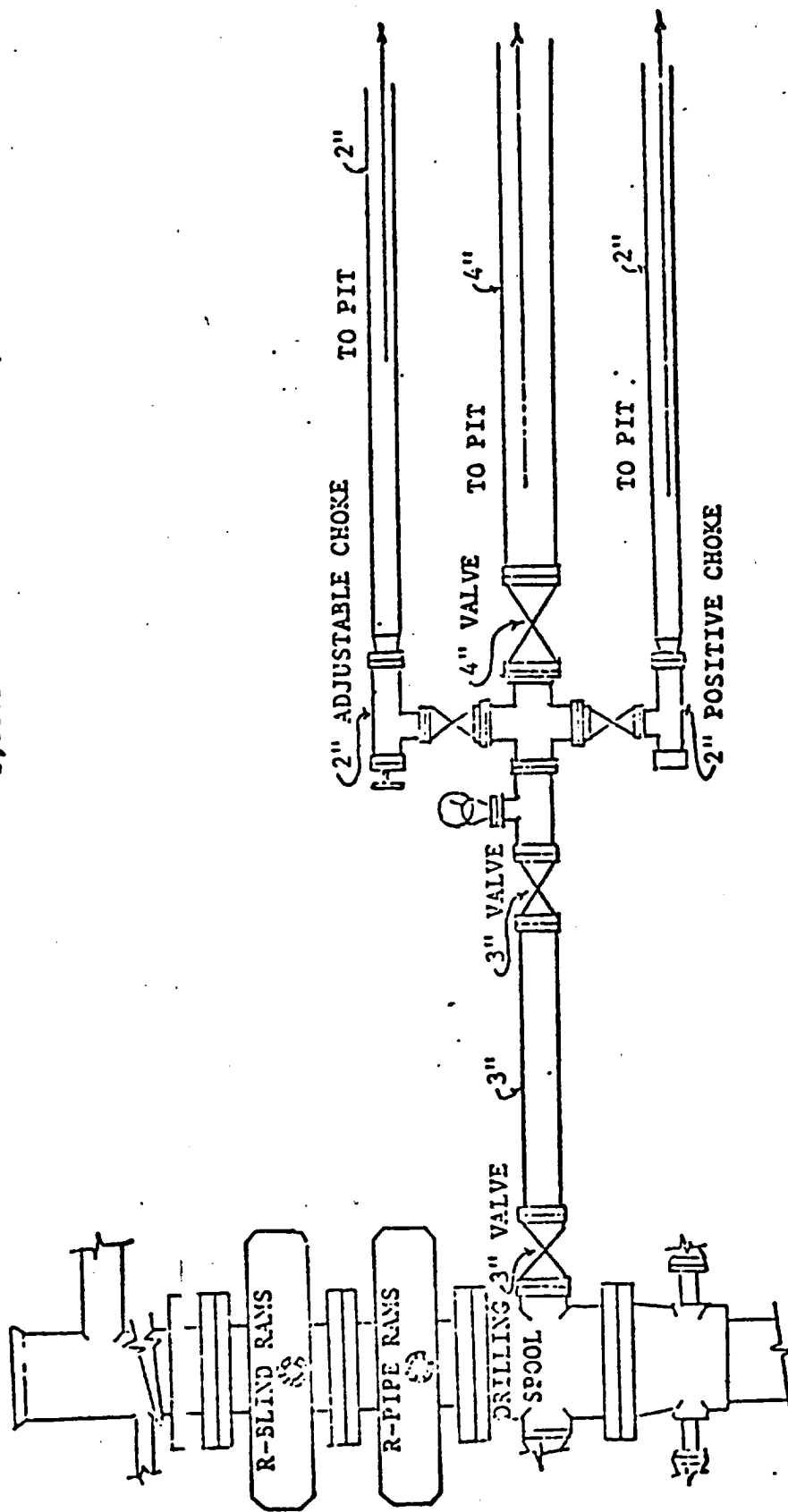
Registered Professional Engineer and/or Land Surveyor

*John W. West*

Certificate No **JOHN W. WEST** 676

**RONALD J. EIDSON** 3239

BLOW OUT PREVENTION EQUIPMENT  
 10" 900s ALL FLANGED CONNECTIONS  
 3,000# WORKING PRESSURE - 6,000# TEST



ATTACHMENT TO FORM C-101

SOUTHLAND ROYALTY COMPANY

Shugart (APCO) "A" No. 6  
1420' FNL & 1520' FEL  
Sec. 29, T-18-S, R-31-E  
Eddy County, New Mexico  
NM-029387

To supplement USGS Form 9-331C "Application to Drill the following additional information is submitted concerning questions on Page 5 of NTL-6:

1. See Form 9-331C.
2. See Form 9-331C.
3. The geological name of surface formation is: Ochoa
4. See Form 9-331C.
5. See Form 9-331C.
6. The estimated tops of important geological markers are:

