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NEW MEXICO OIL CONSERVATION COMMISSION  
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JUL 31 1980

O. C. D.

30-005-60758  
Form C-101  
Revised 1-1-85

|                                                                        |
|------------------------------------------------------------------------|
| 5A. Indicate Type of Lease                                             |
| STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/> |
| 5. State Oil & Gas Lease No.                                           |
| L-6779                                                                 |

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

|                                                                                                                                                                                                                                                                                                                                         |  |                                  |  |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--|----------------------------------|--|
| 1a. Type of Work                                                                                                                                                                                                                                                                                                                        |  | 7. Unit Agreement Name           |  |
| b. Type of Well<br>DRILL <input checked="" type="checkbox"/> DEEPEN <input type="checkbox"/> PLUG BACK <input type="checkbox"/><br>OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER <input type="checkbox"/> SINGLE ZONE <input checked="" type="checkbox"/> MULTIPLE ZONE <input type="checkbox"/> |  | 8. Farm or Lease Name            |  |
| 2. Name of Operator                                                                                                                                                                                                                                                                                                                     |  | Buffalo Valley "22" Comm.        |  |
| Southland Royalty Company ✓                                                                                                                                                                                                                                                                                                             |  | 9. Well No.                      |  |
| 3. Address of Operator                                                                                                                                                                                                                                                                                                                  |  | 1                                |  |
| 1100 Wall Towers West, Midland, Texas 79701                                                                                                                                                                                                                                                                                             |  | 10. Field and Pool, or Wildcat   |  |
| 4. Location of Well                                                                                                                                                                                                                                                                                                                     |  | Undesignated (Morrow)            |  |
| UNIT LETTER B LOCATED 660 FEET FROM THE north LINE                                                                                                                                                                                                                                                                                      |  |                                  |  |
| AND 1980 FEET FROM THE east LINE OF SEC. 22 TWP. 14S RGE. 27E NMPM                                                                                                                                                                                                                                                                      |  |                                  |  |
|                                                                                                                                                                                                                                                                                                                                         |  | 12. County                       |  |
|                                                                                                                                                                                                                                                                                                                                         |  | Chaves                           |  |
|                                                                                                                                                                                                                                                                                                                                         |  | 19. Proposed Depth               |  |
|                                                                                                                                                                                                                                                                                                                                         |  | 8400'                            |  |
|                                                                                                                                                                                                                                                                                                                                         |  | 19A. Formation                   |  |
|                                                                                                                                                                                                                                                                                                                                         |  | Morrow                           |  |
|                                                                                                                                                                                                                                                                                                                                         |  | 20. Rotary or C.T.               |  |
|                                                                                                                                                                                                                                                                                                                                         |  | Rotary                           |  |
| 21. Elevation (Show whether BP, RL, etc.)                                                                                                                                                                                                                                                                                               |  | 21A. Kind & Status Plug. Bond    |  |
| 3445.6' GR                                                                                                                                                                                                                                                                                                                              |  | Blanket                          |  |
|                                                                                                                                                                                                                                                                                                                                         |  | 21B. Drilling Contractor         |  |
|                                                                                                                                                                                                                                                                                                                                         |  | Hondo Drilling Co.               |  |
|                                                                                                                                                                                                                                                                                                                                         |  | 22. Approx. Date Work will start |  |
|                                                                                                                                                                                                                                                                                                                                         |  | 8-15-80                          |  |

PROPOSED CASING AND CEMENT PROGRAM

| SIZE OF HOLE | SIZE OF CASING | WEIGHT PER FOOT | SETTING DEPTH | SACKS OF CEMENT | EST. TOP |
|--------------|----------------|-----------------|---------------|-----------------|----------|
| 15"          | 11 3/4"        | 42#             | 225'          | 250 sx.         | Surface  |
| 11"          | 8 5/8"         | 24#             | 1600'         | 750 sx.         | Surface  |
| 7 7/8"       | 4 1/2"         | 10.5 & 11.6#    | 8300'         | 700 sx.         | 5000'    |

