

**UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT**

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1a. TYPE OF WORK
 DRILL DEEPEN

b. TYPE OF WELL
 OIL WELL GAS WELL OTHER
 SINGLE ZONE MULTIPLE ZONE

2. NAME OF OPERATOR
Meridian Oil Inc.

3. ADDRESS AND TELEPHONE NO.
 P.O. Box 51810 Midland, Texas 79710-1810 915-688-6943

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)*
 At surface: 1980' FSL & 1980' FEL
 At proposed prod. zone: SAME AS SURFACE

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*
28 miles west of Eunice, NM

16. NO. OF ACRES IN LEASE **17. NO. OF ACRES ASSIGNED TO THIS WELL**
 1980' 920 40

18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. **19. PROPOSED DEPTH** **20. ROTARY OR CABLE TOOLS**
 N/A 1st well 10,200' Rotayr

21. ELEVATIONS (Show whether DF, RT, GR, etc.) **22. APPROX. DATE WORK WILL START***
 3720' Upon Approval

5. LEASE DESIGNATION AND SERIAL NO.
NM 81633

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARMOR LEASE NAME, WELL NO.
Checkmate '24' Federal

9. AP WELL NO.
Unassigned

10. FIELD AND POOL, OR WILDCAT
Red Tank

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA
24, T22S, R32E

12. COUNTY OR PARISH **13. STATE**
Lea NM

23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	GRADE SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
17 1/2"	13 3/8"	48#	850'	800 sxs 'C' Circ.
12 1/4"	8 5/8"	28#/32#	4600'	1550 sxs 'C' Circ.
7 7/8"	5 1/2"	17#	10,200'	1200 sxs 'H', TOC @ 4400' +/-

Not in Hydrogen Sulfide Area
Not in Potash Designated Area

Contact Person: Donna Williams, 915-688-6943

Notice of Staking Submitted on February 6, 1995

**BEFORE THE
OIL CONSERVATION DIVISION**
 Case No. 11613 Exhibit No. **3**
 Submitted By:
Burlington Resources
 Hearing Date: October 2, 1996

24. IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

SIGNED Donna Williams TITLE Regulatory Assistant DATE 2/16/95

(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.
CONDITIONS OF APPROVAL, IF ANY:

APPROVED BY _____ TITLE _____ DATE _____

***See Instructions On Reverse Side**

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

State of New Mexico
 Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION
 PO Box 2088
 Santa Fe, NM 87504-2088

Form C-102
 Revised February 21, 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 Number Unassigned		2 Pool Code		3 Pool Name Red Tank	
4 Property Code		5 Property Name CHECKMATE "24" FEDERAL			6 Well Number 1
7 OGRID No. 26485		8 Operator Name MERIDIAN OIL INC.			9 Elevation 3720

