

MERIDIAN OIL

May 3, 1990

Certified Mail

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

Case 10025
MAY 4 1990
OIL CONSERVATION

RE: Morris #3
420'FSL, 400'FEL
Section 14, 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 Morris #3 well from the Pictured Cliffs pool to the Basin Fruitland Coal Pool. The current location of this well is 420'FSL, 400'FEL, Section 14, 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,



Peggy Bradfield
encl.

WAIVER

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

By: _____ Date: _____

xc: Amoco Production Company
Mobil Producing Texas & New Mexico

Submit to Assignments
District Office
State Leases - 4 copies
Fee Leases - 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 1900, Hobbs, NM 88240

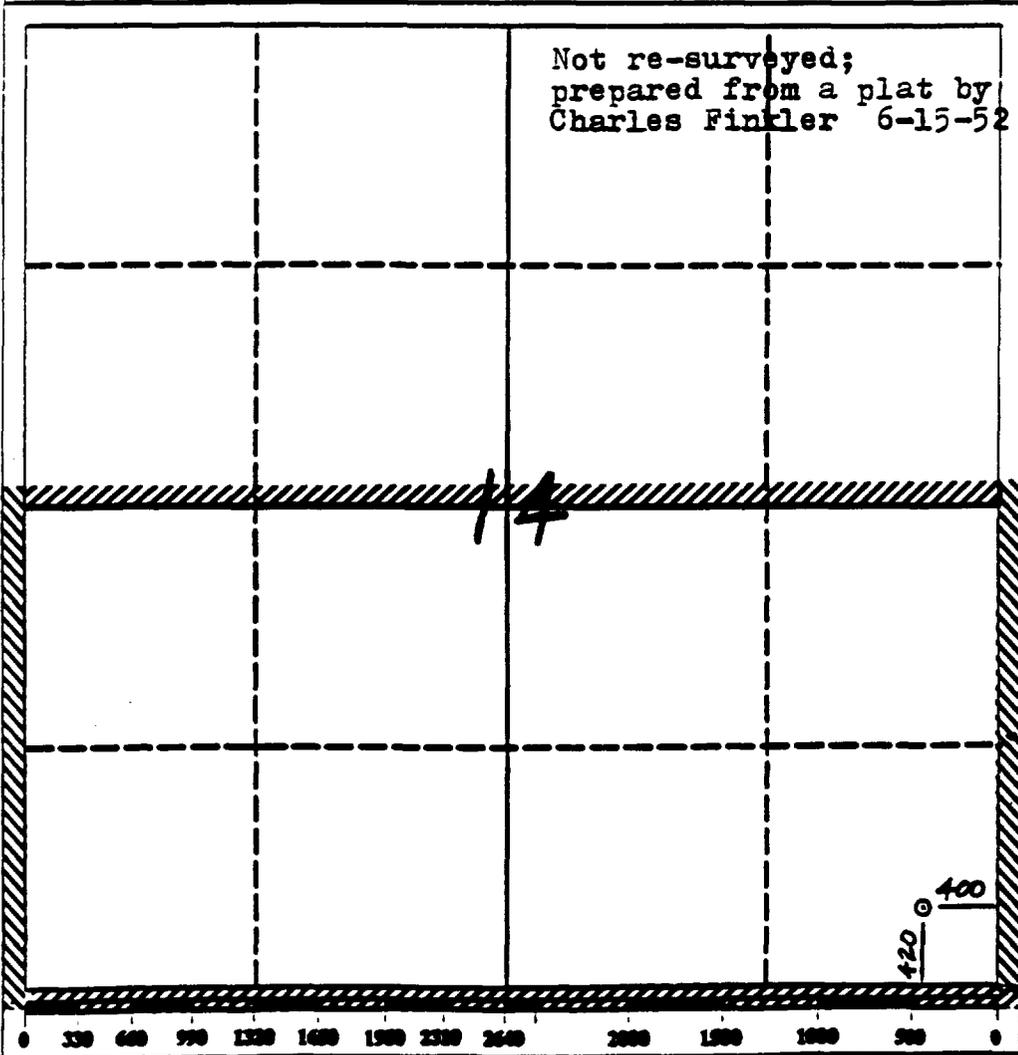
DISTRICT II
P.O. Drawer 00, Aztec, NM 88210

DISTRICT III
1000 Rio Blanco 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 Morris (SF-079596)		Well No. 3
Unit/Less P	Section 14	Township 27 North	Range 10 West	County San Juan
Actual Footage Location of Well: 420 feet from the South line and 400 feet from the East line				
Ground level Elev. 420	Producing Formation Fruitland Coal		Pool Basin	Dedicated Acreage 320 Acres

- Outline the acreage dedicated to the subject well by colored pencil or highlight marks on the plat below.
 - If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
 - If more than one lease of different ownership is dedicated to the well, have the interest of all owners been consolidated by commutation, unitization, force-pooling, etc.?
 - Yes No If answer is "yes" type of consolidation _____
 If answer is "no" list the owners and trust arrangements which have actually been consolidated. (Use reverse side of this form if necessary).
- No allowable well be assigned to the well until all interests have been consolidated (by commutation, unitization, force-pooling, or otherwise) or until a non-standard unit, eliminating such interest, has been approved by the Division.



