

N.M.O.C.D. COPY

SUBMIT IN TRIPLA
(Other instructions on
reverse side)Form approved.
Budget Bureau No. 42-R1425.UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

30-015-23708

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

1100 Wall Towers West; Midland, Texas 79701

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

At surface

660' FSL & 660' FEL. Sec 34,

At proposed prod. zone

same

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

4 miles SW of Loco Hills, New Mexico

15. DISTANCE FROM PROPOSED*

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

660'E

18. DISTANCE FROM PROPOSED LOCATION*

TO NEAREST WELL, DRILLING, COMPLETED,
OR APPLIED FOR, ON THIS LEASE, FT.

1866.8' NE

16. NO. OF ACRES IN LEASE

80

17. NO. OF ACRES ASSIGNED
THIS WELL

40 Ac

19. PROPOSED DEPTH

3300'

20. ROTARY OR CABLE TOOLS

Rotary

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

3533.4 GR

22. APPROX. DATE WORK WILL START*

3-15-81

23.

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#	275'	250 sxs (circ)
7 7/8"	5 1/2"	14#	3300'	825 sxs

Drl 12 1/4" hole to 275'. Set 8 5/8" csg @ 275'; Circ cmt. Drl 7 7/8" hole to 3300'. Set 5 1/2" csg @ 3300'; Cmt w/sufficient volume to bring cmt above the base of surface csg. Estimated top of cmt @ 200'. Perf and stimulate Grayburg & San Andres for production.

MUD PROGRAM: 0-275', spud mud; 275-3300', brine wtr. Mud conditioned @ TD w/Gel w/vis 34-38, FL 40 cc thru San Andres.

BOP PROGRAM: BOP to be tested before drilling below surface csg & before drilling thru anticipated oil & gas formations.

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 Operations Engineer 2-25-81

(This space for Federal or State office use)

APPROVED

PERMIT NO.

(Orig. Sgd.) GEORGE H. STEWART

APPROVAL DATE

APPROVED BY

TITLE

DATE

CONDITIONS OF APPROVAL, IF ANY

JAMES A. GILHAM
DISTRICT SUPERVISOR

*See Instructions On Reverse Side

SOUTHLAND ROYALTY COMPANY

F.M. Robinson "B" Tr. 2 #2

660' FSL & 660' FEL

Sec. 34, T-17-S, R-29-E

Eddy County, New Mexico (NM 21887)

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: Paleorthid-Haplargid
4. See Form 9-331C.
5. See Form 9-331C.
6. The estimated tops of important geological markers are:

T/salt	310'	Jackson	3130'
Yates	1040'		
Grayburg	2490'		
San Andres	2930'		

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

Grayburg 2490' (oil)
San Andres 2930' (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" casing: Cement w/250 sxs Class "C" cement w/2% CaCl. Cement to be circulated back to surface.
 - b. 5 1/2" casing: Cement w/625 sxs Lite wt cement w/8# Salt, 5# Gilsonite & 1/4# celloflake & 200 sxs Cl "C" w/2% CaCl w/3% salt & 1% CF-10. Estimated top of cement @ 150'.
 - c.

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

The BCF will be tested before drilling below surface pipe and before drilling thru anticipated oil or gas formation.

Testing Procedure:

Test 8 5/8" casing & BOP - pressure to 1000 psi for 30 min. before drilling below 8 5/8" casing.

11. See Form 9-331C.

12. A. DST - None

b. Cores - None

c. Mud Logger - none

d. Wire Line Logs:

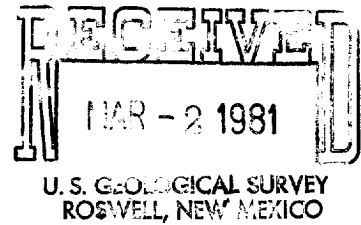
CNL/CFD/GR-Caliper
DLL/RXO/GR

275'-3300'
275'-3300'

13. No abnormal pressures anticipated with bottom hole pressures at TD expected to be 1435 . Bottom hole temperature 109 F. No Hydrogen Sulfide expected in this known drilling area. No crooked hole or abnormal deviation problems.
14. Anticipated starting date to spud- April 5, 1981 . Previous drilling in this area indicates 10 days from spud to setting 5 1/2" casing at TD or about April 16, 1981.

