

5. LEASE DESIGNATION AND SERIAL NO.	
LC-047800(a)	
6. IF INDIAN, ALLOTTEE OR TRIBE NAME	
7. UNIT AGREEMENT NAME	
8. FARM OR LEASE NAME	
Comanche Federal	
9. WELL NO.	
2	
10. FIELD AND POOL, OR WILDCAT	
X Shugart (Delaware)	
11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA	
Sec. 12, T18S, R31E	
12. COUNTY OR PARISH	13. STATE
Eddy	NM

1a. TYPE OF WORK		DRILL <input checked="" type="checkbox"/> DEEPEN <input type="checkbox"/> PLUG BACK <input type="checkbox"/>	
b. TYPE OF WELL		SINGLE ZONE <input checked="" type="checkbox"/> MULTIPLE ZONE <input type="checkbox"/>	
OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input type="checkbox"/>			
2. NAME OF OPERATOR		3a. AREA CODE & PHONE NO.	
Southland Royalty Company ✓		915-686-5600	
3. ADDRESS OF OPERATOR			
21 Desta Dr., Midland, TX 79705			
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)			
RECEIVED			
At surface		<div style="font-size: 2em; font-family: cursive;">W.D</div> <div style="font-size: 1.5em; font-weight: bold;">MAR 5 1991</div> <div style="font-size: 1.2em; font-weight: bold;">O. C. D.</div> <div style="font-size: 1.2em; font-weight: bold;">ARTESIA, OFFICE</div>	
990' FSL & 1980' FEL			
At proposed prod. zone			
5. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*			
9 miles southeast of Loco Hills, NM			
15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any)		16. NO. OF ACRES IN LEASE	17. NO. OF TO TIT
990'		160	
18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.		19. PROPOSED DEPTH	20. ROT.
1350'		6100'	
21. ELEVATIONS (Show Whether DF, RT, GR, ETC.)			
3766' GR.			

PROPOSED CASING AND CEMENTING PROGRAM						
HOLE SIZE	CASING SIZE	WEIGHT/FOOT	GRADE	THREAD TYPE	SETTING DEPTH	QUANTITY OF CEMENT
12-1/4"	8-5/8"	24	K-55	STC	400'	275 sx-Circ.
7-7/8"	5-1/2"	15.5	K-55	STC	6100'	1375 sx-Circ.
						Part ID-

Drill 12-1/4" hole to 400' & set 8-5/8" csg. Cmt w/275 sx--circulate. 2-15-91
 Drill 7-7/8" hole to 6100' & set 5-1/2" csg. Cmt w/1375 sx--circulate. New Loc X
 MUD PROGRAM: 0-400', fresh water gel & lime; 400'-6100', salt water w/MW 9.8-10.2. No abnormal API
 pressures or temperatures expected.
 BOP PROGRAM: 10"-3M BOP stack to be installed on 8-5/8" and left for remainder of drilling. Stack to consist
 of annular BOP, blind ram BOP, and one pipe ram BOP. Test BOP's using and independent tester after setting
 the 8-5/8" csg.

APPROVAL SUBJECT TO
GENERAL REQUIREMENTS AND
SPECIAL STIPULATIONS
ATTACHED

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 prevention program, if any.

24. Robert L. Bradshaw TITLE Sr. Staff Env./Reg. Specialist DATE 21 January 1991
(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____
 _____ AREA MANAGER
 _____ CARLOS A. BARRERA
 APPROVED BY _____ TITLE _____ DATE 3-4-91
 CONDITIONS OF APPROVAL, IF ANY:

***See Instructions On Reverse Side**

TITLE 18 U.S.C. SECTION 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

Submit to Appropriate
District Office
State Lease - 4 copies
Fee Lease - 3 copies

