

MERIDIAN OIL

*Received
OCB
8/10/94*

August 9, 1994

Sent Federal Express

Mr. William LeMay
New Mexico Oil Conservation Division
Post Office Box 2088
Santa Fe, New Mexico 87501

Re: Meridian Oil Inc. Jicarilla 95 #6A
1730'FSL, 1930'FEL Section 36, T-27-N, R3-W - Rio Arriba County, New Mexico
API # 30-039-not assigned

Dear Mr. LeMay:

Meridian Oil Inc. is applying for administrative approval of a non-standard location for the above location in both the Gavilan Pictured Cliffs and Blanco Mesa Verde formations. This application for the referenced location is due to terrain as shown on the topographic map, archaeology, and at the request of the Jicarilla Apache Tribe.

This well is planned as a Gavilan Pictured Cliffs/Blanco Mesa Verde commingle. Application is being made to the New Mexico Oil Conservation Division for commingling approval.

The following attachments are for your review:

1. Application for Permit to Drill.
2. Completed C-102 at referenced location.
3. Offset operators/owners plat and affidavit of notification.
4. 7.5 minute topographic map showing the orthodox windows for the south half dedication for the Mesa Verde and southeast quarter dedication for the Pictured Cliffs; and enlargement of the map to define topographic features.

A copy of this application is being submitted to all offset owners/ operators by certified mail with a request that they furnish you with a Waiver of Objection, and return one copy to this office.

Sincerely,



Peggy Bradfield
Regulatory/Compliance Representative
encs.

WAIVER

_____ hereby waives objection to Meridian Oil's application for a non-standard location for their Jicarilla 95 #6A as proposed above.

By: _____ Date: _____

xc: Jicarilla Apache Tribe
Jicarilla Apache Tribe & Jicarilla Energy Co.
William A. Gallaway
Nassau Resources

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. Type of Work DRILL	5. Lease Number Jic. Contract 95	
1b. Type of Well GAS	6. If Indian, All. or Tribe Jicarilla Apache	
2. Operator MERIDIAN OIL	7. Unit Agreement Name	
3. Address & Phone No. of Operator PO Box 4289, Farmington, NM 87499 (505) 326-9700	8. Farm or Lease Name Jicarilla 95 9. Well Number 6A	
4. Location of Well 1730' FSL, 1930' FEL Latitude 36° 31' 39", Longitude 107° 05' 33"	10. Field, Pool, Wildcat Gavilan PC/ Blanco MV 11. Sec., Twn, Rge, Mer. Sec 36, T-27-N, R-3-W NMPM	
14. Distance in Miles from Nearest Town 40 miles to Counselors	12. County Rio Arriba	13. State NM
15. Distance from Proposed Location to Nearest Property or Lease Line 1730'		
16. Acres in Lease	17. Acres Assigned to Well 160 SE/4; 320 S/2	
18. Distance from Proposed Location to Nearest Well, Drlg, Compl, or Applied for on this Lease 2500'		
19. Proposed Depth 6435	20. Rotary or Cable Tools Rotary	
21. Elevations (DF, FT, GR, Etc.) 7215' GR	22. Approx. Date Work will Start 3rd quarter 1994	
23. Proposed Casing and Cementing Program See Operations Plan attached		
24. Authorized by: <u></u> Regional Drilling Engineer	<u>6/1/94</u> Date	

PERMIT NO. _____ APPROVAL DATE _____
APPROVED BY _____ TITLE _____ DATE _____

Archaeological Report to be submitted by Jicarilla Apache Archaeological Services
Threatened and Endangered Species Report to be submitted
NOTE: This format is issued in lieu of U.S. BLM Form 3160-3

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 00, Arama, NM 88210

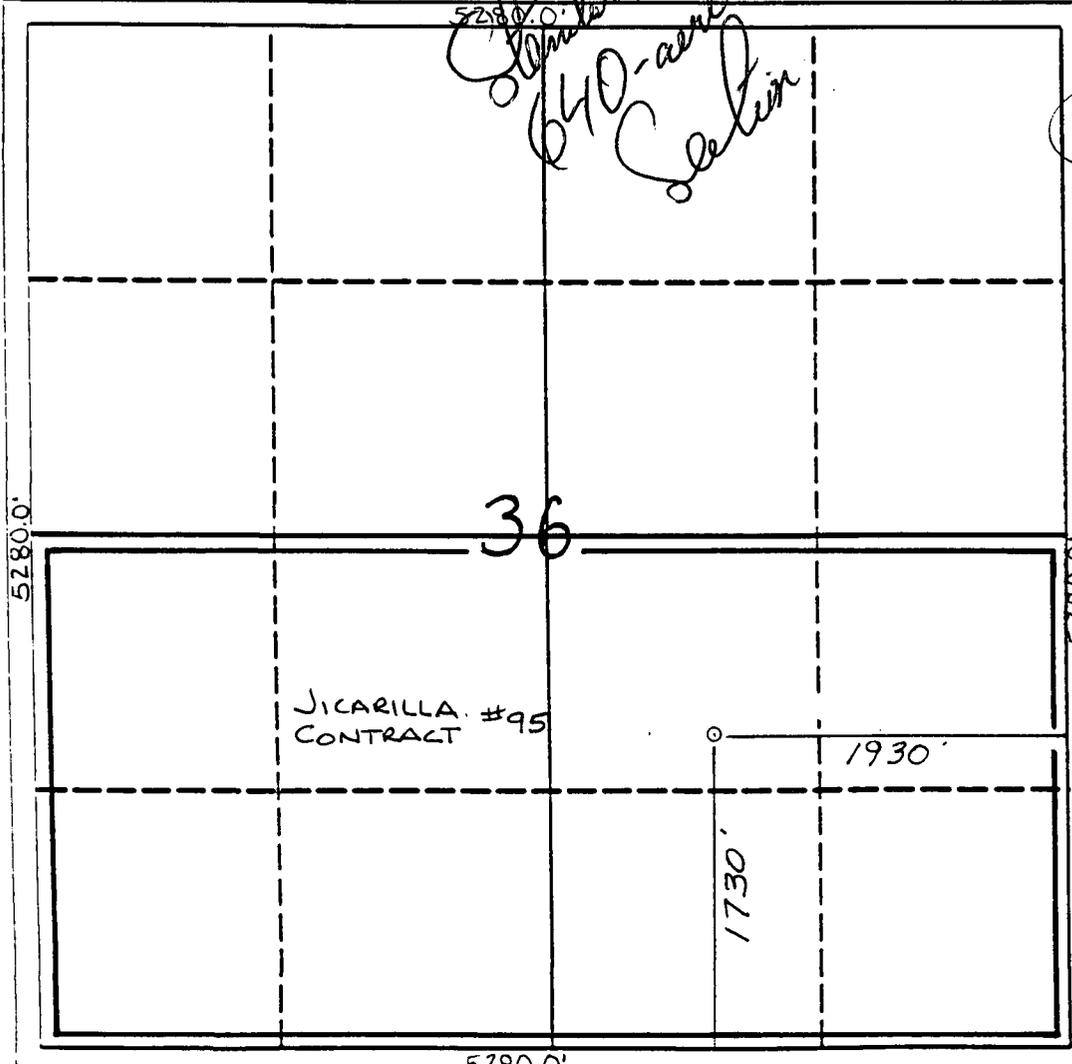
DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

WELL LOCATION AND ACREAGE DEDICATION PLAT
All Distances must be from the outer boundaries of the section

Operator Meridian Oil Inc.		Lease Jicarilla 95		Well No. 6A
Unit Letter I	Section 36	Township 27 North	Range 3 West	County Rio Arriba
Actual Footage Location of Well: 1730 feet from the South line and 1930 feet from the East line				
Ground level Elev. 7215'	Producing Formation Pic. Cliffs/Mesa Verde	Pool Gavilan/Blanco	Dedicated Acreage: 160/320 Acres	

- Outline the acreage dedicated to the subject well by colored pencil or hectare 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 see-standard trust, 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 Bradford
Signature

Peggy Bradford
Printed Name

Regulatory Representative

Petitioner
Meridian Oil Inc.

