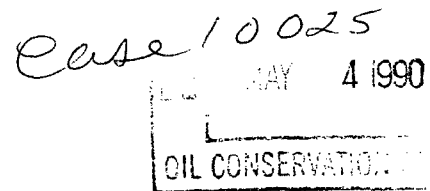


MERIDIAN OIL

May 3, 1990

Certified Mail

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



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 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 Morris (SF-079596)		Well No. 3
Unit Lat 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.	Producing Formation Fruitland Coal		Pool Basin	Dedicated Acreage: 320 Acres	

- Outline the acreage dedicated to the subject well by colored pencil or machine 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.

Not re-surveyed; prepared from a plat by Charles Finkler 6-15-52	
4	
400	
420	
0 330 660 990 1320 1650 1980 2310 2640 2000 1500 1000 500 0	

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 Surveyor
NEALE C. EDWARDS
NEW MEXICO
6857
REGISTERED LAND SURVEYOR
Neale C. Edwards

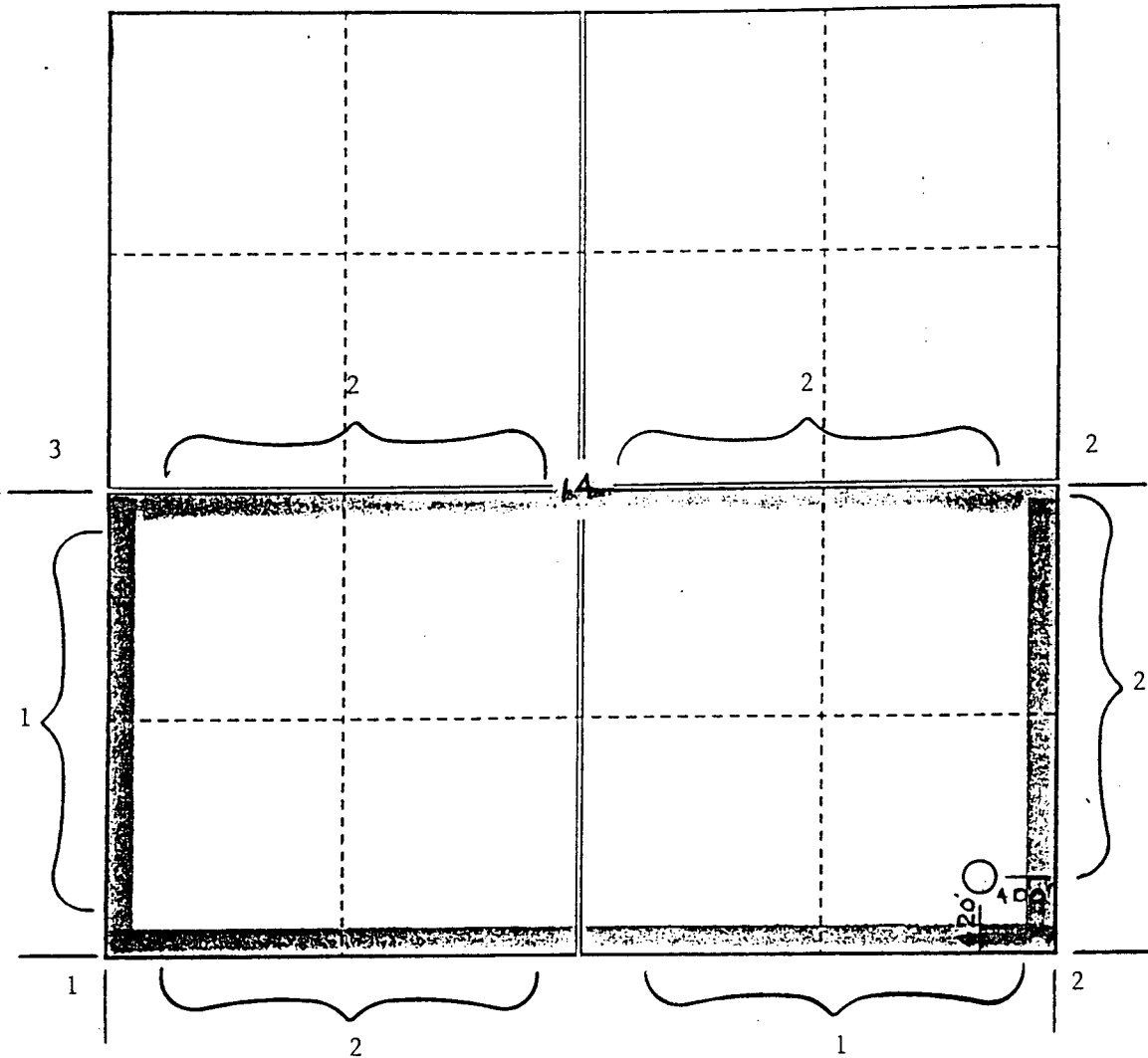
MERIDIAN OIL INC

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

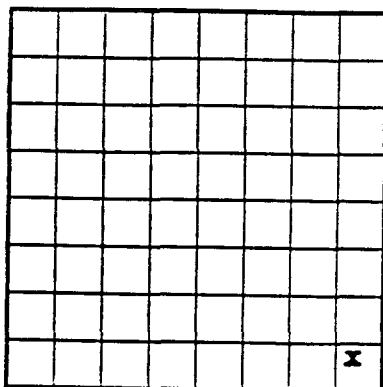
San Juan County
State of New Mexico

My commission expires August 17, 1992

U. S. AIR OFFICE 079596

SERIAL NUMBER _____

LEASE OR PERMIT TO PROSPECT _____



UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

LOG OF OIL OR GAS WELL

LOCATE WELL CORRECTLY

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-Kutz State New Mexico

Well No. 3 Sec. 11 T. 27 R. 10 Meridian N.M.P.M. County San Juan

Location 120 ft. N. of S. Line and 100 ft. W. of E. Line of Sec. 14 Elevation 6196
(Distance relative to one 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 [Signature]

