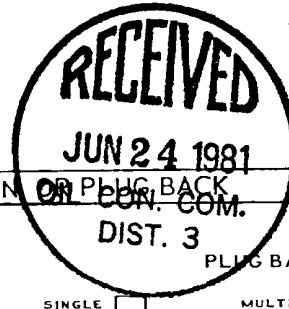


NO. OF COPIES RECEIVED	
DISTRIBUTION	
SANTA FE	
FILE	
U.S.G.S.	
LAND OFFICE	
OPERATOR	

NEW MEXICO OIL CONSERVATION COMMISSION

30-039-22779
Form C-101
Revised 1-1-55



5A. Indicate Type of Lease
STATE ☐ FEE ☒

5. State Oil & Gas Lease No.

APPLICATION FOR PERMIT TO DRILL, DEEPEN OR PLUG BACK

1a. Type of Work b. Type of Well OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER <input type="checkbox"/> DRILL <input checked="" type="checkbox"/> DEEPEN <input type="checkbox"/> PLUG BACK <input type="checkbox"/> SINGLE ZONE <input type="checkbox"/> MULTIPLE ZONE <input checked="" type="checkbox"/>		7. Unit Agreement Name
2. Name of Operator Southland Royalty Company		8. Farm or Lease Name Chicosa Canyon
3. Address of Operator P.O. Drawer 570, Farmington, New Mexico 87401		9. Well No. 1
4. Location of Well UNIT LETTER M LOCATED 830 FEET FROM THE South LINE AND 1100 FEET FROM THE West LINE OF SEC. 35 TWP. 31N RGE. 4W NMPM		10. Field and Pool, or Wildcat Basin Dakota W/ Blanco Mesa Verde S/ 316 29 W/ 156.77 MV
		12. County Rio Arriba
19. Proposed Depth 8550'		19A. Formation Dakota Mesa Verde
20. Rotary or C.T. Rotary		
21. Elevations (Show whether DF, RT, etc.) 6886' KB/6874' GL	21A. Kind & Status Plug. Bond	21B. Drilling Contractor Four Corners Drilling
		22. Approx. Date Work will start August 10, 1981

23. PROPOSED CASING AND CEMENT PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	SACKS OF CEMENT	EST. TOP
12-1/4"	9-5/8"	32.3#, H-40	240'	153 cu.ft. - Circ to surface	
8-3/4"	7"	23#, K-55	0'-7675'	STAGE ONE: 469 cu.ft. -	
7-7/8"	4-1/2"	10.5#, K-55	8550'	Cover Gallup	
				STAGE TWO: 149 cu.ft. -	
				Cover Cliff House	
				STAGE THREE: 149 cu.ft. -	
				Cover Ojo Alamo	

Surface formation is San Jose.

Top of Ojo Alamo sand is at 3353'.

Top of Pictured Cliffs sand is at 3557'.

Fresh water mud will be used to drill from surface to total depth.

It is anticipated that an IES log will be run from total depth to surface and GR-CNL/FDC and GR-BHC Sonic from total depth to 5600', and from 3900' to 3300'.

No abnormal pressures or poisonous gases are anticipated in this well.

It is expected that this well will be drilled before October 31, 1981. This depends on time required for approvals, rig availability and the weather.

Gas is not dedicated.

APPROVAL VALID
FOR 30 DAYS UNLESS
DRILLING COMMENCED,

EXPIRES 12-24-81

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. GIVE BLOWOUT PREVENTER PROGRAM, IF ANY.

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

Signed R. E. Fielder Title District Engineer Date 6-18-81

(This space for State Use)

APPROVED BY Frank J. Chazy TITLE SUPERVISOR DISTRICT # 3 DATE JUN 24 1981

CONDITIONS OF APPROVAL, IF ANY:

OIL CONSERVATION DIVISION

P. O. BOX 2088

SANTA FE, NEW MEXICO 87501

Form C-107
Revised 10-1-78STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT

All distances must be from the outer boundaries of the Section.

Operator SOUTHLAND ROYALTY COMPANY			Lease CHICOSA CANYON		Well No. 1
Unit Letter M	Section 35	Township 31N	Range 4W	County Rio Arriba	
Actual Footage Location of Well: 830 feet from the South line and 1100 feet from the West line					
Ground Level Elev: 6874	Producing Formation Mesa Verde/Dakota	Pool WC Blanco/Basin		Dedicated Acreage: 156.77 373.88 316.27 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 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.

