



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION



BRUCE KING
GOVERNOR

ANITA LOCKWOOD
CABINET SECRETARY

March 15, 1994

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87504
(505) 827-5800

Meridian Oil, Inc.
P.O. Box 4289
Farmington, NM 87499-4289

Attention: Peggy Bradfield

Administrative Order NSL-1123-A

Dear Ms. Bradfield:

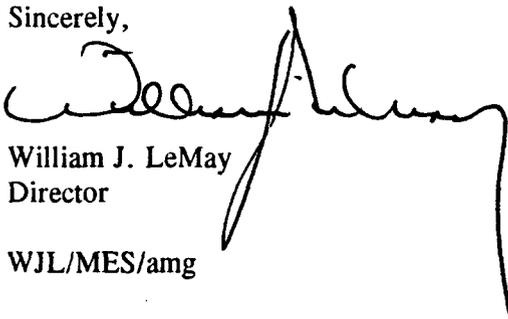
Reference is made to your application dated February 21, 1994 for a non-standard Blanco-Mesaverde gas well location for your existing Klein Well No. 28 (API No. 30-039-22261) which was drilled in 1980 and completed in the Basin-Dakota Pool at a previously approved unorthodox gas well location (Division Administrative Order NSL-1123, dated December 26, 1979) 2170 feet from the South line and 1840 feet from the West line (Unit K) of Section 33, Township 26 North, Range 6 West, NMPM, Rio Arriba County, New Mexico.

It is my understanding that the Blanco Mesaverde gas zone is to be downhole commingled with the Basin-Dakota Pool, and pursuant to the Special Rules and Regulations for the Blanco-Mesaverde Pool, as promulgated by Division Order No. R-8170, as amended, said location is also considered unorthodox.

By the authority granted me under the provisions of Rule 2(d) of said Order No. R-8170, as amended, the above-described unorthodox Blanco-Mesaverde gas well location is hereby approved. Further, the Blanco-Mesaverde interval is to be dedicated to an existing standard 320-acre gas spacing and proration unit, comprising the W/2 of said Section 33, that currently has dedicated thereon the Klein Well No. 7 located in Unit "D" of said Section 33.

All provisions of said Administrative Order NSL-1123 shall remain in full force and effect until further notice.

Sincerely,


William J. LeMay
Director

WJL/MES/amg

cc: Oil Conservation Division - Aztec
US Bureau of Land Management - Farmington
File: NSL-1123

MERIDIAN OIL

OIL CONSERVATION DIVISION
RECEIVED

1994 MAR 22 AM 8 39

February 21, 1994

Federal Express

Mr. William LeMay
New Mexico Oil Conservation Division
310 Old Santa Fe Trail
Santa Fe, New Mexico 87503

NSL-1123-A

Re: Klein #28
2170'FSL, 1840'FWL
Section 33, T-26-N, R-6-W, Rio Arriba County, NM
API # 30-039-22261

Dear Mr. LeMay:

This is a request for administrative approval for a non-standard gas well location in the Blanco Mesa Verde Pool.

Meridian Oil intends to temporarily abandon this well in the Basin Dakota, recomplete in the Blanco Mesa Verde, and temporarily put on production. The well will then be commingled in the Basin Dakota and Blanco Mesa Verde formations. An application is being made for an area commingle of the entire Klein leases. This well was drilled as a Basin Dakota under NSL-1123 dated December 16, 1979. 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,

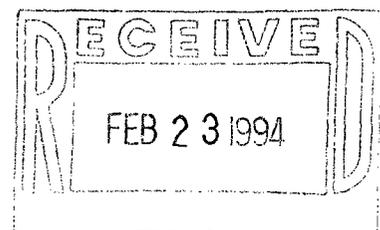
Peggy Bradfield
Regulatory/Compliance Representative

WAIVER

MERRION OIL & GAS hereby waives objection to Meridian Oil's application for non-standard location for the Klein #28 as proposed above.

By: T. Greg Merrion Date: 3-10-94

xc: Merrion Oil & Gas Corporation
Robert L. Bayless
Hondo Oil & Gas Company



All distances must be from the corner boundaries of the Section.

