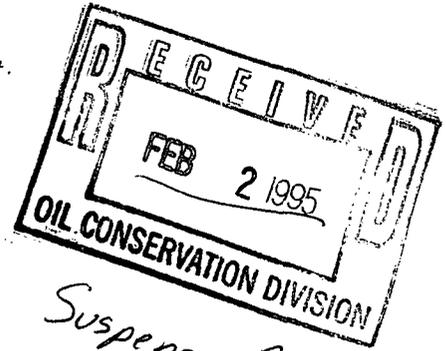


**MERIDIAN OIL**

*BLM office in Durango?  
Special rules for the  
Paradox does not  
contain an admin.  
procedure.  
Pull Memorandum*



*Suspense Date 2-22-95*

February 2, 1995

Sent Federal Express

Mr. Michael Stogner  
New Mexico Oil Conservation Division  
2040 South Pacheco  
Santa Fe, New Mexico 87504

Re: Meridian Oil Inc. Ute Com #26  
1270'FNL, 655'FEL Section 18, T-32-N, R-14-W - San Juan County, New Mexico  
API # 30-045-not assigned

Dear Mr. Stogner:

Meridian Oil Inc. is applying for administrative approval of a non-standard location for the above location in the Barker Creek Paradox formation. This application for the referenced location is due to terrain as shown on the topographic map, archaeology, and at the request of the Ute Mountain Ute Tribe.

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, 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 Ute Com #26 as proposed above.

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

xc: Ute Mountain Ute Tribe

*- Movement portion as suggested into the Ute Mountain Indian Reservation*

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 I-22-IND-2772	
1b. Type of Well GAS	6. If Indian, All. or Tribe Ute Mountain Ute	
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 Ute Com 9. Well Number 26	
4. Location of Well 1270'FNL, 655'FEL  Latitude 36° 59' 30", Longitude 108° 20' 35"	10. Field, Pool, Wildcat Barker Creek Paradox 11. Sec., Twn, Rge, Mer. (NMPM) Sec 18, T-32-N,R-14-W API #	
14. Distance in Miles from Nearest Town 12 miles to LaPlata, CO	12. County San Juan	13. State NM
15. Distance from Proposed Location to Nearest Property or Lease Line 655'	17. Acres Assigned to Well 640	
16. Acres in Lease	17. Acres Assigned to Well 640	
18. Distance from Proposed Location to Nearest Well, Drlg, Compl, or Applied for on this Lease 4000'	20. Rotary or Cable Tools Rotary	
19. Proposed Depth 8900'	22. Approx. Date Work will Start 1st quarter 1995	
21. Elevations (DF, FT, GR, Etc.) 6197'GR	22. Approx. Date Work will Start 1st quarter 1995	
23. Proposed Casing and Cementing Program See Operations Plan attached		
24. Authorized by: <u>Donald O. Walker</u> Regional Drilling Engineer	<u>12/28/94</u> Date	

PERMIT NO. \_\_\_\_\_ APPROVAL DATE \_\_\_\_\_  
APPROVED BY \_\_\_\_\_ TITLE \_\_\_\_\_ DATE \_\_\_\_\_

Archaeological Report submitted by LaPlata Archaeological Consultants Report #9440c  
Threatened and Endangered Species Report submitted by Ecosphere Environmental Services

NOTE: This format is issued in lieu of U.S. BLM Form 3160-3

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, 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 APT Number		2 Pool Code		3 Pool Name	
		71560		Barker Creek Paradox	
4 Property Code		5 Property Name			6 Well Number
		Ute Com.			26
7 OGRID No.		8 Operator Name			9 Elevation
14538		Meridian Oil Inc.			6197'

10 Surface Location

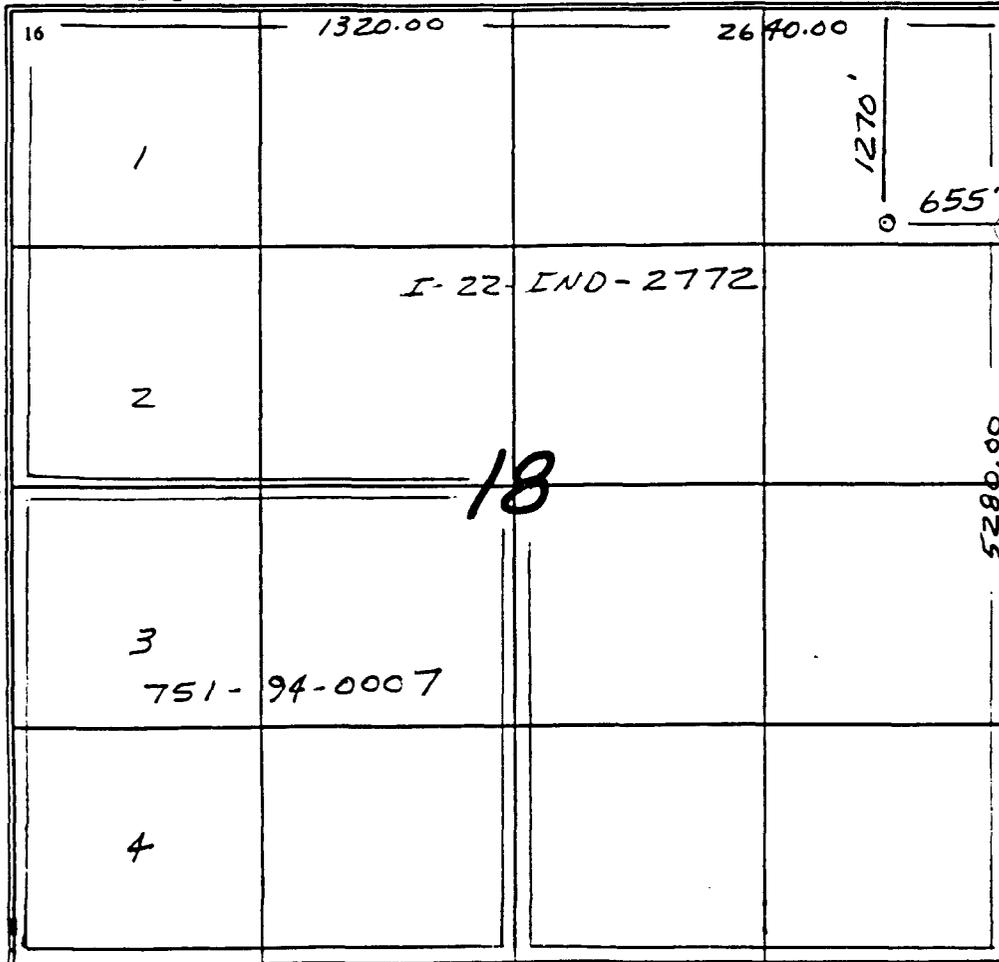
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
A	18	32N	14W		1270	North	655	East	S.J.

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	13 Joint or Infill	14 Consolidation Code	15 Order No.

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED  
 1302.84' 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

*Peggy Bradfield*  
 Signature  
 Peggy Bradfield  
 Printed Name  
 Regulatory Affairs  
 Title  
 12-19-94  
 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.

11-4-94  
 Date of Survey  
 Signature and Seal of Professional Surveyor:  
  
 Certificate Number

December 22, 1994

OPERATIONS PLAN

**Well Name:** Ute Com #26  
**Location:** 1270'FNL, 655'FEL, Section 18, T-32-N, R-14-W  
LaPlata County, Colorado  
**Formation:** Barker Creek Paradox  
**Elevation:** 6197'GR

<b>Formation:</b>	<b>Top</b>	<b>Bottom</b>	<b>Contents</b>
Surface	Menefee	235'	
Point Lookout	235'	730'	fresh water
Mancos	730'	1637'	
<b>8 5/8" surface casing</b>	<b>1000'</b>		
Niobrara	1637'	2369'	
Greenhorn	2369'	2423'	
Graneros	2423'	2492'	
Dakota	2492'	2731'	gas
Morrison	2731'	3274'	fresh water
Junction Creek	3274'	3625'	salt water
Summerville	3625'	3714'	
Todilto	3714'	3723'	
Entrada	3723'	3832'	salt water
Chinle	3832'	5276'	
Cutler	5276'	6861'	
Hermosa	6861'	8035'	
Upper Ismay	8035'	8098'	gas (potentially 100-500 ppm H <sub>2</sub> S)
Lower Ismay	8098'	8200'	gas (potentially 100-500 ppm H <sub>2</sub> S)
Desert Creek	8200'	8313'	gas (potentially 100-500 ppm H <sub>2</sub> S)
Akah	8313'	8486'	
Upper Barker Creek	8486'	8639'	gas (potentially 100-500 ppm H <sub>2</sub> S)
Lower Barker Creek	8639'	8715'	gas (potentially 100-500 ppm H <sub>2</sub> S)
Alkali Gulch	8715'		gas (potentially 100-500 ppm H <sub>2</sub> S)
Total Depth	<b>8900'</b>		

Logging Program:

Mud logs - 1600' to Total Depth  
Wireline Logs - AIT, LDT-CNL, ML, DSS-NGT, FMI - 1000' to Total Depth

Mud Program:

20" conductor hole - 0 - 90' - dry hole digger  
12 1/4" surface - 90 - 1000' - freshwater spud mud  
7 7/8" production - 1000 - 7500' - LSND  
7500 - 8900' - Dispersed

Pressure Control Program:

12 1/4" hole - diversion only

7 7/8" hole - a 3000 psi WP casinghead will be installed on the surface casing. A 3000 psi WP annulus preventer, a 3000 psi WP double gate preventer equipped with blind and pipe rams, and a 3000 psi x 3000 psi WP drilling spool with kill and choke lines will be nipped up on the casinghead.

