

ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION



BRUCE KING
GOVERNOR

July 20, 1994

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87504
(505) 827-5800

ANITA LOCKWOOD
CABINET SECRETARY

Meridian Oil, Inc.
P.O. Box 4289
Farmington, NM 87499-4289

Attention: Peggy Bradfield

Administrative Order NSL-3409 (NSP)

Dear Ms. Bradfield:

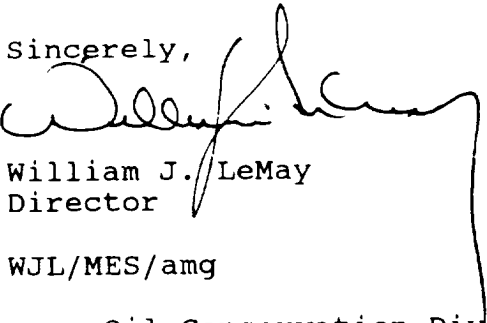
Reference is made to your application on behalf of Southland Royalty Company dated June 29, 1994 for a non-standard coal gas well location for the Reid Well No. 14 which was drilled in 1959 and completed in the Aztec Pictured Cliffs Pool at a standard gas well location 1155 feet from the South line and 1450 feet from the East line (Unit 0) of Section 7, Township 28 North, Range 9 West, NMPM, San Juan County, New Mexico.

It is my understanding that the Pictured Cliffs zone is to be downhole commingled with the Basin-Fruitland Coal Gas Pool, and pursuant to the Special Rules and Regulations for the Basin-Fruitland Coal (Gas) Pool as promulgated by Division Order No. R-8768, as amended, said location is considered unorthodox.

By the authority granted me under the provisions of Rule 8 said Order No. R-8768, as amended, the above-described unorthodox coal gas well location is hereby approved. Further, the all of said Section 7 shall be dedicated to the well forming a non-standard 260.64-acre gas spacing and proration unit for said pool.

Also, the operator of said well shall comply with all other provisions of said Order No. R-8768, as amended, pertaining to the downhole commingling of coal gas production with gas produced from the Pictured Cliffs interval.

Sincerely,


William J. LeMay
Director

WJL/MES/amg

cc: Oil Conservation Division - Aztec
US Bureau of Land Management - Farmington

RECEIVED
JUL 25 1994
OIL CON. DIV.
DIST. 3

Ernie Busch

From: Ernie Busch
To: Mike Stogner
Subject: MERIDIAN OIL INC (NSL)
Date: Tuesday, July 12, 1994 8:26AM

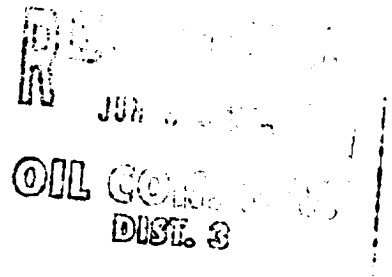
WELL NAME: REID #14
LOCATION: 0-07-28N-09W
FOOTAGE: 1155 FSL; 1450 FEL
RECOMMEND: APPROVAL

MERIDIAN OIL

June 29, 1994

Federal Express

Mr. William LeMay
New Mexico Oil Conservation Division
310 Old Santa Fe Trail
Santa Fe, New Mexico 87501



Re: Reid #14
1155'FSL, 1450'FEL, Section 7, T-28-N, R-9-W, San Juan County, NM
API #30-045-07570

Dear Mr. LeMay:

This is a request for administrative approval for a non-standard gas well location in the Basin Fruitland Coal Pool. This location is considered off-pattern in the Basin Fruitland Coal Pool. All of Section 7 is dedicated to the Basin Fruitland Coal with 260.64 acres.

Meridian Oil Inc. intends to complete the Reid #14 in the Basin Fruitland Coal pool and commingle with the existing Aztec Pictured Cliffs. Application is being made to the New Mexico Oil Conservation Division to commingle this well. To comply with the New Mexico Oil Conservation Division rules, Meridian is submitting the following for your approval of this non-standard location:

1. C-102 plat showing location of the well;
2. Plat showing offset owners/operators;
3. Affidavit of notification of offset owners/operators;
4. Copy of Well Completion Log for original completion.

