

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK DRILL <input checked="" type="checkbox"/> DEEPEN <input type="checkbox"/> PLUG BACK <input type="checkbox"/>		5. LEASE DESIGNATION AND SERIAL NO. SE-077282	
b. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER <input type="checkbox"/>		6. IF INDIAN, ALLOTTEE OR TRIBE NAME	
2. NAME OF OPERATOR Southland Royalty Company		7. UNIT AGREEMENT NAME	
3. ADDRESS OF OPERATOR P. O. Drawer 570, Farmington, New Mexico		8. FARM OR LEASE NAME Grenier "A"	
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.) At surface 1450' FNL & 1450' FWL At proposed prod. zone		9. WELL NO. #8	
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE* 7.5 miles Southeast of Aztec on Navajo Dam Road		10. FIELD AND POOL, OR WILDCAT Basin Dakota	
15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any)		11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA Section 35, T30N, R10W	
16. NO. OF ACRES IN LEASE		12. COUNTY OR PARISH San Juan	
17. NO. OF ACRES ASSIGNED TO THIS WELL 317.18		13. STATE New Mexico	
18. DISTANCE FROM PROPOSED* LOCATION TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.		20. ROTARY OR CABLE TOOLS Rotary	
19. PROPOSED DEPTH 7224'		22. APPROX. DATE WORK WILL START* July 10, 1978	
21. ELEVATIONS (Show whether DF, RT, GR, etc.) 6122' GR			
23. PROPOSED CASING AND CEMENTING PROGRAM			

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12-1/4"	9-5/8"	36#	300'	160 SXS
8-3/4"	7"	23#	2945'	320 SXS
6-1/4"	4-1/2"	10.5#	2795'-7000'	460 SXS
	4-1/2"	11.6#	7000'-7224'	
	2-3/8"	4.7#	7200'	

Surface formation is San Jose.

Top of Ojo Alamo is at 945'.

Top of Pictured Cliffs is at 2645'.

Fresh water mud will be used to drill to intermediate casing point.

An air system will be used to drill from intermediate casing point to total depth.

It is anticipated that a Gamma Ray Density and Gamma Ray Induction 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 before September 1, 1978. This depends on rig availability, time required for approvals and the weather.

Gas is dedicated.

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen or plug back, give data on present production 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. SIGNED [Signature] TITLE District Production Manager DATE June 8, 1978
(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____

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

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.

