

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

RECEIVED
BLM

30-045-29105
CONV-5 PM 1:00

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. Type of Work DRILL	5. Lease Number NM-01772A
1b. Type of Well GAS	6. If Indian, All. or Tribe
2. Operator SOUTHLAND ROYALTY Co 21281	7. Unit Agreement Name
3. Address & Phone No. of Operator PO Box 4289, Farmington, NM 87499 (505) 326-9700	8. Farm or Lease Name Reid 10575
4. Location of Well 1890' FNL, 845' FEL Latitude 36° 38' 59", Longitude 107° 49' 23"	9. Well Number 7R
10. Field, Pool, Wildcat Basin Ft Coal/ 71629 Aztec Pic. Cliffs 71280	11. Sec., Twn, Rge, Mer. H Sec 19, T-28-N, R-9-W NMMP
14. Distance in Miles from Nearest Town 5 miles to Blanco, NM	12. County San Juan
15. Distance from Proposed Location to Nearest Property or Lease Line 845'	13. State NM
16. Acres in Lease 2337.480	17. Acres Assigned to Well 320 (E/2); 160 (NE/4)
18. Distance from Proposed Location to Nearest Well, Drig, Compl, or Applied for on this Lease 50'	
19. Proposed Depth 2140'	20. Rotary or Cable Tools Rotary
21. Elevations (DF, FT, GR, Etc.) 5838' GL	22. Approx. Date Work will Start 1st quarter 1994
23. Proposed Casing and Cementing Program See Operations Plan attached	
24. Authorized by: <u>[Signature]</u> Regional Drilling Engineer	11-1-93 Date

PERMIT NO. _____

APPROVED BY _____

TITLE _____

DATE _____

APPROVED
AS AMENDED

MAR 30 1994

APPROVED
DISTRICT MANAGER AS AMENDED

Archaeological Report to be submitted

Threatened and Endangered Species Report to be submitted

NOTE: This format is issued in lieu of U.S. BLM Form 3160-3

NOV 1993

NMCCD

DISTRICT MANAGER

Scholar to Aqueduct
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

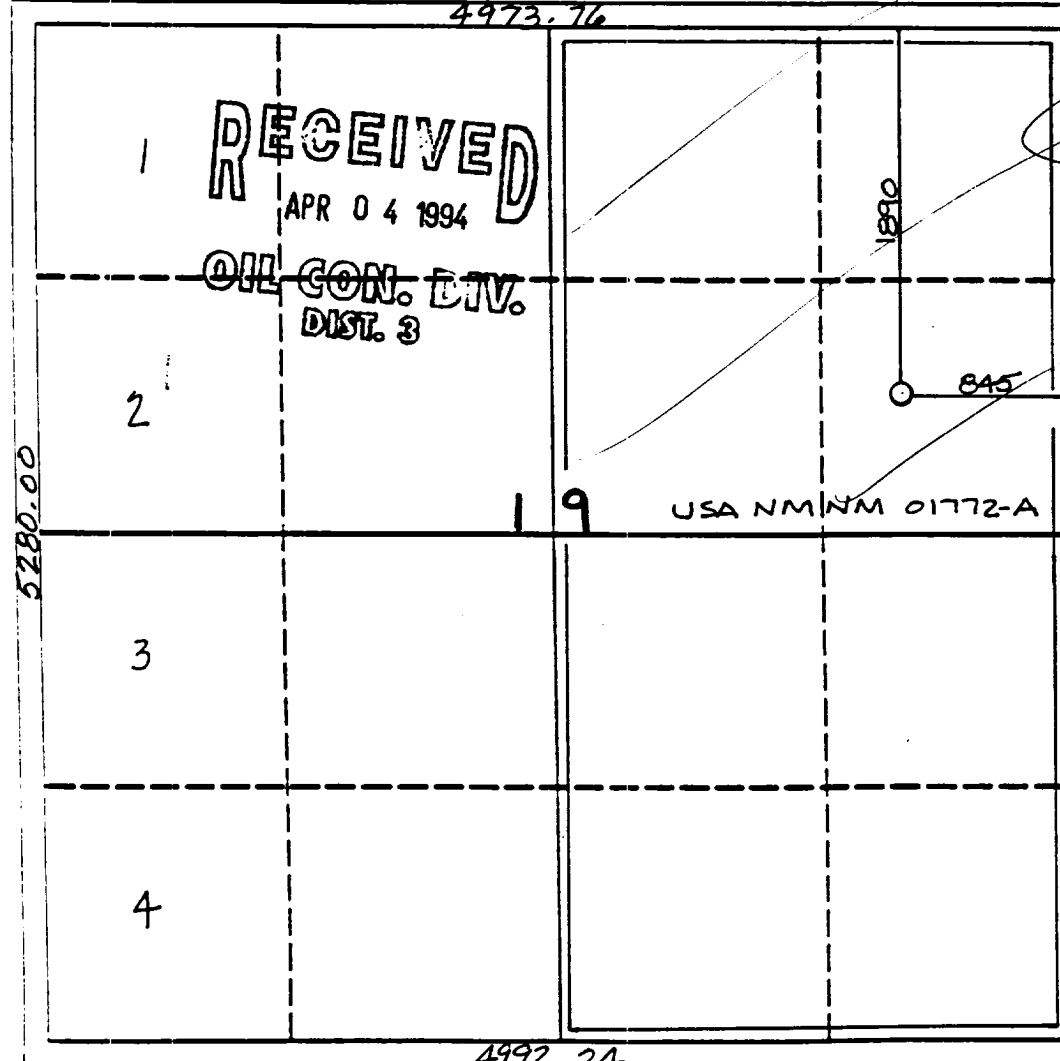
DISTRICT II
P.O. Drawer DD, Aragon, NM 88210