Anhydrite	550'	Seven Rivers	2450'
Salt	780'	Queen	3250'
B/Salt	1850'	Penrose	3520'
Yates	2150'	Grayburg	3720'

7. The estimated depths at which anticipated water, oil gas and mineral bearing strata are as follows:

Yates	2150'	- Gas
Seven Rivers	2450'	- Oil
Queen	3250'	- Oil
Penrose	3520'	- Oil
Grayburg	3720'	- Oil

8. See Form 9-331C. All casing will be new.
9. See Form 9-331C for depths of strings. Cement volumes and additions as follows:
  - a. 8 5/8" csg: Cement w/300 sxs Cl "C". Circ to surface.
  - b. 5 1/2" csg: Cement 1st stage w/700 sxs Cl "C" 50/50 Pozmix "A". Cement 2nd stage w/300 sx Lite & tail-in w/100 sx Cl "C" w/4% CaCl. Circulate cmt to surface. DV tool at + 2000' & csg pkr at + 2100'.

A caliper log will be run prior to setting 8 5/8" & 5 1/2" pipe to determine exact cement volumes required.

10. The pressure control diagram is attached to Form 9-331C. The following additional information is as follows:

8 5/8" casing installation: 10"-3M BOP stack to be installed and tested by Yellow Jacket, Inc. to 1,000 psi before drilling the 8 5/8" casing shoe. The BOP stack to consist of a blind ram BOP and one pipe ram BOP.

ERIOR

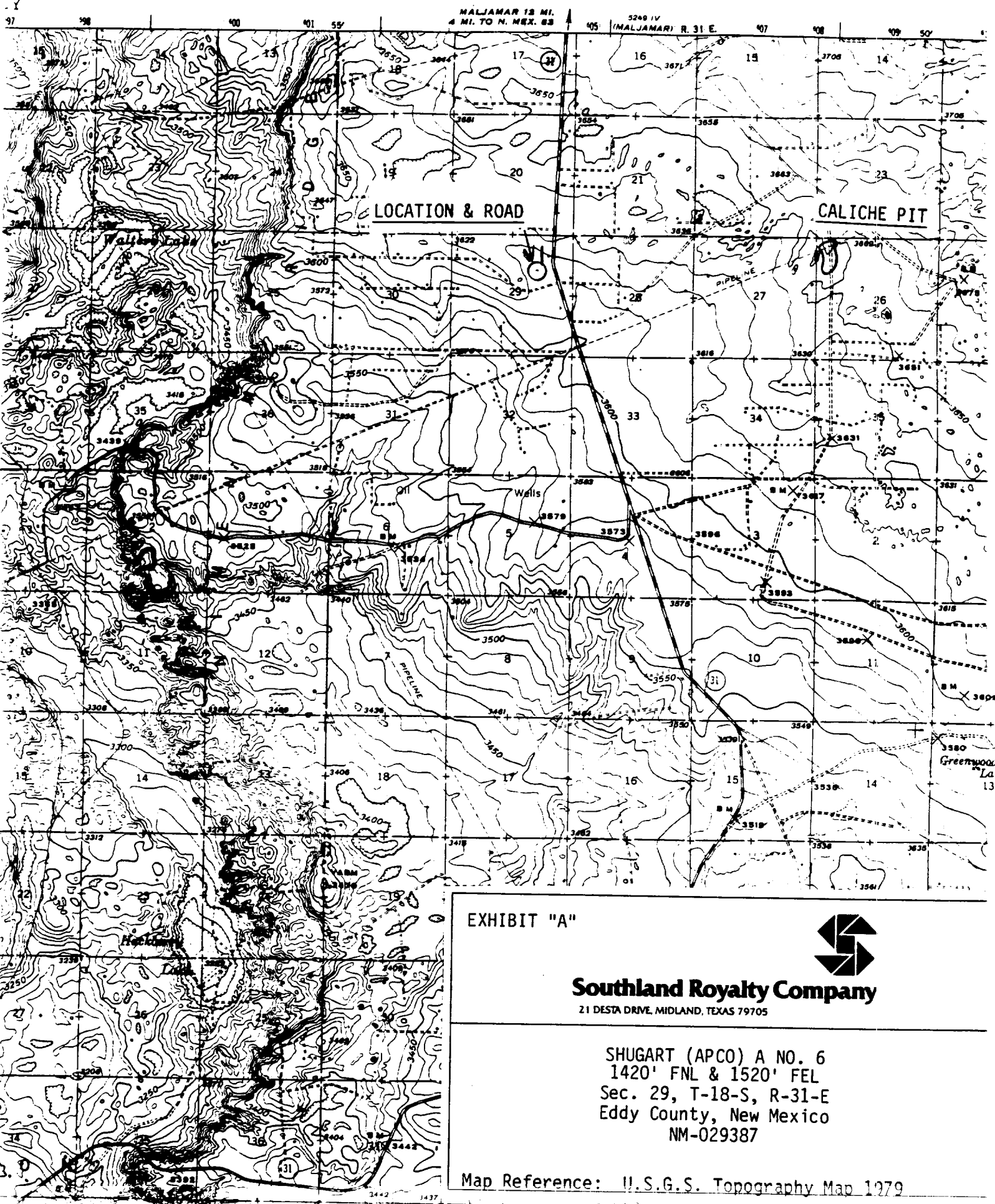


EXHIBIT "A"



