MERIDIAN OIL

Copy sunt to E. Busch 8/9/93

August 3, 1993

Sent Federal Express

Mr. William LeMay New Mexico Oil Conservation Division Post Office Box 2088 Santa Fe, New Mexico 87501

Re: Meridian Oil Inc. Jicarilla 98 #11A 1850'FNL, 1840'FWL Section 18, T-26-N, R-3-W Rio Arriba County, New Mexico

Dear Mr. LeMay:

Meridian Oil Inc. is applying for administrative approval of a non-standard location for the above location in both the Mesa Verde and Pictured Cliffs formations. This application for the referenced location is due to terrain as shown on the topographic map, Section 18 being a short section east/west, and at the request of the Jicarilla Apache Tribe.

This well is planned as a Mesa Verde/Pictured Cliffs commingle and application is being made to the New Mexico Oil Conservation Division for the commingling.

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 affadavit of notification..
- 4. 7.5 minute topographic map showing the orthodox windows for the north half dedication for the Mesa Verde and northwest quarter dedication for the Pictured Cliffs and enlargement of the map to define topographic features.
- 5. If the well were directionally drilled to a standard bottom hole location, the economics would be severely burdened due to the incremental directional drilling costs of \$200,000.

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, Radfield

Peggy Bradfield Regulatory/Compliance Representative encs.

WAIVER

hereby waives objection to Meridian Oil Inc.'s application for a nonstandard location for their Jicarilla 98 #11A as proposed above. By: ______ Date: ______

xc: Consolidated Oil & Gas Corp.

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL DEEPEN, OR PLUG BACK

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1a.	Type of Work	5. Lease Number
	DRILL	Jicarilla Contract 9
1b.	Type of Well	6. If Indian, All. or Tribe
	GAS	Jicarilla Apache
2.	Operator	7. Unit Agreement Name
	MERIDIAN OIL	
3.	Address & Phone No. of Operator	8. Farm or Lease Name
	PO Box 4289, Farmington, NM 87499	Jicarilla 98
		9. Well Number
	(505) 326-9700	11A
4.	Location of Well	10. Field, Pool, Wildcat
	1850'FNL, 1840'FWL	Tapacitos Pic Cliffs,
		Blanco Mesa Verde
		11. Sec., Twn, Rge, Mer.
	Latitude 36° 29' 19", Longitude 107° 11' 15"	Sec 18, T-26-N, R-3-W
	······································	NMPM
14.	Distance in Miles from Nearest Town	12. County 13. State
	35 miles to Dulce, NM	Rio Arriba NM
15.	Distance from Proposed Location to Nearest Property or Lease 1840 '	e Line
16.	Acres in Lease	17. Acres Assigned to Well 160 (NW/4) & 320 (N/2)
18.	Distance from Proposed Location to Nearest Well, Drlg, Compl 800'	, or Applied for on this Lease
19.	Proposed Depth	20. Rotary or Cable Tools
10.	6310'	Rotary
21.	Elevations (DF, FT, GR, Etc.)	22. Approx. Date Work will Start
	6930'GR	3rd quarter 1993
23.	Proposed Casing and Cementing Program	······································
	See Operations Plan attached	
	Q	
24.	Authorized by: Donald Clibther	7/29/93
	Regional Drilling Engineer	Date
PERM	IT NO APPROVAL D	DATE
APPR	OVED BY TITLE	DATE

Threatened and Endangered Species Report submitted NOTE: This format is issued in lieu of U.S. BLM Form 3160-3 Salyins to Assessments District (Jiffee Stills Lance - 4 annue Fan Lance - 3 annue

DISTRICT I P.O. Bon 1980, Hobbs, NM 22240

DISTRICT II P.O. Driver DD. Artenn. NM 85210

State of New Maxico Energy, Minerale and Natural Resources Department

Form C-102 Reviews 1-1-80

OIL CONSERVATION DIVISION

P.O. Box 2088

Sama Fe. New Mexico 87504-2088

DISTRICT III 1000 Rid Brans RA., Amer. NM 87410

WELL LOCATION AND ACREAGE DEDICATION PLAT

All Distances must be from the quier councienes of the section

Meridia	an Oil Inc.		Jicari	lla 98		11.	A
Unit Lotter Se F	Towns 18	26 North	3 West	SMP	Comey Rio	Arriba	
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Page 1

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OPERATIONS PLAN

Well Name:Jicarilla 98 #11ALocation:1850'FNL, 1840'FWL Section 18, T-26-N, R-3-WRio Arriba County, New MexicoLatitude 36° 29' 19", Longitude 107° 11' 15"Formation:Tapacitos Pictured Cliffs/Blanco Mesa VerdeElevation:6930'GL

