UNITED STATES

DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

| | | I FOR PERMIT TO DRILL, DE | U. U. Waland and O. |
|-------|--|-------------------------------------|--|
| 1a. | Type of Work DRILL | DECENVE | 5. Lease Number NM-09840 |
| 1b. | Type of Well GAS | N JUN 2 7 1994 | 6. If Indian, All. or Tribe |
| 2. | Operator MERIDIAN © I 14538 | L OIL CON. DIV | 7. Unit Agreement Name |
| 3. | Address & Phone No. of O PO Box 4289, Farm | | 8. Farm or Lease Name 1594 Tibbar Federal 9. Well Number |
| | (505) 326-9700 | | 1E |
| 4. | Location of Well 855'FSL, 1180'FWL | | 10. Field, Pool, Wildcat 7/1599 Basin Dakota |
| | Latitude 36 ^o 28' 59 | ", Longitude 107 ^o 44' 3 | 11. Sec., Twn, Rge, Mer. Sec 13, T-26-N, R-9-W NMPM |
| 14. | Distance in Miles from Ne. 7 miles to Huerfano | | 12. County 13. State San Juan NM |
| 15. | Distance from Proposed L | ocation to Nearest Property or L | ease Line |
| 16. | Acres in Lease | | 17. Acres Assigned to Well 320 W/2 |
| 18. | Distance from Proposed L | ocation to Nearest Well, Drlg, Co | ompl, or Applied for on this Lease |
| 19. | Proposed Depth 6770' | | 20. Rotary or Cable Tools Rotary |
| 21. | Elevations (DF, FT, GR, Et 6326 GR | c.) | 22. Approx. Date Work will Start 3rd quarter 1994 |
| 23. | Proposed Casing and Cen | | Drutting 22-2 |
| This | action is subject to technical a | an attached | DRILLING OPERATIONS AUTHORIZED ARE |
| proce | idural revise pursuant to 43 CFA.311 | FR 9186.3 | SUBJECT TO COMPLIANCE WITH ATTACHED "GENERAL REQUIREMENTS" |
| 24. | Authorized by: | handl | 6/17/94 |
| | Régiona | l Drilling Engineer | Date |
| PERM | IIT NO. | APPROV | /AL DATE |
| APPR | ROVED BY | TITLE | DATE |

Archaeological Report to be submitted Threatened and Endangered Species Report to be submitted NOTE: This format is issued in lieu of U.S. BLM Form 3160-3

APPROVED AS AMENDED

NMOCD

DISTRICT MANAGER

District I PO Box 1980, Hobbs, NM 88241-1980 P() Drawer DD, Artesia, NM 88211-0719 District III

State of New Mexico Energy, Minerals & Natural Resources Department

Form C-102 Revised February 21, 1994 Instructions on back

OIL CONSERVATION DIVISION PO Box 2088 Submit to Appropriate District Office State Lease - 4 Copies

| 1000 Rio Brazos Rd., Aztec, NM 87410 District IV | | | Sar | nta Fe, NM | 87504-2088 | 17 20 1: | 05 | | Lease - 3 Copies | |
|---|-------------|------------------|--------------|------------------------|-------------------------------------|-------------------------------|--|--|--|--|
| O Box 2088, San | ta Fc, NM | | LL LO | CATION | I AND ACR | REAGE DEDIC | CATION PL | ∭ Mil AT | AME | NDED REPORT |
| ' A | PI Numbe | | | ² Pool Code | | | ³ Pool Na | | | |
| 30-045-3 | 29141 | | 715 | 99 | | Basin D | akota | :a | | |
| Property (| | | | _ , | , Property | Name | | ' Well Number 1 E | | |
| 7594 | | | Tibba: | r Fede | | | | | | |
| 'OGRID | No. | | MEDID | TAN OT | Operator L INC. | Nume | | 1 | | 'Elevation 6326' |
| 14538 | | | PIDICID. | THI OI | ¹⁰ Surface | Location | | | · · · · · · | |
| 715 let | Section | Tamashi. | D | Lot Idn | Feet from the | North/South line | Feet from the | East/West | line | County |
| UL or lot no. | 1 3 | Towaship 26 N | Range 9 W | Lot 100 | 855 | South | 1180 | Wes | | S.J. |
| | | 20 11 | | om Hole | | f Different Fro | om Surface | · | | |
| UL or lot no. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West | line | County |
| ^{ti} Dedicated Acr | es '' Joist | | Consolidatio | a Code 15 C | Order No. | | | 1 | | |
| NO ALLOV | VABLE | WILL BE | ASSIGNE | D TO TH | IS COMPLETI | ON UNTIL ALL EEN APPROVED | INTERESTS H | IAVE BEI | EN CO | NSOLIDATED |
| 1180 | | M NM - | | 13 |) <u>s</u> (j 11 2 11 2 11 | EIVE 1 2 7 1994 ON. DIV | N Signature Peggy Printed Nate Regula Title Date 18 SURV I hereby cer was plouted or under my correct to the | Bradfie Bradfie Bradfie Bradfie The property of the second of the se | est of my Later of my Later of my Later of my CER' CER' | TIFICATION on shown on this plat all surveys made by me the same is true and |
| //80 | 855. | | | | | | Certificate t | | 85 | |

June 17, 1994 Page 1

OPERATIONS PLAN

Well Name: Tibbar Federal #1E

855'FSL, 1180'FWL Section 13, T-26-N, R-9-W Location:

San Juan County, New Mexico Latitude 36° 28' 59", Longitude 107° 44' 35"

Formation: Basin Dakota

Elevation: 6326'GL

| Formation Tops: | <u>Top</u> | Bottom | Contents |
|---|--|---|---|
| Surface Ojo Alamo Fruitland Pictured Cliffs Chacra Cliff House Gallup Tocito Greenhorn Dakota | Nacimiento 1260' 1752' 2002' 2874' 3557' 5457' 5826' 6379' | 1260' 1752' 2002' 2874' 3557' 5457' 5826' 6379' 6499' | aquifer gas gas salt water salt water gas & oil gas & oil |
| Total Depth | 6770 ' | | |

Logging Program:

Mud Logs/Coring/DST -

Mud logs - 1700' to TD.
Coring - none
DST - none

Electric logs - DIL/SP/GR; Density/Neut/GR; Microlog-GR;

Mud Program:

| Interval | Type | Weight | Vis. | Flui | d Loss |
|-----------|------|---------|-------------------|------|---------|
| 0- 200' | Spud | 8.4-8.9 | 40-5 0 | no | control |
| 200-6770' | LSND | 8.4-9.1 | 30-60 | no | control |

Pit levels will be visually monitored to detect gain or loss of fluid control.

Casing Program:

| Hole Size | Depth Interval | Csg.Size | Wt. | Grade |
|-----------|----------------|----------|-------|--------|
| 12 1/4" | 0' - 200' | 8 5/8" | 24.0# | K-55 |
| 7 7/8" | 0' - 6770' | 4 1/2" | 11.6# | N - 80 |

Tubing Program:

0' - 6770' 2 3/8" 4.7# J-55 EUE

