

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

30-045-23147

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 ZONES

2. NAME OF OPERATOR
 Southland Royalty Company

3. ADDRESS OF OPERATOR
 P. O. Drawer 570, Farmington, New Mexico

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)*
 At surface
 1450' FSL & 990' FWL
 At proposed prod. zone

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*
 17 miles southeast of Farmington

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 ACRES ASSIGNED TO THIS WELL
 160

18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.

19. PROPOSED DEPTH
 2044'

20. ROTARY OR CABLE TOOLS
 Rotary

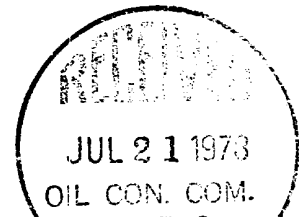
21. ELEVATIONS (Show whether DF, RT, GR, etc.)
 6139' GR

22. APPROX. DATE WORK WILL START*
 August 15, 1978

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#	120'	100 cu. ft.
6-3/4"	2-7/8"	6.5#	2044'	370 cu. ft.

Surface formation is Nacimiento.
 Top of Ojo Alamo sand is at 832'.
 Fresh water mud will be used to drill from surface to total depth.
 It is expected that an IES and a GR-Density log be run at total depth.
 No abnormal pressures or poisonous gases are anticipated in this well.
 It is expected that this well be drilled by October 15, 1978. This depends on time required for approvals, rig availability and the weather.
 Gas is 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.

24. [Signature] Dist. Production Manager July 17, 1978
 SIGNED TITLE DATE

(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____

APPROVED BY _____ TITLE _____ DATE _____
 CONDITIONS OF APPROVAL, IF ANY:

ok Frank

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.

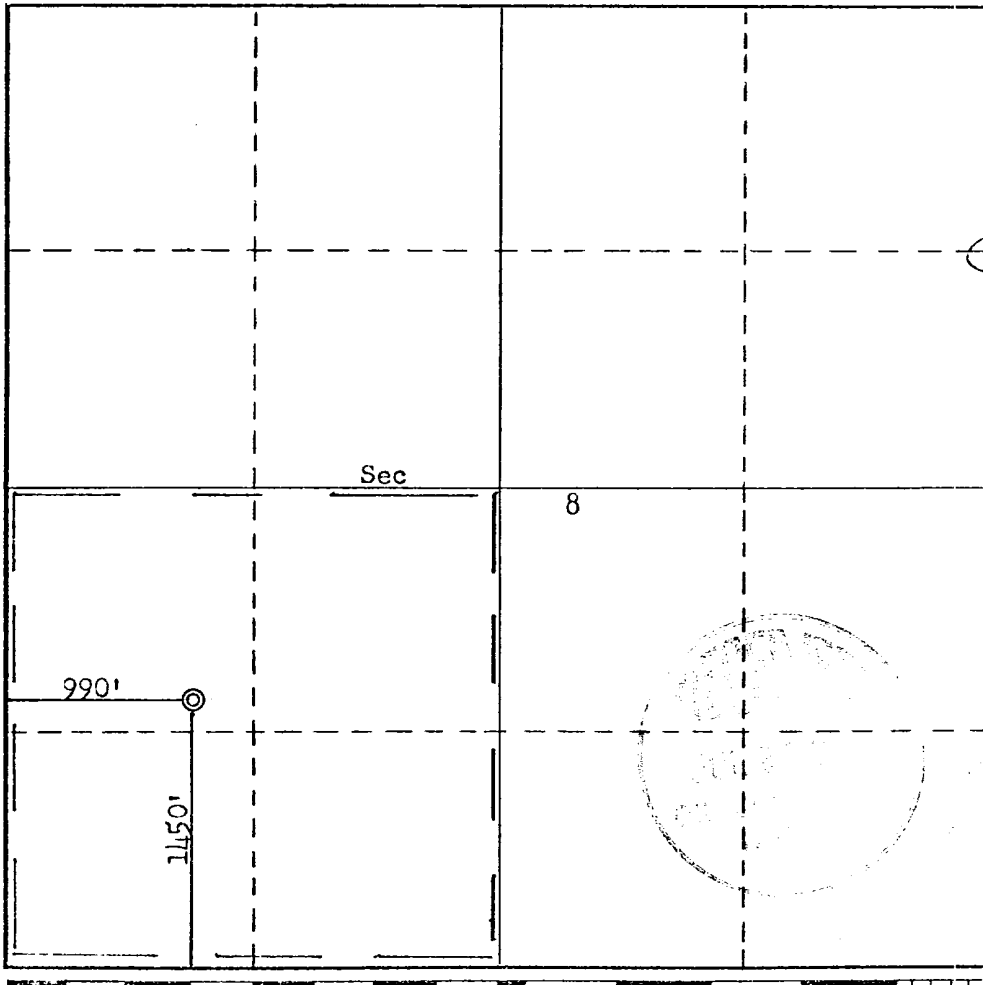
Operator SOUTHLAND ROYALTY COMPANY			Lease SCHWERTFEGER		Well No. 1-R
Unit Letter L	Section 8	Township 27N	Range 11W	County San Juan	
Actual Footage Location of Well: 1150 feet from the South line and 990 feet from the West line					
Ground Level Elev. 6139	Producing Formation Pictured Cliffs		Pool West Kutz	Dedicated Acreage: 160 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.



CERTIFICATION

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

Name: *[Signature]*

Position: **District Production Manager**

Company: **Southland Royalty Company**

Date: **July 17, 1978**

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: **May 27, 1978**

Registered Professional Engineer and/or Land Surveyor:
[Signature]
Fred B. Kerr Jr.

Certificate No. **3950**