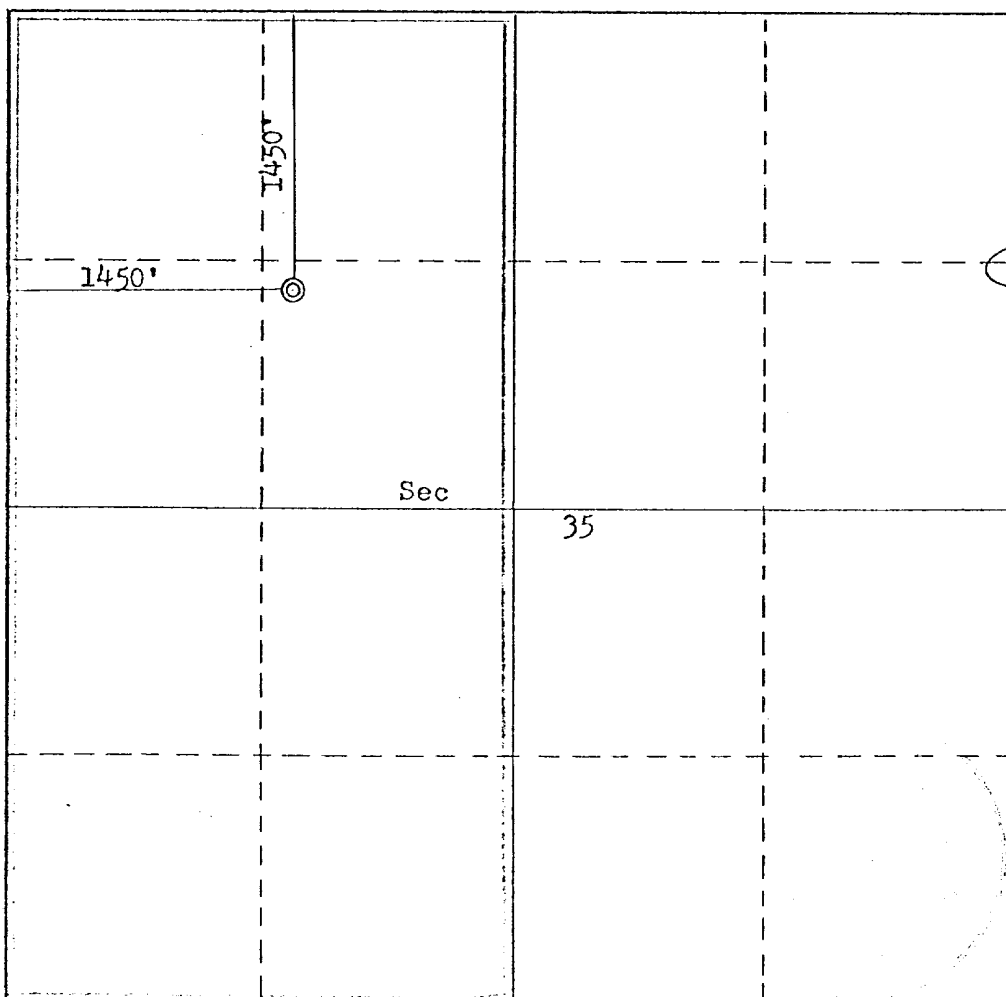
Operator <u>Southland Royalty Co.</u> Aztec Oil & Gas Company			Lease <u>Grenier A</u>		Well No. <u>8</u>
Unit Letter F	Section 35	Township 30N	Range 10W	County San Juan	
Actual Footage Location of Well:					
<u>1450</u>	feet from the North	line and	<u>1450</u>	feet from the West	line
Ground Level Elev. 6122'	Producing Formation Dakota		Pool Basin	Dedicated Acreage: 317.18 ✓ 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

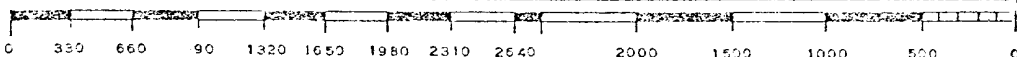
I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Name _____
 Position _____
District Production Manager
 Company _____
Southland Royalty Company
 Date _____
June 8, 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 _____
November 11, 1977
 Registered Professional Engineer and/or Land Surveyor

Fred B. Kerr Jr.
 Certificate No. _____
3950





Southland Royalty Company

United States Geological Survey
P. O. Box 959
Farmington, New Mexico 87401

Attention: Mr. P. T. McGrath

Dear Sir:

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drillsite and access route; that I am familiar with the conditions which presently exist; that the statements made in this plan are, to the best of my knowledge, true and correct; and, that the work associated with the operations proposed herein be performed by Southland Royalty Company and its contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved.

Date: June 8, 1978

Name: CC Parnell

Title: District Engineer



Southland Royalty Company

June 8, 1978

United States Geological Survey
P. O. Box 959
Farmington, New Mexico

Attention: Mr. P. T. McGrath

Dear Sir:

Enclosed please find map showing existing roads and planned access roads to Southland Royalty Company's Grenier "A" #8 well. The locations of tank batteries and flow lines will be on location with well. A burn pit will be provided for disposal of trash. Cuttings, drilling fluid and produced fluids will be put into the reserve pit and properly disposed of depending on amount and type of fluids.

Contractor will furnish restroom facilities on location.

There will be no air strips or camps.

Also, enclosed is a location layout showing approximate location of rig, pits and pipe racks and cut required to build this location.

Water supply will be the Aztec's Ditch. All water will be transported by truck and stored on location.

The location will be restored according to Bureau of Land Management standards. This work will begin when all related construction is finished.

Mr. Max Larson will be Southland Royalty Company's field representative supervising these operations.

Yours truly,



Southland Royalty Company

June 8, 1978

United States Geological Survey
P. O. Box 959
Farmington, New Mexico

Attention: Blowout Preventer Plan

Dear Sir:

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.