Formation Tops:	Top	Bottom	Contents
Surface	San Jose	3150'	
Ojo Alamo	3150'	3330'	aquifer
Kirtland	3330'	3440'	•
Fruitland	3440'	3620'	gas
Pictured Cliffs	3620'	3805'	gas
Lewis	3805'	4565'	-
Chacra	4565'	5300'	gas
Mesa Verde	5300'	5400'	gas
Menefee	5400'	5760'	gas
Point Lookout	5760'	6310'	gas
Total Depth	6310'		

Logging Program:

Mud Logs/Coring/DST -Mud logs - 3400' to Total Depth Coring - none DST - none

Mud Program:

Interval	Туре	Weight	Vis.	Fluid Loss
0- 200'	Spud	8.4-8.9	40-50	no control
200-6310'	LSND	8.4-9.1	30-60	no control

Pit levels will be visually monitored to detect gain or loss of fluid control.

Casing Program:

Hole Size	Depth Interval	Csg.Size	Wt.	Grade
12 1/4"	0' - 200'	8 5/8"	24.0#	K-55
7 7/8"	0' - 6310'	4 1/2"	10.5#	к-55
Tubing Program:	0' - 6310'	2 3/8"	4.7#	J-55 EUE

Operations Plan - Jicarilla 98 #11A

Page Two

BOP Specifications, Wellhead and Tests:

Surface to TD -

11" 2000 psi minimum double gate BOP stack (Reference Figure #1). After nipple-up prior to drilling out surface casing, rams and casing will be tested to 600 psi for 30 minutes.

2" nominal, 2000 psi minimum choke manifold (Reference Figure #3).

Completion Operations -

6" 3000 psi double gate BOP stack (Reference Figure #2). After nipple-up prior to completion, pipe rams and casing top will be tested to 3000 psi for 15 minutes.

Surface to Total Depth -

2" nominal, 2000 psi minimum choke manifold (Reference Figure #3).

Wellhead -

8 5/8" x 4 1/2" x 2 3/8" x 3000 psi tree assembly.

General -

- Pipe rams will be actuated once each day and blind rams will be actuated once each trip to test proper functioning.
- An upper kelly cock valve with handle available and drill string valves to fit each drill string will be available on the rig floors at all times.
- A BOP pit level drill will be conducted weekly for each drilling crew.
- All of the BOP tests and drills will be recorded in the daily drilling reports.
- Blind and pipe rams will be equipped with extension hand wheels.

Cementing:

8 5/8" surface casing -

Cement to surface w/140 sx Class "B" cement w/3% calcium chloride and 1/4#/sx cellophane flakes (165 cu.ft. of slurry, 100% excess to circulate to surface.) WOC 12 hours prior to drilling out surface casing. Test casing to 600 psi for 30 minutes.

Saw tooth guide shoe on bottom. Bowspring centralizers will be run in accordance with Onshore Order #2.

Production Casing - 4 1/2"

First Stage: Cement to circulate to stage tool @ 3905'. Lead w/553 sx 65/35 Class "B" Pozmix w/6% gel, 2% calcium chloride, and 1/4#/sx cellophane flakes. Tail w/100 sx Class "B" cement w/2% calcium chloride. WOC 4 hours prior to pumping second stage. (Slurry volume: 1097 cu.ft. Excess slurry 100%.)

Second Stage: Cement to circulate to surface. Lead w/940 sx 65/35 Class "B" Pozmix w/6% gel, 2% calcium chloride, and 1/4#/sx cellophane flakes. Tail w/100 sx Class "B" cement w/2% calcium chloride. WOC a minimum of 18 hours prior to cleanout. (Slurry volume: 1781 cu.ft. Excess slurry: 100%.)

