

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK

DRILL ☒DEEPEN ☐PLUG BACK ☐

b. TYPE OF WELL

OIL
WELL ☐GAS
WELL ☒OTHER ☐SINGLE
ZONE ☒MULTIPLE
ZONE ☐

2. NAME OF OPERATOR

Southland Royalty Company

3. ADDRESS OF OPERATOR

P. O. Drawer 570, Farmington, New Mexico

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)*

At surface

1690' FSL & 790' FEL

At proposed prod. zone

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*

15. DISTANCE FROM PROPOSED*

LOCATION TO NEAREST
PROPERTY OR LEASE LINE, FT.
(Also to nearest drg. unit line, if any)

16. NO. OF ACRES IN LEASE

17. NO. OF ACRES ASSIGNED
TO THIS WELL18. DISTANCE FROM PROPOSED LOCATION*
TO NEAREST WELL, DRILLING, COMPLETED,
OR APPLIED FOR, ON THIS LEASE, FT.

19. PROPOSED DEPTH

2802'

20. ROTARY OR CABLE TOOLS

Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)

5962' GR

22. APPROX. DATE WORK WILL START*

June 15, 1978

23.

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12-1/2"	8-5/8"	24#	200'	165 cu. ft.
6-3/4"	2-7/8"	6.5#	2802'	270 cu. ft.

Surface formation is Nacimiento.

Top of Ojo Alamo is at 1487'.

Top of Pictured Cliffs is at 2622'.

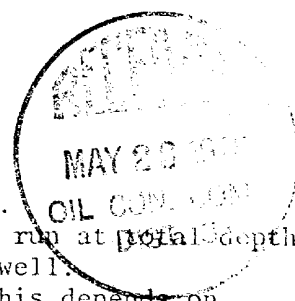
Fresh water mud will be used to drill from surface to total depth.

It is anticipated that an IES and a Gamma Ray 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 be drilled before June 15, 1978. This depends on
time required for approvals, rig availability and the weather.

Gas is dedicated.

RECEIVED
MAY 22 1978

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

TITLE District Production Manager DATE May 18, 1978

(This space for Federal or State office use)

PERMIT NO.

APPROVAL DATE

APPROVED BY

TITLE

DATE

CONDITIONS OF APPROVAL, IF ANY:

OK

*See Instructions On Reverse Side

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.

