FORM APPROVED Form 3160-5 UNITED STATES Budget Bureau No. 1004-0135 DEPARTMENT OF THE INTERIOR (June 1990) Expires: March 31, 1993 BUREAU OF LAND MANAGEMENT 5. Lease Designation and Serial No. NM 86927 & NM 66924 SUNDRY NOTICES AND REPORTS ON WELLS 6. If Indian, Allottee or Tribe Name 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 7. If Unit or CA, Agreement Designation SUBMIT IN TRIPLICATE Type of Well 8. Well Name and No. Little Jack '30' X Oil Well 2. Name of Operator & Darius 'ADS' Meridian Oil Inc. 9. API Well No. 3. Address and Telephone No. P.O. Box 51810, Midland, TX 79710-1810 915-688-6943 10. Field and Pool, or exploratory Area 4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Triste Draw Del/B. Spring Sec. 30, T23S, R32E 11. County or Parish, State CHECK APPROPRIATE BOX(s) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA 12. TYPE OF SUBMISSION TYPE OF ACTION Notice of Intent Abandonment Change of Plans Recompletion New Construction X Subsequent Report Plugging Back Non-Routine Fracturing Casing Repair Water Shut-Off Final Abandonment Notice Altering Casing Conversion to Injection Other Commingling Request Dispose Water te: Report results of multiple completion on Well Completion of 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 Hydrocarbon for two (2) pools, West Triste Draw Delaware and South Sand Dunes Bone Spring, regarding the Little Jack '30' Federal (NM 86927) and the Darius 'ADS' Federal Lease (NM 66924), all in Sec. 30, T23S, R32E, Lea County, New Mexico. Please see attached application 14. I hereby certify tha Date 3/26/96 Title Regulatory Compliance Signed (This space for Federal or State office use) Approved by Conditions of approval, if any:

or representations as to any matter within its jurisdiction.

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements

APPLICATION FOR SURFACE COMMINGLING, OFF-LEASE STORAGE AND MEASUREMENT OF HYDROCARBON OF PRODUCTION FOR TWO (2) POOLS, SOUTH SAND DUNES BONE SPRING AND WEST TRISTE DRAW DELAWARE, REGARDING THE LITTLE JACK '30' FEDERAL LEASE (NM 86927) AND THE DARIUS 'ADS' FEDERAL LEASE (NM 66924), SEC. 30, 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 TWO (2) POOLS, SOUTH SAND DUNES BONE SPRING AND WEST TRISTE DRAW DELAWARE, REGARDING THE LITTLE JACK '30' FEDERAL LEASE (NM 86927) AND THE DARIUS 'ADS' FEDERAL LEASE (NM 66924), SEC. 30, T23S, R32E, LEA COUNTY, NEW MEXICO.

LITTLE JACK '30' FEDERAL LEASE (NM 86927)

Little Jack '30' Federal # 1	30	23S	32E	Delaware	NM86927	Prod.
Little Jack '30' Federal # 2	30	23S	32E	Bone Spring	NM86927	Prod.
Little Jack '30' Federal # 3	30	23S	32E	Delaware	NM86927	Prod.

We are requesting approval for a lease basis for the Little Jack '30' Federal Lease (NM86927).

DARIUS 'ADS' FEDERAL LEASE (NM 66924)

Darius 'ADS' Federal # 1 (Pro)	30	23S	32E	Delaware	NM66924	Drilling

We are requesting approval for a lease basis for the Darius 'ADS' Federal Lease (NM 66924)

PRODUCTION FROM BOTH LEASES

WELL NUMBER	BOPD	MCFPD	<u>WATER</u>	FORMATION
Little Jack '30' Federal # 1	19	29	31	Delaware
Little Jack '30' Federal # 2	14	65	01	Bone Spring
Little Jack '30' Federal # 3	92	130	140	Delaware
Darius 'ADS' Federal # 1	150	400	50	Bone Spring **

^{**} These estimates are based on current reservoir data.

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 Darius 'ADS' Federal lease is sent through a heater treater where it is metered prior to going to the battery which is located 1980' FSL & 2310' FEL, Sec. 30, T23S, R32E Lea County, New Mexico. A test meter will be set at the Darius 'ADS Federal # 1 location prior to being commingled with the Little Jack '30' Federal lease at the sales meter.