Date September 4, 1952

Title ----- Agent in Farmington

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

[illegible]

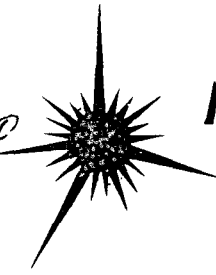
MUDDING AND CEMENTING RECORD

Size casing	Where set	Number sacks of cement	Method used	Mud gravity	Amount of mud used
9-5/8"	91'	75 sacks	Halliburton		Mostly water
5-1/2"	2069'	150 sacks	Halliburton		Mostly water

PLUGS AND ADAPTERS

Heaving plug—Material _____ Length _____ Depth set _____

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

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

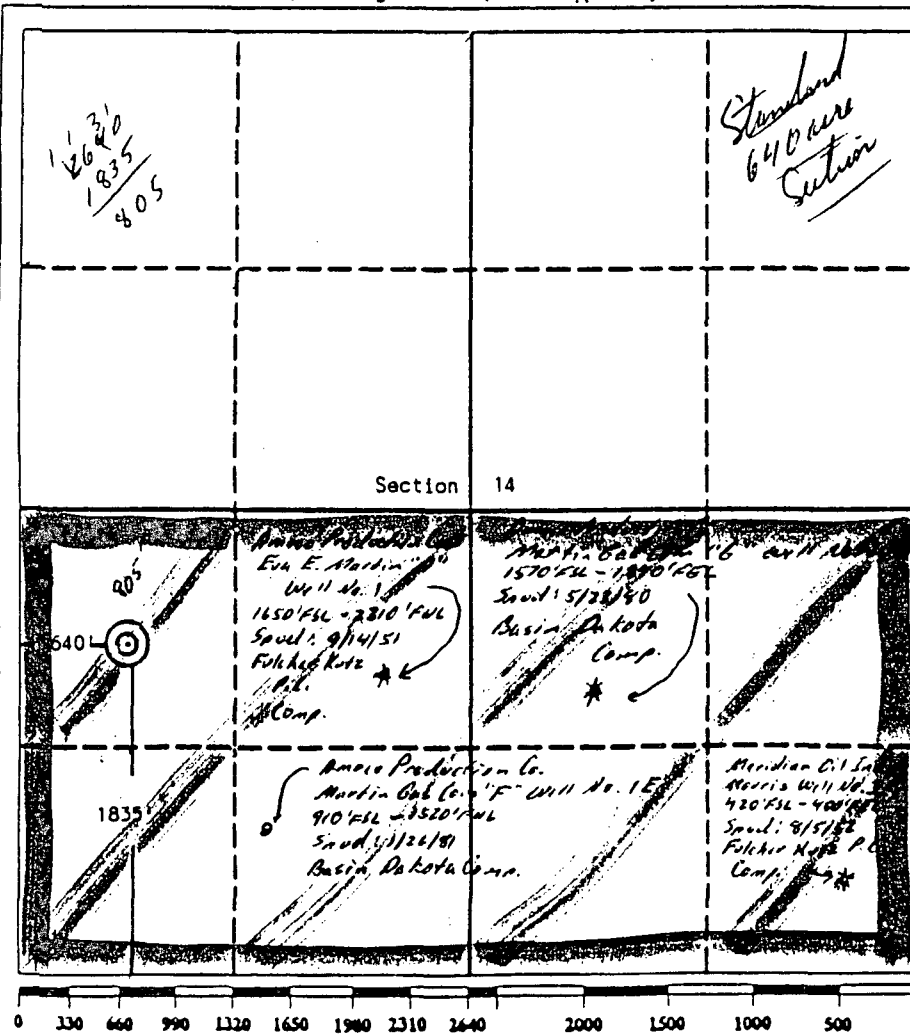
Operator McKenzie Methane Corporation			Lease Angel Peak 14L		Well No. #6
Unit Letter L	Section 14	Township 27 North	Range 10 West	County San Juan	

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 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, 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
EDGAR L. RISENHOOVER
NEW MEXICO
3979
5900
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 realized 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 220' cliff which parallels the road through this part of the section.

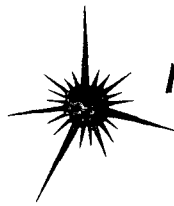
Since an orthodox location was not possible, it was decided that for safety reasons, the well should be staked so that the pipeline would not cross any part of the well pad.

