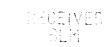
UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT



Sundry Notices and Reports on Wells 5. (Lease Number SF077972 1. Type of Well 6. If Indian, All. or Tribe Name GAS Unit Agreement Name Con. div. 2. Name of Operator MERIDIAN OIL Well Name & Number 8. 3. Address & Phone No. of Operator Richardson #2 PO Box 4289, Farmington, NM 87499 (505) 326-9700 9. API Well No. 4. Location of Well, Footage, Sec., T, R, M 10. Field and Pool 890'FSL, 990'FEL Sec.11, T-27-N, R-13-W, NMPM Basin Dakota 11. County and State San Juan Co, NM 12. CHECK APPROPRIATE BOX TO INDICATE NATURE OF NOTICE, REPORT, OTHER DATA Type of Action Type of Submission ___ Abandonment Notice of Intent Change of Plans ___ Recompletion ___ New Construction ___ Plugging Back ____ Non-Routine Fracturing Subsequent Report __ Casing Repair Water Shut off Final Abandonment Altering Casing Conversion to Injection x Other -13. Describe Proposed or Completed Operations Meridian Oil Inc. requests that this well remain shut in in its present condition for three months (90 days), pending a thorough evaluation of the existing reservoir, uphole potential and existing pipeline conditions. The subject well is currently unable to produce against existing pipeline pressure. This wellbore is mechanically sound, as indicated by the relationship between tubing/casing pressure (291/531 psi. respectively) and expected reservoir pressure for the area (600 psi). Additionally a bradenhead test will be performed within 180 days. The results and any plans to remediate failures noted will be submitted by subsequent sundry. The most prudent step at this point is to determine the potential left in the existing Dakota formation and evaluate upon potential in the Gallup, Pictured Cliffs, Fruitland Coal, and Fruitland and Farmington sands. It is planned to diligently pursue the best option to insure compliance with all federal and state regulations, and determine the best option for both royalty and working interest owners. This determination will take time. thus three months (90 days) is requested to evaluate options. Subsequent plans will be submitted within 60 days.

1118 APPROVAL SUPINIS NOV 0 1 1994 certify that the foregoing is true and correct. Much (SBD) Title Regulatory Affairs Date 4/22/94 (This space for Federal or State Office use) ____Title ____ APPROVED BY CONDITION OF APPROVAL, if any:

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