

MERIDIAN OIL
August 7, 1991

OIL CONSERVATION DIVISION
RECEIVED

AUG 9 08

State of New Mexico
Energy, Minerals and Natural Resources Dept.
Oil Conservation Commission
P. O. Box 2088
Santa Fe, New Mexico 87504
Attn: William J. Lemay
Director

RE: APPLICATION FOR A NON-STANDARD 120-ACRE
GAS PRORATION UNIT & UNORTHODOX LOCATION
RHODES (GSU) NO. 28
N, 1780' FWL & 660' FSL
SEC. 8, T26S, R37E
RHODES YATES SEVEN RIVER GAS POOL
LEA COUNTY, NEW MEXICO
LC-030181A

Dear Mr. Lemay:

Meridian is applying for administrative approval for a non-standard 120-acre gas proration unit. The SW/4 of the SW/4 of Sec. 8 is not part of the Rhodes (GSU) Lease, therefore, we only have 120-acres to assign to this well.

Also, an unorthodox location approval is requested due topography conditions. This location cannot be moved to the north or east as there is a pipeline and a sunken area at a regular location.

Meridian is the only offset operator that offsets this track who produces in the same pool and reservoir. There are no offset operators to notify.

Should you require additional information on this request, please contact me at 915-686-5767.

Sincerely,



Maria L. Perez
Production Asst.

MLP/sm

xc: Well File
D. McBee
Land (2)
Drilling
Prod. Eng

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

CONTACT RECEIVING
OFFICE FOR NUMBER
OF COPIES REQUIRED
(Other instructions on
reverse side)

BLM Roswell District
Modified Form No.
NM060-3160-2

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK			5. LEASE DESIGNATION AND SERIAL NO. LC-030181A
1a. TYPE OF WORK DRILL <input checked="" type="checkbox"/> DEEPEN <input type="checkbox"/> PLUG BACK <input type="checkbox"/>			6. IF INDIAN, ALLOTTEE OR TRIBE NAME
b. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER <input type="checkbox"/> SINGLE ZONE <input checked="" type="checkbox"/> MULTIPLE ZONE <input type="checkbox"/>			7. UNIT AGREEMENT NAME
2. NAME OF OPERATOR Meridian Oil Inc.		3a. AREA CODE & PHONE NO. 915-686-5767	8. FARM OR LEASE NAME Rhodes GSU
3. ADDRESS OF OPERATOR P.O. Box 51810, Midland, TX 79710-1810			9. WELL NO. 28
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.*) At surface N, 1780' FWL & 660' FSL At proposed prod. zone			10. FIELD AND POOL, OR WILDCAT Rhodes Yates-Seven Rivers
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE* 5 miles South of Jal			11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA Sec. 8, T-26-S, R-37-E
15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drig. unit line, if any) 460'		16. NO. OF ACRES IN LEASE 5480	17. NO. OF ACRES ASSIGNED TO THIS WELL 120
18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 3780'		19. PROPOSED DEPTH 3100'	20. ROTARY OR CABLE TOOLS Rotary
21. ELEVATIONS (Show whether DF, RT, GR, ETC.) 2974.3' GR			22. APPROX. DATE WORK WILL START* Upon Approval

23. PROPOSED CASING AND CEMENTING PROGRAM

HOLE SIZE	CASING SIZE	WEIGHT/FOOT	GRADE	THREAD TYPE	SETTING DEPTH	QUANTITY OF CEMENT
12-1/4"	8-5/8"	24#	K-55	STC	400'	250 sxs - Circ
7-7/8"	4-1/2"	11.6#	K-55	LTC	3100'	850 sxs - Circ

Non-Standard 120 acre gas proration Unit.
Unorthodox Location - Topography Conditions. This location cannot be moved further north or east as there is a pipeline and a sunken area at a regular location.

CASING AND CEMENTING:

Drill 12-1/4" hole to 400', Set 8-5/8" csg @ 400'. Cmt w/250 sx Class C cmt, Circ to surf.
Drill 7-7/8" hole to 3100', Set 4-1/2" csg @ 3100'. Cmt w/850 sx Class C cmt, Circ to surf.

MUD PROGRAM:

0-400' fresh water gel & lime; 400'-3100' salt water w/MW 9.8-10.2, no abnormal pressures or temperatures expected.

BOP PROGRAM:

10" 3M BOP stack to be installed on 8-5/8" csg and left for remainder of drilling. Stack to consist of blind ram BOP, and one pipe ram BOP. Test BOP's using an independent tester after setting the 8-5/8" csg.

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 Maria L. Perez TITLE Production Asst. DATE 8-7-91

(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____

APPROVED BY _____ TITLE _____ DATE _____
CONDITIONS OF APPROVAL, IF ANY:

