

MERIDIAN OIL

June 23, 1992
Federal Express

Mr. William LeMay
New Mexico Oil Conservation Division
310 Old Santa Fe Trail
Santa Fe, New Mexico 87503

*Received
6/24/92*

Re: Hanks #23
800' FNL, 1120' FWL
Section 7, T-27-N, R-9-W, San Juan County, NM

Dear Mr. LeMay:

This is a request for administrative approval for a non-standard gas well location in the Basin Fruitland Coal Pool.

Southland Royalty intends to complete the Hanks #23 in the Basin Fruitland Coal pool and commingle with the existing Fulcher Kutz Pictured Cliffs pool. The current location of this well is considered non-standard due to the NE-SW dedicated pattern established for the Basin Fruitland Coal pool. To comply with the New Mexico Oil Conservation Division rules, Southland is submitting the following for your approval of this non-standard location:

1. C-102 plat showing location of the well;
2. Plat showing offset owners/operators;
3. Affidavit of notification of offset owners/operators;
4. Copy of Well Completion Log for original completion.

A copy of this application is being submitted to all offset owners/operators by certified mail with a request that they furnish your Santa Fe office with a Waiver of Objection, and return one copy to this office.

Application for approval of the commingling has been made.

Sincerely yours,


Peggy Bradfield

WAIVER

_____ hereby waives objection to
Southland Royalty's application for non-standard location
for the Hanks #23 as proposed above.

By: _____ Date: _____

xc: Dugan Production
McKenzie Methane
Amoco Production
Conoco Inc.

OIL CONSERVATION DIVISION

P.O. Box 2088
Santa Fe, New Mexico 87504-2088

DISTRICT I
P.O. Box 1980, Hobbs, NM 88240

DISTRICT II
P.O. Drawer DD, Artesia, NM 88210

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

WELL LOCATION AND ACREAGE DEDICATION PLAT

All Distances must be from the outer boundaries of the section

Operator Southland Royalty Company			Lease Hanks		Well No. 23
Unit Letter D	Section 7	Township 27 North	Range 9 West	County San Juan	

Actual Footage Location of Well:

800	feet from the	North	line and	1120	feet from the	West	line
Ground level Elev. 6554'	Producing Formation Fruitland Coa/Pic.Cliffs		Pool Basin/Fulcher Kutz		Dedicated Acreage: 321.88/161.88		Acres

- Outline the acreage dedicated to the subject well by colored pencil or ink on the plat below.
- If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
- If more than one lease of different ownership is dedicated to the well, have the interest 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 interest, has been approved by the Division.

Not re-surveyed prepared
from a plat:
By: Fred B. Kerr Jr.
Dated: 6-27-69

OPERATOR CERTIFICATION

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

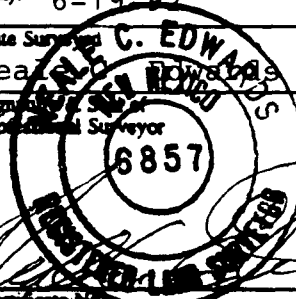
Signature
Peggy Bradfield
Printed Name
Regulatory Affairs
Position
Southland Royalty
Company

Date

SURVEYOR CERTIFICATION

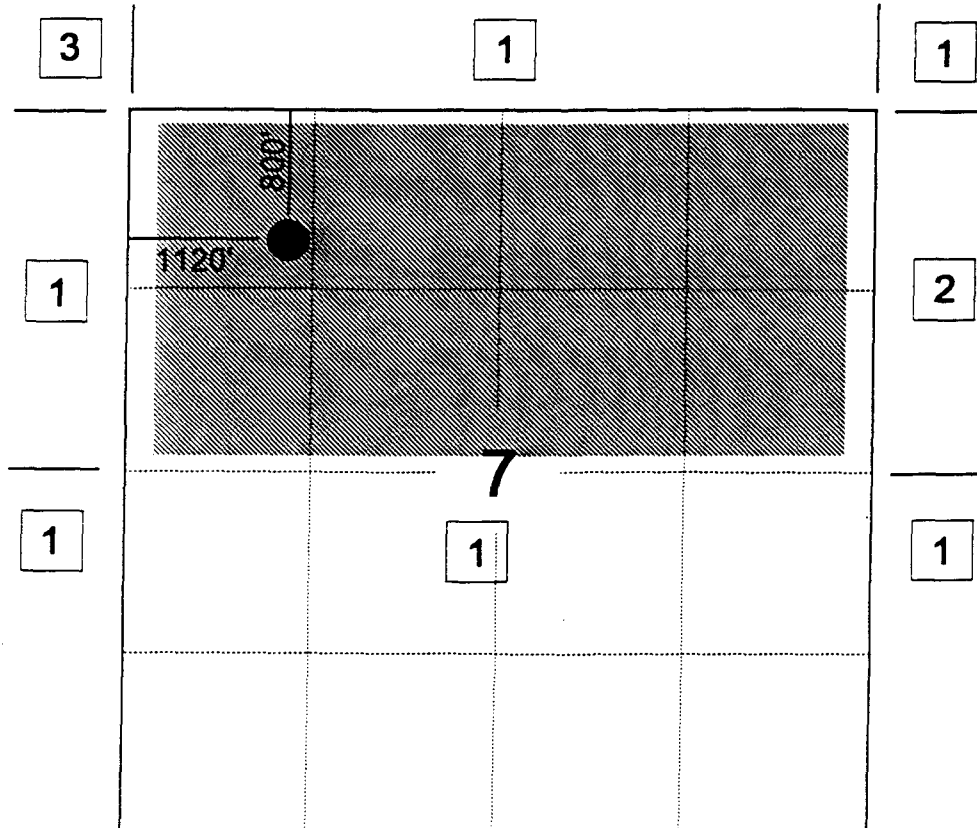
I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief. 6-19-82