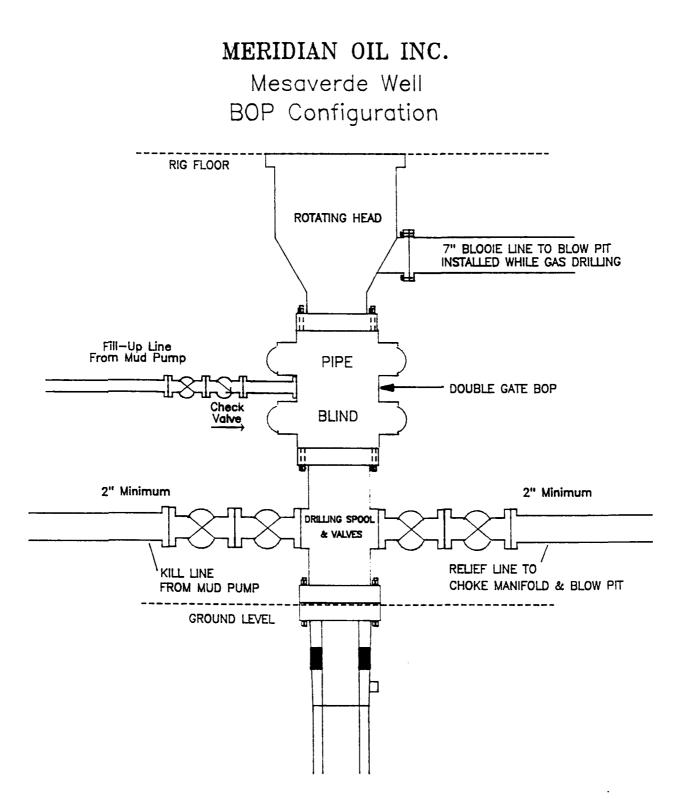
Float shoe on bottom. Three centralizers run every other joint above shoe. Two turbolizing type centralizers - one below and one into the base of the Ojo Alamo @ 3330'. Standard centralizers thereafter every fourth joint up to the base of the surface pipe.

- If hole conditions permit, an adequate water spacer will be pumped ahead of each cement job to prevent cement/ mud contamination or cement hydration.
- The pipe will be rotated and/or reciprocated, if hole conditions permit.

Additional Information:

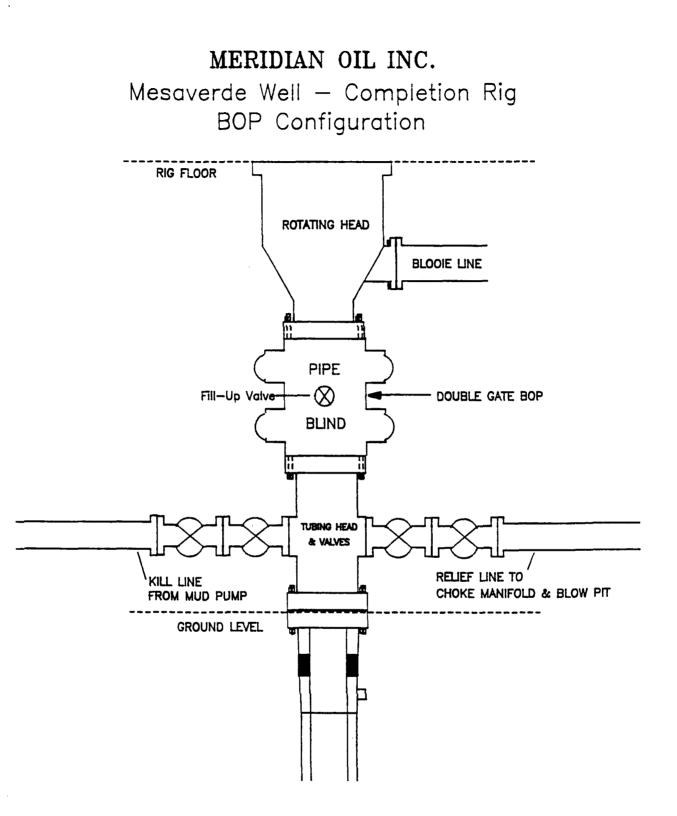
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- Pictured Cliffs and Mesa Verde formations will be completed and commingled per New Mexico Oil Conservation Division Order.
- No abnormal temperatures or hazards are anticipated.
- Sufficient LCM will be added to the mud system to maintain well control, if lost circulation is encountered below the top of the Pictured Cliffs.
- The North half of Section 18 is dedicated to the Mesa Verde and the Northwest quarter is dedicated to the Pictured Cliffs.
- This gas is dedicated.
- New casing will be utilized.
- Pipe movement (either rotation or reciprocation) will be done if hole conditions permit.



Minimum BOP installation for a Mesaverde well from Surface to Total Depth. 11" Bore, 2000psi minimum working pressure double gate BOP to be equipped with blind and pipe rams. A Schaffer Type 50 or equivalent rotating head to be installed on the top of the BOP. All equipment is 2000psi working pressure or greater.