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102
Revised 1-1-89

OIL CONSERVATION DIVISION

P.O. Box 2088
Santa Fe, New Mexico 87504-2088

DISTRICT I
P.O. Box 1980, Hobbs, NM 88240

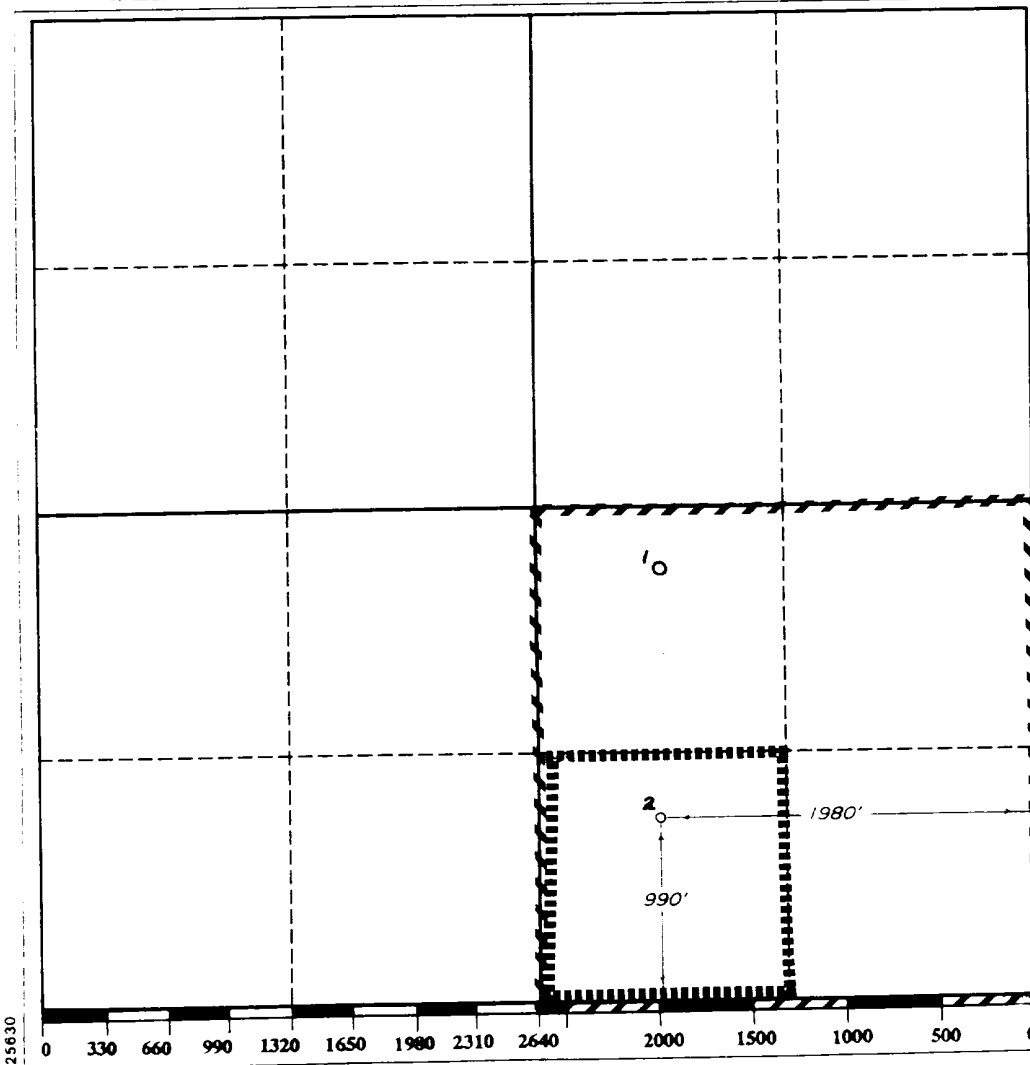
DISTRICT II
P.O. Drawer DD, Artesia, NM 88210

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

WELL LOCATION AND ACREAGE DEDICATION PLAT
All Distances must be from the outer boundaries of the section

Operator				Lease		Well No.	
SOUTHLAND ROYALTY COMPANY				COMANCHE FEDERAL		2	
Unit Letter	Section	Township	Range	County			
0	12	18-SOUTH	31-EAST	NMPM		EDDY	
Actual Footage Location of Well:							
390		feet from the	SOUTH	line and	1980	feet from the	EAST
Ground level Elev.		Producing Formation		Pool		Dedicated Acreage:	
3766'		DELAWARE		SHUGART		40 Acres	

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 interest of all owners been consolidated by communization, 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 communization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interest, has been approved by the Division.



OPERATOR CERTIFICATION

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

Signature Robert L. Bradshaw

Printed Name Robert L. Bradshaw

Position Sr. Staff Env/Reg Spec.