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. 4-16-90

Date Surveyed

Signature

Professional Seal

Neale Edwards

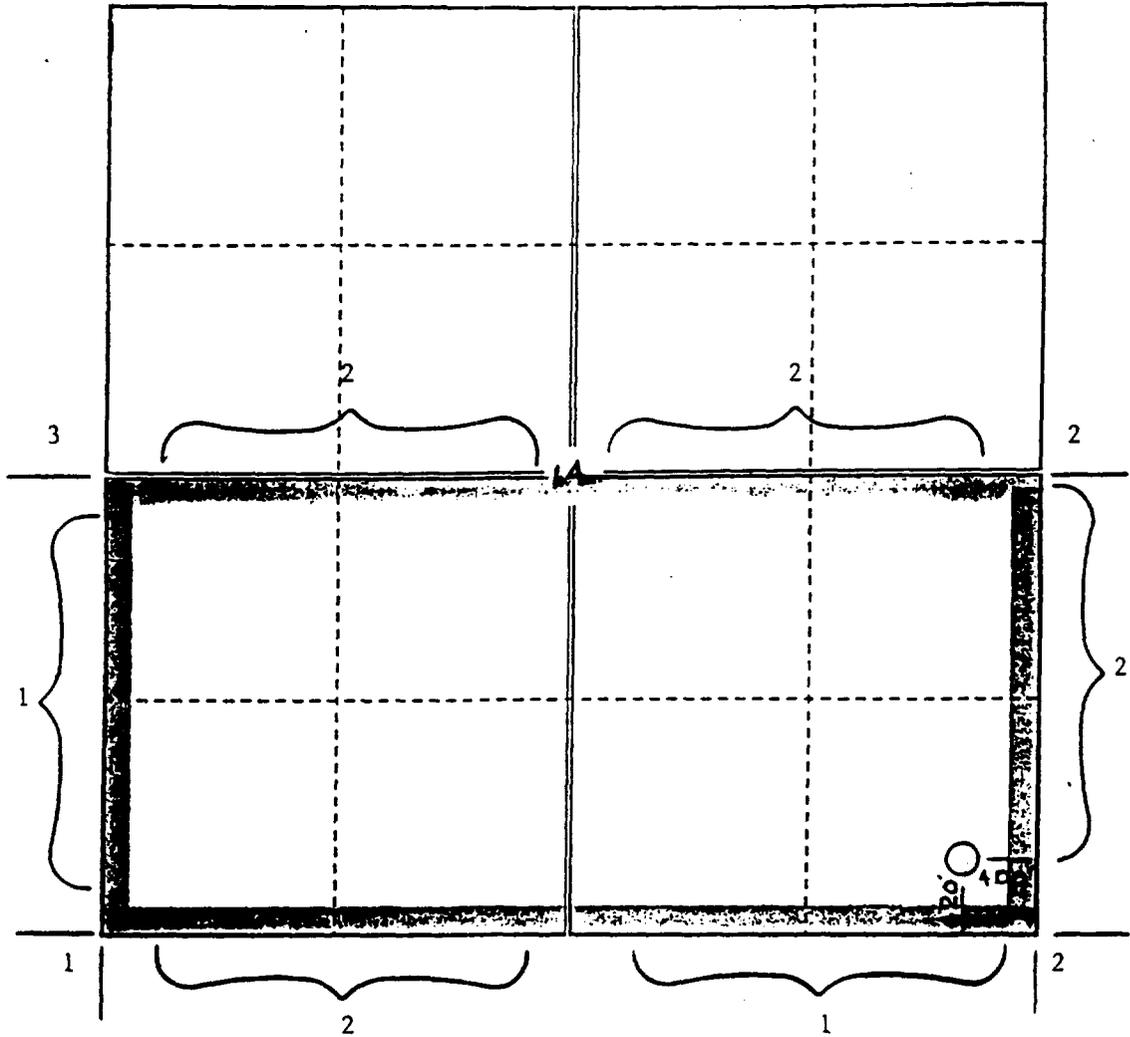
MERIDIAN OIL INC

Well Name Morris #3

Footage 420' FSL; 400' FEL

APPLICATION FOR NON-STANDARD LOCATION

County San Juan State New Mexico Section 14 Township 27N Range 10W



Remarks 1) Meridian Oil Inc.
2) Amoco Production Company
3) Mobil Producing Texas & New Mexico

Morris #3
420'FSL, 400'FEL
Section 14, 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

Mobil Producing Texas & New Mexico
P.O. Box 650232
Dallas, TX 75265-0232



Peggy Bradfield
May 3, 1990

San Juan County
State of New Mexico

My commission expires August 17, 1992

									X

UNITED STATES
 DEPARTMENT OF THE INTERIOR
 GEOLOGICAL SURVEY

LOG OF OIL OR GAS WELL

LOCATE WELL CORRECTLY

Company J. Glenn Turner Address c/o San Juan Drilling Company
Box 728 - Farmington, New Mexico
 Lessor or Tract Morris Field Fulcher-Kuts State New Mexico
 Well No. 3 Sec. 14 T. 27N. R. 10W Meridian N.M.P.M. County San Juan
 Location 120ft. {N.} of S Line and 100ft. {W.} of E. Line of Sec. 14 Elevation 6196
(Elevation 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 C. Beeson Neal
 Title Agent in Farmington

Date September 4, 1952

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

Commenced drilling August 5, 1952 Finished drilling August 25, 1952

OIL OR GAS SANDS OR ZONES
(Denote gas by G)

No. 1, from 2,055 to 2,138 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. thd.</u>	<u>J&L</u>	<u>91'</u>	<u>None</u>				<u>Surface</u>
WELLOG OR OIL OR GAS WELL									

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>91'</u>	<u>75 sacks</u>	<u>Halliburton</u>		<u>Mostly water</u>
<u>5-1/2"</u>	<u>2069'</u>	<u>150 sacks</u>	<u>Halliburton</u>		<u>Mostly water</u>

PLUGS AND ADAPTERS

Heaving plug—Material _____ Length _____ Depth set _____

OLD MARK

Copy Sent to
Heather 5/18/90



McKenzie Methane Corporation

May 8, 1990

Mr. Michael Stogner
New Mexico Oil Conservation Division
310 Old Santa Fe Trail
Box 2088
Santa Fe, NM 87504-2088

Re: Unorthodox Location
Angel Peak 14L #6
NW SW 14-T27N-R10W
San Juan County, NM

Dear Mr. Stogner,

We are seeking administrative approval for the referenced unorthodox location. Going by Division Memorandum No. 3-89, I have enclosed the following:

- A completed C-102
- An affidavit to Meridian & Amoco with return receipt cards
- A statement from our Field Engineer regarding the location
- An outline of the orthodox drilling window
- Land plat showing offset operators
- Cut and fill diagram of our proposed location
- A topo showing the orthodox drilling window
- A topo showing the proposed location
- An enlargement of the topo
- Road map & enlargement
- El Paso's pipeline map for T27N-R10W

A cultural survey has already been conducted by the Division of Conservation Archaeology on February 12 and March 3, Technical Report #1850. Our Federal Application to Drill was submitted on March 17. The BLM has indicated that approval of our application is pending NMOCD's approval of this location.

This well was staked 1835' FSL and 640' FWL because of constraints established by the topography and the existing pipelines in the immediate area. Your consideration and approval of this location would be appreciated.