SURFACE USE PLAN

SOUTHLAND ROYALTY COMPANY
F.M. Robinson "B" Tr 2 #2
660' FSL & 660' FEL
Sec. 34, T-17-S, R-29-E
Eddy County, New Mexico
NM 21887



This plan is submitted with Application to Drill on above described well. The minerals are federal, and the surface is leased for grazing (See below for surface lessee). The purpose of this plan is to describe the location, proposed construction activities and operations plans, magnitude of necessary surface disturbance and procedures to be followed in rehabilitating the surface after completion of the operation so that complete appraisal can be made of the environmental effects associated with the operation.

1. Existing Roads:

Exhibit "A" is a portion of a USGS Topographic map showing the location of the proposed well as staked.

Directions to the well are as follows: Go 4.3 miles west of Loco Hills on U.S. Hwy 82, then turn southeast on dirt road and go 1.6 miles, turn east on existing road & go .3 mile, turn south and go .3 mile & turn east and go .2 mile, then turn south and go .2 mile to new access road & continue on south on new road approx. 1300' to location.

2. Planned Access Road:

- a. One road will be built from the existing lease road to the proposed location. New road required will be 12 feet wide and 1300' long. The center line of the proposed new road from the beginning to the well site has been staked and flagged with the stakes being visible from any one to the next.
- b. Surfacing Material: 6" of caliche, watered, compacted and graded.

3. Location of Existing Wells in Area:

See Exhibit "B"

4. Location of Proposed Facilities:

Location of proposed well site is shown on Exhibit "C". The battery will be located in Unit I, Sec. 34, T-17-S, R-29-E. No additional surface disturbance will be necessary other than flow line to tank battery, which will run along side of access road north to battery, as shown on Exhibit "A".

5. Water Supply:

- a. No available surface or sub-surface fresh water exists in the vicinity of the proposed well. Drilling water will be transported to the drill site from the nearest commercial source.

6. Source of Construction Material:

Caliche for surfacing access road and pad will be obtained from existing pit located as shown on Exhibit "A" in Sec. 34, T-17-S, R-29-E. ACA report to indicate location. The pit has been cleared by the agency for conservation archaeology. The Report clearing the pit will be submitted as soon as it is received.

7. Handling Waste disposal:

- a. Drill cuttings - disposed into drilling pits.
 - b. Drill fluids - allowed to evaporate in drill pits until pits dry.
 - c. Produced water during testing - drill pits.
 - d. Produced oil during testing - storage tank until sold.
 - e. Current laws and regulations pertaining to disposal of human waste will be observed.
 - f. Reserve pit will be plastic lined.
 - g. Waste paper, garbage, junk disposed of into special trash pit at location and covered with minimum of 24 inches of dirt upon completion of well. All waste material will be contained to prevent scattering by wind.
8. All trash and debris will be buried or removed from well site within 30 days after finish drilling and/or completion operations.

9. Ancillary Facilities:

None

10. Plans for Restoration of Surface:

- a. After completion of drilling and/or completion of operations, all equipment and other material not needed for operations will be removed. Pits will be filled and locations cleaned of trash and junk to leave well site in as aesthetically pleasing a condition as possible.
- b. Any unguarded pits containing fluids will be fenced until filled.
- c. After abandonment of well, surface restoration will be in accordance with the State of New Mexico Surface Requirements.

11. Topography and Soil:

See attached Eastern New Mexico University Report by Dr. Colleen Beck.

12. Land Use:

Grazing and hunting - State

Surface Lessee - Bogle Farms
P.O. Box 358
Dexter, New Mexico 88230
Phone; 1-505-734-4542

13. Surface Ownership: Bureau of Land Management

14. Operators Representative:

Field representatives (Responsible for compliance with approved surface use and operations plan):

Southland Royalty Company

P.O. Box 127

Loco Hills, New Mexico 88255

Office; 1-505-677-2233

Mr. Wayne Grubbs, Drilling Foreman

Loco Hills, Home: 1-505-677-2295

Mr. Bill Chrane, Production Superintendent

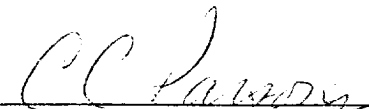
Midland, Texas office 915/682-8641

home 915/694-0730

15. Certification:

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

DATE: 2-25-81



C.C. Parsons
District Operations Engineer
Southland Royalty Company

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

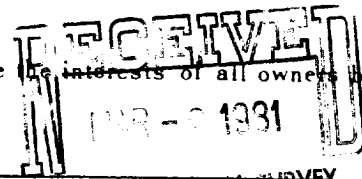
Operator Southland Royalty Co.			Lease F.M. Robinson B Tract 2		Well No. 2
Unit Letter P	Section 34	Township 17 South	Range 29 East	County Eddy	
Actual Footage Location of Well: 660 feet from the South line and 660 feet from the East line					
Ground Level Elev. 3533.4	Producing Formation Grayburg-Jackson		Pool (SR, Q, G, SA)	Dedicated Acreage: 40 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.