A copy of this application is being submitted to all offset owners/operators by certified mail with a request that they furnish your Santa Fe office with a Waiver of Objection, and return one copy to this office.

Sincerely yours,

A handwritten signature in cursive script, reading "Peggy Bradfield".

Peggy Bradfield
Regulatory/Compliance Representative

WAIVER

_____ hereby waives objection to Meridian Oil Inc.'s application for non-standard location for the Reid #14 as proposed above.

By: _____ Date: _____

xc: Incline Reserves Inc.
Conoco, Inc.

District I
PO Box 1980, Hobbs, NM 88241-1980
District II
PO Drawer DD, Artesia, NM 88211-0719
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
PO Box 2088, Santa Fe, NM 87504-2088

State of New Mexico
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION
PO Box 2088
Santa Fe, NM 87504-2088

Form C-102
Revised February 21, 1994
Instructions on back
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-045-07570	² Pool Code 71629/71280	³ Pool Name Basin Fruitland Coal/Aztec Pictured Cliffs
⁴ Property Code 10575	⁵ Property Name Reid	⁶ Well Number 14
⁷ OGRID No. 21281	⁸ Operator Name SOUTHLAND ROYALTY COMPANY	⁹ Elevation 5830'

¹⁰ Surface Location

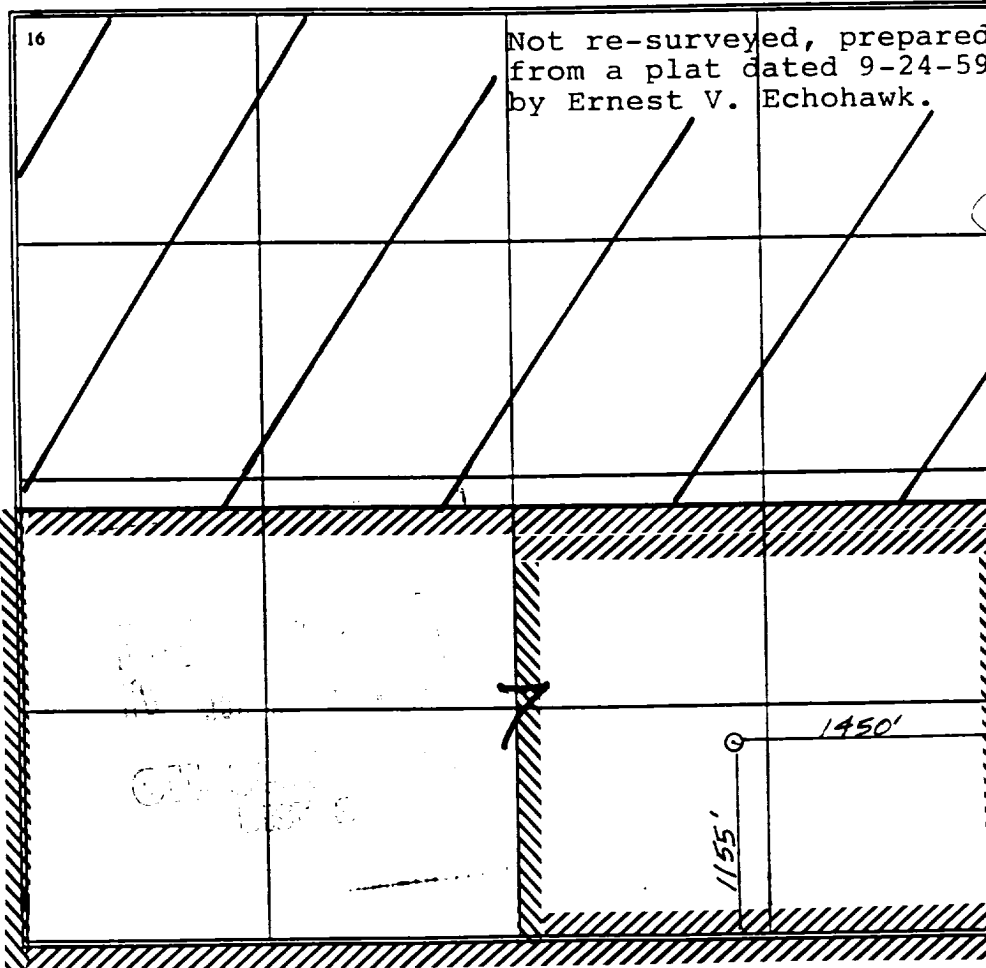


UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
0	7	28 N	9 W		1155	South	1450	East	S.J.

¹¹ Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

