

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

SUBMIT IN TRIPLICATE
(Other instructions
reverse side)

Form approved.
Budget Bureau No. 42-R1425.

30-015-23450

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

1980' FSL & 660' FEL, Sec. 35, T-18-S, R-29-E

At proposed prod. zone

Same

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

8 mi. SE of Artesia, New Mexico

15. DISTANCE FROM PROPOSED*

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

660'

18. DISTANCE FROM PROPOSED LOCATION*

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

N.A.

16. NO. OF ACRES IN LEASE*

320

19. PROPOSED DEPTH

11,450'

17. NO. OF ACRES ASSIGNED
TO THIS WELL

320

20. ROTARY OR CABLE TOOLS

Rotary

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

3445.6' GR

22. APPROX. DATE WORK WILL START*

12-15-80

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
15"	11 3/4"	42#	350'	275 sxs Circ.
11"	8 5/8"	24#	3200'	1100 sxs Circ.
7 7/8"	4 1/2"	11.6#	11,450'	735 sxs.

Propose to set 11 3/4" csg to 350', circ. cmt. Set 8 5/8" csg @ 3200' circ. cmt. Drill to TD of 11,450' to test Morrow & intermediate horizons. If commercial, will run 4 1/2" csg to TD. Cmt w/sufficient cmt. to bring cmt back above all productive zones or to approx. 8500' if Morrow only productive. If intermediate horizons indicate production will run DV tool @ 9600'+ and use additional cmt volumes to obtain better cmt over intermediate zone. Will perf & stimulate Morrow for production. Acid treatment to be determined on sand interval present, will use approx. 200 gals/ft. MUD PROGRAM: 0-350' spud mud; 350-3200' brine wtr, paper for lost circ & seepage; 3200-7500' fresh wtr; 7500-9500' cut brine wtr. 9.5#/gal; 9500-TD flosal, Drispac, starch & gel bring wt. to 10.0#/gal. vis 40 cc wl 6cc through the Morrow. No abnormal pressures anticipated w/BHP at TD expected to be 4500 psi 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 plus 10" Ser 900 Hydril plus drilling head. Yellow Jacket, Inc. to test 8 5/8" installation. BOP to be tested by rig daily. GAS IS NOT DEDICATED.

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.

SIGNED Donald R. Craig

TITLE District Operation Engineer

DATE July 29, 1980

(This space for Federal or State office use)

PERMIT NO.

APPROVAL DATE

APPROVED BY (Orig. Sgd.) PETER W. CHESTER

TITLE ACTING DISTRICT ENGINEER

DATE AUG 25 1980

CONDITIONS OF APPROVAL, IF ANY:

