

SOUTHLAND ROYALTY COMPANY

STATE-FEDERAL "22" COM NO. 1

064670

1980' FNL & 990" FWL, Sec. 22, T-19-S, R-28-E NMPM
Eddy County, New Mexico

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 geologic name of surface formation is: Guadalupian
4. See Form 9-331C
5. See Form 9-331C
6. The estimated tops of important geological markers are:

Anhydrite	550'	Queen	1700'	3rd Bone Springs	8400'
T/salt	400'	Grayburg	2200'	Wolfcamp	8800'
B/salt	550'	San Andres	2750'	Cisco	9450'
Yates	850'	Delaware sd	3250'	Canyon	9700'
7 Rivers	1000'			Strawn	10,000'
		1st Bone Springs	6300'	Atoka	10,300'
		2nd Bone Springs	7300'	Morrow	10,800'
7. The estimated depths at which anticipated water, oil, gas and mineral bearing strata are as follows:

Strawn	10,000' (gas)
Atoka	10,300' (gas)
Morrow	10,800' (gas)
8. See Form 9-331C. All casing will be new.
9. See Form 9-331C for depths of strings. Cement volumes and additives as follows:
 - (a) 11 3/4" casing: cement with 500 sx class "C" cement with 2% calcium chloride. Circulate cement back to surface.
 - (b) 8 5/8" casing: cement with 1000 sx class "C" Lite cement with 10# gilsonite/sx and 8# salt/sx plus 200 sx class "C" cement with 2% calcium chloride. Circulate cement back to surface. A caliper will be run in conjunction with other logs prior to running casing to obtain hole volume. It is estimated that the volume of cement to be used will circulate cement back to surface of ground.