Meridian is 100% working interest owners for all the wells in the Little Jack '30' Federal Lease. Meridian has 45.85% working interest for the Darius 'ADS' 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:

TITLE: DATE:

ME: <u>Donna Williams</u>

TITLE: Regulatory Compliance

March 25, 1996

District I PO Box 1980, Hobbs, NM 88241-1980 District II PO Drawer DD, Artesia, NM 88211-0719 1000 Rio Brazos Rd., Aztec, NM 87410

PO Box 2088, Santa Fe, NM 87504-2088

District IV

State of New Mexico Energy, Minerals & Natural Resources Department

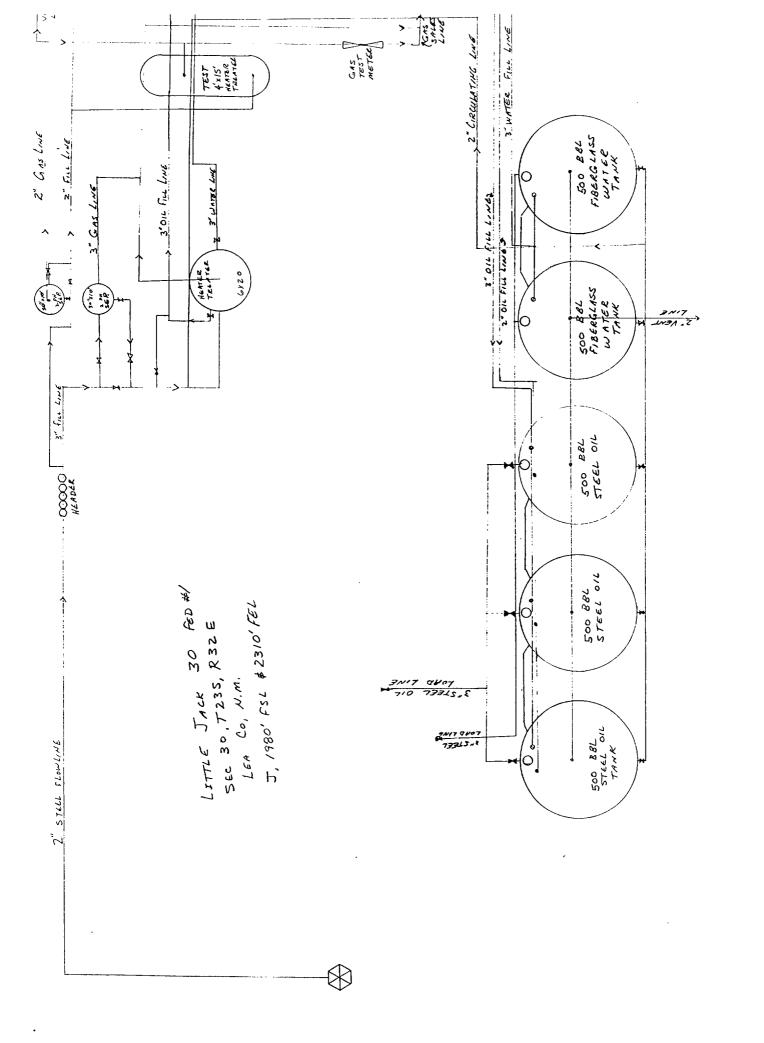
OIL CONSERVATION DIVISION P.O. Box 2088 Santa Fe, NM 87504-2088

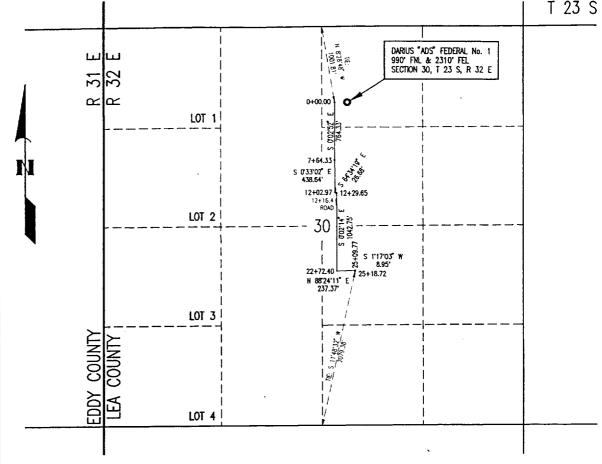
Form C-102 Revised February 10, 1994 Instructions on back Submit to Appropriate District Office State Lease - 4 Copies Fee Lease - 3 Copies