Operations Plan  
Ute Com #26  
December 22, 1994

**Pressure Control Program (cont'd):**

7 7/8" hole - The annulus preventer will be tested to 2200 psi (75% burst) against casing. Pipe and blind rams, choke line, and manifold will be tested at 500 psi and 2200 psi against casing. Casing will be tested to 2200 psi prior to drilling the shoe.

Completion - a 5000 psi WP tubinghead will be installed on the production casing. A 5000 psi WP double gate preventer equipped with blind and pipe rams and a 5000 psi drilling spool equipped with kill and choke lines will be nipped up on the tubinghead. One 7" blooie line will be nipped up above the BOP's. A rotating head will be nipped up on top of the blooie line. Pipe and blind rams, choke line, and manifold will be tested at 500 psi and 4000 psi against casing. Casing will be tested to 4000 psi prior to completing the well.

BOP systems will be consistent with API RP 53. Pressure tests will be conducted before drilling out from under all casing strings which are set and cemented in place. Blow out preventer controls will be installed prior to drilling the surface casing plug and will remain in use until the well is completed or abandoned. All tests will be reported on the daily drilling report. Preventers will be tested before drilling casing cement plugs.

In the event that a kick is taken while drilling, the following procedure will be followed:

1. Pick up kelly and raise the tool joint above floor.
2. Shut down the mud pump.
3. Close the annular preventer.
4. Record standpipe pressure (SIDPP) after it stabilizes and pit gain.
5. Calculate Initial Circulating Pressure = Slow Circulating Pressure + SIDPP.
6. Calculate kill mud weight required.
7. Complete kill sheet.
8. Decide whether to raise mud weight or drill under-balanced.

**BOP Configuration:**

20" conductor hole	-	0'	-	90'	- not applicable
12 1/4" surface hole	-	90'	-	1000'	- not applicable
<b>5000 psi system</b>					
7 7/8" production hole	-	1000'	-	8900'	- Figures #1 & #2

Operations Plan  
Ute Com #26  
December 22, 1994

**Casing Program: (all casing will be new)**

<u>Hole Size</u>	<u>Depth Interval</u>	<u>Csg.Size</u>	<u>Wt.</u>	<u>Grade</u>
20"	0' - 90'	16"		Conductor
12 1/4"	0' - 1000'	8 5/8"	24.0#	K-55 LT&C
7 7/8"	0' - 8000'	5 1/2"	17.0#	L-80 LT&C
7 7/8"	8000' - 8900'	5 1/2"	23.0#	L-80 LT&C

**Float Equipment:**

Surface casing - guide shoe, float collar, centralizers every 4th joint.  
Production casing - float shoe, baffle, stage tools @ 3200' and 8300',  
centralizers every 4th joint.

**Wellhead Equipment (sour gas service):**

11" 3000 psi x 8 5/8" female thread casinghead  
11" 3000 psi x 7 1/16" 5000 psi tubinghead  
7 1/16" 5000 psi x 2 7/8" 5000 psi adapter

Tree assembly for single completion gas service.

**Cementing:**

20" conductor - Reddymix - grout to surface

12 1/4" surface - cement with 400 sx Class "B" 65/35 Pozmix with 1/4# flocele/sx, 6% gel and 2% calcium chloride (12.4#/gal. weight) 707 cu.ft. of slurry). Tail with 100 sx Class "B" neat with 1/4# flocele/sx and 2% calcium chloride (15.6#/gal. weight; 118 cu.ft. of slurry), 100% excess circulated to surface.

7 7/8" production -

First stage - cement with 310 sx Class "G" with 1% fluid loss additive, 2% defoamer, 37% salt, and 1/4# flocele/sx (15.8 gal.weight; 357 cu.ft. of slurry), 100% excess circulated to stage tool @ 7885' (150' above Ismay).

Second stage - cement with 890 sx Class "B" 65/35 Pozmix w/6% gel, 1/2% fluid loss additive, 1/4# flocele/sx and 2% calcium chloride (12.4#/gal. weight; 1575 cu.ft. of slurry). Tail with 100 sx Class "B" neat with 0.5% fluid loss additive and 1/4#/sx flocele (15.8#/gal.weight; 118 cu.ft. of slurry), 75% excess circulated to stage tool @ 342' (150' above Dakota).

Third stage - cement with 275 sx Class "B" 65/35 Pozmix w/6% gel, 1/2% fluid loss additive, 1/4# flocele/sx and 2% calcium chloride (12.4#/gal. weight; 487 cu.ft. of slurry). Tail with 100 sx Class "B" neat with 0.5% fluid loss additive and 1/4#/sx flocele (15.8#/gal.weight; 118 cu.ft. of slurry), 75% excess circulated to surface.

NOTE: 4 hour circulation time between stages.

Operations Plan  
Ute Com #26  
December 22, 1994

Drill Stem Test Program: none

Coring Program: two 30' cores in Desert Creek

Anticipated abnormal pressures or temperatures: none

Operations Plan  
Ute Com #26  
December 22, 1994

Anticipated potentially hazardous conditions:

1. H<sub>2</sub>S is anticipated to exist from the Paradox formation (8613') to Total Depth.
2. Anticipated concentrations are estimated at 300 - 500 ppm.
3. All gasses encountered will be flared.
4. H<sub>2</sub>S safety equipment will be operational at 7300'.
5. H<sub>2</sub>S safety equipment will be provided for all personnel on location at all times.
6. All personnel on location will be H<sub>2</sub>S certified.
7. An H<sub>2</sub>S trained professional will be on location at all pertinent times; i.e., DST's, cementing operations, under-balanced drilling, etc.
8. The toxicity of H<sub>2</sub>S gas is as follows:

1 ppm = .0001% (1/10,000 of 1%)	Can smell.
10 ppm = .001% (1/1000 of 1%)	Allowable for 8 hrs. exposure
50 ppm = .005% (5/1000 of 1%)	NOTE: when H <sub>2</sub> S concentration reaches 10 ppm on the rig floor, call for the safety trailer.
100 ppm = .01% (1/100 of 1%)	Kills smell rapidly. Burns eyes and throat.
500 ppm = .05% (5/100 of 1%)	Loses sense of reasoning and balance. Respiratory disturbances in 2-15 min. Needs prompt artificial resuscitation.
700 ppm = .07% (7/100 of 1%)	Will become unconscious quickly. Breathing will stop and death will result if not rescued promptly.
1,000 ppm = .10% (1/10 of 1%)	Unconscious at once. PERMANENT BRAIN DAMAGE MAY RESULT UNLESS RESCUED PROMPTLY.

## H<sub>2</sub>S Drilling Operations Plan

1. Training Program - Meridian Oil will ensure all personnel have been properly H<sub>2</sub>S trained as per API RP 49 prior to three days or 500 feet prior to penetrating the Upper Ismay at 8613' KB. An initial training session and weekly H<sub>2</sub>S and well control drills for all personnel in each working crew will be conducted. Each training session and drill will be recorded on the drillers log. Two briefing areas will be designated and located at least 150 feet from the wellbore. One such briefing area will be upwind of the well at all times. John Dolan, Meridian Oil Safety Representative, will be designated and identified to all personnel on-site as responsible for on-site safety and training programs.
2. Protective Equipment - Meridian Oil will ensure respiratory protection equipment program is implemented as per ANSI 2.88.2-1980. Proper breathing apparatus will be readily accessible for all essential personnel, meaning one working breathing apparatus including a five minute escape-type SCBA for the derrickman, available for all essential personnel. The following additional safety equipment will be available for use:
  - a. Effective means of communication when using breathing apparatus.
  - b. A flare gun and flares to ignite well.
  - c. A telephone, radio, mobile phone or other device that provides communication from a safe area, where practical.
3. H<sub>2</sub>S Detection and Monitoring Equipment
  - a. Drilling - will be three sensing points (shale shaker, rig floor, bell nipple) with rapid response sensors capable of sensing a minimum of 10 ppm of H<sub>2</sub>S, in ambient air, which automatically activates visible and audible alarms at levels or threshold limits of 10 and 15 ppm, respectively.

Completion - same as above except sensors will be located at the rig floor, cellar, and shale shaker or circulating tank.

Workover - will have one sensor operational as close to the wellbore as possible.
  - b. All tests on H<sub>2</sub>S monitoring system will be recorded on drillers log.
4. Visible Warning System
  - a. Wind direction indicators (drilling (2); completion/workover (1)) will be located at separate elevations with one indicator clearly visible at all times from principle working areas. The wind indicator will be clearly visible from the briefing areas or additional indicators will be installed at such areas.

