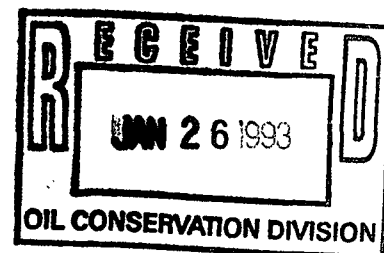


MERIDIAN OIL



January 22, 1993

Federal Express

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

Re: Reuter #2
1450' FSL, 790' FWL
Section 34, T-27-N, R-6-W, Rio Arriba County, NM

Dear Mr. LeMay:

This is a request for administrative approval for a non-standard gas well location in the South Blanco Tocito Pool extension.

Meridian Oil intends to add the South Blanco Tocito Pool extension formation to the Basin Dakota in the Reuter #2 and commingle both formations. Meridian Oil will also make application to the Commission for the commingling order. The well is considered outside the boundaries of the standard Tocito pool windows. 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,

A handwritten signature in cursive script, appearing to read "Peggy Bradfield".

Peggy Bradfield

WAIVER

_____ hereby waives objection to Meridian Oil Inc.'s application for non-standard location for the Reuter #2 as proposed above.

By: _____ Date: _____

xc: Caulkins Oil Co

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

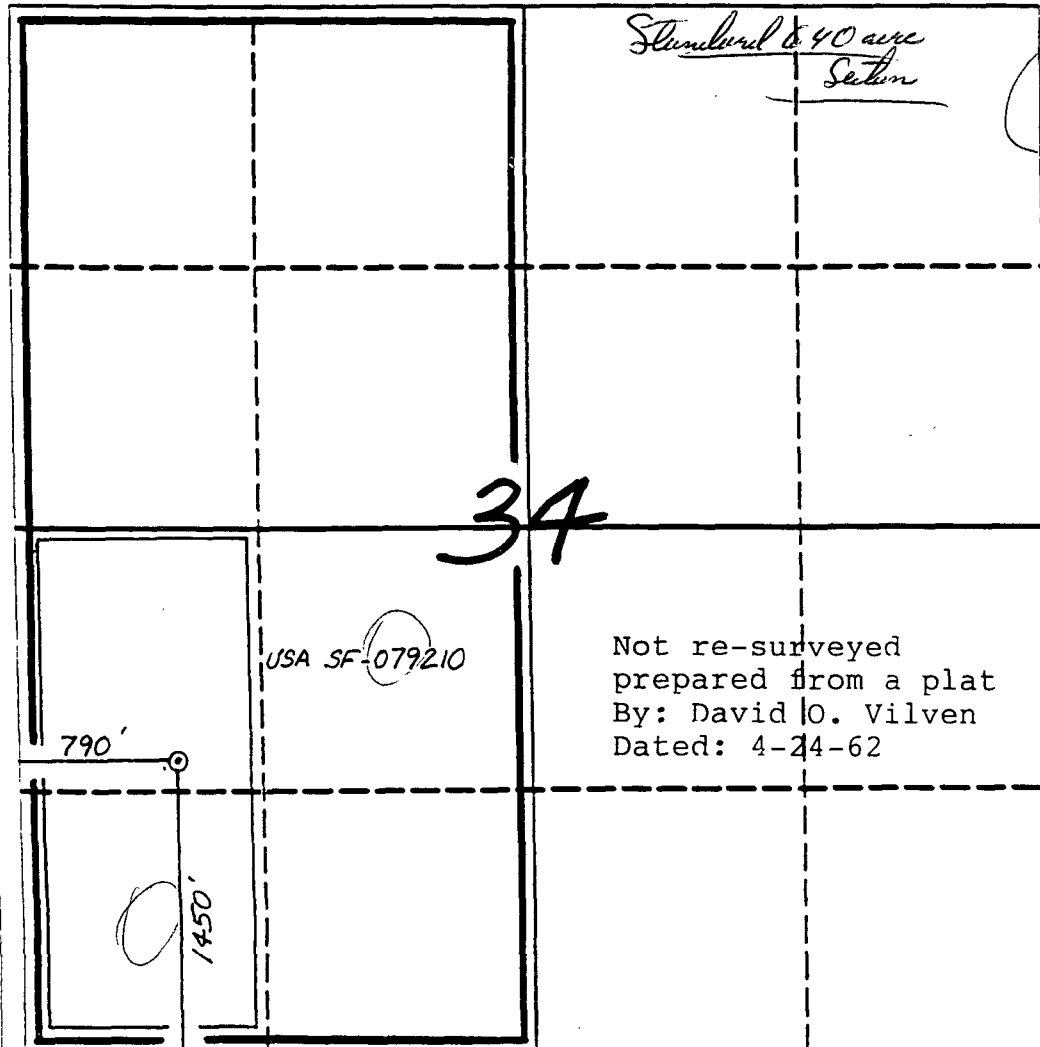
All Distances must be from the outer boundaries of the section