10 Surface Location

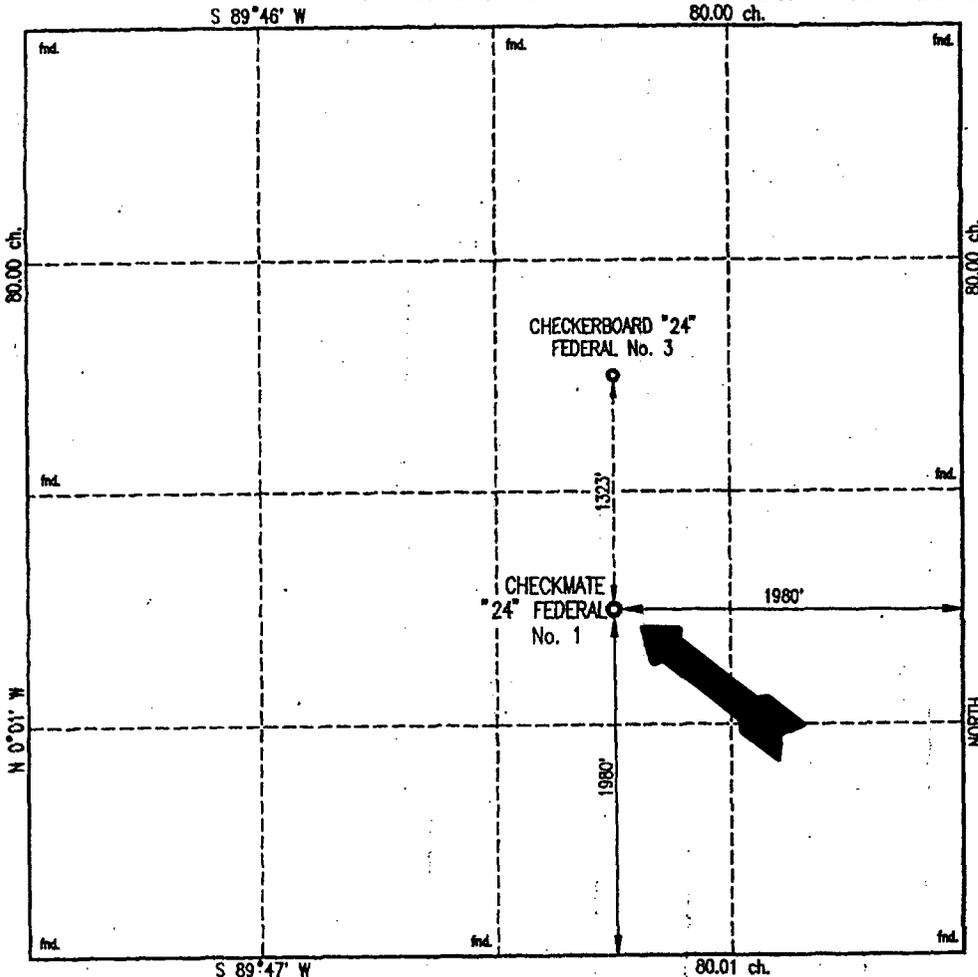
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
J	24	22 S	32 E		1980	SOUTH	1980	EAST	LEA

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
SAME AS SURFACE									

12 Dedicated Acres 40	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



17 OPERATOR CERTIFICATION

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

[Signature]
 Signature
 Donna Williams
 Printed Name
 Regulatory Assistant
 Title
 2/20/95
 Date

18 SURVEYOR CERTIFICATION

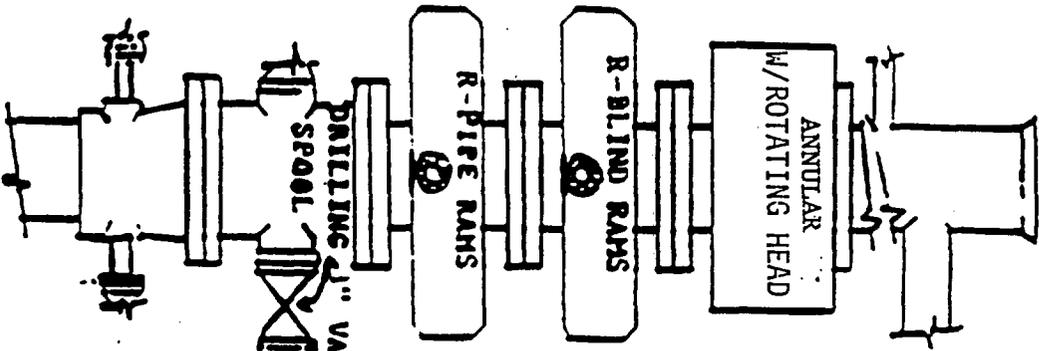
I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.