Date Surveyed
Near
Signature
Professional Surveyor



Certificate No.
6857

MERIDIAN OIL INC
OFFSET OPERATOR \ OWNER PLAT
HANKS #23
Fruitland Coal \ Pictured Cliffs Commingle
 Township 27 North, Range 09 West



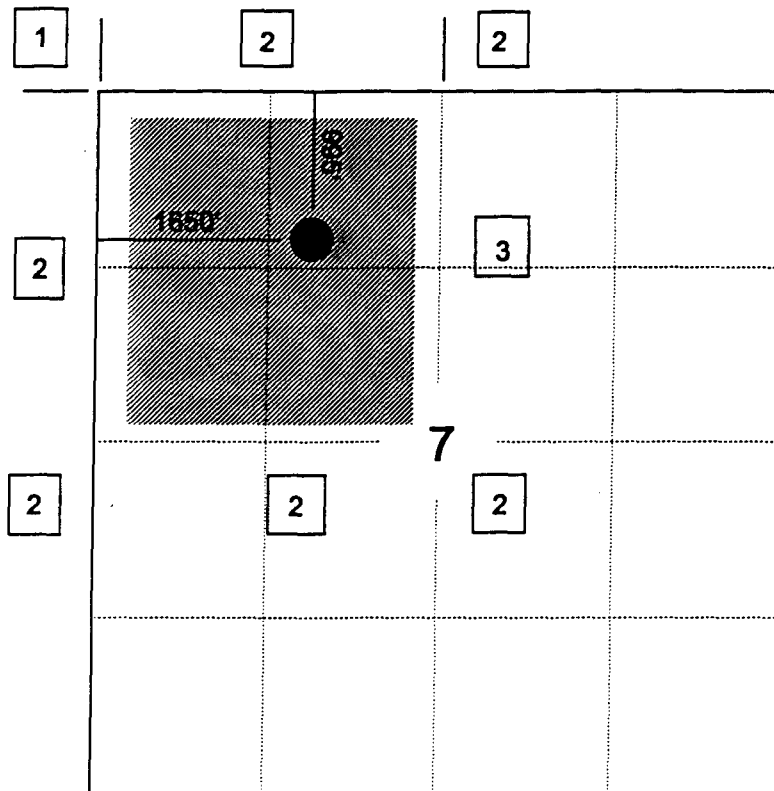
- 1) Soluthland Royalty Company
- 2) Southland Royalty Company
 Dugan Production Corp., PO Box 208, Farmington, NM 87499
- 3) McKenzie Methane, 7880 San Felipe, Houston, TX 77063
 Amoco Production Company, PO Box 800, Denver CO 80202
 Conoco, Inc., PO Box 951063, Houston, TX 75395-1063

Fruitland Coal Formation

**MERIDIAN OIL INC
OFFSET OPERATOR PLAT
HANKS #23**

Fruitland Coal \ Pictured Cliffs Comingle

Township 27 North, Range 09 West



1) Meridian Oil Inc

2) Southland Royalty Company

3) Southland Royalty Company

Dugan Production Corp., PO Box 208, Farmington, NM 87499

Pictured Cliffs Formation

June 23, 1992

Hanks #23
800' FNL, 1120' FWL
Section 7, T-27-N, R-9-W
San Juan County, New Mexico


I hereby certify that the following offset owners/operators have been notified by certified mail of our application for administrative approval for non-standard location of the above well.

Amoco Production Co.
PO Box 800
Denver, CO 80202

Conoco Inc.
PO Box 951063
Houston, TX 75395-1063

Dugan Production
PO Box 208
Farmington, NM 87499

McKenzie Methane
7880 San Felipe
Houston, TX 77063


Peggy Bradford
Notary Public
San Juan County, New Mexico

My commission expires August 17, 1992.

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

SUBMIT IN DUPLICATE*

(See other in-
structions on
reverse side)Form approved.
Budget Bureau No. 42-R355.5.