		<p>Sec.</p> <p>35</p>

Scale: 1"=1000'

CERTIFICATION

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

R. E. Fielder

Name

Robert E. Fielder

Position

District Engineer

Company

Southland Royalty Co.

Date

June 18, 1981

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

February 25, 1981

Registered Professional Engineer
and Land Surveyor

Fred B. Kerr Jr.
Fred B. Kerr Jr.

Certification No. MEXICO

3950 B. KERR, JR.

SOUTHLAND ROYALTY COMPANY

THE UNDERSIGNED, for and in consideration of the amount shown below, the receipt of which is hereby acknowledged, releases Southland Royalty Company, its agents, contractors and employees, from all claims of kind or character for damages sustained by the undersigned caused by the construction of a roadway and location for use in drilling and operating gas or oil wells in the vicinity, or the project named below, with appurtenances thereto, over and through the hereinafter described property.

THE UNDERSIGNED represents that he is leagally entitled to possess and occupy the surface of said property and is, therefore, entitled to receive payment for the damages sustained thereto.

DESCRIPTION OF PROPERTY SITUATED IN Rio Arriba County,
State of New Mexico.

<u>Subdivision</u>	<u>Section</u>	<u>Township</u>	<u>Range or Block</u>	<u>B & M or Abstract #</u>
	35	T31N	R4W	

Received of Southland Royalty Company the amount of \$ 2,420.00 .

Dated this 18 day of May, 19 81 AD.

1 mile @ \$6.00/rod = \$1,920.0
Location \$ 500.0

Witness

Signed

Check Number _____

Well Name Chicosa Canyon #1

AFE Number _____

Casing Program:	Hole Size	Depth Set	Casing Size	Weight & Grade		Thread
	12-1/4"	240'	9-5/8"	32.30#	H-40	ST&C
	8-3/4"	600'	7"	23#	K-55	LT&C
	8-3/4"	600'-6400'	7"	23#	K-55	ST&C
	8-3/4"	6400'-7675'	*			
	7-7/8"	8550'	4-1/2"	10.5 #	K-55	ST&C

Float Equipment:

9-5/8" Surface Casing: B & W Guide Shoe (FC01).

Production Casing: B & W Guide Shoe (FC01). B & W self-fill flapper float collar (FP01) one joint off bottom. Five B & W standard centralizers (AA02) every other joint above shoe. Stage tools run at $\pm 6400'$ and $\pm 4000'$ with a cement basket below and five B & W standard centralizers (AA02) above each tool.

Wellhead Equipment: 9-5/8" X 10", 2000 psi bradenhead
10", 2000 psi X 6", 3000 psi tubinghead

Cement Program:

9-5/8" Surface Casing: 130 sacks (153 cu.ft.) of Class "B" with 1/4# gel flake per sack and 3% CaCl₂. WOC 12 hours.
Test to 600# prior to drilling out. (100% excess.)

Production Casing: STAGE ONE
275 sacks (410 cu.ft.) of Class "B" 50/50 Poz with 1/4# gel flake per sack and 6% gel followed by 50 sacks (59 cu.ft.) of Class "B" neat with 2% CaCl₂. (Volume is 25% excess to cover Gallup.)

STAGE TWO

60 sacks (90 cu.ft.) of Class "B" 50/50 Poz with 1/4# gel flake per sack and 6% gel followed by 50 sacks (59 cu.ft.) of Class "B" neat with 2% CaCl₂. (Volume is 50% excess to cover Cliff House.)

STAGE THREE

60 sacks (90 cu.ft.) of Class "B" 50/50 Poz with 1/4# gel flake per sack and 6% gel, followed by 50 sacks (59 cu.ft.) of Class "B" neat with 2% CaCl₂. (50% excess to cover the Ojo Alamo.)

WOC and circulate 4 hours between stages.

L. O. Van Ryan
District Production Manager

JAC/eg
6/17/81



Southland Royalty Company

June 18, 1981

Oil Conservation Division
Mr. Frank Chavez
1000 Rio Brazos Road
Aztec, New Mexico 87410

RE: Blowout Preventer Plan

Dear Mr. Chavez:

All drilling and completion rigs will be equipped with 6" or larger double gate hydraulic blowout preventers and a hydraulic operated closing unit with steel lines.