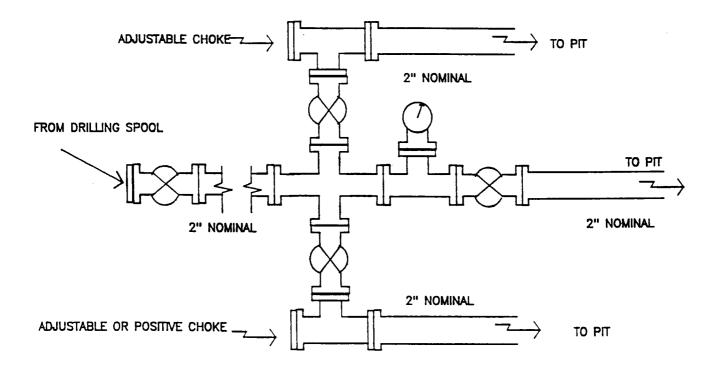
Figure #1



Minimum BOP installation for Completion Operations. 7 1/16" Bore (6" Nominal), 3000psi minimum working pressure double gate BOP to be equipped with blind and pipe rams.

Figure #2

MERIDIAN OIL INC. Mesaverde Well Choke Manifold Configuration



Minimum choke manifold installation from surface to Total Depth. 2" minimum, 2000psi working pressure equipment with two chokes. Jicarilla 98 #11A 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. The required new access road is shown on Map No. 1. The gradient, shoulder, crowning and other design elements will meet or exceed those specified by the responsible government agency. The new access road surface will not exceed twenty feet (20') in width. No additional turnarounds or turnouts will be required. Upon completion of the project, the access road will be adequately drained to control soil erosion. Approximately 4499' of access road will be constructed. Pipelines are indicated on Map No. 1A.
- 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.

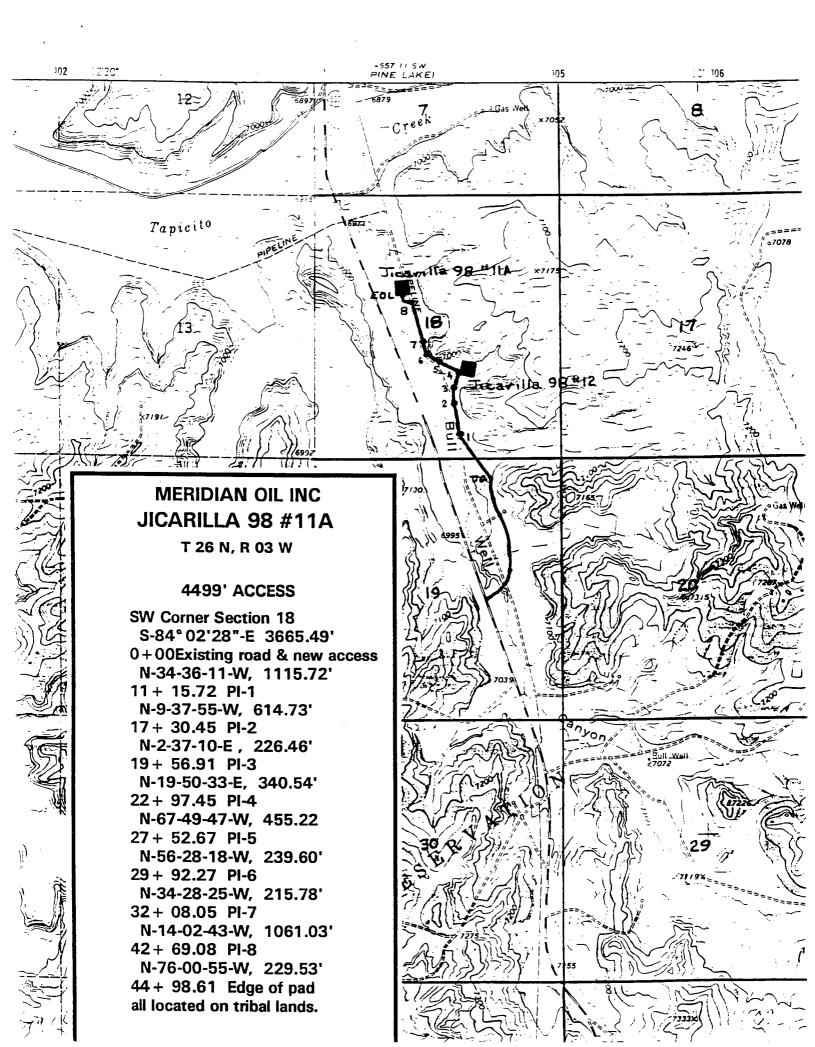
- Location and Type of Water Supply Water will be hauled by truck for the proposed project and will be obtained from Bull Pasture Well located SW Section 17, T-26-N, R-4-W, New Mexico.
- 6. Source of Construction Materials If construction materials are required for the proposed project, such materials 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.