Company
5-25-94

Date

SURVEYOR CERTIFICATION
I hereby certify that the well location shown on this plat was plotted from field notes or 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.

1-22-94

Date Surveyed

Neil C. Edwards
Signature

Neil C. Edwards
Professional Surveyor

6857

6857

OPERATIONS PLAN

Well Name: Jicarilla 95 #6A
Location: 1730'FSL, 1930'FEL Section 36, T-27-N, R-3-W
 Rio Arriba County, New Mexico
 Latitude: 36° 31' 39", Longitude 107° 05' 33"
Formation: Gavilan Pictured Cliffs/Blanco Mesa Verde
Elevation: 7215'GL

<u>Formation Tops:</u>	<u>Top</u>	<u>Bottom</u>	<u>Contents</u>
Surface	San Jose	3400'	
Ojo Alamo	3400'	3520'	aquifer
Kirtland	3520'	3600'	
Fruitland	3600'	3775'	gas
Pictured Cliffs	3775'	4005'	gas
Lewis	4005'	4420'	
Intermediate TD	4335'		
Chacra	4420'	5575'	
Upper Cliff House	5575'	5645'	gas
Menefee	5645'	5935'	gas
Point Lookout	5935'		gas
Total Depth	6435'		

Logging Program:

Openhole Wireline Logging -
 Surface to Intermediate : DIL-GR, FDC-CNL & ML
 Intermediate TD to Total Depth : DIL-GR, FDC-CNL & Temp
 Mud Logs/Coring/DST -
 Mud logs - 3325' to Intermediate Depth
 Coring - none
 DST - none

Mud Program:

<u>Interval</u>	<u>Type</u>	<u>Weight</u>	<u>Vis.</u>	<u>Fluid Loss</u>
0- 200'	Spud	8.4-8.9	40-50	no control
200-4335'	LSND	8.4-9.1	30-60	no control
4335-6435'	Gas/Mist	n/a	n/a	n/a

Pit levels will be visually monitored to detect gain or loss of fluid control.

Casing Program:

<u>Hole Size</u>	<u>Depth Interval</u>	<u>Csg.Size</u>	<u>Wt.</u>	<u>Grade</u>
12 1/4"	0' - 200'	9 5/8"	32.3#	H-40
8 3/4"	0' - 4335'	7"	20.0#	K-55
6 1/4"	3910' - 6435'	4 1/2"	10.5#	K-55

Tubing Program:

0' - 6435' 2 3/8" 4.7# J-55 EUE

BOP Specifications, Wellhead and Tests:

Surface to Intermediate TD -

11" 3000 psi minimum double gate BOP stack (Reference Figure #1). After nipple-up prior to drilling out surface casing, rams and casing will be tested to 600 psi for 30 minutes.

Intermediate TD to Total Depth -

11" 3000 psi minimum double gate BOP stack (Reference Figure #1). After nipple-up prior to drilling out intermediate casing, rams and casing will be tested to 1500 psi for 30 minutes.

Surface to Total Depth -

2" nominal, 3000 psi minimum choke manifold (Reference Figure #2).

Completion Operations -

6" 3000 psi double gate BOP stack (Reference Figure #2). After nipple-up prior to completion, pipe rams, casing and liner top will be tested to 3000 psi for 15 minutes.

Wellhead -

9 5/8" x 7" x 2 3/8" x 3000 psi tree assembly.

General -

- Pipe rams will be actuated once each day and blind rams will be actuated once each trip to test proper functioning.
- An upper kelly cock valve with handle available and drill string valves to fit each drill string will be available on the rig floors at all times.
- A BOP pit level drill will be conducted weekly for each drilling crew.
- All of the BOP tests and drills will be recorded in the daily drilling reports.
- Blind and pipe rams will be equipped with extension hand wheels.

Cementing:

9 5/8" surface casing - cement with 108 sx Class "B" cement with 1/4# flocele/sx and 3% calcium chloride (125 cu.ft. of slurry, 100% excess to circulate to surface). WOC 12 hrs. Test casing to 600 psi for 30 minutes.

Saw tooth guide shoe on bottom. Bowspring centralizers will be run in accordance with Onshore Order #2.

7" intermediate casing -

First stage - cement with 232 sx 65/35 Class "B" cement with 2% calcium chloride, 6% gel, and 1/4# flocele/sx. Tail w/100 sx Class "B" w/2% calcium chloride (502 cu.ft. of slurry, 80% excess to circulate stage tool @ 2300').

Second stage - lead w/338 sx of 65/35 Class "B" poz w/6% gel, 2% calcium chloride, and 1/4# flocele/sx. Tail w/25 sx Class "B" w/2% calcium chloride (691 cu.ft. of slurry, 100% excess to circulate to surface). WOC minimum of 12 hours before drilling out intermediate casing. If cement does not circulate to surface, a temperature log will be run after 8 hours to determine TOC. Test casing to 1500 psi for 30 minutes.

Cement nose guide shoe on bottom with float collar spaced on top of shoe joint. Two bowspring centralizers spaced every other joint off bottom, with 11 spaced every fourth joint to the base of the Ojo Alamo at 3520'. Two turbolating centralizers at the base of the Ojo Alamo at 3520'. Bowspring centralizers spaced every fourth joint from the base of the Ojo Alamo to the base of surface casing. A cementing stage tool will be run at 2600'.

4 1/2" Production Liner -

Cement to circulate liner top. Lead with 205 sx 65/35 Class "B" Poz with 6% gel, 2% calcium chloride, 3 pps gilsonite, 0.25 pps celloflake. Tail with 100 sx Class "B" with 1/4#/sx cellophane flakes (453 cu.ft., 75% excess to circulate liner top). WOC a minimum of 18 hrs prior to completing.

Cement nose guide shoe on bottom with float collar spaced on top of shoe joint. The liner hanger will have a rubber packoff.

- If hole conditions permit, an adequate water spacer will be pumped ahead of each cement job to prevent cement/ mud contamination or cement hydration.
- The pipe will be rotated and/or reciprocated, if hole conditions permit.