Company Meridian Oil Inc.

Date

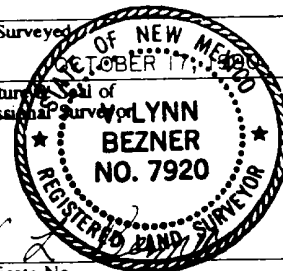
January 21, 1991

SURVEYOR CERTIFICATION

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

Signature of Professional Surveyor



Certificate No.

V. LYNN BEZNER, R.L.S. #7920

SOUTHLAND ROYALTY COMPANY
(Operated by MERIDIAN OIL INC.)

Comanche Federal No. 2
990' FSL & 1980' FEL
Sec. 12, T-18-S, R-31-E
Eddy County, New Mexico
LC-047800(a)

To supplement USGC Form 3160-3 Application to Drill the following additional information is submitted concerning questions on Page 5 of NTL-6:

1. See Form 3160-3
2. See Form 3160-3
3. The geological name of surface formation is: Ochoa
4. See Form 3160-3
5. See Form 3160-3
6. The estimated tops of important geological markers are:

Redbeds, Base	900	Queen	3,550'
Delaware	4,450'	San Andres	4,090'
7. The estimated depths at which anticipated water, oil, gas, and mineral bearing strata are as follows:

San Andres	4,090' - Oil
Delaware	4,450' - Oil
Possible Water Flow @ 3,550'	
8. See Form 3160-3. All casing will be new.
9. See Form 3160-3 for depths of strings. Cement volumes and additions as follows:
 - a. 8 5/8" csg: Cement w/275 sx Cl "C" cmt + 2% CaCl₂ + %#/sx Flocele. Circulate.
 - b. 5 1/8" csg: Cement w/1100 sx Cl "C" Lite + 9 pps salt + 1/4#sx Flocele and tail in w/275 sx Cl "C" plus 5 pps salt + 0.5% Halad 9. Circulate.
10. The pressure control diagram is attached to Form 3160-3. The following additional information is as follows:

8 5/8" casing installation: 10" - 3M BOP stack to be installed and tested by an independent tester to 3000 psi before drilling the 8 5/8" casing shoe. The BOP stack to consist of an annular BOP, blind ram BOP, and one pipe ram BOP.

11. See Form 3160-3

12. A. DST Program: None

B. Core: None

C. Mud Logging: 6100' to TD, two-man unit

D. Wire Line Logs:

The following suite of logs will be run in both of the listed intervals:

CNL/LDT/CAL/GR	TD - SCP (GR/CNL to surface)
DDL/MSFL/CAL/GR	TD - SCP

13. No abnormal pressures are anticipated. Bottom hole pressures at TD expected to be 2000 psi. Bottom hole temperature 110° F. No hydrogen sulfide expected in this known drilling area. No crooked hole or abnormal deviation problems.

14. Anticipated starting date to spud - on or about 04-01-91. Anticipated drilling time expected to be 10 days from surface to TD.

SURFACE USE PLAN

SOUTHLAND ROYALTY COMPANY
(Operated by Meridian Oil Inc.)

Comanche Federal No. 2
990' FSL & 1980' FEL
Sec. 12, T-18-S, R-31-E
Eddy County, New Mexico
LC-047800(a)

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 operations.

1. Existing Roads:

Exhibit "A" is a portion of a U.S.G.S. topographic map showing the location of the proposed well as staked.

Directions to the well are as follows: From the junction of US 82 and Hwy. 31, 6 miles east of Loco Hills, go south 4.0 miles on Hwy. 31, thence SE 1.1 miles on a county road, thence east 2.1 miles on a lease road to the SW corner of Section 12.

2. Planned Access Road:

An existing trail road extends thru the proposed well site. This road will be improved as is necessary to comply with BLM standards.

3. Location of Existing Wells in Area:

See Exhibit "B"

4. Location of Proposed Facilities:

Location of proposed well site and tank battery is shown on Exhibit "C". The battery will be located on proposed well pad; no additional surface disturbance will be necessary.

5. Water Supply:

No available surface or sub-surface fresh water exists in the vicinity of the proposed well. Drilling water will be transported or pumped 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 an existing pit located in the SE/4 SE/4 of Sec. 11, or other BLM approved site.

