UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

RECEIVED BLM MAIL ROOM

| | APF | PLICATION FOR PERMIT TO DRILL, DEEPEN | I, OR PLUG BACK |
|-------|--------------------------------------|---|---|
| | | | S5 DEC 12 AM 7: |
| 1a. | Type of Work DRILL | DEOSTE | 5. Lease Number NM-09840 |
| | | | Unit Reporting Number FARMINGTON, |
| lb. | Type of Well GAS | JAN 3 0 1896 19 | 6. If Indian, All. or Tribe |
| 2. | Operator MERIDIAN | OIL CORL DING OIL | 7. Unit Agreement Name |
| 3. | Address & Phone N | No. of Operator , Farmington, NM 87499 | 8. Farm or Lease Name 7299 McConnell |
| | (505) 326-9 | 700 | 9. Well Number 502 |
| 4. | Location of Well 930' FSL, 1300 | 'FWL | 10. Field, Pool, Wildcat 7/4-29 Basin Ft Coal |
| | Latitude 36 ⁰ | 28.1, Longitude 107 ^o 44.7 | 11. Sec., Twn, Rge, Mer. (NMPM) m Sec 24, T-26-N, R-9-W API # 30-045- 29343 |
| 14. | Distance in Miles for 3.5 miles from | rom Nearest Town m Huerfano Trading Post | 12. County 13. State San Juan NM |
| 15. | Distance from Prop | posed Location to Nearest Property or Lease Lin | e |
| 16. | Acres in Lease | | 17. Acres Assigned to Well 320 W/2 V |
| 18. | Distance from Prop | posed Location to Nearest Well, Drig, Compl, or A | Applied for on this Lease |
| 19. | Proposed Depth 2300' | procedural review pursuant to 43 CFR 3165.8 and appeal pursuant to 43 CFR 3165.4. | 20. Rotary or Cable Tools Rotary |
| 21. | Elevations (DF, FT, 6427' GR | , GR, Etc.) | 22. Approx. Date Work will Start 1st quarter 1996 |
| 23. | | nd Cementing Program ons Plan attached | CORPLLING OPERATIONS AUTHORIZED ARE SUBJECT TO COMPLIANCE WITH ATTACHED "GENERAL REQUIREMENTS". |
| 24. | Authorized by: | Regional Drilling Engineer | /2/7/95 Date |
| PERMI | T NO | APPROVAL DA | TE |
| APPRO | OVED 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

JAN 25.1996

DISTRICT MANAGER

District I PO Bez 1988, Hobbs, NM 88241-1980 District II PO Drawer DD, Artesia, NM 88211-0719

State of New Mexico

Form C-10. Revised February 21, 199-Instructions on back

Submit to Appropriate District Office

RECEIVED OIL CONSERVATION DIVISION OF

State Lease - 4 Copie:

Fee Lease - 3 Copic

PO Box 2088 7:59
Santa Fe, NM 87504-2088 AM 7:59 1000 Rio Brane Rd., Aztec, NM 87410 District IV AMENDED REPORT PO Box 2008, Santa Fc. NM 87504-2088 WELL LOCATION AND ACREAGE DEDICATION PLAT 1 Poel Code All Number 30-045-29343 71629 Basin Fruitland Coal Well Number Property Name 1 Property Code 502 McConnell 7299 Elevation 1 Operator Name 'OGRID No. 6427' MERIDIAN OIL INC. 14538 16 Surface Location Feet from the East/West line North/South line County Feet from the Lot Ida Section Township Range UL or lot no. S.J. 1300 West 930 South 9 W 24 26 N M 11 Bottom Hole Location If Different From Surface North/South line Feet from the East/West line County Lot Ida Feet from the Section Range UL or lot me. Township 13 Dedicated Acres " Joint or Infill | " Consolidation Code | " Order No. NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION 17 OPERATOR CERTIFICATION 5217.30 I hereby certify that the information contrue and complete to the best of my knowledge and belie apuld Peggy Bradfield NM- 09840 Printed Name Regulatory Administrator 12-05-95 Date 18SURVEYOR CERTIFICATIO was piotted from field notes of actual surveys or under my supervision, and that the same is true and correct to the best of my belief. OIL COM. DIM 1300 DUST 3

5ZZ5 ZZ

Page 1 December 5, 1995

OPERATIONS PLAN

Well Name: McConnell #502

Location: 930'FSL, 1300'FWL Section 24, T-26-N, R-9-W

San Juan County, New Mexico

Latitude 36° 28.1, Longitude 107° 44.7

Formation: Basin Fruitland Coal

Elevation: 6427'GL

| Formation: | Top | Bottom | Contents |
|-----------------|------------|---------------|----------|
| Surface | Nacimiento | 1283' | |
| Ojo Alamo | 1283' | 1369' | aquifer |
| Kirtland | 1369' | 1815' | |
| Fruitland | 1815' | 2065' | |
| Fruitland Coal | 1939′ | 2065 ′ | |
| Pictured Cliffs | 2065' | | |
| Total Depth | 2300' | | |

Logging Program: Mud logs: 1700' to TD

Dens/Neut/Por; Density/Corr; Micro/GR; Numar MR: 1700-TD

Ind/SP/GR: to TD

Mud Program:

| Interval | Type | Weight | Vis. | Flui | id Loss |
|-----------|---------------|---------|-------|------|---------|
| 0- 200' | Spud | 8.4-8.9 | 40-50 | no | control |
| 200-2300' | Non-dispersed | 8.4-9.5 | 30-60 | no | control |

Casing Program:

| Hole Size | Depth Interval | Csg.Size | Wt. | <u>Grade</u> |
|--------------------------------------|-----------------------|------------------|----------------|--------------|
| 12 1/4" 7 7/8" Tubing Program: | 0 - 200' 0 - 2300' | 8 5/8" 4 1/2" | 24.0# 10.5# | |
| Tubing Flogram. | 0 - 2300' | 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 @ 1369'. Two turbolizing type centralizers - one below and one into the base of the Ojo Alamo @ 1369'. Standard centralizers thereafter every fourth joint up to the base of the surface pipe.

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

