

MERIDIAN OIL

May 9, 1989

SEE OWNERS ATTACHED

Re: REVISED WAIVER LETTER
Application of Meridian Oil, Inc.
for Approval of an Unorthodox
Well Location for its San Juan 30-6
Unit Well 406-R, Basin Fruitland
Coal Gas Pool,
Rio Arriba County, New Mexico

Gentlemen:

Meridian Oil Inc. has applied for an unorthodox well location for its San Juan 30-6 #406R well (replacement well for the #406 well) 2560' FNL & 2610' FWL of section 15-30N-7W, Rio Arriba County, New Mexico. The proration unit for the #406R consists of the W/2 of section 15-30N-7W. This proration unit is also the dedication proration unit for the #406 and #402 wells as indicated on the attached topographic plat map. Although the referenced application sets forth Meridian's intentions regarding each of the three (3) subject wells, we are hereby furnishing additional information and requesting an indication from each offset operator for its support or opposition to our application. Meridian would like to clarify our intentions as to the final disposition of the #406 and #402 wells after a determination of the productivity of the #406R well is made. At this time, Meridian plans to plug and abandon the #406 well and convert the #402 well to an observation well as evidenced by the attached copies of form 3160-5 filed with the Bureau of Land Management.

If you have no objection to our unorthodox location, please indicate in the spacing provided below and return one copy to the attention of the undersigned.

Very truly yours,



Alan Alexander
Senior Land Advisor

AA:jf
Enclosure
Document 279+
NM-116-U
cc: Tom Kellahin

CASE 9680

EXHIBIT 2

Objection to the referenced application is hereby waived.

____ day of _____, 1989

By: _____
Title: _____
Company: _____

MERIDIAN OIL

May 9, 1989

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for Approval of an Unorthodox
Well Location for its San Juan 30-6
Unit Well 406-R, Basin Fruitland
Coal Gas Pool,
Rio Arriba County, New Mexico

Gentlemen:

Please find attached a revised copy of the letter sent out on May 8, 1989. The last sentence in the first paragraph is incorrect. The well number should be 406, not 406R. Please destroy the first letter you received and return a signed copy of this letter.

If you have any questions regarding this, please contact the undersigned at 505-326-9757. I apologize for any inconvenience this may have caused you.

Very truly yours,


Alan Alexander
Senior Land Advisor

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Enclosure
Document 279+
NM-116-U
cc: Tom Kellahin
John Caldwell

SAN JUAN 30-6 UNIT #406 R

Blackwood & Nichols Co., LTD
1310 1st Natl. Center West
Oklahoma City, OK 73102

W. P. Carr, Individually & as Trustee
6700 Forest Lane
Dallas, Texas 75230

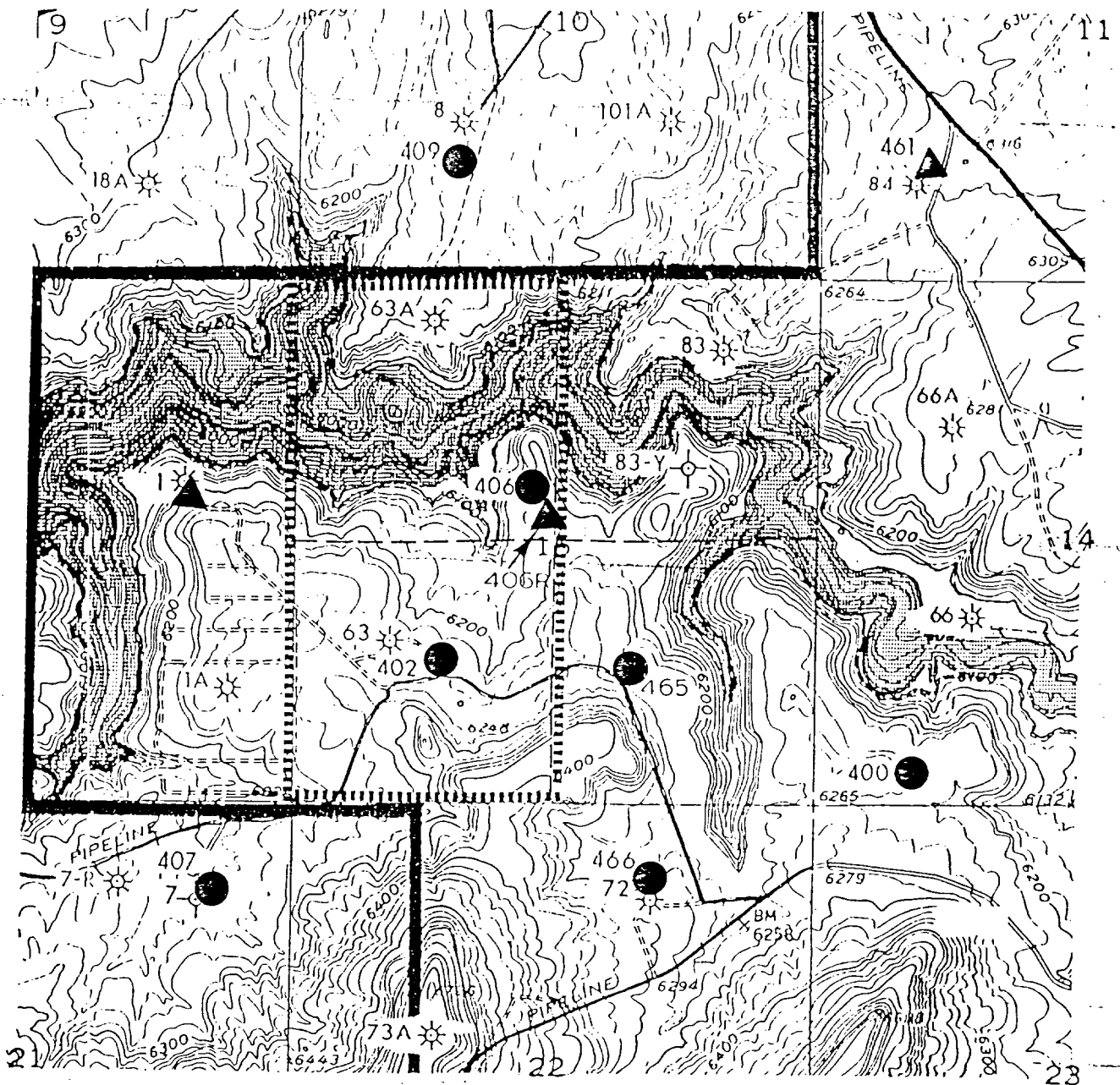
Amoco Production Company
Attention: Southern Division
Production Manager
Post Office Box 800
Denver, Colorado 80201