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, and junk will be disposed of into a special container on location. All waste material will be regularly removed to an approved landfill.
- h. All trash and debris will be buried or removed from well site within 30 days after drilling and/or completion operations are finished.

8. Ancillary Facilities:

None

9. 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 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 Bureau of Land Management Surface Requirements.

10. Topography and Soil:

New Mexico Archaeological Services, Inc. report by Dr. J. Loring Haskell will be submitted when ready.

11. Land Use:

Grazing and hunting - Federal

Surface Lessee -
NOT KNOWN

12. Surface Ownership:

Bureau of Land Management (Federal)

13. Operators Representatives:

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

Meridian Oil Inc.
P. O. Box 837
Hobbs, New Mexico 88240
Office: 505-393-5844

Mr. Johnny Ellis, Drilling Foreman, or a consultant
Hobbs, New Mexico
Home: 505-393-8150

Mr. Bill Dawson, Drilling Superintendent
Midland, Texas Office: 915-686-5600
Home: 915-682-9037

14. 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 Meridian Oil Inc. and its contractors and sub-contractors in uniformity with this plan and the terms and conditions under which it is approved.

Date: 22 JAN 91

S.J. Van Howe
S.J. Van Howe
Drilling Engineer
Meridian Oil Inc.

EXHIBIT "C"