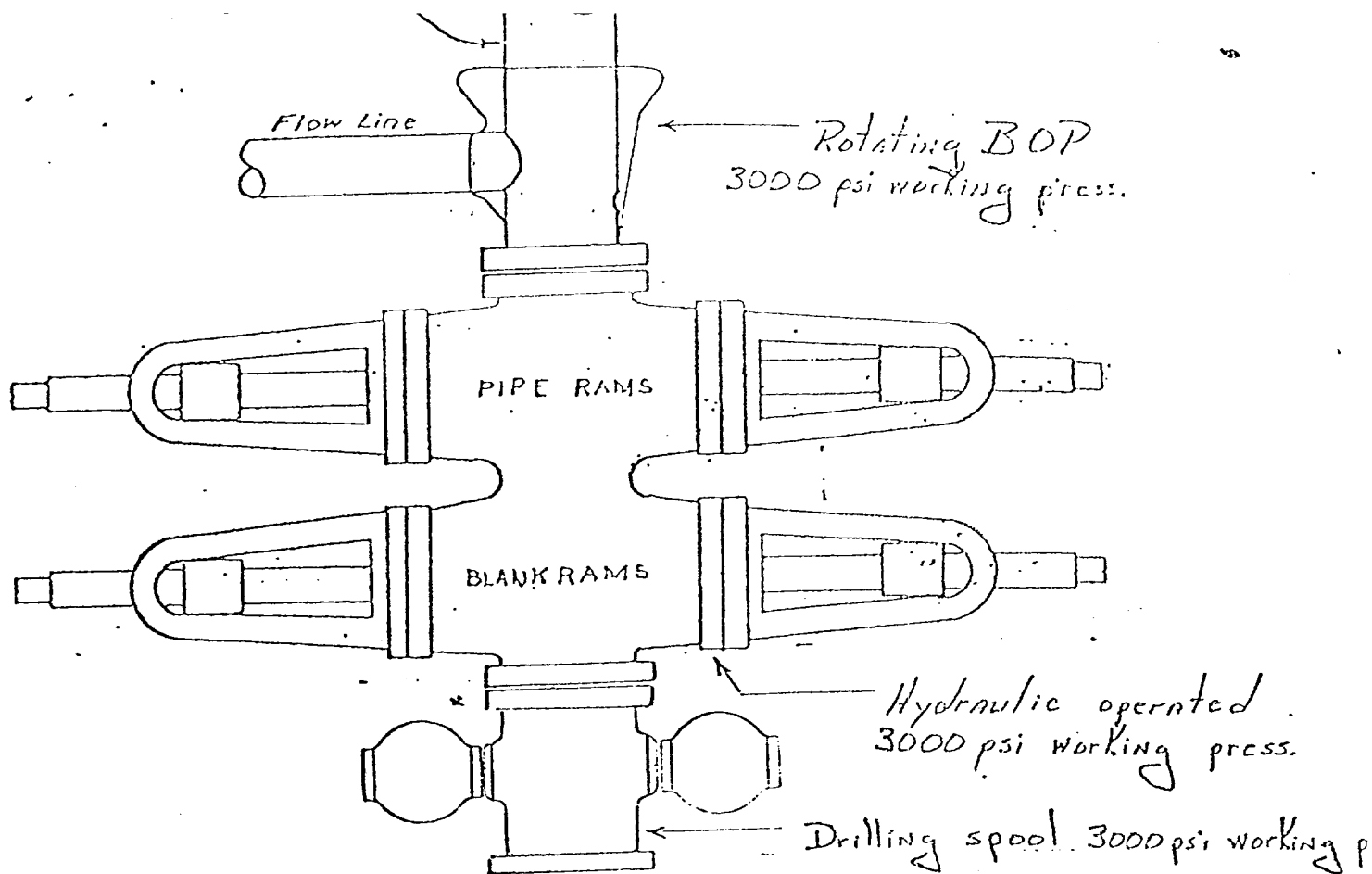
The preventer is 3000# working pressure and 6000# test.

All crews will be thoroughly trained in the operation of this preventer. The preventer will be tested frequently enough to insure proper operation.