Operator Meridian Oil Inc.			Lease Reuter		Well No. 2
U&L Letter L	Section 34	Township 27 North	Range 6 West	County NMNM Rio Arriba	
Actual Footage Location of Well: 1450 feet from the South line and 790 feet from the West line					
Ground level Elev. 6498'		Producing Formation Tocito/Dakota		Pool S. Blanco/Basin	Dedicated Acreage 80/320 Acres

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

Peggy Bradfield
Signature

Peggy Bradfield

Printed Name

Regulatory Affairs

Position

Meridian Oil Inc.

Company

1-22-93

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.

1-25-93

Date Surveyed

Neale C. Edwards
Signature

Professional Surveyor

6857

Certificate No.

6857

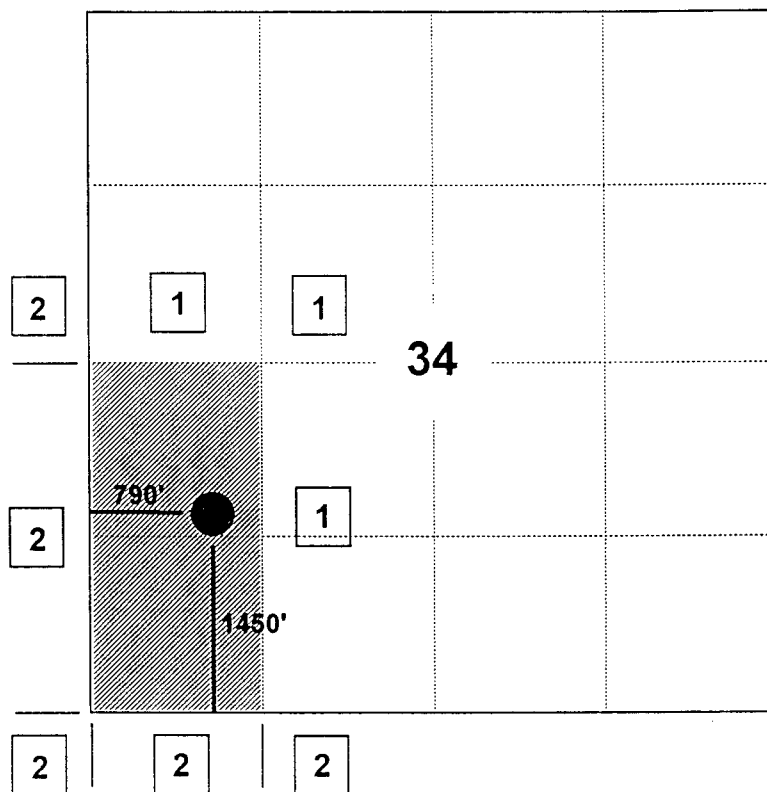
MERIDIAN OIL INC

OFFSET OPERATOR PLAT

REUTER #2

Unorthodox Location

Township 27 North, Range 06 West



1) Meridian Oil Inc

2) Caulkins Oil Company 1600 S. Broadway, Suite 2100, Denver, CO 80202

Tocito Formation

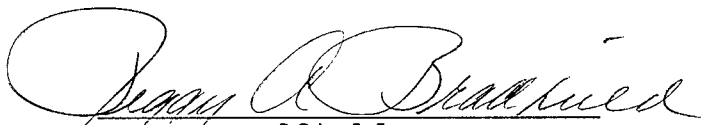
MERIDIAN OIL

January 22, 1993

Reuter #2
1450' FSL, 790' FWL
Section 34, T-27-N, R-6-W
Rio Arriba 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 completion of the above well.