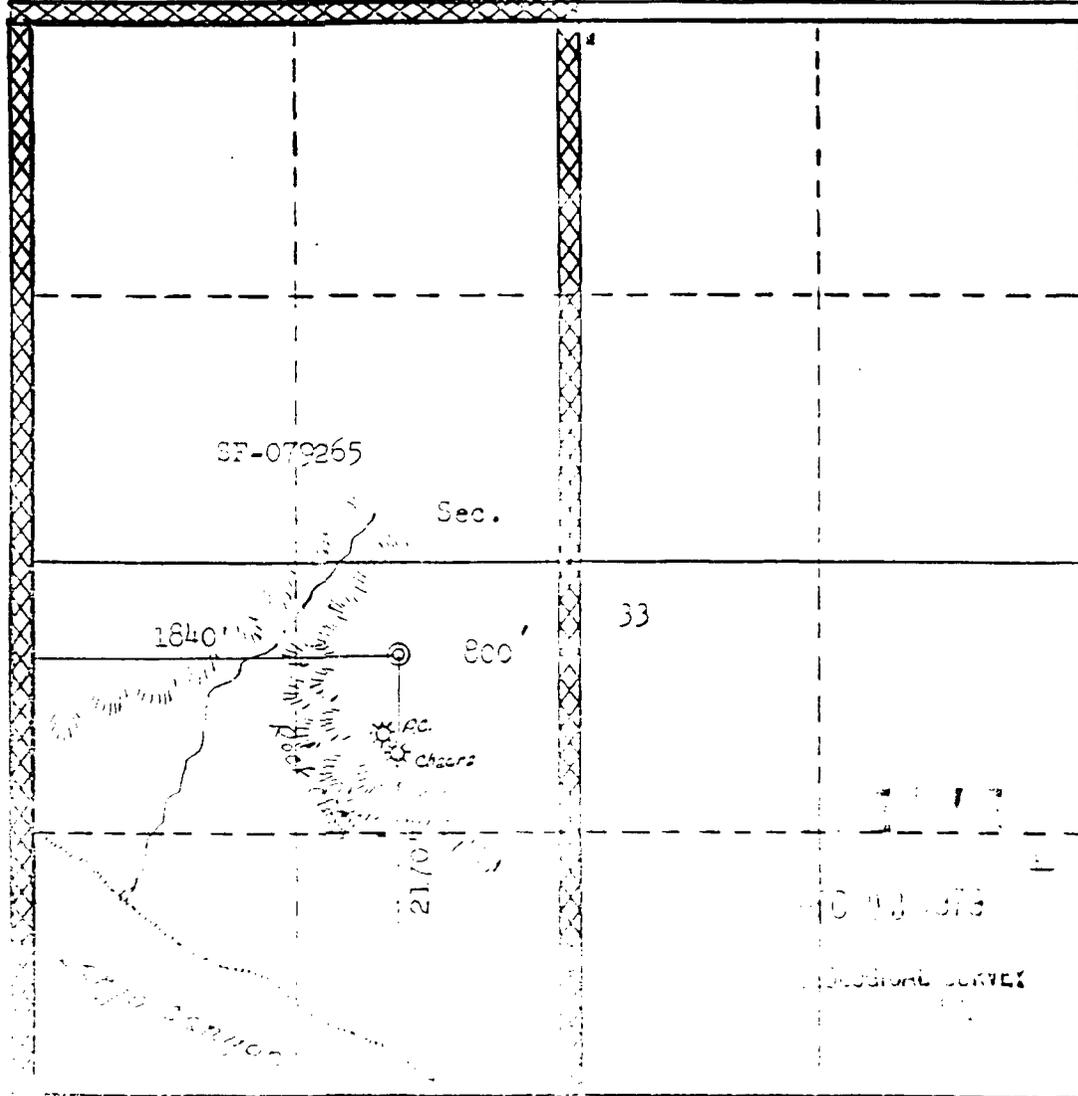
Operator Meridian Oil Inc.		Lease KLEIN (SF-079265)		Well No. 28
Map Letter K	Section 33	Range SW	County Rio Arriba	
Actual Footage Location of Well: 2170		feet from the South		feet from the West
Ground Level Elev. 7325	Producing Formation TANON Mesa Verde	Depth 1340	Dedicated Acreage: 320.00/320	

1. Outline the acreage dedicated to the subject well by colored pencil or hachure 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 interests of all owners been consolidated by communitization, unitization, or pre-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 interests, has been approved by the Commission.



CERTIFICATION

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

Name: Peggy Bradfield

Position: Regulatory Representative

Company: Meridian Oil Inc.

