

State of New Mexico
Energy, Minerals and Natural Resources Department

Michelle Lujan Grisham
Governor

Sarah Cottrell Propst
Cabinet Secretary

Todd E. Leahy, JD, PhD
Deputy Secretary

Adrienne Sandoval, Division Director
Oil Conservation Division



New Mexico Oil Conservation Division approval and conditions listed below are made in accordance with OCD Rule 19.15.7.11 and are in addition to the actions approved by BLM on the following 3160-4 or 3160-5 form.

Operator Signature Date:

Well information:

30-045-06373 ANGEL PEAK #002

SOUTHLAND ROYALTY COMPANY LLC

Application Type:

P&A Drilling/Casing Change Location Change

Recomplete/DHC (For hydraulic fracturing operations review EPA Underground injection control Guidance #84; Submit Gas Capture Plan form prior to spudding or initiating recompletion operations)

Other:

Conditions of Approval:

X Notify NMOCD 24 Hours prior to commencing activities.

In Addition to BLM approved plugs, include the following:

- Extend the Mancos plug: 4615'-4450'. OCD Mancos pick @ 4565'.
- Extend the Mesaverde plug: 3420'-3200'. OCD Mesaverde pick @ 3370'.
- Include the Chacra plug: 2720'-2620'. OCD Chacra pick @ 2680'.
- Ensure the P.C. and Fruitland are plugged: 1840'-1500'. OCD P.C. pick @ 1790'. OCD Fruitland pick @ 1560'.
- Ensure the Kirtland and Ojo Alamo are plugged: 835'-600'. OCD Kirtland pick @ 785'. OCD Ojo Alamo pick @ 650'.

NMOCD Approved by Signature

4/30/2020
Date

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB NO. 1004-0137
Expires: January 31, 2018

SUNDRY NOTICES AND REPORTS ON WELLS
Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals.

5. Lease Serial No.
NMNM020496

6. If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE - Other instructions on page 2

7. If Unit or CA/Agreement, Name and/or No.

1. Type of Well
 Oil Well Gas Well Other

8. Well Name and No.
ANGEL PEAK 2

2. Name of Operator **SOUTHLAND ROYALTY COMPANY LLC** Contact: **ERIC KITTINGER**
Email: **EKITTINGER@MSPARTNERS.COM**

9. API Well No.
30-045-06373-00-S1

3a. Address
400 W 7TH STREET
FORT WORTH, TX 76102

3b. Phone No. (include area code)
Ph: 817-334-8302

10. Field and Pool or Exploratory Area
BASIN DAKOTA

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

Sec 20 T27N R11W NWSW 1750FSL 0990FWL
36.558075 N Lat, 108.032104 W Lon

11. County or Parish, State

SAN JUAN COUNTY, NM

12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Hydraulic Fracturing	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input checked="" type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation: Clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection.

Southland Royalty Company LLC requests approval to plug and abandon the Angel Peak #2. Attached are the Proposed Procedure, WBDs, Reclamation Plan, and Noxious Weed form.

OCD Received
4/3/2020

14. I hereby certify that the foregoing is true and correct.

**Electronic Submission #500230 verified by the BLM Well Information System
For SOUTHLAND ROYALTY COMPANY LLC, sent to the Farmington
Committed to AFMSS for processing by ALBERTA WETHINGTON on 01/23/2020 (20AMW0147SE)**

Name (Printed/Typed) **CONNIE BLAYLOCK**

Title **REGULATORY ANALYST**

Signature (Electronic Submission)

Date **01/22/2020**

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By **JOE KILLINS**

Title **ENGINEER**

Date **04/03/2020**

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office **Farmington**

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make 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.

(Instructions on page 2)

**** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ****

AV

PROPOSED P&A PROCEDURE

ANGEL PEAK #2

1. MIRU.
2. POOH w/ tubing.
3. Run a casing scraper to 6,300'
4. Set CIBP @ 6,300'
5. Spot 8 sx Class B Cement on top of plug. (est'd TOC @ 6,200). WOC. Tag TOC.
6. RU and run CBL.
7. Circulate hole with mud laden fluid.
8. Spot balanced cement plug from 5,300' – 5,400' with 8 sx Class B cement. WOC. Tag TOC.
9. Spot balanced cement plug from 4,450' – 4,550' with 8 sx Class B cement. WOC. Tag TOC.
10. Spot balanced cement plug from 3,200' – 3,300' with 8 sx Class B cement. WOC. Tag TOC.
11. Spot balanced cement plug from 1,500' – 1,800' with 24 sx Class B cement. WOC. Tag TOC.
12. Spot balanced cement plug from 600' – 800' with 16 sx Class B cement. WOC. Tag TOC.
13. Spot balanced cement plug from 375' to surface with 30 sx cement. Ensure cement at surface on all strings of casing.
14. Cut off wellhead below surface casing flange. Install P&A marker.