Caulkins Oil Company
1600 South Broadway, Suite #2100
Denver, Colorado 80202


Peggy Bradford
Notary Public
San Juan County, New Mexico

My commission expires August 17, 1996.

MEMORANDUM FOR THE DIRECTOR, FBI (100-371011) (100-371011) (100-371011)

U. S. LAND OFFICE Santa Fe
SERIAL NUMBER 079210
LEASE OR PERMIT TO PROSPECT _____

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

LOG OF OIL OR GAS WELL

LOCATE WELL CORRECTLY

Company El Paso Natural Gas Company Address Box 990, Farmington, New Mexico
Lessor or Tract Reuter Field Basin Dakota State New Mexico
Well No. 2 Sec. 34 T 27N R. 6W Meridian N.M.P.M. County Rio Arriba
Location 1450 ft. ^[N.]~~330~~ of 6 Line and 790 ft. ^[E.]~~330~~ of W Line of Sec. 34 Elevation 6508
(Give elev. above 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 _____ Original Signed D. W. Meehan

Date ~~September 21~~ June 21, 1962

Title Petroleum Engineer

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

Commenced drilling 5-5-, 1962 Finished drilling 5-27, 1962

OIL OR GAS SANDS OR ZONES

(Denote gas by G)

No. 1, from 7202 to 7327 (G) No. 4, from _____ to _____
 No. 2, from 7327 to 7507 (G) 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	292	190	Circulated		
4 1/2	7539	510	3 Stage		

MARK

Adapters—Material

Size

SHOOTING RECORD

Size	Shell used	Explosive used	Quantity	Date	Depth shot	Depth cleaned out
Perf. 7238-44; 7258-64 w/2 SPF; 7368-80 w/1 SPF; 7418-24, 7444-50 w/2 SPF, frac w/81,000 gallons water, 80,000# sand, flush 7150 gallons. I.R. 24.5 BPM, Max. pr. 3900#, BDP 2800#, tr. pr. 3300-3400-3600-3700-3800-3900#. Dropped 4 sets of 12 balls.						

TOOLS USED

Rotary tools were used from 0 feet to 7540 feet, and from _____ feet to _____ feet
 Cable tools were used from _____ feet to _____ feet, and from _____ feet to _____ feet

DATES

6-14, 19 62 Put to producing _____, 19 _____

The production for the first 24 hours was _____ barrels of fluid of which _____% was oil; _____% emulsion; _____% water; and _____% sediment. Gravity, °Bé. _____

If gas well, cu. ft. per 24 hours 5,216,000 Gallons gasoline per 1,000 cu. ft. of gas _____

Rock pressure, lbs. per sq. in. 2481 (Csg) A.O.F. = 6464 MCF/D

EMPLOYEES

Braunson & Murray Rig #1 _____, Driller _____, Driller
 _____, Driller _____, Driller