Sincerely,

Sam Cady
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. <input type="checkbox"/> Show to whom delivered, date, and addressee's address. 2. <input type="checkbox"/> Restricted Delivery (Extra charge)!	
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: <input type="checkbox"/> Registered <input type="checkbox"/> Insured <input checked="" type="checkbox"/> Certified <input type="checkbox"/> COD <input type="checkbox"/> Express Mail Always obtain signature of addressee or agent and DATE DELIVERED .
5. Signature - Addressee X	8. Addressee's Address (ONLY if requested and fee paid)
6. Signature - Agent X	
7. Date of Delivery 5/3/90	

6699 • Telecopier (303) 629-7908



McKenzie Methane Corporation

May 2, 1990

Mr. Tom Hawkins
Meridian Oil, Inc.
3535 East 30th. Street
P.O. Box 4289
Farmington, New Mexico 87499

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

Sir:

The above referenced well is currently staked 640' FWL rather than the required 790' FWL making this an unorthodox location. McKenzie Methane realized 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 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.

Sincerely,

Sam Cady

Sam Cady
McKenzie Methane Corporation

SC/me

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. <input type="checkbox"/> Show to whom delivered, date, and addressee's address. 2. <input type="checkbox"/> Restricted Delivery (Extra charge) (Extra charge)	
3. Article Addressed to: Mr. Tom Hawkins Meridian Oil, Inc. 3535 East 30th. St. P.O. Box 4289 Farmington, N.M. 87499	4. Article Number P 712 004 497 Type of Service: <input type="checkbox"/> Registered <input type="checkbox"/> Insured <input checked="" type="checkbox"/> Certified <input type="checkbox"/> COD <input type="checkbox"/> Express Mail Always obtain signature of addressee or agent and DATE DELIVERED .
5. Signature - Addressee X	6. Addressee's Address (ONLY if requested and fee paid)
6. Signature - Agent X <i>Sam Cady</i>	
7. Date of Delivery 5-4-90	

PS Form 3811, Mar. 1987

U.S.G.P.O. 1987-178-268

DOMESTIC RETURN RECEIPT

6699 • Telecopier (303) 629-7908

Angel Peak 14L # 6

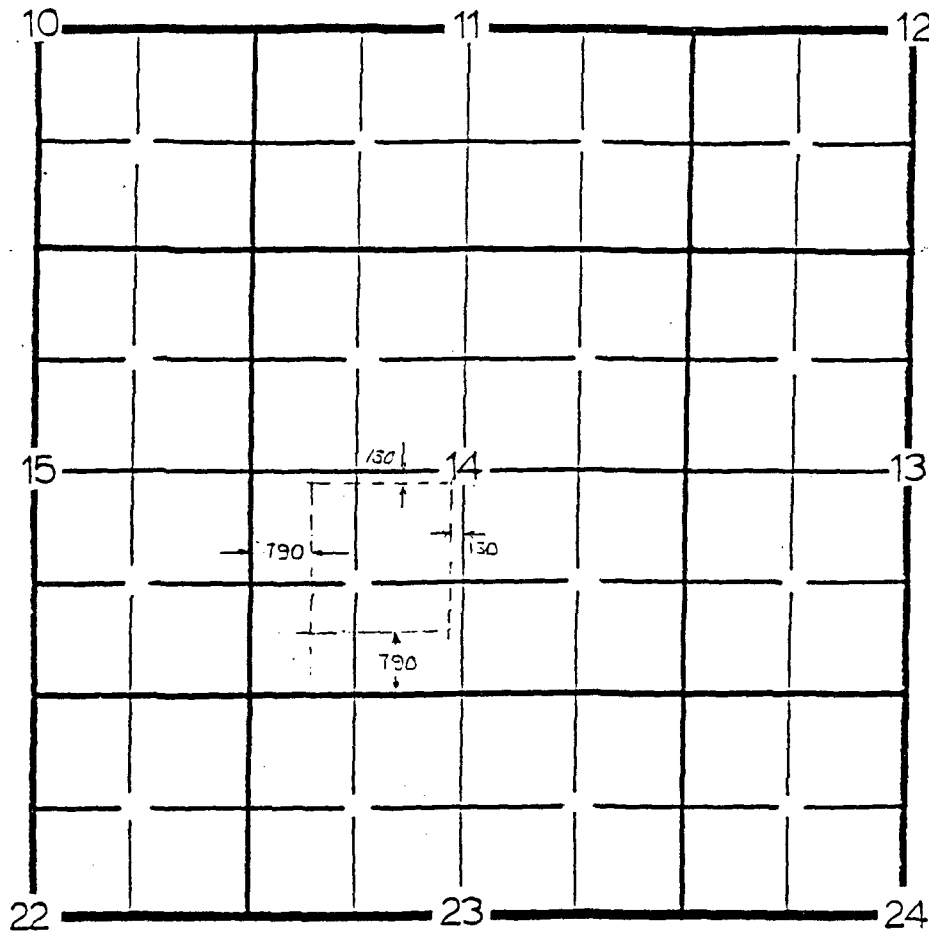
The well is currently staked 640' FWL rather than the required 790' FWL making this an unorthodox location. McKenzie Methane realized an orthodox location in this $\frac{1}{4}$ section would not be possible due to the combination on topography and an EPNG pipeline and chose this location for safety reasons.

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.



