

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

30-045-2489

3. LEASE DESIGNATION AND SERIAL NO.
NM-06738

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME
Grenier "A"

9. WELL NO.
#8M

10. FIELD AND POOL, OR WILDCAT
Basin Dakota
Blanco Mesa Verde

11. SEC., T., R., M., OR BLK.
AND SURVEY OR AREA
Section 35, T30N, R10W

12. COUNTY OR PARISH
San Juan

13. STATE
New Mexico

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 ZONE

2. NAME OF OPERATOR
Southland Royalty Company

3. ADDRESS OF OPERATOR
P. O. Drawer 570, Farmington, NM 87401

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.*)
At surface
1100' FSL & 1030' FWL
At proposed prod. zone

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*
Approximately 5 miles northeast of Bloomfield, NM

15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any)
1100'

16. NO. OF ACRES IN LEASE
475.60

17. NO. OF ACRES ASSIGNED TO THIS WELL
320 W/317.18 & W/317.18

18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.
2300'

19. PROPOSED DEPTH
7192'

20. ROTARY OR CABLE TOOLS
Rotary

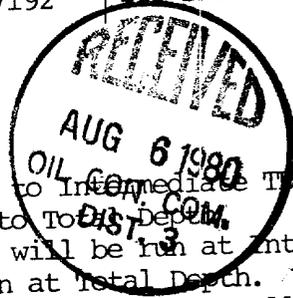
21. ELEVATIONS (Show whether DF, RT, GR, etc.)
6089' GR

22. APPROX. DATE WORK WILL START*
September 31, 1980

23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT	
13 3/4"	10 3/4"	32.75#	200'	136 sacks	
9 7/8"	7 5/8"	26.40#	4566'	112 sacks (1)	401 sacks (2)
6 3/4"	5 1/2"	15.5#	4466'-7192'	265 sacks	

Surface formation is San Jose.
The top of the Ojo Alamo sand is at 911'.
The top of the Pictured Cliffs sand is at 2577'.
Fresh water mud will be used to drill from surface to Intermediate TD. An air system will be used to drill from Intermediate TD to Total Depth.
It is anticipated that an IES and a GR-Density log will be run at Intermediate TD and a GR-Induction and a GR-Density log will be run at Total Depth.
No abnormal pressures or poisonous gases are anticipated in this well.
It is expected that this well will be drilled before December 31, 1980. This depends on time required for approval, rig availability and the weather.
Gas is dedicated.



This action is subject to administrative appeal pursuant to 30 CFR 290.

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.