***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

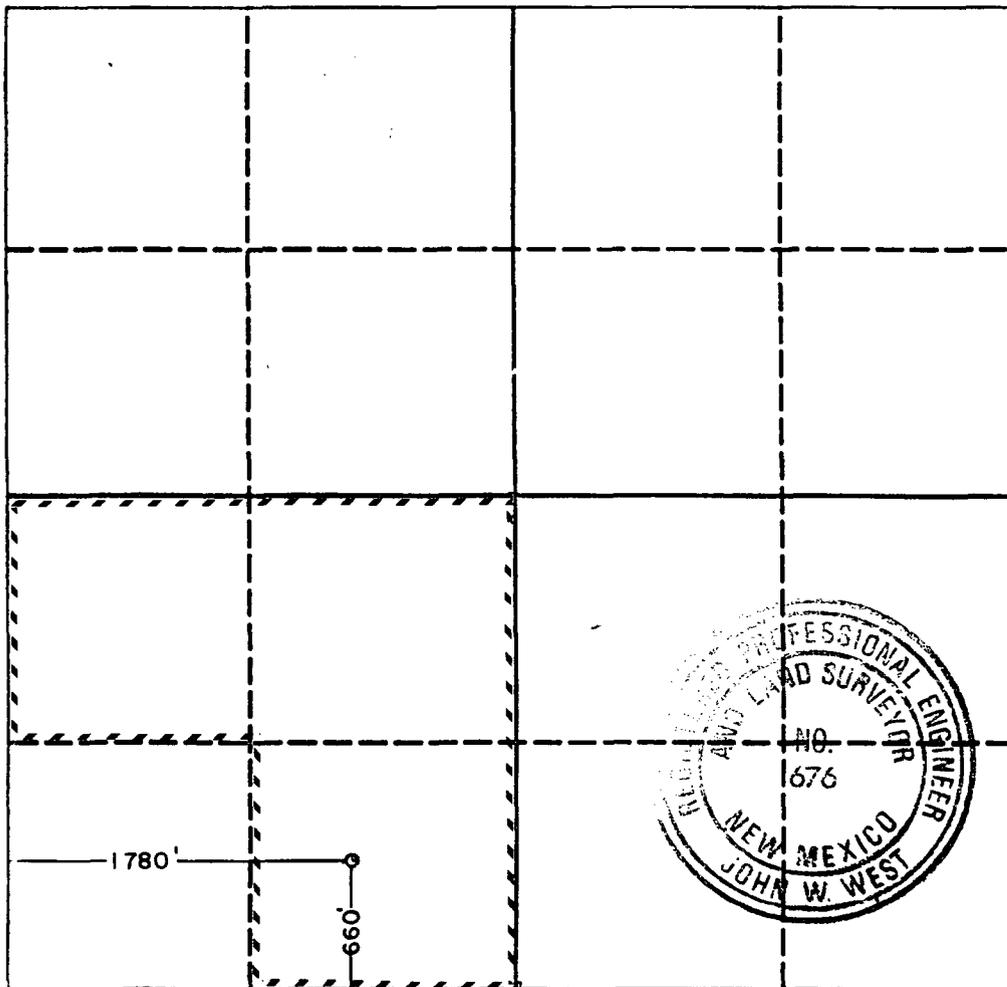
DISTRICT III
 1000 Rio Brazos Rd., Aztec, NM 87410

WELL LOCATION AND ACREAGE DEDICATION PLAT

All Distances must be from the outer boundaries of the section

Operator MERIDIAN OIL INC.			Lease Rhodes GSU		Well No. 28
Unit Letter N	Section 8	Township 26 South	Range 37 East	County Lea	
Actual Footage Location of Well: 1780 feet from the West line and 660 feet from the South line					
Ground level Elev. 2974.3	Producing Formation Yates - Seven Rivers		Pool Rhodes Yates-Seven Rivers		Dedicated Acreage: 120 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
Maria L. Perez
 Printed Name
 Maria L. Perez
 Position
 Production Asst.
 Company
 Meridian Oil Inc.
 Date
 8-7-91

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
 August 1, 1991
 Signature & Seal of Professional Surveyor
John W. West
 Certificate No. JOHN W. WEST, 676
 RONALD J. EIDSON, 3239

MERIDIAN OIL INC.
Rhodes GSU #28
Sec. 8, T26S, R37E
Lea County, New Mexico
LC-030181A

To supplement BLM Form 3160-3 Application to Drill the following additional information is submitted concerning questions on Page 5 of NTL-6:

1. See Form 3160-3
2. See Form 3160-3
3. The geological name of surface formation is: Ochoa
4. See Form 3160-3
5. See Form 3160-3
6. The estimated tops of important geological markers are:

Red Beds	400'	Yates	2,910'
Rustler	1,095'	7 Rivers	3,170'
Salado	1,280'		
Tansil	2,780'		

7. The estimated depths at which anticipated water, oil, gas, and mineral bearing strata are as follows:

Yates	2,910'- Gas
7/Rvrs	3,170'- Gas

8. See Form 3160-3. All casing will be new.
9. See Form 3160-3 for depths of strings. Cement volumes and additions as follows:
 - A. 12-1/4" hole, 8-5/8", 28#, K-55, BTC Csg set @ 400'±: Cement w/250 sx Lite "C" cmt w/2%CaCl₂. Circulate to surface
 - B. 7-7/8" hole, 4-1/2", 11.6#, K-55, LTC set @TD: Cement w/+850 sx Cl "C". Circulate to surface.

A caliper log will be run prior to setting 4-1/2" pipe to determine exact cement volumes required.

10. The pressure control diagram is attached to Form 3160-3. The following additional information is as follows:

8 5/8" casing installation: 10" - 3M BOP stack to be installed and tested by an independent tester to 1500 psi before drilling the 8 5/8" casing shoe. The BOP stack is to consist of an annular BOP, blind ram BOP and one pipe ram BOP.

