

MERIDIAN OIL

*Rec. OCD
11-17-94*

November 10, 1994

Federal Express

Mr. William LeMay
New Mexico Oil Conservation Division
2040 South Pacheco Street
Santa Fe, New Mexico 87504

Re: Sanchez #2
1650'FSL, 1650'FEL, Section 34, T-30-N, R-10-W, San Juan County, NM
API #30-045-08979

Dear Mr. LeMay:

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

Meridian Oil Inc. intends to recomplate the Sanchez #2 in the Basin Fruitland Coal pool and temporarily abandoning the Pictured Cliffs zone. This location is considered off-pattern for Fruitland Coal. 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 Sanchez #2 as proposed above.

By: _____ Date: _____

xc: see attached

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-10:
 Revised February 21, 1992
 Instructions on back:
 Submit to Appropriate District Office:
 State Lease - 4 Copies
 Fee Lease - 3 Copies

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-045-08979		Pool Code 71629		Pool Name Basin Fruitland Coal	
Property Code 7475		Property Name Sanchez			Well Number 2
OGRID No. 14538		Operator Name MERIDIAN OIL INC.			Elevation 5998' DF

¹⁰ Surface Location

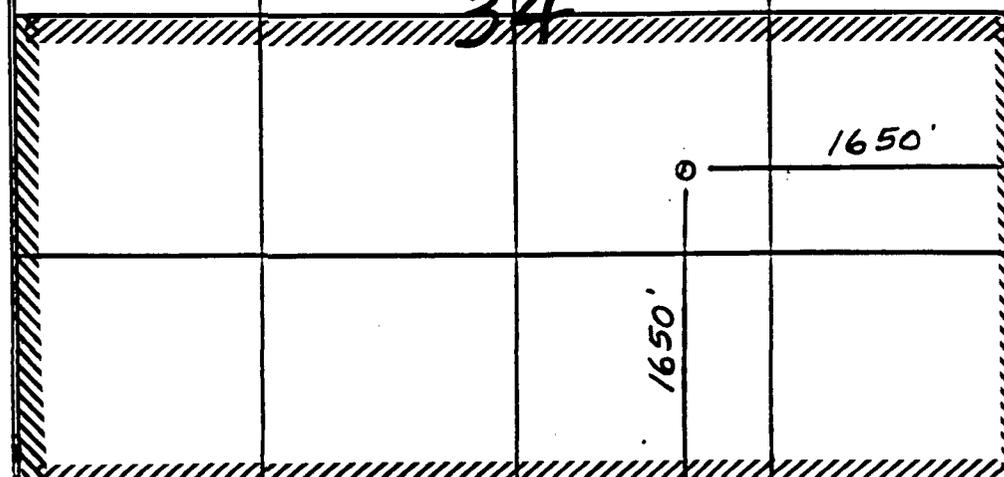
UL or lot no.	Section	Township	Range	Lot Ida	Feet from the	North/South line	Feet from the	East/West line	County
J	34	30 N	10 W		1650	South	1650	East	S.J.

¹¹ Bottom Hole Location if Different From Surface

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

¹² Dedicated Acres S/320	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
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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

16	Not resurveyed, prepared from a plat dated 5-22-55 by Ernest V. Echohawk.			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 11-2-94 Date		
34			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 knowledge and belief.		
			Date of Survey: 10-10-94 Signature and Seal of Registered Professional Surveyor:  Certificate Number: 6857		
					

