UNITED		STATES	
DEPARTMENT	OF	THE	INTERIOR
BUREAU OF	LAN	ID M	NAGEMENT

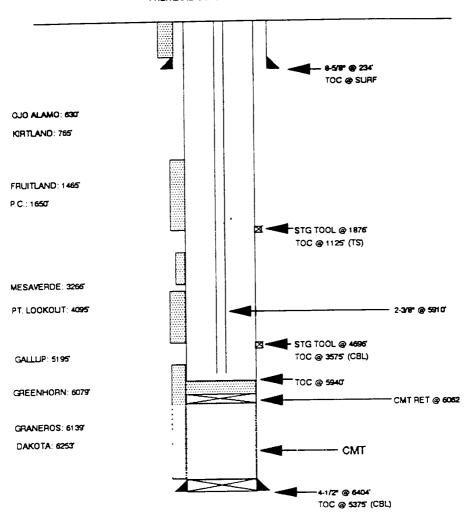
Sundry Notices and	Reports on Wells
1. Type of Well GAS	5. Lease Number SF-078422 6. If Indian, All. or Tribe Name 7. Unit Agreement Name
 Name of Operator Meridian Oil Inc. Address & Phone No. of Operator PO Box 4289, Farmington, NM 87499 (Location of Well, Footage, Sec., T, F 2510'FNL, 1180'FEL Sec.31, T-27-N, R 	7, M 10. Field and Pool
Subsequent Report x Plu Final Abandonment Alt Oth Oth It is intended to plugback the wel	Type of Action ndonment Change of Plans ompletion New Construction gging Back Non-Routine Fracturing ing Repair Water Shut off ering Casing Conversion to Injection er -
	JUL 2 8 1992 OIL CON. DIV. DIST. 3
Signed (KAS) Titl	
CONDITION OF APPROVAL if any:	ritle " Date"
Land of APPROVAL, IT any.	NOOS AREA MANAGER

HUERFANO UNIT #282 (CURRENT)

UNIT H SECTION 31 T27N R10W

SAN JUAN COUNTY, NEW MEXICO

FRUITLAND COAL RECOMPLETION

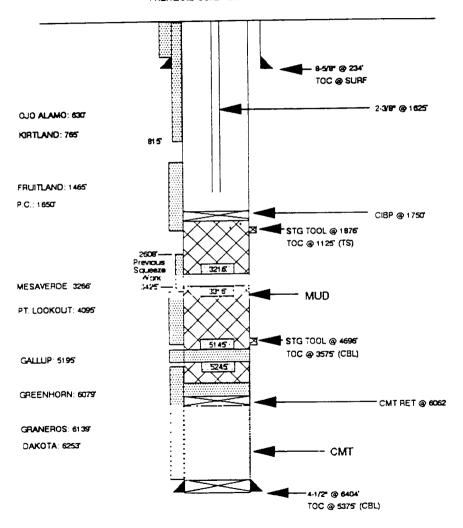


HUERFANO UNIT #282 (PROPOSED)

UNIT H SECTION 31 T27N R10W

SAN JUAN COUNTY, NEW MEXICO

FRUITLAND COAL RECOMPLETION



Recommended Completion Procedure Unit H Section 31 T27N R10W

- Comply to all NMOCD, BLM and MOI rules & regulations.
 MOL and RU completion rig. NU 6" 900 series BOP with flow tee and stripping head. Test operation of rams. NU blooie line and 2-7/8" relief line. Blow well down.
- In preparation of first stage frac, fill 2 400 bbl frac tanks with 2% KCL water. Filter all water to 25 microns.