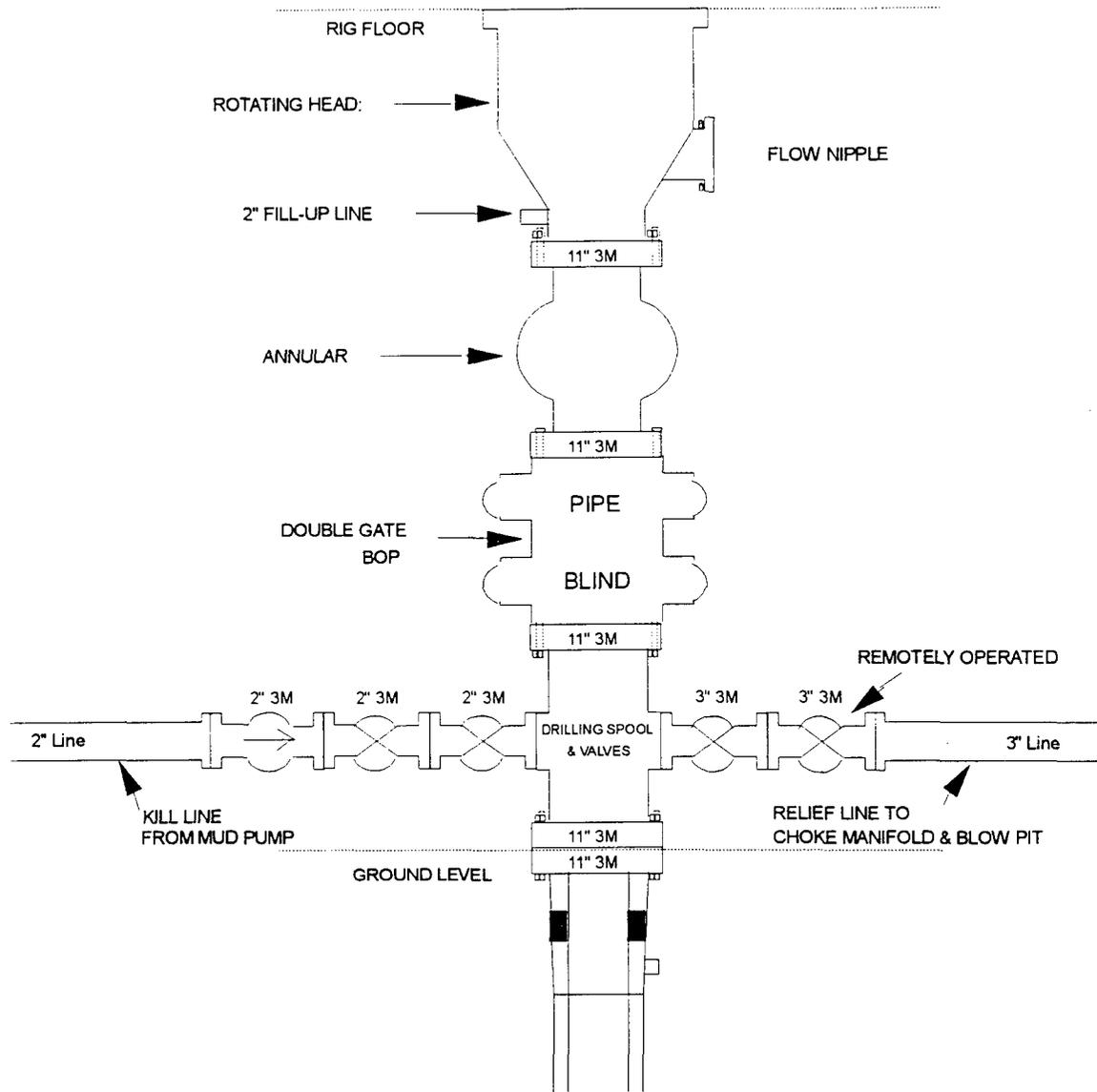
b. Operation Danger or Caution signs will be displayed along all controlled accesses to the site. each sign will be painted high visibility red, black, and white or yellow with black lettering. Signs will be large enough to be read by all persons entering the wellsite and be placed a minimum of 200 feet but no more than 500 feet from the wellsite.

c. The sign(s) will read "DANGER - POISON GAS - HYDROGEN SULFIDE" and in smaller lettering, "Do not approach if red flag is flying".

d. When H<sub>2</sub>S is detected in excess of 10 ppm, red flag(s) will be displayed and visible to all personnel approaching the location under normal lighting and weather conditions.

5. Warning System Response - H<sub>2</sub>S detected above 10 ppm will initiate all non-essential personnel to be moved to a safe area and all essential personnel to don breathing apparatus.

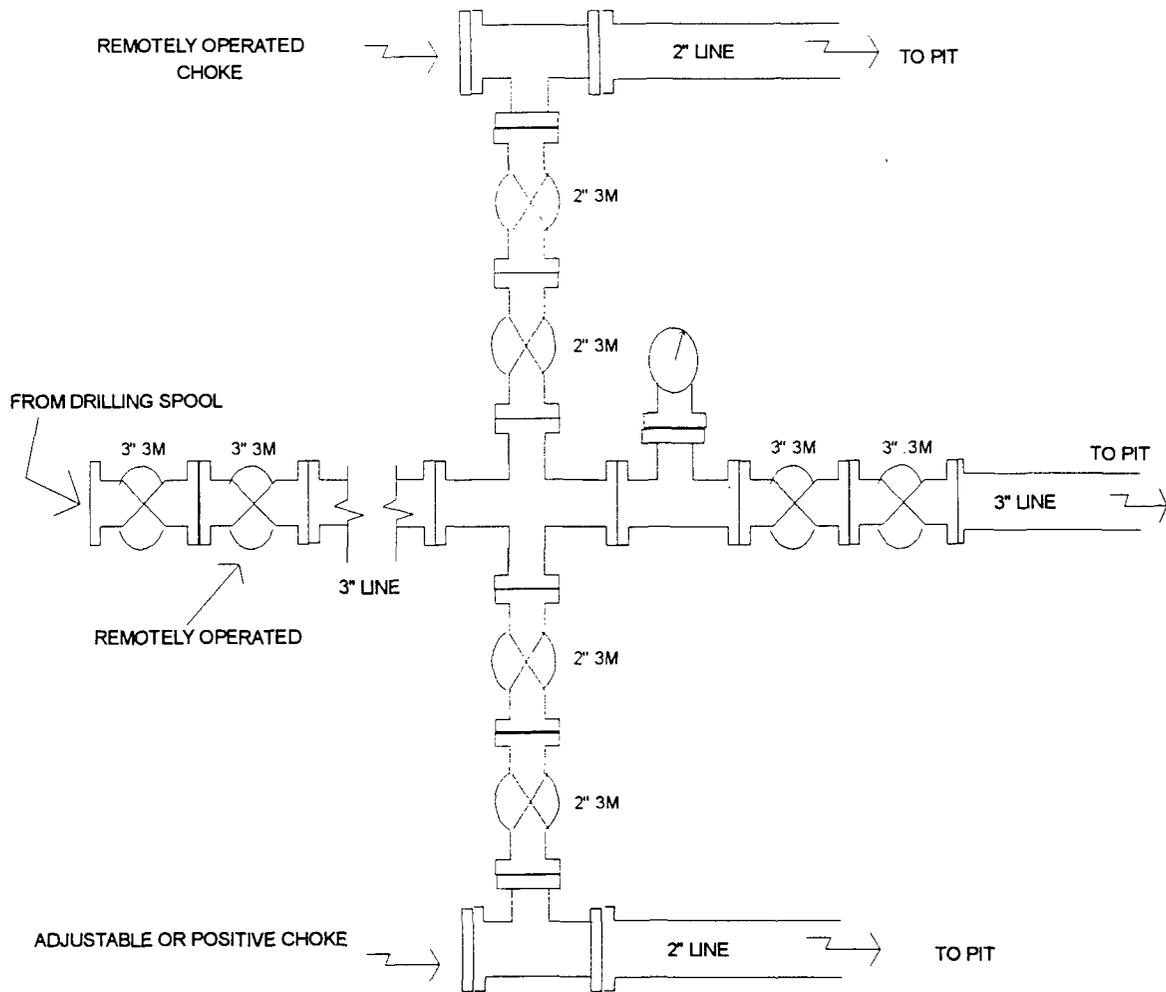
**MERIDIAN OIL INC.**  
**UTE #26**  
**Drilling Rig**  
**Surface Casing BOP Configuration**  
**3000 psi System**



BOP installation for UTE #26 from surface to Intermediate casing point. 11" Bore (10" Nominal), 3,000psi working pressure double gate BOP to be equipped with blind and pipe rams. A 3,000psi Annular preventer to be installed on top of rams. A rotating head on the top of Annular preventer. All BOP equipment is 3,000psi working pressure.

**Figure #1**

**MERIDIAN OIL INC.**  
UTE #26  
Drilling Rig  
Choke Manifold Configuration  
3000 psi System



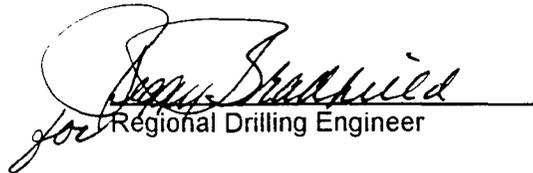
Choke manifold installation for UTE #26 from surface to Total Depth. 3,000psi working pressure equipment with two chokes.