Spacers for Dethadex
Drilling Window
→

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

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



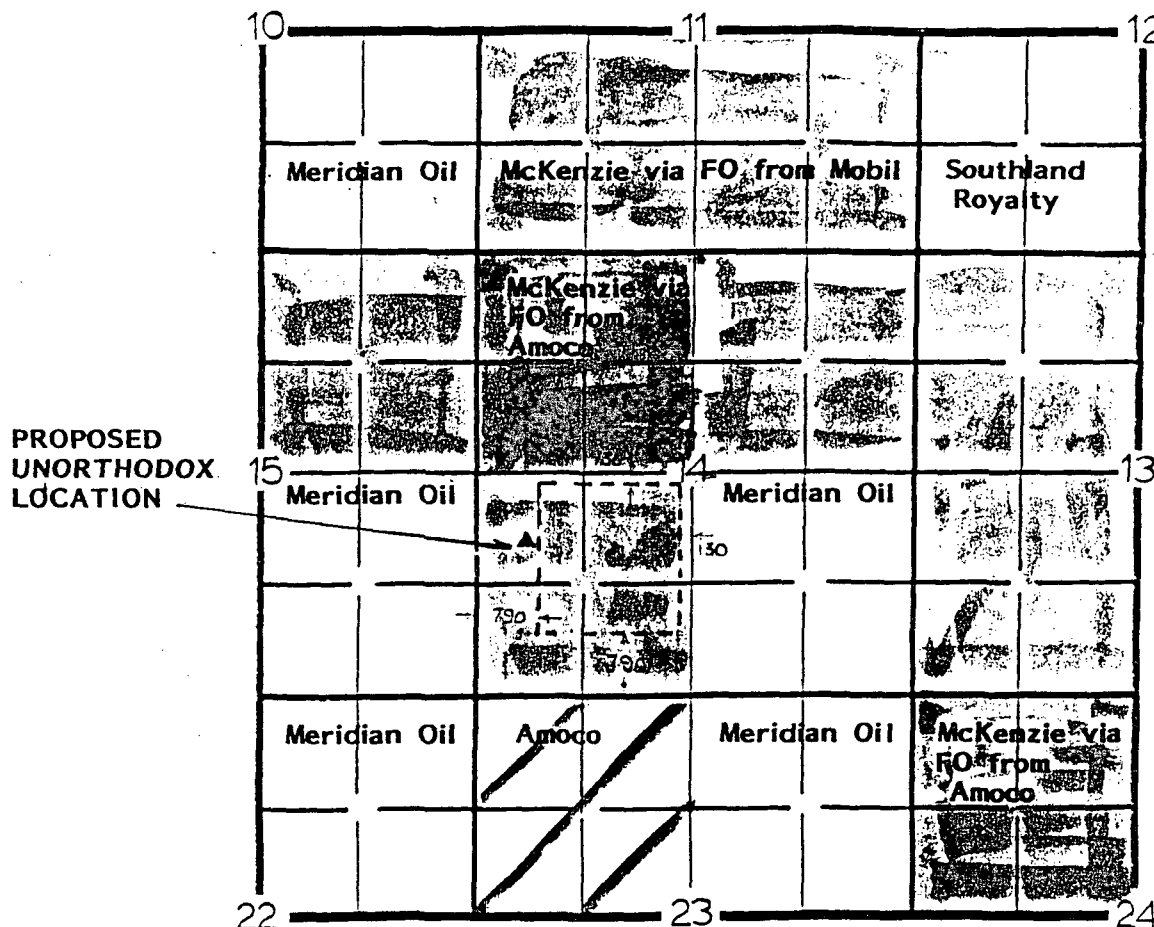
McKenzie Methane Corps

HOUSTON • BIRMINGHAM • DENVER • FARMING

Dethadex Drilling Window

Sec. 14 - T27N - R10W


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

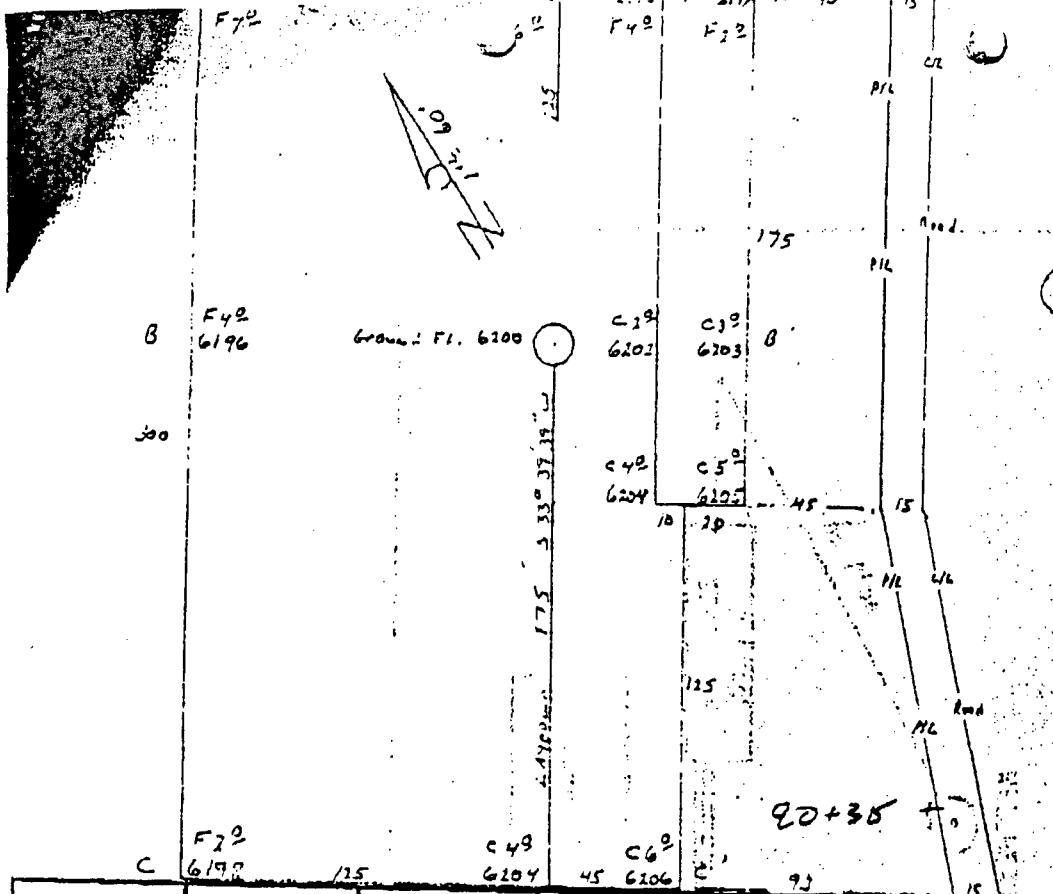


The above plat indicates the current ownership of Fruitland Operating Rights as I believe them to be this 1st day of May, 1990