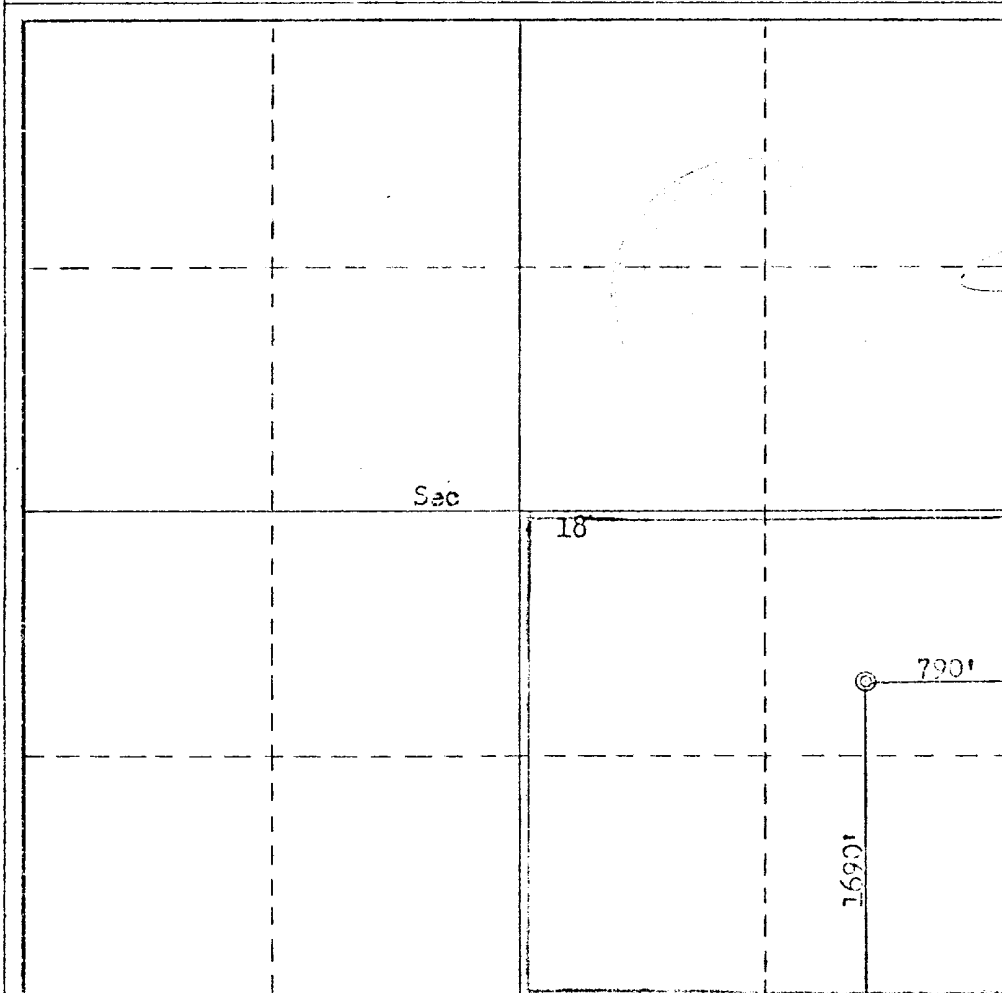
Operator: Southland Royalty Company			Lease: Grandall		Well No.: 7
Unit Letter: I	Section: 18	Township: 31N	Range: 10W	County: San Juan	
Actual Footage Location of Well: 1690 feet from the South line and 790 feet from the East line					
Ground Level Elev.: 5962	Producing Formation: Pictured Cliffs		Pool: Blanco		Dedicated Acreage: 160.77 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: _____
May 18, 1978

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: _____
April 5, 1978
Registered Professional Engineer and/or Land Surveyor
Fred B. Herr
Certificate No. _____
3950



Southland Royalty Company

May 18, 1978

United States Geological Survey
P. O. Box 959
Farmington, New Mexico

Attention: Mr. P. T. McGrath

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.