FORMATION RECORD

FROM—	TO—	TOTAL FEET	FORMATION
0	2324	2324	Tan to gry cr-grn ss interbedded w/gry sh.
2324	2470	146	Ojo Alamo ss. White cr-grn s.
2470	2855	385	Kirtland form. Gry sh interbedded w/tight gry fin grn ss.
2855	3001	146	Fruitland form. Gry carb sh, scattered coals, coals & gry, tight, fine-grn ss.
3001	3070	69	Pictured Cliffs form. Gry, fine-grn, tight, varicolored soft ss.
3070	4690	1620	Lewis formation. Gry to white dense sh w/silty to shaly ss breaks.
4690	4780	90	Cliff House ss. Gry, fine-grn, dense sil ss.
4780	5255	475	Manatee form. Gry, fine-grn s, carb sh & coal.
5255	5389	134	Point Lookout form. Gry, very fine sil ss w/frequent sh breaks.
5389	6169	780	Mancos formation. Gry carb sh.
6169	7148	979	Gallup form. Lt gry to brn calc carb micac glauco very fine gry ss w/irreg interbed sh.
7148	7202	54	Greenhorn form. Highly calc gry sh w/thin lmst.
7202	7327	125	Graneros form. Dk gry shale, fossil & carb w/prit incl.
7327	7507	180	Dakota form. Lt to dk gry foss carb sl calc sl silty ss w/pyrite incl thin sh bands clay & shale breaks.
7507	7540	33	Morrison form. Interbed grn brn & red waxy sh & fr to cr grn sd.