Amoco Production Company
Attention: District Manager
2325 East 30th Street
Farmington, New Mexico 87401

Cross Timbers Partners
c/o Cross Timbers Production Company
810 Houston Street, Suite 200
Fort Worth, TX 76102

Mr. Morris Mizel
c/o Mizel Resources
6560 East 41st Street
Tulsa, Oklahoma 74145

T. H. McElvain, Jr.
& T. H. McElvain Oil & Gas Properties
Post Office Box 2148
Santa Fe, New Mexico 87501



LEGEND

- EXISTING FRUITLAND COAL WELL
- ▲ PROPOSED FRUITLAND COAL WELL
- QUARTER SECTION BOUNDARY
- 320 ACRE DRILL BLOCK
- NORTHWEST BLANCO BOUNDARY

MERIDIAN OIL

SAN JUAN 30-6 UNIT #406R
UNORTHODOX LOCATION

2560' FNL, 2610' FWL
Sec.15, T30N, R7W

Rio Arriba Co., New Mexico

May 5, 1989

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUBMIT IN TRIPPLICATE*
(Other instructions on re-
verse side)

Form approved.
Budget Bureau No. 1004-0
Expires August 31, 1985

SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill or to deepen or plug back to a different reservoir. Use "APPLICATION FOR PERMIT—" for such proposals.		5. LEASE DESIGNATION AND SERIAL NO. NM-012710
1. <input type="checkbox"/> OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER		7. UNIT AGREEMENT NAME San Juan 30-6 U.
2. NAME OF OPERATOR El Paso Natural Gas Company		8. FARM OR LEASE NAME San Juan 30-6 U.
3. ADDRESS OF OPERATOR Post Office Box 4289, Farmington, NM 87499		9. WELL NO. 406
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements. See also space 17 below.) At surface 2105'N, 2390'W		10. FIELD AND POOL, OR WILDCAT Basin Fruitland
14. PERMIT NO.		11. SEC., T., R., M., OR S.W. 1/4, AND SURVEY OR AREA Sec. 15, T-30-N, R-N.M.P.M.
15. ELEVATIONS (Show whether OF, BT, OR, ETC.) 6244'GL		12. COUNTY OR PARISH 13. STATE Rio Arriba NM

16. Check Appropriate Box To Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
TEST WATER SHUT-OFF <input type="checkbox"/>	PULL OR ALTER CASING <input type="checkbox"/>	WATER SHUT-OFF <input type="checkbox"/>	REPAIRING WELL <input type="checkbox"/>
FRACTURE TREAT <input type="checkbox"/>	MULTIPLE COMPLETION <input type="checkbox"/>	FRACTURE TREATMENT <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
SHOOT OR ACIDIZE <input type="checkbox"/>	ABANDON* <input type="checkbox"/>	SHOOTING OR ACIDIZING <input type="checkbox"/>	ABANDONMENT* <input type="checkbox"/>
REPAIR WELL <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	(Other) <input type="checkbox"/>	

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

17. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting and 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.)

It is intended to plug and abandon this well by:

MOL&RU. NDWH. NU BOP
TOOH w/2 3/8" tbg and replace bad joints.
TIE to 3085'. Spot 52 sx cement for a plug from 2745-3085' (50% excess to cover the perfs and the top of the Fruitland sandstone formation. Pull tbg to 2500' at less than 30 ft/min. WOC. Tag plug and record to Circulate hole w/105 bbls. 9#/gal mud (50 sec/qt vis). Pull tbg to 2075'. Spot 29 sx cement for a plug from 1975-2075' (50% excess) and cover the top of the Ojo Alamo. Pull tbg to 100'. Spot 19 sx cement and circulate to surface. Cut c wellhead and set dry hole marker. Rig down and move off location.