11. See Form 3160-3.

12. A. DST Program: None
B. Core: None
C. Mud Logging: Two-man unit 2500' TD.
D. Wire Line Logs:

The following set of logs will be run in both of the listed intervals:

CNL-LDT/GR TD - 2000' (CNL/GR to surface)
DLL/MLL/MSFL/GR TD - 2000'.

13. No abnormal pressures are anticipated. Bottom hole pressures to TD expected to be +500# psi. Bottom hole temperature 100° F. No hydrogen sulfide expected in this known drilling area. No crooked hole or abnormal deviation problems.
14. Anticipated starting date of spud - upon approval. Anticipated drilling time expected to be 6 days from surface to TD.

SURFACE USE PLAN

MERIDIAN OIL INC.
RHODES GSU #28
N, 1780' FWL & 660' FSL
Sec. 8, T-26-S, R-37-E
Lea County, New Mexico
LC-030181A

This plan is submitted with Application to Drill on above described well. The minerals are federal and the surface is leased for grazing (See below for surface lessee). The purpose of this plan is to describe the location, proposed construction activities and operations plans, magnitude of necessary surface disturbance and procedures to be followed in rehabilitating the surface after completion of the operation so that complete appraisal can be made of the environmental effects associated with the operations.

1. Existing Roads:

Exhibit "A" is a portion of a BLM topographic map showing the location of the proposed well as staked.

Directions to the well are as follows: From Jal, go south, 4.5 miles from highway #128 on hwy 18. Turn right on caliche road and go to southwest 0.4 miles. Turn right on caliche road and head westerly for 0.6 miles. This is 1/4 miles south of location.

Planned Access Road:

- a. One road will be built from the existing lease road to the proposed location. A proposed road right of way 50 feet wide, 2850.3 feet or 0.54 miles in length, being 25 feet left and right of platted Exhibit B.
- b. Surfacing material: Caliche will be obtained from an existing pit in Sec. 12 or other available approved locations.

3. Location of Existing Wells in Area:

See Exhibit "C"

4. Location of Proposed Facilities:

Location of proposed well site and tank battery is shown on Exhibit "D". The battery will be located on proposed well pad; no additional surface disturbance will be necessary.

5. Water Supply:

No available surface or sub-surface fresh water exists in the vicinity of the proposed well. Drilling water will be transported or pumped to the drill site from the nearest commercial source.

6. Source of Construction Material:

Caliche for surfacing access road and pad will be obtained from an existing pit located in the NW/4 of SE/4 of Sec. 12. Alternately, caliche will be obtained from on-site or other suitable, approved site.

7. Handling Waste Disposal:

- a. Drill cuttings - disposed into drilling pits.
- b. Drill fluids - allowed to evaporate in drill pits until pits dry.
- c. Produced water during testing - drill pits.
- d. Produced oil during testing - storage tank until sold.
- e. Current laws and regulations pertaining to disposal of human waste will be observed.
- f. Reserve pit will be plastic lined.
- g. Waste paper, garbage, and junk will be disposed of into a special container on location. All waste material will be regularly removed to an approved landfill.
- h. All trash and debris will be buried or removed from well site within 30 days after drilling and/or completion operations are finished.

8. Ancillary Facilities:

Proposed power line shown on attached plat, Exhibit "E".

9. Plans for Restoration of Surface:

- a. After completion of drilling and/or completion of operations, all equipment and other material not needed for operations will be removed. Pits will be filled and locations cleaned of trash and junk to leave well in as aesthetically pleasing a condition as possible.
- b. Any unguarded pits containing fluids will be fenced until filled.
- c. After abandonment of well, surface restoration will be in accordance with the Bureau of Land Management Surface Requirements.

10. Topography and Soil:

New Mexico Archaeological Services, Inc. Report by Dr. J. Loring Haskell will be submitted to Mr. George Rubelmann, BLM, Carlsbad.

11. Land Use:

Grazing and hunting - Federal

Surface Lessee - Millard Dublin
P. O. Box 995
Jal, NM 88252

12. Surface Ownership:

Bureau of Land Management (Federal)

13. Operators Representatives:

Field representatives (Responsible for compliance with approved surface use and operations plan):

Meridian Oil Inc.
P. O. Box 837
Hobbs, New Mexico 88240
Office: 505-393-5844

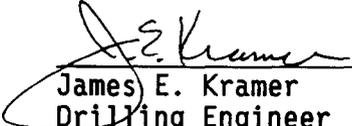
Mr. Johnny Ellis, Drilling Foreman, or a consultant
Hobbs, New Mexico
Home: 505-393-8150