SIGNED: [Signature] TITLE: District Engineer DATE: 4-18-80

(This space for use of State office)
PERMIT NO. AS AMENDED APPROVAL DATE

APPROVED: [Signature] TITLE: DISTRICT ENGINEER DATE: AUG 6 1980
CONDITIONS OF APPROVAL, IF ANY: For JAMES F. SING

oh 3 m

OIL CONSERVATION DIVISION

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT

P. O. BOX 7088
SANTA FE, NEW MEXICO 87501

Form C-107
Revised 10-1-78

All distances must be from the outer boundaries of the Section

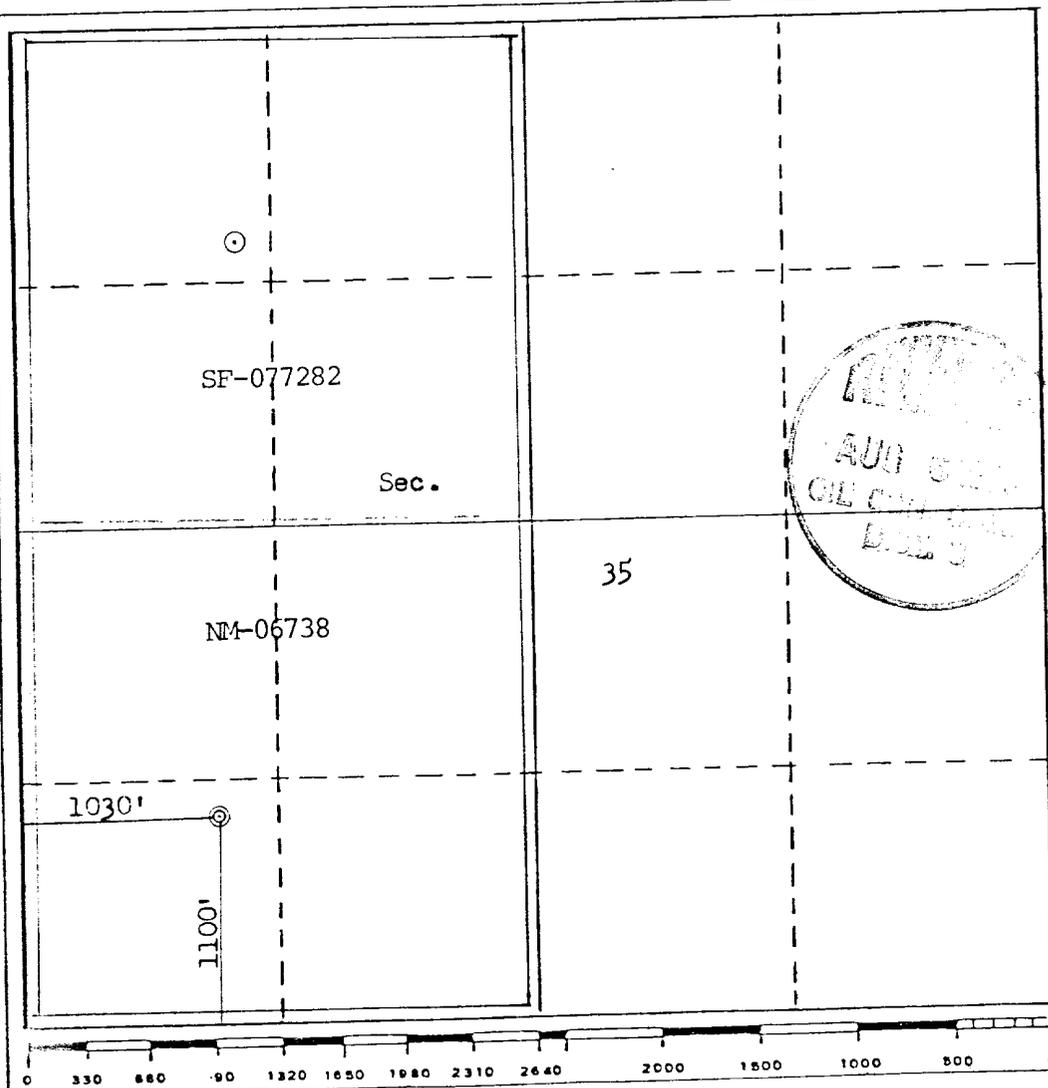
Operator SOUTHLAND ROYALTY COMPANY			Lease GRENIER "A"		Well No. 8-M
Unit Letter M	Section 35	Township 30N	Range 10W	County San Juan	
Actual Footage Location of Well: 1100 feet from the South line and 1030 feet from the West line					
Ground Level Elev. 6089	Producing Formation Dakota - Mesa Verde		Pool Basin - Blanco		Dedicated Acreage: 320 - 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 Communitized

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

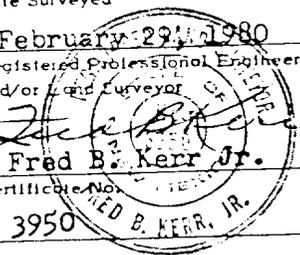
I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Curtis C. Parsons

Name
Curtis C. Parsons
Position
District Engineer
Company
Southland Royalty Company
Date
April 18, 1980

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 29, 1980
Registered Professional Engineer and/or Land Surveyor
Fred B. Kerr Jr.
Fred B. Kerr Jr.
Certificate No. **3950**



Cementing:

10 3/4" Surface Casing: 136 sacks (160 cu. ft.) of Class "B" with 1/4# gel flake per sack and 3% CaCl₂. WOC for 12 hours. Test to 600# prior to drilling out. (Volume is 100% excess.)

7 5/8" Intermediate Casing: STAGE ONE
62 sacks (93 cu. ft.) of 50/50 Class "B" Poz with 6% gel (mixed w/7.2 gals wtr/sx) tail in with 50 sacks of Class "B" neat. (Volume is 50% excess to cover top of Cliff House.)

STAGE TWO
331 sacks (576 cu. ft.) of 50/50 Poz with 6% gel, followed by 70 sacks of Class "B" with 2% CaCl₂. (Volume is 50% excess to cover top of Ojo Alamo.)

