

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 62225 & NM 94616

6. If Indian, Allottee or Tribe Name

7. If Unit or CA, Agreement Designation

8. Well Name and No.

Diamond '34' &
Diamondtail '34'

9. API Well No.

10. Field and Pool, or exploratory Area

Triste Draw Del/B. 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. 34, T23S, R32E

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
 Recompletion
 Plugging Back
 Casing Repair
 Altering Casing
 Other Commingling Request
 Change of Plans
 New Construction
 Non-Routine Fracturing
 Water Shut-Off
 Conversion to Injection
 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, off-lease storage, and measurement of hydrocarbons from the Diamond '34' Federal Lease (NM 62225) and the Diamondtail '34' Federal Lease (NM 94616).

WILDCAT BONE SPRING

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, OFF-LEASE STORAGE AND MEASUREMENT OF HYDROCARBON OF PRODUCTION FOR THE DIAMOND '34' FEDERAL LEASE (NM62225) AND THE DIAMONDTAIL '34' FEDERAL LEASE (NM94616), LOCATED IN SEC. 34, T23S, R32E, 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, OFF LEASE STORAGE AND MEASUREMENT OF HYDROCARBON FOR PRODUCTION FROM THE DIAMOND '34' FEDERAL LEASE (NM 62225) AND THE DIAMONDTAIL '34' FEDERAL LEASE (NM 94616), LOCATED IN SEC. 34, T23S, R32E, LEA COUNTY, NEW MEXICO. ALL PRODUCTION IS CURRENTLY FROM THE TRISTE DRAW DELAWARE HOWEVER, OUR INTENTIONS ARE TO DOWNHOLE COMMINGLE THE DELAWARE AND BONE SPRING ZONES, THEREFORE; WE ARE ALSO REQUESTING THE BONE SPRING FORMATION.

DIAMOND '34' FEDERAL LEASE (NM 62225)

Diamond '34' Federal # 2	34	23S	32E	Delaware	NM 62225	Prod.
Diamond '34' Federal # 3 (Pro)	34	23S	32E	Delaware	NM 62225	Proposed

We are requesting approval for a lease basis for the Diamond '34' Federal Lease (NM 62225)

DIAMONDTAIL '34' FEDERAL LEASE (NM 94616)

Diamondtail '34' Federal # 1	34	23S	32E	Delaware	NM 94616	Prod.
Diamondtail '34' Federal # 2	34	23S	32E	Delaware	NM 94616	Prod.
Diamondtail '34' Federal # 3	34	23S	32E	Delaware	NM 94616	Prod.
Diamondtail '34' Federal # 4	Dry Hole					

We are also requesting approval for a lease basis for the Diamondtail '34' Federal Lease (NM 94616)

PRODUCTION FROM BOTH LEASES

<u>WELL NUMBER</u>	<u>BOPD</u>	<u>MCFPD</u>	<u>WATER</u>	<u>FORMATION</u>
Diamond '34' Federal # 2	45	32	0	Delaware
Diamond '34' Federal # 3 (Pro)	50	50	10	Delaware **

** This is an estimate of the expected rates based on reservoir study.

Diamondtail '34' Federal # 1	210	142	41	Delaware
Diamondtail '34' Federal # 2	253	275	174	Delaware
Diamondtail '34' Federal # 3	79	90	120	Delaware
Diamondtail '34' Federal # 4	Dry Hole			

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

The production from the Diamond '34' Federal lease is metered prior to being commingled into the Diamondtail '34' battery which is located 1980' FSL & 2310' FEL, Sec. 34, T23S, R32E, Lea County, New Mexico. Sales is made via a truck lact unit prior to EOTT purchasing the oil. The casinghead gas is metered (test sales) prior to being purchased at the sales meter.

Meridian is 100% working interest owners for all the wells in the Diamondtail '34' Federal Lease. Meridian has 75% interest in the Diamond '34' Federal Lease. However, our partners do concur with the commingling process and their interests are protected via the measuring methods.

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	
				Triste Draw Delaware & Bone Spring	
⁴ Property Code		⁵ Property Name			⁶ Well Number
		Diamond '34' Federal/Diamondtail '34' Federal			
⁷ OGRID No.		⁸ Operator Name			⁹ Elevation
26485		Meridian Oil Inc.			

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
	34	23S	32E						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

				<p>¹⁷ OPERATOR CERTIFICATION</p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</p>
				<p>Signature <i>Donna Williams</i></p> <p>Printed Name Donna Williams</p> <p>Title Regulatory Compliance</p> <p>Date 3/26/96</p>
<p>SEC. 34</p>				<p>¹⁸ SURVEYOR CERTIFICATION</p> <p>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.</p>
				<p>Date of Survey</p> <p>Signature and Seal of Professional Surveyer:</p> <p>Certificate Number</p>