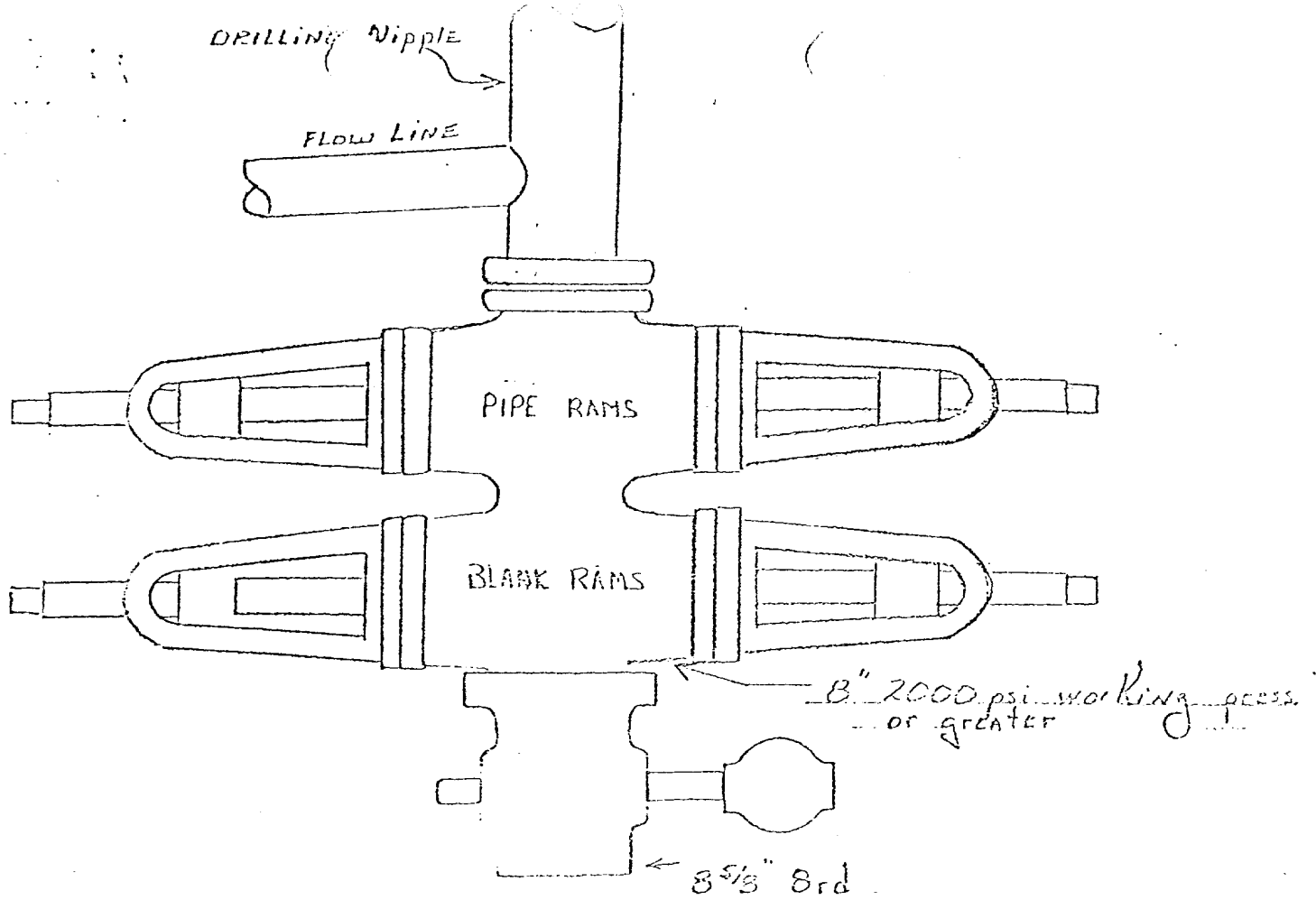
The preventer is 3000# working pressure and 6000# test.

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



Preventers and spools are to have
through bore of 8" - 2000# or larger.



Southland Royalty Company

May 18, 1978

United States Geological Survey
P. O. Box 959
Farmington, New Mexico 87410

Attention: Mr. P. T. McGrath

Dear Sir:

Enclosed please find a map showing existing roads and planned access roads to Southland Royalty Company's Crandell #7 well. The locations of tank batteries and flow lines will be on location with well. A burn pit will be provided for disposal of trash. Cuttings, drilling fluid and produced fluids will be put into the reserve pit and properly disposed of depending on amount and type of fluids.

There will be no camps or air strips.

Also, enclosed is location layout showing approximate location of rig, pits and pipe racks.

Water supply will be Aztec Ditch.

The location will be restored according to Bureau of Land Management standards. This work will begin when all related construction is finished.

Mr. Max Larson will be Southland Royalty Company's field representative supervising these operations.

Yours truly,

SOUTHLAND ROYALTY COMPANY

L. O. Van Ryan
District Production Manager

LOVR/dg



Southland Royalty Company

United States Geological Survey
P. O. Box 959
Farmington, New Mexico 87401

Attention: Mr. P. T. McGrath

Dear Sir:

