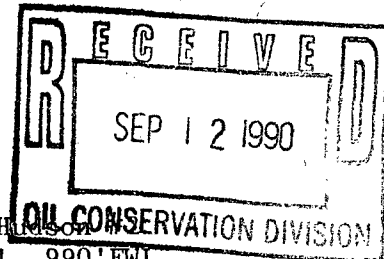


# MERIDIAN OIL

September 11, 1990

Federal Express

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



RE: A. D. Hudson  
990'FNL, 990'FWL  
Section 29, T-27-N, R-09-W  
San Juan County, New Mexico

Dear Mr. LeMay:

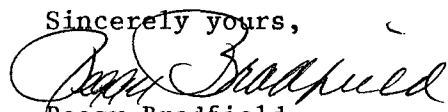
This is a request for administrative approval for a non-standard gas well location in the Basin Fruitland Pool.

Meridian Oil intends to plugback and recomplete the A. D. Hudson #2 well from the Pictured Cliffs pool to the Basin Fruitland Coal Pool. The current location of this well is 990'FNL, 990'FWL, Section 29, T-27-N, R-09-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 A. D. Hudson #2 as proposed above.

By: \_\_\_\_\_ Date: \_\_\_\_\_

xc: Unocal Corporation  
Meridian Oil Inc.  
El Paso Production Co.  
Texaco, Inc.  
Mesa Limited Partnership  
Mobil Oil Corporation  
El Paso Natural Gas Company

Meridian Oil Inc., 3535 East 30th St., P.O. Box 4289, Farmington, New Mexico 87499-4289, Telephone 505-327-0251

A. D. Hudson #2  
990'FNL, 990'FWL  
Section 29, T-27-N, R-09-W  
San Juan County, New Mexico

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.