WOC and circulate between stages as required by well conditions. WOC 12 hours. Test to 1000 psi before drilling out.

5 1/2" Liner: 265 sacks (394 cu. ft.) of 50/50 Poz with 6% gel, 1/4# gel flake per sack and 0.6% Halad 9 or equivalent. (Volume is 70% excess.)

Precede cement with 20 barrels of gel water.

L. O. Van Ryan
District Production Manager



Southland Royalty Company

April 18, 1980

United States Geological Survey
Mr. James Sims
P. O. Box 959
Farmington, NM 87401

RE: Blowout Preventer Plan

Dear Sir:

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

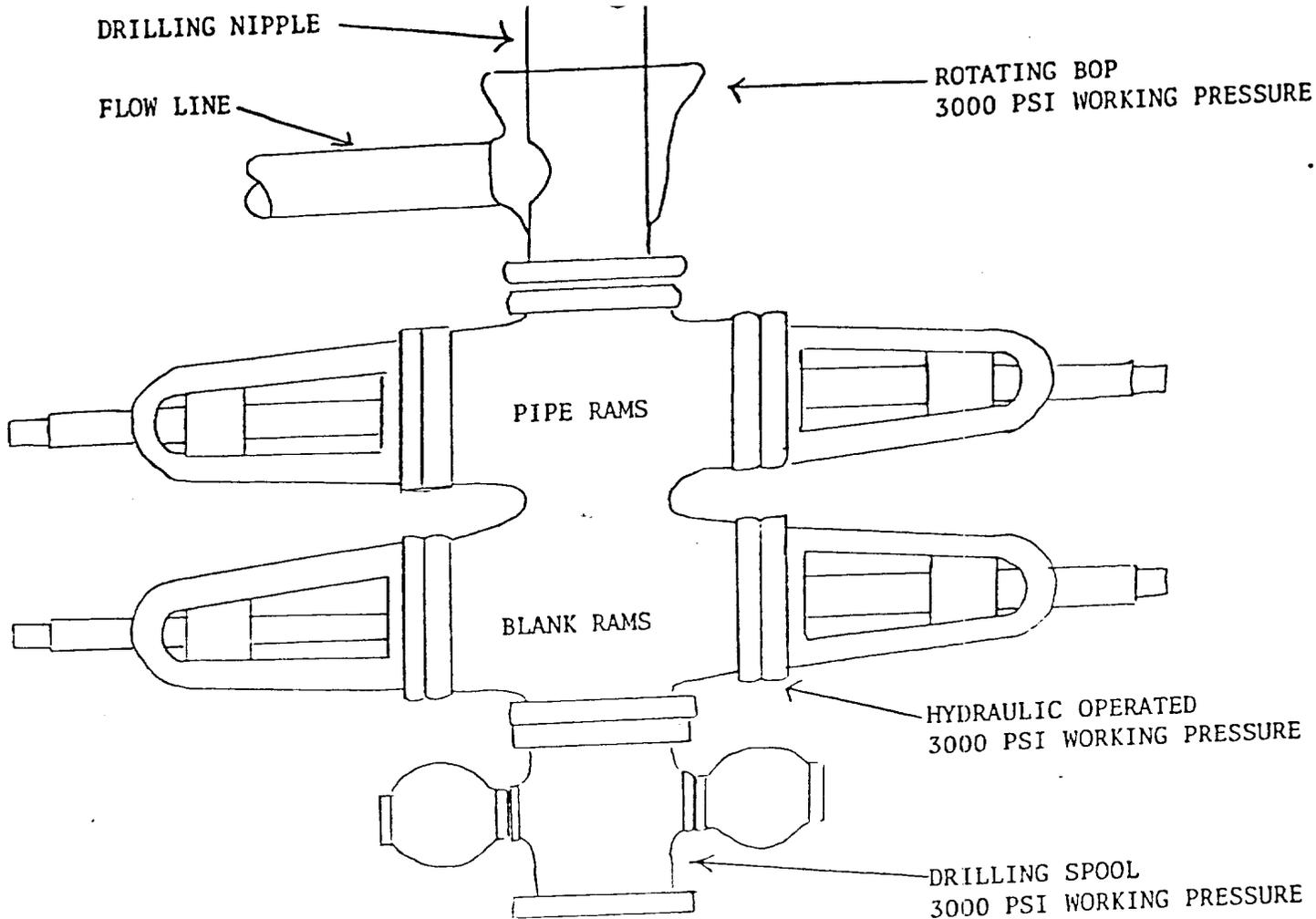
The preventer is 3000# working pressure and 6000# test pressure.

