

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
Budget Bureau No. 1004-0135
Expires: March 31, 1993

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir.
Use "APPLICATION FOR PERMIT - " for such proposals

5. Lease Designation and Serial No.

NM 0997

6. If Indian, Allottee or Tribe Name

7. If Unit or CA, Agreement Designation

8. Well Name and No.
Uncle Federal

9. API Well No.

10. Field and Pool, or exploratory Area
Wolfcamp and Bone Spring

11. County or Parish, State
Lea NM

SUBMIT IN TRIPLICATE

1. Type of Well

Oil Well Gas Well Other

2. Name of Operator

Meridian Oil Inc.

3. Address and Telephone No.

P.O. Box 51810, Midland, TX 79710-1810 915-688-6943

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

Sec. 28, T18S, R33E

12. CHECK APPROPRIATE BOX(s) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

Notice of Intent
 Subsequent Report
 Final Abandonment Notice

TYPE OF ACTION

Abandonment Change of Plans
 Recompletion New Construction
 Plugging Back Non-Routine Fracturing
 Casing Repair Water Shut-Off
 Altering Casing Conversion to Injection
 Other Commingling Request Dispose Water

(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

Meridian Oil Inc. respectfully requests approval for Surface Commingling and Measurement of Hydrocarbon of production from two pools, South Corbin Wolfcamp and South Corbin Bone Spring. All production is from the Querecho Federal Lease (NM 0997) to the Uncle Federal Lease (NM 0997), all located in Sec. 28, T18S, R33E, Lea County, NM.

Please see attached application.

14. I hereby certify that the foregoing is true and correct

Signed

Title Regulatory Compliance

Date 3/25/96

(This space for Federal or State office use)

Approved by _____ Title _____ Date _____

Conditions of approval, if any:

APPLICATION FOR SURFACE COMMINGLING AND MEASUREMENT OF HYDROCARBON OF PRODUCTION FOR TWO DIFFERENT POOLS, SOUTH CORBIN WOLFCAMP AND SOUTH CORBIN BONE SPRING. ALL PRODUCTION IS FROM THE QUERECHO FEDERAL LEASE (NM 0997) AND THE UNCLE FEDERAL LEASE (NM 0997), ALL LOCATED IN SEC. 28, T18S, R33E, LEA COUNTY, NEW MEXICO.

TO: BUREAU OF LAND MANAGEMENT
P.O. BOX 1778
CARLSBAD, NEW MEXICO 88221-1778

MERIDIAN OIL INC. IS REQUESTING APPROVAL FOR SURFACE COMMINGLING AND MEASUREMENT OF HYDROCARBON FOR PRODUCTION IN TWO DIFFERENT POOLS, SOUTH CORBIN WOLFCAMP AND SOUTH CORBIN BONE SPRING. ALL PRODUCTION IS FROM THE QUERECHO FEDERAL LEASE (NM 0997) AND THE UNCLE FEDERAL LEASE (NM 0997) IN LEA COUNTY, NEW MEXICO.

QUERECHO FEDERAL LEASE (NM 0997)

Querecho Federal # 1	28	18S	33E	Wolfcamp	NM 0997	Prod. **
Querecho Federal # 2	28	18S	33E	Wolfcamp	NM 0997	Prod.

** Well is being evaluated for a possible recompletion to the Bone Spring formation.

UNCLE FEDERAL LEASE (NM 0997)

Uncle Federal # 1	28	18S	33E	Wolfcamp	NM 0997	Prod.
Uncle Federal # 3	28	18S	33E	Wolfcamp	NM 0997	Prod.

PRODUCTION FROM BOTH LEASES

<u>WELL NUMBER</u>	<u>BOPD</u>	<u>MCFPD</u>	<u>WATER</u>	<u>FORMATION</u>
Querecho Federal # 1	10	32	1	Wolfcamp
Querecho Federal # 2	09	36	1	Wolfcamp
Uncle Federal # 1	14	89	1	Wolfcamp
Uncle Federal # 3	14	113	1	Wolfcamp

A map is enclosed showing the location of all wells that will contribute production to the proposed commingling/common storage facility.

All production from the Querecho lease is sent through a meter prior to commingling with the Uncle Federal production. The central battery is located 1874' FWL & 2086' FNL, Sec. 28, T18S, R33E, Uncle Federal # 3 location, Lea County, New Mexico. Production is ran thru a lact unit prior to being processed down TX/NM pipeline, (lact permit on file). Gas is measured at various times of the month, based on well test allocation. To reduce the air emissions and increased lease operating cost with the present multiple compressors, a single casing-head gas gathering system will be installed

Meridian is 100% working interest owners for all the wells to be involved in the proposal.

The proposed commingling of production is in the interest of conservation and will not result in reduced royalty or improper measurement of production.

The proposed commingling is necessary for continued operation of the above referenced federal leases.

WE UNDERSTAND THAT THE REQUESTED APPROVAL WILL NOT CONSTITUTE THE GRANTING OF ANY RIGHT OF WAY OR CONSTRUCTION RIGHTS NOT GRANTED BY THE LEASE INSTRUMENT, AND IF APPLICABLE, WE WILL SUBMIT WITHIN 30 DAYS AN APPLICATION FOR RIGHT OF WAY APPROVAL TO THE BLM'S REALTY SECTION IN YOUR OFFICE IF WE HAVE NOT ALREADY DONE SO.

SIGNATURE:



NAME:

Donna Williams

TITLE:

Regulatory Compliance

DATE:

March 25, 1996

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

OIL CONSERVATION DIVISION
P.O. Box 2088
Santa Fe, NM 87504-2088

Instructions on back
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

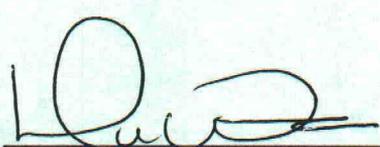
¹ API Number		² Pool Code		³ Pool Name South Corbin Wolfcamp	
⁴ Property Code		⁵ Property Name Querecho Federal and Uncle Federal			⁶ Well Number
⁷ OGRID No. 26485		⁸ Operator Name Meridian Oil Inc.			⁹ Elevation

¹⁰ Surface Location									
UL or lot no.	Section 28	Township 18S	Range 33E	Lot. Idn	Feet from the	North/South Line	Feet from the	East/West line	County Lea

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 OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

<input checked="" type="radio"/> Uncle Federal # 1	SEC. 28	<input type="radio"/> Uncle Federal # 3 (Central Battery)	¹⁷ OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.	
			Signature  Printed Name Donna Williams Title Regulatory Compliance Date 3/25/96	
<input checked="" type="radio"/> Querecho Federal # 1	SEC. 28	<input checked="" type="radio"/> Querecho Federal # 2	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.	
			Date of Survey Signature and Seal of Professional Surveyer: Certificate Number	

LINES OF THE GAS GATHERING SYSTEM