**Figure #2**

**MERIDIAN OIL**  
Ute Com #26  
Multi-Point Surface Use Plan

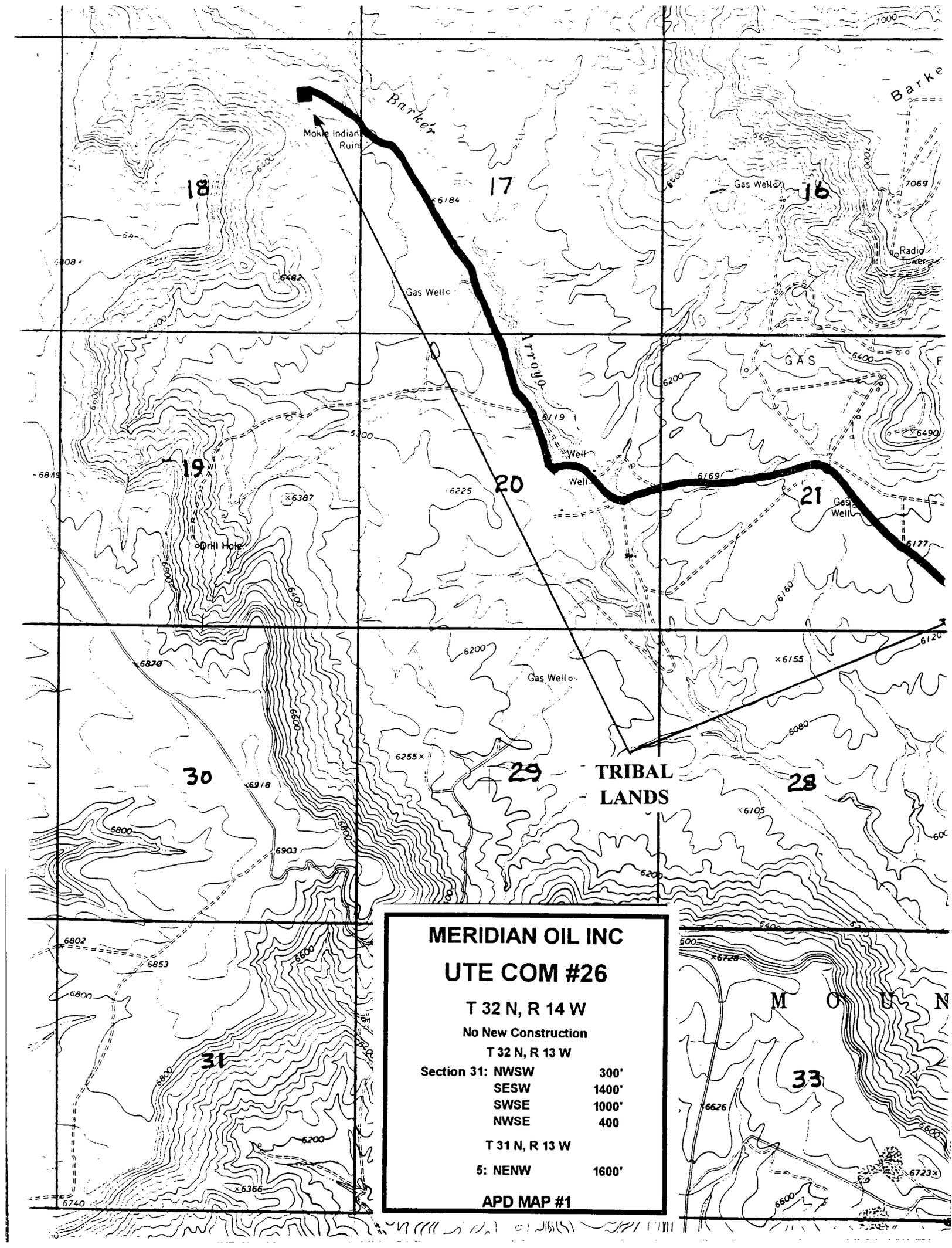
1. Existing Roads - Refer to Map No. 1. Existing roads used to access the proposed location will be properly maintained for the duration of the project. Bureau of Land Management right-of-way has been applied for as shown on Map No. 1.
2. Planned Access Road - Refer to Map No. 1. none required.
3. Location 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 Mancos River Bridge located in Section 36, T-33-N, R-16-W, Colorado.
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. 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 - Ute Mountain Ute 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.