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

Yours truly,


Curtis C. Parsons
District Engineer

CCP/ke



PREVENTERS AND SPOOLS ARE TO HAVE
THROUGH BORE OF 6" - 3000 PSI OR LARGER

Southland Royalty Company
Grenier "A" #8M
1100' FSL & 1030' FWL
Section 35, T30N, R10W
San Juan County, New Mexico



Southland Royalty Company

April 18, 1980

United States Geological Survey
Mr. James Sims
P. O. Box 959
Farmington, NM 87401

Dear Sir:

Enclosed please find a map showing existing roads and planned access roads to Southland Royalty Company's Grenier "A" #8M 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.

There will be no camps or airstrips.

Also, enclosed is a location layout showing approximate location of rig, pits and pipe racks.

Water supply will be the San Juan River or Blanco Ditch.

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

Mr. Ross Lankford will be Southland Royalty Company's field representative supervising these operations.

Yours truly,

Curtis C. Parsons
District Engineer

CCP/ke



Southland Royalty Company

April 18, 1980

United States Geological Survey
Mr. James Sims
P. O. Box 595
Farmington, NM 87401

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 will 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.

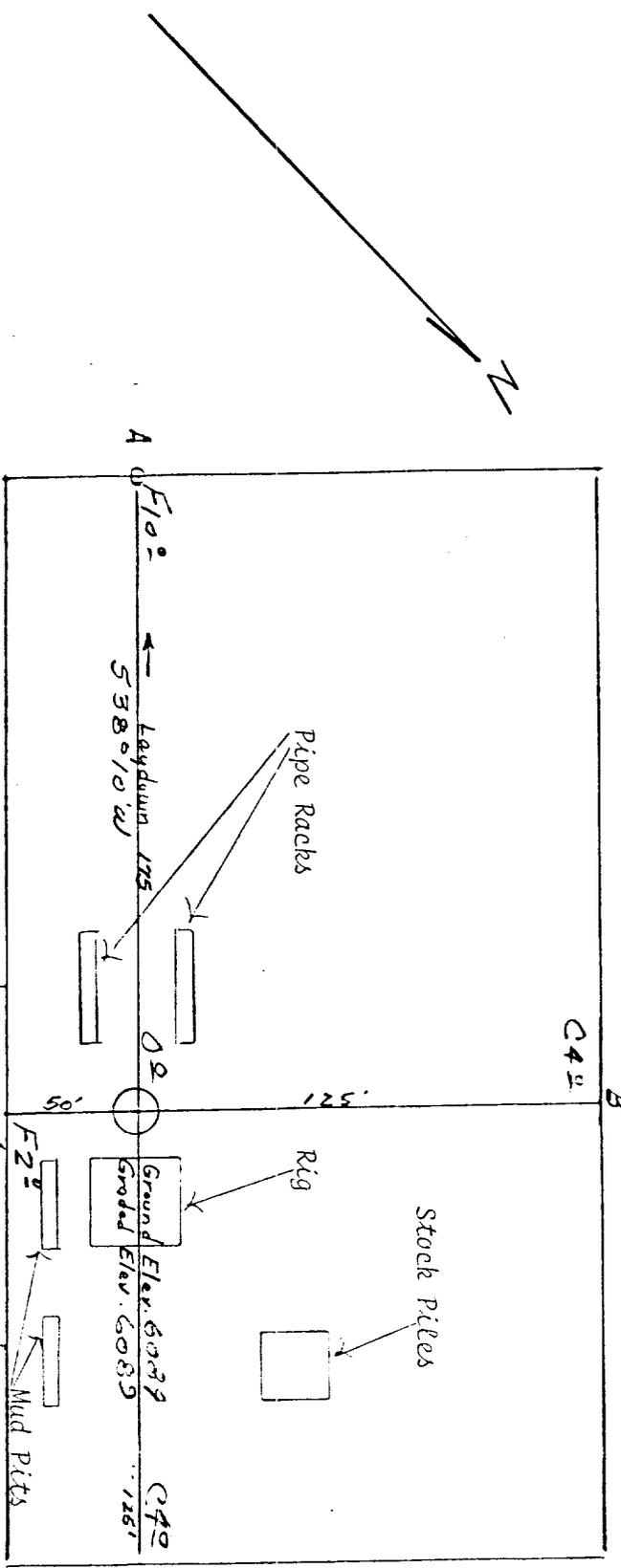
Date:



