

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

U.S. M. OIL CONS. COMMISSION
Bureau No. 1004-0135
Expires: March 31, 1993
NEW MEXICO 88240
P.O. BOX 1988

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir.
Use "APPLICATION FOR PERMIT - " for such proposals

SUBMIT IN TRIPLICATE

1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other	5. Lease Designation and Serial No. NM18232
2. Name of Operator Meridian Oil Inc.	6. If Indian, Allottee or Tribe Name
3. Address and Telephone No. P.O. Box 51810, Midland, TX 79710-1810 915-688-6943	7. If Unit or CA, Agreement Designation
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 660' FNL & 1980' FWL Sec. 8, T18S, R32E	8. Well Name and No. Federal AM # 2
	9. API Well No. 30-025-30581
	10. Field and Pool, or exploratory Area North Young Bone Spring
	11. County or Parish, State Lea NM

12. CHECK APPROPRIATE BOX(S) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Abandonment
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Recompletion
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Plugging Back
	<input type="checkbox"/> Casing Repair
	<input type="checkbox"/> Altering Casing
	<input type="checkbox"/> Other <u>Status Approval</u>
	<input type="checkbox"/> Change of Plans
	<input type="checkbox"/> New Construction
	<input type="checkbox"/> Non-Routine Fracturing
	<input type="checkbox"/> Water Shut-Off
	<input type="checkbox"/> Conversion to Injection
	<input type="checkbox"/> Dispose Water

(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

This well is currently shut in. It was producing in a gas cap and the GOR is too high to qualify it as an oil well. No allotment for gas production in this field. The last GOR was 8348:1. Lease ~~is a gas well~~ cannot qualify for reduced royalty. Technically this well is a gas well and we should be allowed to keep this well shut in until such time as either the gas price increases to economic basis and we can afford to allow this well to be an associated well in an oil pool, or pending evaluation to recomplete or plug.

RECEIVED
 Nov 29 12 51 PM '95
 BUREAU OF LAND MGMT
 HOBBS, NM

14. I hereby certify that the foregoing is true and correct

Signed [Signature] Title Regulatory Compliance Date 11/27/95

(This space for Federal or State office use)

Approved by (ORIG COPY) MEG LARA Title PETROLEUM ENGINEER Date 1/18/96

Conditions of approval, if any: Subject to casing integrity test within 30 days.

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

Received
Hobbs
OCD