UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

EFERNATION ROOM

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK 20 AM 10:31 FARMINGTON, NEW MEXICO la. TYPE OF WORK 5. LEASE NUMBER DRILL NM-01772A 1b. TYPE OF WELL 6. IF INDIAN, ALL. OR TRIBE NAME GAS SINGLE ZONE 2. **OPERATOR** 7. UNIT AGREEMENT NAME MERIDIAN OIL INC. ADDRESS & PHONE NO. OF OPERATOR 3. 8. FARM OR LEA P O BOX 4289 REID JUL1 91989 FARMINGTON, NM 87499 9. WELL NO. 705 CHE CON DIV. LOCATION OF WELL 10. FIELD, POOL, OR WILDOW 3 1450'S 175'W EASIN FRUITLAND COAL 11. SEC. T. R. M OR BLK. SEC. 19 T28N R09W NMPM DISTANCE IN MILES FROM NEAREST TOWN COUNTY 13. STATE 12 MILES FROM BLOOMFIELD SAN JUAN 15. DISTANCE FROM 16. ACRES IN LEASE 17. ACRES ASSIGNED TO WELL PROPOSED LOCATION 175' 320.00 DRILLING OPERATIONS AUTHORIZED ARE TO NEAREST PROPERTY SUBJECT TO COMPLIANCE WITH ATTACHED 5 OR LEASE LINE. "GENERAL REQUIREMENTS". 18. DISTANCE FROM 19. PROPOSED DEPTH 20. ROTARY OR CABLE TOOLS PROPOSED LOCATION 2047' ROTARY TO NEAREST WELL DR. 1000' This action is subject to technical and COMPL., OR APPLIED procedural review pursuant to 43 OFR 3165.3 FOR ON THIS LEASE. and appeal pursuant to 43 CFR 3165.4. 21. ELEVATIONS (DF, FT, GR, ETC.) 22. APPROX. DATE WORK WILL START 5911'GL PROPOSED CASING AND CEMENTING PROGRAM $\overline{23}$. *SEE OPERATIONS PLAN **noi warrani t**oro, toro e 1999 holds legal or equalphic beginning or title to this lease," AUTHORIZED BY REGULATORY AFFAIRS

NOTE: THIS FORMAT IS ISSUED IN LIEU OF US BLM FORM 3160-3.

NUSC 2653

AREA MANAGER

OPERATIONS PLAN

DATE: MAR 14,1989

Well Name: 705 REID 1450'S 175'W

Sec. 19 T28N R09W SAN JUAN NEW MEXICO

BASIN FRUITLAND COAL Elevation 5911'GL

Formation tops: Surface- SAN JOSE

Ojo Alamo- 932

Kirtland- 1115

Fruitland- 1751

Fruitland Coal Top- 1917

Fruitland Coal Base- 2046

Intermediate TD- 1897

Total Depth- 2047

Pictured Cliffs- 2050

Logging Program: Mud logs from intermediate to total depth.

Mud Program: Low solid non-dispersed mud from surface to total depth.

Casing Program: Hole Size Depth Interval Csg. Size Weight Grade 12 1/4" 0 - 200 9 5/8" 32.3# H - 408 3/4" 7" 0 - 189720.0# K-55 1847 - 2047 5 1/2" 6 1/4" 15.5# K-55 0 - 20472 7/8" Tubing Program: 6.5# J-55

Float Equipment: 9 5/8" surface casing - saw tooth guide shoe.

7" intermediate casing - guide shoe and self-fill insert float valve. Three centralizers run every other joint above shoe. Run insert float one joint above the guide shoe.

 $5\ 1/2$ " production liner - float shoe on bottom and a pre-drilled liner run to the 7" casing with a minimum 50' overlap. Liner hanger is a double slip grip type.

Wellhead Equipment: 9 5/8" x 7" x 2 7/8" x 11" 3000 psi xmas tree assembly.

Cementing:

9 5/8" surface casing - cement with 106 sacks of class "B" cement with 1/4# flocele/sack and 3% calcium chloride (125 cu ft. of slurry, 100% excess to circulate to surface). WOC 12 hours. Test casing to 600 psi for 30 minutes.

7" intermediate casing - lead with 89 sacks of 65/35 class "B" poz with 6% gel, 2% calcium chloride and 1/2 cu.ft. Perlite/sack (10.3 gallons of water/sack) tail with 100 sacks of class "B" with 2% calcium chloride. 290 cu ft. of slurry, 100% excess to cover the Ojo Alamo. Run temperature survey at 8 hours. WOC 12 hours. Test casing to 1500 psi for 30 minutes.

5 1/2" liner - do not cement.

The Fruitland coal formation will be completed.

A 3000 psi WP and 6000 psi test double gate preventer equipped with blind and pipe rams will be used for blow out prevention on this well. This gas is dedicated.

The S/2 of Section 19 is dedicated to this well.

Form C-102

Certificate No.

6857

STATE OF NEW MEXICO P. O. BOX 2068 SANTA FE,-NEW MEXICO 87501 ENERGY MO MINERALS DEPARTMENT All distances must be from the outer boundaries of the Section. Coersia Well No. Southland Royalty Company Reid (NM-01772A)705 Z8 North Seelles Unit Letter 9 West San Juan Actual Fastage Location of Wells 1450 South 175 Icel from the West feet from the line and line Ground Level Elev. Producing Formation Dedicated Acreage: 5911**'** Bas in Fruitland Coal 1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below. 2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to wori interest and royalty). 3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been cons dated by communitization, unitization, force-pooling, etc? If answer is "yes," type of consolidation . ☐ No If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse sid this form if necessary.). No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitizat forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Divi *Note: Non-standard due to terrain and pipelines. CERTIFICATION I hereby certify that the information Regulatory Affairs Position Southland Royalty Co. 11/27/88 Registered Professional Engineer end/or Land Surveyor Neale C. Edward

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