

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

RECEIVED
MAIL ROOM

30-045-27259

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK
DRILL

1b. TYPE OF WELL
GAS SINGLE ZONE

2. OPERATOR
MERIDIAN OIL INC.

3. ADDRESS & PHONE NO. OF OPERATOR
P O BOX 4289
FARMINGTON, NM 87499

4. LOCATION OF WELL
1855'N 1190'E

5. LEASE NUMBER
NM-04209

6. IF INDIAN, ALL. OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME
HANCOCK A

9. WELL NO.
716

10. FIELD, POOL, OR WILDCAT
BASIN FRUITLAND COAL

11. SEC. T. R. M OR BLK.
H SEC. 35 T28N R09W NMPM

12. COUNTY
SAN JUAN

13. STATE
NM

14. DISTANCE IN MILES FROM NEAREST TOWN
7 MILES FROM BLANCO

15. DISTANCE FROM
PROPOSED LOCATION 1190'
TO NEAREST PROPERTY
OR LEASE LINE.

16. ACRES IN LEASE
966.15

17. ACRES ASSIGNED TO WELL
E/320.15

18. DISTANCE FROM
PROPOSED LOCATION
TO NEAREST WELL DR. 500'
COMPL., OR APPLIED
FOR ON THIS LEASE.

19. PROPOSED DEPTH
2307'

20. ROTARY OR CABLE TOOLS
ROTARY

21. ELEVATIONS (DF, FT, GR, ETC.)
6134'GL

22. APPROX. DATE WORK WILL START

23. PROPOSED CASING AND CEMENTING PROGRAM

*SEE OPERATIONS PLAN

Not legal or equitable rights
or title to this lease."

24. AUTHORIZED BY: *[Signature]*
REGULATORY AFFAIRS

DATE
3-16-89
APPROVED
AS AMENDED

NOTE: THIS FORMAT IS ISSUED IN LIEU OF US BLM FORM 3160-3.

MAR 24 1989

AREA MANAGER

OPERATIONS PLAN

DATE: MAR 14, 1989

Well Name: 716 HANCOCK A
Sec. 35 T28N R09W
BASIN FRUITLAND COAL

1855'N 1190'E
SAN JUAN NEW MEXICO
Elevation 6134'GL

Formation tops: Surface- SAN JOSE
Ojo Alamo- 1360
Kirtland- 1465
Fruitland- 2100
Fruitland Coal Top- 2200
Fruitland Coal Base- 2306
Intermediate TD- 2180
Total Depth- 2307
Pictured Cliffs- 2310

Logging Program: Mud logs from intermediate to total depth.

Mud Program: Low solid non-dispersed mud from surface to total depth.

Casing Program:	Hole Size	Depth Interval	Csg. Size	Weight	Grade
	12 1/4"	0 - 200	9 5/8"	32.3#	H-40
	8 3/4"	0 - 2180	7"	20.0#	K-55
	6 1/4"	2130 - 2307	5 1/2"	15.5#	K-55
Tubing Program:		0 - 2307	2 7/8"	6.5#	J-55

Float Equipment: 9 5/8" surface casing - saw tooth guide shoe.

7" intermediate casing - guide shoe and self-fill insert float valve. Three centralizers run every other joint above shoe. Run insert float one joint above the guide shoe.

5 1/2" production liner - float shoe on bottom and a pre-drilled liner run to the 7" casing with a minimum 50' overlap. Liner hanger is a double slip grip type.

Wellhead Equipment: 9 5/8" x 7" x 2 7/8" x 11" 3000 psi xmas tree assembly.

Cementing:

9 5/8" surface casing - cement with 106 sacks of class "B" cement with 1/4# flocele/sack and 3% calcium chloride (125 cu ft. of slurry, 100% excess to circulate to surface). WOC 12 hours. Test casing to 600 psi for 30 minutes.

7" intermediate casing - lead with 67 sacks of 65/35 class "B" poz with 6% gel, 2% calcium chloride and 1/2 cu.ft. Perlite/sack (10.3 gallons of water/sack) tail with 100 sacks of class "B" with 2% calcium chloride. 246 cu ft. of slurry, 100% excess to cover the Ojo Alamo. Run temperature survey at 8 hours. WOC 12 hours. Test casing to 1500 psi for 30 minutes.

5 1/2" liner - do not cement.

The Fruitland coal formation will be completed.

A 3000 psi WP and 6000 psi test double gate preventer equipped with blind and pipe rams will be used for blow out prevention on this well. This gas is dedicated.

The of Section 35 is dedicated to this well.

OIL CONSERVATION DIVISION

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENTP. O. BOX 2088
SANTA FE, NEW MEXICO 87501Form C-102
Revised 10-1-

All distances must be from the outer boundaries of the Section.