Very truly yours,

Heather Roark

enclosures

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, Arama, NM 88210

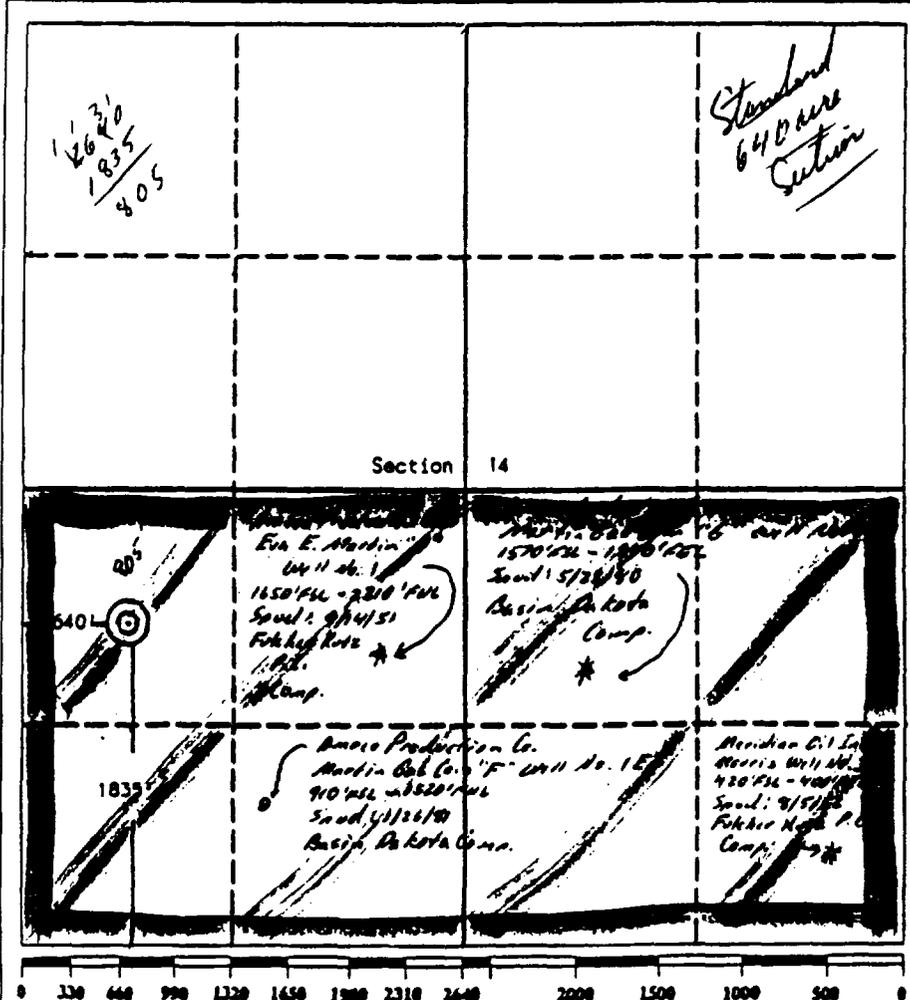
DISTRICT III
 1000 Rio Brazos Rd., Aztec, NM 87410

WELL LOCATION AND ACREAGE DEDICATION PLAT

All Distances must be from the outer boundaries of the section

Operator McKenzie Methane Corporation			Lease Angel Peak 14L			Well No. #6		
Unit Letter L	Section 14	Township 27 North	Range 10 West	County San Juan		NMPM		
Actual Footage Location of Well: 1835 feet from the South line and 640 feet from the West line								
Ground level Elev. 6200	Producing Formation Fruitland Coal			Pool Basin Fruitland Coal			Dedicated Acreage: 320 Acres	

- Outline the acreage dedicated to the subject well by colored pencil or hectare marks on the plat below.
- If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
- 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 _____
 If answer is "no" list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.)
 No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, force-pooling, or otherwise) or until a non-standard unit, eliminating such interest, has been approved by the Division.



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

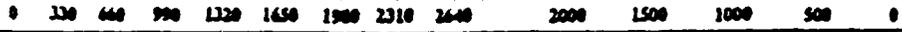
Signature: *Heather Roark*
 Printed Name: Heather Roark
 Position: Technician
 Company: McKenzie Methane Corp.
 Date: March 27, 1990

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.

Date Surveyed: January 25, 1990
 Signature & Seal of Professional Surveyor:

 Edgar L. Risenhoover





McKenzie Methane Corporation

May 2, 1990

Ms. P.J. Woods
Room 2273
Amoco Production Company
P.O. Box 800
Denver, Colorado 80201

Re: Notice Of Application
For Unorthodox Location
Angel Peak 14L #6
Sec. 14-T34N-R10W
San Juan County, N.M.

Dear Ms. Woods:

The above referenced well is currently staked 640' FWL rather than the required 790' FWL making this an unorthodox location. McKenzie Methane realize! an orthodox location in the 4 section would not be possible due to the combination of topography and an EPNG pipeline and chose this location for safety reasons.

The well is currently staked only 100' west of the pipeline, which parallels the road. Moving closer to the pipeline would still not allow an orthodox location and would place the pipeline on part of the well pad. Moving 150' further east would place the well only 25' from the pipeline, a distance McKenzie felt was unsafe.

Moving any further east is not possible due to the 270' cliff which parallels the road through this part of the section.

Since an orthodox location was not possible, it was decided that for safety reasons, the well should be staked so that the pipeline would not cross any part of the well pad.

Sincerely,

Sam Cady
McKenzie Methane Corporation

SENDER: Complete items 1 and 2 when additional services are desired, and complete items 3 and 4.

Put your address in the "RETURN TO" Space on the reverse side. Failure to do this will prevent this card from being returned to you. The return receipt fee will provide you the name of the person delivered to and the date of delivery. For additional fees the following services are available. Consult postmaster for fees and check box(es) for additional service(s) requested.

1. Show to whom delivered, date, and addressee's address. 2. Restricted Delivery postmaster for fees and check box(es) for additional service(s) requested. 3. Restricted Delivery postmaster for fees and check box(es) for additional service(s) requested. 4. Restricted Delivery postmaster for fees and check box(es) for additional service(s) requested. 5. Restricted Delivery postmaster for fees and check box(es) for additional service(s) requested. 6. Restricted Delivery postmaster for fees and check box(es) for additional service(s) requested. 7. Restricted Delivery postmaster for fees and check box(es) for additional service(s) requested. 8. Restricted Delivery postmaster for fees and check box(es) for additional service(s) requested. 9. Restricted Delivery postmaster for fees and check box(es) for additional service(s) requested. 10. Restricted Delivery postmaster for fees and check box(es) for additional service(s) requested. 11. 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3. Article Addressed to:
Ms. P.J. Woods (Room 2273)
Amoco Production Company
P.O. Box 800
Denver, Co. 80201

4. Article Number
P 712 004 368

Type of Service:
 Registered Insured
 Certified COD
 Express Mail

Always obtain signature of addressee or agent and DATE DELIVERED.