FEBRUARY 7, 1995

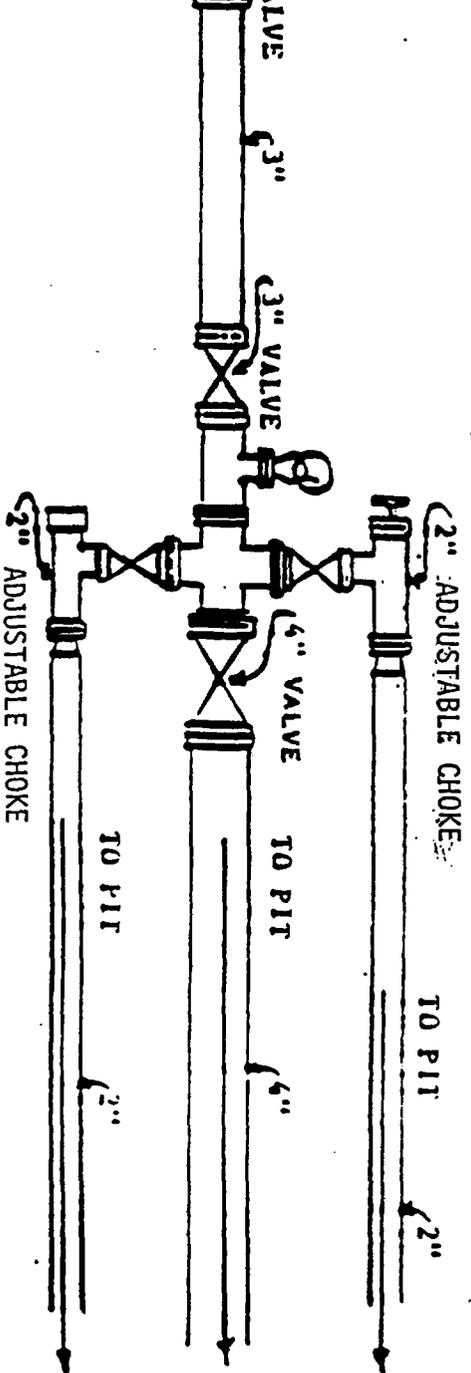
Date of Survey
 Signature and Seal of Professional Surveyor

[Signature]
 WILLIAM E. MAHNKE II
 #8466
 WILLIAM E. MAHNKE II
 CERTIFICATE NUMBER 8966
 PROFESSIONAL LAND SURVEYOR

DOUBLE RAM



BLOW OUT PREVENTION EQUIPMENT
10" 900s ALL FLANGED CONNECTIONS
3000# WORKING PRESSURE



OPERATORS NAME:	Meridian Oil Inc.
LEASE NAME AND WELL NO.:	Checkmate '24' Federal No. 1
LOCATION:	1980' FSL & 1980' FEL, Sec. 24, T22S, R32E
FIELD NAME:	West Red Tank Delaware/Red Tank Bone Spring
COUNTY:	Lea County, NM
LEASE NUMBER:	NM 81633

The following information is to supplement BLM form 3160-3 Application for permit to drill in accordance with Onshore Oil and Gas Order No. 1:

9 - POINT DRILLING PLAN

1. Name and estimated tops of important geologic formation/marker horizons.

<u>FORMATION</u>	<u>DEPTH</u>
Rustler	970'
T/Salt-B/Salt	1100'-4500'
Delaware Sandstone	4850'
Bone Spring, LS/Sandstone	8730'

2. Estimated depths at which the top and bottom of formations potentially containing usable water, oil, gas, or prospectively valuable deposits of other minerals are expected to be encountered and the operator's plans for protecting such resources.

Delaware	4850' (Oil)
Bone Spring	8730' (Oil)

3. The operator's minimum specifications for Blowout Preventer (BOP) and related equipment to be used and schematic diagrams thereof showing sizes, pressure ratings, and the testing procedures and testing frequency. BOP and BOP - related equipment (BOPE) schematics shall include schematics of choke manifold equipment. Accumulator systems and remote controls shall be utilized.

13 5/8" 1.5M psi WP BOP w/rotating head to be installed on the 13 3/8" csg. Test to 750 psi before drilling the 13 3/8" casing shoe.

11" 3M BOP stack to be installed on the 8 5/8" casing. The BOP stack will consist of one blind ram BOP, one pipe ram BOP, and a rotating head. Tested to 3000 psi before drilling the 8 5/8" casing shoe.

4. The proposed casing program including size, grade, weights, type of thread and coupling, and the setting depth of each string and its condition (new or acceptably reconditioned). For exploratory wells, or for wells as otherwise specified by the authorized officer, the operator shall include the minimum design factors for tensions, burst, and collapse that are incorporated into the casing design. In cases where tapered casing strings are utilized, the operator shall also include and/or setting depths of each portion.