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 14L #5
WELL NAME & NO.

1835' F/SL 640' F/WL

FOOTAGES

14 27N 10W

SEC. TWP. RGE.

San Juan, NM

COUNTY

January 25, 1990

DATE

6210					
6200					
6190					

Here 1" = 40'

UP 1" = 30'

6210					
6200					
6190					



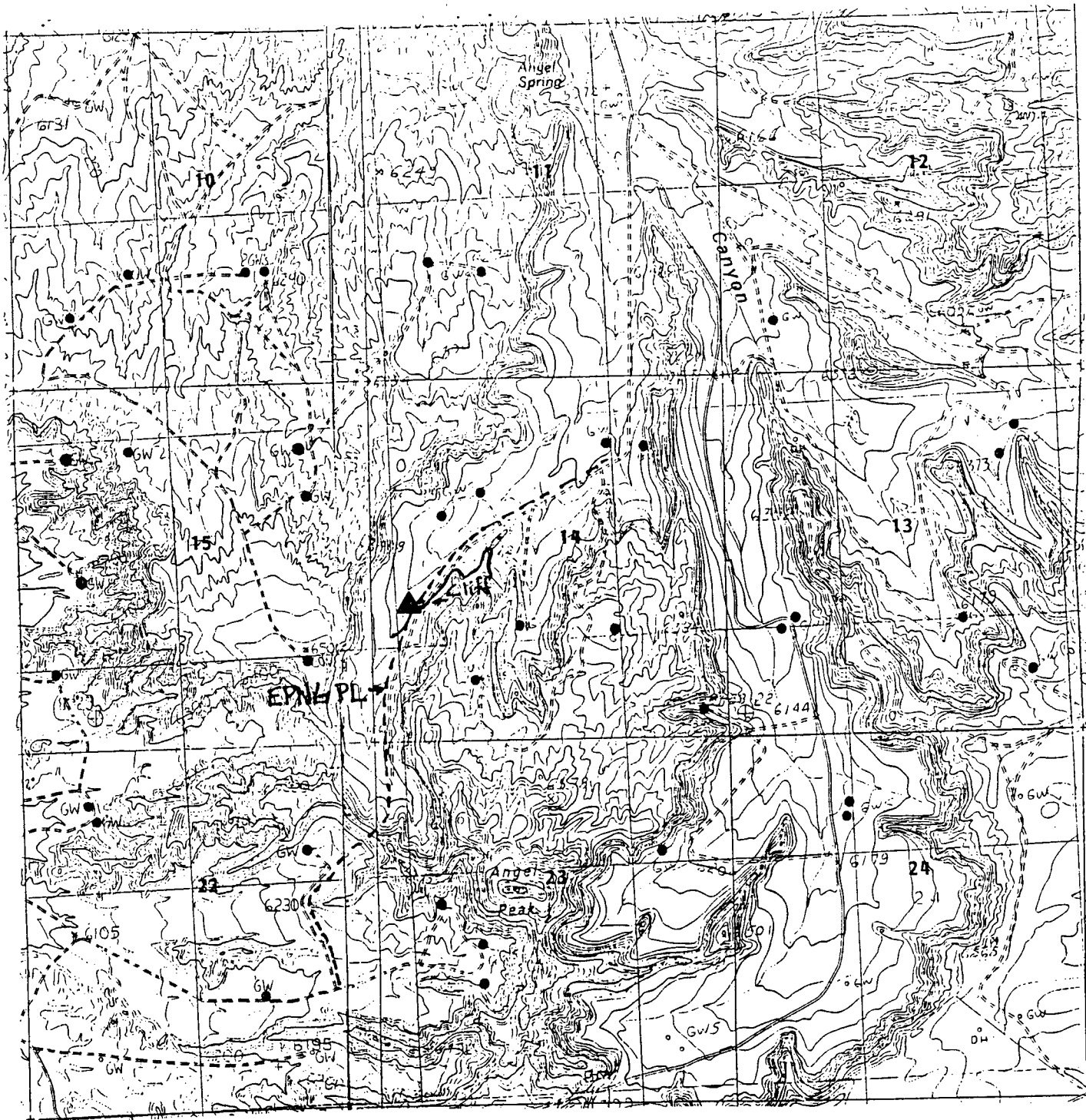
SEE ATTACHED BLOWN UP TOPO



McKenzie Methane Corporation

HOUSTON • BIRMINGHAM • DENVER • FARMINGTON

ANGEL PEAK 14L #6
Sw $\frac{1}{4}$ Section 14
Township 27 North, Range 10 West
San Juan County, New Mexico