5. Signature - Addressee
X

6. Signature - Agent
X

7. Date of Delivery
5/3/90

8. Addressee's Address (ONLY if requested and fee paid)

PS Form 3811, Mar. 1987 U.S.P.S. 1989-175-200 DOMESTIC RETURN

6699 • Telecopier (303) 629-7908

Angel Peak 14L # 6

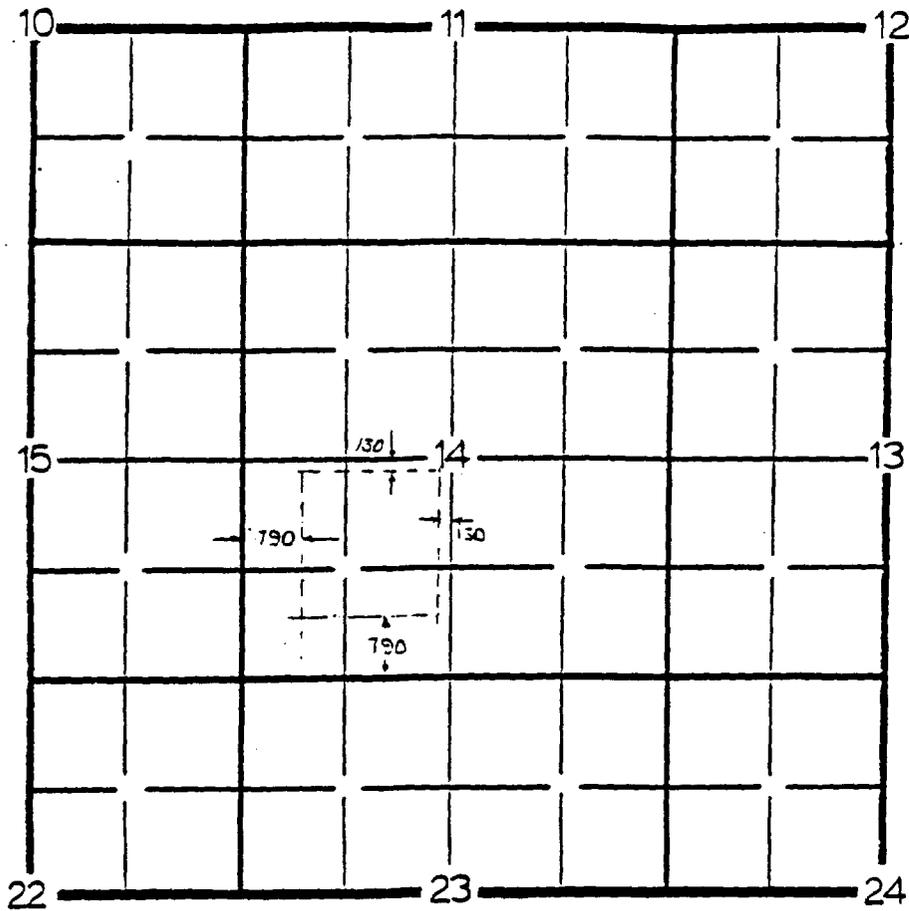
The well is currently staked 640' FWL rather than the required 790' FWL making this an unorthodox location. McKenzie Methane realized an orthodox location in this $\frac{1}{4}$ section would not be possible due to the combination on topography and an EPNG pipeline and chose this location for safety reasons.

The well is currently staked only 100' west of the pipeline which parallels the road as shown on the attached survey plat. Moving closer to the pipeline would still not allow an orthodox location and would place the pipeline on part of the well pad. Moving 150' further east would place the well only 25' from the pipeline, a distance which McKenzie felt was unsafe.

Moving any further east is not possible ^{due} to the 220' cliff which parallels the road through this part of the section.

Since an orthodox location was not possible, it was decided that for safety reasons the well should be staked so that the pipeline would not cross any part of the well pad.

PLEASE SEE ATTACHED TOPO AND MAP.



Specs for Orthodox
Drilling Window



1/2 sec - 790' to the
pro-rated
unit

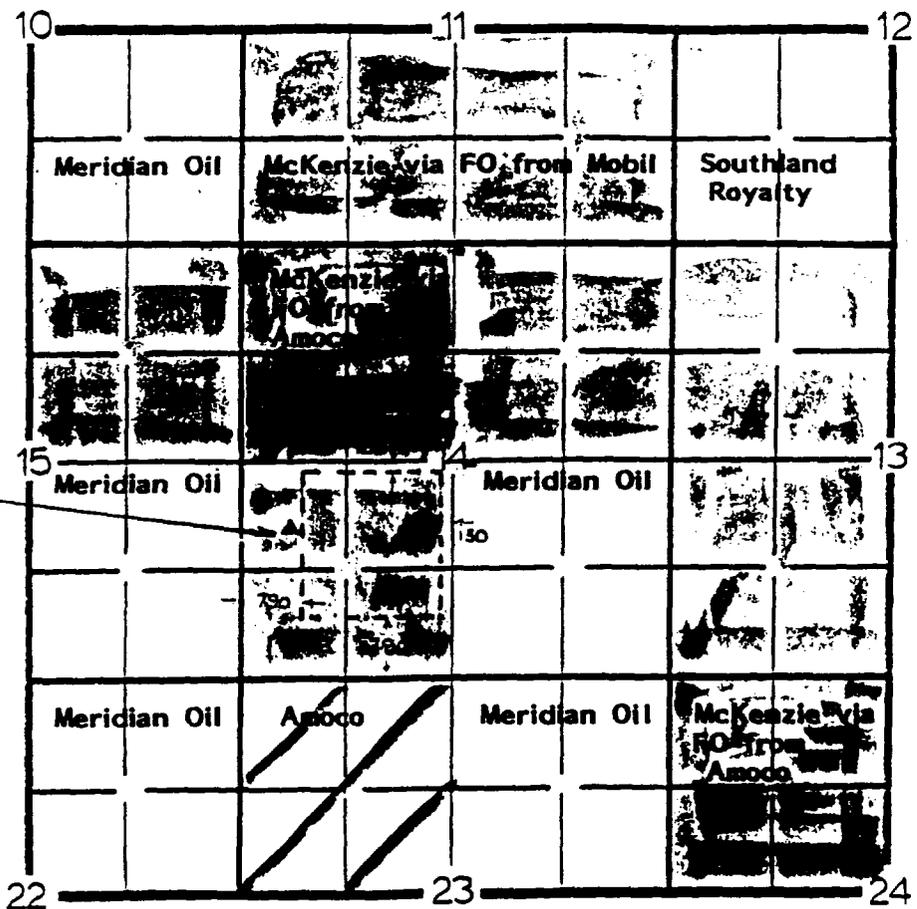
1/4 sec - 10' to 40ac.
(spacing?)