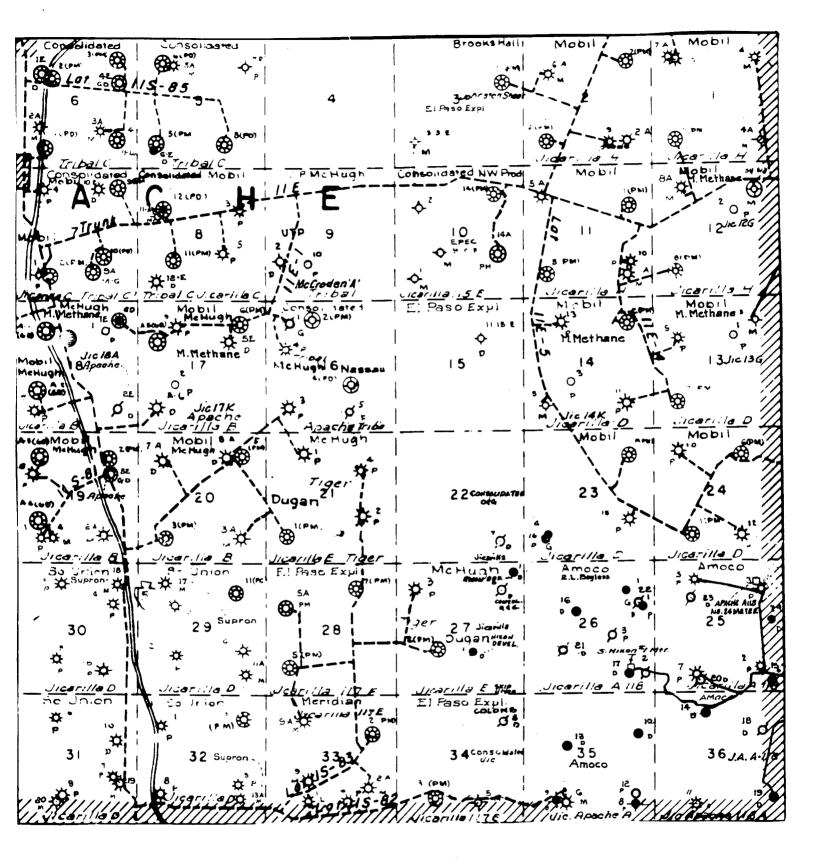
- 10. Plans for Restoration of the Surface After completion of the proposed project, the location will be cleaned and leveled. The location will be left in such a condition that will enable reseeding operations to be carried out. Seed mixture as designated by the responsible government agency will be 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 Jicarilla Apache 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.