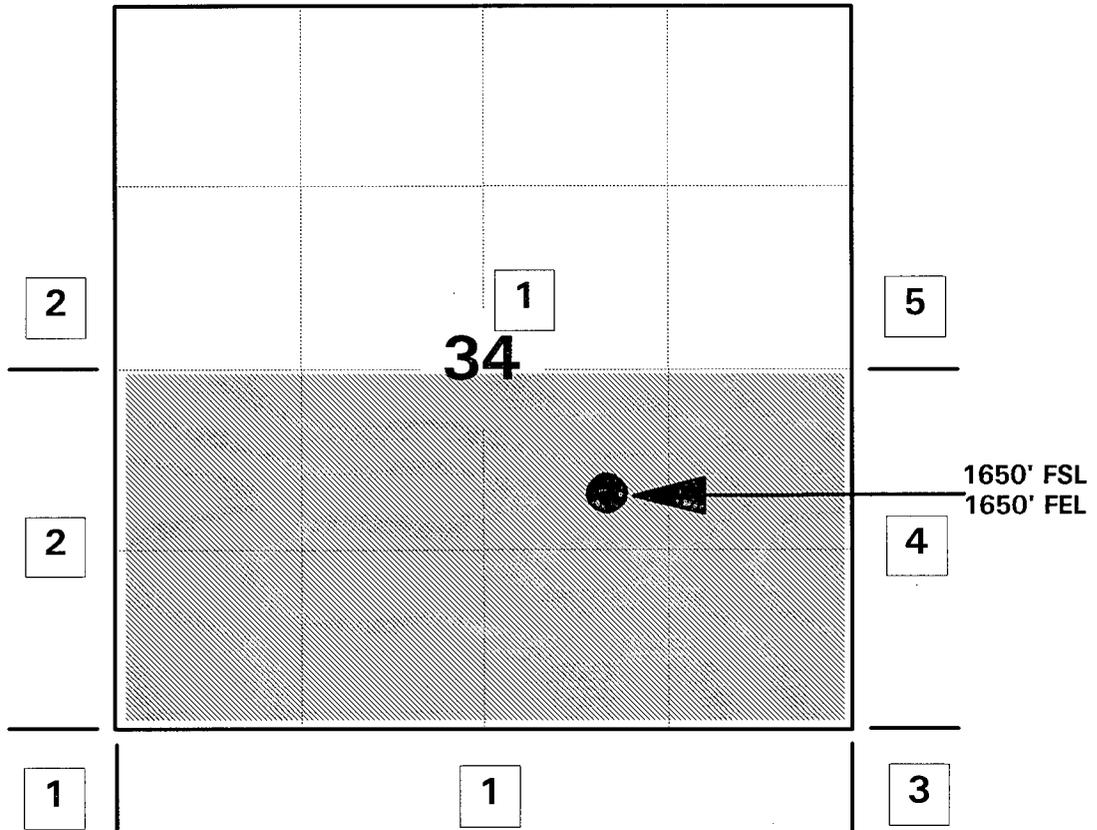
MERIDIAN OIL INC

SANCHEZ #2

OFFSET OPERATOR \ OWNER PLAT

Pictured Cliffs / Fruitland Coal Formations Commingle Well

Township 30 North, Range 10 West



1) Southland Royalty Company

2) Conoco, Inc.

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

3) S G Interests

811 Dallas, Houston, TX 77002

4) See attached list.

5) See attached list.

Fruitland Coal Formation

4) Meridian Oil Inc.

Elizabeth Caloway
4801 St. Johns Drive
Dallas, TX 75205

Henrietta Schultz, Trustee
Lincoln Plaza, Suite 2160 LB-1
500 North Akard
Dallas, TX 75205

J. Glenn Turner, Jr.
3131 Turtle Creek Blve., Suite 1201
Dallas, TX 75219

Mary Frances Turner, Jr.
C/o MBank Dallas, Trustee (Trust #3095)
PO Box 951412
Dallas, TX 75295-1412

Fredrick Eugene Turner
One Energy Square, Suite 853
4925 Greenville Ave.
Dallas, TX 75205

John Lee Turner
PO Box 797215
Dallas, TX 75279-7215

William G. Webb
c/o Questa Petroleum Inc.
PO Box 451
Albuquerque, NM 87103-0451

5) Southland Royalty Company

Meridian Oil Inc.

Ann Jones
Riverview Road, Irvington on Hudson
New York City, NY 10533

Ann Lockie
146 N. Gunston Drive
Los Angeles, CA 90049

Donna Mellenthin
3318 Oakdell Road
Studio City, CA 91604

Re: Sanchez #2
1650'FSL, 1650'FEL, Section 34, T-30-N, R-10-W, San Juan County, NM
API #30-045-08979

I hereby certify that the following offset owners/operators have been notified by certified mail of our application for administrative approval for non-standard well location of the above well.

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

S G Interests
811 Dallas
Houston, TX 77002

Elizabeth Sue Calloway
4801 St Johns Drive
Dallas, TX 75205

Henrietta Schultz, Trustee
Lincoln Plaza Suite 2160 LB-1
500 North Akard
Dallas, TX 75201-3360

Glenn Turner Jr
3131 Turtle Creek Blvd, Suite 1201
Dallas, TX 75219

Mary Frances Turner Jr
c/o MBank Dallas, Trustee (Trust #3095)
Box 951412
Dallas, TX 75395-1412

Frederick Eugene Turner
One Energy Square, Suite 853
4925 Greenville Ave
Dallas, TX 75205

John Lee Turner
Box 797215
Dallas, TX 75379-7215

William G. Webb
c/o Questa Petroleum Inc.
Box 451
Albuquerque, NM 87130-0451

Ann Jones
Riverview Road, Irvington on Hudson
New York, YU 10533

Ann Lockie
146 N. Gunston Drive
Los Angeles, CA 90049

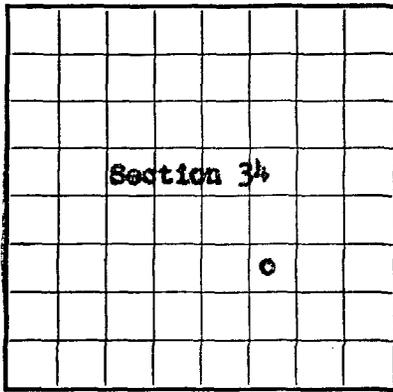
Donna Mellenthin
Oakdeil Road
Studio City, CA 91604


Peggy Bradfield
Notary Public
San Juan County, New Mexico

My commission expires August 17, 1996.

Form 9-330

U. S. LAND OFFICE Santa Fe
SERIAL NUMBER N.M. 06738
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 1001 Durt Building
Lessor or Tract Sanchez Field Artes Pictured Cl 1928 State New Mexico
Well No. 2 Sec. 34 T 30N R. 10W Meridian N.M.P.M. County San Juan
Location 1650 ft. ^{N.} of S Line and 1650 ft. ^{SE.} of E Line of Section 34 Elevation 5998
(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.