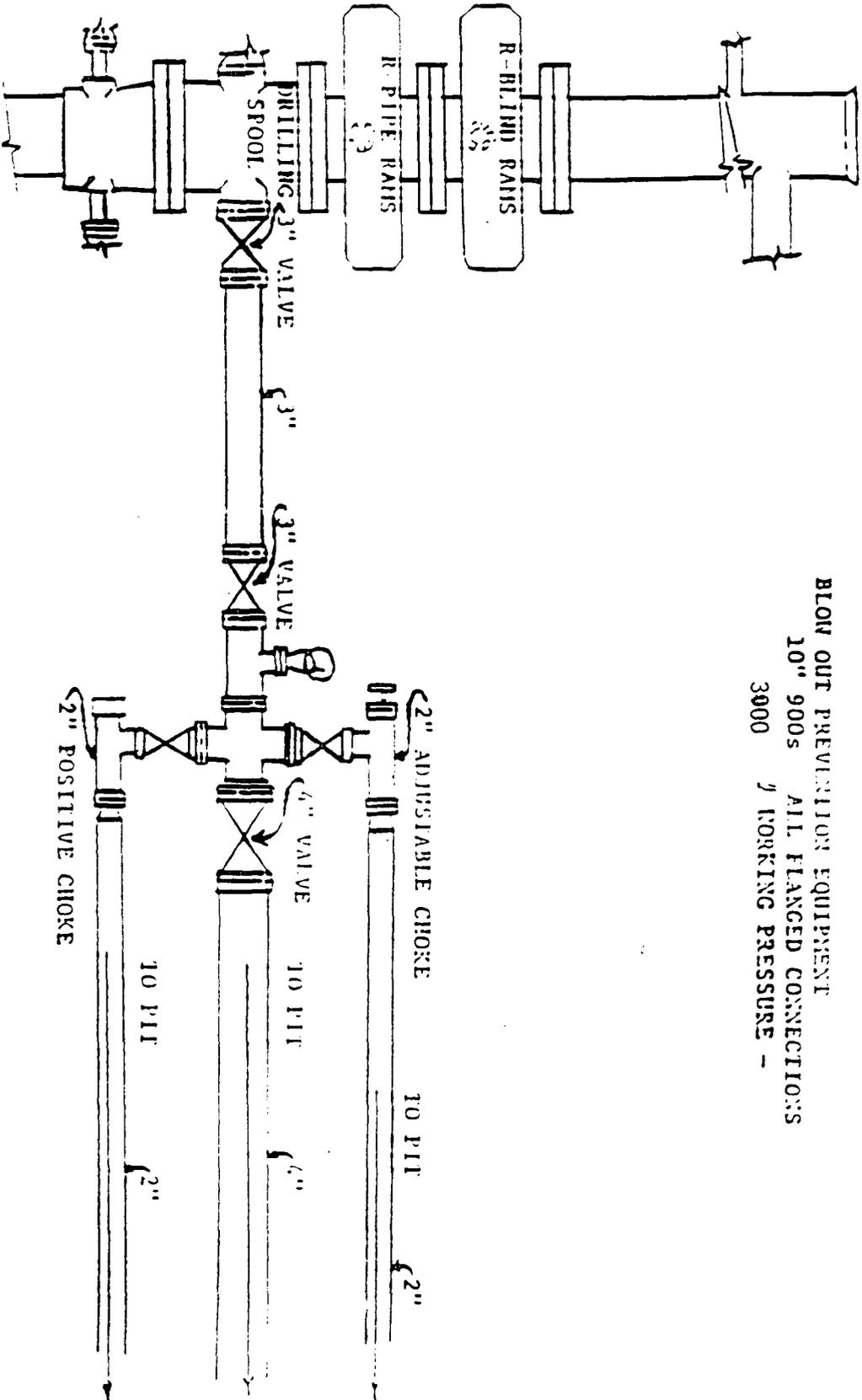
Mr. Bill Dawson, Drilling Superintendent
Midland, Texas Office: 915-686-5600
Home: 915-682-9037

14. Certification:

I hereby certify that I, or persons under my supervision, have inspected the proposed drill site and access route; that I am familiar with conditions which presently exist; that the statements made in this plan are, to the best of my knowledge, true and correct; and the work associated with the operations proposed herein will be performed by Meridian Oil Inc. and its contractors and sub-contractors in uniformity with this plan and the terms and conditions under which it is approved.