- 17 1/2" hole, 13 3/8" H-40 48# csg set @ 850'
- 12 1/4" hole, 3200' 8 5/8" 28# K-55 BTC, 1400' 8 5/8" 32# K-55 LTC csg @ 4600' *****
- 7 7/8" hole, 9000' 5 1/2" 17# K-55 LTC csg & 1150' 5 1/2" 17# N-80 LTC csg @ 10,200'

**** SPECS: 8 5/8" K-55 BTC - ID=8.017", DRIFT=7.892",
BURST=3390 PSI, COLLAPSE=1880 PSI, AND TENSION=43700 lbs.

5. The amount and type(s) of cement, including anticipated additives to be used in setting each casing string, shall be described. If stage cementing techniques are to be employed, the setting depth of the stage collars and amount and type of cement, including additives, and preflush amounts to be used in each stage, shall be given. The expected linear fill-up of each cemented string, or each stage when utilizing stage-cementing techniques, shall also be given.

- a. 13 3/8" csg: Cmt w/600 sxs Class 'C' + 4% gel + 2% CaCl₂ + 1/4 pps flocele tail w/200 sxs Class 'C' + 2% CaCl₂ + 1/4 pps Flocele. Circ to surface.
- b. 8 5/8" csg: Cmt (2 Stages) DV Tool @ +/-2500'. Stage 1: Lead w/600 sxs Class 'C' + 9 pps salt + 5 pps Gilsonite + 1 pps Econolite + 1/4 pps flocele, tail w/250 sxs Class 'C' + 2% CaCl₂.

Stage 2: Lead w/500 sxs Class 'C' Lite + 9 pps salt + 1/4 pps flocele, tail w/200 sxs Class 'C' + 2% CaCl₂. Circ to surface.

- c. 5 1/2 csg: Cmt (2 Stages) Stage 1: Cmt w/600 sxs Class 'H' 50/50 Poz + 2% gel + .6% Halad-9 + 3 pps KCL + 1/4 pps flocele. Stage 2: Cmt w/500 sxs Class 'H' Lite + .4% Halad-9. Tail w/100 sxs Class 'H' neat. Bring TOC to 4400' +/-

6. The anticipated characteristics, additives, use, and testing of drilling mud to be employed, along with the types and quantities of mud products to be maintained, shall be given. When air or gas drilling is proposed, the operator shall submit the following specific information:

Mud Program:

- 0-850' fresh water, gel and lime system
- 850'-4600' Brine, MW 10.0-10.1
- 4600'-9900' Fresh Water, MW 8.3-8.5
- 9900'-10,200' FW/Bentonite/Drispac, MW 8.4-8.6

7. The anticipated testing, logging, and coring procedures to be used, including drill stem testing procedures, equipment, and safety measures.

- a. DST Program: None
- b. Core: None
- c. Mud Logging: Two-man unit 4600' to TD.

d. Logs to be run: LDT/GR/CAL: TD:ICP CR to surface
DIL/SFL/GR: TD-ICP
BHC Sonic: TD-ICP

8. The expected bottom-hole pressure and any anticipated abnormal pressures, temperatures or potential hazards that are expected to be encountered, such as lost circulation zones and hydrogen sulfide. The operator's plans for mitigating such hazards shall be discussed. Should the potential to encounter hydrogen sulfide exist, the mitigation procedures shall comply with the provisions of Onshore Oil and Gas Order No. 6.

No abnormal pressures are anticipated. Bottom hole pressures at TD expected to be 4300 psi. Bottom hole temperature 140 F. There is no anticipated Hydrogen Sulfide in this known drilling area

9. Any other facets of the proposed operation which the operator wishes for BLM to consider in reviewing the application.

Anticipated drilling time expected to be 20 days from surface to TD.

12-POINT SURFACE USE PLAN OF OPERATIONS

1. **Existing Roads:** A legible map (USGS topographic, county road, or other such map) labeled and showing the access route to the location, shall be used for locating the proposed well site in relation to a town, village, or other locatable point, such as a highway or county road. All access roads shall be appropriately labeled. Any plans for improvement and/or maintenance of existing roads shall be provided. All roads shall be improved or maintained in a condition the same as or better than before operations. The information provided for use and construction of roads will also be used by BLM for the required Plan of Development for a R/W application as described in Section II C of this Order No. 1.

See Exhibit "A" - topographic land surveyors plat showing existing roads and directions to well site.