Yours truly,

L. O. Van Ryan
District Production Manager

LOVR/dg

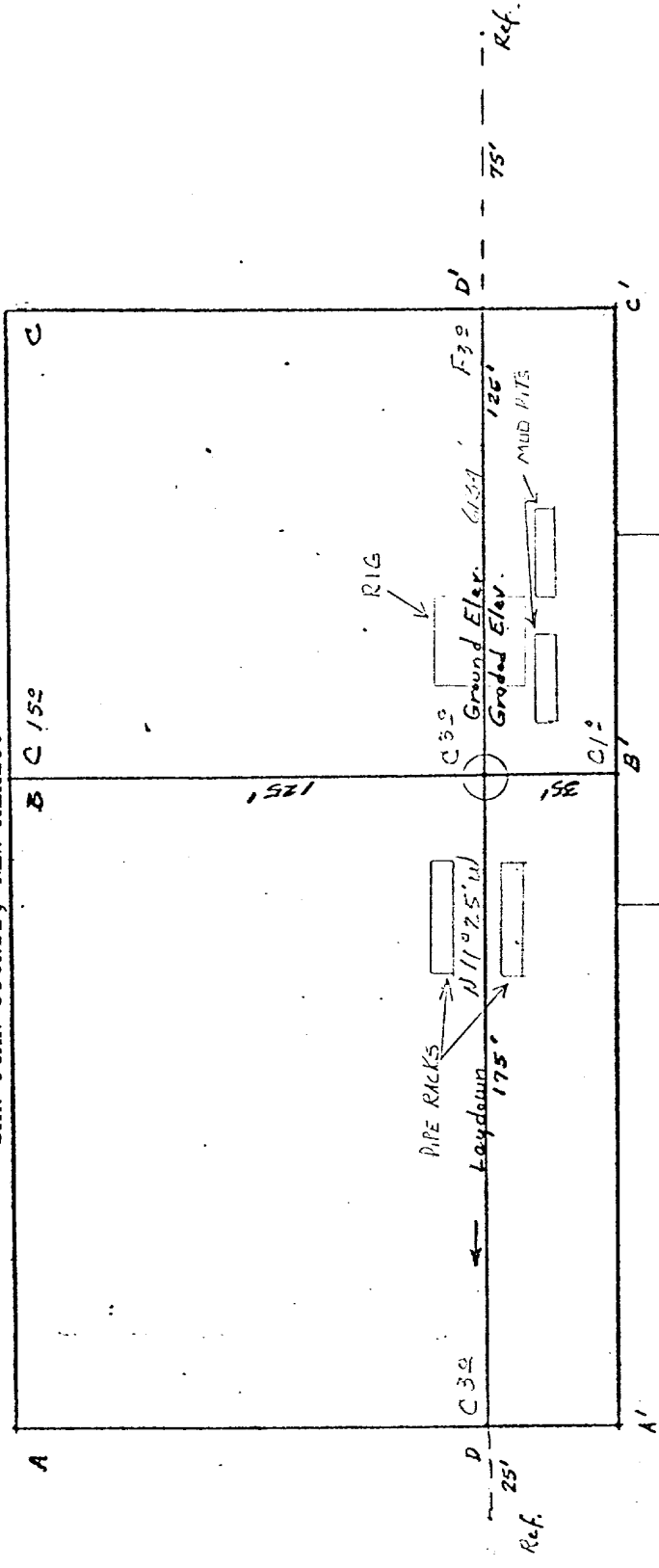


Preventers and spools are to have
through bore of 6" - 3000# PSI or larger.

