30-045-28999 RECEIVED BLM

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

\$3.8TF 22 PM 1:51

| | APPLICATION | FOR PERMIT TO DRILL, DEEP | |
|------------|---|--|--|
| 1a. 1b. | Type of Work DRILL Type of Well | REGERTE | |
| 10. | GAS | OCT1 2 1993 | |
| 2. | Operator MERIDIAN © | OIL CON. DIN DIST. 3 | 7. Unit Agreement Name Huerfano Unit |
| 3. | Address & Phone No. of Op PO Box 4289, Farmi | perator | 8. Farm or Lease Name Huerfano Unit 7/39 9. Well Number |
| | (505) 326-9700 | | 505 |
| 4. | Location of Well 945'FNL, 935'FEL | | 10. Field, Pool, Wildcat 7/629 Basin Fruitland Coal 11. Sec., Twn, Rge, Mer. |
| | Latitude 36 ⁰ 27' 50' | ", Longitude 107 ^o 49' 29" | A Sec 30, T-26-N, R-9-W |
| 14. | Distance in Miles from Nea 5 miles to Huerfano | | 12. County San Juan NM |
| 15. | Distance from Proposed Lo | ocation to Nearest Property or Leas | e Line |
| 16. | Acres in Lease 1772.740 | | 17. Acres Assigned to Well 320 E/2 |
| 18. | 2221 | ocation to Nearest Well, Drlg, Comp | ol, or Applied for on this Lease |
| 19. | Proposed Depth procedural | r is subject to technical and roview pursuant to 43 CFR 3185.3 | 20. Rotary or Cable Tools Rotary |
| 21. | Elevations (DF, FT, GR, Etc 6509 GR | SUBJECT TO COMPLIANCE WITH A GENERAL REQUIREMENTS " | U AR 22. Approx. Date Work will Start UACHED 4th quarter 1993 |
| 23. | Proposed Casing and Ceme See Operations Pla | enting Program | • |
| 24. | Authorized by: Regional | Calchell Drilling Engineer | 9/17/93 Date |
| | - | | |
| PERM | MIT NO. | APPROVAL | DATE |
| APPR | OVED BY | TITLE | |
| | | | APPROVED AS AMENDED |
| Threa | ecological Report to be submit tened and Endangered Specie :: This format is issued in lieu | es Report submitted 09-15-93 | OCT 07 1993 |

District Office Fee Lane - 3 copes

State of New Mexico Energy, Minerais and Natural Resources Department

DISTRICT | P.O. Box 1980, Hobbs, NM 82240

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

53 SEP 22 PM 1:51

070 FARMINGTON, NM

DISTRICT II
P.O. DIEWE DD. Ariena, NM 18210

DISTRICT III

| 00 Rio Brance Rd., Amer. | . NM 87410 All Distant | pes must be from the or | | | | |
|---------------------------|---|------------------------------|--|-------------|---|------------------------|
| Meridia | n Oil Inc. | Less Hi | erfano Uni | | | Well No. |
| A Section | a Township | Range | | | County | 505 |
| cases Footage Location of | 20 11010 | h 9 | West | NMPM | San | Juan |
| 945 feet for | North | line and | 935 | feet from s | East | line |
| 6509' | Fruitland Coal | | sin | | | Determine frame |
| | range dedicated to the subject well in | | | | | Acres |
| 3. If more than or | no lease is dedicated to the well, ou no lease of different overwhip is di | | | | | |
| Yes Yes | No If some | Write "Ves" (Ven of connecti | uniti | zation | | |
| | | | | | | |
| | t be sampled to the well until all in select test, eliminating such misses | has been approved by the | sted (by co mmunicatio a Division. | E, WHITEOR, | forces pooting. | or otherwise) |
| 1349.04 | 1304.16 | 2.0 | 608.32' | | OPERATO | R CERTIFICATION |
| 2 | OCTIVE 1993 OCTIVE 1993 OL CON. DIV. | 1 AZU | 0 935 0 935 | Pro Pro | Peggy Briston Name Regulato Meridian | adfield |
| | 3 | <u> </u> | | | SURVEYO | R CERTIFICATION |
| 3 | | | | CO CO | this plat was street surveys and surveys and surveys to the slief. 8–23 | best of my snowledge a |
| | ++ | | - | -4:1 | Nejerace Nejerace | - EDW - GERGWALDS |
| 4 | | | | P | TOWNS SUP | 357 |
| 1351.68' | 1304.49' | 2/. | 09.31 | | Tariana Na | 5957 |