This well is currently shut in. Plugging operations will commence upon the establishment of commercial production from the San Juan 30-6 Unit #406R.

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

SIGNED

(This space for Federal or State office use)

TITLE

Regulatory Affairs

DATE

05-05-

APPROVED BY

CONDITIONS OF APPROVAL, IF ANY:

TITLE

DATE

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUBMIT IN TRIPLICATE*
(Other instructions on re-
verse side)

Form approved.
Budget Bureau No. 1004-01
Expires August 31, 1985

5. LEASE DESIGNATION AND SERIAL NO.

NM-012710

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

SUNDRY NOTICES AND REPORTS ON WELLS

(Do not use this form for proposals to drill or to deepen or plug back to a different reservoir.
Use "APPLICATION FOR PERMIT—" for such proposals.)

1. OIL WELL ☐ GAS WELL ☐ OTHER ☒

2. NAME OF OPERATOR

El Paso Natural Gas Company

3. ADDRESS OF OPERATOR

Post Office Box 4289, Farmington, NM 87499

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.*
See also space 17 below.)
At surface

1455'S, 1455'W

7. UNIT AGREEMENT NAME

San Juan 30-6

8. FARM OR LEASE NAME

San Juan 30-6

9. WELL NO.

402

10. FIELD AND POOL, OR WILDCAT

Basin Fruitland

11. SEC., T., R., M., OR BLK. AND
SURVEY OR AREA

Sec. 15, T-30-N, R-
N.M.P.M.

14. PERMIT NO.

15. ELEVATIONS (Show whether OF, RT, GR, etc.)

6250'GL

12. COUNTY OR PARISH; 13. STATE

Rio Arriba NM

16. Check Appropriate Box To Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:

TEST WATER SHUT-OFF

FRACTURE TREAT

SHOOT OR ACIDIZE

REPAIR WELL

(Other)

RELL OR ALTER CASING

MULTIPLE COMPLETION

ABANDON*

CHANGE PLANS

SUBSEQUENT REPORT OF:

WATER SHUT-OFF

FRACTURE TREATMENT

SHOOTING OR ACIDIZING

(Other)

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ALTERING CASING

ABANDONMENT*

(NOTE: Report results of multiple completion on Well
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proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones perti-
nent to this work.)

It is intended to convert this well to a pressure observation well

MCL&RU. NDWH, NU BOP.

TCOH w/2 7/8" tbg.

TIH w/2 3/8" tbg and sidemounted pressure bomb.

Strap conductor wire to tubing at each collar.

Land bomb at 3080'. NU WH w/wellhead exit bushing.

Rig down and move off location.

This well will be shut in and work will be commenced upon
the establishment of commercial production from the San Juan 30-6
Unit #406R.

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

SIGNED

(This space for Federal or State office use)

TITLE

Regulatory Affairs CS

DATE

05-05

APPROVED BY

CONDITIONS OF APPROVAL IF ANY:

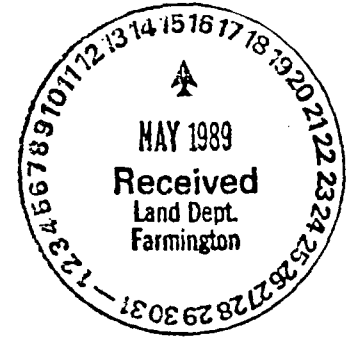
TITLE

DATE

*See Instructions on Reverse Side

MERIDIAN OIL

May 9, 1989



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Well Location for its San Juan 30-6
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Document 279+
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cc: Tom Kellahin
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Alan Alexander
Senior Land Advisor

AA:jf
Enclosure
Document 279+
NM-116-U
cc: Tom Kellahin

Objection to the referenced application is hereby waived.

11 day of May, 1989

By: W.P. Case
Title: _____
Company: _____

Section 406-R
Final Sale
cc AA

Cross Timbers Production Company

May 11, 1989



Meridian Oil Inc.
P.O. Box 4289
Farmington, New Mexico 87499-4289
Attention: Mr. Alan Alexander

Re: Unorthodox Location
Unit Well No. 406-R
San Juan 30-6 Unit
W/2 Section 15-30N-7W
Rio Arriba County, New Mexico
Frances Creek State Com #1

Gentlemen:

Please find enclosed Cross Timbers' approval of your unorthodox location for the subject San Juan 30-6 Unit well.

Should you have any questions please call me at (817) 877-2336.

Yours very truly,


Edwin S. Ryan, Jr.

attachment

MERIDIAN OIL

May 8, 1989

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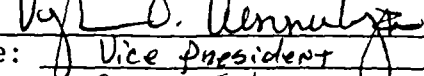


Alan Alexander
Senior Land Advisor

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11 day of May, 1989

By: 
Title: Vice President
Company: Cross Timbers