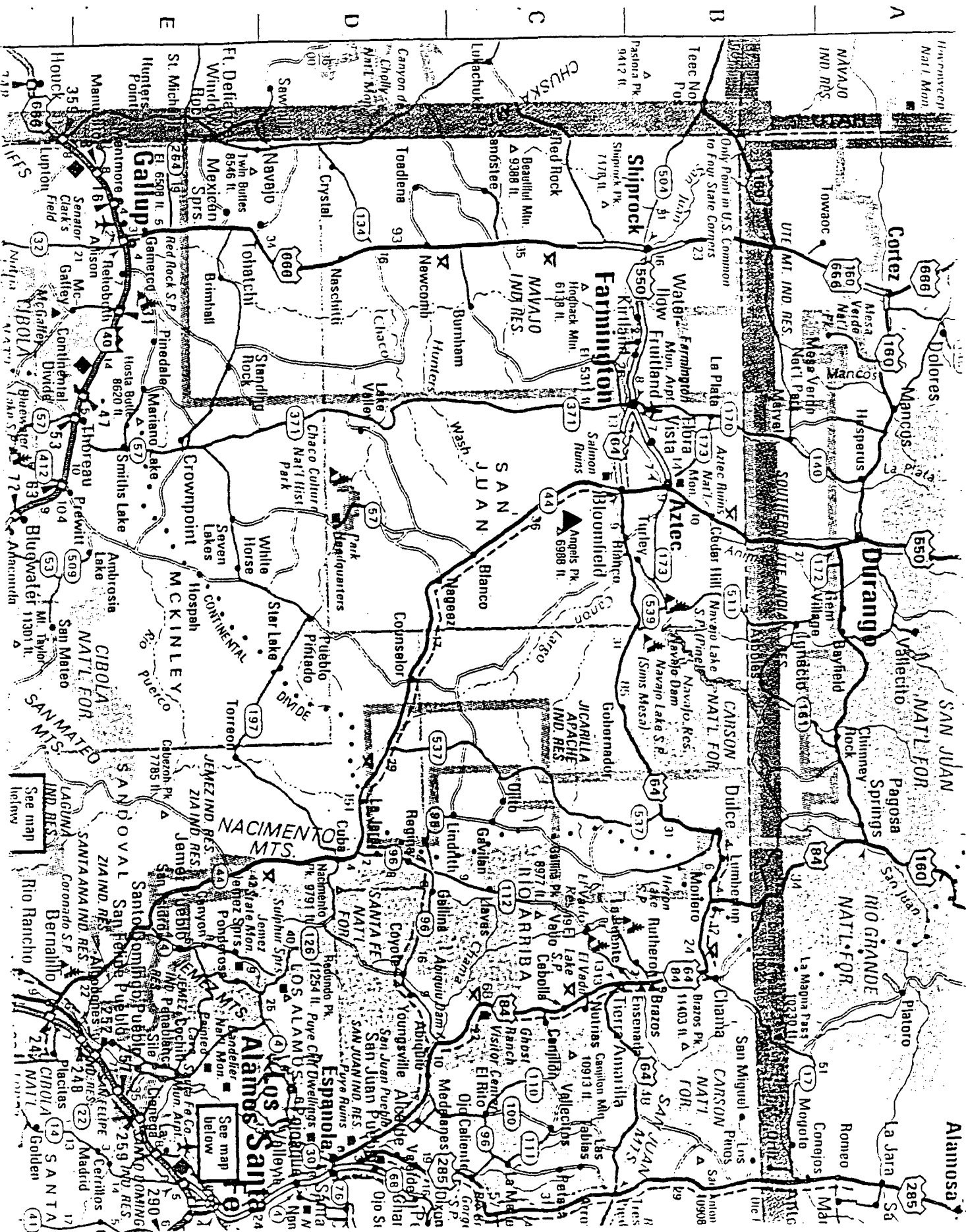
SEE ATTACHED BLOWN UP TOPO



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



Alamosa

RIO GRANDE
NAT'L FOR.

Platoro

La Jara

Romeo

Conchos

Mogote

La Magna Pass

1230 ft.