OPERATIONS PLAN

Well Name: Huerfano Unit #505

Location: 945'FNL, 935'FEL, Section 30, T-26-N, R-9-W

San Juan County, New Mexico Latitude 36° 27' 50", Longitude 107° 49' 29"

Formation: Basin Fruitland Coal

Elevation: 6509'GL

| Formation: | Top | Bottom | Contents |
|---|---|---|--------------------------|
| Surface Ojo Alamo Kirtland Fruitland Fruitland Coal Top Pictured Cliffs | Nacimiento 1193' 1293' 1841' 2013' 2021' | 1193' 1293' 1841' 2021' 2020' | aquifer gas & salt water |
| Total Depth | 2340' | | |

Logging Program: Mud logs from 1800' to Total Depth.

Dens/Neut/GR; Dens/GR; Micro/GR: TD - 1800'

Ind/GR/SP: TD - surface

Mud Program:

| Interval | Type | Weight | Vis. | Fluid Loss |
|-----------|---------------|---------|-------|------------|
| 0- 200' | Spud | | 40-50 | no control |
| 200-2340' | Non-dispersed | 8.4-9.5 | 30-60 | no control |

Casing Program:

| Hole Size | Depth Interval | Csg.Size | <u>Wt.</u> | Grade |
|--------------------------------------|-----------------------|------------------|----------------|-------|
| 12 1/4" 7 7/8" Tubing Program: | 0 - 200' 0 - 2340' | 8 5/8" 4 1/2" | 24.0# 10.5# | |
| | 0 - 2340' | 2 3/8" | 4.7# | J-55 |

Float Equipment: 8 5/8" surface casing - saw tooth guide shoe. Centralizers will be run in accordance with Onshore Order #2.

4 1/2" production casing - float shoe on bottom. Three centralizers run every other joint above shoe. Two centralizers run every 3rd joint to the base of the Ojo Alamo @ 1293'. Two turbolizing type centralizers one below and one into the base of the Ojo Alamo @ 1293'. Standard centralizers thereafter every fourth joint up to the base of the surface

Wellhead Equipment: 8 5/8" x 4 1/2" x 2 3/8" x 11" 2000 psi xmas tree assembly.

September 17, 1993

Cementing:

8 5/8" surface casing - cement with 235 sx Class "B" cement with 1/4# flocele/sx and 3% calcium chloride (298 cu.ft. of slurry, 200% excess to circulate to surface). WOC 12 hrs. Test casing to 600psi/30 minutes.

4 1/2" production casing - Lead w/536 sx of 65/35 Class "B" Poz w/6% gel, 2% calcium chloride, 5# gilsonite/sx and 1/4# flocele/sx. Tail w/100 sx Class "B" w/2% calcium chloride (1066 cu.ft. of slurry, 125% excess to circulate to surface). WOC 12 hrs. If cement does not circulate to surface, a temperature log will be run after 8 hours to determine TOC.

BOP and tests:

Surface to TD - 11" 2000 psi (minimum double gate BOP stack (Reference Figure #1 and #2). Prior to drilling out surface casing, test rams to 600 psi/30 min.

Completion - 6" 2000 psi (minimum) double gate BOP stack (Reference Figure #2). Prior to completion operations, test rams and casing to 2000 psi/15 min.

From surface to TD - choke manifold (Reference Figure #3).

