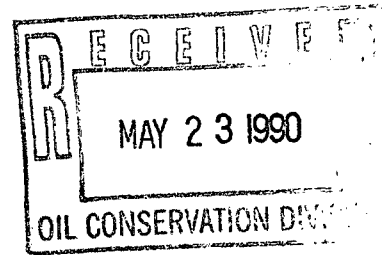


MERIDIAN OIL

May 22, 1990



Certified Mail

Mr. William LeMay
New Mexico Oil Conservation Division
Post Office Box 2088
Santa Fe, New Mexico 87503

RE: McAdams #3
990'FSL, 990'FEL
Section 05, T-27-N, R-10-W
San Juan County, New Mexico

Dear Mr. LeMay:

This is a request for administrative approval for a non-standard gas well location in the Basin Fruitland Pool.

Meridian Oil intends to plugback and recomplete the McAdams #3 well from the Pictured Cliffs pool to the Basin Fruitland Coal Pool. The current location of this well is 990'FSL, 990'FEL, Section 05, T-27-N, R-10-W, San Juan County, New Mexico. The well is considered non-standard due to the NE-SW dedicated pattern established for the Basin Fruitland Coal Pool. 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 that reads "Peggy Bradfield".

Peggy Bradfield
encl.

WAIVER

_____ hereby waives objection to Meridian Oil Inc.'s application for a non-standard location for their McAdams #3 as proposed above.

By: _____ Date: _____

xc: Amoco Production Company
Damsen Oil Corporation

McAdams #3
990'FSL, 990'FEL
Section 05, T-27-N, R-10-W
San Juan County, New Mexico

I hereby certify that the following offset owners/operators have been mailed notification of our application for administrative approval for non-standard gas well location for the plugback and recompletion of the above well.

Amoco Production Company
P.O. Box 800
Denver, CO 80201

Damson Oil Corporation
P.O. Box 4391
Houston, TX 77210

A handwritten signature in cursive script, appearing to read "Peggy Bradfield".

Peggy Bradfield
May 22, 1990

San Juan County
State of New Mexico

My commission expires August 17, 1992

Submit to Appropriate
District Office
State Lease - 4 copies
Fee Lease - 3 copies

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102
Revised 1-1-89

OIL CONSERVATION DIVISION

P.O. Box 2088

Santa Fe, New Mexico 87504-2088

DISTRICT I

P.O. Box 1980, Hobbs, NM 88240

DISTRICT II

P.O. Drawer DD, Artesia, NM 88210

DISTRICT III

1000 Rio Brazos Rd., Aztec, NM 87410

WELL LOCATION AND ACREAGE DEDICATION PLAT

All Distances must be from the outer boundaries of the section

Operator Meridian Oil Inc.			Lease McAdams (SF-077941)		Well No. 3
Unit Letter P	Section 5	Township 27 North	Range 10 West	County San Juan	
Actual Footage Location of Well: 990 feet from the South line and 990 feet from the East line					
Ground level Elev. 5956'	Producing Formation Fruitland Coal		Pool Basin	Dedicated Acreage: 320 Acres	

1. Outline the acreage dedicated to the subject well by colored pencil or hatchure 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 working interest and royalty).

3. If more than one lease of different ownership is dedicated to the well, have the interest of all owners been consolidated by communitization, unitization, force-pooling, etc.?

☐ Yes ☐ No If answer is "yes" type of consolidation communitization agreement will be

If answer is "no" list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) obtained

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interest, has been approved by the Division.

Not resurveyed: prepared from a plat by
Charles J. Finklea
6-14-52

OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Signature

Peggy Bradfield

Printed Name

Regulatory Affairs

Position

Meridian Oil Inc.

Company

Date

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.

5-9-90

Date Surveyed

Signature of Registered Professional Surveyor



Certificate No.

