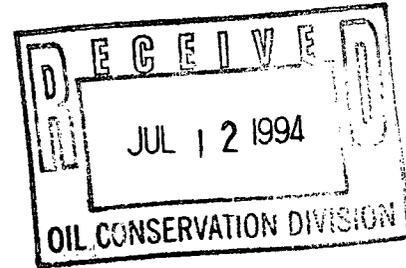


MERIDIAN OIL



July 11, 1994

Federal Express

Mr. William LeMay
New Mexico Oil Conservation Division
310 Old Santa Fe Trail
Santa Fe, New Mexico 87501

Re: Huerfano Unit #231
1050'FNL, 800'FWL, Section 6, T-26-N, R-9-W, San Juan County, NM
API #30-045-21117

Dear Mr. LeMay:

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

Meridian Oil Inc. intends to complete the Huerfano Unit #231 in the Basin Fruitland Coal pool by plugging back from the Gallup formation. 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

_____ hereby waives objection to Meridian Oil Inc.'s application for non-standard location for the Huerfano Unit #231 as proposed above.

By: _____ Date: _____

xc: Conoco

District I
 PO Box 1980, Hobbs, NM 88241-1980
 District II
 PO Drawer DD, Artesia, NM 88211-0719
 District III
 1000 Rio Brazos Rd., Aztec, NM 87410
 District IV
 PO Box 2088, Santa Fe, NM 87504-2088

State of New Mexico
 Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION
 PO Box 2088
 Santa Fe, NM 87504-2088

Form C-102
 Revised February 21, 1994
 Instructions on back
 Submit to Appropriate District Office
 State Lease - 4 Copies
 Fee Lease - 3 Copies

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

1 API Number 35-045-21117		2 Pool Code 71629		3 Pool Name Basin Fruitland Coal	
4 Property Code		5 Property Name Huerfano Unit			6 Well Number 231
7 OGRID No. 14538		8 Operator Name MERIDIAN OIL INC.			9 Elevation 6542'

10 Surface Location

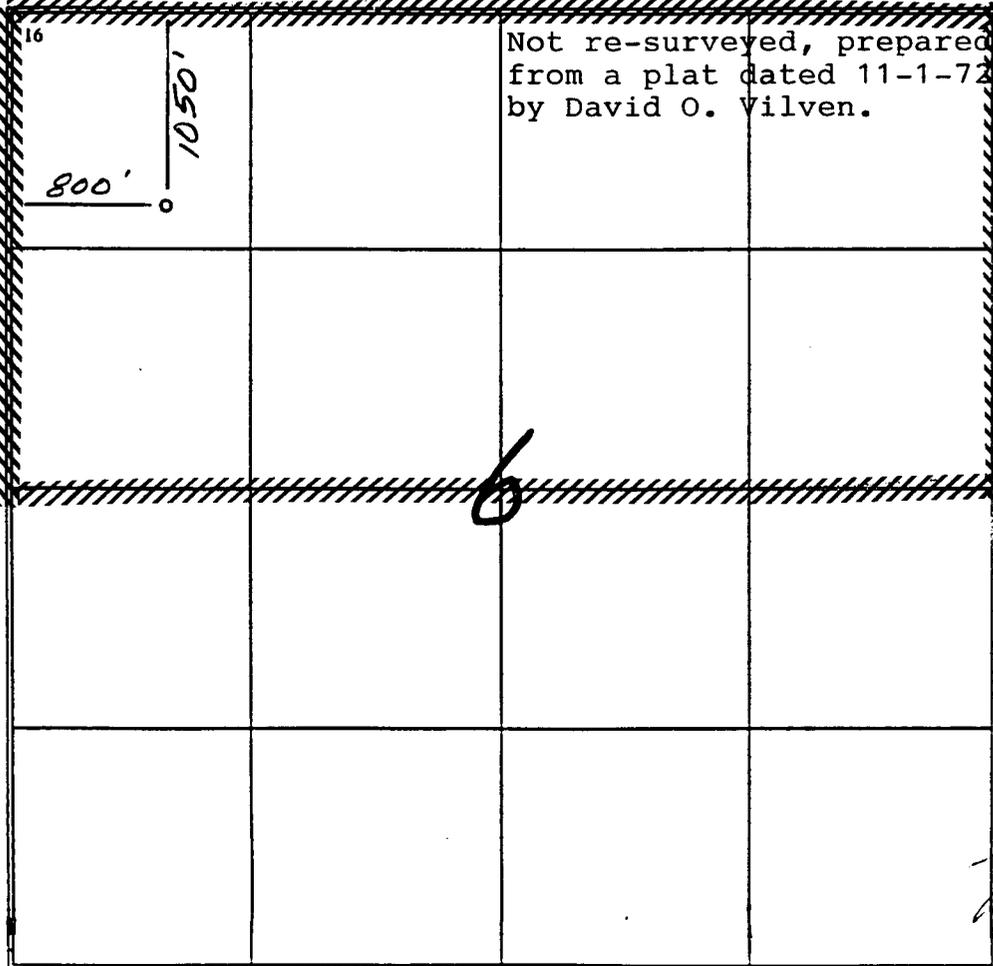
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
D	6	26 N	9 W		1050	North	800	West	S.J.