2. **Access Roads to be Constructed or Reconstructed:** All permanent and temporary access roads to be constructed or reconstructed in connection with the drilling of the proposed well shall be appropriately identified and submitted on a map or plat. The proposed route to the proposed drill site shall be shown, including distances from the point where the access route exists established roads. All permanent and temporary access roads shall be located and designed to implement the goals of transportation planning and meet applicable standards of the appropriate SMA, and shall be consistent with the needs of the users. Final selection of the route location may be accepted by the SMA as early as the predrill inspection or during approval of the APD.

See Exhibit "B" plat for road to be constructed and description.

3. **Location of Existing Wells:** This information shall be submitted on a map or plat, which includes all recorded wells (water, injection, or disposal, producing, or being drilled) within a 1-mile radius of the proposed location.

See Exhibit "C" - portion of land map showing surrounding wells in area.

4. **Location of existing and/or proposed production facilities:** For facilities planned either on or off the well pad, a plat or diagram shall be included showing, to the extent known or anticipated, the location of all production facilities and lines to be installed if the well is successfully completed for production. If new construction is planned, the dimensions of the facility layouts are to be shown. This information for off-pad production facilities may be used by BLM for R/W application information as specified in Section II C of Order No. 1.

A flowline approximately 11,323,06' will be layed going to the battery located at the Checkerboard 23 Federal battery, located in the NW/SE of Sec. 23, T22S, R32E in Lea County, New Mexico. See Exhibit 'D'.

Location of Types of Water Supply: Information concerning water supply, such as rivers, creeks, springs, lakes, ponds, and wells, may be shown by quarter-quarter section on a map or plat, or may be described in writing. The source and transportation method for all water to be used in drilling the proposed well shall be noted if the source is located on Federal or Indian Lands or if water is to be used from a Federal or Indian project. If the water is obtained from other than Federal or Indian lands, the location and transportation method shall be identified. Any access roads crossing Federal or Indian lands that are needed to haul the water shall be described as provided in paragraphs (1) and (2) of this Section. If a water supply well is to be drilled on the lease, the APD shall so state. The authorized officer of BLM may require the filing of a separate APD of a water well.

No available surface or sub-surface fresh water exists in the vicinity of the proposed well. Drilling water will be transported or pumped to the drill site from the nearest commercial source.

6. **Construction Materials:** The operator shall state the character and intended use of all construction material, such as sand, gravel, stone, and soil material. If the materials to be used are Federally owned, the proposed source shall be shown either on a quarter-quarter section on a map or plat, or in a written description.

Will try to use Caliche from reserve pit. If unable to use Caliche from reserve pit, then will get Caliche from a Federal or State approved caliche pit.

7. **Methods of Handling Waste Disposal:** A written description of the methods and locations proposed for safe containment and disposal of each type of waste material (e.g. cuttings, garbage, salts, chemicals, sewage, etc.) that results from the drilling and completion of the proposed well shall be provided.

- Drill cuttings - disposed into drilling pits.
- Drill fluids - allowed to evaporate in drill pits until pits dry.
- Produced water during testing - drill pits.
- Produced oil during testing - storage tank until sold.
- Current laws and regulations pertaining to disposal of human waste will be observed.
- Reserve pit will be plastic lined.
- Waste paper, garbage, and junk will be disposed of into a special container on location and removed regularly to an approved landfill site. All waste material will be covered with a screen or lid and contained to prevent scattering by wind.
- All trash and debris will be removed from well site within 30 days after drilling and/or completion operations are finished.

8. **Ancillary Facilities:** All ancillary facilities such as camps and airstrips shall be identified on a map or plat. Information as to location, land area required, and methods to be used in construction shall also be provided.

Three (3) Phase, 12/2 Voltage Power Supply

9. **Well Site Layout:** A plat of suitable scale (not less than 1 inch = 50 feet) showing the proposed drill pad, reserve pit location, access road entry points, and its approximate location with respect to topographic features, along with cross section diagrams of the drill pad and the reserve pit showing all cuts and fills and the relation to topography. The plat shall also include the approximate proposed location and orientation of the drilling rig, dikes and ditches to be constructed, and topsoil and/or spoil material stockpiles.