McKenzie Methane Corps
HOUSTON • BIRMINGHAM • OGDEN • FARMING

Orthodox Drilling Window
Sec. 14 - 727N - R10W

&
NO closer than 130'
to the dividing line
btw 1/4 sections



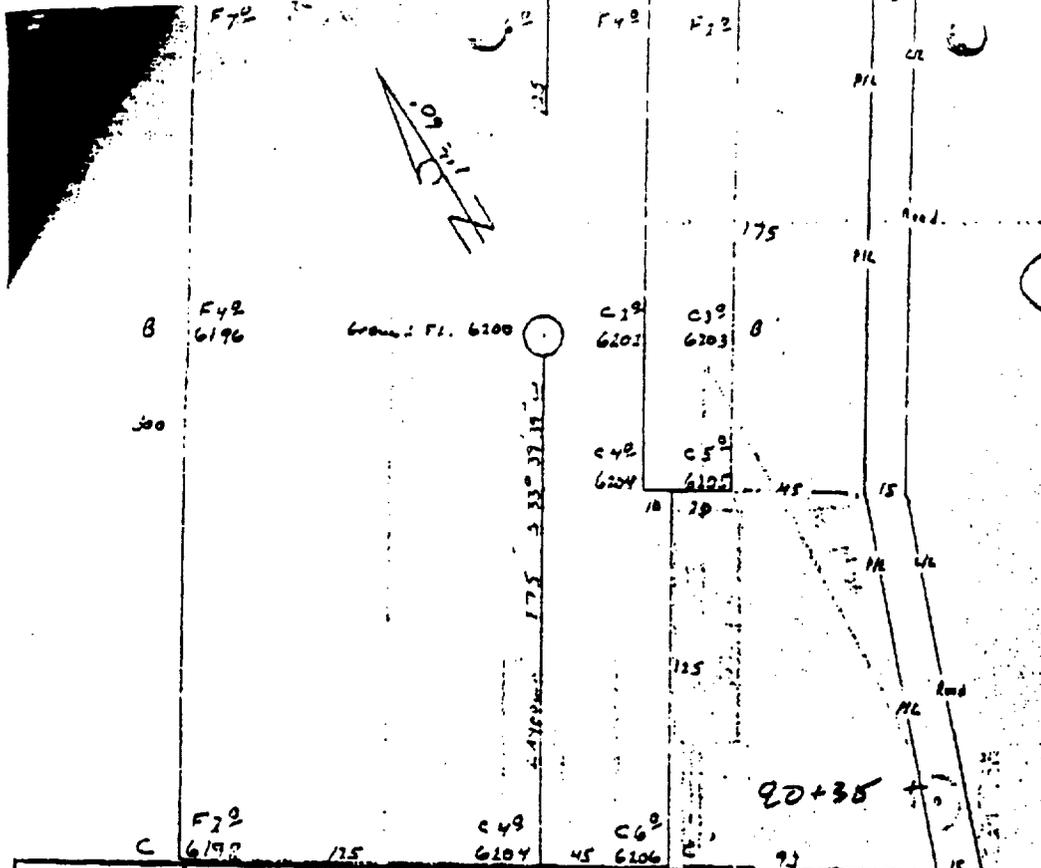
The above plat indicates the current ownership of Fruitland Operating Rights as I believe them to be this 1st day of May, 1990

Howard W. Dennis
 Howard W. Dennis, Vice President



McKenzie Methane Corporation
 HOUSTON • BIRMINGHAM • DENVER • FARMINGTON

FRUITLAND OPERATING RIGHTS
 SURROUNDING SECTION 14-T27N-R10W
 ANGEL PEAK 14L #6
 1835' FSL, 640' FWL
 San Juan County, New Mexico



Mckenzie Methane Corporati

OPERATOR

Angel Peak 141 #6
WELL NAME & NO.

1835' F/SL 040' F/NL

FOOTAGES

14 27N 10W

SEC. TWP. RGE.

San Juan, NM

COUNTY

January 25, 1990

DATE

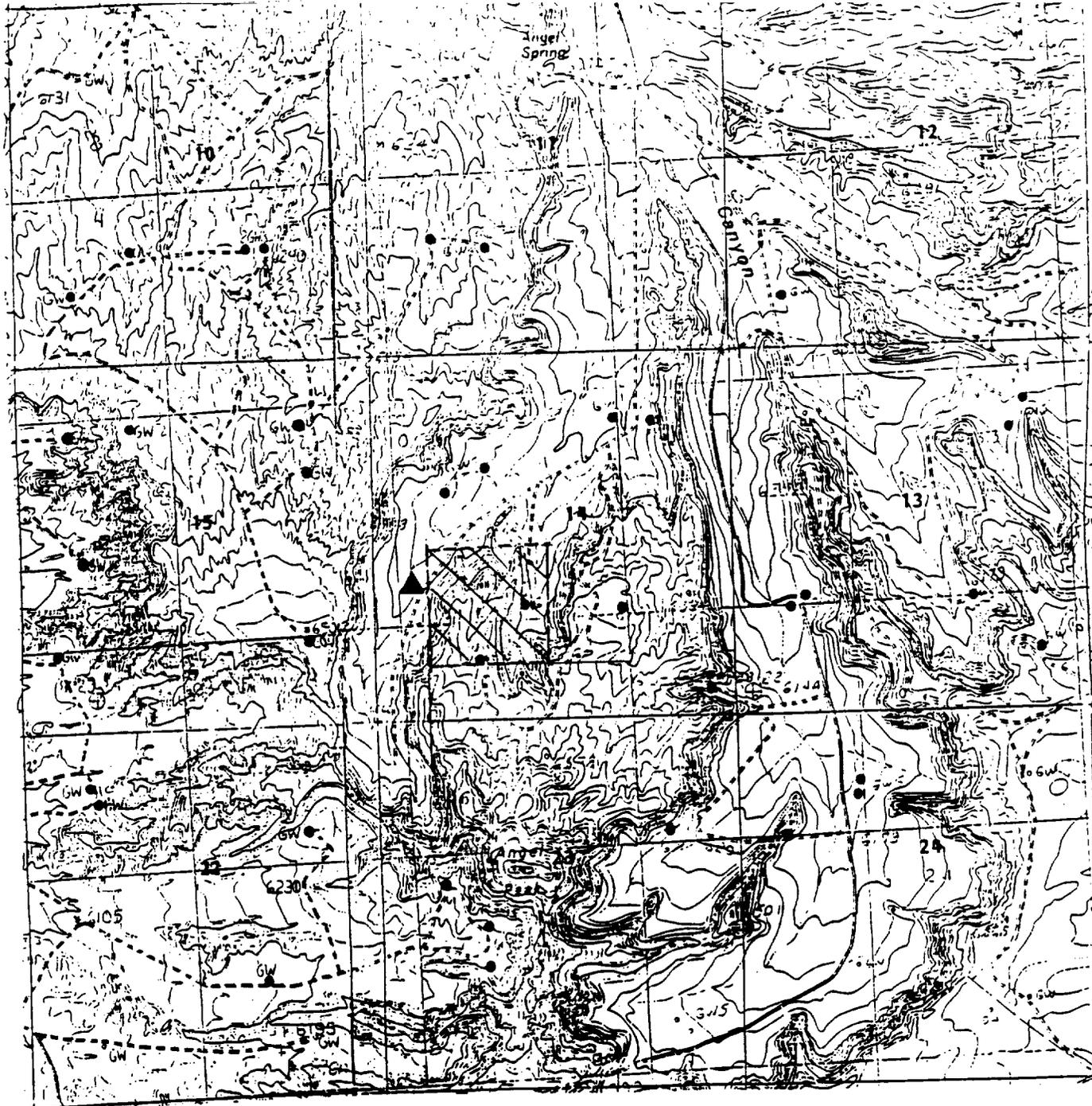
WELL PAC 40

Horiz 1" = 30'