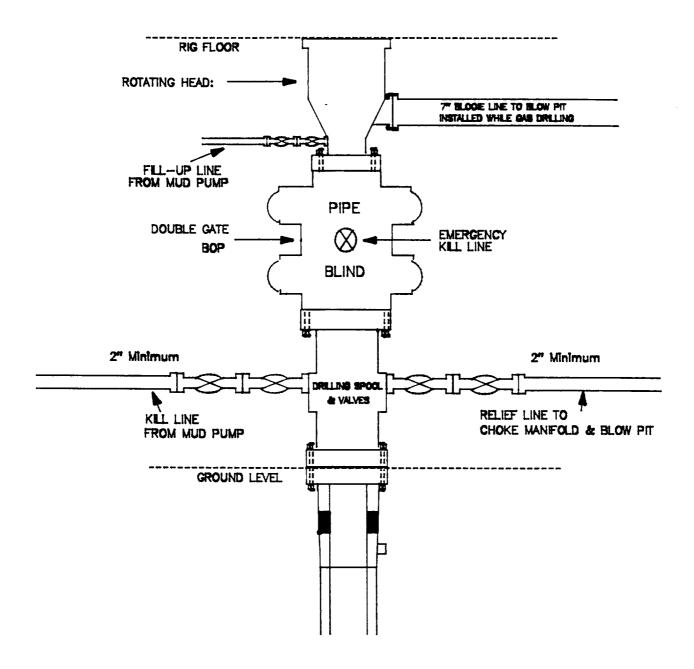
Pipe rams will be actuated to least once each day and blind rams actuated once each trip to test proper functioning. An upper kelly cock valve with handle and drill string safety valves to fit each drill string will be maintained and available on the rig floor.

Additional information:

- * The Fruitland Coal formation will be completed.
- * Anticipated pore pressure for the Fruitland is 300 psi.
- * This gas is dedicated.
- * The east half of the section is dedicated to this well.
- * New casing will be utilized.
- * Pipe movement (either rotation or reciprocation) will be done if hole conditions permit.

MERIDIAN OIL INC.

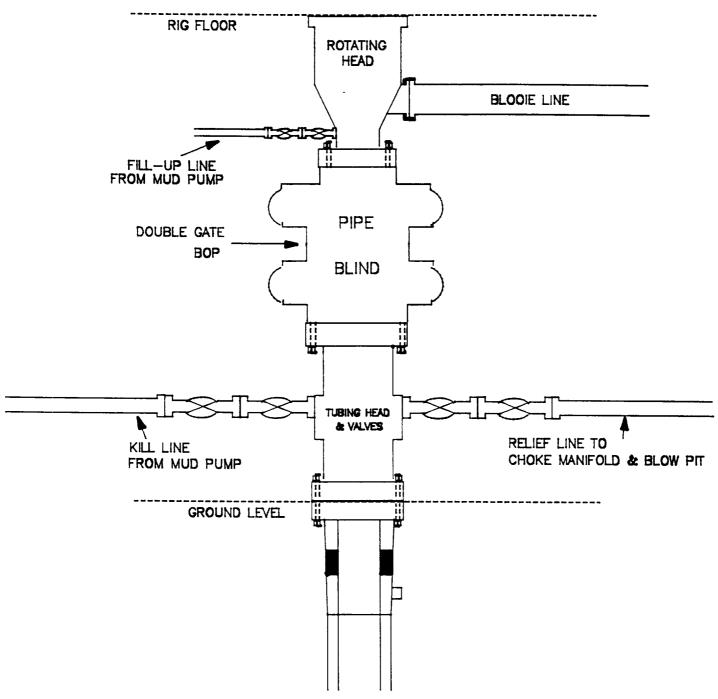
BOP Configuration 2M psi SYSTEM



11" Bore, 2000psi minimum working pressure double gate BOP to be equipped with blind and pipe rams. A Schaffer Type 50 or equivalent rotating head to be installed on the top of the BOP. All equipment is 2000psi working pressure/or greater.

MERIDIAN OIL INC.

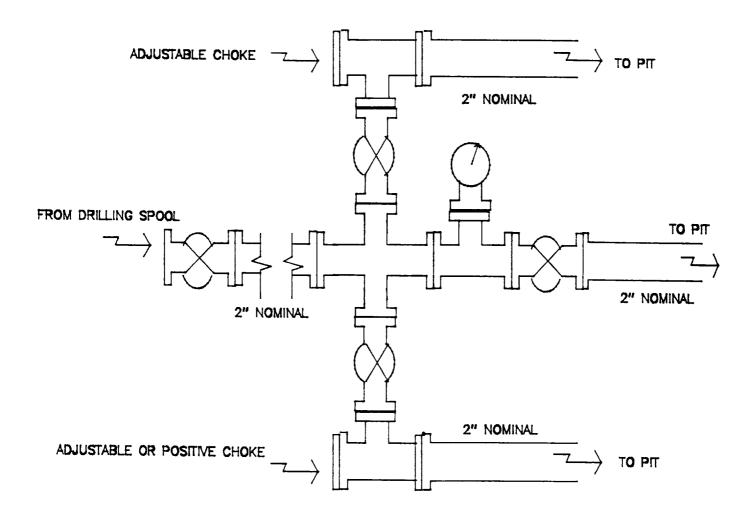
BOP Configuration 2M psi SYSTEM



Minimum BOP installation for Completion operations. $7 \frac{1}{16}$ " Bore (6" Nominal), 3000psi minimum working pressure double gate BOP to be equipped with blind and pipe rams.

