36-645-77258

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT WALL ROOM

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUS BACKO

5. LEASE NUMBER CONTRACTAREA NM-03541 NEW MEXICO la. TYPE OF WORK DRILL 1b. TYPE OF WELL 6. IF INDIAN, ALL. OR TRIBE NAME GAS SINGLE ZONE 2. OPERATOR 7. UNIT AGREEMENT NAME MERIDIAN OIL INC. 3. ADDRESS & PHONE NO. OF OPERATOR 8. FARM OR LEASE NAME P O BOX 4289 HANCOCK FARMINGTON, NM 87499 9. WELL NO. 713 4. LOCATION OF WELL 10. FIELD, POOL, OR WILDCAT 980'S 1920'W BASIN FRUITLAND COAL 11. SEC. T. R. M OR BLK. √ SEC. 30 T28N R09W NMPM 14. DISTANCE IN MILES FROM NEAREST TOWN 12. COUNTY 13. STATE 15 MILES BLANCO SAN JUAN 15. DISTANCE FROM 16. ACRES IN LEASE 17. ACRES ASSIGNED TO WELL PROPOSED LOCATION 980' 622.74 TO NEAREST PROPERTY **D**recader OR LEASE LINE. and appear 19. PROPOSED DEPTH 20. ROTARY OR CABLE TOOLS DISTANCE FROM PROPOSED LOCATION 2356' TO NEAREST WELL DR. 2640' DRILLING OF THE PROPERTY OF AND COMPL., OR APPLIED FOR ON THIS LEASE. SUBJECT "GEL 21. ELEVATIONS (DF, FT, GR, ETC.) 22. APPROX. DATE WORK WILL START 6265'GL PROPOSED CASING AND CEMENTING PROGRAM *SEE OPERATIONS PLAN "Approval of this collections does MAR 3 0:989 861 waterest that the conformat OIL COM. DAY notes toget or oguitable rights DIST. 3 or title to this lease."

REGULATORY AFFAIRS

ATTOVED AS AMENDED

3-16-89

DATE

NOTE: THIS FORMAT IS ISSUED IN LIEU OF US BLM FORM 3160-3. MAR 29 1989

24. AUTHORIZED BY:

DATE: MAR 15,1989

100000

Well Name: 713 HANCOCK 980'S 1920'W

Sec. 30 T28N R09W SAN JUAN NEW MEXICO

BASIN FRUITLAND COAL Elevation 6265'GL

Formation tops: Surface- NACIMIENTO

Ojo Alamo- 1290 Kirtland- 1479

Fruitland- 2083

Fruitland Coal Top- 2232

Fruitland Coal Base- 2355 Intermediate TD- 2212

Total Depth- 2356

Pictured Cliffs- 2357

Logging Program: Mud logs from intermediate to total depth.

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

Depth Interval Csg. Size Casing Program: Hole Size Weight Grade 12 1/4" 0 - 200 9 5/8" 32.3# H-408 3/4" 0 - 22127" 20.0# K-55 6 1/4" 2162 - 2356 5 1/2" 15.5# K-55 0 - 2356Tubing Program: 2 7/8" 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 82 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. 277 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 30 is dedicated to this well.

P. O. BOX 2088 STATE OF NEW MEXICO farm C-102 SANTA FE. NEW MEXICO 87501 ENERGY MO MINERALS DEPARTMENT the outer boundaries of the Section Well No. Meridian Oil Inc. Hancock (NM - 0.3541)713 County Acrege Section Township Unit Letter 30 28 North 9 West San Juan Actual Footoge Location of Wells 1920 feet from the West 980 feet from the South line Dedicated Acresses Producing Formation Page Ground Level Elev. Basin 302.74 Fruitland Coal 62651 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 wor interest and royalty). 3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been con dated by communitization, unitization, force-pooling. etc? If answer is "yes," type of consolidation _ Yes If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse si this form if necessary.). No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitiza forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Div CERTIFICATION I hereby certify that the information Regulatory Affairs Position Meridian Oil Inc. EDIN 1920'1 11-28-88

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1960 2310

1320 1650

Registered Protossional Engineer

Neale C. Edwar

6857

and/or Land Surveyor

Certificate No.

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