Special Drilling Operations (Gas/Mist Drilling):

The following equipment will be operational while gas/mist drilling:

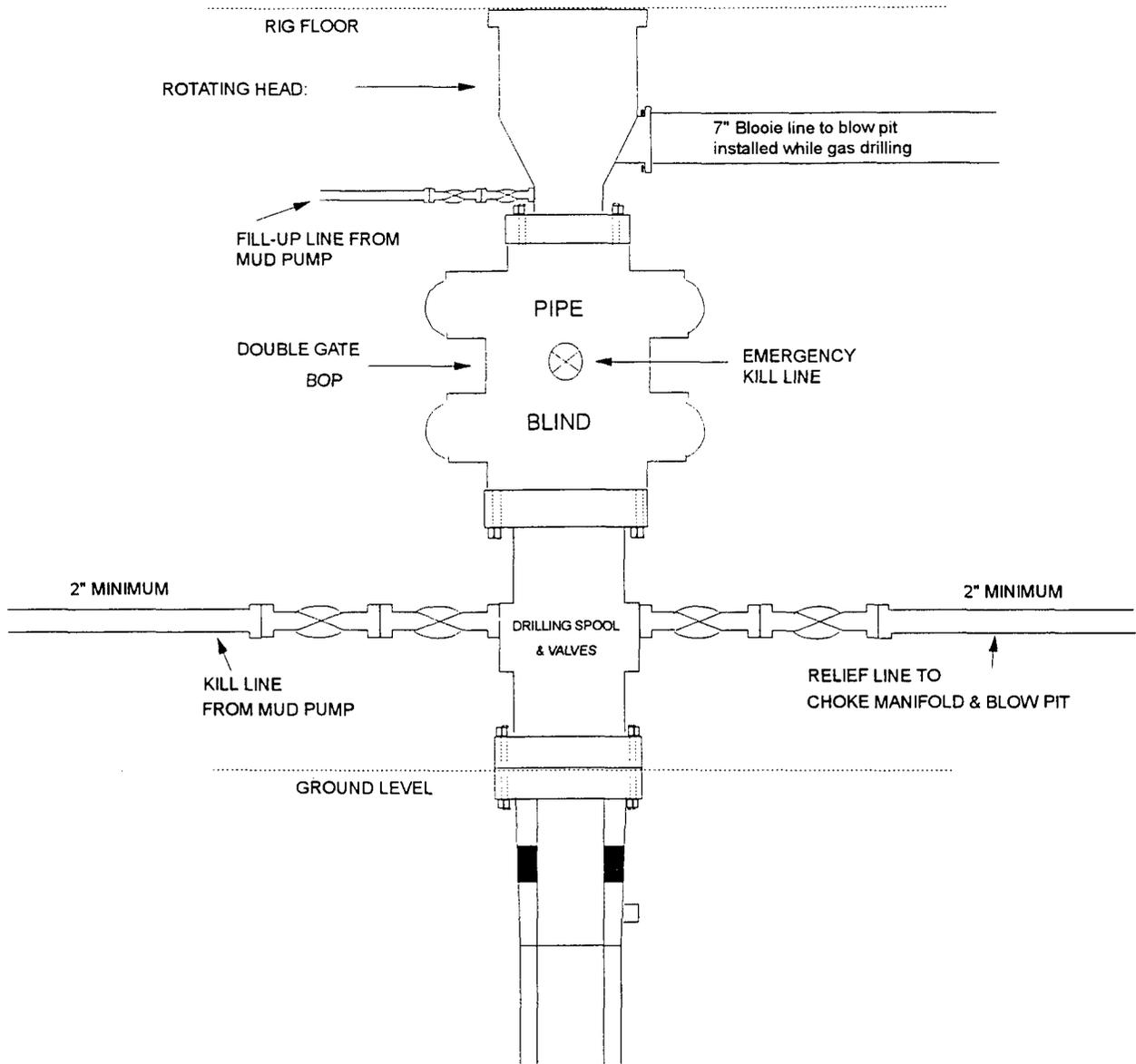
- An anchored blooie line will be utilized to discharge all cuttings and circulating medium to blow pit a minimum of 100' from wellhead.
- Blooie line will be equipped with automatic igniter or pilot light.
- Compressors will be located a minimum of 100' from the wellhead in the opposite direction from the blooie line.
- Engines will have spark arresters or water cooled exhaust.
- Deduster equipment will be utilized.
- The rotating head will be properly lubricated and maintained.
- A float valve will be utilized above the bit.
- Mud circulating equipment, water, and mud materials will be sufficient to maintain control of the well.

Additional Information:

- The Pictured Cliffs and Mesa Verde formations will be completed and commingled per New Mexico Oil Conservation Division order.
- No abnormal temperatures or hazards are anticipated.
- Anticipated pore pressure for the Pictured Cliffs is 800 psi and the Mesa Verde is 1100 psi.
- Sufficient LCM will be added to the mud system to maintain well control, if lost circulation is encountered below the top of the Pictured Cliffs.
- The South half of Section 36 is dedicated to the Mesa Verde formation, and the Southeast quarter is dedicated to the Pictured Cliffs.
- This gas is dedicated.
- New casing will be utilized.
- Pipe movement (either rotation or reciprocation) will be done if hole conditions permit.

MERIDIAN OIL INC.

BOP Configuration 2M PSI System



11" Bore, 3,000psi minimum working pressure double gate BOP to be equipped with blind and pipe rams. A Schaffer Type 50 or equivalent rotating head to be installed on the top of the BOP. All equipment is 3,000psi working pressure/or greater.