*See Instructions On Reverse Side

**N 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

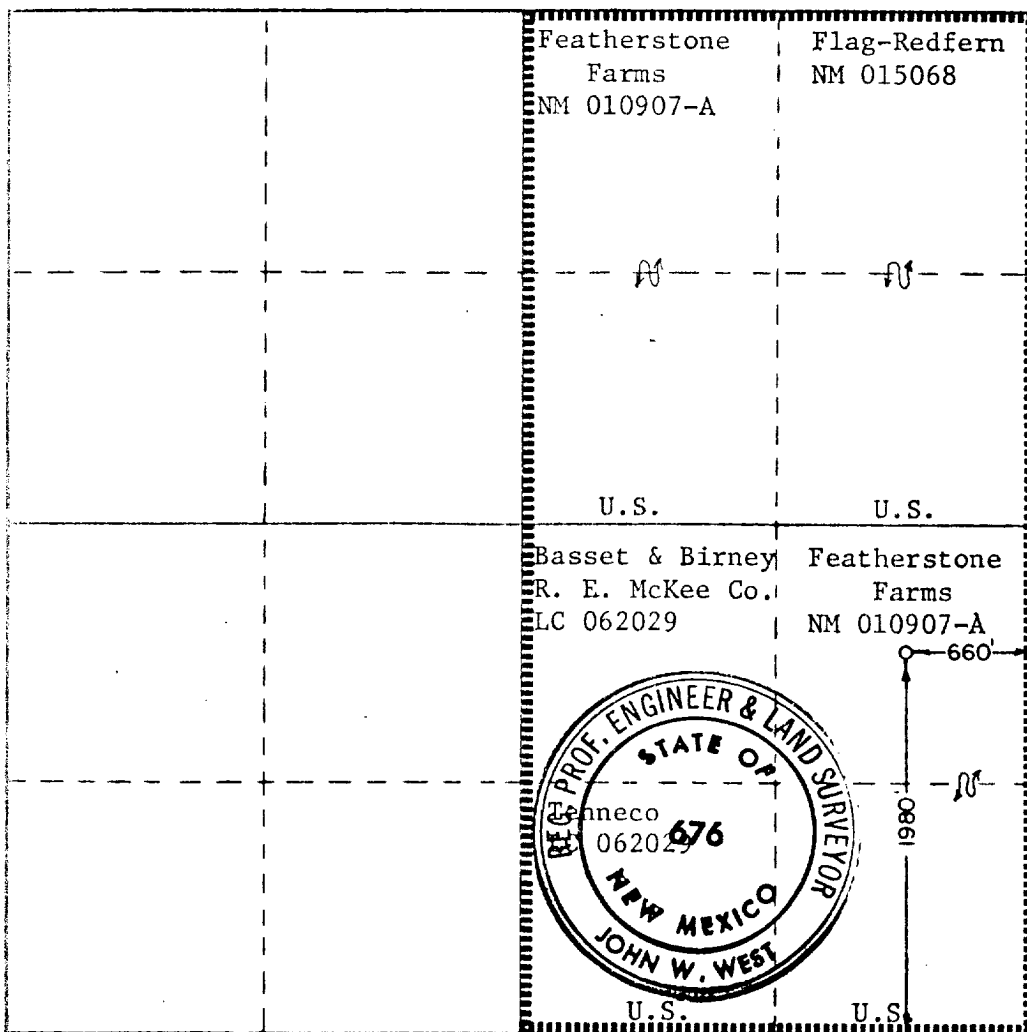
Operator Southland Royalty Co.			Lease 35-1-1 Empire Federal Com. 35-A		Well No. 1
Section 35	Township 18 South	Range 29 East	County Eddy		
Actual Well Location of Well:					
1980 feet from the South line and 660 feet from the East line					
Ground Level Elev. 3445.6	Producing Formation Morrow	Pool Undesignated	Dedicated Acreage: 320		

1. Outline the acreage dedicated to the subject well by colored pencil or hatchure 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 Communitization

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.

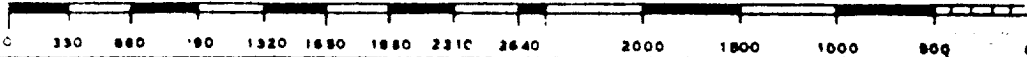
Name
Donald R. Craig
Position
District Operation Engineer
Company
Southland Royalty Company
Date
July 29, 1980

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 21, 1980

Registered Professional Engineer and/or Land Surveyor

Certificate No. **JOHN W. WEST 676**
PATRICK A. ROMERO 6483
Ronald J. Eldson 3239