Neale C. Edwards

0 330 660 990 1320 1650 1980 2310 2640 2000 1500 1000 500 0

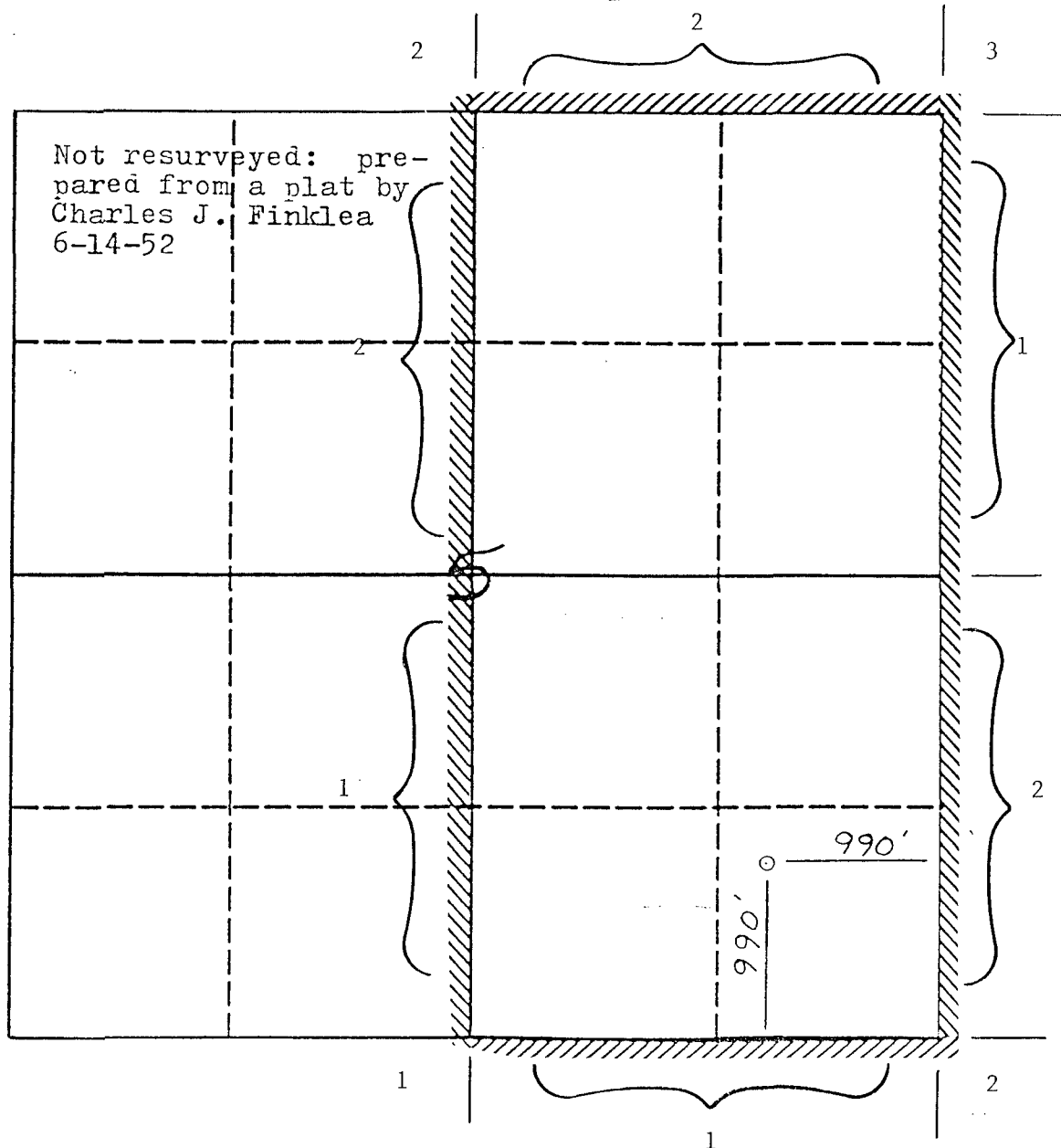
MERIDIAN OIL INC

Well Name McAdams #3

Footage 990' FSL; 990' FEL

APPLICATION FOR NON-STANDARD LOCATION

County San Juan State New Mexico Section 5 Township 27N Range 10W

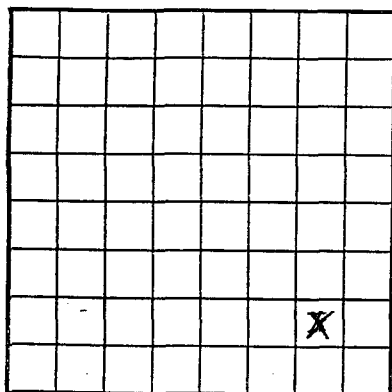


Remarks 1) Meridian Oil Inc.
 2) Amoco Production Company
 3) Damson Oil Corporation
P.O. Box 4391, Houston, TX 77210

U. S. LAND OFFICE _____

SERIAL NUMBER _____

LEASE OR PERMIT TO PROSPECT _____



LOCATE WELL CORRECTLY

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

LOG OF OIL OR GAS WELL

Company J. Glenn Turner Address 1711 Mercantile Bank Bldg.
Lessor or Tract Mc Adams Field Fulcher-Kutz State N.M. Dallas, Texas
Well No. 1 Sec. 5 T. 27NR. 10W Meridian N.M. PM. County San Juan
Location 990 ft. (N.) of S. Line and 990 ft. (E.) of E. Line of Sec. 5 Elevation 5956
(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 _____

Date Aug. 1, 1952 Title _____

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

Commenced drilling 6-27, 1952 Finished drilling 7-15, 1952

OIL OR GAS SANDS OR ZONES

(Denote gas by G)

No. 1, from 1849 to 1925 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

Size casing	Weight per foot	Threads per inch	Make	Amount	Kind of shoe	Cut and pulled from	Perforated		Purpose
							From—	To—	
<u>9 5/8</u>	<u>36#</u>	<u>8 rd</u>	<u>J&H</u>	<u>104</u>					
<u>2 3/8</u>	<u>17#</u>	<u>8 rd</u>		<u>1845</u>					
<u>1 3/8</u>	<u>10#</u>	<u>8 rd</u>		<u>1900</u>					

MUDDING AND CEMENTING RECORD

Size casing	Where set	Number sacks of cement	Method used	Mud gravity	Amount of mud used
<u>9 5/8</u>	<u>104</u>	<u>80</u>	<u>Wallburton</u>		<u>Thickly water</u>
<u>5 1/2</u>	<u>1848</u>	<u>100</u>	<u>"</u>		<u>"</u>

PLUGS AND ADAPTERS

Heaving plug—Material _____ Length _____ Depth set _____
Adapters—Material _____ Size _____

SHOOTING RECORD