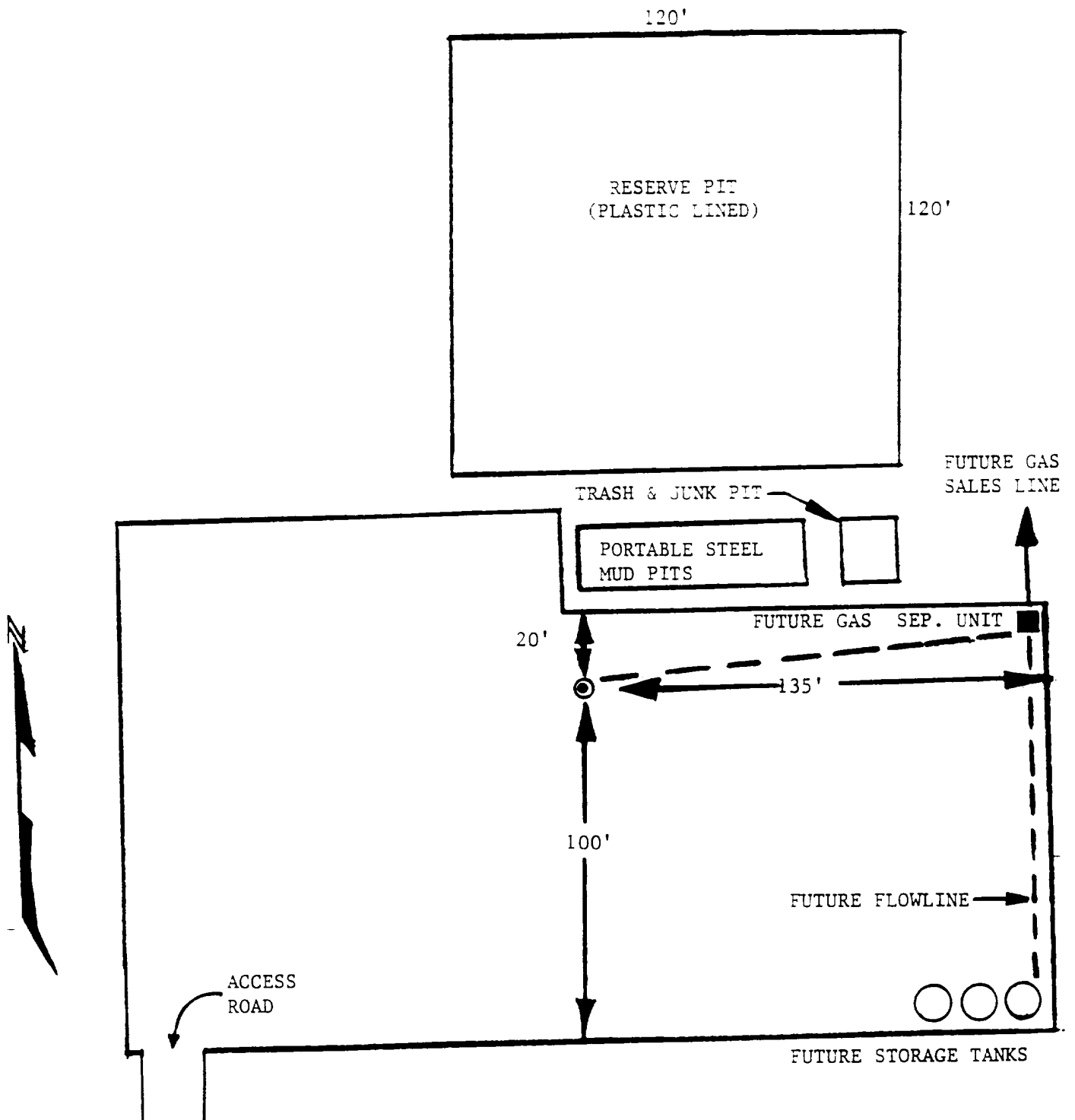
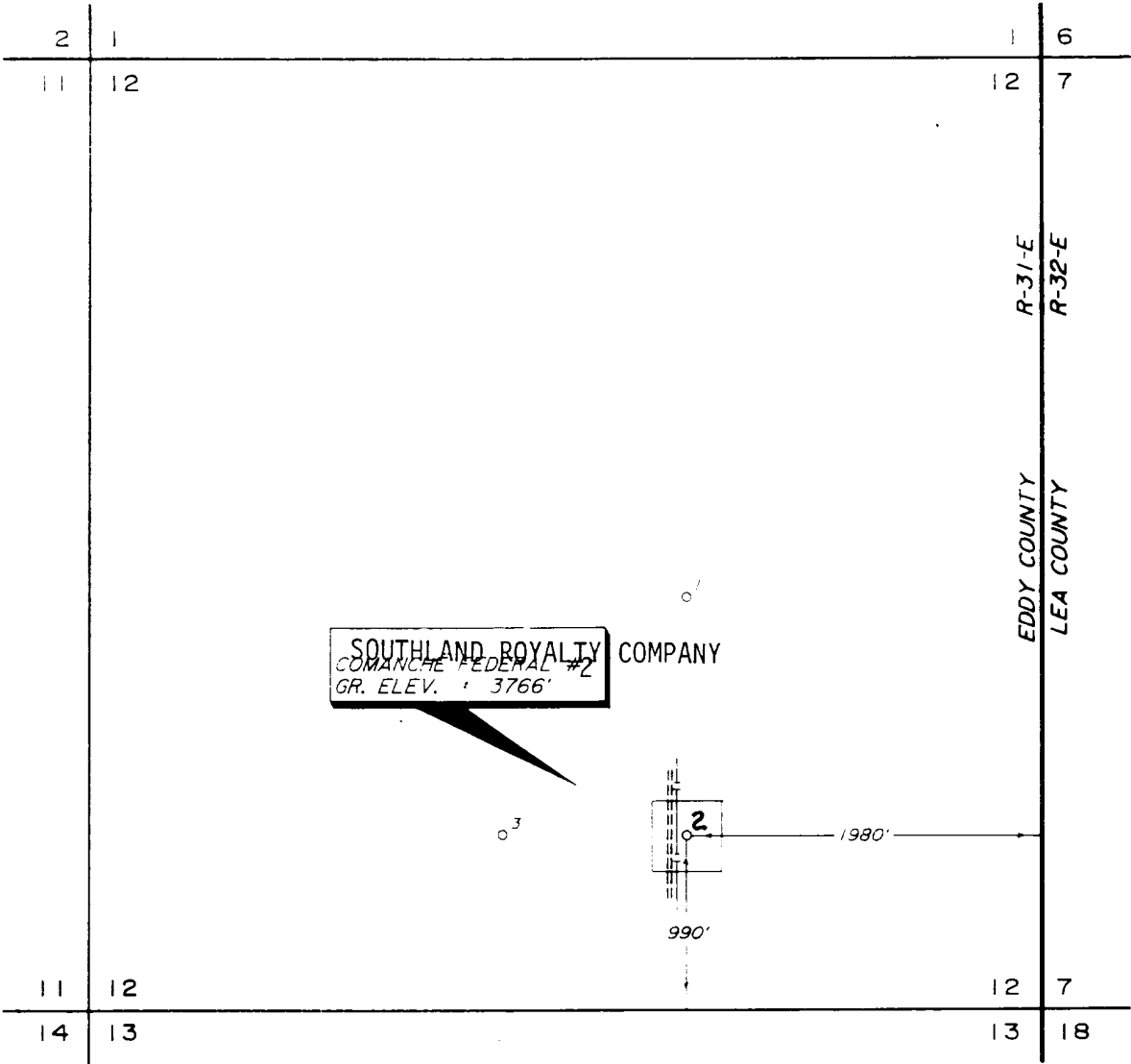