11 Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

12 Dedicated Acres N/326.18	13 Joint or Infill	14 Consolidation Code	15 Order No.
--------------------------------	--------------------	-----------------------	--------------

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION



17 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
 Title
 Date

18 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 belief.

6-28-9
 Date of Survey
 Signature and Seal of Professional Surveyer:

 6857
 Certificate Number

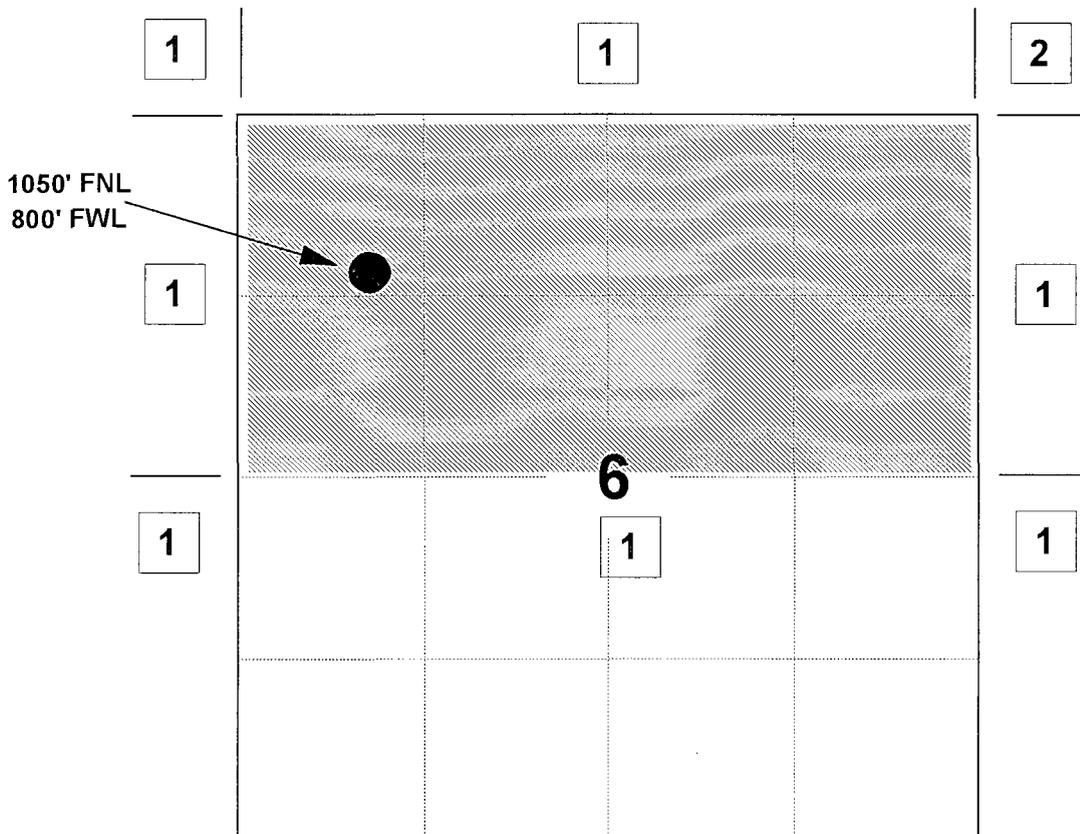
MERIDIAN OIL INC

HUERFANO UNIT #231

OFFSET OPERATOR \ OWNER PLAT

Unorthodox Fruitland Coal Well Location

Township 26 North, Range 9 West



1) Meridian Oil Inc

2) Meridian Oil Inc &

Conoco, Inc.

10 Desta Drive, Suite 100W, Midland, TX 79705-4500

July 9, 1994

Re: Huerfano Unit #231
1050'FNL, 800'FWL, Section 6, T-26-N, R-9-W, San Juan County, NM
API #30-045-21117

Conoco Inc
10 Desta Drive
Suite 100W
Midland, TX 79705-4500

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 recompletion of the above well.



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

(See other instructions on reverse side)

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

5. LEASE DESIGNATION AND SERIAL NO.

NM 03017

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

Huerfano Unit

8. FARM OR LEASE NAME

Huerfano Unit

9. WELL NO.

231

10. FIELD AND POOL, OR WILDCAT

Angel Peak Gallup Ext.

11. SEC., T., R., M., OR BLOCK AND SURVEY OR AREA

Sec. 6, T-26-N, R-9-W

NMPM

12. COUNTY OR PARISH

San Juan

13. STATE

New Mexico

