

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1a. TYPE OF WORK

DRILL ☒

DEEPEN ☐

b. TYPE OF WELL

OIL
WELL ☒

GAS
WELL ☐

OTHER

SINGLE
ZONE ☒

MULTIPLE
ZONE ☐

2. NAME OF OPERATOR

Southland Royalty Company

3. ADDRESS AND TELEPHONE

P.O. Box 51810, Midland, Texas 79710

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)

At surface

0, 660' FSL & 1980' FEL

At proposed prod. zone

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*

7 Miles S & 18 Miles E of Loco Hills

15. DISTANCE FROM PROPOSED*

LOCATION TO NEAREST
PROPERTY OR LEASE LINE, FT.
(Also to nearest drig. unit line, if any)

660'

18. DISTANCE FROM PROPOSED LOCATION*

TO NEAREST WELL, DRILLING, COMPLETED,
OR APPLIED FOR, ON THIS LEASE, FT.

1420'

16. NO. OF ACRES IN LEASE

240

19. PROPOSED DEPTH

5600'

17. NO. OF ACRES ASSIGNED
TO THIS WELL

40

20. ROTARY OR CABLE TOOLS

Rotary

21. ELEVATIONS (Show whether DP, RT, GR, etc.)

3783.2' GR

22. APPROX. DATE WORK WILL START*

10-1-92

PROPOSED CASING AND CEMENTING PROGRAM

Capitan Controlled Water Basin

SIZE OF HOLE	GRADE, SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12-1/4"	K-55, 8-5/8"	28#	400'	300 sxs-Circ.
7-7/8"	K-55, 5-1/2"	15.5#	5600'	1100 sxs-Circ.

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 9/16/92

(This space for Federal or State office use)

PERMIT NO.

APPROVAL DATE

10-1-92

Applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

APPROVED BY

TITLE

DATE

*See Instructions On Reverse Side

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

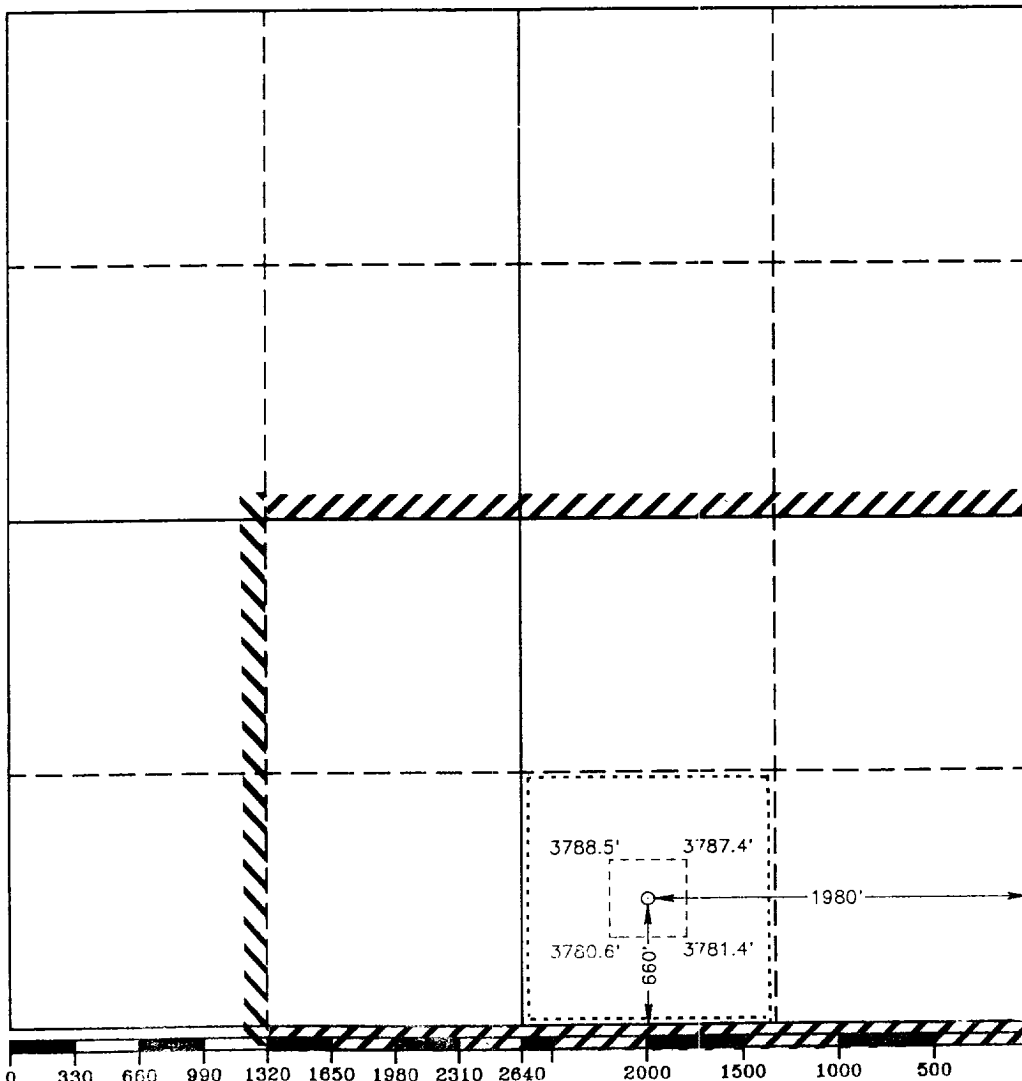
Operator Southland Royalty Co.			Lease QUERCHO FEDERAL		Well No. 4
Unit Letter 0	Section 28	Township 18 SOUTH	Range 33 EAST	NMPM	County LEA
Actual Footage Location of Well: 660 feet from the SOUTH line and 1980 feet from the EAST line					
Ground Level Elev. 3783.2'	Producing Formation Queen	Pool South CORBIN Buffalo Queen		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

Printed Name

Maria L. Perez

Position

Production Asst.

