

N. M. OIL CONC. COMMISSION

P. O. 1000

HOBBS, NEW MEXICO 88240

SUBMIT IN TRIPLICATE*

(Other instructions on
reverse side)

Form approved.

Budget Bureau No. 1004-0136

Expires: December 31, 1991

Form 3160-3
(December 1990)UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1a. TYPE OF WORK DRILL <input checked="" type="checkbox"/> DEEPEN <input type="checkbox"/>			5. LEASE DESIGNATION AND SERIAL NO. NM-0997		
b. TYPE OF WELL OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input type="checkbox"/> SINGLE ZONE <input checked="" type="checkbox"/> MULTIPLE ZONE <input type="checkbox"/>			6. IF INDIAN, ALLOTTEE OR TRIBE NAME		
2. NAME OF OPERATOR SOUTHLAND ROYALTY COMPANY			7. UNIT AGREEMENT NAME		
3. ADDRESS AND TELEPHONE NO. P. O. BOX 51810, MIDLAND, TEXAS 79710			8. FARM OR LEASE NAME WELL NO. AZTEC "22" FEDERAL WELL NO.3		
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)* At surface D, 330' FNL & 330' FWL At proposed prod. zone DELAWARE			9. API WELL NO. 30-025-31922		
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE* +/- 10 MILES SOUTHEAST OF MALJAMAR			10. FIELD AND POOL, OR WILDCAT WEST CORBIN DELAWARE		
16. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any) 330'			11. SEC., T., R., M., OR BLM. AND SURVEY OR AREA SEC. 22, T-18-S, R-33-E		
18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 1867'			12. COUNTY OR PARISH 13. STATE LEA NEW MEXICO		
17. NO. OF ACRES IN LEASE 320'			17. NO. OF ACRES ASSIGNED TO THIS WELL 40'		
19. PROPOSED DEPTH 5600'			20. ROTARY OR CABLE TOOLS ROTARY		
21. ELEVATIONS (Show whether DF, RT, GR, etc.) 3923.5' GR			22. APPROX. DATE WORK WILL START*		

23. PROPOSED CASING AND CEMENTING PROGRAM				
SIZE OF HOLE	GRADE, SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12-1/4"	8-5/8"	28#	400'	420 SXS - SURFACE
7-7/8"	5-1/2"	17#	5400'	1800 SXS - SURFACE

APPROVAL SUBJECT TO
GENERAL REQUIREMENTS AND
SPECIAL STIPULATIONS
ATTACHED

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen, 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.

24. SIGNED Maria L. Perez TITLE PRODUCTION ASST. DATE 1-28-93

(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.
CONDITIONS OF APPROVAL, IF ANY:APPROVED BY Chris. Signed by [Signature] TITLE MANAGER DATE 3-5-93
GRADING RESOURCE ABB

*See Instructions On Reverse Side

Submit to Appropriate
District Office
State Lease - 4 copies
Fee Lease - 2 copies