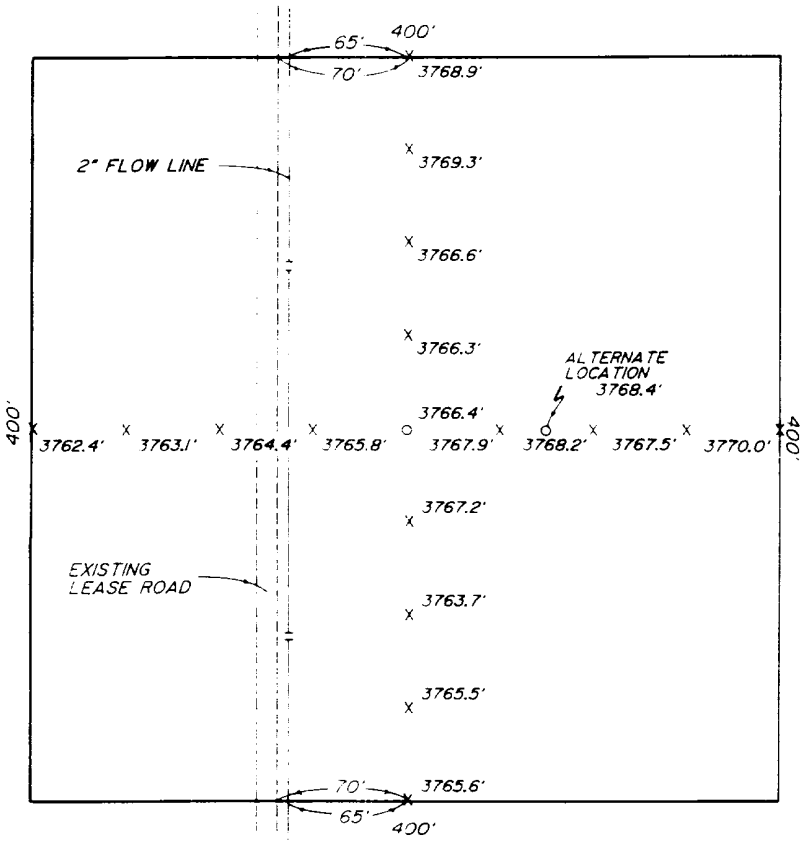
Exhibit C
SOUTHLAND ROYALTY COMPANY
COMANCHE FEDERAL No. 2
Sec. 12, T-18S, R31E
LC-047800 (a)

PLAT SHOWING PROPOSE
WELL LOCATION and LEASE ROAD in
SECTION 12, T-18-S, R-31-E,
EDDY COUNTY, NEW MEXICO

FROM THE JCT. OF U.S. 82 & HWY 31, 6 MILES EAST OF
LOCO HILLS, GO SOUTH 4.0 MILES ON HWY 31, THENCE
SOUTHEAST 1.1 MILES ON COUNTY ROAD, THENCE EAST
2.1 MILES ON LEASE ROAD TO THE SOUTHWEST
CORNER OF SECTION 12.



PLAN VIEW
1" = 1000'



DETAIL VIEW
1" = 100'



				MERIDIAN OIL, INC. MIDLAND, TEXAS	SCALE : AS SHOWN
					DATE : OCTOBER 17, 1990
NO.	REVISION	DATE	BY		JOB NO. : 80389
SURVEYED BY :		G.S.		SURVEYING AND MAPPING BY TOPOGRAPHIC LAND SURVEYORS MIDLAND, TEXAS	98 SE
DRAWN BY :		C.L.S.			
APPROVED BY :		D.R.K.			SHEET 1 OF 1

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