Regional Drilling Engineer

7/2*9/93* Date

JWC:pb

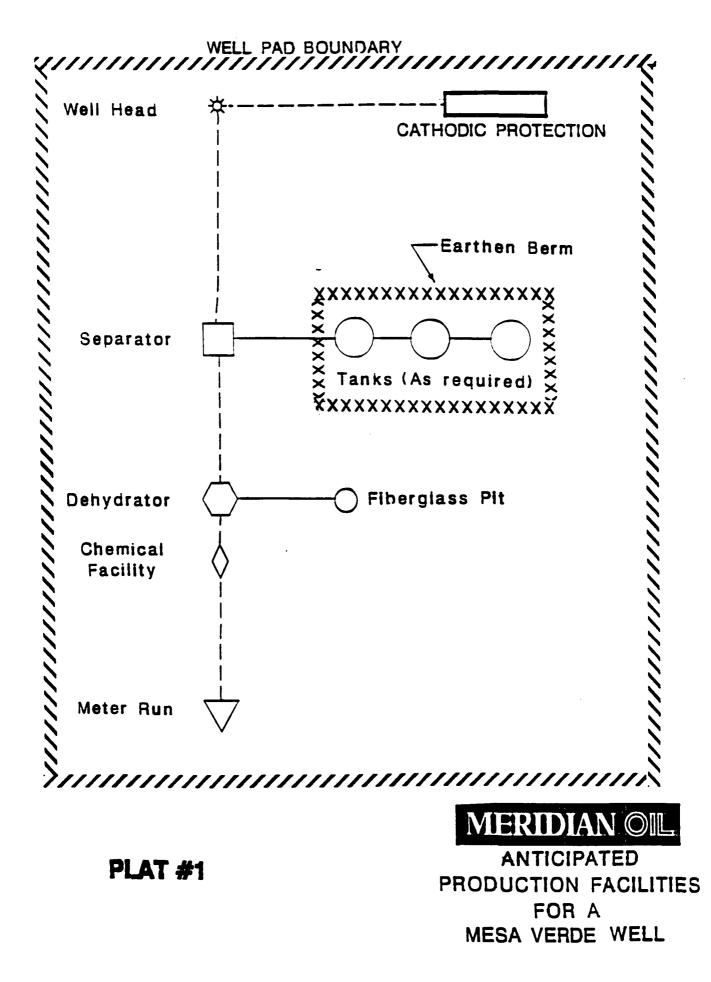




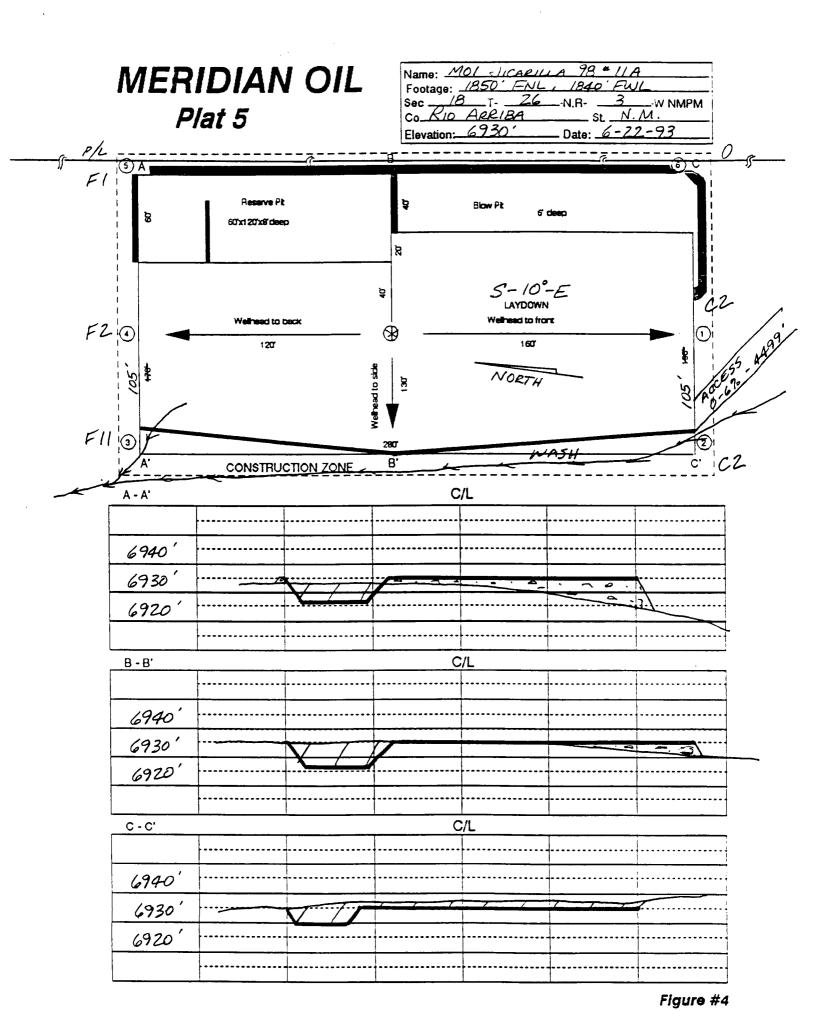
MERIDIAN OIL INC. Pipeline Map T-26-N, R-03-W Rio Arriba County, New Mexico

Jicarilla 98 #11A Map #1A

3/91 adw/mjb



KFR 2/90



Scheme to Antionymetri Diserve (2016) Stills Leave - 4 action Feb Leave - 3 action

<u>DESTRICT I</u> P.O. Box 1980, Hobbs, NM 88240

P.O. Drawer DD, Artenn, NM \$\$210

DISTRICT III -1000 Rio Brinos Rd., Astor. NM 87410

State of New Makino Energy, Minaras and Natural Resources Department

Form C-102 Reviews 1-1-89

OIL CONSERVATION DIVISION

P.O. Box 2088

Sanza Fe, New Mexico 87504-2088

WELL LOCATION AND ACREAGE DEDICATION PLAT

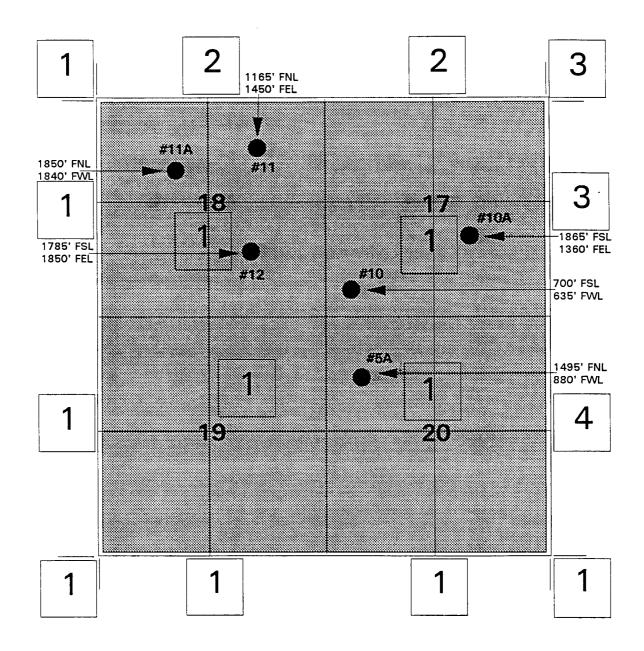
All Distances must be from the outer boundances of the section