Company

Southland Royalty Co.

Date

9/16/92

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

AUGUST 28, 1992

Signature & Seal of
Professional Surveyor

Professional Surveyor Seal: R. E. EIDSON, Registered Land Surveyor, No. 876, State of New Mexico. The seal also lists other surveyors: RONALD EIDSON (3239) and GARY L. JONES (7977). The seal number 876 is visible.

OPERATORS NAME	<u>SOUTHLAND ROYALTY COMPANY</u>
LEASE NAME AND WELL NO.:	<u>QUERECHO FEDERAL NO. 4</u>
LOCATION:	<u>O, 660' FSL & 1980' FEL, SEC. 28, T18S, R33E</u>
FIELD NAME:	<u>BUFFALO QUEEN</u>
COUNTY:	<u>LEA COUNTY, N.M.</u>
LEASE NUMBER:	<u>NM - 0997</u>

The following information is to supplement BLM form 3160-3 Application for permit to drill 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	1393'
Yates	3057'
Queen	4163'
Delaware	4946'

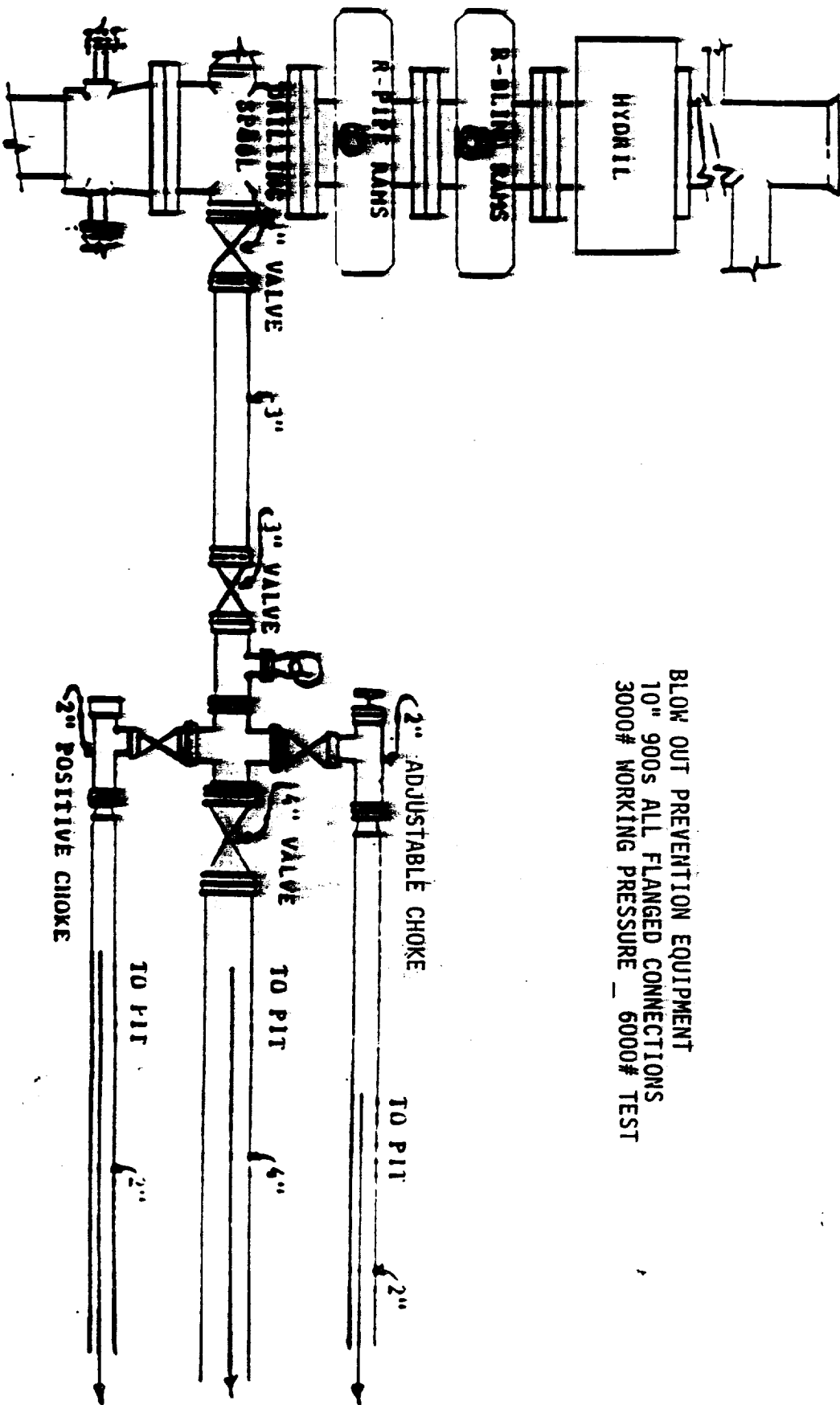
The geological name of the surface formation is: Ochoa

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.

Queen 4163' - 4946' - Oil

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.

Bop Program: 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.



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