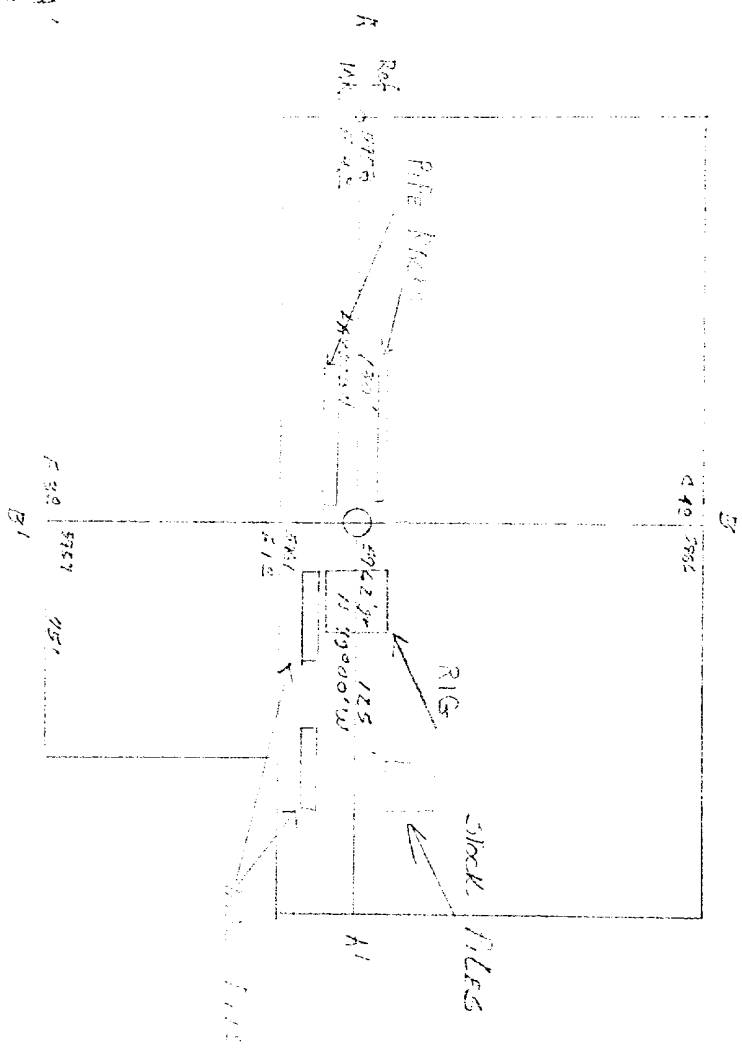
I hereby certify that I, or persons under my direct supervision, have inspected the proposed drillsite and access route; that I am familiar with the conditions which presently exist; that the statements made in this plan are, to the best of my knowledge, true and correct; and, that the work associated with the operations proposed herein be performed by Southland Royalty Company and its contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved.

Date: May 18, 1978

Name: CC Pearson

Title: District Engineer

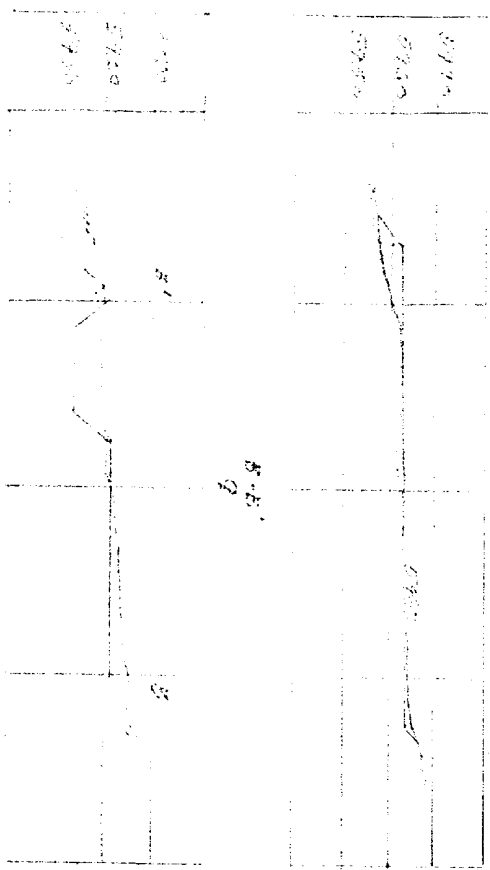
LOCATION: TOWNSHIP 10N
 SOUTHERLAND INDIANITY CO. #7 CRANDALL
 16901 FSI 7901 TEL. Sec 18-T31N-R10W
 San Juan County, New Mexico