WELL COMPLETION OR RECOMPLETION REPORT AND LOG *

1a. TYPE OF WELL:

OIL WELL GAS WELL DRY Other _____

b. TYPE OF COMPLETION:

NEW WELL WORK OVER DEEP-EN PLUG BACK DIFF. RESVR. Other _____

2. NAME OF OPERATOR

El Paso Natural Gas Company

3. ADDRESS OF OPERATOR

PO Box 990, Farmington, NM 87401

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements)*

At surface 1050'N, 800'W

At top prod. interval reported below

At total depth

14. PERMIT NO.

DATE ISSUED

15. DATE SPUDDED

11-20-72

16. DATE T.D. REACHED

11-30-72

17. DATE COMPL. (Ready to prod.)

12-19-72

18. ELEVATIONS (DF, RKB, RT, GR, ETC.)*

6542'GL

19. ELEV. CASINGHEAD

20. TOTAL DEPTH, MD & TVD

6189'

21. PLUG, BACK T.D., MD & TVD

6173'

22. IF MULTIPLE COMPL., HOW MANY*

→

23. INTERVALS DRILLED BY

0-6189'

ROTARY TOOLS

CABLE TOOLS

24. PRODUCING INTERVAL(S), OF THIS COMPLETION—TOP, BOTTOM, NAME (MD AND TVD)*

5758-6124'(Gallup)

25. WAS DIRECTIONAL SURVEY MADE

no

26. TYPE ELECTRIC AND OTHER LOGS RUN

Comp. Density; CDL-GR; Temp. Survey

27. WAS WELL COBED

no

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

CASING SIZE	WEIGHT, LB./FT.	DEPTH SET (MD)	HOLE SIZE	CEMENTING RECORD	AMOUNT PULLED
8 5/8"	24.0#	212'	12 1/4"	182 cu. ft.	
4 1/2"	10.5#	6189'	7 7/8"	1135 cu. ft.	

29. LINER RECORD

SIZE	TOP (MD)	BOTTOM (MD)	SACKS CEMENT*	SCREEN (MD)

30. TUBING RECORD

SIZE	DEPTH SET (MD)	PACKER SET (MD)
2 3/8"	6114'	

31. PERFORATION RECORD (Interval, size and number)

5758-66', 5838-54', 5926-34' and 5950-66'
with 16 shots per zone.
5994-6002', 6030-46', 6076-84', 6108-24'
with 16 shots per zone.