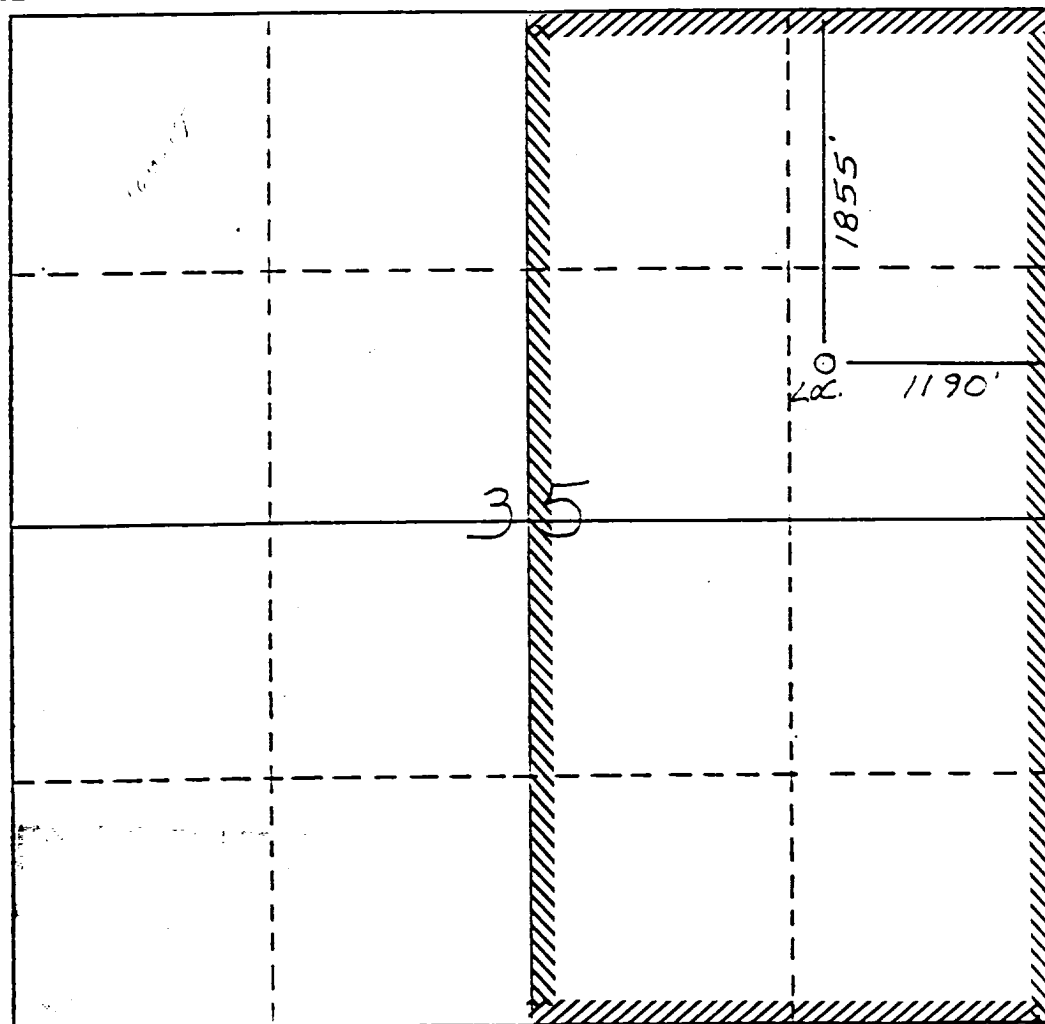
Operator Meridian Oil Inc.		Lease Hancock A (NM-04209)		Well No. 716	
Unit Letter H	Section 35	Township 28 North	Range 9 West	County San Juan	
Actual Footage Location of Well:					
1855 feet from the North line and 1190 feet from the East line					
Ground Level Elev. 6134	Producing Formation Fruitland Coal	Pool Basin		Dedicated Acreage: 320.15 Acres	

1. Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

☐ Yes ☐ No If answer is "yes," type of consolidation _____

If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) _____

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Division.



CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Name: *Samuel J. Edwards*
 Position: Regulatory Affairs
 Company: Meridian Oil Inc.
 Date: 3-15-89

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 Surveyed: 12-1-88
 Registered Professional Engineer and/or Land Surveyor:
Neale C. Edwards
 Certificate No.: 6057

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

JM04209

50000 FEET 1:55000

256

BLM ROW
T28N, R9W
Section 35: E2SW 3500'
36: S2SW 2400'

HANCOCK A 7/16

MAP 2

BLM ROW

12

11

33

4

CANYON

BLANCO

aguer Can

Canyon

Owl

328

001