MERIDIAN OIL INC.

Choke Manifold Configuration 2M psi SYSTEM



Minimum choke manifold installation from surface to Total Depth. 2" minimum, 2000psi working pressure equipment with two chokes.



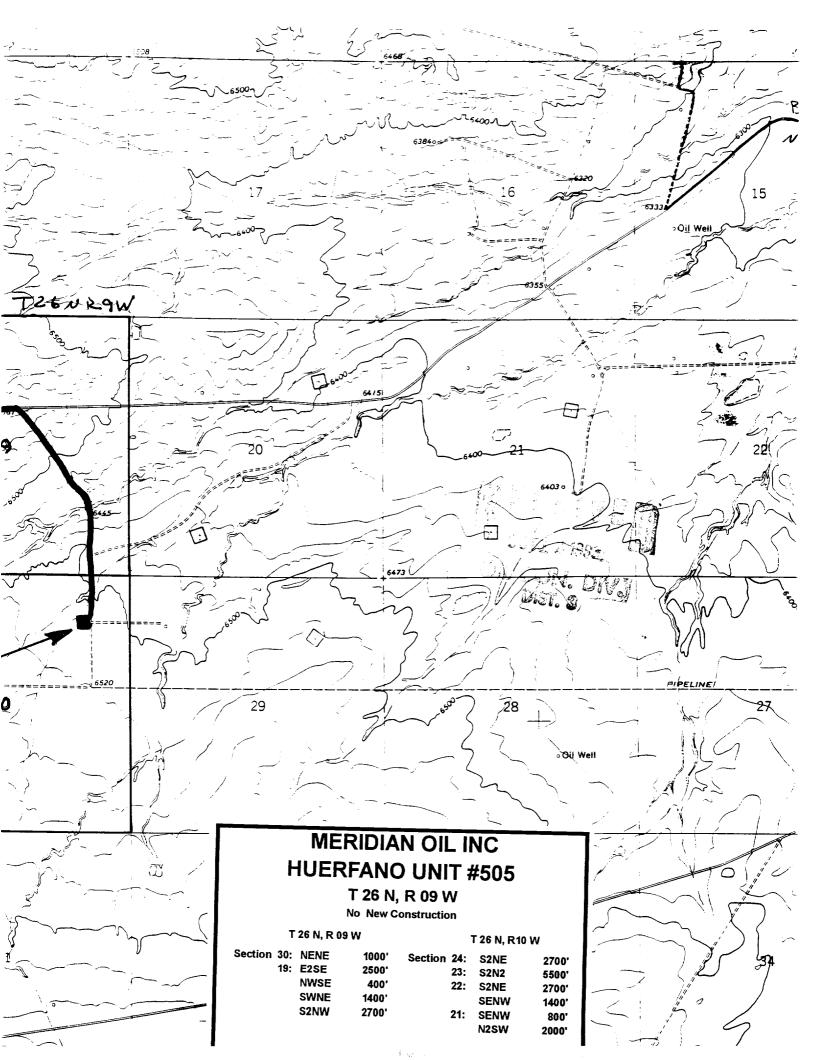
- 1. Existing Roads Refer to Map No. 1. Existing roads used to access the proposed location will be properly maintained for the duration of the project. Bureau of Land Management right-of-way has been applied for as shown on Map No. 1.
- 2. Planned Access Road Refer to Map No. 1. None required.
- 3. Location of Existing Wells Refer to Map No. 1A.
- 4. Location of Existing and/or Proposed Facilities if Well is Productive
 - a. On the Well Pad Refer to Plat No. 1, anticipated production facilities plat.
 - b. Off the Well Pad Anticipated facilities off the well pad will be applied for as required.
- 5. Location and Type of Water Supply Water will be hauled by truck for the proposed project and will be obtained from Huerfano Unit Water Well #2 located SE Section 25, T-26-N, R-10-W, New Mexico.
- 6. Source of Construction Materials If construction materials are required for the proposed project, such materials will be obtained from a commercial quarry.
- 7. Methods of Handling Waste Materials All garbage and trash materials will be removed from the site for proper disposal. A portable toilet will be provided for human waste and serviced in a proper manner. If liquids are left in the reserve pit after completion of the project, the pit will be fenced until the liquids have had adequate time to dry. The location clean-up will not take place until such time as the reserve pit can be properly covered over to prevent run-off from carrying waste materials into the watershed. All reserve pits will be lined with 12 mil bio-degradable plastic liner. All earthen pits will be so constructed as to prevent leakage from occurring; no earthen pit will be located on natural drainage. Generation of hazardous waste is not anticipated. Federal regulations will be adhered to regarding handling and disposal of such waste if so generated.
- 8. Ancillary Facilities None anticipated.
- 9. Wellsite Layout Refer to the location diagram and to the wellsite cut and fill diagram (Figure No. 4). The blow pit will be constructed with a 2'/160' grade to allow positive drainage to the reserve pit and prevent standing liquids in the blow pit.