DISTRICT III
1000 Rio Grande 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 Reid		Well No. 7R	
Unit Letter H	Section 19	Township 28 North	Range 9 West	County San Juan	
Actual Forage Location of Well: 1890 feet from the North line and 845 feet from the East line					
Ground level Elev. 5838	Producing Formation Fruitland Coa/Pictured Cliffs Basin/Aztec			Dedicated Acreage E/320/160 Acres	
<p>1. Outline the acreage dedicated to the subject well by colored pencil or ink on the plat below.</p> <p>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).</p> <p>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.? <input type="checkbox"/> Yes <input type="checkbox"/> 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, force-pooling, or otherwise) or until a non-standard unit, eliminating such interest, has been approved by the Division.</p>					



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 Representative
Position
Southland Royalty
Company
10-31-93
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. 10-2-93

Date Surveyed
Needle C. Edwards
Signature
Professional Surveyor
6857
Cadastral No.
6857

OPERATIONS PLAN

Well Name: Reid #7R
Location: 1890'FNL, 845'FEL Section 19, T-28-N, R-9-W
 San Juan County, New Mexico
 Latitude 36° 38' 59", Longitude 107° 49' 23"
Formation: Basin Fruitland Coal/Aztec Pictured Cliffs
Elevation: 5838'GL

Formation:	Top	Bottom	Contents
Surface	Nacimiento	990'	
Ojo Alamo	990'	1095'	aquifer
Kirtland	1095'	1760'	
Fruitland	1760'	2019'	
Fruitland Coal Top	1894'	2013'	gas
Pictured Cliffs	2019'		gas
Total Depth	2140'		

Logging Program: Mud logs from 950' to Total Depth
 DIL-GR-SP - surface to Total Depth
 GL-GR-SP-CAL/Dens-Neut-GR-CAL - 1750' to Total Depth

Mud Program:

Interval	Type	Weight	Vis.	Fluid Loss
0- 200'	Spud	8.4-8.9	40-50	no control
200-2140'	Non-dispersed	8.4-9.5	30-60	no control

Casing Program:

Hole Size	Depth Interval	Csg.Size	Wt.	Grade
12 1/4"	0 - 200'	8 5/8"	24.0#	K-40
7 7/8"	0 - 2140'	4 1/2"	10.5#	K-55