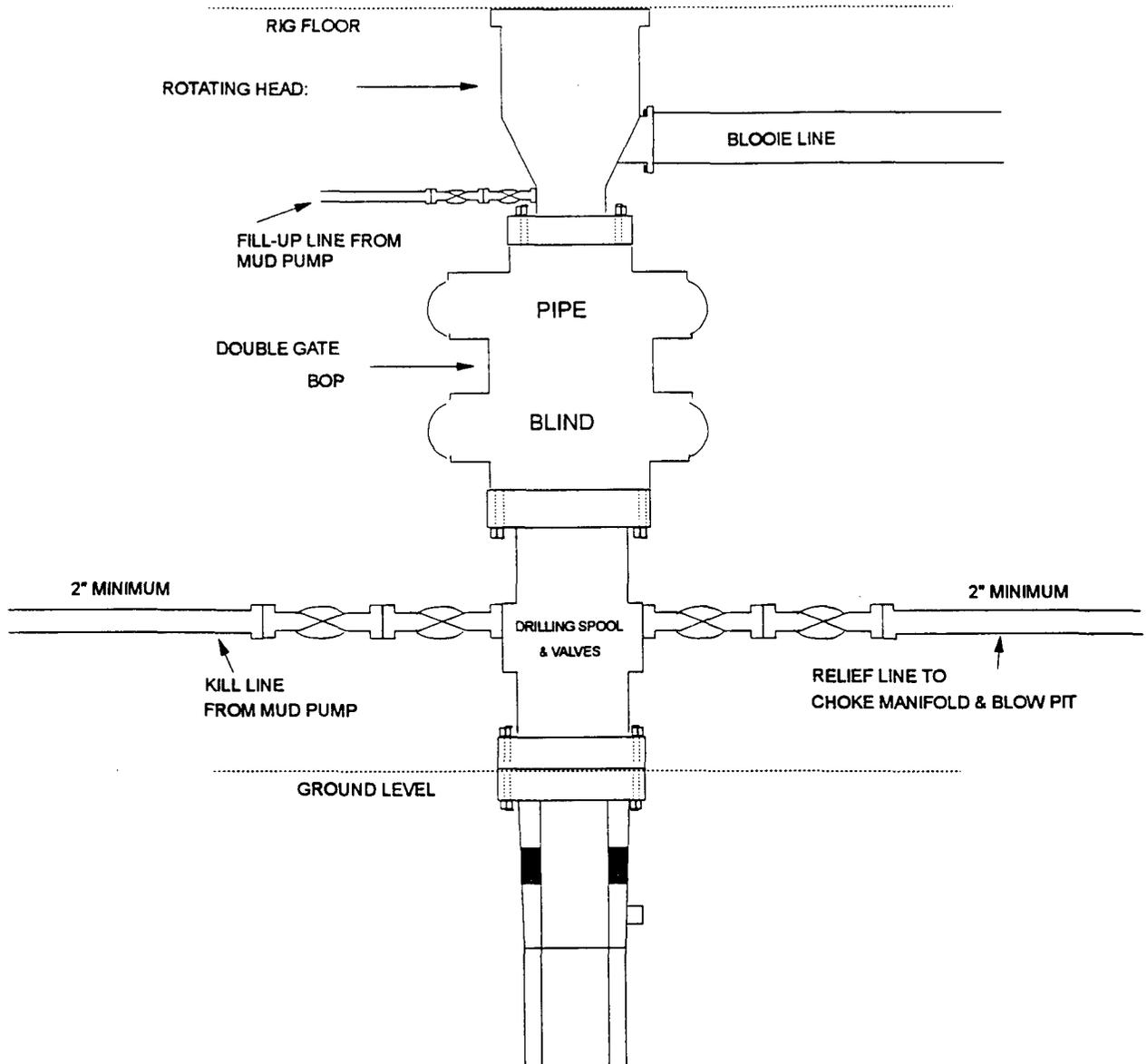
Figure #1

MERIDIAN OIL INC.

BOP Configuration

3M PSI System

2M

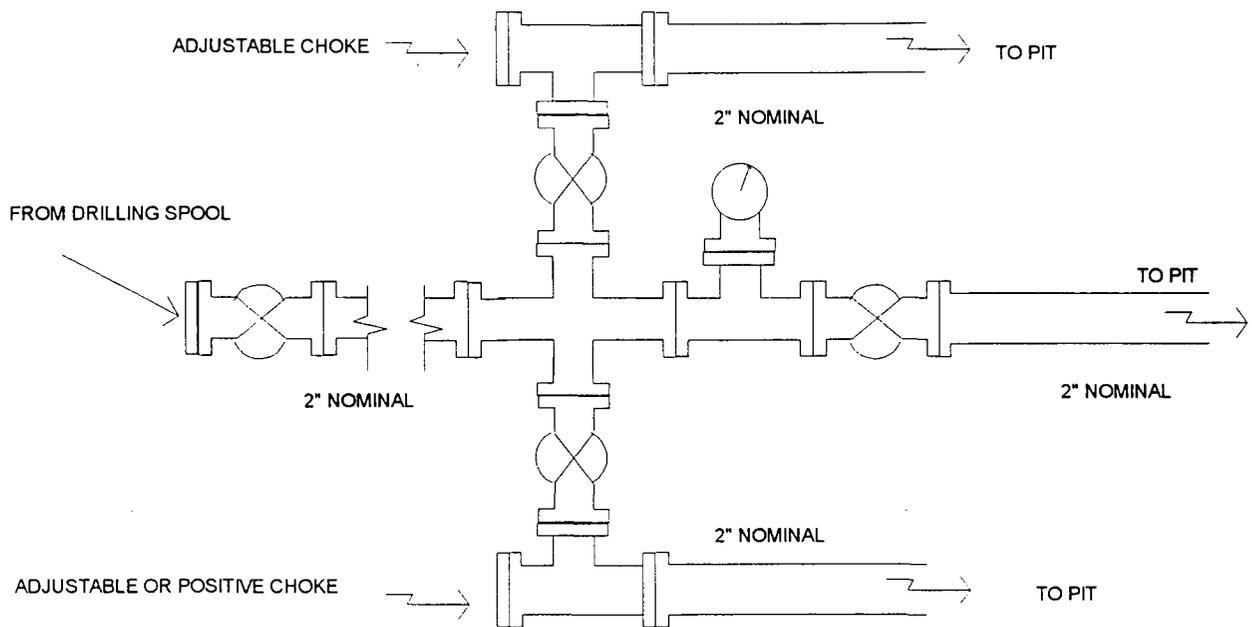


Minimum BOP installation for Completion operations. 7 1/16" Bore
(6" Nominal), 3,000psi minimum working pressure double gate BOP to
be equipped with blind and pipe rams.

Figure #2

MERIDIAN OIL INC.

Choke Manifold Configuration 2M System



Minimum choke manifold installation from surface to Total Depth.
2" minimum, 3000psi working pressure equipment with two chokes.

Figure #3

MERIDIAN OIL
Jicarilla 95 #6A
Multi-Point Surface Use Plan

1. Existing Roads - Refer to Map No. 1. Existing roads used to access the proposed location will be properly maintained for the duration of the project. Bureau of Indian Affairs right-of-way has been applied for as shown on Map No. 1.
2. Planned Access Road - Refer to Map No. 1. The required new access road is shown on Map No. 1. The gradient, shoulder, crowning and other design elements will meet or exceed those specified by the responsible government agency. The new access road surface will not exceed twenty feet (20') in width. No additional turnarounds or turnouts will be required. Upon completion of the project, the access road will be adequately drained to control soil erosion. Approximately 2624' of access road will be constructed. Pipelines are indicated on Map No. 1A.
3. Location of Existing Wells - Refer to Map No. 1A.
4. Location of Existing and/or Proposed Facilities if Well is Productive -
 - a. On the Well Pad - Refer to Plat No. 1, anticipated production facilities plat.
 - b. Off the Well Pad - Anticipated facilities off the well pad will be applied for as required.
5. Location and Type of Water Supply - Water will be hauled by truck for the proposed project and will be obtained from Bull Pasture Well located SW Section 17, T-26-N, R-4-W, New Mexico
6. Source of Construction Materials - If construction materials are required for the proposed project, such materials will be obtained from a commercial quarry.
7. Methods of Handling Waste Materials - All garbage and trash materials will be removed from the site for proper disposal. A portable toilet will be provided for human waste and serviced in a proper manner. Waste minimization techniques will be used to reduce drilling waste volumes. If liquids are left in the reserve pit after completion of the project, the pit will be fenced until the liquids have had adequate time to dry. The location clean-up will not take place until such time as the reserve pit can be properly covered over to prevent run-off from carrying waste materials into the watershed. All reserve pits will be lined with 12 mil bio-degradable plastic liner. All earthen pits will be so constructed as to prevent leakage from occurring; no earthen pit will be located on natural drainage. Generation of hazardous waste is not anticipated. Federal regulations will be adhered to regarding handling and disposal of such waste if so generated.
8. Ancillary Facilities - None anticipated.
9. Wellsite Layout - Refer to the location diagram and to the wellsite cut and fill diagram (Figure No. 4). The blow pit will be constructed with a 2'/160' grade to allow positive drainage to the reserve pit and prevent standing liquids in the blow pit.