Unocal Corporation  
410 17th St., Suite 530  
Denver, CO 80202

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


El Paso Production Co.  
P.O. Box 4289  
Farmington, NM 87499

Texaco, Inc.  
P.O. Box 2100  
Denver, CO 80201

Mesa Limited Partnership  
P.O. Box 2009  
Amarillo, TX 79189-2009

Mobil Oil Corporation  
P.O. Box 650232  
Dallas, TX 75265-0232

El Paso Natural Gas Co.  
P.O. Box 4289  
Farmington, NM 87499



Peggy Bradfield  
September 11, 1990

San Juan County  
State of New Mexico

My commission expires August 17, 1992

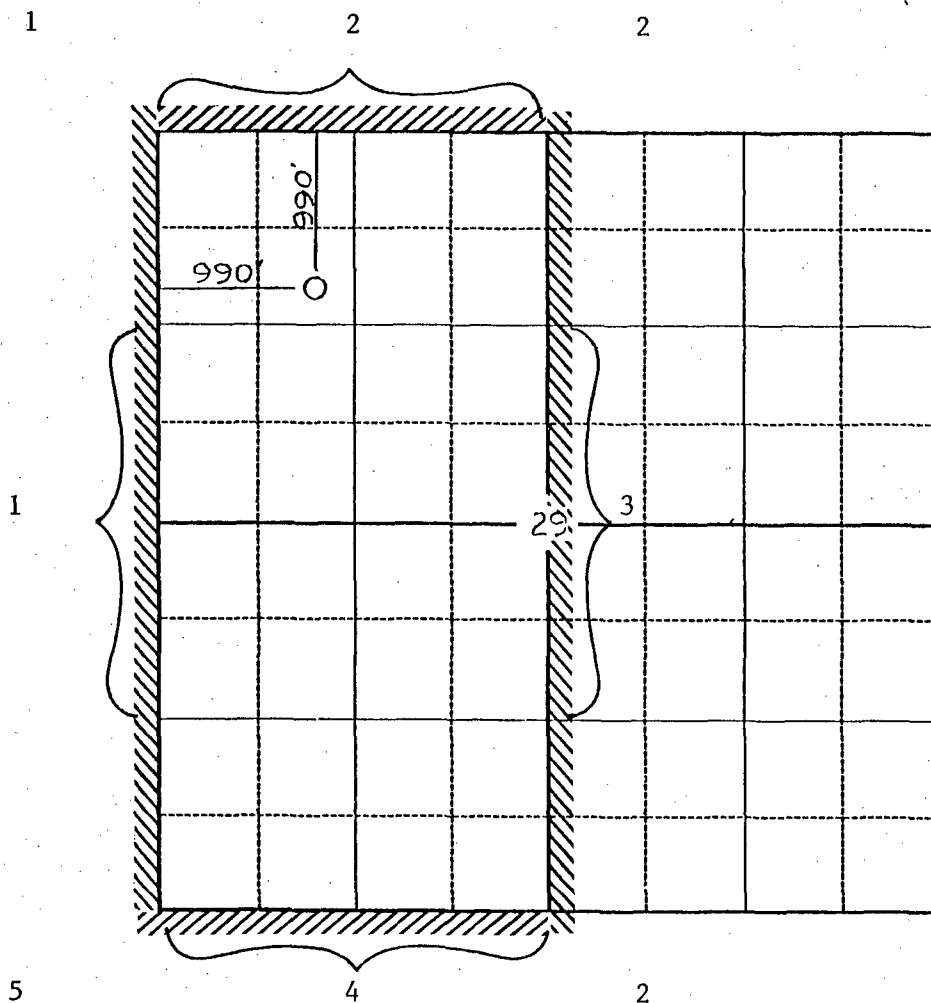
SOUTHLAND ROYALTY COMPANY

Well Name A.D. Hudson #2

Footage 990' FNL; 990' FWL

APPLICATION FOR NON-STANDARD LOCATION

County San Juan State New Mexico Section 29 Township 27N Range 9W



Remarks (1) Unocal - operator  
 (2) Meridian Oil Inc. - Operator  
 (3) Southland Royalty Company - Operator  
 (4) El Paso Production Co., Texaco, Mesa & Mobil - Working Interest Owners  
 (5) Huerfano Unit - El Paso Natural Gas Company - Operator

100

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 Southland Royalty Company			Lease A.D. Hudson (NM-03465)		Well No. 2
Unit Letter D	Section 29	Township 27 North	Range 9 West	County NM PM San Juan	
Actual Footage Location of Well: 990 feet from the North line and 990 feet from the West line					
Ground level Elev. 6363'	Producing Formation Fruitland Coal		Pool Basin	Dedicated Acreage: 320 Acres	

1. Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.

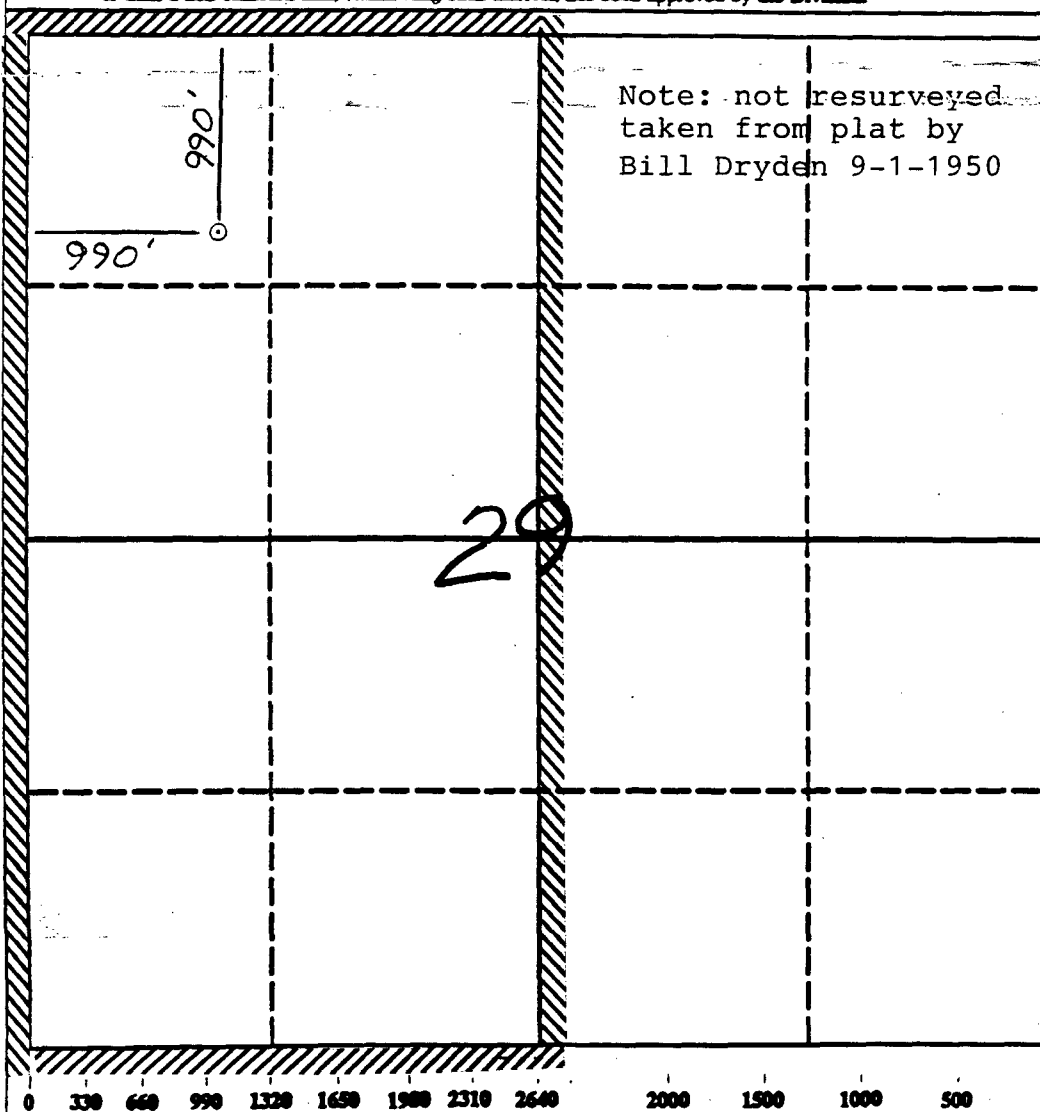
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).