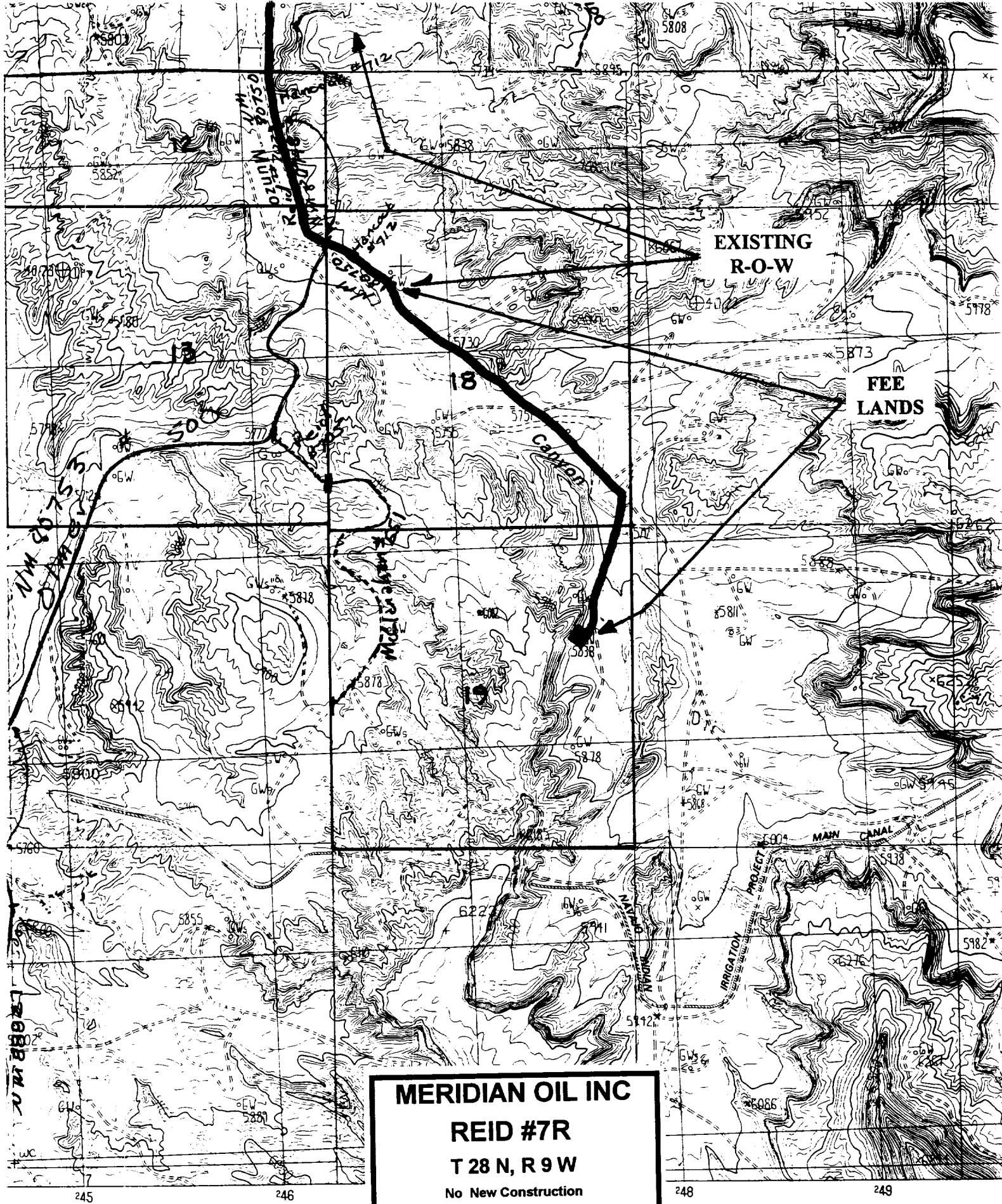
Tubing Program:

0 - 2140'	2 3/8"	4.7#	J-55
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Float Equipment: 8 5/8" surface casing - saw tooth guide shoe.
 Centralizers will be run in accordance with Onshore Order #2.

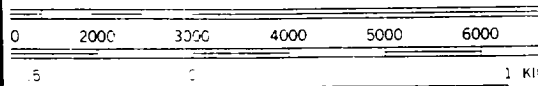
4 1/2" production casing - float shoe on bottom. Three centralizers run every other joint above shoe. Four centralizers run every 3rd joint to the base of the Ojo Alamo @ 1095'. Two turbolizing type centralizers - one below and one into the base of the Ojo Alamo @ 1095'. Standard centralizers thereafter every fourth joint up to the base of the surface pipe.

Wellhead Equipment: 8 5/8" x 4 1/2" x 2 3/8" x 11" 2000 psi xmas tree assembly.



MERIDIAN OIL INC
REID #7R
T 28 N, R 9 W
No New Construction
All BLM roads are covered by
existing ROW NM 80750
APD MAP #1

SCALE 1:24 000



Y
VA
77
95
R
13

NORTH