51

17

140

160

160

160

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160

160

160

160

160

160

Los

San Miguel

Chantia

Brasos

Ensenada

164

148

148

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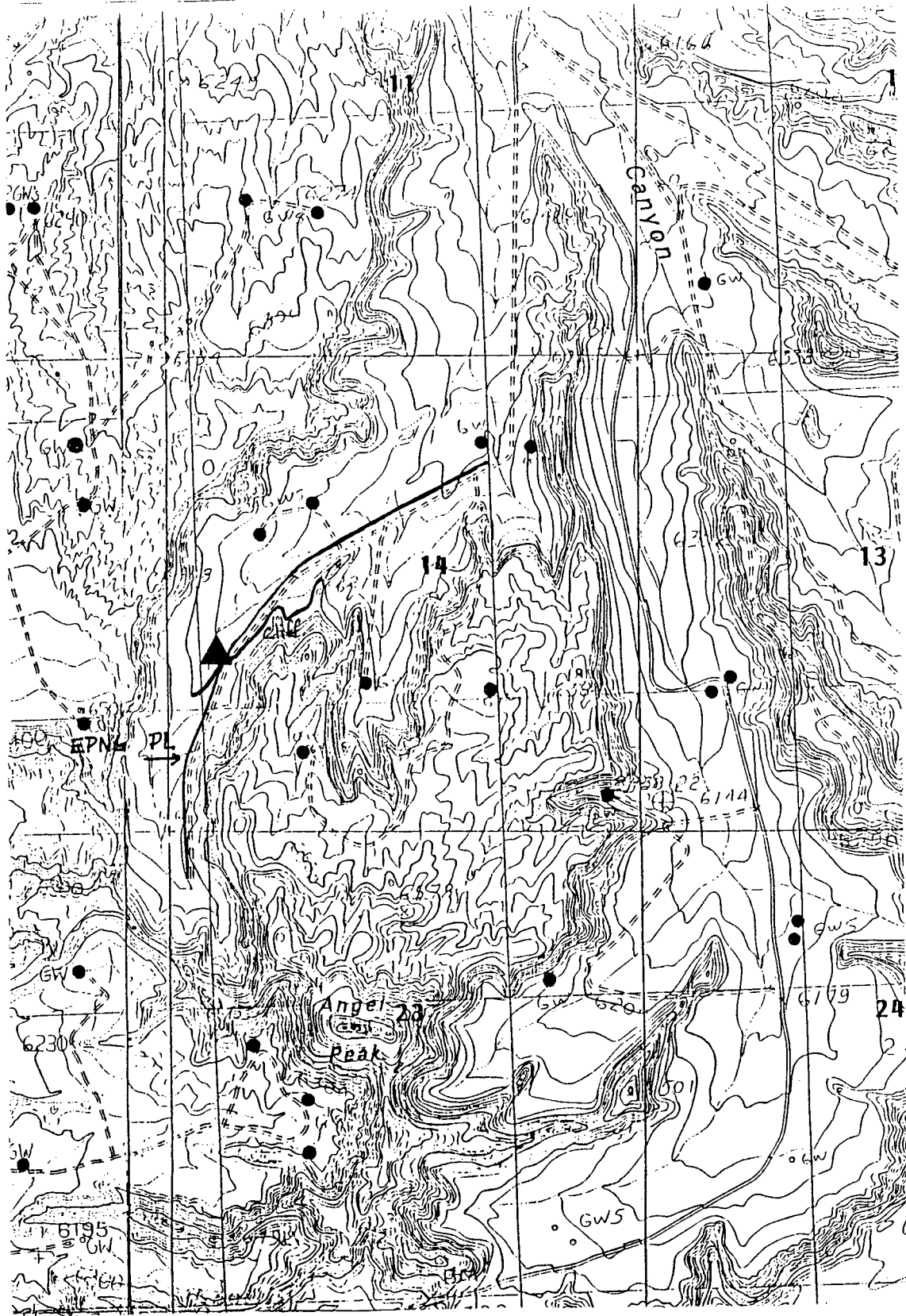
San Juan