Scale 1" = 400'
 North

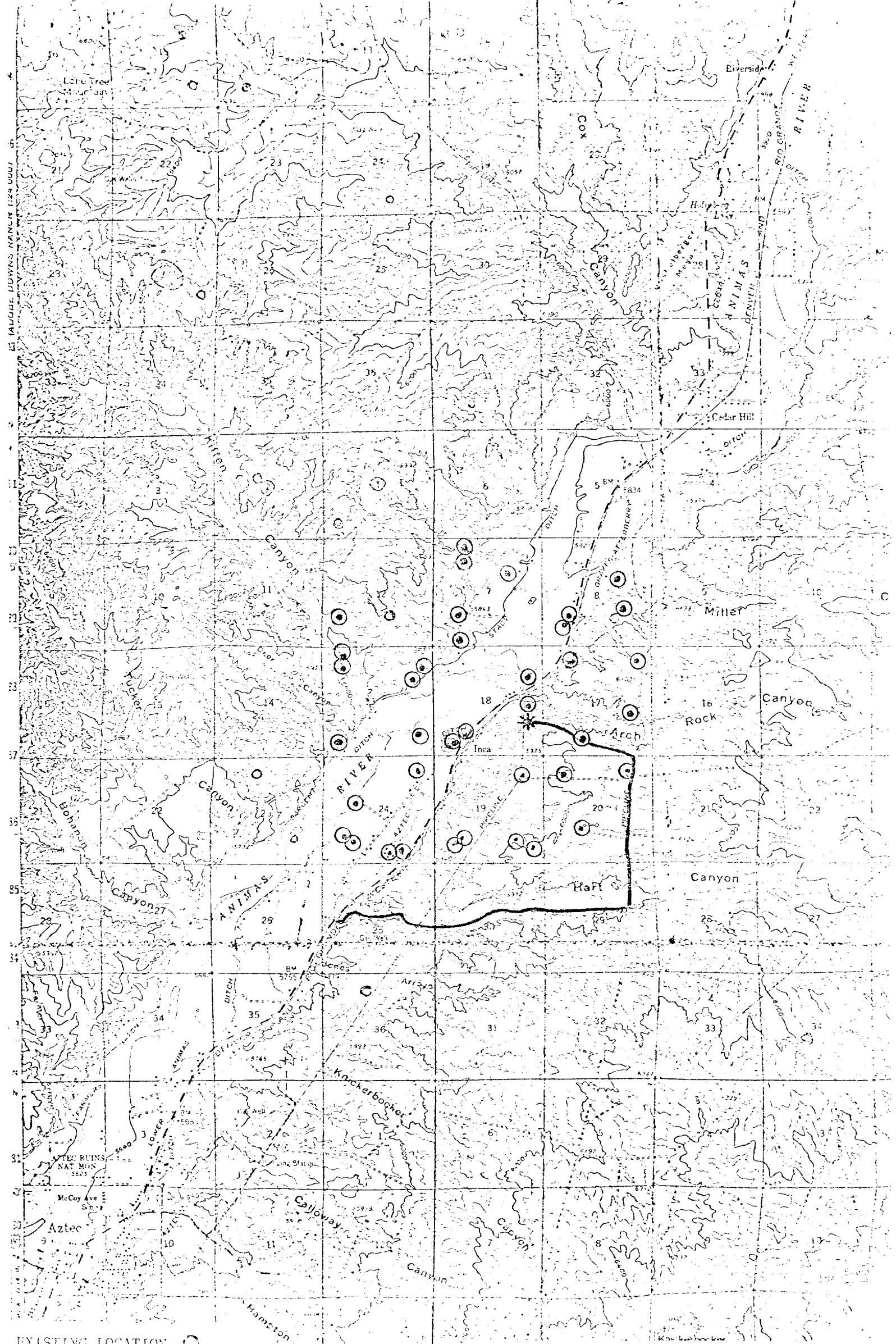
A-A'
 2

B-B'
 2



KERR LAND SURVEYING
 April 5, 1978

Handwritten signature
 Fred Kerr



EXISTING LOCATION ○
PROPOSED LOCATION ★
EXISTING ROADS ———
PROPOSED ROADS - - -

Vicinity Map for
SOUTHLAND ROYALTY CO. #7 Crandall
1690' EBL 130' EBL Sec 18-13N-R10W
San Juan County, New Mexico