P&A Procedure

- 3. Load hole with water. TIH w/ tbg and tag cmt @ 5940'. Pump approx 12 bbls mud: 15# sodium bentonite w/ non fermenting polymer, 9# gal weight & 50 sec/qt vis or greater to fill hole from 5940' to 5245'. TOOH w/ tbg. RU wireline and perf 2 sq holes @ 5245' (50' below the top of the Gallup).
- 4. TIH w/ tubing & set cmt ret @ 5235'. Pump 39 sxs cmt into perfs. This will cover behind pipe from 5245' to 5145' (50' above top of Gallup) w/ 100% excess. Sting out of cmt ret and pump 12 sxs into pipe. This will fill the pipe from 5235' to 5145' w' 50% excess. Follow cmt with 20 bbls water.
- 5. Pull tbg up 4 stands and reverse circ 2 tbg volumes. Pump approx 27 bbls mud: 15# sodium bentonite w/ non fermenting polymer, 9# gal weight & 50 sec/qt vis or greater to fill hole from 5000' to 3316'.
- 6. TOOH. TIH w/ cmt ret & set @ 3215' (50' above top of MV) and pump 55 sxs under retainer. This will fill the pipe inside and out from 3316' to 3215' w' 100% excess. Sting out of cmt ret and spot 5 sxs on top of ret. Follow cmt with 13 bbls water.
- 7. Pull 2 stands and reverse circ 2 tbg volumes. Pump approx 8 bbls mud: 15# sodium bentonite w/ non fermenting polymer, 9# gal weight & 50 sec/gt vis or greater to fill hole from 3100' to 2615'.
- 8. Pull tbg to above 2605'. RU wireline and perf 2 sq holes @ 2610' (50' below the top of the Chacra). Set tubing to 2610'. Close pipe rams and pump 39 sxs into perfs. This will cover behind pipe from 2610' to 2510' (50' above top of Chacra) w/ 100% excess. Open pipe rams and pump 12 sxs into pipe. This well fill the pipe from 2610' to 2510' w/ 50% excess. Follow cmt w/ 10 bbls water.
- 9 Pull tbg up 4 stands and reverse circ 2 tbg volumes. Pump approx 10 bbls mud: 15# sodium bentonite w/ non fermenting polymer, 9# gal weight & 50 sec/qt vis or greater to fill hole from 2400' to 1750'
- 10. TOOH w/ tbg. Wireline set a CIBP @ 1750'.

HUERFAMO UNIT #282 Completion Procedure Page 2

11. Load hole w/ 2% KCL water. RU wireline and run CBL & CNL from 1700' - 600'. If bond appears inadequate, rerun CBL with 1000 psi on csg. Initiate squeeze procedures to block proposed Fruitland perfs above and below if bond log warrants. Pressure test csg to 3000 psi. If test fails, locate holes and sq as required. If holes occur at Ojo Alamo depths, contact production engineering.

STAGE ONE

- 12. If squeeze was performed, TIH w/ 3-7/8" bit on 2-3/8" tbg. Drill cmt & CO w/ water to 1700'. Pressure test csg leak repair to 3000 psi. Resq if necessary. If csg holds 3000 psi, prepare to frac down csg. If csg cannot be made to hold 3000 psi, sq to hold 1000 psi and prepare to frac down frac string.
- 13. Pick exact Fruitland coal perfs off the CNL log. Perf lower Fruitland coal w/ 3-1/8" HSC guns with 9.8 gram Blue Jet charges (or equivalent) w/ 4 SPF. Shoot approx. 1625'-1645'.
- 14. TIH w/ 2-3/8" tbg and SAP tool w/ 4' spacing. Breakdown perforations with 1 bbl/ft at 1 BPM with 20 bbls 15 % HCL. Add 0.3% quaternary amine type clay stabilizer, an inhibitor and sequestering agent to the acid.
- 15. Unload hole then TOOH with tubing and SAP tool. Obtain gauge if possible. If gauge is over 100 MCF/D contact production engineering; if not, proceed to step 16.
- 16. a) If csg holds 3000 psi, fracture treat lower coal down csg. RU Smith Energy hydraulic tree saver. RU Western for fracture treatment. Hold safety meeting with all personnel. Pressure test surface lines to 4000 psi. Fracture treat first stage according to attached schedule from 15 to 40 BPM with 60,000 lbs of 20/40 mesh Arizona sand. Flush with 924 gals 70 quality foam. All sand to be tagged with 0.4 mCi/1000# Ir-192 tracer. MAXIMUM PRESSURE IS LIMITED TO 3000 PSI! Monitor bottomhole and surface treating pressure, rate, foam quality and sand concentration with computer van.
 - b) If csg can only be made to hold 1000 psi, with 500 psi held on backside & recorded, fracture treat coal down 2-7/8", 6.4#, NU, 10 RD tbg w/ pkr set @ 1545'. Pressure test surface lines to 5000 psi. Perform frac as stated in the attached treatment schedule with a Max of 4000 psi and an estimated treating pressure of 3000 psi. Flush with 336 gals 70 quality foam.