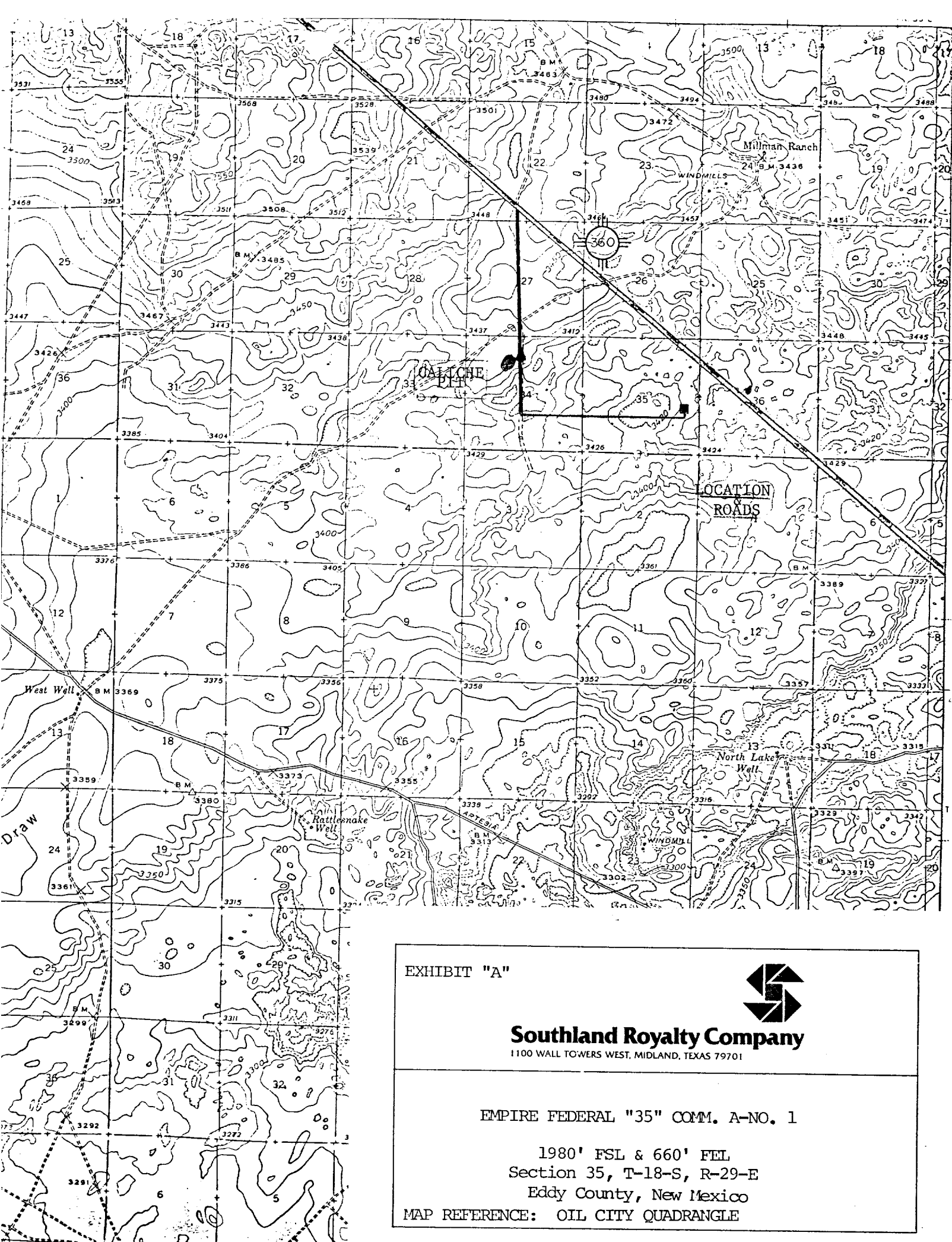


EXHIBIT "A"