  
Joe Regional Drilling Engineer

12-28-94  
Date

JWC:pb



**MERIDIAN OIL INC**

**UTE COM #26**

T 32 N, R 14 W

No New Construction

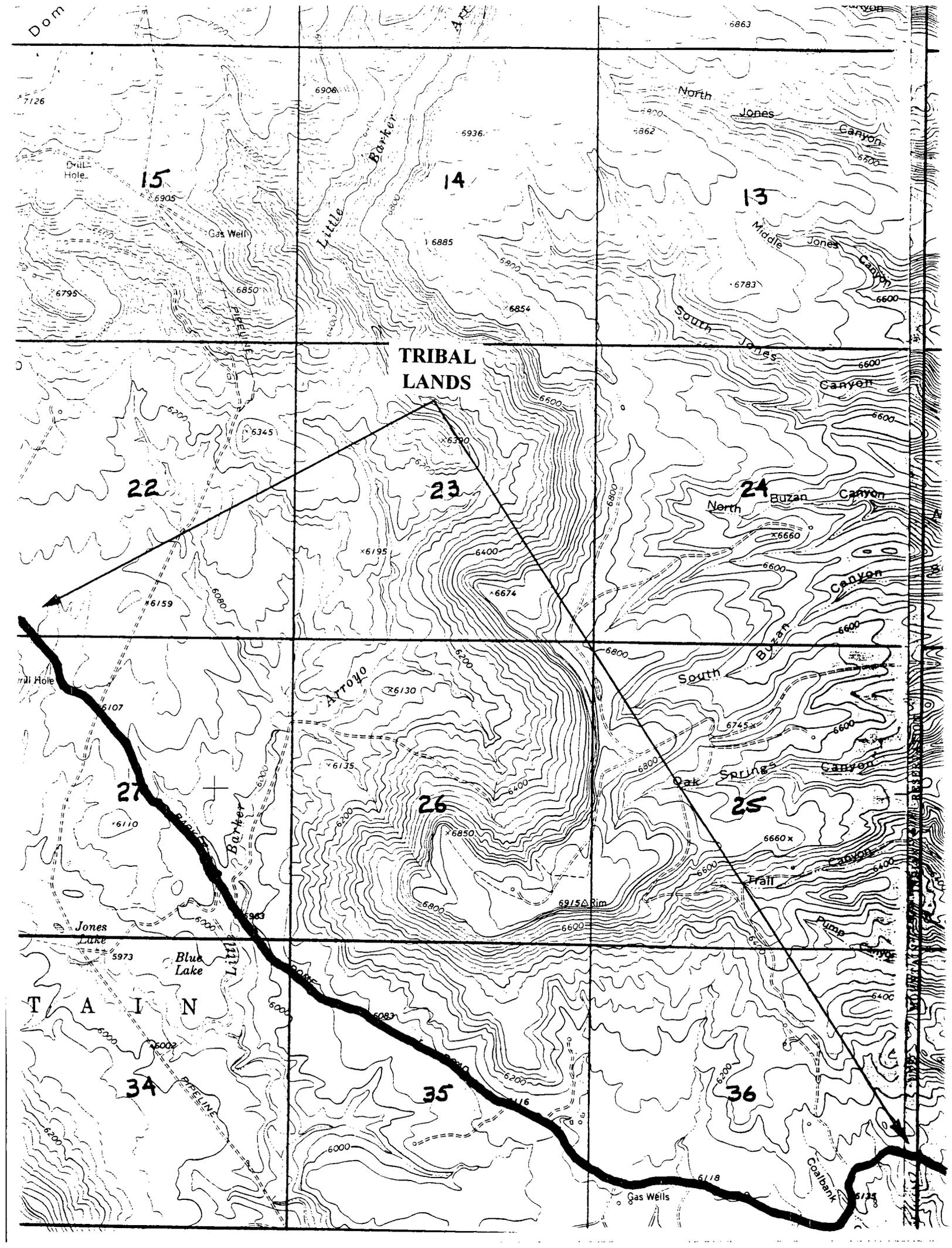
T 32 N, R 13 W

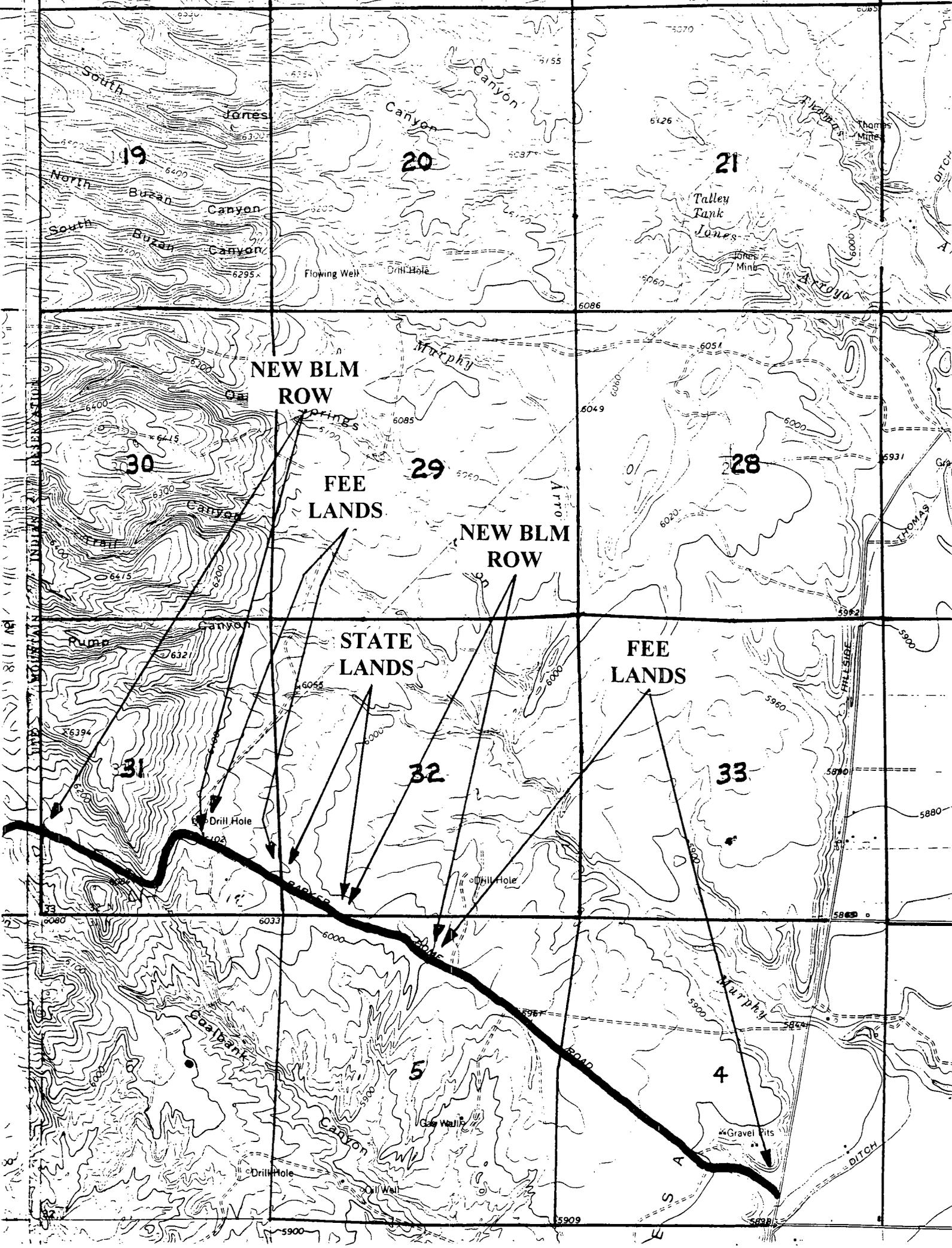
Section 31: NWSW	300'
SESW	1400'
SWSE	1000'
NWSE	400

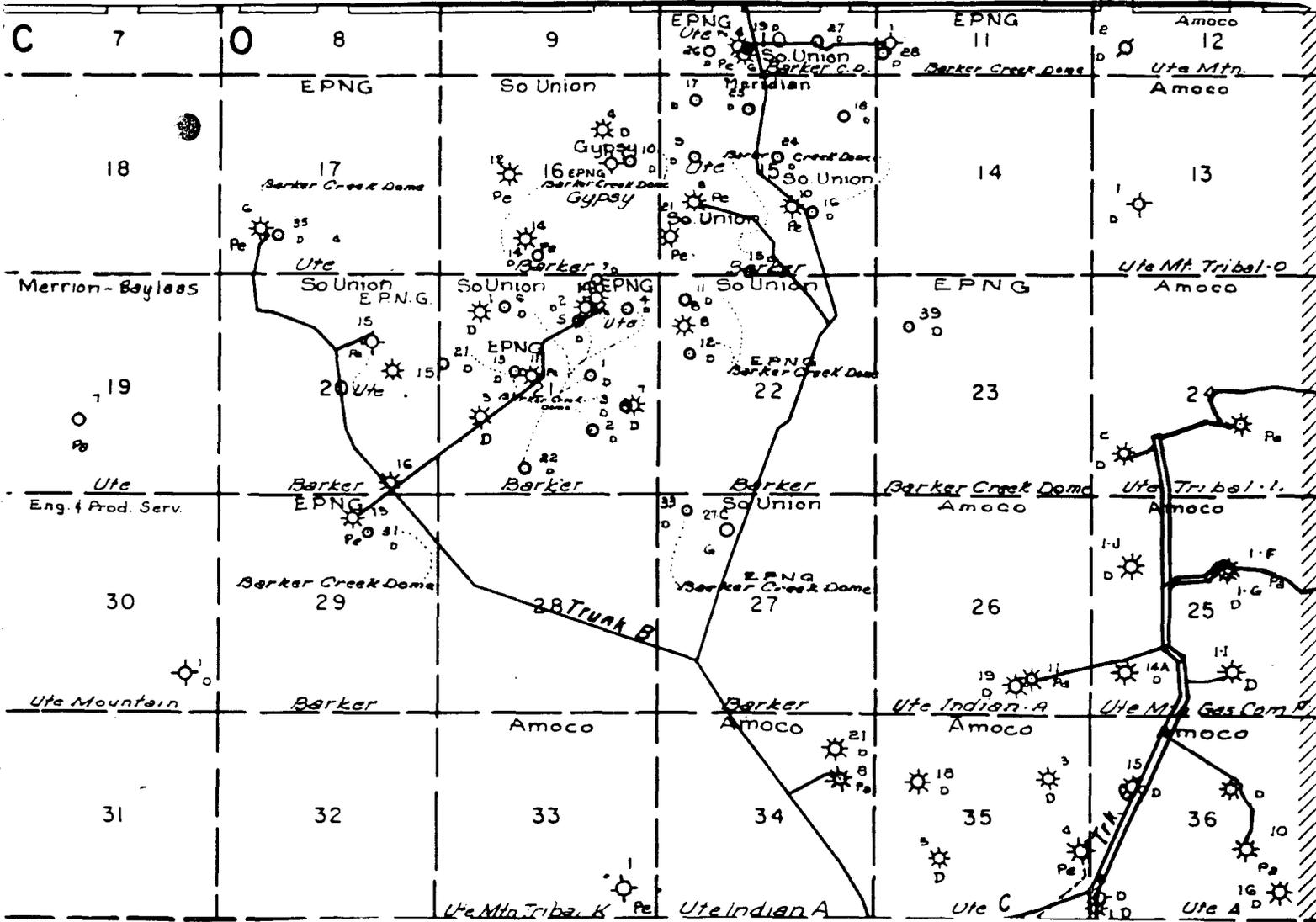
T 31 N, R 13 W

5: NENW	1600'
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**APD MAP #1**







MERIDIAN OIL INC.  
 Pipeline Map  
 T-32-N, R-14-W  
 San Juan County, New Mexico  
 Ute Com #26  
 Map #1A