¹² Dedicated Acres 260.64/138.33	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
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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

<div>16</div> 	<div>Not re-surveyed, prepared from a plat dated 9-24-59 by Ernest V. Echhawk.</div>	<div>¹⁷ OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief  Signature Peggy Bradford Printed Name Regulatory Representative Title 6-29-94 Date</div>
	<div>¹⁸ 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. 6-28-94 Date of Survey Signature and Seal of Professional Surveyer:  6857 Certificate Number</div>	

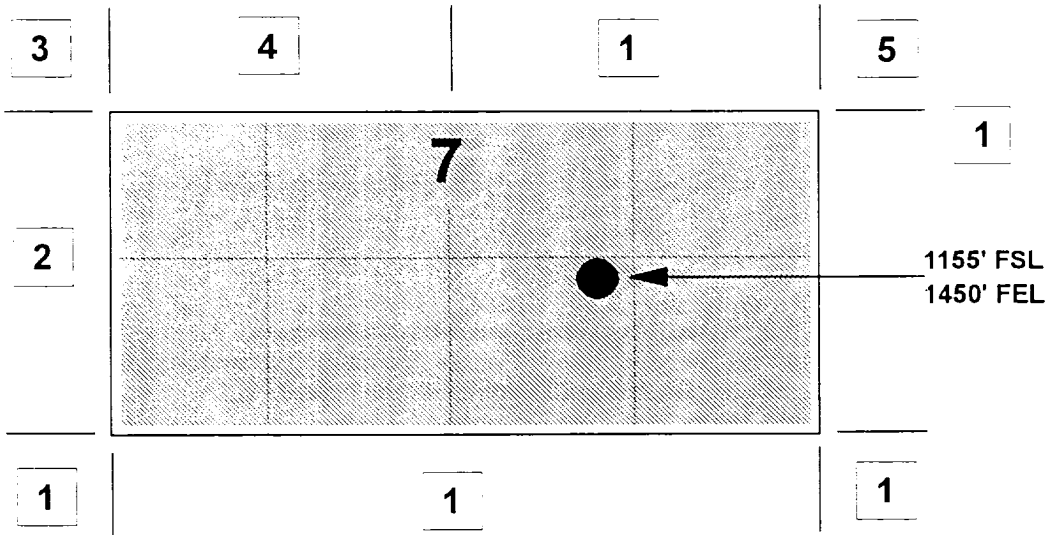
MERIDIAN OIL INC

REID #14

OFFSET OPERATOR \ OWNER PLAT

Unorthodox Fruitland Coal Well Location

Township 28 North, Range 9 West



1) Southland Royalty Company	
2) Southland Royalty Company	& Meridian Oil Inc.
3) Meridian Oil Inc.	& Conoco, Inc.
4) Conoco, Inc.	10 Desta Dr., Suite 100W, Midland, Tx 79705-4500
5) Southland Royalty Company	&
Incline Reserves Inc.	1603 SW 37th St., Topeka, KS 66611

June 29, 1994

Re: Reid #14
1155'FSL, 1450'FEL, Section 7, T-28-N, R-9-W, San Juan County, NM
API #30-045-07570

I hereby certify that the following offset owners/operators have been notified by certified mail of our application for administrative approval for non-standard gas well location for the recompletion of the above well.