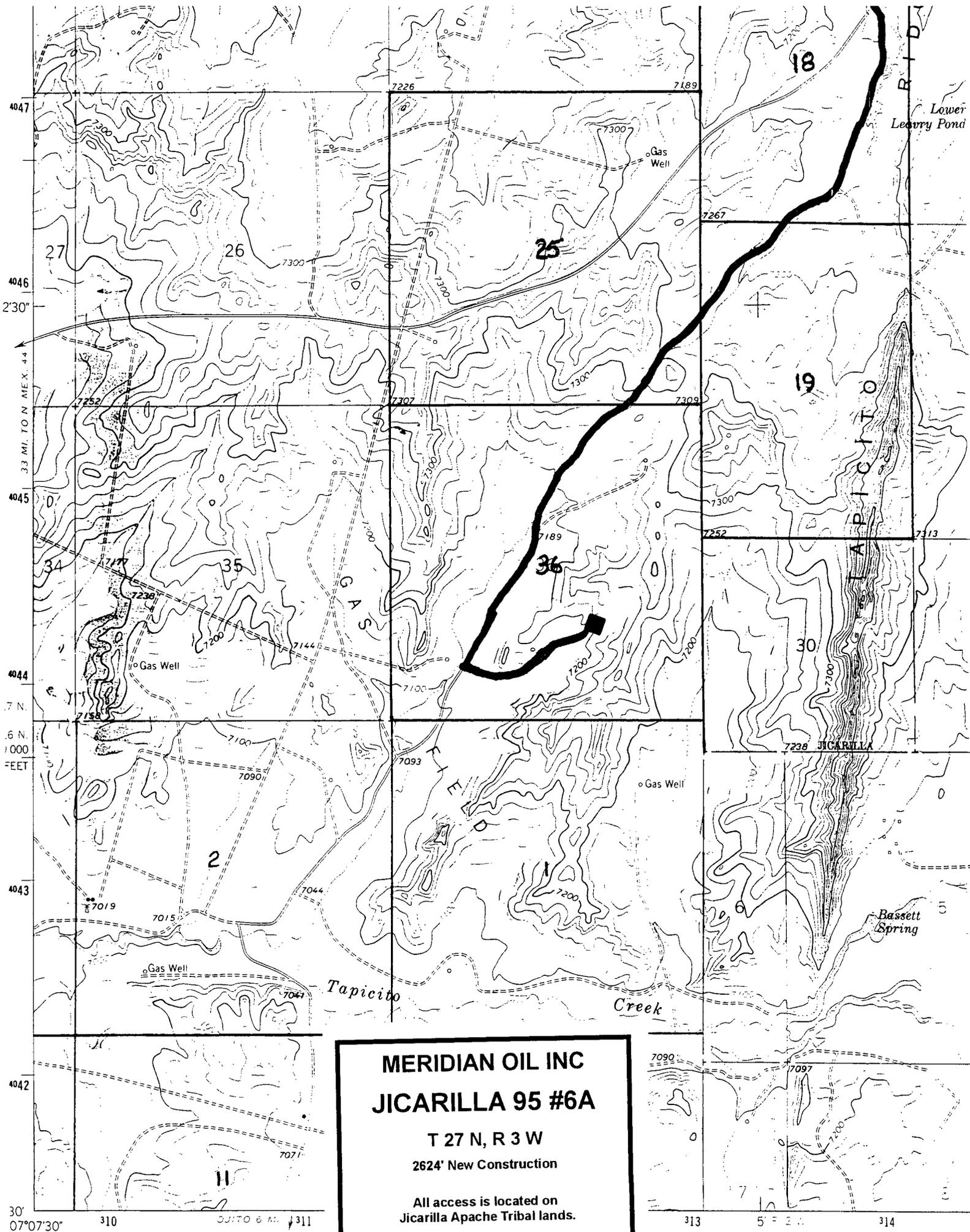
10. Plans for Restoration of the Surface - After completion of the proposed project, the location will be cleaned and leveled. The location will be left in such a condition that will enable reseeding operations to be carried out. Seed mixture as designated by the responsible government agency will be used. The reseeding operations will be performed during the time period set forth by the responsible government agency. The permanent location facilities will be painted as designated by the responsible government agency.
11. Surface Ownership - Jicarilla Apache Tribe.
12. Other Information - Environmental stipulations as outlined by the responsible government agency will be adhered to. Refer to the archaeological report for a description of the topography, flora, fauna, soil characteristics, dwellings, historical and cultural sites.
13. Operator's Representative and Certification - Meridian Oil Regional Drilling Manager, Post Office Box 4289, Farmington, NM 87499, telephone (505) 326-9700. I hereby certify that I, or persons under my direct supervision, have inspected the proposed drill site and access route; that I am familiar with the conditions which presently exist; that the statements made in this plan, are to the best of my knowledge, true and correct; and that the work associated with the operations proposed herein will be performed by Meridian Oil Inc. and its contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved.