See Exhibit "E"

10. **Plans for Reclamation of the Surface:** A proposed interim plan for reclamation stabilization of the site and also final reclamation plan shall be provided. The interim portion of the plan shall cover areas of the drillpad not needed for production. The final portion of the plan shall cover final abandonment of the well. The plan shall include, as appropriate, configuration of the reshaped topography, drainage systems, segregation of spoil materials, surface manipulations, redistribution of topsoil, soil treatments, revegetation, and any other practices necessary to reclaim all disturbed areas, including any access roads and pipelines. An estimate of the time for commencement and completion of reclamation operations, including consideration of weather conditions and other local uses of the area, shall be provided.

- After completion of drilling and/or completion of operations, all equipment and other material not needed for operations will be removed. Pits will be filled and locations cleaned of trash and junk to leave well in as aesthetically pleasing a condition as possible.
- Any unguarded pits containing fluids will be fenced until filled.
- After abandonment of well, surface restoration will be in accordance with the Bureau of Land Management Surface Requirements.

11. **Surface Ownership:** The surface ownership (Federal, Indian, State or private) and administration (BLM, FS, BIA, Department of Defense, etc.) at the well location, and of all lands crossed by roads which are to be constructed or upgraded, shall be indicated. Where the surface of the proposed well site is privately owned, the operator shall provide the name, address and telephone number of the surface owner.

Bureau of Land Management
P.O. Box 1778
Carlsbad, NM 88227

12. **Other Information:** Type of bond. The operator shall be covered by a bond in its own name as principal, or by a bond in the name of the lessee or sublessee.

Meridian Oil Inc. is covered by statewide bond.

Operator's Representatives:

Field representatives (Responsible for compliance with approved surface use operations plan.)

Meridian Oil Inc.
P.O. Box 837
Hobbs, NM 88240
Office: 505-393-5844

Mr. Ed Jackson, Drilling Foreman
Loco Hills, NM
Home: 505-677-2323
Mobil: 505-365-7206

Mr. Frank Raybon, Drilling Foreman
Eunice, NM
Home: 505-394-2449
Mobile: 505-369-5367

Tim Friesenhahn, Drilling Engr.
P.O. Box 51810
Midland, TX 79710-1810
Office: 915-688-6824
Home: 915-699-2154

Hal Lee, Drilling Superintendent
P.O. Box 51810.
Midland, TX 79710-1810
Office: 915-688-6834
Home: 915-685-6073