U.S. GEOLOGICAL SURVEY
POSITIVE NEW MEXICO

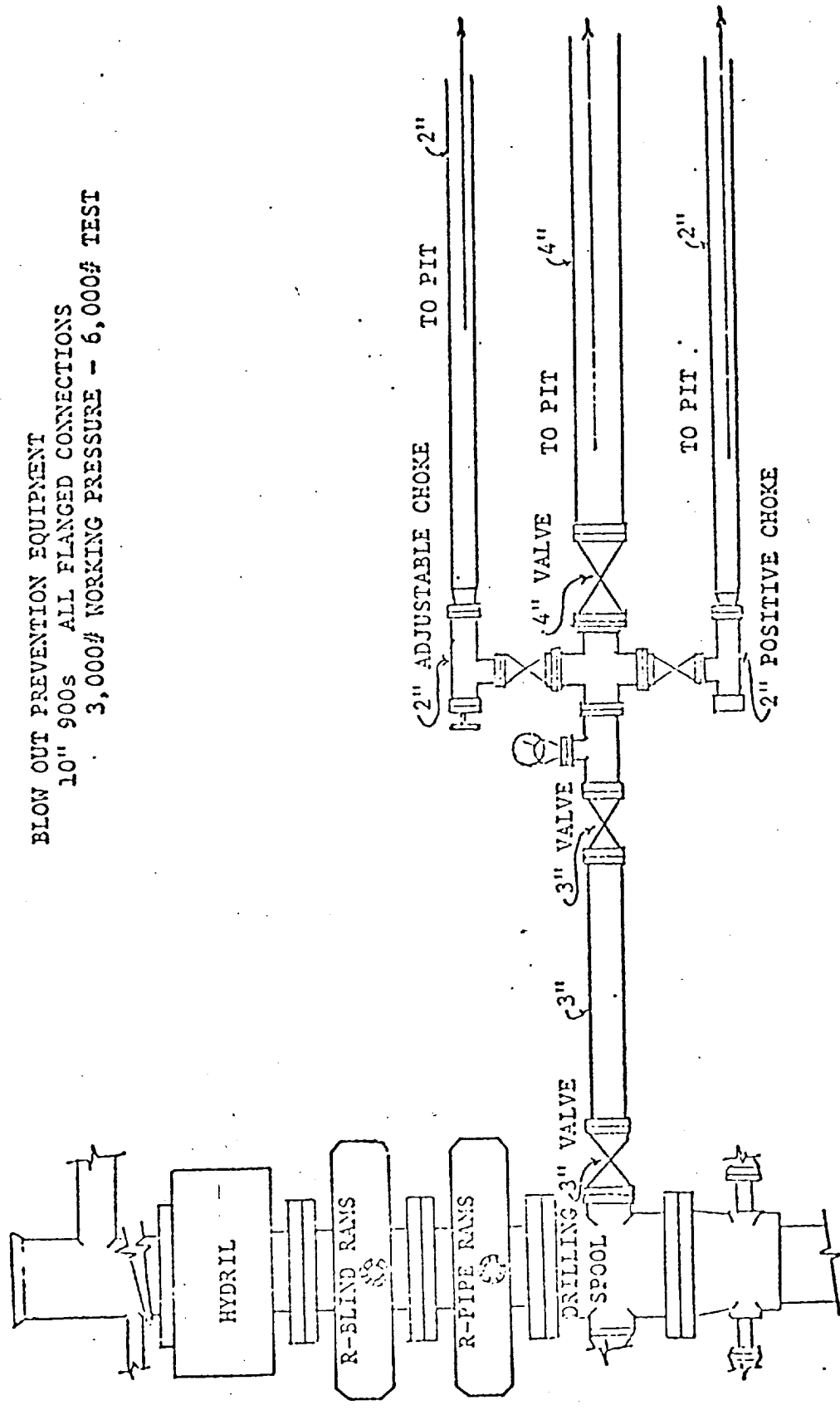
CERTIFICATION

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

Name: *John W. West*
Position: District Operations Engineer
Company: Southland Royalty Company
Date: February 27, 1981

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: 2-24-81
Registered Professional Engineer and Land Surveyor: *John W. West*
Certificate No. JOHN W. WEST 676
PATRICK A. ROMERO 6863
Randy J. E. 3219