3. If more than one lease of different ownership is dedicated to the well, have the 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

Peggy Bradfield

Printed Name

Regulatory Affairs

Position

Southland Royalty Co.  
Company

Date

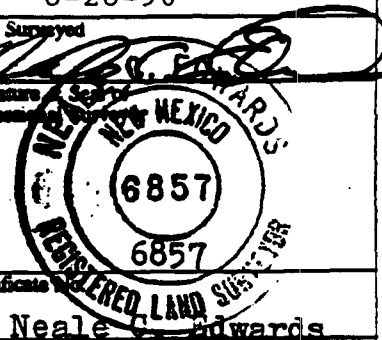
SURVEYOR CERTIFICATION

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.

8-28-90

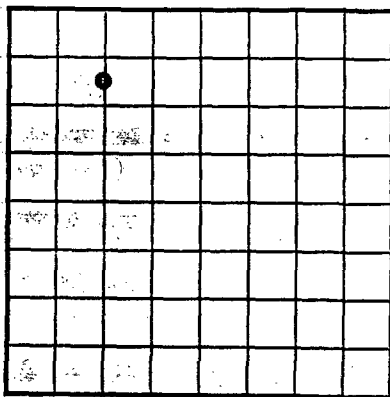
Date Surveyed

Signature  
Professional Surveyor



Form 9-380

U. S. LAND OFFICE New Mexico  
SERIAL NUMBER 03465  
LEASE OR PERMIT TO PROSPECT \_\_\_\_\_



LOCATE WELL CORRECTLY

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
GEOLOGICAL SURVEY

LOG OF OIL OR GAS WELL

Company Southern Union Gas Company Address 1104 Burt Building - Dallas  
Lessor or Tract Rudson Field Ruts Canyon State New Mexico  
Well No. 2 Sec. 29 T. 27-N R. 9-W Meridian N.M.P.M. County San Juan  
Location 990 ft. [N] of [S] of N Line and 990 ft. [E] of [W] of E Line of section 29 Elevation 6373' DF  
(Derrick floor 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 S. H. Newman

Date March 6, 1951

Title Engineer

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

Commenced drilling December 22, 19 50 Finished drilling January 10, 19 51

OIL OR GAS SANDS OR ZONES

(Denote gas by G)

No. 1, from 2200 to 2263 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—	
8-5/8"	115'	50	Halliburton						Surface Production
5-1/2"	2175'	120	"						
HISTORY OF OIL OR GAS WELL									

MUDDING AND CEMENTING RECORD

Size casing	Where set	Number sacks of cement	Method used	Mud gravity	Amount of mud used
8-5/8"	115'	50	Halliburton		
5-1/2"	2175'	120	"		

PLUGS AND ADAPTERS

Heaving plug—Material \_\_\_\_\_ Length \_\_\_\_\_ Depth set \_\_\_\_\_  
Adapters—Material \_\_\_\_\_ Size \_\_\_\_\_

FOLD MARK