Southland Royalty Company

CURRENT

Angel Peak 2 San Juan County, NM

Prepared by: DMP
 Date: 09/05/2019

KB = 6,198 ft
 GL = ft
 API# 30-045-06373
 Spud Date: 04/06/1962
 Completion Date: 04/25/1962

TD - 6,584'

Sfc Casing: 10 jts - 9-5/8", H-40 casing set @ 307'
 Cement w/ 200 sx regular, 1/4 cu ft stata-crete 6/sk, 2%
 A-6.
 Circulated to sfc.

Production Casing: 209 jts 4-1/2" J-55, 10.5# casing
 set @ 6,583'. Baker Stage Tool @ 1,964'

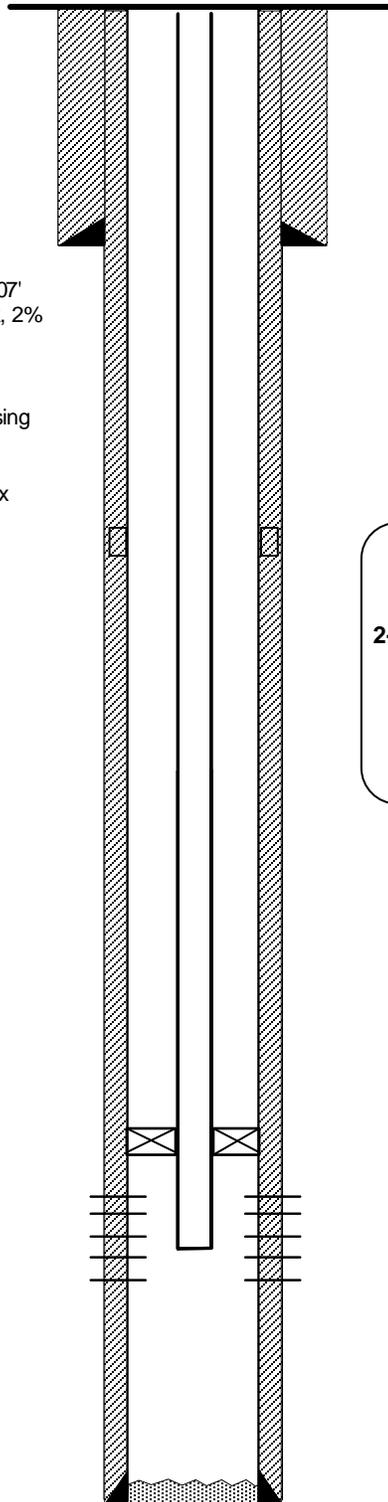
Cement 1st stage w/ 200 sx Incor followed by 50 sx
 regular.
 Cemented 2nd stage w/ 120 sx Incor.

Perforations

Dakota (1962): 6,346' - 6,352' (4 spf)
 6,388' - 6,400' (2 spf)
 6,452' - 6,464' (2 spf)

Frac (1962):

59,000 gal water & 60,000# sand



Ojo Alamo: 657'
 Kirtland: 782'
 Fruitland: 1,543'
 Picture Cliffs: 1,792'
 Lewis: 1,845'
 Cliff House: 3,267'
 Mancos: 4,493'
 Gallup: 5,352'

2-3/8" tubing stung into HowCo EZ Drill Packer @ 6,311'



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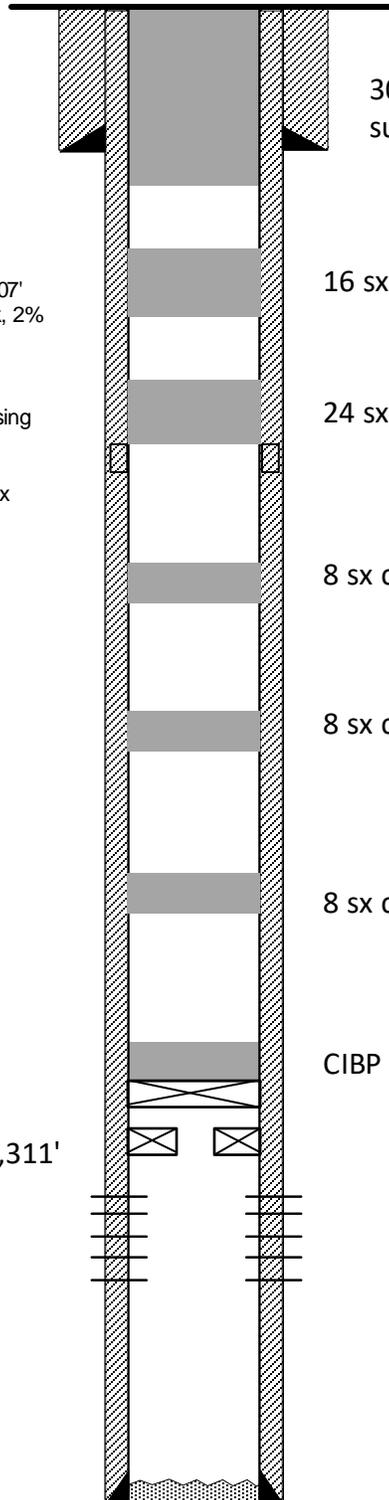
Cement 1st stage w/ 200 sx Incor followed by 50 sx regular.
Cemented 2nd stage w/ 120 sx Incor.