Vert 1" = 30'

6210					
6200					6200
6190					

6210					
6200					6200
6190					



SEE ATTACHED BLOWN UP TOPO


McKenzie Methane Corporation
 HOUSTON • BIRMINGHAM • DENVER • PLUMINGTON

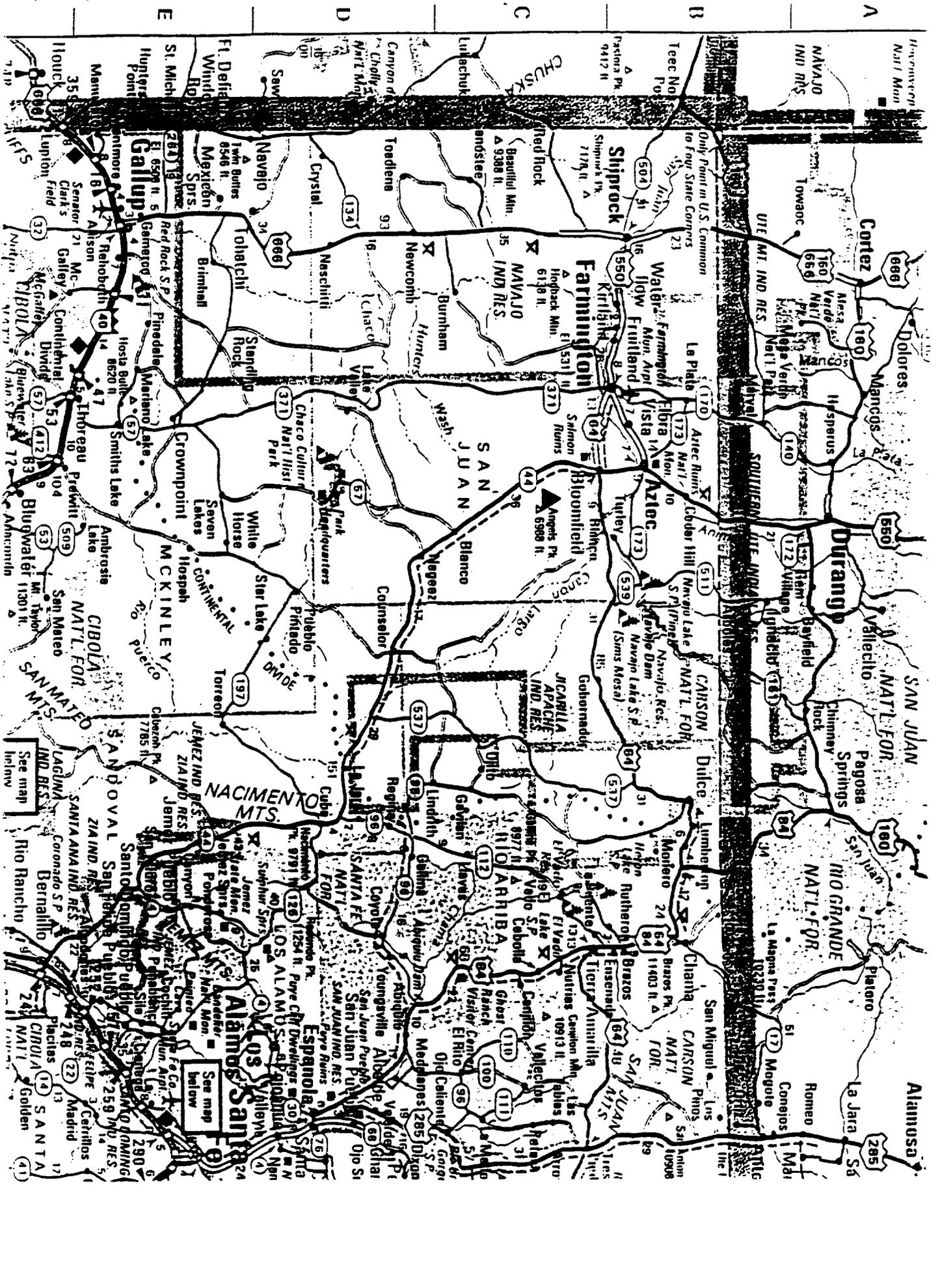
ANGEL PEAK 14L #6
 Sw ¼ Section 14
 Township 27 North, Range 10 West
 San Juan County, New Mexico