•Treat per the attached treatment schedule.

HUERFAMO UNIT #282 Completion Procedure Page 3

- 17. Immediately upon completion of the stimulation, flow the well to pit on 1/8" positive choke for 5 minutes. Monitor flow back pressure on square root of time vs pressure plot. SI well for 2 hours for gel break.
- 18. In preparation of second stage frac, refill the 2 400 bbl. frac tanks with 2% KCL water. Filter all water to 25 microns.
- 19. After gel break, open well through choke manifold & monitor flow. Flow @ 20 bbl/hr, or less if sand is observed. When well ceases to flow, proceed to Stage 2.

STAGE TWO

- 20. If applicable, TOOH w/ frac string and pkr. Set 4-1/2" RBP @ 1590' on wireline. Run dump bailer and place 2 sxs sand on RBP.
- 21. Pressure test csg and RBP to the determined max as found in step 12 of "stage one" of this procedure.
- 22. Perf upper Fruitland coal w/ 3-1/8" HSC guns with 9.8 gram Blue Jet charges (or equivalent) w/ 4 SPF. Shoot approx. 1465'-1485' and 1505'-1515'. Pick exact perfs off CNL log.
- 23. TIH w/ 2-3/8" tbg and SAP tool w/ 4' spacing. Breakdown perforations with 1 bbl/ft at 1 BPM with 30 bbls 15 % HCL. Add 0.3% quaternary amine type clay stabilizer, an inhibitor and sequestering agent to the acid.
- 24. Unload hole then TOOH with tubing and SAP tool. Obtain gauge if possible. If gauge is over 100 MCF/D contact production engineering; if not, proceed to step 25.
- 25. a) If csg holds 3000 psi, fracture treat lower coal down csg. RU Smith Energy hydraulic tree saver. RU Western for fracture treatment. Hold safety meeting with all personnel. Pressure test surface lines to 4000 psi. Fracture treat second stage according to attached schedule at 30 BPM with 90,000 lbs of 20/40 mesh Arizona sand. Flush with 840 gals 70 quality foam. All sand to be tagged with 0.4 mCi/1000# Ir-192 tracer.

 MAXIMUM PRESSURE IS LIMITED TO 3000 PSI! Monitor bottomhole and surface treating pressure, rate, foam quality and sand concentration with computer van.
 - b) If csg can only be made to hold 1000 psi, with 500 psi held on backside & recorded, fracture treat coal down 2-7/8", 6.4#, NU, 10 RD tbg w/ pkr set @ 1400'. Pressure test surface lines to 5000 psi. Perform frac as stated in the attached treatment schedule with a Max of 4000 psi and an estimated treating pressure of 3500 psi. Flush with 294 gal 70 quality foam.

•Treat per the attached treatment schedule.

HUERFANO UNIT #282 Completion Procedure

- Page 4
- 26. Immediately upon completion of the stimulation, flow the well to pit on 1/8" positive choke for 5 minutes. Monitor flow back pressure on square root of time vs pressure plot. SI well for 2 hours for gel break.
- 27. After gel break, open well through choke manifold & monitor flow. Flow @ 20 bbl/hr, or less if sand is observed.
- When well ceases to flow, if applicable, TOOH w/ frac string & pkr. TIH 28. w/ 2-3/8" tubing & retrieving head and clean out upper zone until sand flow stops. Record gauge. Release RBP set @ 1590 and TOOH'.
- TIH w/ 2-3/8" tbg and clean out to TD until sand flow stops. TOOH. 29. Take Pitot gauges when possible..
- 30. Run After-Frac-Gamma-Ray log from 1750'-1400'.
- 31. TIH with 1625' of 2-3/8" tbg with standard seating nipple one joint off bottom and 2-3/8" pump-off plug on bottom.

32. ND BOP and NU wellhead. Pump off plug. Take final Pitot gauge and gas & water samples. Rig down & release rig.

VENDORS:

Wireline: Blue Jet Fracturing: Western

325-5584 327-6222

RA Tagging:

Protechnics

326-7133

KAS