SOUTHLAND ROYALTY COMPANY #8 Grenier A

1450' ENL 1450' FWL Sec 35-T3ON-RLQW

SAN JUAN COUNTY, NEW MEXICO



Scale: 1" = 50'

Vert. $1'' = 40'$ $A - A'$ & Horiz. $1'' = 100'$

B-B'

6130					
6120					
6110					

Vert: 1"=40' C-C' & Horiz: 1"=100'

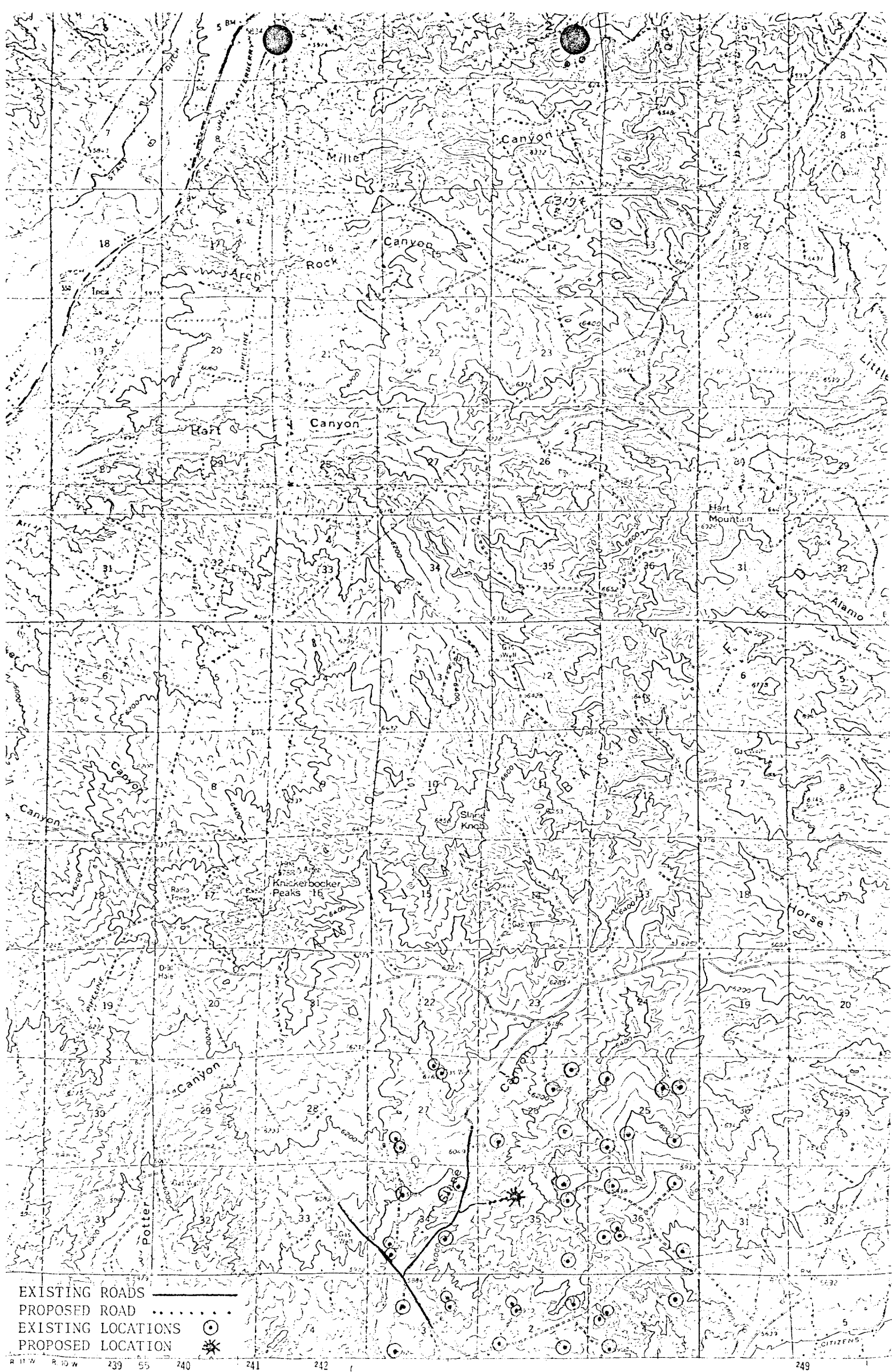
D-D'

6130						
6120						
6110						

KERR LAND SURVEYING

Date: 6/7/78

2012



Vicinity Map for
Aztec Oil & Gas Company #8 Grenier A
1450'FNL 1450'FNL Sec 35-T30N-R10W
San Juan County, New Mexico

NEA 7620