

SOUTHLAND ROYALTY INC.
QUERECHO FEDERAL NO. 3
N, SEC. 28, T18S, R33E
Lea County, New Mexico
NM-0997

To supplement BLM Form 3160-3 Application to Drill the following additional information is submitted concerning questions on Page 5 of NTL-6:

1. See Form 3160-3
2. See Form 3160-3
3. The geological name of surface formation is: Ochoa
4. See Form 3160-3
5. See Form 3160-3
6. The estimated tops of important geological markers are:

Rustler	1,393'
Yates	3,057'
Queen	4,163'
Delaware	4,946'

7. The estimated depths at which anticipated water, oil, gas, and mineral bearing strata are as follows:

Queen	4,163'- Oil
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8. See Form 3160-3. All casing will be new.
9. See Form 3160-3 for depths of strings. Cement volumes and additions as follows:
 - a. 8-5/8" csg: Cement w/300 sx Class "C" cmt w/2%CaCl₂. Circulated to surface.
 - b. 5-1/2" csg: Cement w/800 sx Cl "C" Lite + 5pps Salt + 0.25 pps Flocele. Tail in w/300 sx Class "C". Circulate to surface.