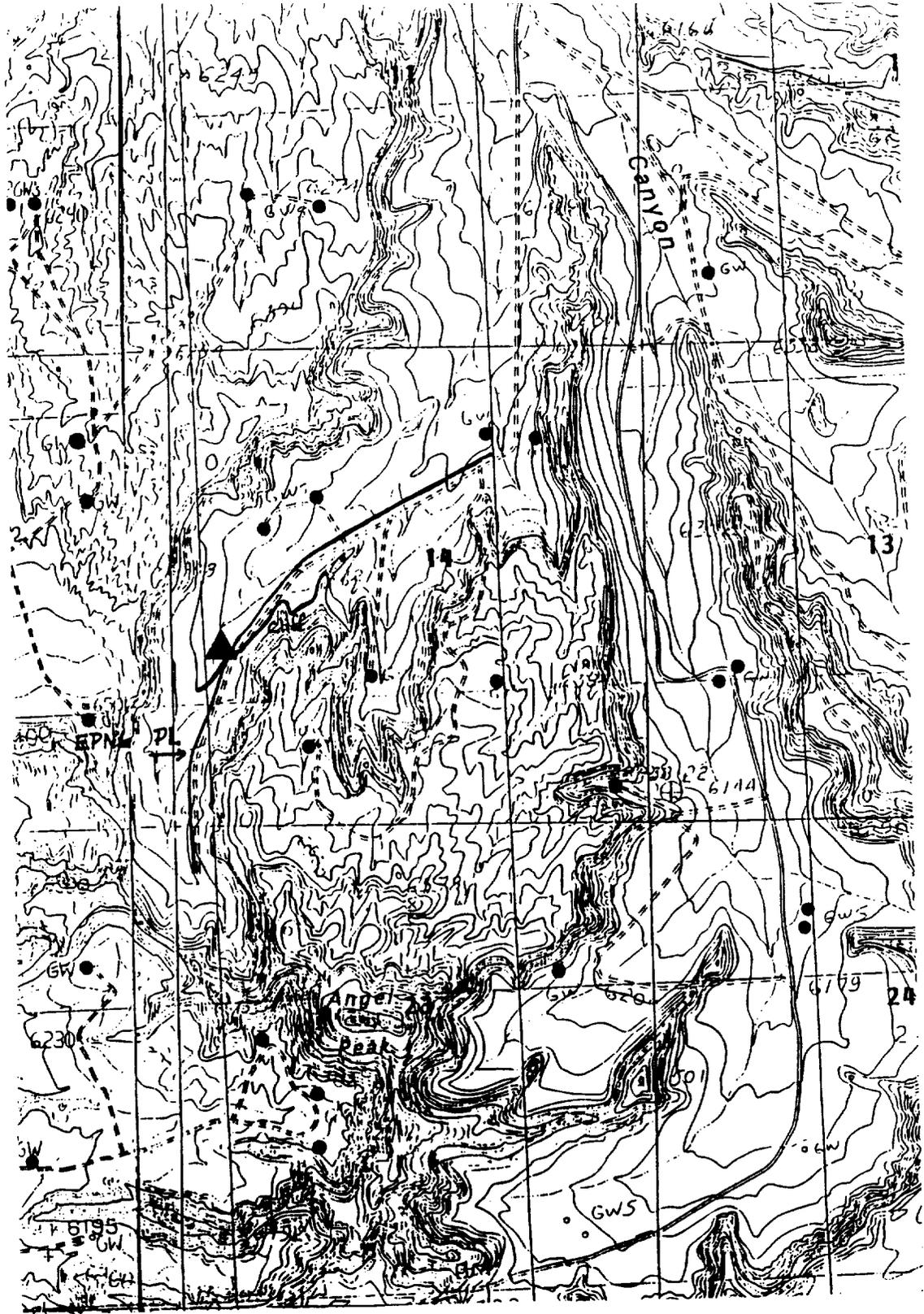


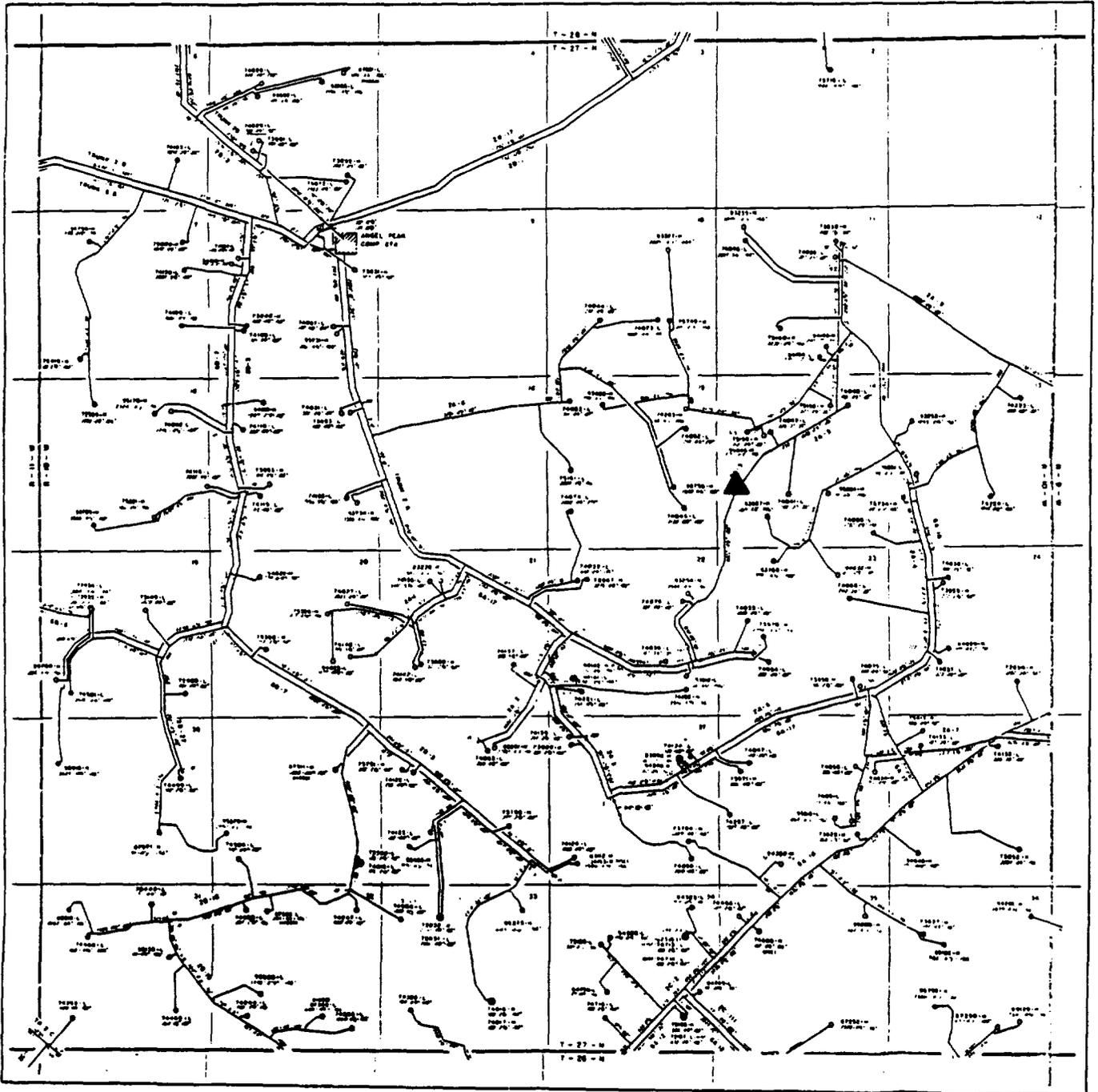
SEE ATTACHED BLOWN UP TOPO

 **McKenzie Methane Corporation**
HOUSTON • BIRMINGHAM • DENVER • FARMINGTON

ANGEL PEAK 14L #6
Sw 1/4 Section 14
Township 27 North, Range 10 West
San Juan County, New Mexico