Date: _____

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: July 2, 1979

Registered Professional Engineer and Land Surveyor:
[Signature]

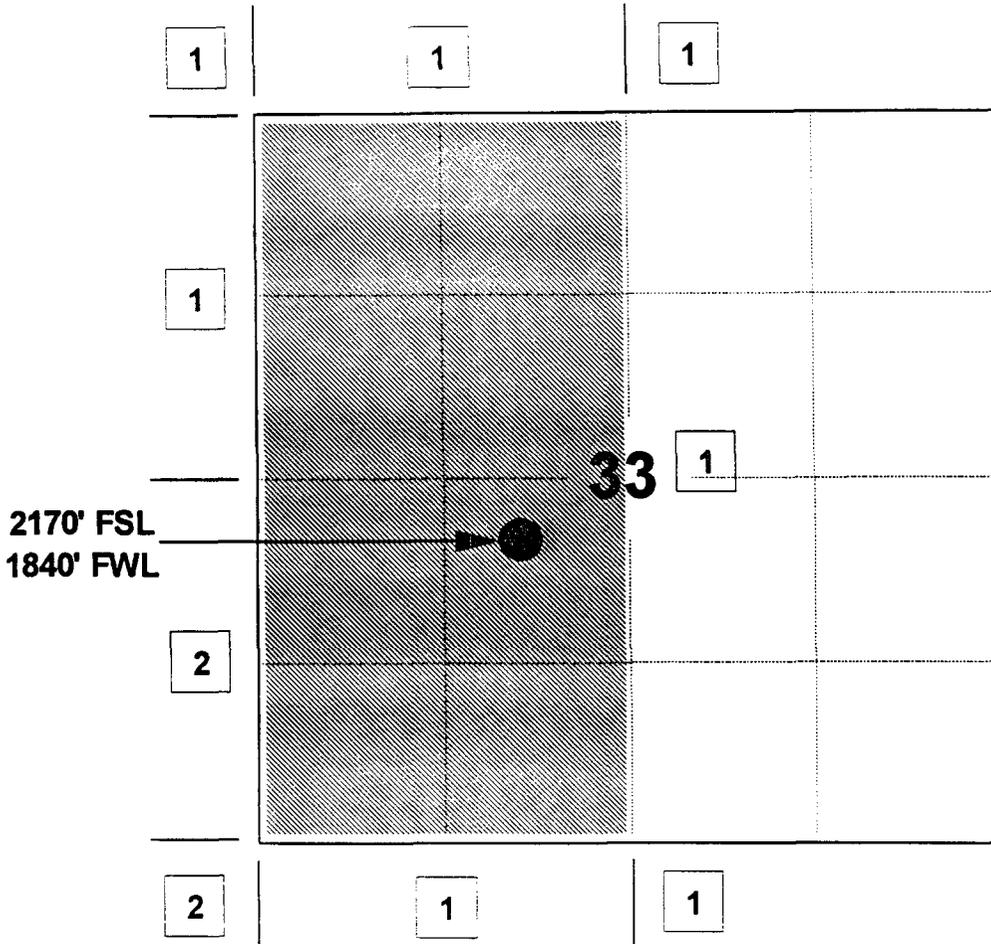
MERIDIAN OIL INC

KLEIN #28

OFFSET OPERATOR \ OWNER PLAT

Mesaverde / Dakota Unorthodox Well Location

Township 26 North, Range 6 West



1) Meridian Oil Inc

2) Merrion Oil & Gas Corporation

PO Box 840, Farmington, NM 87499

Robert L. Bayless

PO Box 168, Farmington, NM 87499

Hondo Oil & Gas Company

PO Box 2208, Roswell, NM 88201

Meridian Oil Inc

MERIDIAN OIL

February 21, 1994

Klein #28
2170'FSL, 1840'FWL
Section 33, T-26-N, R-6-W. Rio Arriba County, New Mexico
API # 30-039-22261

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

Merrion Oil & Gas Corporation
PO Box 840
Farmington, NM 87499

Robert L. Bayless
PO Box 168
Farmington, NM 87499

Hondo Oil & Gas Company
PO Box 2208
Roswell, NM 88201



Peggy Bradfield
Notary Public
San Juan County, New Mexico

My commission expires August 17, 1996.

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

SUBMIT IN DUPLICATE

Form approved
Budget Bureau No. 42-R355.5.