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API N	² Pool Code 59930 Triste Draw Del. & Si			3 Pool Name 53805					
⁴ Property Code							6 Well Number		
7 OGRID No. 8 Operator Name 26485 Meridian Oil Inc.					9	Elevation			
				Surface Locat	ion				
UL or lot no. Section 30		Range 32E	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	on Township	Range	Lot. Idn	Feet from the	North/South Line	Feet from the	East/West line	County	
12 Dedicated Acres 13	Joint or Infill	⁴ Consolidation	n Code 15 O	order No.					
NO ALLOWABL					UNTIL ALL INT			SOLIDATED	
# 1 (Pro) # 2 SEC. 30 Central Batte # 1 NM 8				tral Battery		I hereby certify true and comple Signature Donna Will Printed Name Regulatory Title 3/26/96 Date 18 SURVEY I hereby certify was plotted from me or under my and correct to the best Date of Survey	YOR CERTIFIC that the well location field notes of actu- supervision, and the	contained herein is knowledge and belief. CATION shown on this plat all surveys made by	





NOTE: THIS FLOWLINE WILL REQUIRE AN OFF LEASE PERMIT.

500 1000 2000 SCALE - FEET

NOTE - BASIS OF BEARINGS:

BEARINGS FOR THIS PLAT AND SURVEY ARE BASED ON THE LINE BETWEEN A BRASS CAP FOUND FOR THE SOUTH WEST CORNER OF SECTION 30 AND A BRASS CAP FOUND FOR THE WEST CUARTER CORNER OF SAID SECTION 30, T 23 S, R 32 E. THE LINE IS ASSUMED TO BEAR NORTH, 2638.91 FEET.

I HEREBY CERTIFY THAT THIS SURVEY WAS MADE UNDER MY SUPERVISION AND THAT THIS SURVEY AND PLAT MEET THE MINIMUM STANDARDS FOR SURVEYING IN NEW MEXICO.



MIDLAND DISTRICT OFFICE (915) 699-1238 In State TOLL FREE (1-800-242-3028

P.O. BOX 1757 MIDLAND, TEXAS 79702

By: WILLIAM E. MAHNKE II, PLS #8466

LEGAL DESCRIPTION:

AN EASEMENT FOR A PROPOSED FLOWLINE TO BE LOCATED IN SECTION 30, TOWNSHIP 23 SOUTH, RANGE 32 EAST, NMPM, LEA COUNTY, NEW MEXICO, SAID EASEMENT BEING FIFTY FEET WIDE AND BEING TWENTY FIVE FEET ON EITHER SIDE OF THE SURVEY CENTERLINE MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT FOR STATION 0+00.00 OF THIS SURVEY, FROM WHICH THE NORTH QUARTER CORNER OF SAID SECTION 30 BEARS N 8'28'48" W, 1001.81 FEET;

THENCE S 0'02'52" E, 764.33 FEET TO A POINT FOR SURVEY STATION 7+64.33;

THENCE S 0'33'02" E. 438.64 FEET TO A POINT FOR SURVEY STATION 12+02.97;

THENCE S 64'34'19" E, AT 13.4 FEET CROSSING THE CENTER OF AN EXISTING ROAD FOR SURVEY STATION 12+16.4, A TOTAL DISTANCE OF 26.68 FEET TO A POINT FOR SURVEY STATION

THENCE S 0'02'14" E, 1042.75 FEET TO A POINT FOR SURVEY STATION 22+72.40;

THENCE N 88'24'11" E, 237.37 FEET TO A POINT FOR SURVEY STATION 25+09.77;

THENCE S 1"17"03" W. 8.95 FEET TO POINT OF TERMINATION OF THE HEREIN DESCRIBED SURVEY CENTERLINE AT SURVEY STATION 25+18.72, FROM WHICH THE SOUTH QUARTER CORNER OF SAID SECTION 30 BEARS S 11"48"32" W, 2079.38 FEET;

SAID EASEMENT BEING 2518.72 FEET OR 152.65 RODS OR 0.48 MILES IN LENGTH, SUCH LENGTH BEING ALLOCATED BY FORTIES AS FOLLOWS:

NM/4 OF NE/4 SECTION 30 — 20.09 RODS

SW/4 OF NE/4 SECTION 30 — 80.94 RODS

NW/4 OF SE/4 SECTION 30 — 51.62 RODS

TOTAL - 152.65 RODS

NOTE — REVISED 2—8—96: NOVED LOCATION, CHANGED NAME CHANGED ALIGNMENT AND STATIONING

MERIDIAN OIL INC. DARIUS "ADS" FEDERAL No. 1

PROPOSED FLOWLINE FASEMENT <u>SECTION</u> 30, T 23 S, R 32 E

LEA COUNTY, NEW MEXICO

date: OCTOBER 3, 1995 scale: 1"=1000"