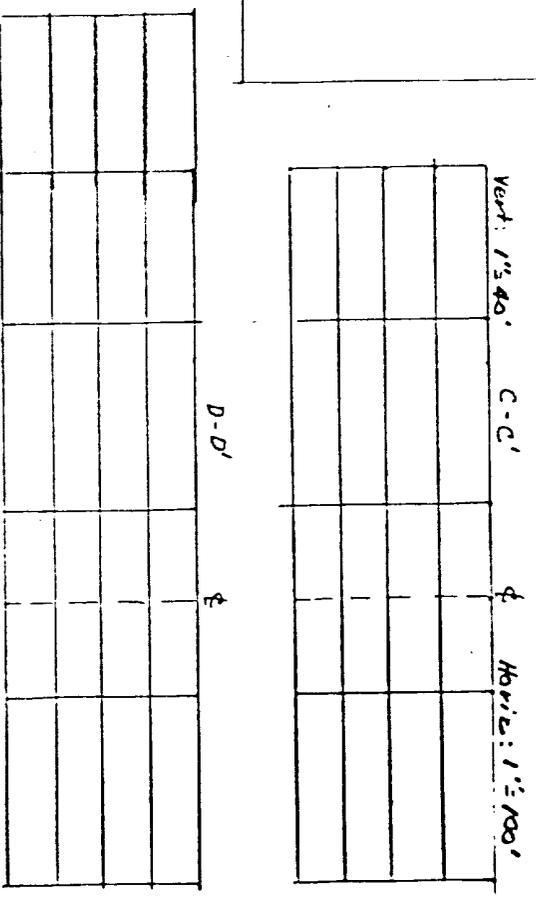
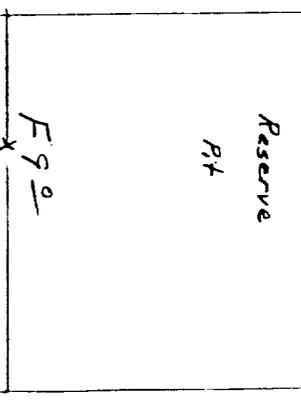
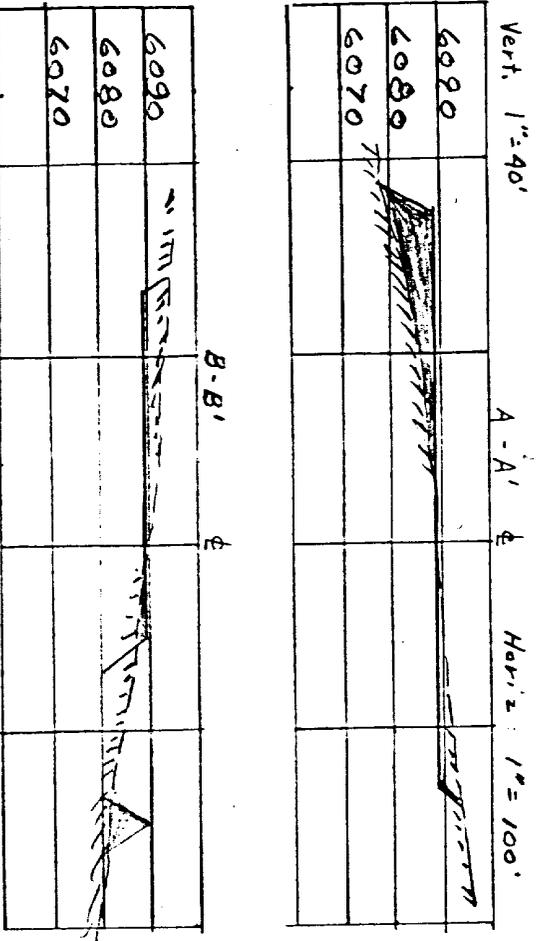
L. O. Van Ryan
District Production Manager

LOVR/ke

Location Profile for
 SOUTHLAND ROYALTY COMPANY #8-M GRENIER "A"
 1100' FSL 1030' FWL Sec. 35-T130N-R10W San Juan County, New Mexico