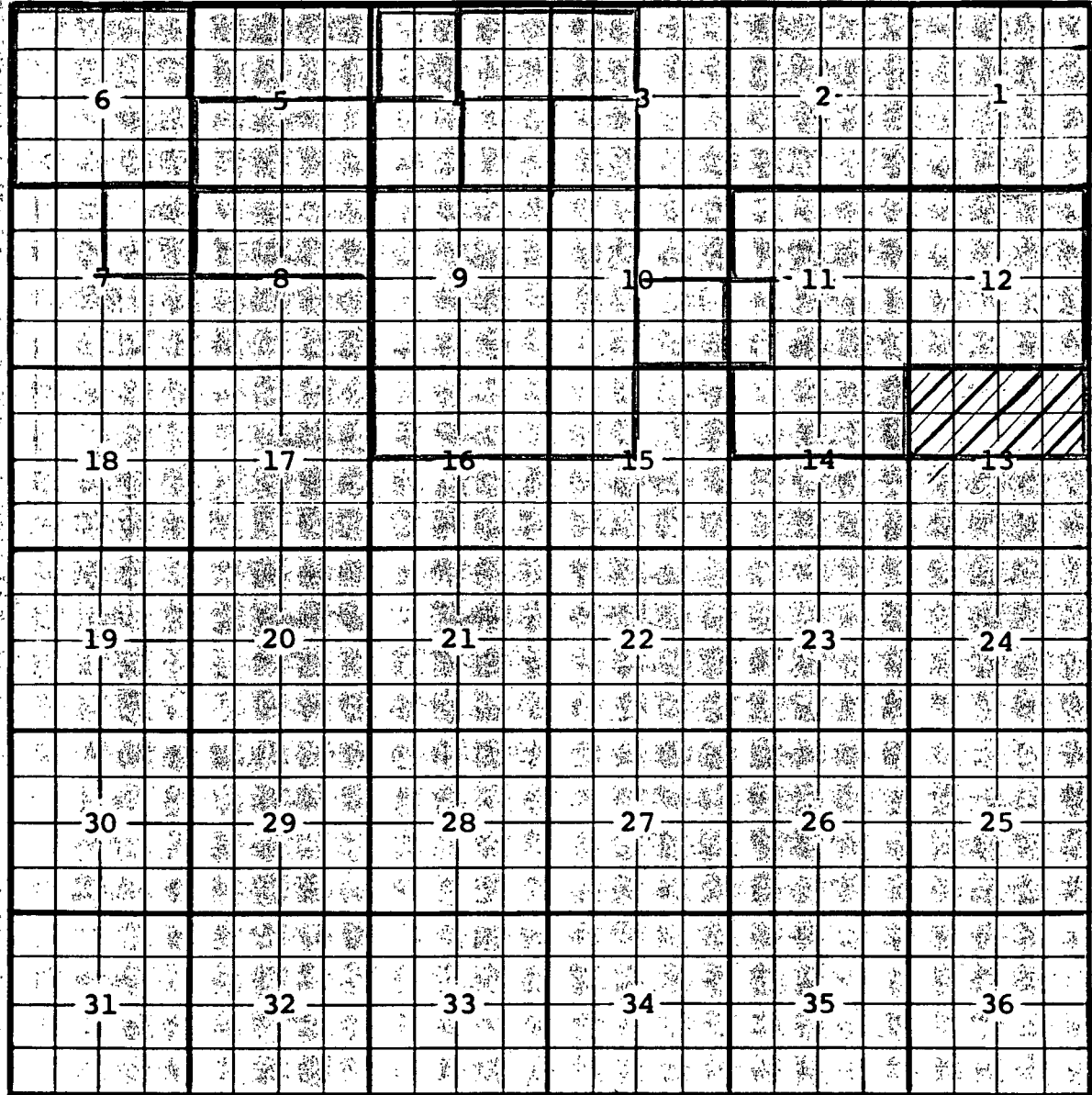
10VER1

16-48094-4

FORMATION RECORD—CONTINUED

County Rio Arriba Pool South Blanco-Tecito Oil

Township 26 North Range 6 West NMPM



Description: All Sec. 9; $\frac{W}{2}$ Sec. 10; $\frac{NW}{4}$ Sec. 15; $\frac{N}{2}$ Sec. 16 (R. 132, 3-26-52)
Ext: $\frac{SW}{4}$ Sec. 3; $\frac{SE}{4}$ Sec. 4 (R. 166, 6-19-52) - $\frac{SE}{4}$ Sec. 10 (R. 311, 4-10-53)
Pool Name Change (R. 321) - $\frac{SW}{4}$ Sec. 4 (R. 366, 9-17-53)
- $\frac{N}{2}$ Sec. 8 (R. 394, 11-24-53) - $\frac{S}{2}$ Sec. 5; All Sec. 6 (R. 406, 7-26-54)
- $\frac{NE}{4}$ Sec. 7 (R. 409, 3-31-54) - $\frac{W}{2}$ $\frac{SW}{4}$ Sec. 11 (R. 1239, 9-1-58) - $\frac{N}{2}$, $\frac{SE}{4}$, $\frac{E}{2}$ $\frac{SW}{4}$ Sec. 11;
All Sec. 12; $\frac{N}{2}$ Sec. 13; $\frac{N}{2}$ Sec. 14 (R. 2858, 2-1-65)
Deletion: $\frac{N}{2}$ Sec. 13 (R. 3281, 8-1-67) Ext: $\frac{NW}{4}$ Sec. 4 (R. 7495, 4-5-84)
Ext: $\frac{NW}{4}$ Sec. 3; $\frac{NE}{4}$ Sec. 4 (R. 8417, 3-24-87)

TOWNSHIP 27 North Range 6 West NMPM

A 36x36 grid with numbers 1 through 36 along the top and left edges. The numbers are arranged in a sequence that follows the grid's perimeter: 1-12 on the top, 13-24 on the right, 25-36 on the bottom, and 37-48 on the left. A small rectangle is located at the bottom center of the grid, spanning the 33rd and 34th columns and the 35th and 36th rows.

Ext: $\frac{5}{2}$ SW/4 Sec. 33 (R-7495, 4-5-84)



STATE OF NEW MEXICO
OIL CONSERVATION DIVISION
ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION
'93 FEB 16 AM 9:34 AZTEC DISTRICT OFFICE

1000 RIO BRAZOS ROAD
AZTEC, NEW MEXICO 87410
(505) 334-6178

attn: Mike Stogner

Date: 2-11-93

Oil Conservation Division
P.O. Box 2088
Santa Fe, NM 87504-2088

RE: Proposed MC _____
Proposed NSL X _____
Proposed WFX _____
Proposed NSP _____

Proposed DIIC _____
Proposed SWD _____
Proposed PMX _____
Proposed DD _____

Gentlemen:

I have examined the application received on 1-26-93
for the Meridian Oil Inc. Reuter #2
OPERATOR LEASE & WELL NO.

L-34-27N-6W and my recommendations are as follows:
UL-S-T-R

Approve

Yours truly,

Eric Bosch