Original Signed By
Signed A. M. Wiederkehr M. WIEDERKEHR
Title Manager, Exploration Dept.

Date July 22, 1955

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

Commenced drilling 6-14, 1955 Finished drilling 6-24, 1955

OIL OR GAS SANDS OR ZONES

(Denote gas by G)

No. 1, from 2460 to 2557 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—	
<u>9-5/8</u>	<u>36</u>	<u>8 RD</u>	<u>J-55</u>	<u>126.51</u>					<u>Surface Prod.</u>
EXPLORATION OF OIL OR GAS WELLS									

MUDDING AND CEMENTING RECORD

Size casing	Where set	Number sacks of cement	Method used	Mud gravity	Amount of mud used
<u>9-5/8</u>	<u>127 RB</u>	<u>125</u>	<u>Haliburton</u>		
<u>5-1/2</u>	<u>2460 RB</u>	<u>150</u>			
<u>1</u>	<u>2502</u>				

PLUGS AND ADAPTERS

Heaving plug—Material _____ Length _____ Depth set _____
Adapters—Material _____ Size _____

FOLD MARK

MERIDIAN OIL

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New Mexico Oil Conservation Division
2040 South Pacheco Street
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Sincerely yours,


Peggy Bradfield
Regulatory/Compliance Representative

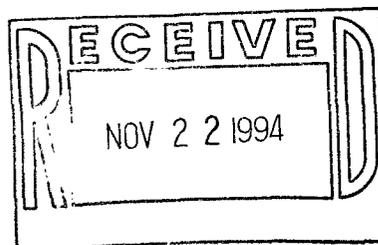
WAIVER

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

By: William Webb Date: 11/21/94

xc: see attached

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Federal Express

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New Mexico Oil Conservation Division
2040 South Pacheco Street
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Sincerely yours,

Peggy Bradfield
Regulatory/Compliance Representative

WAIVER

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

By: Gary S. Weber Date: 11-30-94
Gary S. Weber, Vice President

xc: see attached

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November 10, 1994

Federal Express

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New Mexico Oil Conservation Division
2040 South Pacheco Street
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1650'FSL, 1650'FEL, Section 34, T-30-N, R-10-W, San Juan County, NM
API #30-045-08979

Dear Mr. LeMay:

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

Meridian Oil Inc. intends to recomplete the Sanchez #2 in the Basin Fruitland Coal pool and temporarily abandoning the Pictured Cliffs zone. This location is considered off-pattern for Fruitland Coal. To comply with the New Mexico Oil Conservation Division rules, Meridian is submitting the following for your approval of this non-standard location:

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Sincerely yours,



Peggy Bradfield
Regulatory/Compliance Representative

WAIVER

FREDERICK EUGENE TURNER hereby waives objection to Meridian Oil Inc.'s application for non-standard location for the Sanchez #2 as proposed above.

By: Frederick Eugene Turner Date: 11/21/94

xc: see attached

12/1/94

FRED E. TURNER
 OIL AND GAS PRODUCER
 ONE ENERGY SQUARE - SUITE 852
 4925 GREENVILLE AVENUE
 DALLAS, TEXAS 75209-4079
 (214) 361-7010
 FAX # (214) 363-7750

Post-it® Fax Note	7671	Date	12/30/94	# of pages	2
To	WILLIAM LEMAY	From	FRED E. TURNER		
Co./Dept.	NM - OCD	Co.	OIL & GAS		
Phone #	505-827-7137	Phone #	214-361-7010		
Fax #	505-827-8177	Fax #	214-363-7750		

505

Sec : 34 Twp : 30N Rng : 10W Section Type : NORMAL

8 39.56 Federal owned A	7 39.56 Federal owned	6 39.65 Federal owned A A	5 39.65 Federal owned
9 39.59 Federal owned A A	10 39.59 Federal owned	11 39.62 Federal owned	12 39.62 Federal owned

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

$$\begin{array}{r} 39.56 \\ 39.56 \\ \hline 79.12 \end{array}$$

$$\begin{array}{r} 39.65 \\ 39.65 \\ \hline 79.30 \end{array}$$

$$\begin{array}{r} 39.59 \\ 39.59 \\ \hline 79.18 \end{array}$$

$$\begin{array}{r} 79.12 \\ 79.30 \\ \hline 158.42 \\ 79.18 \\ \hline 237.60 \\ 79.24 \\ \hline 316.84 \end{array}$$

$$\begin{array}{r} 39.62 \\ 39.62 \\ \hline 79.24 \end{array}$$

$$\begin{array}{r} 39.62 \\ 39.62 \\ \hline 79.24 \end{array}$$

Sec : 34 Twp : 30N Rng : 10W Section Type : NORMAL

D 40.00 Federal owned A	C 40.00 Federal owned	2 39.54 Federal owned	1 39.66 Federal owned A
E 40.00 Federal owned	F 40.00 Federal owned A	3 39.51 Federal owned A	4 39.63 Federal owned

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