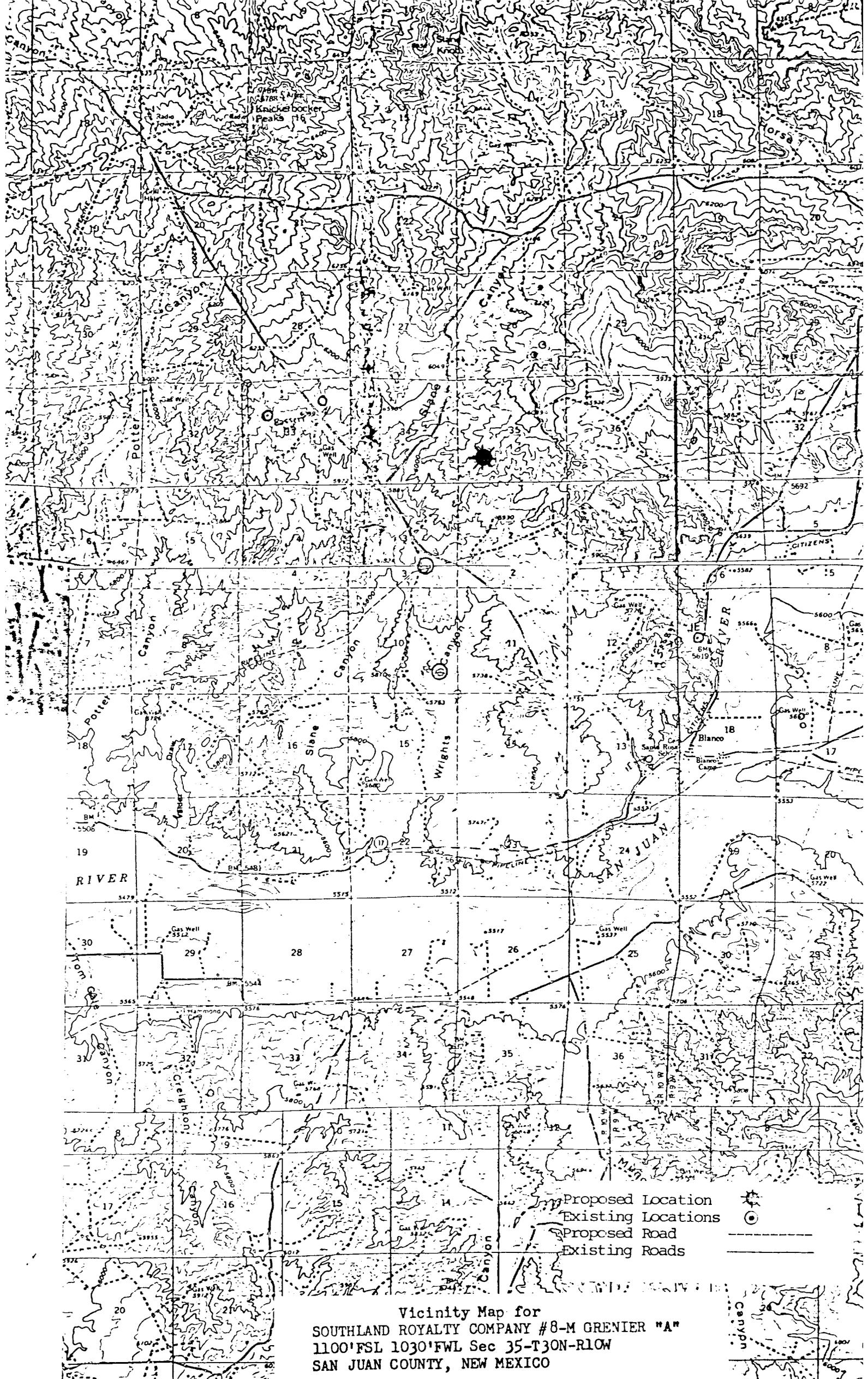


Scale: 1" = 50'



KERR LAND SURVEYING
 Date: 2/29/80

[Handwritten signature]



Proposed Location 
 Existing Locations 
 Proposed Road 
 Existing Roads 

Vicinity Map for
 SOUTHLAND ROYALTY COMPANY #8-M GRENIER "A"
 1100'FSL 1030'FWL Sec 35-T30N-R10W
 SAN JUAN COUNTY, NEW MEXICO