(See instructions on
reverse side)

WELL COMPLETION OR RECOMPLETION REPORT AND LOG *

1. TYPE OF WELL: OIL WELL GAS WELL SPRING Other _____

2. TYPE OF COMPLETION: OPEN WELL PERFORATED PACKER OTHER _____

3. NAME OF OPERATOR: El Paso Natural Gas Company

4. ADDRESS OF OPERATOR: Box 289, Farmington, New Mexico 87401

5. LOCATION OF WELL (Report location clearly and in accordance with any State requirements):
At surface: 2170'S, 1840'W
At top prod. interval reported below
At total depth

14. PERMIT NO. _____ DATE ISSUED _____

6. LEASE DESIGNATION AND SERIAL NO.: SF 079265

6. IF INDIAN, ALLOTTEE OR TRIBE NAME _____

7. UNIT AGREEMENT NAME _____

8. FARM OR LEASE NAME: Klein

9. WELL NO.: 28

10. FIELD AND POOL, OR WILDCAT: Basin Dakota

11. SEC., T., R., M., OR BLOCK AND SURVEY OR AREA: Sec. 33, T-26-N, R-6-W
N. M. P. M.

12. COUNTY OR PARISH: Rio Arriba
13. STATE: New Mexico

15. DATE SPUDDED: 7-10-80
16. DATE T.D. REACHED: 7-22-80
17. DATE COMPL. (Ready to prod.): 12-30-80
18. ELEVATIONS (DF, REB, RT, GR, ETC.): 6743' GL
19. ELEV. CASINGHEAD

20. TOTAL DEPTH, MD & TVD: 7549'
21. PLUG. BACK T.D., MD & TVD: 7533'
22. IF MULTIPLE COMPLET., HOW MANY*
23. INTERVALS DRILLED BY: ROTARY TOOLS: 0 - 7549; CABLE TOOLS

24. PRODUCING INTERVAL(S), OF THIS COMPLETION—TOP, BOTTOM, NAME (MD AND TVD)*: 7166 - 7350' (Dakota)
25. WAS DIRECTIONAL SURVEY MADE: No

26. TYPE ELECTRIC AND OTHER LOGS RUN: IEL: CDI, Temperature Survey
27. WAS WELL CORED: No

28. CASING RECORD (Report all strings set in well)

CASING SIZE	WEIGHT, LB./FT.	DEPTH SET (MD)	HOLE SIZE	CEMENTING RECORD	AMOUNT PULLED
9 5/8"	40#	235'	13 3/4"	224 cu. ft.	
4 1/2"	10.5#	7549'	8 3/4 & 7 7/8"	1412 cu. ft.	

29. LINER RECORD					30. TUBING RECORD		
SIZE	TOP (MD)	BOTTOM (MD)	SACKS CEMENT*	SCREEN (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)
					2 3/8"	7322'	

31. PERFORATION RECORD (Interval, size and number)				32. ACID, SHOT, FRACTURE, CEMENT SQUEEZE, ETC.	
INTERVAL	SIZE	NUMBER		DEPTH INTERVAL (MD)	AMOUNT AND KIND OF MATERIAL USED
7166-7172		7178, 7184, 7209, 7232, 7255		7166 - 7350	20,000# sand & 62,500 gal. water
7330-7364		7350, 7384, 7298, 7350, 7355			
7344-7350		w/1 SP.			

33. PRODUCTION

DATE FIRST PRODUCTION: _____ PRODUCTION METHOD: Flowing, gas lift, pumping—size and type of pump: AFG - 460
WELL STATUS (Producing or shut-in): Shut In

DATE OF TEST: 12-30-80
HOURS TESTED: _____ CHOKER SIZE: _____ PROD'N. FOR TEST PERIOD: _____
OIL—BBL.: _____ GAS—MCF.: _____ WATER—BBL.: _____ GAS-OIL RATIO: _____

FLOW. TUBING PRESS.: SI 2437 CASING PRESSURE: SI 2496
CALCULATED 24-HOUR RATE: _____ OIL—BBL.: _____ GAS—MCF.: _____ WATER—BBL.: _____
OIL GRAVITY-API (CORR.): _____

34. DISPOSITION OF GAS (Sold, used for fuel, vented, etc.): _____ TEST WITNESSED BY: Harrison Harvey

35. LIST OF ATTACHMENTS _____

I hereby certify that the foregoing, and attached information is complete and correct as determined from all available records.
SIGNED: [Signature] TITLE: Billing Clerk DATE: 1-23-81

*(See Instructions and Spaces for Additional Data on Reverse Side)