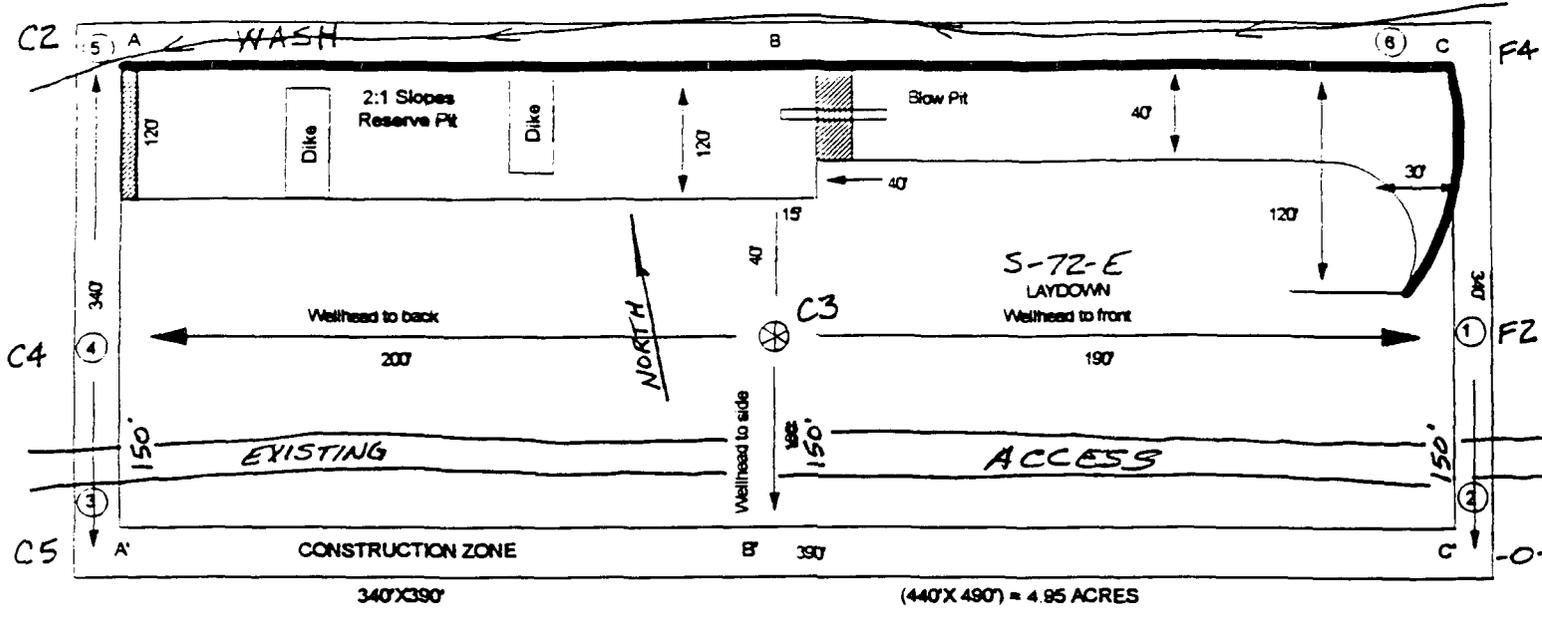
# MERIDIAN OIL

PLAT #3

BARKER DOME

HORIZONTALS

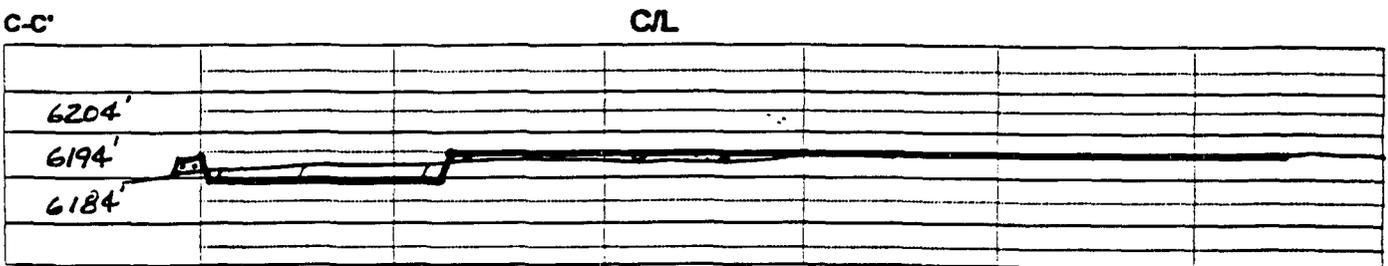
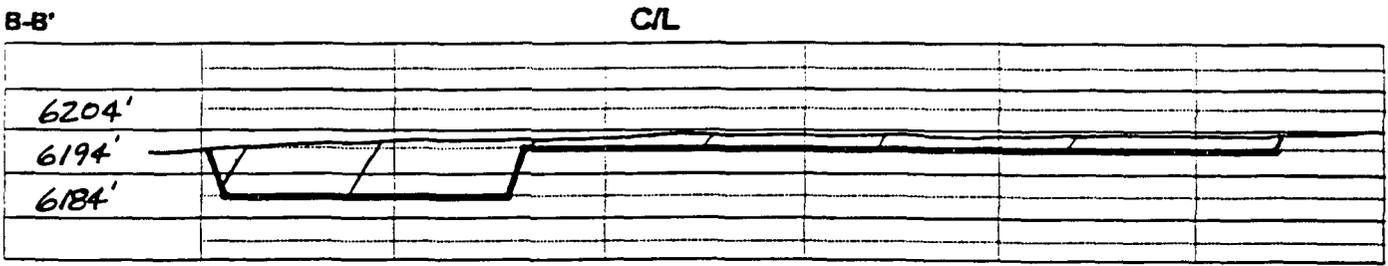
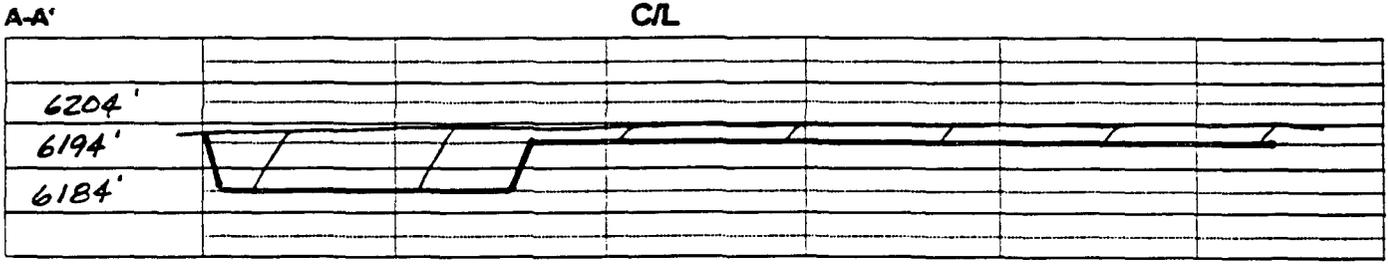
NAME:	MOI (ITE COM. #26)		
FOOTAGE:	1270' ENL	655' FEL	
SEC:	18	TWN 32	N.R. 14 W NMPM
CO:	SAN JUAN	ST:	N. M.
ELEVATION:	6197'	DATE:	7-22-94



340'X390' (440'X490') = 4.95 ACRES

Reserve Pit Dike : to be 8' above Deep side; ( overflow - 3' wide and 1' above shallow side.)

Blow Pit : overflow pipe halfway between top and bottom and extend over plastic liner and into blow pit.



Note: Contractor should call One-Call for location of any marked or unmarked buried pipelines or cables on well pad and/or access road at least 2 working days prior to construction.

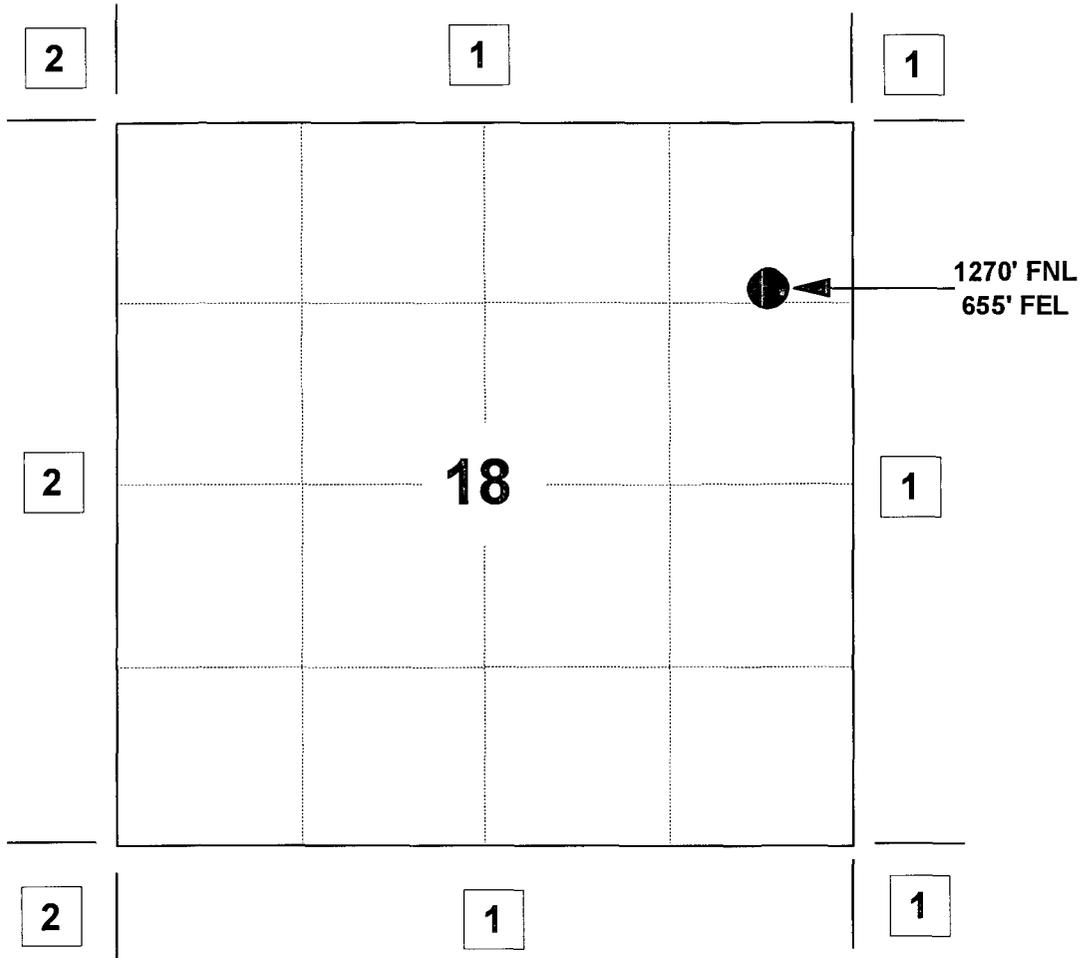
# MERIDIAN OIL INC

## UTE COM #26

### OFFSET OPERATOR \ OWNER PLAT

Unorthodox Well Location

Township 32 North, Range 14 West



1) Meridian Oil Inc.