32. ACID. SHOT, FRACTURE, CEMENT SQUEEZE, ETC.

DEPTH INTERVAL (MD)	AMOUNT AND KIND OF MATERIAL USED
5758-5966'	45,000#sand, 45,000 gal. water
5994-6124'	45,000#sand, 42,720 gal. water

33.* PRODUCTION

DATE FIRST PRODUCTION	PRODUCTION METHOD (Flowing, gas lift, pumping—size and type of pump)	WELL STATUS (Producing or shut-in)					
	flowing	shut in					
DATE OF TEST	HOURS TESTED	CHOKE SIZE	PROD'N. FOR TEST PERIOD	OIL—BBL.	GAS—MCF.	WATER—BBL.	GAS-OIL RATIO
12-19-72	3 hours	3/4"	→	15			
FLOW. TUBING PRESS.	CASING PRESSURE	CALCULATED 24-HOUR RATE	OIL—BBL.	GAS—MCF.	WATER—BBL.	OIL GRAVITY-API (CORR.)	
SI 432	SI 692	→		1002 AOF		37.0	

34. DISPOSITION OF GAS (Sold, used for fuel, vented, etc.)

TEST WITNESSED BY

B. J. Broughton

35. LIST OF ATTACHMENTS

36. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records

SIGNED

TITLE Petroleum Engineer

DATE January 5, 1973

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

MERIDIAN OIL

July 11, 1994

Federal Express

Mr. William LeMay
New Mexico Oil Conservation Division
310 Old Santa Fe Trail
Santa Fe, New Mexico 87501

Re: Huerfano Unit #231
1050'FNL, 800'FWL, Section 6, T-26-N, R-9-W, San Juan County, NM
API #30-045-21117

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Sincerely yours,



Peggy Bradfield
Regulatory/Compliance Representative

WAIVER

Conoco Inc. hereby waives objection to Meridian Oil Inc.'s application for non-standard location for the Huerfano Unit #231 as proposed above.

By: Peggy Sutho Date: 7/26/94

xc: Conoco

Sec : 06 Twp : 26N Rng : 09W Section Type : NORMAL

4 41.94 Federal owned A	3 40.47 Federal owned A	2 40.79 Federal owned	1 41.10 Federal owned
5 41.88 Federal owned	F 40.00 Federal owned	G 40.00 Federal owned	H 40.00 Federal owned A

PF01 HELP PF02 PF03 EXIT PF04 GoTo PF05 PF06
PF07 BKWD PF08 FWD PF09 PRINT PF10 SDIV PF11 PF12

Handwritten calculations:

$$\begin{array}{r} 41.10 \\ 40.79 \\ \hline 81.89 \\ 40.47 \\ \hline 122.36 \\ 41.94 \\ \hline 164.30 \\ 41.88 \\ \hline 206.18 \\ 12 \\ \hline 326.18 \end{array}$$

CMD :
OG5SECT

ONGARD
INQUIRE LAND BY SECTION

07/21/94 13:03:33
OGOMES -EME5
PAGE NO: 2

Sec : 06 Twp : 26N Rng : 09W Section Type : NORMAL

6 41.94 Federal owned	K 40.00 Federal owned	J 40.00 Federal owned	I 40.00 Federal owned
7 41.99 Federal owned A	N 40.00 Federal owned	O 40.00 Federal owned A A	P 40.00 Federal owned

PF01 HELP
PF07 BKWD

PF02
PF08 FWD

PF03 EXIT
PF09 PRINT

PF04 GoTo
PF10 SDIV

PF05
PF11

PF06
PF12

Mike Stogner

From: Ernie Busch
To: Mike Stogner
Subject: MERIDIAN OIL INC (NSL)
Date: Tue, Jul 12, 1994 9:30AM

WELL NAME: HUERFANO UNIT #231
LOCATION: D-06-26N-09W
FOOTAGE: 1050' fnl; 800' fwl
RECOMMEND: APPROVAL