**Southland Royalty Company**

21 DESTA DRIVE, MIDLAND, TEXAS 79705

SHUGART (APCO) A NO. 6  
1420' FNL & 1520' FEL  
Sec. 29, T-18-S, R-31-E  
Eddy County, New Mexico  
NM-029387

Map Reference: U.S.G.S. Topography Map 1979

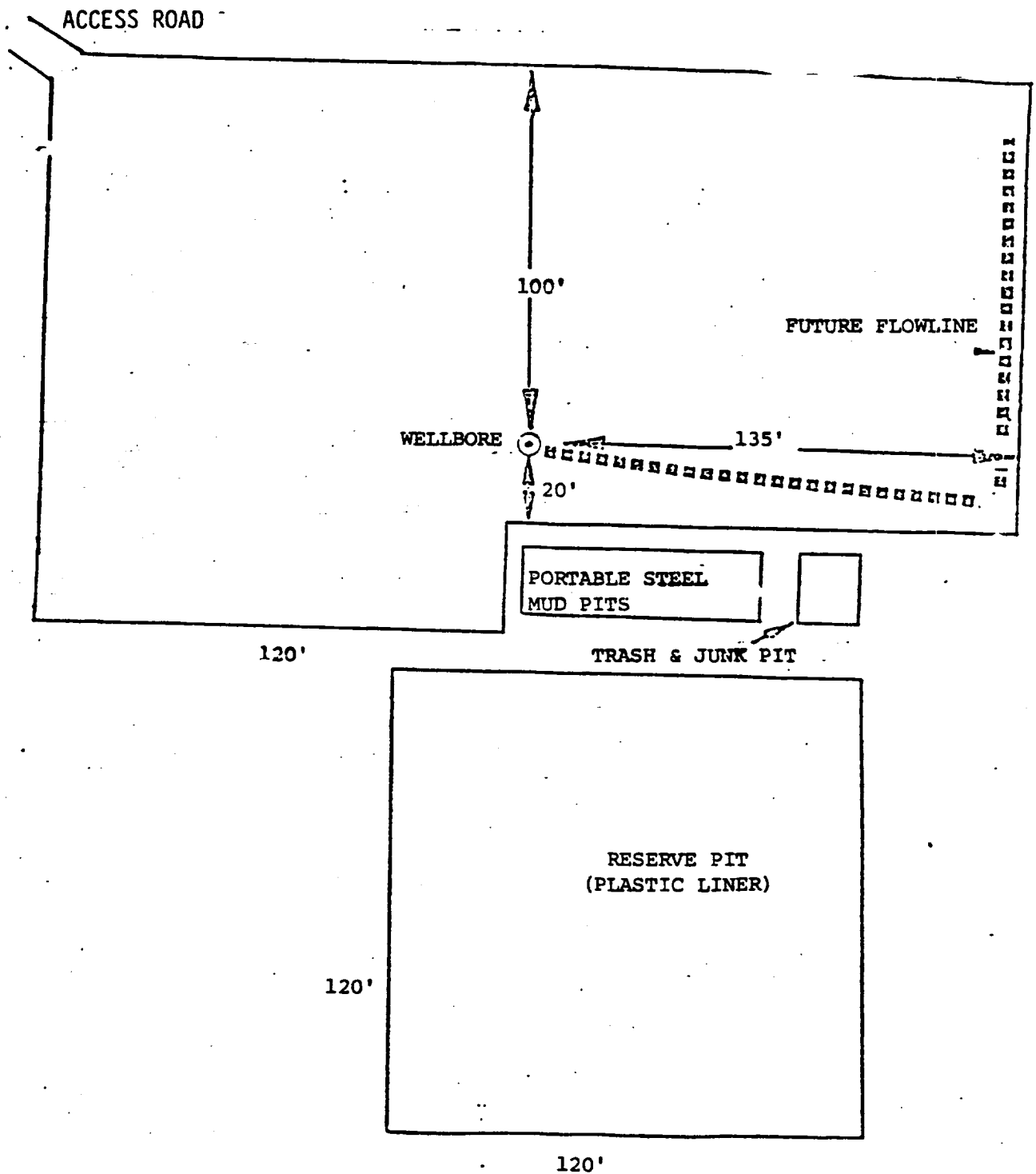


EXHIBIT "C"



**Southland Royalty Company**

21 DESTA DRIVE, MIDLAND, TEXAS 79705

SHUGART (APCO) A NO. 6  
1420' FNL & 1520' FEL  
Sec. 29, T-18-S, R-31-E  
Eddy County, New Mexico  
NM-029387