Perforations

Dakota (1962): 6,346' - 6,352' (4 spf)
6,388' - 6,400' (2 spf)
6,452' - 6,464' (2 spf)

Frac (1962):

59,000 gal water & 60,000# sand



30 sx cement from surface - 375'

16 sx cement from 600' - 800'

24 sx cement from 1,500' - 1,800'

8 sx cement from 3,200' - 3,300'

8 sx cement from 4,450' - 4,550'

8 sx cement from 5,300' - 5,400'

CIBP @ 6,300'. 8 sx cmt on top. Est'd TOC @ 6,200'

HowCo EZ Drill Packer @ 6,311'

Ojo Alamo: 657'
Kirtland: 782'
Fruitland: 1,543'
Picture Cliffs: 1,792'
Lewis: 1,845'
Cliff House: 3,267'
Mancos: 4,493'
Gallup: 5,352'

**UNITED STATES DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
FARMINGTON DISTRICT OFFICE
6251 COLLEGE BLVD.
FARMINGTON, NEW MEXICO 87402**

Attachment to notice of
Intention to Abandon:

Re: Permanent Abandonment
Well: Angel Peak 2

CONDITIONS OF APPROVAL

1. Plugging operations authorized are subject to the attached "General Requirements for Permanent Abandonment of Wells on Federal and Indian Lease."
2. Farmington Office is to be notified at least 24 hours before the plugging operations commence (505) 564-7750.
3. Ensure all plugs pumped meet FFO General requirements. Minimum inside plug 100 ft plus 50ft excess. Please review the General Requirements document to ensure volumes meet required excess inside and outside casing.
4. Submit electronic copy of the CBL for verification to the following addresses: jkillins@blm.gov , jhoffman@blm.gov and Brandon.Powell@state.nm.us . Based on CBL review, inside/outside plugs and volumes may be adjusted accordingly. Formation tops will be based on attached geologic report. Do not proceed with further operations until review of CBL is complete.
5. BLM picks top of Fruitland at 1250' md. Adjust volumes or add and additional plug to cover Fruitland formation top 1200' to 1300' md.
6. Adjust or add and additional plug to cover Pictured Cliffs formation top 1742' to 1842' md.

**BLM FLUID MINERALS
Geologic Report**

Date Completed: 3/31/20

Well No.	Angel Peak #2	Location	1750'	FSL	&	990'	FWL
Lease No.	NMNM020496	Sec. 20	T27N			R11W	
Operator	Southland	County	San Juan		State	New Mexico	
Total Depth	6584'	PBTD	6527'		Formation	Basin Dakota	
Elevation (GL)	6186'		Elevation (KB) 6198'				

Geologic Formations	Est. Top	Est. Bottom	Log Top	Log Bottom	Remarks
San Jose Fm					Surface/Fresh water sands
Nacimiento Fm			Surface	657'	Fresh water sands
Ojo Alamo Ss			657'	782'	Aquifer (fresh water)
Kirtland Shale			782'	1250'	
Fruitland Fm			1250'	1792'	Coal/Gas/Possible water
Pictured Cliffs Ss			1792'	1845'	Gas
Lewis Shale			1845'	2045'	
Chacra (upper)			2045'	2690'	Probable water or dry
La Ventana Tongue			2690'	3373'	Probable water or dry
Cliff House Ss (main)			3373'	3460'	Water/Possible gas
Menefee Fm			3460'	4270'	Coal/Ss/Water/Possible O&G
Point Lookout Ss			4270'	4550'	Probable water/Possible O&G
Mancos Shale			4550'	5352'	Source rock
Gallup1			5352'	5730'	O&G/Water
Gallup2			5730'	6290'	O&G/Water
Dakota			6290'		O&G/Water

Remarks:

P & A

- Please ensure that the tops of the Pictured Cliffs and Fruitland formations as well as the entire Ojo Alamo aquifer, identified in this report, are isolated by proper placement of cement plugs. This will protect the freshwater sands in this well bore.

Reference Well:

1)Southland

Same

Fm. Tops

Prepared by: Walter Gage