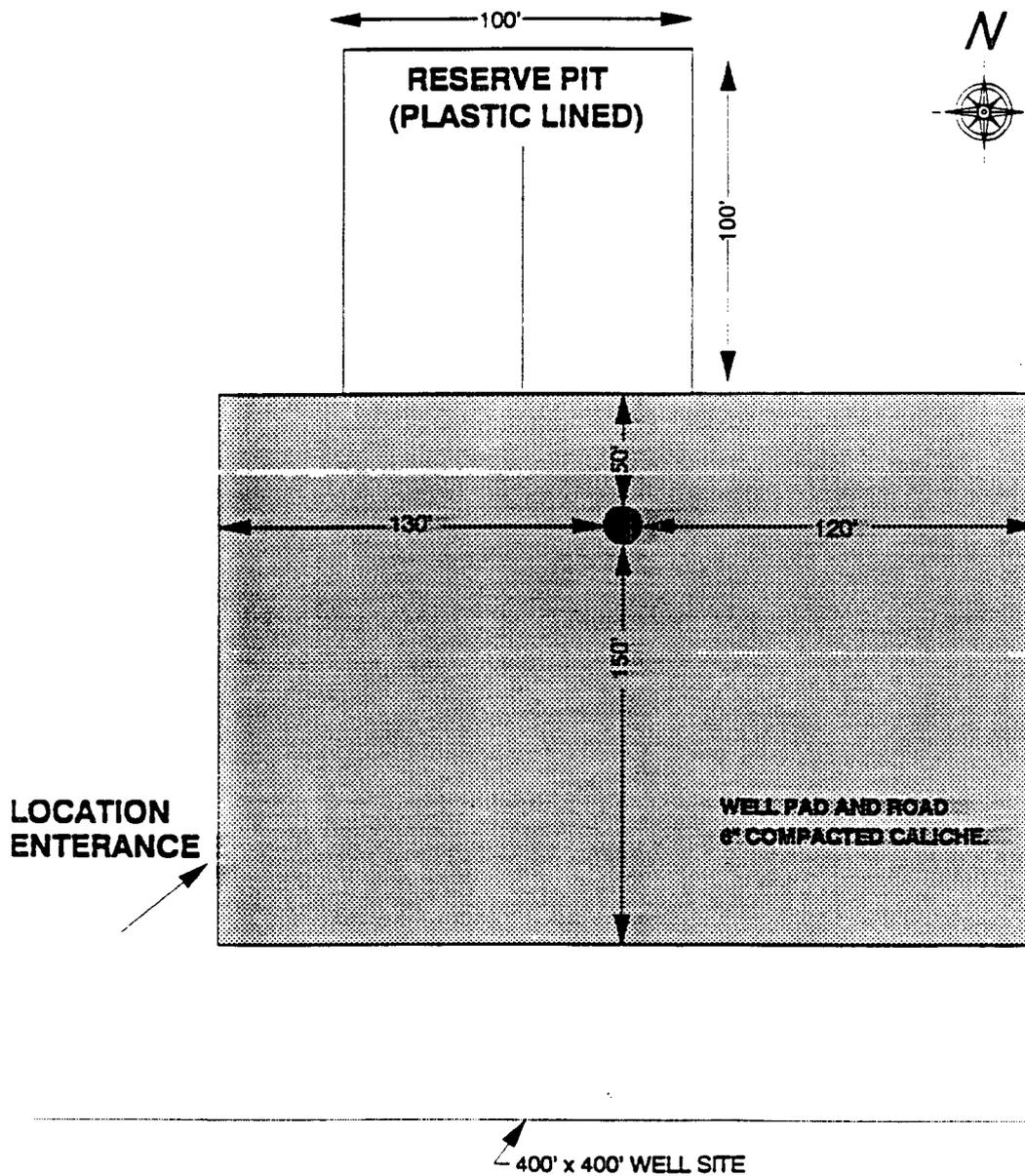
Date: _____


James E. Kramer
Drilling Engineer
Meridian Oil Inc.