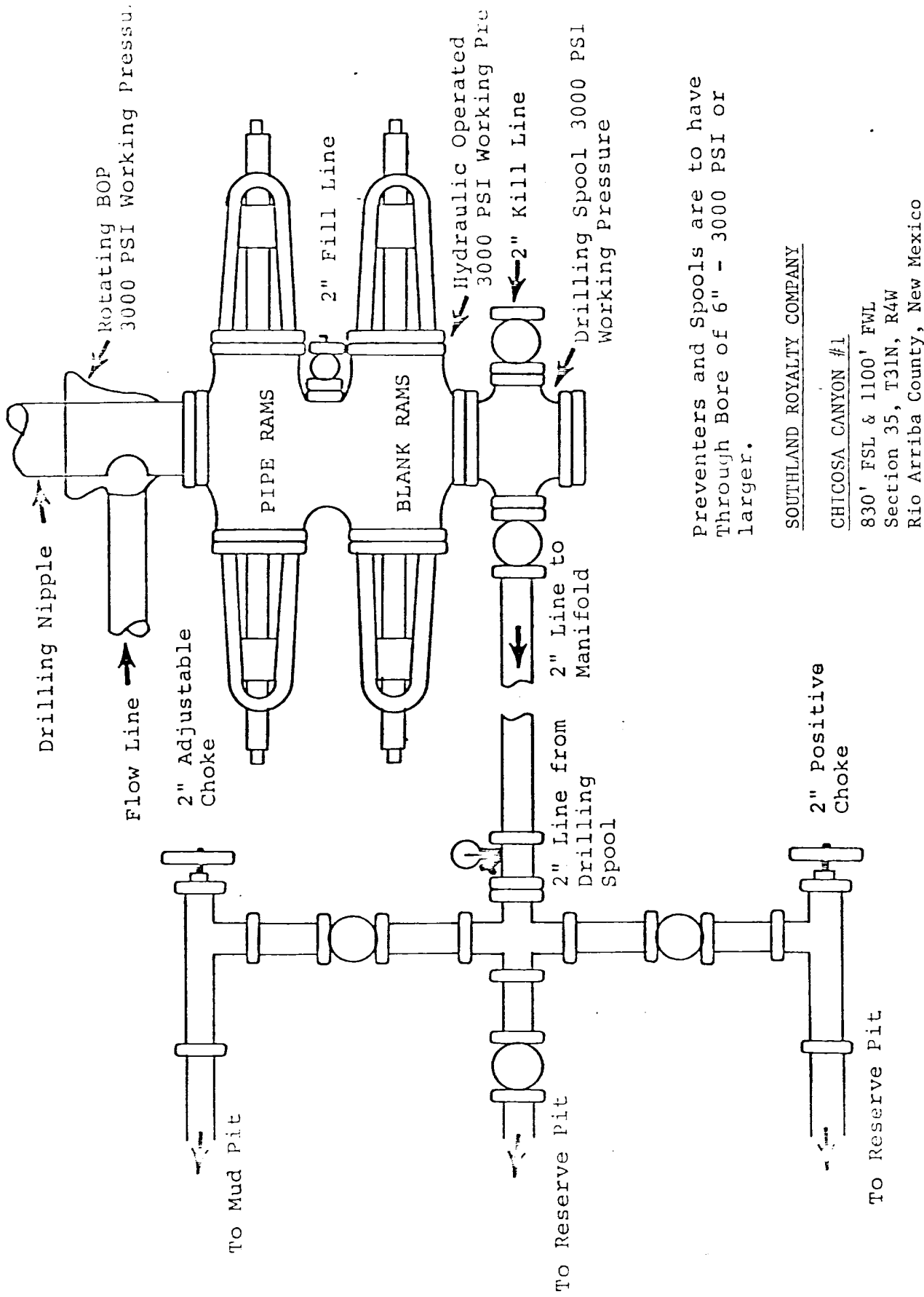
The preventer is 3000# working pressure and 6000# test pressure. All crews will be thoroughly trained in the operation of this preventer. The preventer will be tested frequently enough to ensure proper operation.