Regional Drilling Engineer

6/1/94
Date

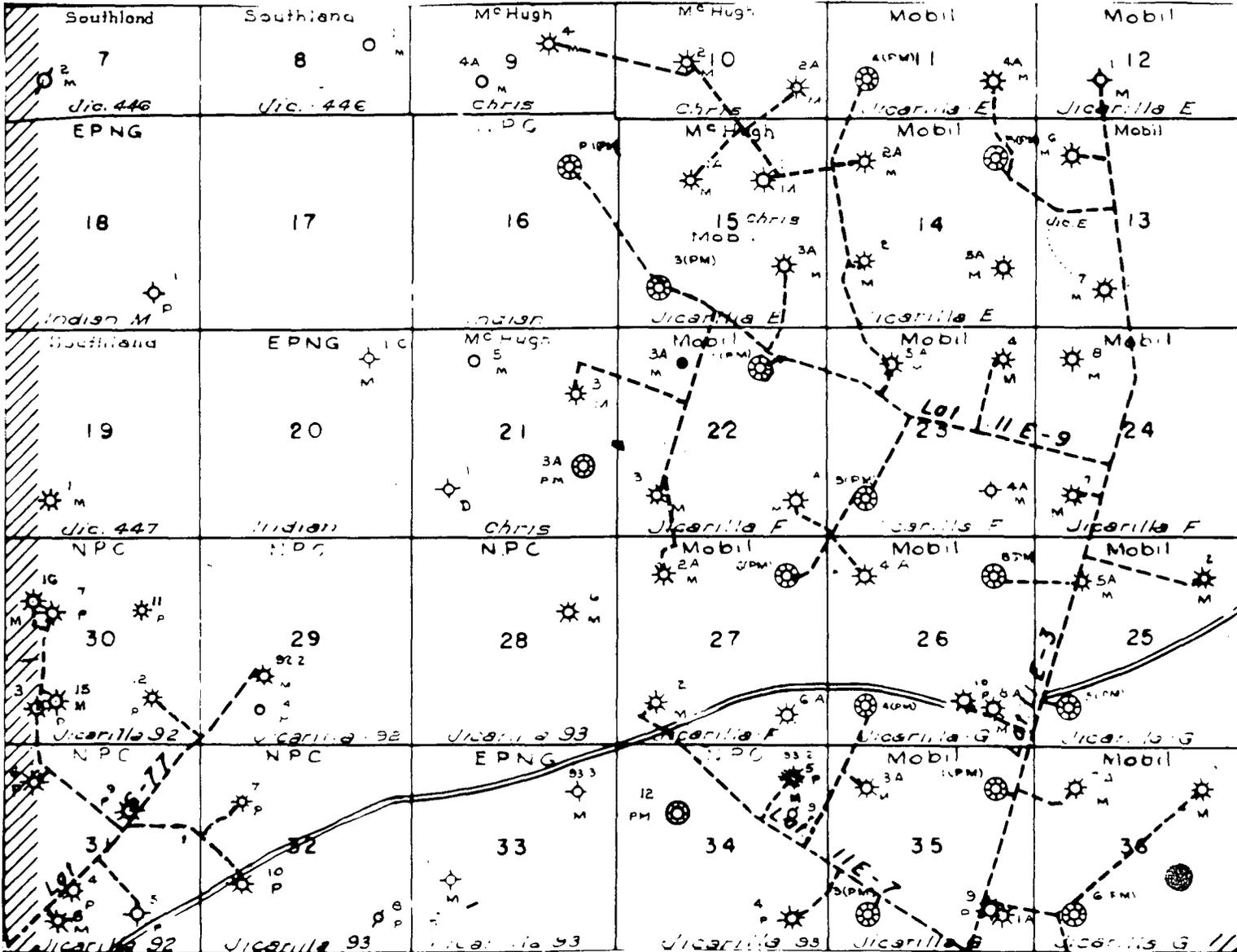
JWC:pb



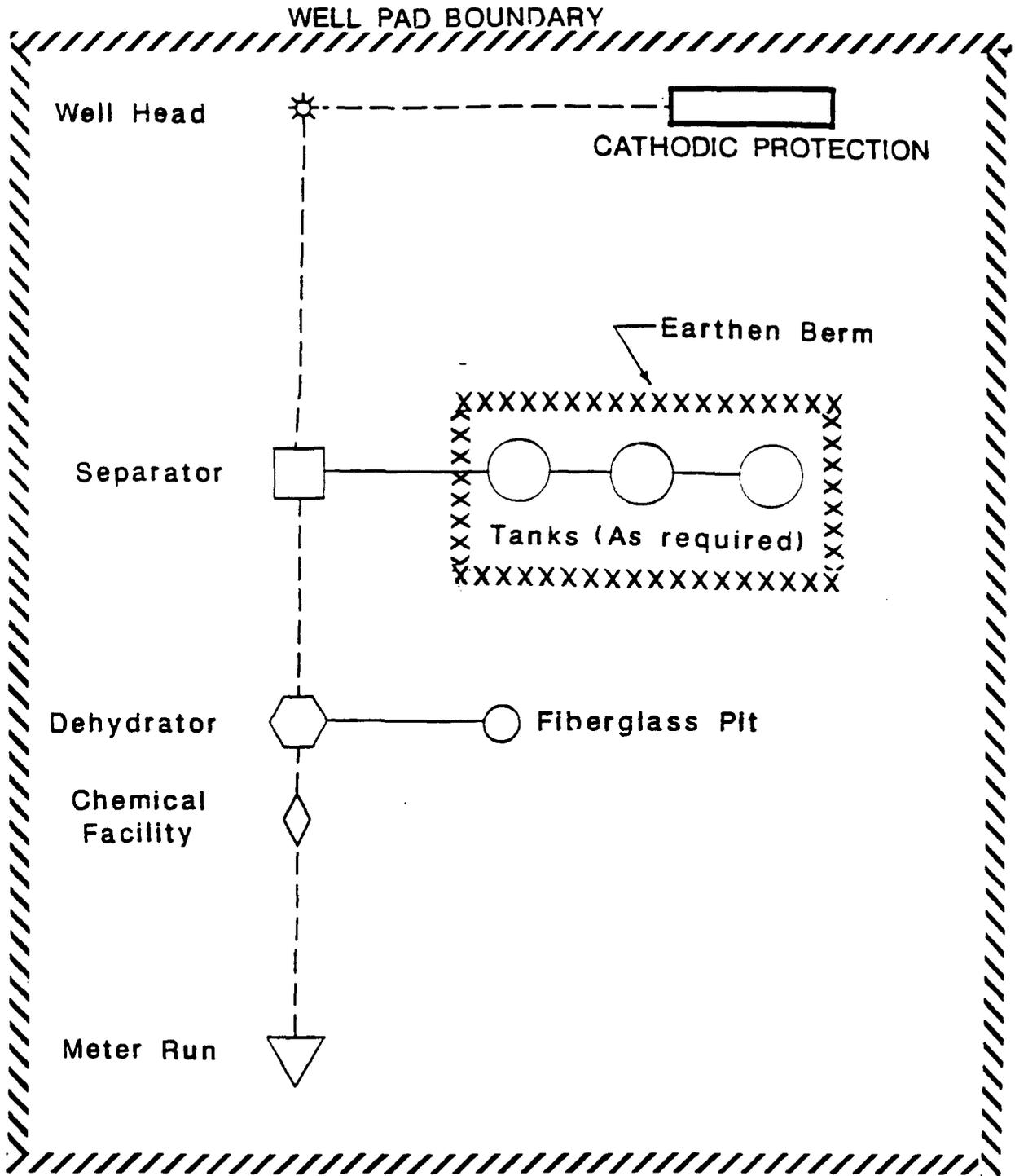
MERIDIAN OIL INC
JICARILLA 95 #6A
 T 27 N, R 3 W
 2624' New Construction
 All access is located on
 Jicarilla Apache Tribal lands.
APD MAP #1

30' 07°07'30" 310 311
 Mapped, edited, and published by the Geologic Survey
 Control by USGS

313 314
 5' 2.1
 1 2



MERIDIAN OIL INC.
 Pipeline Map
 T-27-N, R-03-W
 Rio Arriba County, New Mexico
 Jicarilla 95 #6A
 Map #1A