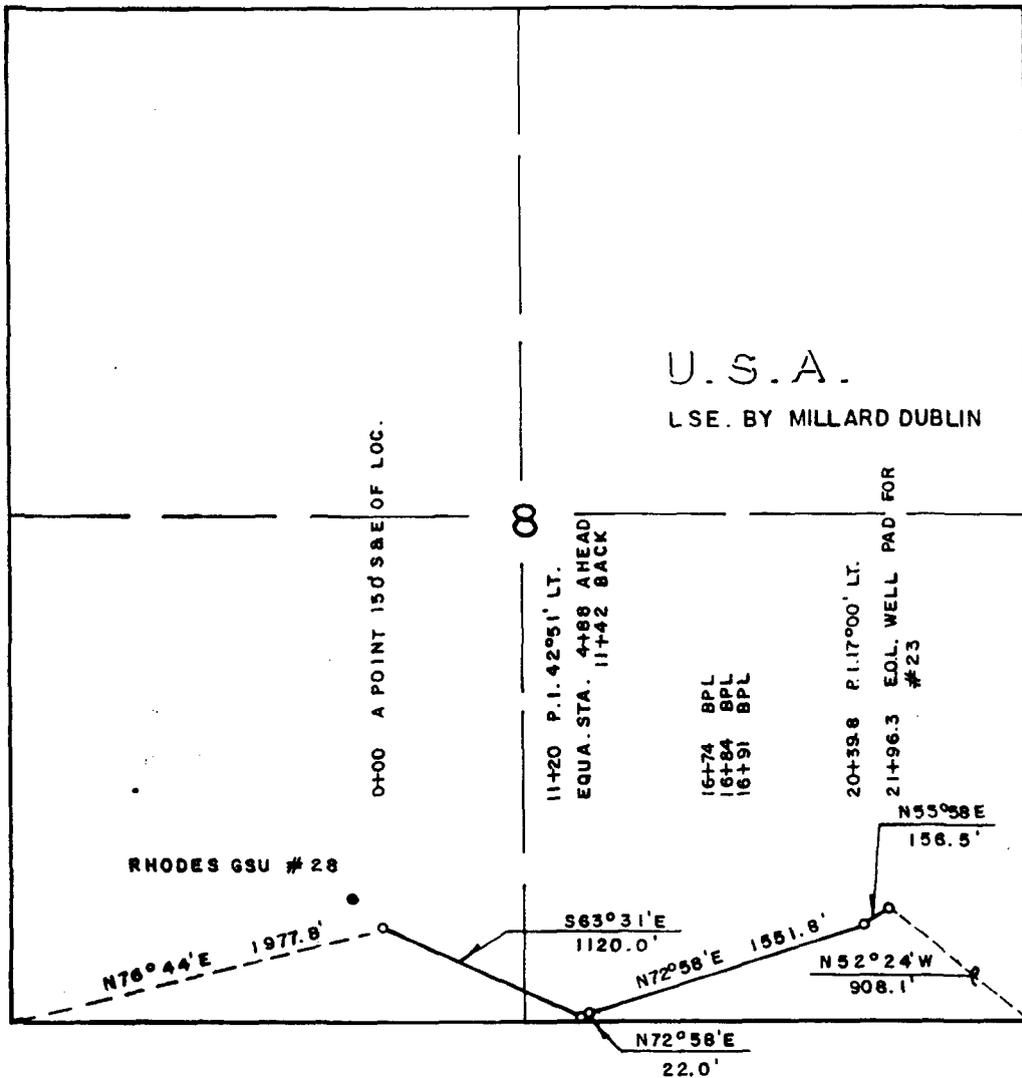


BLOW OUT PREVENTION EQUIPMENT
 10" 9005 ALL FLANGED CONNECTIONS
 3000 WORKING PRESSURE -

MERIDIAN OIL
MIDLAND REGION
DRILL WELL LOCATION SPECIFICATIONS



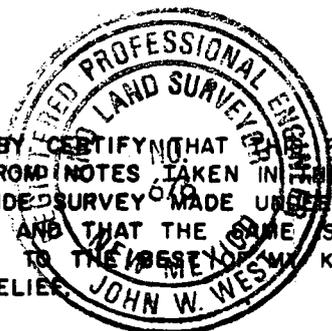
SECTION 8, TOWNSHIP 26 SOUTH, RANGE 37 EAST, N.M.P.M.,
LEA COUNTY, NEW MEXICO



A proposed road right of way 50 feet wide, 2850.3 feet or 0.54 miles in length, being 25 feet left and right of the above platted centerline:

EXHIBIT B

I HEREBY CERTIFY THAT THIS PLAT WAS MADE FROM NOTES TAKEN IN THE FIELD IN A BONA FIDE SURVEY MADE UNDER MY SUPERVISION, AND THAT THE SAME IS TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.



John W. West
JOHN W. WEST, N.M. P.E. & L.S. No. 676
TEXAS R.P.S. No. 1138
RONALD J. EIDSON, N.M. L.S. No. 3239
TEXAS R.P.S. No. 1883

Rhodes GSU #28 - Road

MERIDIAN OIL

A proposed road right of way in Section 8, Township 26 South, Range 37 East, NMPM, Lea County, New Mexico

JOHN W. WEST ENGINEERING COMPANY		HOBBS, NEW MEXICO	
CONSULTING ENGINEERS		HOBBS, NEW MEXICO	
Scale: 1" = 1000'	Drawn By: Doport		
Date: 8-03-91	Ck. glj	Sheet 1 of 1	Sheets

SECTION 8, TOWNSHIP 26 SOUTH, RANGE 37 EAST, N.M.P.M.,
LEA COUNTY, NEW MEXICO

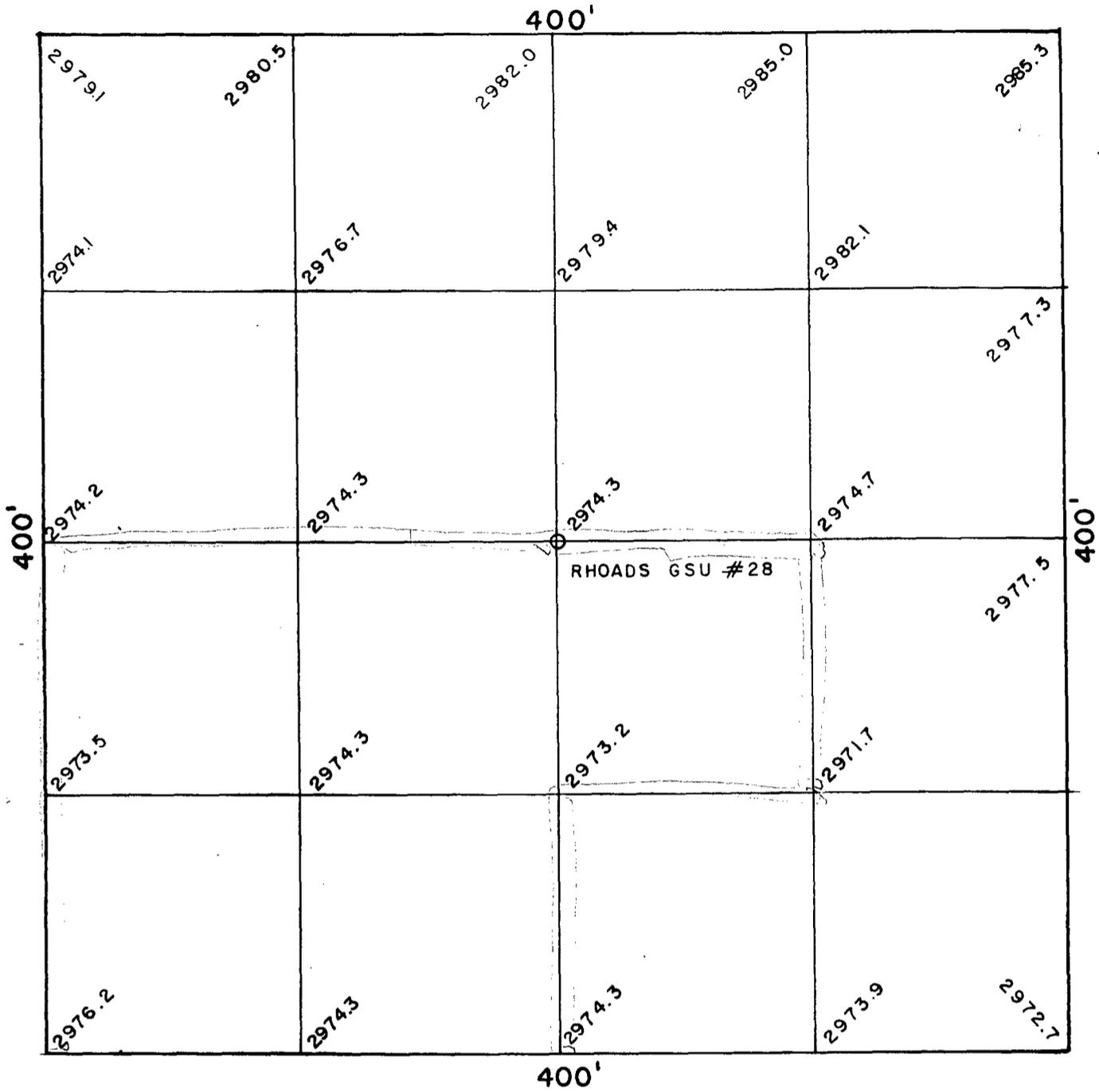
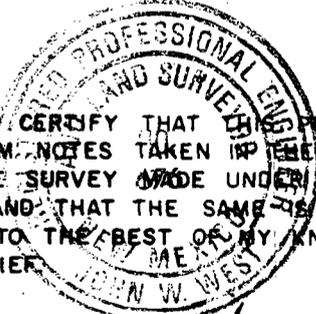