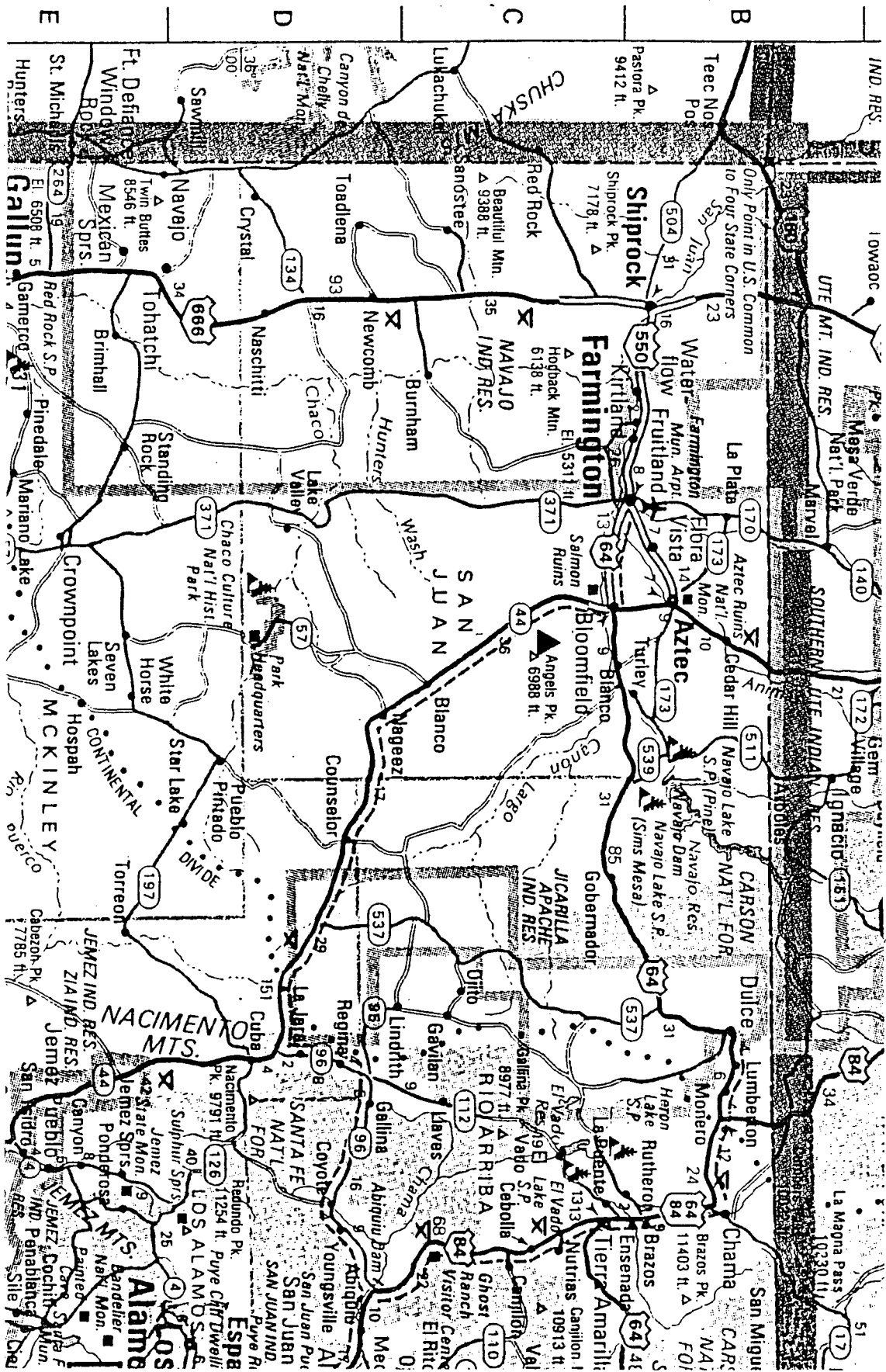
San Juan

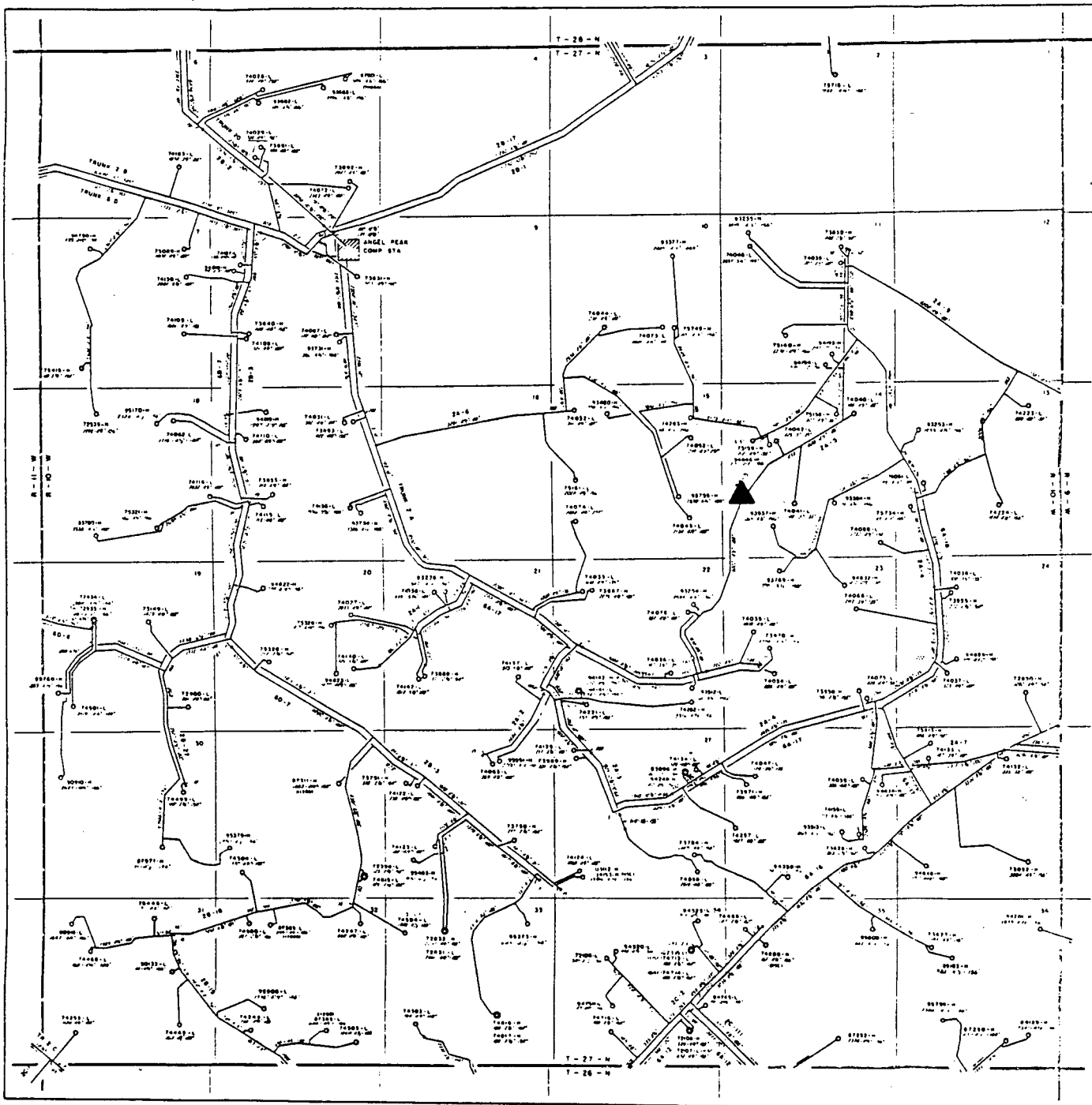
San Juan

San Juan

San Juan







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