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102
Revised 1-1-89

OIL CONSERVATION DIVISION

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

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

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

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

WELL LOCATION AND ACREAGE DEDICATION PLAT

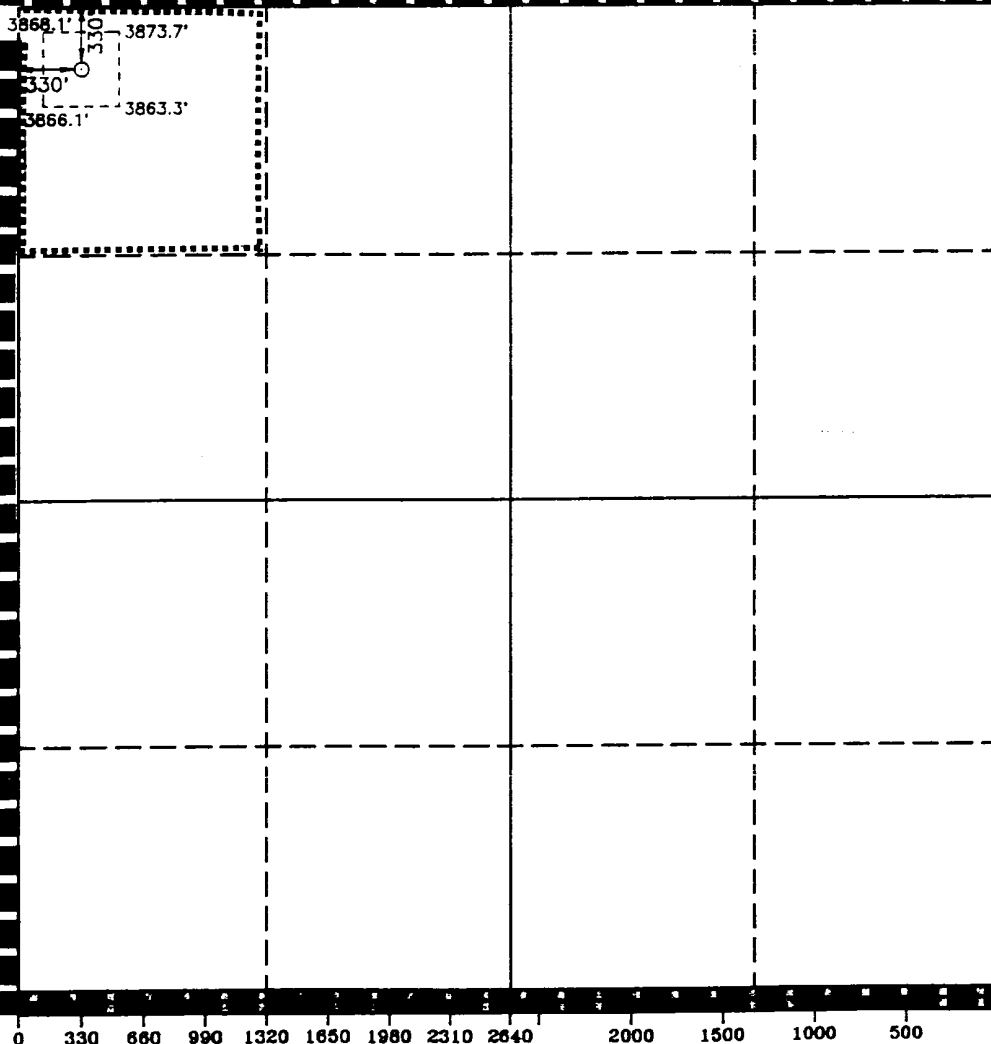
All Distances must be from the outer boundaries of the section

Operator SOUTHLAND ROYALTY COMPANY			Lease AZTEC "22" FEDERAL		Well No. 3
Unit Letter D	Section 22	Township 18 SOUTH	Range 33 EAST	County NMPM LEA	
Actual Footage Location of Well: 330 feet from the NORTH line and 330 feet from the WEST line					
Ground Level Elev. 3867.5'	Producing Formation DELAWARE		Pool WEST CORBIN DELAWARE		Dedicated Acreage: 40 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 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 of owners and tract descriptions which have actually been consolidated. (Use reverse side of this form necessary.)

No allowable will be assigned to the well unit all interests have been consolidated (by communitization, unitization, forced-pooling, otherwise) or until a non-standard unit, eliminating such interest, has been approved by the Division.



OPERATOR CERTIFICATION

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

Signature

Maria L. Perez

Printed Name

MARIA L. PEREZ

Position

PRODUCTION ASSISTANT

Company

SOUTHLAND ROYALTY COMPANY

Date

1-28-93

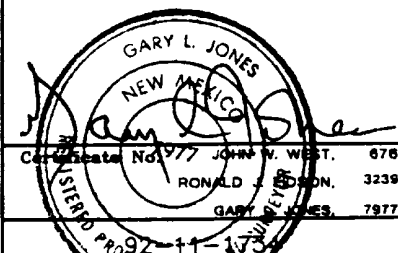
SURVEYOR CERTIFICATION

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.

Date Surveyed

NOVEMBER 12, 1992

Signature & Seal of
Professional Surveyor



OPERATORS NAME:	<u>Southland Royalty Company</u>
LEASE NAME AND WELL NO.:	<u>Aztec 22 Federal Well No. 3</u>
LOCATION:	<u>D, 330' FNL & 330' FWL, Sec. 22, T18S, R33E</u>
FIELD NAME:	<u>West Corbin Delaware</u>
COUNTY:	<u>LEA COUNTY, NM</u>
LEASE NUMBER:	<u>NM-0997</u>

The following information is to supplement BLM form 3160-3 Application for permit to deepen in accordance with Onshore Oil and Gas Order No. 1:

9 - POINT DRILLING PLAN

1. Name and estimated tops of important geologic formation/marker horizons.

Rustler	1415'	Delaware	4980'
Yates	2915'	San Andres	4500'

2. Estimated depths at which the top and bottom of formations potentially containing usable water, oil, gas, or prospectively valuable deposits of other minerals are expected to be encountered and the operator's plans for protecting such resources.