Drill 15" hole to 225'. Set csg @ 225' T/salt; circ cmt. Drill 11" hole w/brine wtr. to prevent wash out to depth of 1600'. Set 8 5/8" csg @ 1600'; circ cmt. Drill 7 7/8" hole to 8400' w/fresh wtr; add brine wtr to raise mud wt. Drill to TD of 8400' to test Morrow & intermediate zones. If commercial, run 4 1/2" csg to TD. Cmt w/sufficient cmt to bring cmt above all prospective zones. Est. T/cmt @ 5000'. If intermediate horizons are productive, will run stage tool @ 7500'+ and use additional cmt volume. Perf & stimulate Morrow for production. MUD PROGRAM: 0-225' spud mud; 225-1600' 9.8-10# brine wtr; 1600-5500' fresh wtr; 5500-6500' cut brine wtr; 6500-TD starch, gel, Flosal, & 3% KCL, vis 40 ccc Fluid loss thru Morrow. BHP @ TD anticipated to be 3645 psi. No abnormal pressures expected. BOP PROGRAM: BOP to be installed on 11 3/4", double 10" Ser 900. BOP to be installed on 8 5/8", double 10" Ser 900 & 10" Ser 900 Hydril & drilling head. Test w/Yellow Jacket, Inc. Test BOP daily. GAS WELL GAS NOT DEDICATED.

APPROVAL VALID  
FOR 90 DAYS UNLESS  
DRILLING COMMENCED,

EXPIRES 11-1-80

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM; IF PROPOSAL IS TO DEEPEN OR PLUG BACK, GIVE DATA ON PROPOSED DEEPENING ZONE AND PROPOSED NEW PRODUCTION ZONE. GIVE BLOWOUT PREVENTER PROGRAM, IF ANY.

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

Signed C. Harney Carr Title Asst. to District Manager Date July 30, 1980

(This space for State Use)

APPROVED BY Mark Wilkins TITLE OIL AND GAS INSPECTOR DATE AUG 1 1980

CONDITIONS OF APPROVAL, IF ANY:

Cement must be circulated to  
surface behind 11 3/4" + 8 5/8" casing

Notify N.M.O.C.C. in sufficient time to witness

8 5/8"

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<br><b>Southland Royalty Co.</b>                                                                                      |                                      |                             | Lease<br><b>Buffalo Valley 22 Com</b> |                                        | Well No.<br><b>1</b> |
| Unit Letter<br><b>B</b>                                                                                                       | Section<br><b>22</b>                 | Township<br><b>14 South</b> | Range<br><b>27 East</b>               | County<br><b>Chaves</b>                |                      |
| Actual Footage Location of Well:<br><b>660</b> feet from the <b>North</b> line and <b>1980</b> feet from the <b>East</b> line |                                      |                             |                                       |                                        |                      |
| Ground Level Elev.<br><b>3445.6</b>                                                                                           | Producing Formation<br><b>Morrow</b> | Pool<br><b>Undesignated</b> |                                       | Dedicated Acreage:<br><b>320</b> Acres |                      |

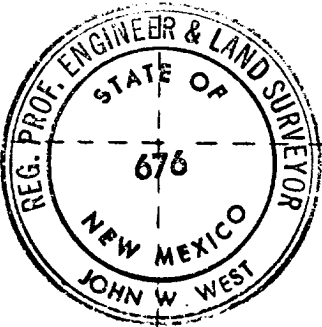
1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is 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 Communitized

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.

|                                    |                                    |                                   |                           |
|------------------------------------|------------------------------------|-----------------------------------|---------------------------|
| Mrs. R.J. Fuller<br>18034          | Fortson A. Corp<br>L6779           | Fortson A. Corp<br>et al<br>L6779 | Mrs. R.J. Fuller<br>18034 |
| STATE                              | STATE                              | STATE                             | U.S.                      |
| Fortson A. Corp.<br>et al<br>L6779 | Fortson A. Corp.<br>et al<br>L6779 | Mrs. R.J. Fuller<br>18034         | Mrs. R.J. Fuller<br>18034 |
| STATE                              | STATE                              | U.S.                              | U.S.                      |



CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

*C. Harvey Carr*

Name  
C. Harvey Carr  
Position  
Asst. to the District Manager  
Company  
Southland Royalty Company  
Date  
July 30, 1980

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  
July 11, 1980  
Registered Professional Engineer and/or Land Surveyor

*John W. West*  
Certificate No. **JOHN W. WEST 676**  
**PATRICK A. ROMERO 6668**  
**Ronald J. Eidson 3239**

330 660 990 1320 1650 1980 2310 2640 2970 3300 3630 3960 4290 4620 4950 5280 5610 5940 6270 6600 6930 7260 7590 7920 8250 8580 8910 9240 9570 9900