EXHIBIT A

I HEREBY CERTIFY THAT THIS PLAN WAS MADE FROM NOTES TAKEN IN THE FIELD IN A BONA FIDE SURVEY MADE UNDER MY SUPERVISION, AND THAT THE SAME IS TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.



JOHN W. WEST, N.M. P.E. & L.S. No. 676
TEXAS R.P.S. No. 1138
RONALD J. EIDSON, N.M. L.S. No. 3239
TEXAS R.P.S. No. 1883

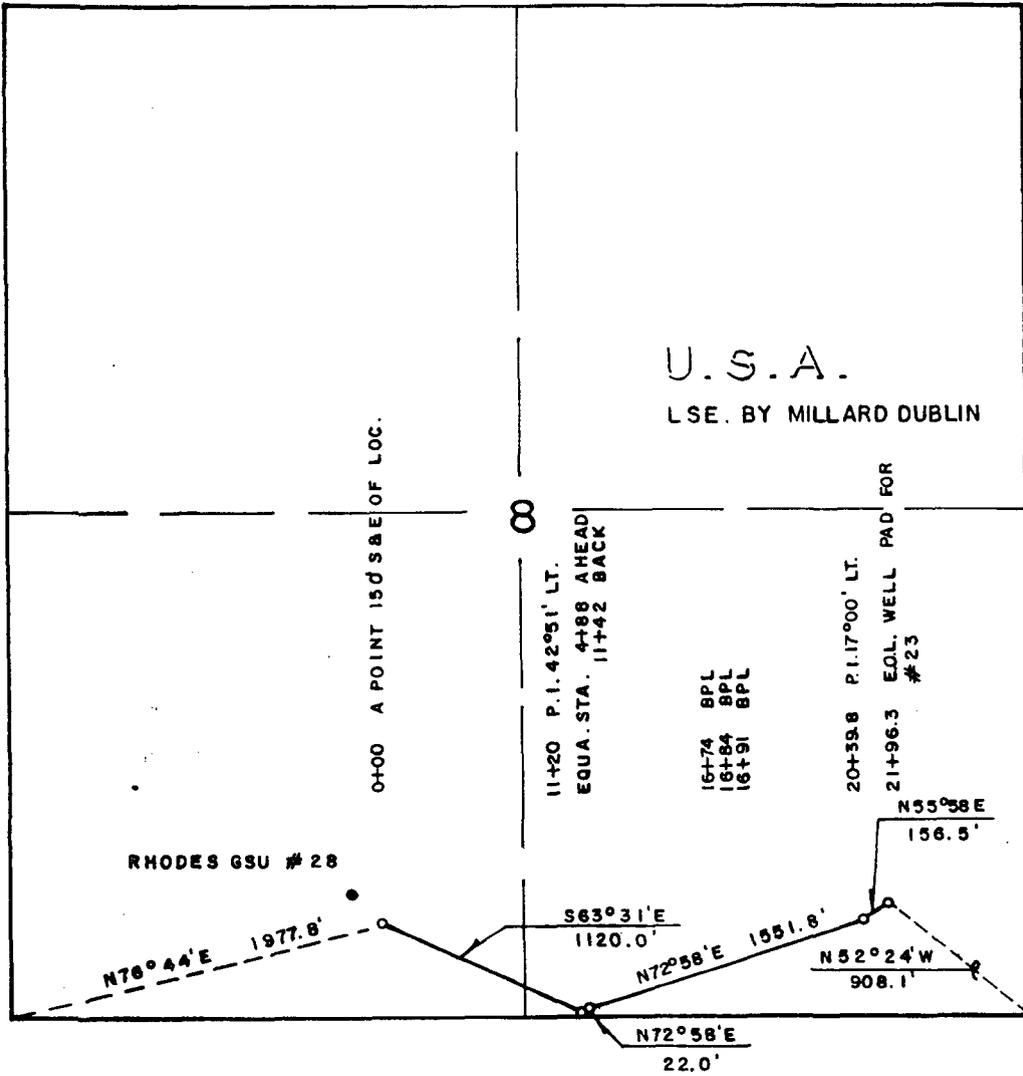
MERIDIAN OIL

A 100 FOOT GRID AROUND RHODS GSU NO.28
LOCATED 1780 FEET FWL AND 660 FEET FSL OF
SECTION 8, TOWNSHIP 26 SOUTH, RANGE 37 EAST,
N.M.P.M., LEA COUNTY, NEW MEXICO.