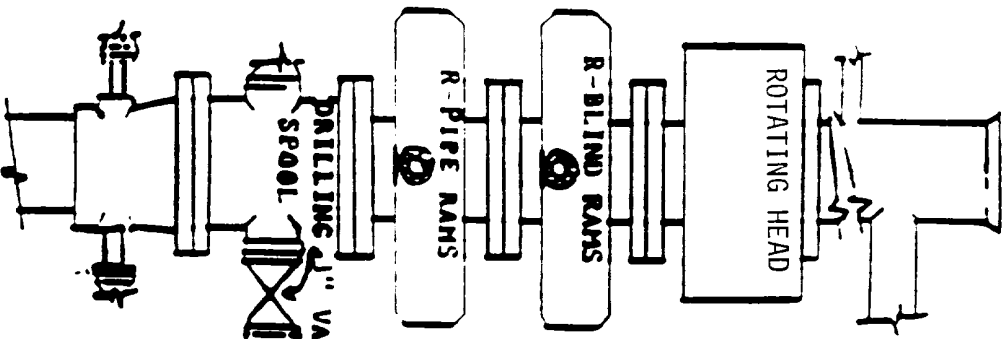
Delaware	4980' - 5600' (Oil)
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3. The operator's minimum specifications for Blowout Preventer (BOP) and related equipment to be used and schematic diagrams thereof showing sizes, pressure ratings, and the testing procedures and testing frequency. BOP and BOP - related equipment (BOPE) schematics shall include schematics of choke manifold equipment. Accumulator systems and remote controls shall be utilized.

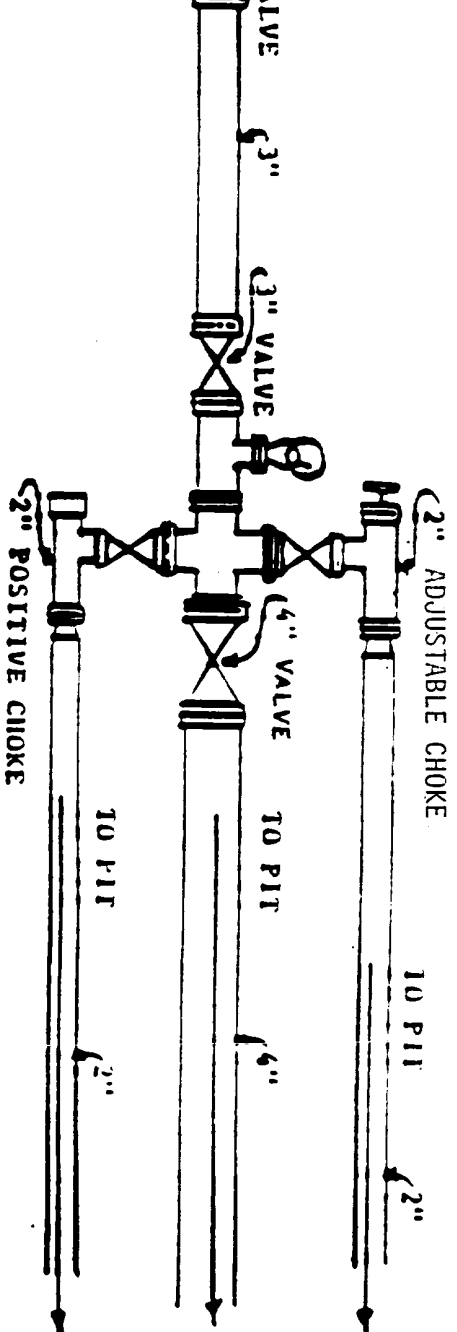
10" - 3 M BOP stack to be installed on 8 5/8" and left for remainder of drilling and tested to 1500 psi before drilling the 8 5/8" casing shoe. The BOP stack will consist of one blind ram BOP and one pipe ram BOP.

4. The proposed casing program including size, grade, weights, type of thread and coupling, and the setting depth of each string and its condition (new or acceptably reconditioned). For exploratory wells, or for wells as otherwise specified by the authorized officer, the operator shall include the minimum design factors for tensions, burst, and collapse that are incorporated

DOUBLE RAM



BLOW OUT PREVENTION EQUIPMENT
10" 900S ALL FLANGED CONNECTIONS
3000# WORKING PRESSURE _ 6000# TEST



RECEIVED
MAR 1 1969