2) Ute Mountain Ute Tribe

PO Box 42, Towaoc, CO 81334

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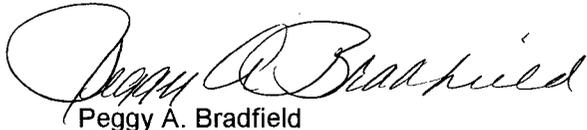
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Re: Meridian Oil Inc. Ute Com #26  
1270'FNL, 655'FEL Section 18, T-32-N, R-14-W - San Juan County, New Mexico  
API # 30-045-not assigned

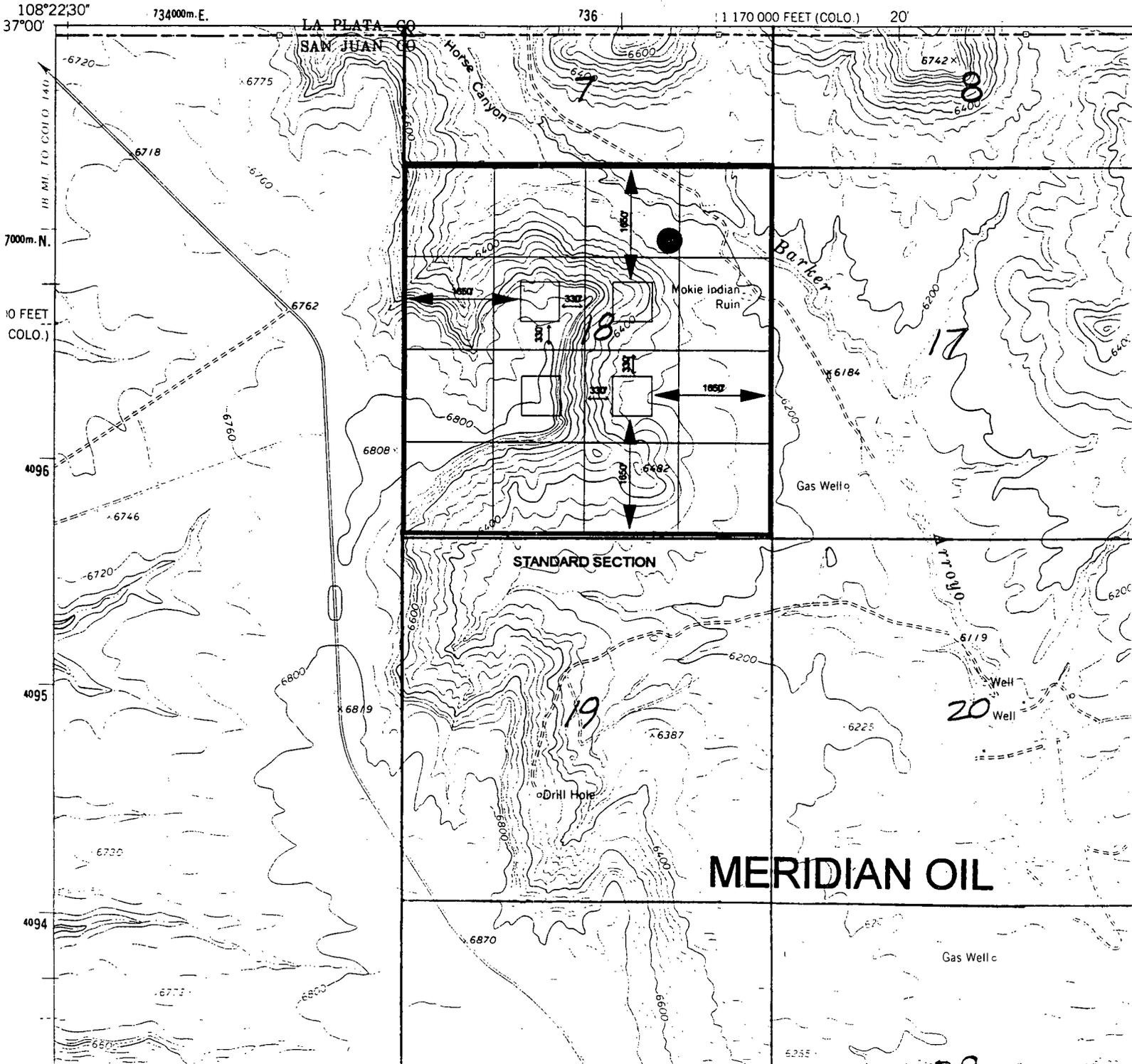
I hereby certify that the following offset operators/owners have been mailed notification of our application for non-standard location to drill the referenced well.

Ute Mountain Ute Tribe  
PO Box 42  
Towaco, Colorado 81334

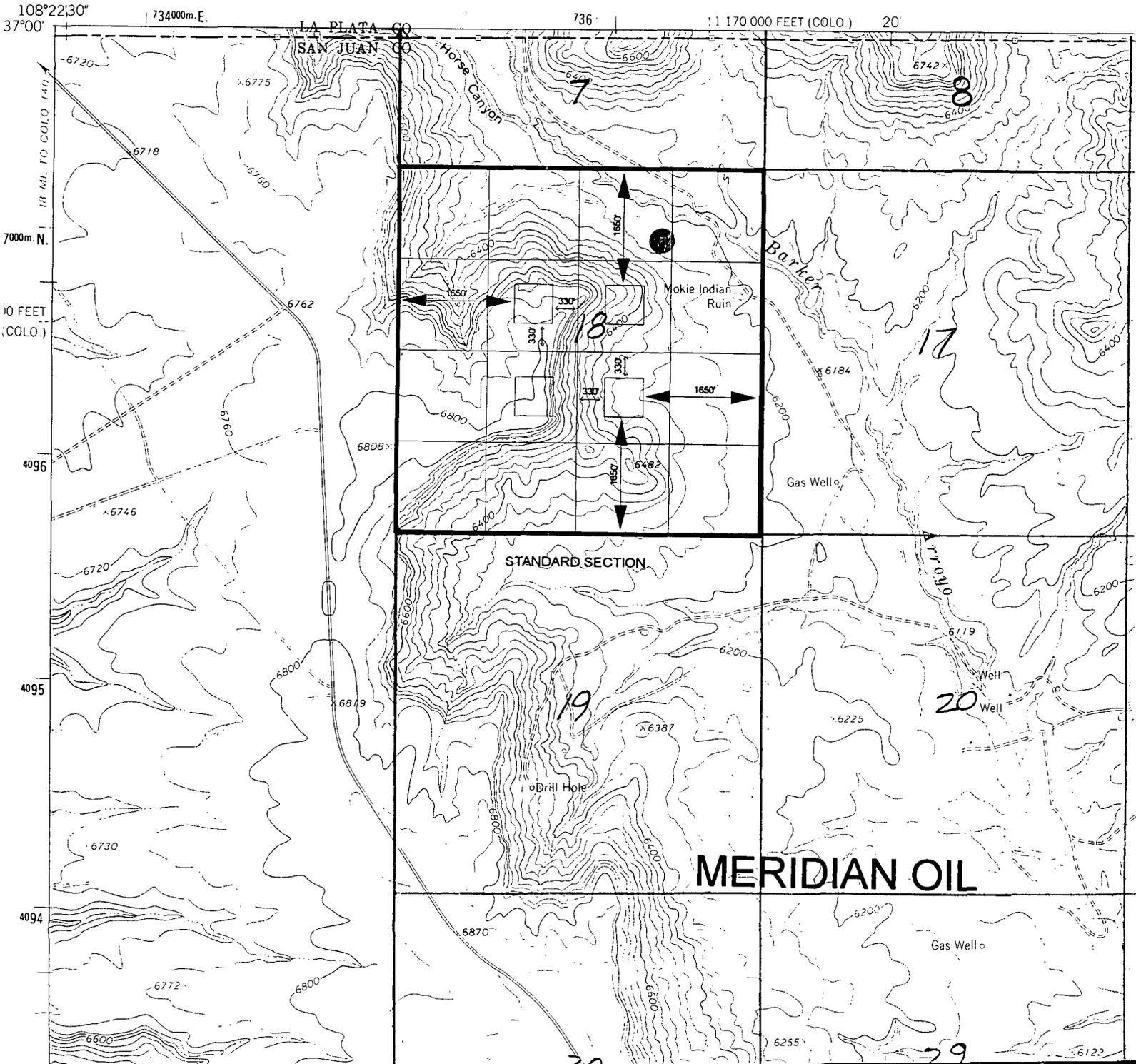


Peggy A. Bradfield  
San Juan County, State of New Mexico  
My commission expires August 17, 1996