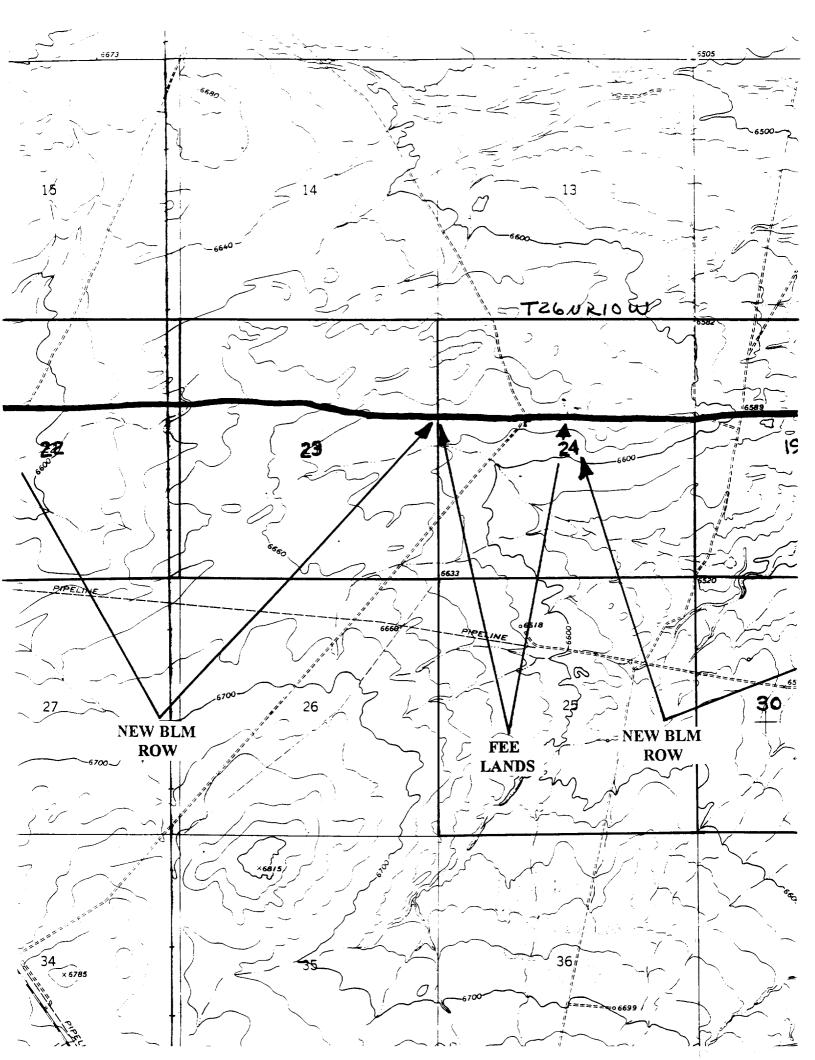
- 10. Plans for Restoration of the Surface After completion of the proposed project, the location will be cleaned and leveled. The location will be left in such a condition that will enable reseeding operations to be carried out. Seed mixture as designated by the responsible government agency will be used. The reseeding operations will be performed during the time period set forth by the responsible government agency. The permanent location facilities will be painted as designated by the responsible government agency.
- 11. Surface Ownership Bureau of Land Management.
- 12. Other Information Environmental stipulations as outlined by the responsible government agency will be adhered to. Refer to the archaeological report for a description of the topography, flora, fauna, soil characteristics, dwellings, historical and cultural sites.
- 13. Operator's Representative and Certification Meridian Oil Regional Drilling Manager, Post Office Box 4289, Farmington, NM 87499, telephone (505) 326-9700. I hereby certify that I, or persons under my direct supervision, have inspected the proposed drill site and access route; that I am familiar with the conditions which presently exist; that the statements made in this plan, are to the best of my knowledge, true and correct; and that the work associated with the operations proposed herein will be performed by Meridian Oil Inc. and its contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved.