Sincerely,

SOUTHLAND ROYALTY COMPANY

R. E. Fielder
District Engineer

REF/eg



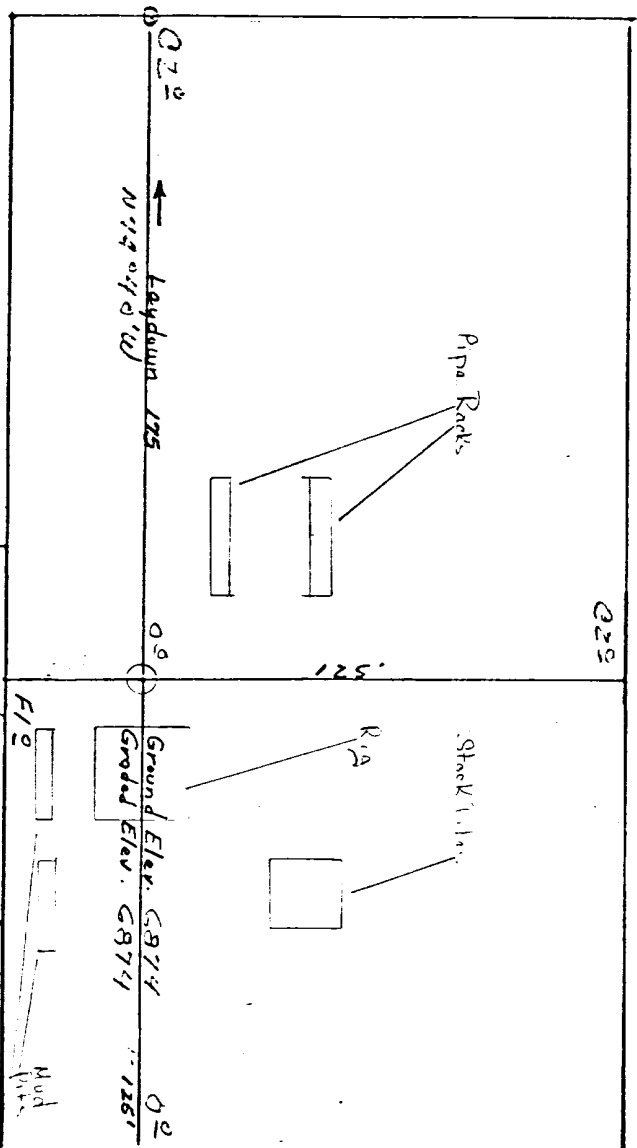
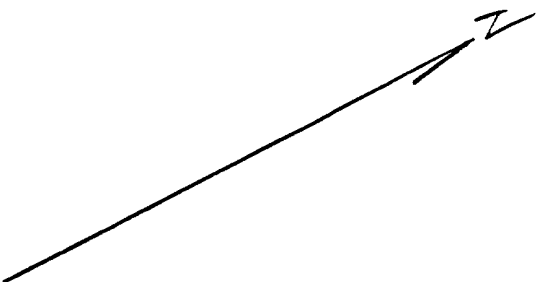
Preventers and Spools are to have Through Bore of 6" - 3000 PSI or larger.

SOUTHLAND ROYALTY COMPANY

CHICOSA CANYON #1

830' FSL & 1100' FWL
Section 35, T31N, R4W
Rio Arriba County, New Mexico

PROFILE MAP FOR
 SOUTHLAND ROYALTY COMPANY #1 CHICOSA CANYON
 830' FSL 1100' FWL Sec. 35-T31N-14W
 RIO ARriba COUNTY, NEW MEXICO



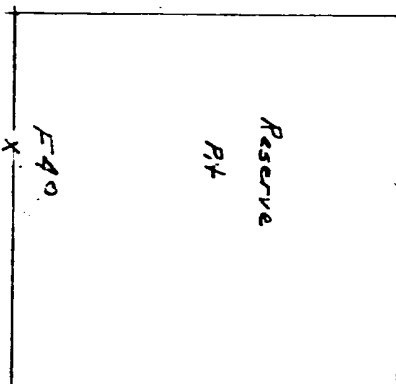
Scale: 1" = 50'

Vert. 1"=40'

6880									
6870									

Horiz. 1"=100'

6880									
6870									



Vert. 1"=40'

Horiz. 1"=100'

KERR LAND SURVEYING
 Date: _____