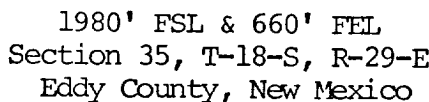
Southland Royalty Company

1100 WALL TOWERS WEST, MIDLAND, TEXAS 79701

EMPIRE FEDERAL "35" COMM. A-NO. 1

1980' FSL & 660' FEL
Section 35, T-18-S, R-29-E
Eddy County, New Mexico

MAP REFERENCE: OIL CITY QUADRANGLE



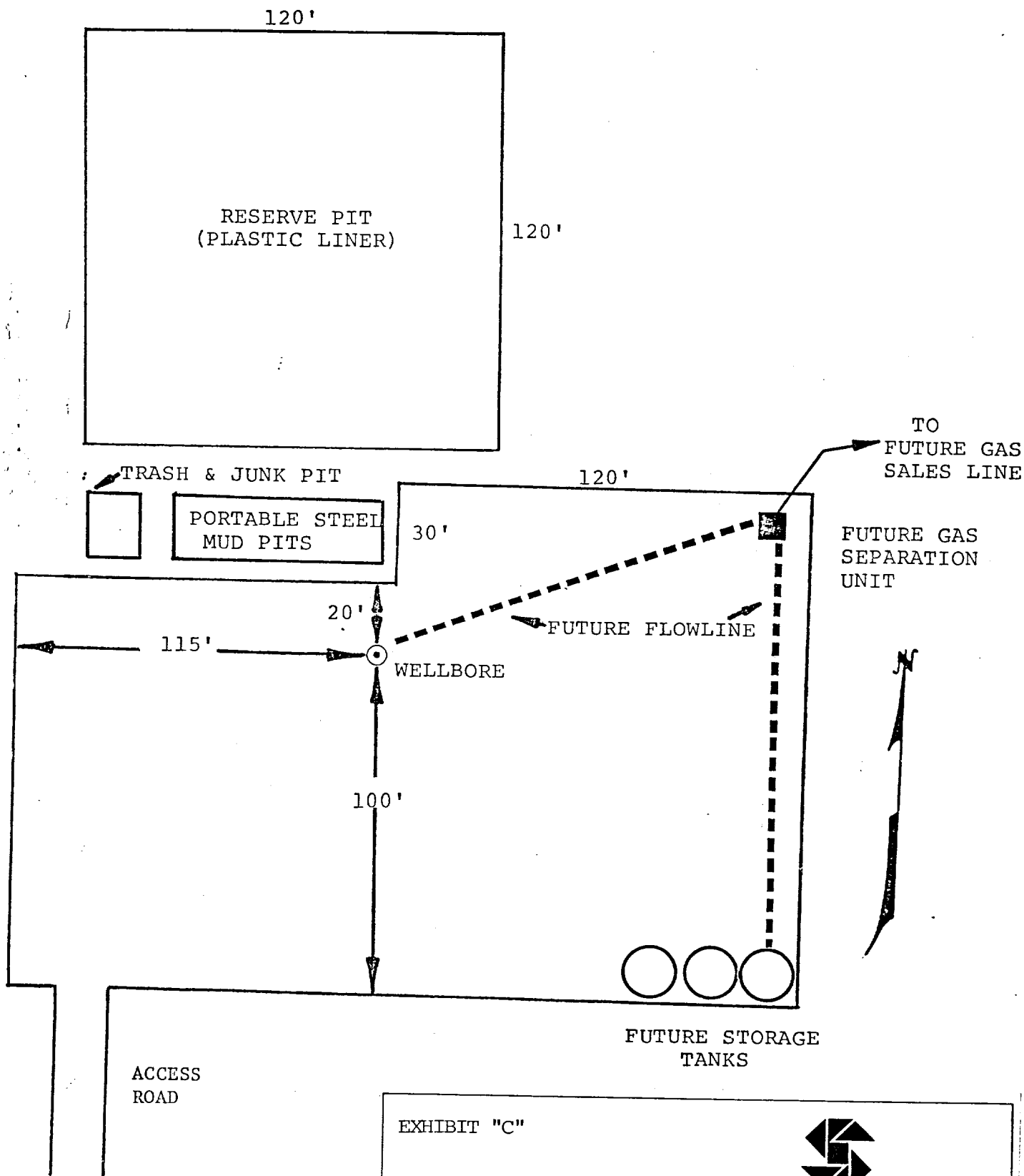


EXHIBIT "C"



Southland Royalty Company

1100 WALL TOWERS WEST, MIDLAND, TEXAS 79701

EMPIRE FEDERAL "35" COMM. A-NO. 1

1980' FSL & 660' FEL
Section 35, T-18-S, R-29-E
Eddy County, New Mexico

SCALE 1" = 40'