PLAT #1



**ANTICIPATED
PRODUCTION FACILITIES
FOR A
MESA VERDE WELL**

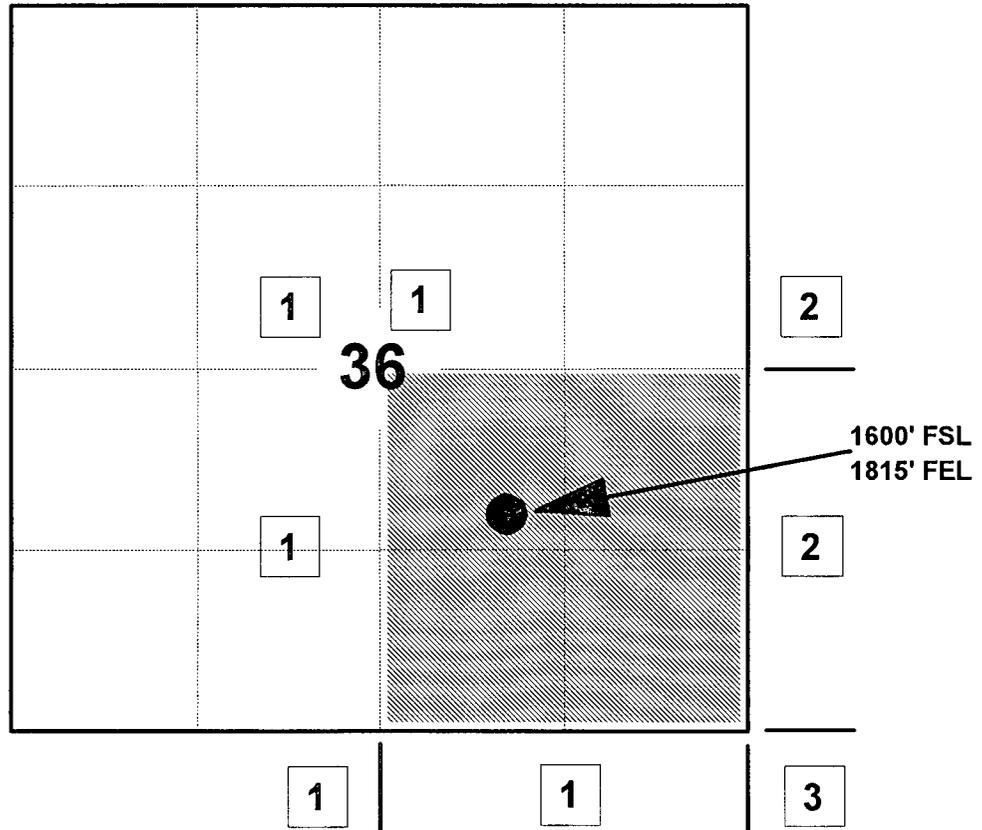
MERIDIAN OIL INC

JICARILLA 95 #6A

OFFSET OPERATOR \ OWNER PLAT

Unorthodox Pictured Cliffs Well Location

Township 27 North, Range 3 West



1) Meridian Oil Inc

2) Jicarilla Apache Tribe

PO Box 167, Dulce, NM 87528

3) Nassau Resources

650 South Cherry, Suite 1225, Denver, CO 80222

Pictured Cliffs Formation

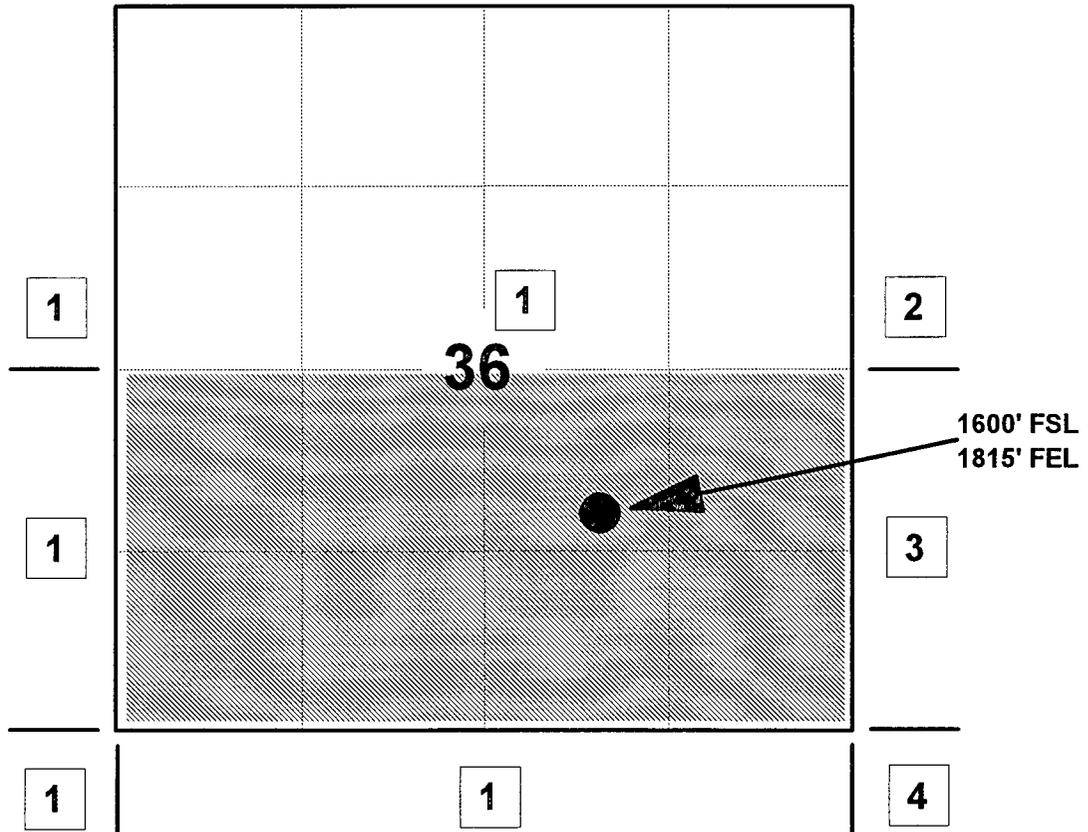
MERIDIAN OIL INC

JICARILLA 95 #6A

OFFSET OPERATOR \ OWNER PLAT

Unorthodox Mesaverde Well Location

Township 27 North, Range 3 West



1) Meridian Oil Inc

2) Jicarilla Apache Tribe

PO Box 167, Dulce, NM 87528

3) Jicarilla Apache Tribe &

Jicarilla Energy Company, Attn: Thurman Velarde, PO Box 507, Dulce, NM 87528

4) William A. Gallaway 3005 Northridge Dr., Ste 1, Farmington, NM 87401 &

Nassau Resources 650 South Cherry, Suite 1225, Denver, CO 80222

MERIDIAN OIL

Re: Meridian Oil Inc. Jicarilla 95 #6A
1730'FSL, 1930'FEL Section 36, T-27-N, R3-W - Rio Arriba County, New Mexico
API # 30-039-not yet assigned

I hereby certify that the following offset operators/owners have been mailed notification of our application for non-standard location to drill the referenced well.