Merid	ian Oil Inc.		Jicarilla	98	Well No. 11A
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MERIDIAN OIL INC.

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OFFSET OPERATOR/OWNER PLAT Pictured Cliffs/Mesaverde Commingle Township 26 North, Range 3 West Rio Arriba County, New Mexico



See Attached List

Pictured Cliffs/Mesaverde Commingle Township 26 North, Range 3 West Offset Operators

1. Meridian Oil Inc. P.O. Box 4289 Farmington, NM 87499-4289

÷

- 2. Consolidated Oil & Gas Corp. 419 17th Street, Suite 400 Denver, CO 80202-4410
- 3. Jerome P. McHugh 650 S. Cherry Street, Suite 1225 Denver, CO 80222
- 4. Jerome P. McHugh 650 S. Cherry Street, Suite 1225 Denver, CO 80222

Dugan Production Corp. P.O. Box 420 Farmington, NM 87499-0402

MERIDIAN OIL

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Re: Meridian Oil Inc. Jicarilla 98 #11A 1850'FNL, 1840'FWL Section 18, T-26-N, R-3-W Rio Arriba County, New Mexico

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.

Consolidated Oil & Gas Corp. 419 17th Street, Suite 400 Denver, CO 80202-4410

Madpield lagur

Peggy A. Bradfield San Juan County State of New Mexico

My commission expires August 17, 1996

MERIDIAN OIL

GIL CONSERVETION DIVISION RECEIVED

193 AUS 11. AM 8 45

August 3, 1993

Sent Federal Express

Mr. William LeMay New Mexico Oil Conservation Division Post Office Box 2088 Santa Fe, New Mexico 87501

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Sincerely. hadfield

Peggý Bradfield Regulatory/Compliance Representative encs.

WAIVER

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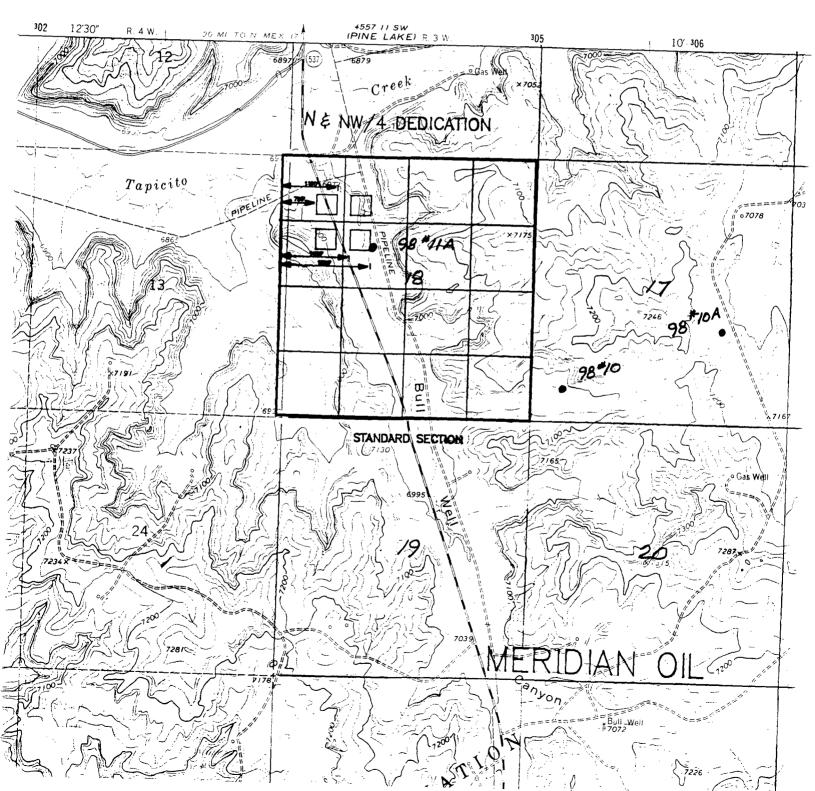
By: <u>*Award D*</u> Date: <u>August 6, 1993</u> Edward D. Dolly, V. P. Geology xc: Consolidated Oil & Gas Corp.