WELL COMPLETION OR RECOMPLETION REPORT AND LOG*

1. TYPE OF WELL: OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> REY <input type="checkbox"/> Other _____		5. LEASE DESIGNATION AND SERIAL NO. <u>SF-077874</u>																															
b. TYPE OF COMPLETION: NEW WELL <input checked="" type="checkbox"/> WORK OVER <input type="checkbox"/> DEEP-EN <input type="checkbox"/> PLUG BACK <input type="checkbox"/> DIFF. REVER. <input type="checkbox"/> Other _____		6. IF INDIAN, ALLOTTEE OR TRIBE NAME _____																															
2. NAME OF OPERATOR <u>Astec Oil & Gas Company</u>		7. UNIT AGREEMENT NAME _____																															
3. ADDRESS OF OPERATOR <u>Drawer 570, Farmington, New Mexico</u>		8. FARM OR LEASE NAME <u>Hanks</u>																															
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements)* At surface <u>800 FNL & 1120 FWL, Sec. 7-27N-9W</u> At top prod. interval reported below _____ At total depth _____		9. WELL NO. <u>23</u>																															
19. PERMIT NO. _____ DATE ISSUED _____		10. FIELD AND POOL, OR WILDCAT <u>Pictured Cliffs</u>																															
12. DATE SPUDDED <u>7-6-69</u> 16. DATE T.D. REACHED <u>7-8-69</u> 17. DATE COMPL. (Ready to prod.) <u>7-25-69</u> 18. ELEVATIONS (DF, RND, RT, GR, ETC.)* <u>6554 GR</u> 13. STATE <u>New Mexico</u> 14. COUNTY OR PARISH <u>San Juan</u> 15. ELEV. CASINGHEAD <u>6555</u>		11. SEC., T., R., M., OR BLOCK AND SURVEY OR AREA <u>Sec. 7-27-9</u>																															
20. TOTAL DEPTH, MD & TVD <u>2632</u> 21. PLUG BACK T.D., MD & TVD <u>2604</u> 22. IF MULTIPLE COMPL., HOW MANY* <u>→</u> 23. INTERVALS DRILLED BY <u>→</u> 24. ROTARY TOOLS <u>→</u> 25. CABLE TOOLS _____		26. WAS DIRECTIONAL SURVEY MADE <u>Yes</u>																															
27. PRODUCING INTERVAL(S), OF THIS COMPLETION—TOP, BOTTOM, NAME (MD AND TVD)* <u>2510-2538, Pictured Cliffs</u>		28. WAS WELL CORED <u>No</u>																															
29. TYPE ELECTRIC AND OTHER LOGS RUN <u>ES-Induction</u>																																	
30. CASING RECORD (Report all strings set in well)																																	
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34. ACID, SHOT, FRACTURE, CEMENT SQUEEZE, ETC.																																	
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37. TEST WITNESSED BY _____																																	
38. LIST OF ATTACHMENTS _____																																	
39. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records																																	
SIGNED <u>[Signature]</u> TITLE <u>District Superintendent</u> DATE <u>8-4-69</u>																																	

*(See Instructions and Spaces for Additional Data on Reverse Side)

MERIDIAN OIL

OIL CONSERVATION DIVISION
RECEIVED

'92 JUL 20 AM 9 01

June 23, 1992
Federal Express

Mr. William LeMay
New Mexico Oil Conservation Division
310 Old Santa Fe Trail
Santa Fe, New Mexico 87503

NSL-3131

Re: Hanks #23
800' FNL, 1120' FWL
Section 7, T-27-N, R-9-W, San Juan County, NM

Dear Mr. LeMay:

This is a request for administrative approval for a non-standard gas well location in the Basin Fruitland Coal Pool.

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A copy of this application is being submitted to all offset owners/operators by certified mail with a request that they furnish your Santa Fe office with a Waiver of Objection, and return one copy to this office.

Application for approval of the commingling has been made.

Sincerely yours,


Peggy Bradfield

WAIVER

McKenzie Methane Corporation hereby waives objection to Southland Royalty's application for non-standard location for the Hanks #23 as proposed above.

By:  Date: 7/14/92

xc: Dugan Production
McKenzie Methane
Amoco Production
Conoco Inc.

MERIDIAN OIL

OIL CONSERVATION DIVISION
RECEIVED

June 23, 1992
Federal Express

'92 JUL 21 AM 8 59

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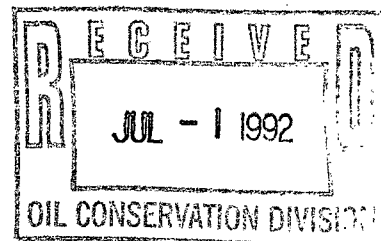
WAIVER

Amoco hereby waives objection to
Southland Royalty's application for non-standard location
for the Hanks #23 as proposed above.

By: J. H. Hawkins Date: 7/15/92

xc: Dugan Production
McKenzie Methane
Amoco Production
Conoco Inc.

MERIDIAN OIL



June 23, 1992
Federal Express

Mr. William LeMay
New Mexico Oil Conservation Division
310 Old Santa Fe Trail
Santa Fe, New Mexico 87503

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Application for approval of the commingling has been made.

Sincerely yours,

A handwritten signature in cursive script that reads "Peggy Bradfield".

Peggy Bradfield

WAIVER

Dugan Production Corp. hereby waives objection to Southland Royalty's application for non-standard location for the Hanks #23 as proposed above.

By: Richard Corcoran Date: June 30, 1992

xc: Dugan Production
McKenzie Methane
Amoco Production
Conoco Inc.