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NEW MEXICO OIL CONSERVATION COMMISSION

30-046-23643
Form C-101
Revised 1-1-65

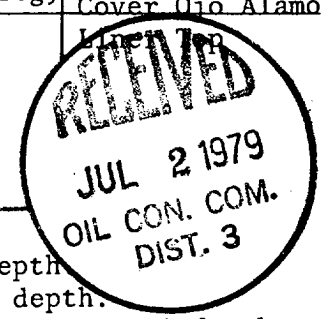
APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. Type of Work		7. Unit Agreement Name	
b. Type of Well DRILL <input checked="" type="checkbox"/> DEEPEN <input type="checkbox"/> PLUG BACK <input type="checkbox"/>		8. Farm or Lease Name Grenier	
2. Name of Operator Southland Royalty Company		9. Well No. #17E	
3. Address of Operator P. O. Drawer 570, Farmington, New Mexico		10. Field and Pool, or Wildcat Basin Dakota	
4. Location of Well UNIT LETTER <u>L</u> LOCATED <u>1680</u> FEET FROM THE <u>South</u> LINE AND <u>1160</u> FEET FROM THE <u>West</u> LINE OF SEC. <u>6</u> TWP. <u>31N</u> REC. <u>11W</u> NMPM		12. County San Juan	
19. Proposed Depth 7770'		19A. Formation Dakota	20. Rotary or C.T. Rotary
21. Elevations (Show whether DF, RT, etc.) 6439' GR	21A. Kind & Status Plug. Bond	21B. Drilling Contractor	22. Approx. Date Work will start July 15, 1979

PROPOSED CASING AND CEMENT PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	SACKS OF CEMENT	EST. TOP
13-3/4"	10-3/4"	32.75#	200'	200 sxs	Circ to surface
9-5/8"	7-5/8"	26.40#	0-5230'	351 sxs (2 stg)	Cover Ojo Alamo
6-3/4"	5-1/2"	15.50#	5080'-7150'	256 sxs	Line Top
6-3/4"	5-1/2"	17.00#	7150'-7770'		
	2-3/8"	4.70#	7770'		

APPROVAL VALID FOR 90 DAYS UNLESS DRILLING COMMENCED, EXPIRES 9-30-79



Surface formation is San Jose.
Top of Ojo Alamo sand is at 1836'.
Top of Pictured Cliffs sand is at 3061'.
Top of Cliff House sand is at 4611'.
Fresh water mud will be used to drill from surface to intermediate depth.
An air system will be used to drill from intermediate depth to total depth.
It is anticipated that 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 September 31, 1979. This depends on time required for approvals, rig availability and the weather.
Gas is dedicated.
Dedicated acreage: W/2 section 6, T31N, R11W (311.42 acres)

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 [Signature] Title District Production Manager Date June 27, 1979

(This space for State Use)

APPROVED BY [Signature] TITLE DEPUTY OIL & GAS INSPECTOR, DIST. #3 DATE JUL 2 1979

CONDITIONS OF APPROVAL, IF ANY:

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 GRENIER			Well No. 17E		
Unit Letter L	Section 6	Township 31N	Range 11W	County San Juan				
Actual Footage Location of Well: 1680 feet from the South line and 1160 feet from the West line								
Ground Level Elev: 6439	Producing Formation Dakota		Pool Basin Dakota			Dedicated Acreage: 311.42 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

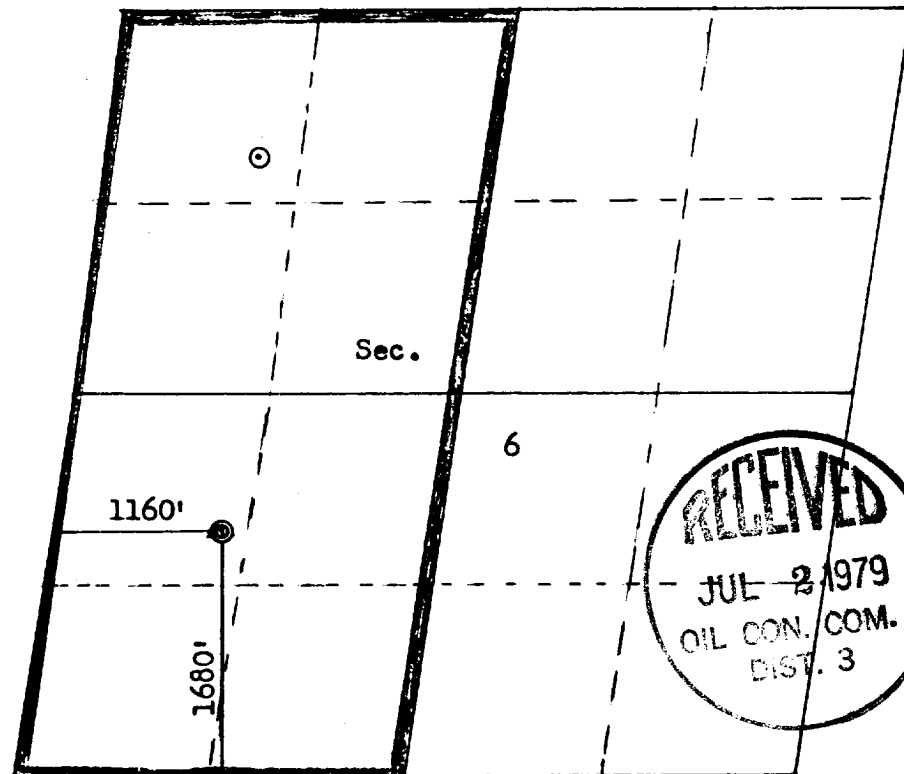
Date
June 27, 1979

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
June 19, 1979

Registered Professional Engineer and Lead Surveyor
Fred B. Kern Jr.
Fred B. Kern Jr.

Certificate No.
3950



SCALE: 1"=1320'



Southland Royalty Company

June 27, 1979

Oil Conservation Division
1000 Rio Brazos Road
Aztec, New Mexico 87410

Attention: Mr. Al Kendrick

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 safe operation.

Yours truly,

L. O. Van Ryan
District Production Manager

LOVR/dg