Conoco, Inc.
10 Desta Drive
Suite 100W
Midland, TX 79705-4500

Incline Reserves Inc.
1603 SW 36th Street
Topeka, KS 66611

A handwritten signature in cursive script, reading "Peggy R. Bradfield".

Peggy Bradfield
Notary Public
San Juan County, New Mexico

My commission expires August 17, 1996.

SERIAL NUMBER NM - 01772-A

LEASE OR PERMIT TO PROSPECT
Raid

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

LOG OF OIL OR GAS WELL

LOCATE WELL CORRECTLY

Lessor or Tract Reid Field Azteco-Pictured ^{Cliffs} State N. Mexico

Well No. 11 Sec. 7 T. 28N R. 9E Meridian N.M.P.M. County San Juan

Location 1155 ft. N. of S. Line and 1150 ft. E. of W. Line of Section 7 Elevation 5830
(Derrick floor relative to sea level)

The information given herewith is a complete and correct record of the well and all work done thereon so far as can be determined from all available records.

Signed ORIGINAL SIGNED BY JOE C. SALMON

Date November 23, 1959

Title District Superintendent

The summary on this page is for the condition of the well at above date.

Commenced drilling October 26, 1959 Finished drilling October 29, 1959

OIL OR GAS SANDS OR ZONES

(Denote gas by G)

No. 1, from 2110 to 2116 (G) No. 4, from _____ to _____

No. 2, from _____ to _____ No. 5, from _____ to _____

No. 3, from _____ to _____ No. 6, from _____ to _____

IMPORTANT WATER SANDS

No. 1, from _____ to _____ No. 3, from _____ to _____

No. 2, from _____ to _____ No. 4, from _____ to _____

CASING RECORD

[illegible]

MUDDING AND CEMENTING RECORD

Size casing	Where set	Number sacks of cement	Method used	Mud gravity	Amount of mud used
8 5/8	162	100	displacement		
4 1/2	2169	75	two plug		
1	2128	100			

PLUGS AND ADAPTERS

Heaving plug—Material _____ Length _____ Depth set _____

Adapters—Material _____ Size _____

QUOTE RECORD

FOLD | MARK

Size	Shell used	Explosive used	Quandy	Date	Depth shot	Depth cleaned out
Sand-water fraced with 36,372 pailons water and 50,000# sand. Breakdown pressure - 2900#						
Treating pressure - 2500#, Final pressure - 500# I.P.P. - 28.0 bpi						

TOOLS USED

Rotary tools were used from 0 feet to 2180 feet, and from feet to feet
Cable tools were used from feet to feet, and from feet to feet

DATES

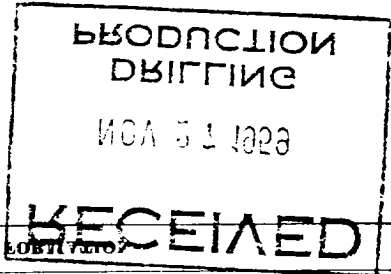
Put to producing 19 Put to producing 19
The production for the first 24 hours was barrels of fluid of which % was oil; %
emulsion; % water; and % sediment. Gravity, °Bé.
If gas well, cu. ft. per 24 hours ACF 1715 Gallons gasoline per 1,000 cu. ft. of gas
Rock pressure, lbs. per sq. in. 650

EMPLOYEES

, Driller , Driller
, Driller , Driller

FORMATION RECORD

FROM-	TO-	TOTAL FEET	FORMATION
0	152	152	Surface
152	1000	848	Shale and Sand
1000	1711	711	Shale and Sand
1711	2180	469	Shale and Sand
FROM-	TO-	TOTAL FEET	FORMATION



FORMATION RECORD-continued

16-48094-4

Top of Pictured Cliffs - 2082'