T-27-N. R-10-W N. MEX.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK
 DRILL DEEPEN PLUG BACK

b. TYPE OF WELL
 OIL WELL GAS WELL OTHER SINGLE ZONE MULTIPLE ZONE

2. NAME OF OPERATOR
 McKenzie Methane Corporation

3. ADDRESS OF OPERATOR
 1625 Broadway, Suite 2580, Denver, CO 80202

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)
 At surface: 1755' FNL, 1045' FEL
 At proposed prod. zone: same

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*
 ±5 miles south, south-east of Bloomfield, New Mexico

15. DISTANCE FROM PROPOSED LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any)
 1045'

16. NO. OF ACRES IN LEASE
 ±1240-1430

17. NO. OF ACRES ASSIGNED TO THIS WELL
 320 E±

18. DISTANCE FROM PROPOSED LOCATION TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.
 ±600'

19. PROPOSED DEPTH
 2115'

20. ROTARY OR CABLE TOOLS
 rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)
 6150' GR

22. APPROX. DATE WORK WILL START*
 May 3, 1990

5. LEASE DESIGNATION AND SERIAL NO.
 SF077329

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME
 Angel Peak 14H

9. WELL NO.
 5

10. FIELD AND POOL, OR WILDCAT
 Basin Fruitland Coal

11. SEC. T. R. W. OR BLE. AND SURVEY OR AREA
 SE±NE±
 Sec. 14-T27N-R10W

12. COUNTY OR PARISH
 San Juan

13. STATE
 New Mexico

23. This action is subject to 43 CFR 3185.3 procedural review pursuant to 43 CFR 3185.3 and 43 CFR 3185.4. PROPOSED CASING AND CEMENTING PROGRAM SUBJECT TO COMPLIANCE WITH ATTACHED GENERAL REQUIREMENTS.

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	GENERAL REQUIREMENTS
12-1/2"	8-5/8"	24#	250'	175sx C1 'B' w/ 2% CaCl
7-7/8"	4-1/2"	11.6#	2115'	300sx 65/35 POZ + 1#/sx flocele 2% gel & 125sx 50/50 POZ + 2% Ca

RECEIVED
APR 24 1990

OIL CON. DIV
DIST. 3

"The applicant does not hold legal or equitable rights or title to this lease."

RECEIVED
MAY 11 1990
MAY 11 1990
MAY 11 1990

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen or plug back, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24. SIGNED Heather Roark TITLE Technician DATE March 27, 1990
 (This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____

APPROVED BY _____ TITLE _____

CONDITIONS OF APPROVAL, IF ANY:

OK

NMOOD

APR 20 1990
 AREA MANAGER

*See Instructions On Reverse Side

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

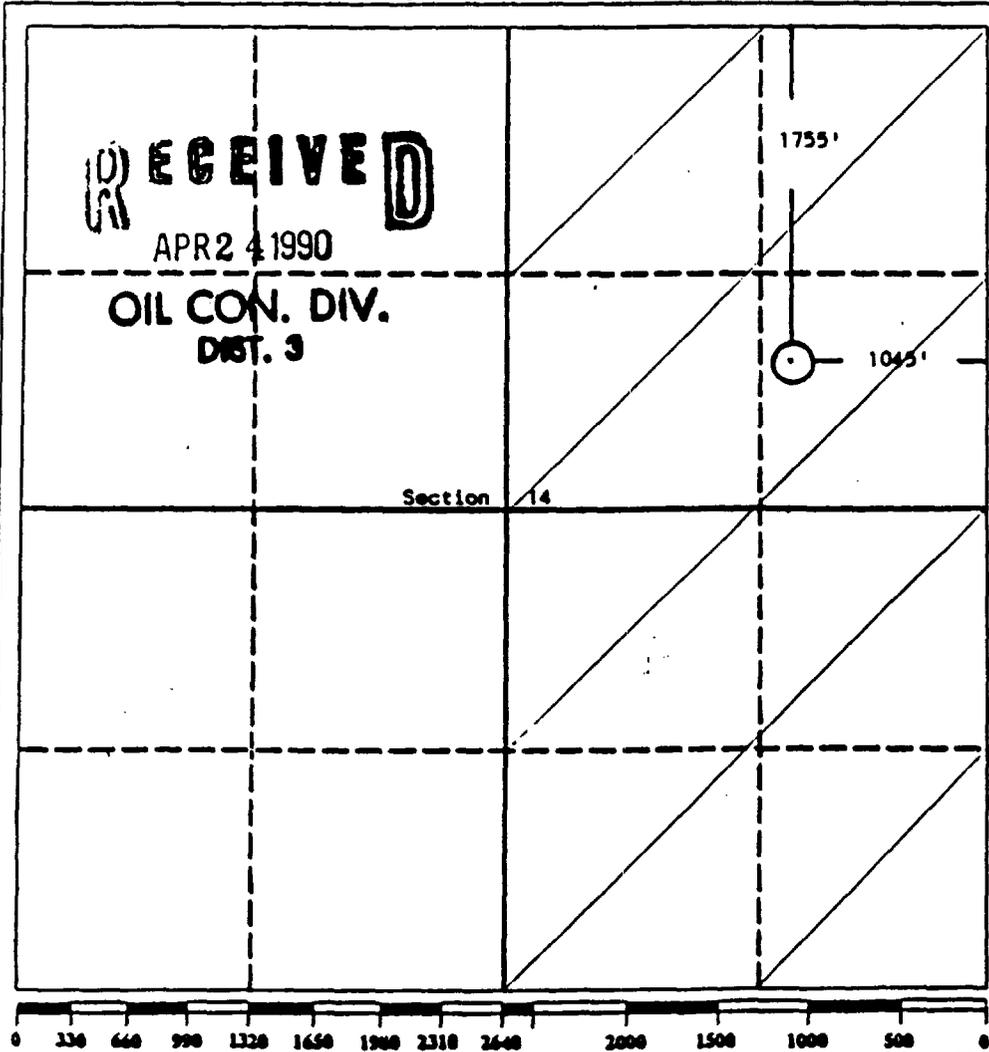
Operator McKenzie Methane Corporation			Lease Angel Peak 14H			Well No. #5		
Unit Letter H	Section 14	Township 27 North	Range 10 West	County San Juan		NMPM		
Actual Footage Location of Well: 1755 feet from the North line and 1045 feet from the East line								
Ground level Elev. 6150	Producing Formation Fruitland Coal			Pool Basin Fruitland Coal		Dedicated Acreage: E/320 Acres		

- Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.
- If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
- 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 _____

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

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.



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

Signature: *Heather Roark*
Heather Roark
Printed Name: Technician
Position: McKenzie Methane Corp.
Company: March 27, 1990
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.

Date Surveyed: January 25, 1990

Signature & Seal of Professional Surveyor: *Edgar L. Risenhoover*
Edgar L. Risenhoover
Professional Surveyor No. 5979
New Mexico State Board of Land Surveyors