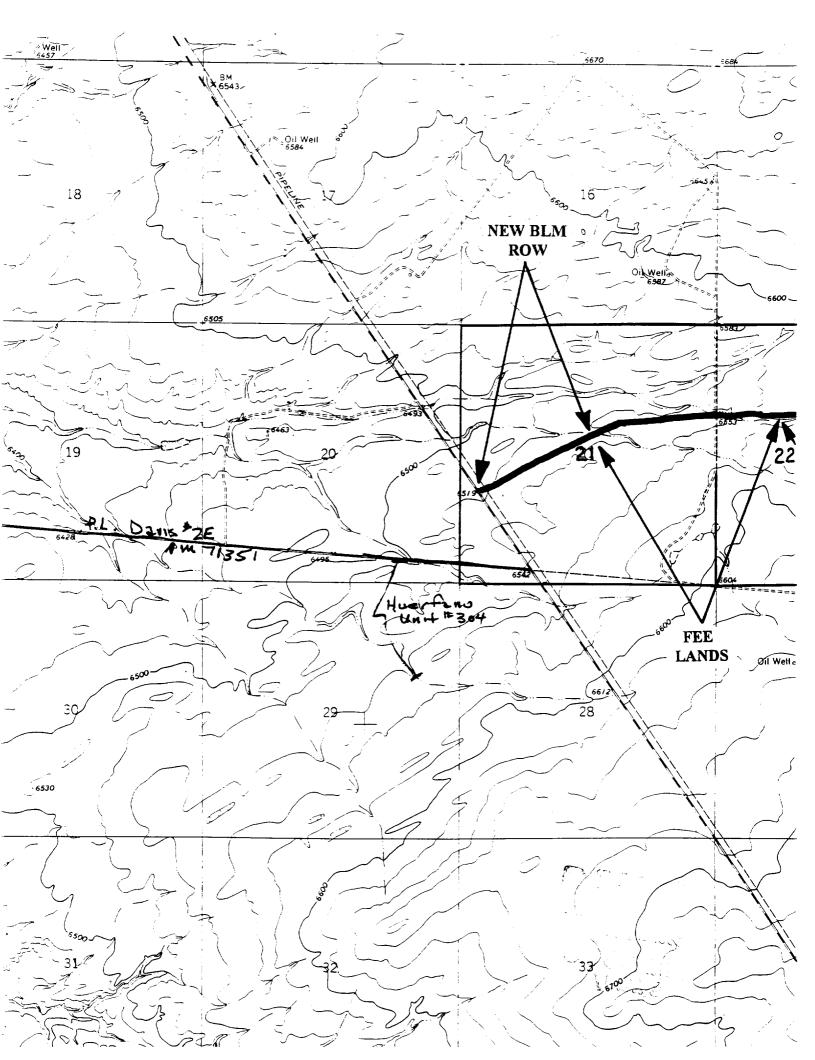
Regional Drilling Engineer

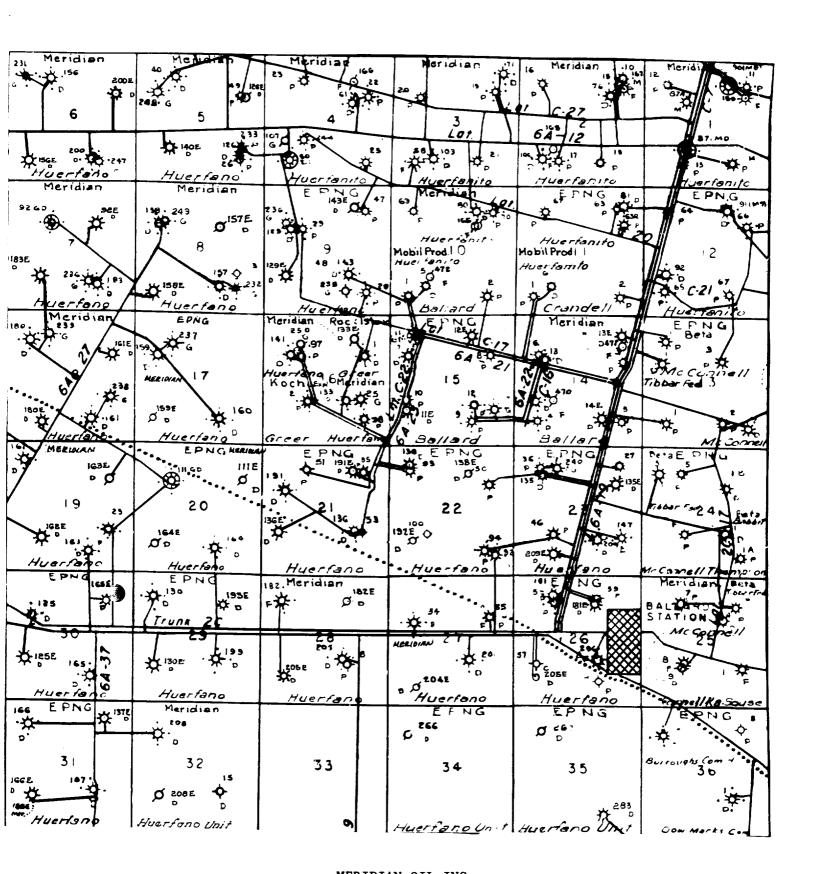
9/17/93 Date

JWC:pb

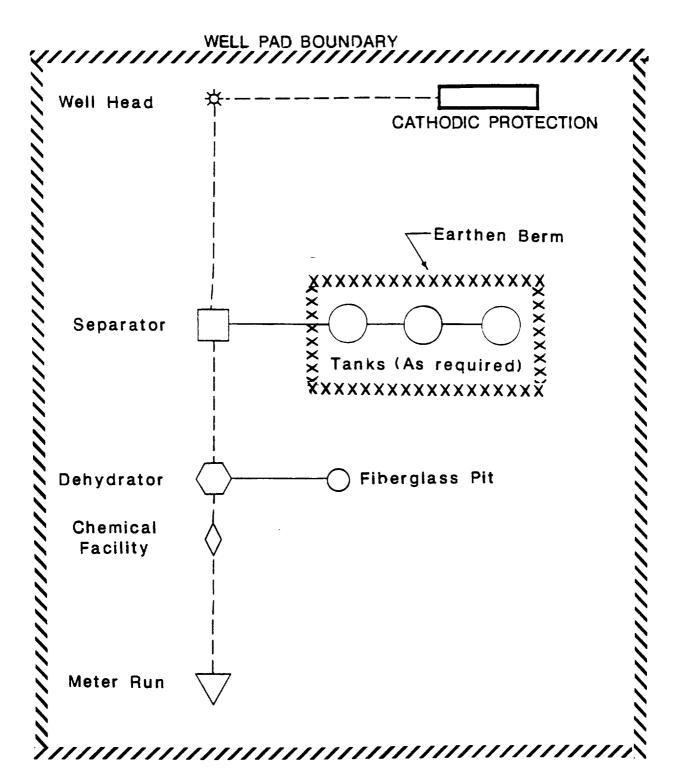








MERIDIAN OIL INC.
Pipeline Map
T-26-N, R-09-W
Rio Arriba County, New Mexico
Huerfano Unit #505
Map #1A



PLAT #1

MERIDIAN OIL

ANTICIPATED
PRODUCTION FACILITIES
FOR A
FRUITLAND WELL

KFR 2/90

MERIDIAN OIL Plat 2