Mesa Verde

Jicarilla Apache Tribe
PO Box 167
Dulce, NM 87528

Jicarilla Energy Company
Att: Thurman Velarde
PO Box 507
Dulce, NM 87528

William A. Gallaway
3005 Northridge Drive, Suite 1
Farmington, NM 87401

Nassau Resources
650 S. Cherry, Suite 1225
Denver, CO 80222

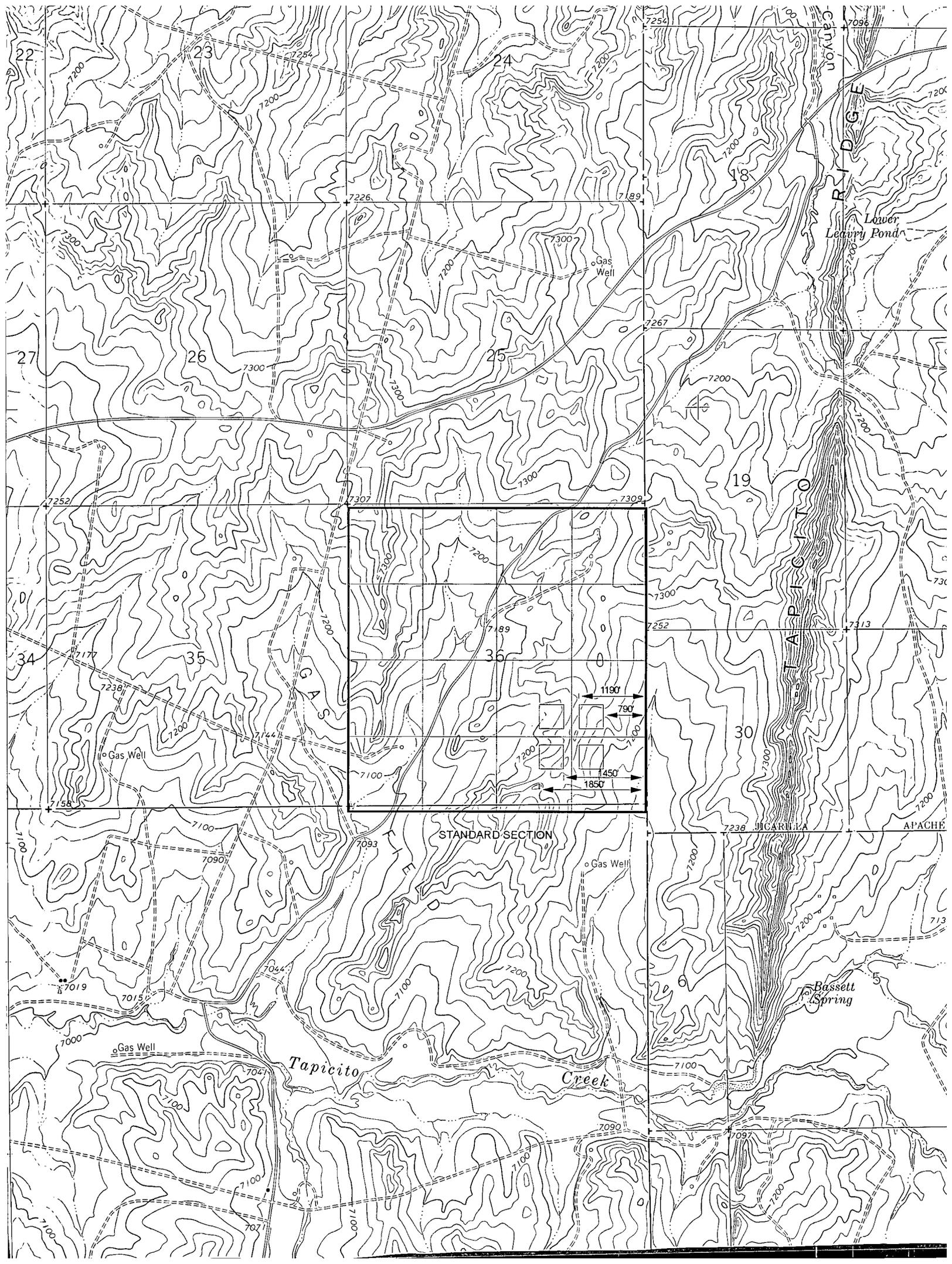
Pictured Cliffs

Jicarilla Apache Tribe
PO Box 167
Dulce, NM 87528

Nassau Resources
650 S. Cherry, Suite 1225
Denver, CO 80222



Peggy A. Bradfield
San Juan County, State of New Mexico
My commission expires August 17, 1996



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STANDARD SECTION

JUCARILLA

APACHE

Tapicito

Creek

Bassett Spring

Lower Leary Ponds

Canyon

TAPICITO

Gas Well

Gas Well

Gas Well

7254

7096

7226

7189

7267

7307

7309

7252

7252

7313

7158

7100

7200

7238

7100

7090

7093

7200

7200

7000

7019

7015

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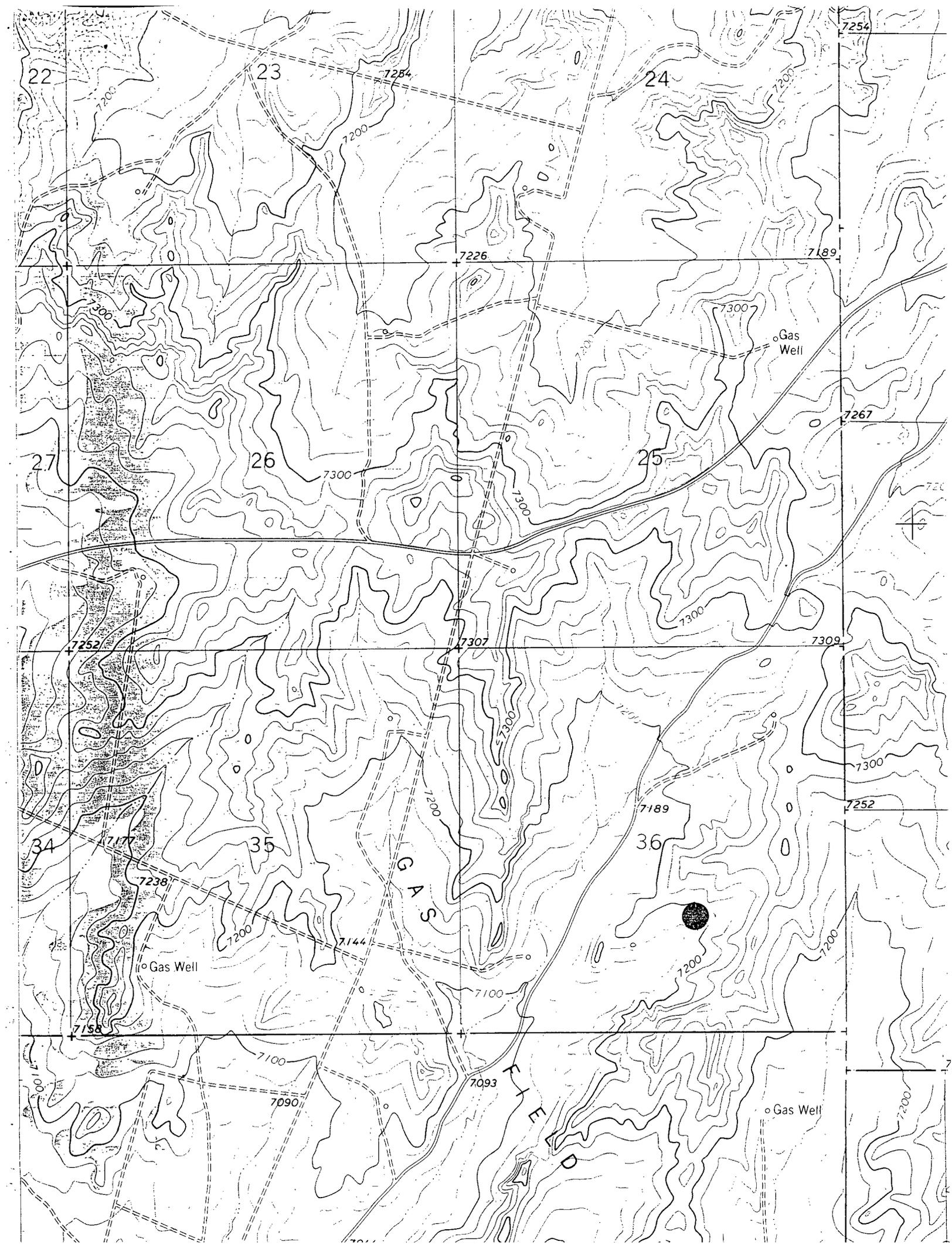
713

7200

7300

7200

7200



Mike Stogner

From: Ernie Busch
To: Mike Stogner
Subject: MERIDIAN OIL INC. (NSL)
Date: Thu, Sep 15, 1994 8:11AM
Priority: High

JICARILLA 95 #6A
1730' FSL; 1930' FEL
I-36-27N-03W
RECOMMEND: APPROVAL

NSL-3423