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

SCALE 1:24000

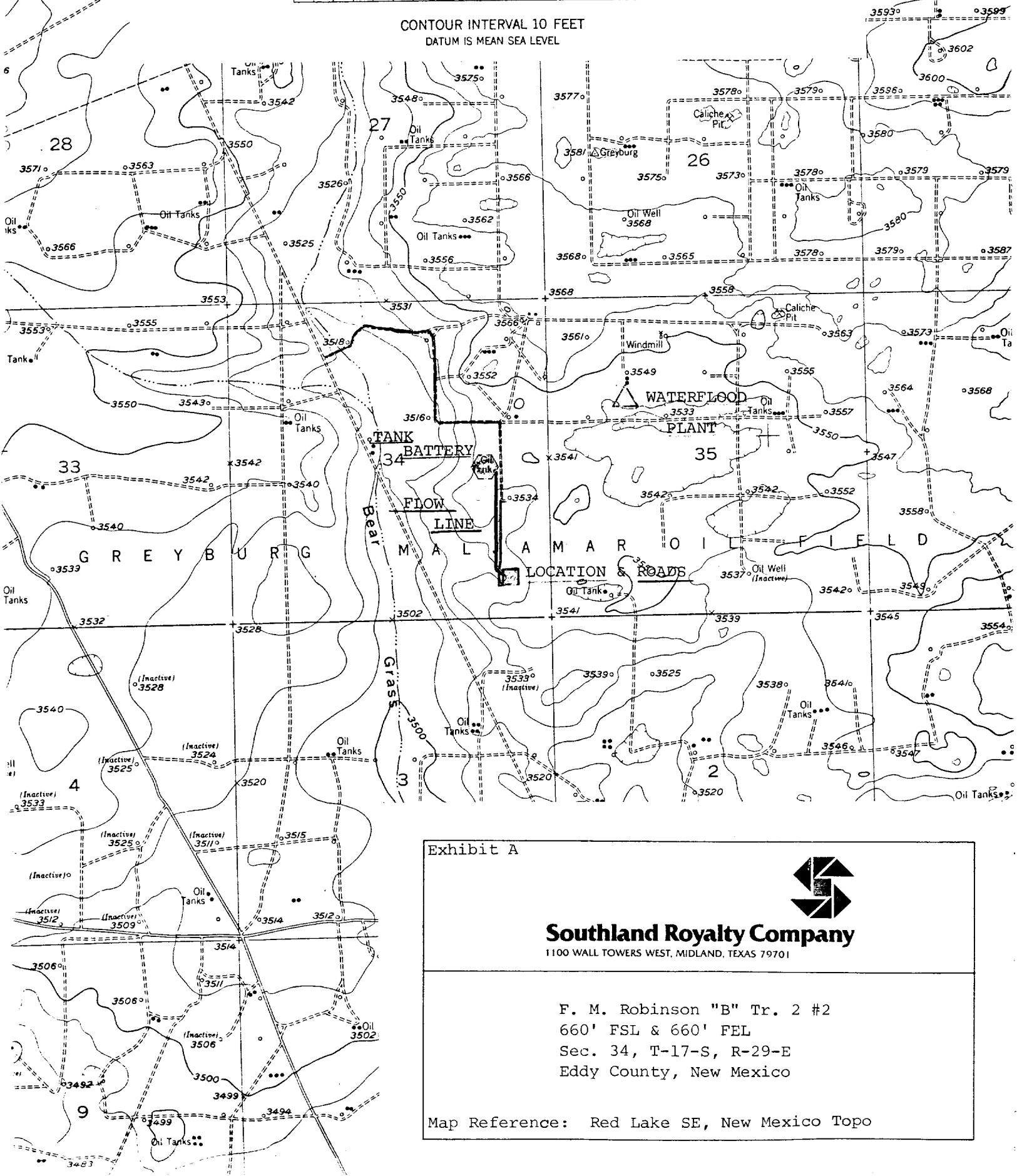
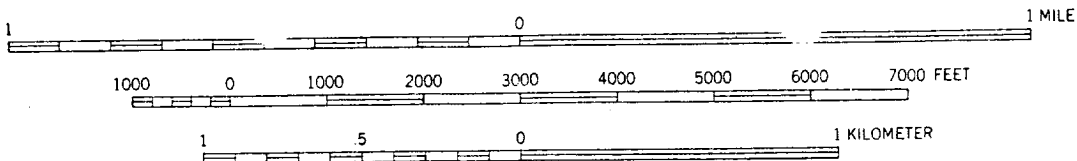