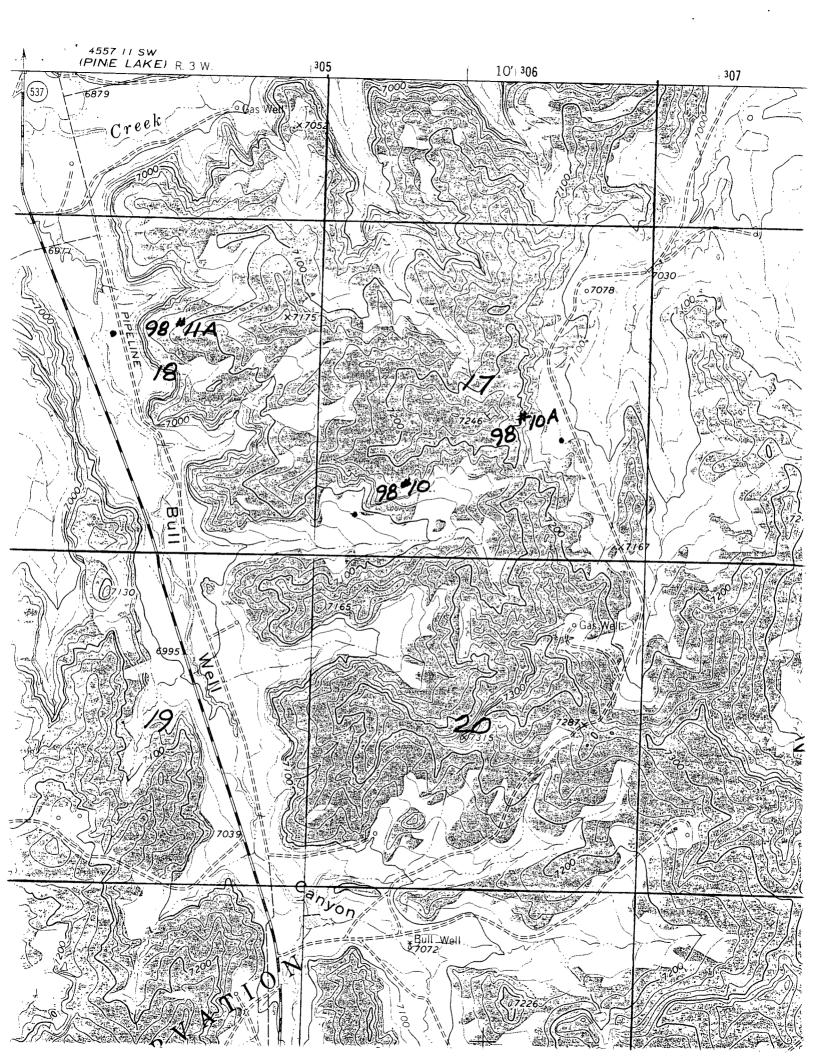


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Consolidated Oil & Gas, Increasion Division RECEIVED

*93 RU: 1 AM 8 45

August 9, 1993

Mr. William LeMay New Mexico Oil Conservation Division P.O. Box 2088 Santa Fe, NM 87501

> Re: Meridian Oil Inc. Application Sections 17 & 18-T26N-R3W Rio Arriba County, New Mexico

Dear Mr. LeMay:

Enclosed are copies of Meridian Oil's three letters dated August 3, 1993, regarding Meridian's Application for non-standard locations. The letters have been signed by Consolidated Oil & Gas, Inc. indicating its waiver of any objection to the location.

Very truly yours,

Melanie Morris, ČPL Senior Landman

cc: Ms. Peggy Bradfield Regulatory/Compliance Rep. Meridian Oil Inc. P.O. Box 4289 Farmington, NM 87499-4289

Enclosures

MM:cp\03



STATE OF NEW MEXICO

ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

RECOIL CONSERVATION DIVISION 193 AUG 13 AZTES DISTRICT OFFICE

1000 RIO BRAZOS ROAD AZTEC, NEW MEXICO 87410 (505) 334-6178

Date: 8-10993

Ottom: Mike Stogner

- Oil Conservation Division P.O. Box 2088 Santa Fe, NM 87504-2088
- RE: Proposed MC Proposed NSL Proposed WFX / Proposed NSP

Proposed	DHC	
Proposed	SWD	
Proposed	PMX	
Proposed	DD	

Gentlemen:

I have examined the application received on Hicar for the former $26N-23\omega$ and my recommendations are as follows:

Yours truly,

mia Besch