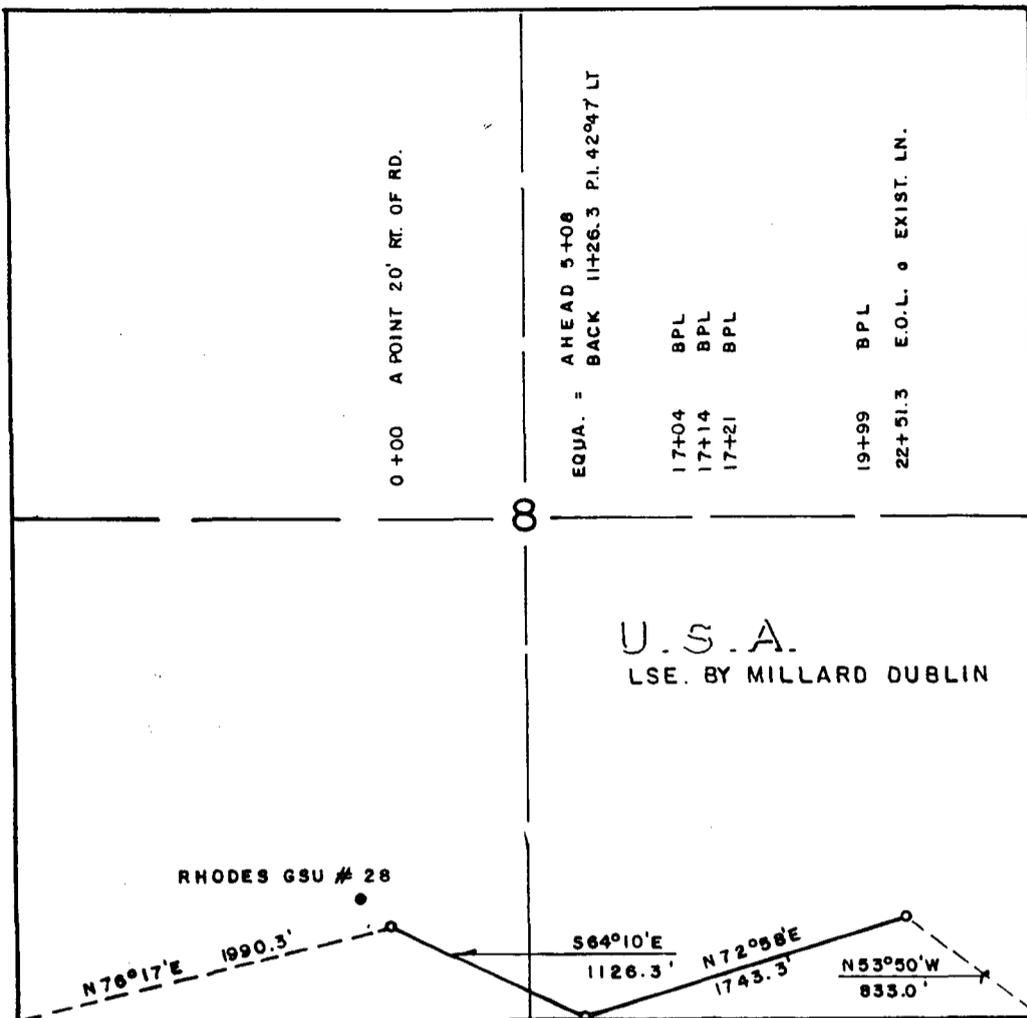
JOHN W. WEST ENGINEERING COMPANY
CONSULTING ENGINEERS HOBBS, NEW MEXICO

Scale: 1"=60'	Drawn By: R. DOPORTO
Date: 8-3-91	Sheet 1 of 1 Sheets

SECTION 8, TOWNSHIP 26 SOUTH, RANGE 37 EAST, N.M.P.M.,
LEA COUNTY, NEW MEXICO



SECTION 8, TOWNSHIP 26 SOUTH, RANGE 37 EAST, N.M.P.M.,
LEA COUNTY, NEW MEXICO



A proposed electric line right of way 50 feet wide, 2869.6 feet or 0.54 miles in length, being 25 feet left and right of the above platted centerline:

EXHIBIT E

Rhodes GSU #28 - Electric line

I HEREBY CERTIFY THAT THIS PLAT WAS MADE FROM NOTES TAKEN IN THE FIELD IN A BONA FIDE SURVEY MADE UNDER MY SUPERVISION, AND THAT THE SAME IS TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.

John W. West

JOHN W. WEST, N.M. P.E. & L.S. No. 676
TEXAS R.P.S. No. 1138
RONALD J. EIDSON, N.M. L.S. No. 3239
TEXAS R.P.S. No. 1883

MERIDIAN OIL			
A proposed electric line right of way located in Section 8, Township 26 South, Range 37 East, NMPM, Lea County, New Mex.			
JOHN W. WEST ENGINEERING COMPANY			
CONSULTING ENGINEERS		HOBBS, NEW MEXICO	
Scale:	1" = 1000'	Drawn By:	Doporto
Date:	8-03-91	Ck. glj	Sheet 1 of 1 Sheets