Exhibit A



Southland Royalty Company

1100 WALL TOWERS WEST, MIDLAND, TEXAS 79701

F. M. Robinson "B" Tr. 2 #2
 660' FSL & 660' FEL
 Sec. 34, T-17-S, R-29-E
 Eddy County, New Mexico

Map Reference: Red Lake SE, New Mexico Topo

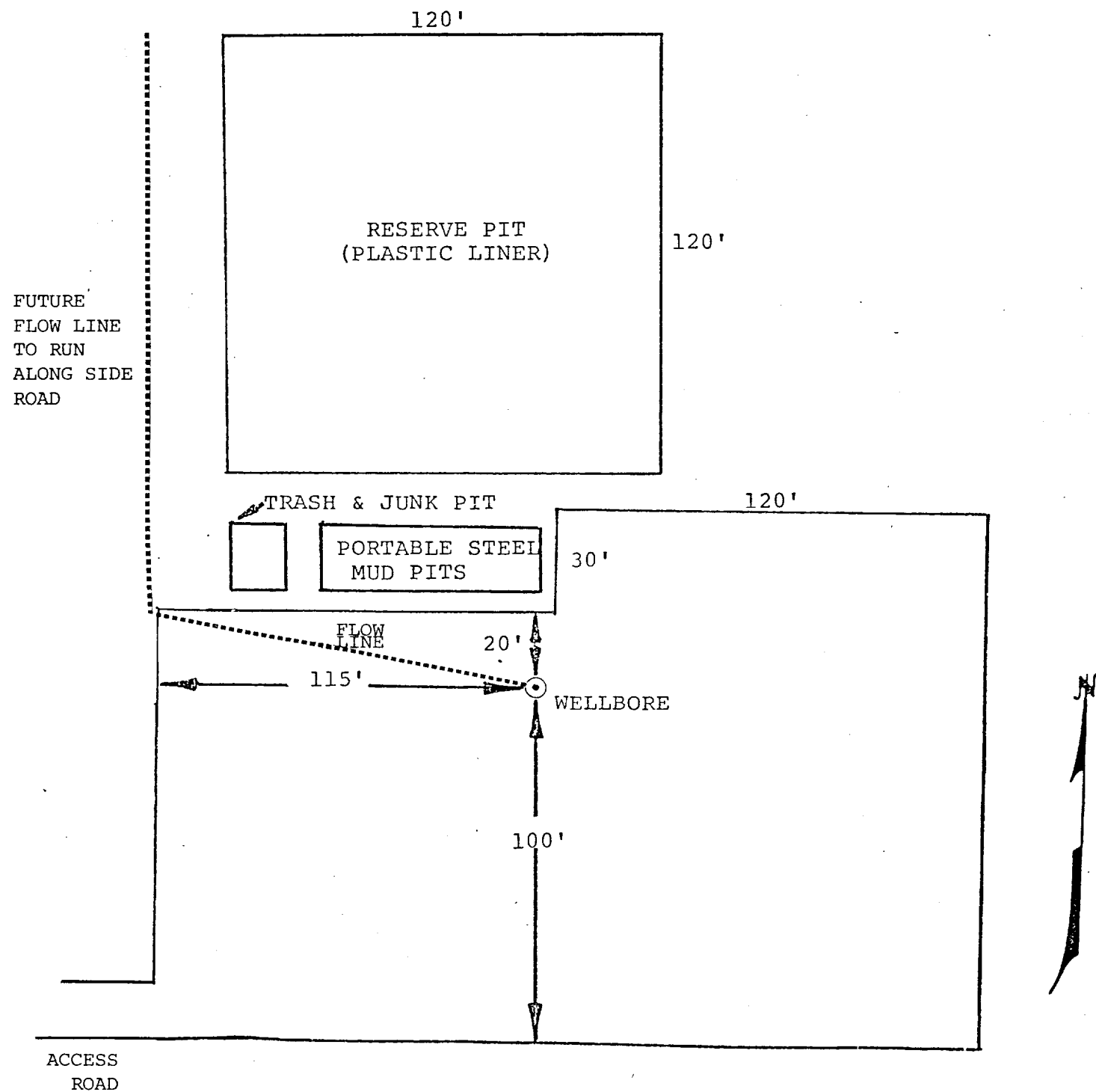


Exhibit C



Southland Royalty Company

1100 WALL TOWERS WEST, MIDLAND, TEXAS 79701

F. M. Robinson "B" Tr. 2 #2
 660' FSL & 660' FEL
 Sec. 34, T-17-S, R-29-E
 Eddy County, New Mexico

Scale 1" = 40'