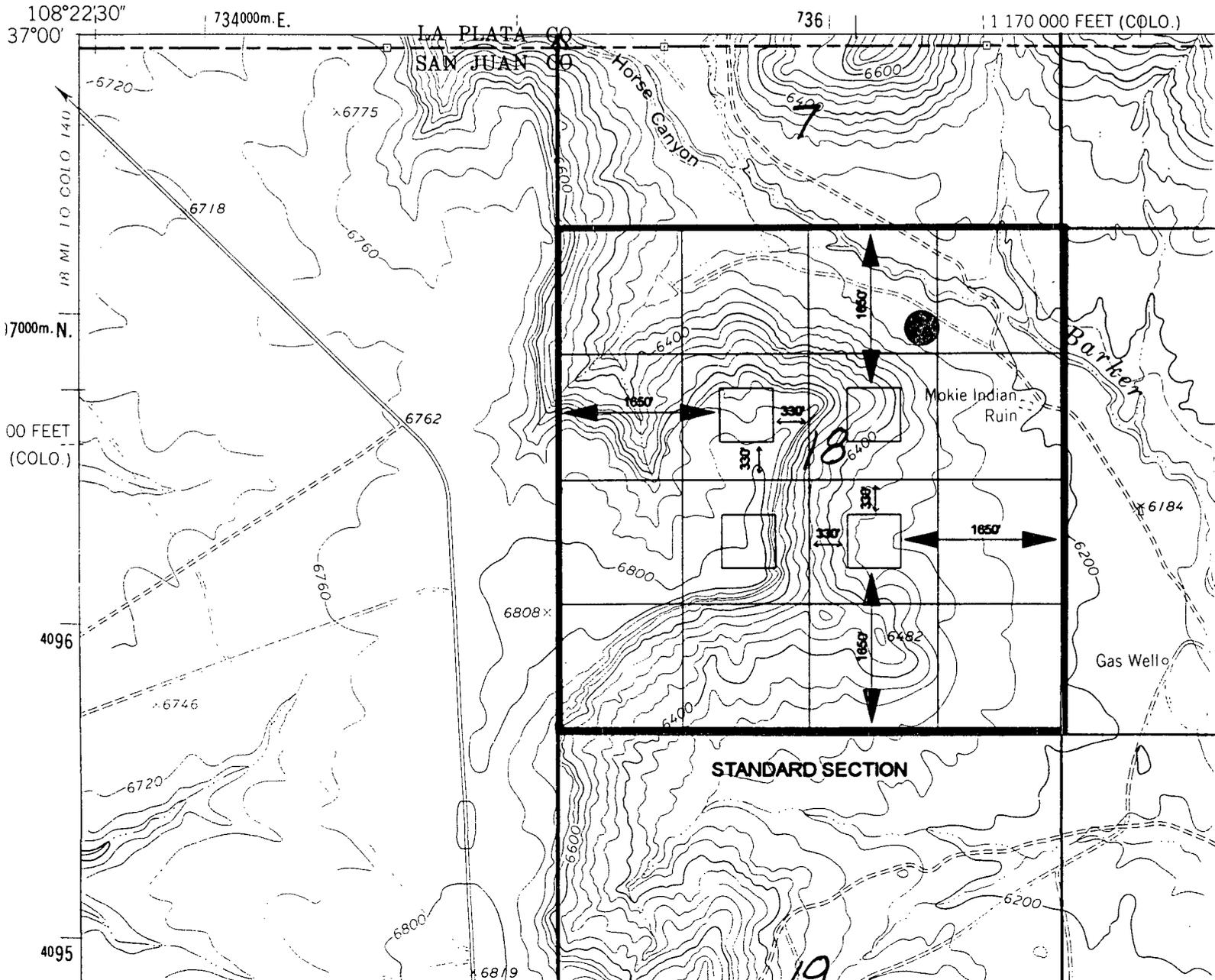
UNITED STATES  
DEPARTMENT OF THE INTERIOR  
GEOLOGICAL SURVEY



UNITED STATES  
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UNITED STATES  
DEPARTMENT OF THE INTERIOR  
GEOLOGICAL SURVEY



BEFORE THE OIL CONSERVATION COMMISSION  
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING  
CALLED BY THE OIL CONSERVATION  
COMMISSION OF NEW MEXICO FOR  
THE PURPOSE OF CONSIDERING:

✓  
CASE NO. 237  
ORDER NO. R-46

THE APPLICATION OF THE OIL  
CONSERVATION COMMISSION UPON  
ITS OWN MOTION FOR ESTABLISHING  
A WELL SPACING PATTERN FOR  
EACH OF THE DESIGNATED GAS  
POOLS IN THE COUNTIES OF SAN  
JUAN AND RIO ARRIBA, STATE OF  
NEW MEXICO PRODUCING OR CAPABLE  
OF PRODUCING GAS FROM PICTURED  
CLIFFS FORMATION, EXCEPT KUTZ  
CANYON-FULCHER BASIN, MESAVERDE  
FORMATION (EXCEPT BLANCO POOL)  
AND ANY OF THE PENNSYLVANIAN  
FORMATIONS.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on regularly for hearing at 10:00 o'clock A.M.,  
November 21, 1950, at Santa Fe, New Mexico, before the Oil Conservation  
Commission of New Mexico, hereinafter referred to as the "Commission".

NOW, on this 29th day of December, 1950, the Commission having con-  
sidered the whole matter including the testimony adduced at said hearing,

FINDS:

1. That due public notice having been given as required by law, the  
Commission has jurisdiction of this cause and the subject matter thereof.
2. That for purposes of orderly development, protection of correlative  
rights and the prevention of waste, the following pools in San Juan and Rio  
Arriba Counties, New Mexico heretofore by the Commission named, defined  
and classified as gas pools, as the respective boundaries thereof may be

changed by extension or otherwise, should be provided with proper spacing pattern and production units;

- Aztec (Pictured Cliffs) pool, 160-acre spacing;
- Barker Creek, Paradox (Pennsylvanian) pool, 640-acre spacing;
- Blanco (Pictured Cliffs) pool, 160-acre spacing;
- Gavilan (Pictured Cliffs) pool, 160-acre spacing;
- La Plata (Mesaverde) pool, 320-acre spacing;
- NW La Plata (Mesaverde) pool, 320-acre spacing;
- South La Plata (Mesaverde) pool, 320-acre spacing;
- South Kutz Canyon (Pictured Cliffs) pool, 160-acre spacing;
- West Kutz Canyon (Pictured Cliffs) pool, 160-acre spacing;
- Ute Dome (Paradox) pool, 640-acre spacing.

3. That for La Plata, NW La Plata and South La Plata pools, wells should be orthodox locations on NW/4 and SE/4 of each section in said pools.

4. Under 160-acre spacing for Aztec, Blanco (Pictured Cliffs), Gavilan, South Kutz Canyon and West Kutz Canyon pools, orthodox locations should be required as stated in Rule 104 (or 330' from inner and 660' from outer boundaries of the respective quarter section);

5. For those pools appearing to require 640-acre spacing in Pennsylvanian formation, orthodox locations should be required to be not closer than 330' to center and 1650' from boundary of each section in the Barker Creek (Paradox-Pennsylvanian) and Ute Dome (Paradox-Pennsylvanian) pools.

6. That existing Commission Orders 748 and 815, relating to the Kutz Canyon-Fulcher Basin pool, and Order No. 799 relating to the Blanco pool should be and remain in full effect and undisturbed hereby.

IT IS THEREFORE ORDERED:

1. That for purposes of orderly development, protection of correlative rights, and the prevention of waste, a spacing and production unit pattern is hereby provided for each of the following heretofore named, defined and classified pools, as the respective boundaries thereof may from time to time be changed:

<u>POOL</u>	<u>FORMATION</u>	<u>SPACING</u>
Aztec	Pictured Cliffs	160-acre
Barker Creek	Paradox-Pennsylvanian	640-acre
Blanco	Pictured Cliffs	160-acre
Gavilan	Pictured Cliffs	160-acre
La Plata	Mesaverde	320-acre
NW La Plata	Mesaverde	320-acre

POOL

South LaPlata  
South Kutz Canyon  
West Kutz Canyon  
Ute Dome

FORMATION

Mesaverde  
Pictured Cliffs  
Pictured Cliffs  
Paradox

SPACING

320-acre  
160-acre  
160-acre  
640-acre

2. That orthodox locations shall be in the approximate center of the NW/4 and SE/4 of each section within the confines of LaPlata, Northwest LaPlata, and south LaPlata pools, under 320 acre spacing for Mesaverde production.

3. That orthodox locations shall be as in Rule 104 (or 330' from inner and 660' from outer boundaries of the respective quarter section) within the boundaries of the Aztec, Blanco, Gavilan, South Kutz Canyon and West Kutz Canyon pools for 160-acre spacing for Pictured Cliffs production/

4. That orthodox locations shall be not closer than 330' to center of the respective sections and 1650' from boundaries within the boundaries of Barker Creek and Ute Dome pools for 640-acre spacing for Paradox-Pennsylvanian production.

5. That Orders Nos. 748, 815, relative to Kutz Canyon- Fulcher Basin Pool, and 799, relating to Blanco Mesaverde, shall remain in full force and effect.

6. That wells now drilled or drilling are excepted.

IT IS FURTHER ORDERED:

1. That for the purpose of preventing inequities and impairment of correlative rights the Commission upon its own motion or upon its own motion or upon application of any interested person, after notice and hearing grant exceptions in proper cases.

DONE at Santa Fe, New Mexico, on the day and year hereinabove specified.

STATE OF NEW MEXICO  
OIL CONSERVATION COMMISSION

THOMAS J. MABRY, CHAIRMAN

GUY SHEPARD, MEMBER

R. R. SPURRIER, SECRETARY

SEAL

**Mike Stogner**

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**From:** Ernie Busch  
**To:** Mike Stogner  
**Subject:** MERIDIAN OIL INC (NSL)  
**Date:** Tue, Mar 28, 1995 6:57AM  
**Priority:** High

UTE COM # 26  
1270' FNL; 655' FEL  
A-18-32N-14W  
RECOMMEND: APPROVAL

NSL-3485