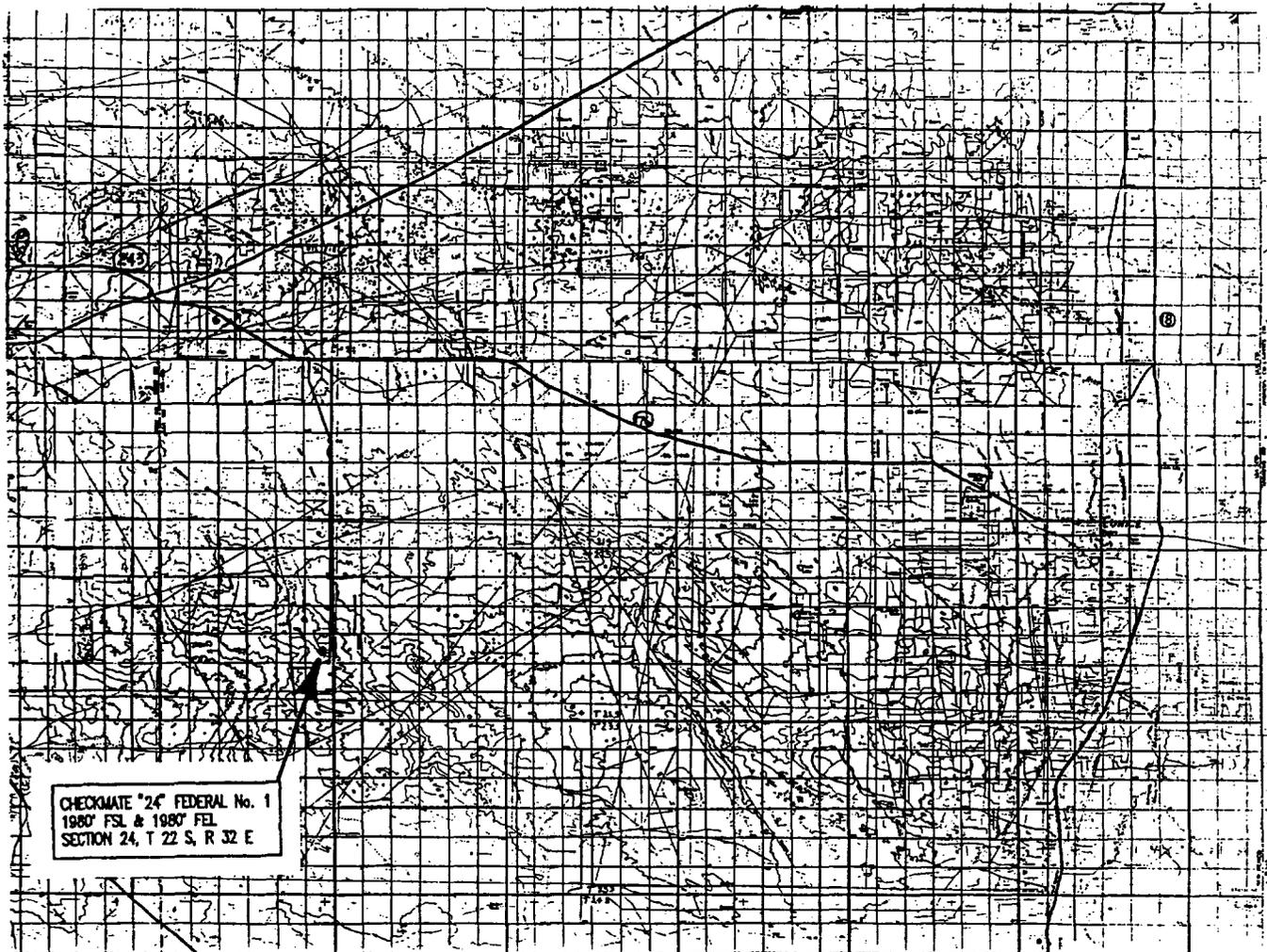
OPERATORS CERTIFICATION

I hereby certify that I, **Tim Friesenhahn, Drilling Engineer**, under my direct supervision, have inspected the proposed drill site and access route that I am familiar with the conditions that currently exist; that the statements made in the APD package are, to the best of my knowledge, true and correct, and that the work associated with operations proposed herein will be performed by **not yet determined** contractors and subcontractors in conformity with this APD package and the terms and conditions under which it is approved. I also certify responsibility for the operations conducted on that portion of the leased lands associated with this application, with bond coverage being provided under BLM statewide bond. This statement is subject to the provisions of 18 U.S.C. 1001 for the filing of a false statement.

DATE: 2-16-95

NAME AND TITLE: Tim Friesenhahn, Drilling Engineer

SIGNATURE: 



DIRECTIONS:

FROM THE INTERSECTION OF NEW MEXICO HIGHWAY 207 AND NEW MEXICO HIGHWAY 8 IN EUNICE, NEW MEXICO, GO WEST ON N.M. HWY 8 FOR 6.4 MILES, THEN TURN LEFT ON TO N.M. HWY 176 AND GO 22.0 MILES, THEN TURN LEFT ON TO LEASE ROAD AND GO 2.2 MILES, THEN TURN LEFT AND GO 0.9 MILES, THEN TURN LEFT AND GO 8.2 MILES, THEN TURN RIGHT ON TO PROPOSED NEW ROAD AND GO 0.3 MILES, THEN TURN LEFT AND GO 0.3 MILES TO LOCATION.

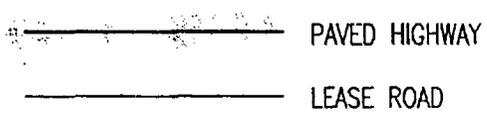


Exhibit
'A'

 Laughlin-Simmons of Texas

MIDLAND DISTRICT OFFICE
(915) 699-1238
In State TOLL FREE
1-800-242-3028
P.O. BOX 1757
MIDLAND, TEXAS 79702

<p>MERIDIAN OIL INC. CHECKMATE "24" FEDERAL No. 1</p>
<p>ROAD MAP AND DIRECTIONS</p>
<p>LEA COUNTY, NEW MEXICO</p>
<p>date: FEBRUARY 16, 1995 scale:</p>

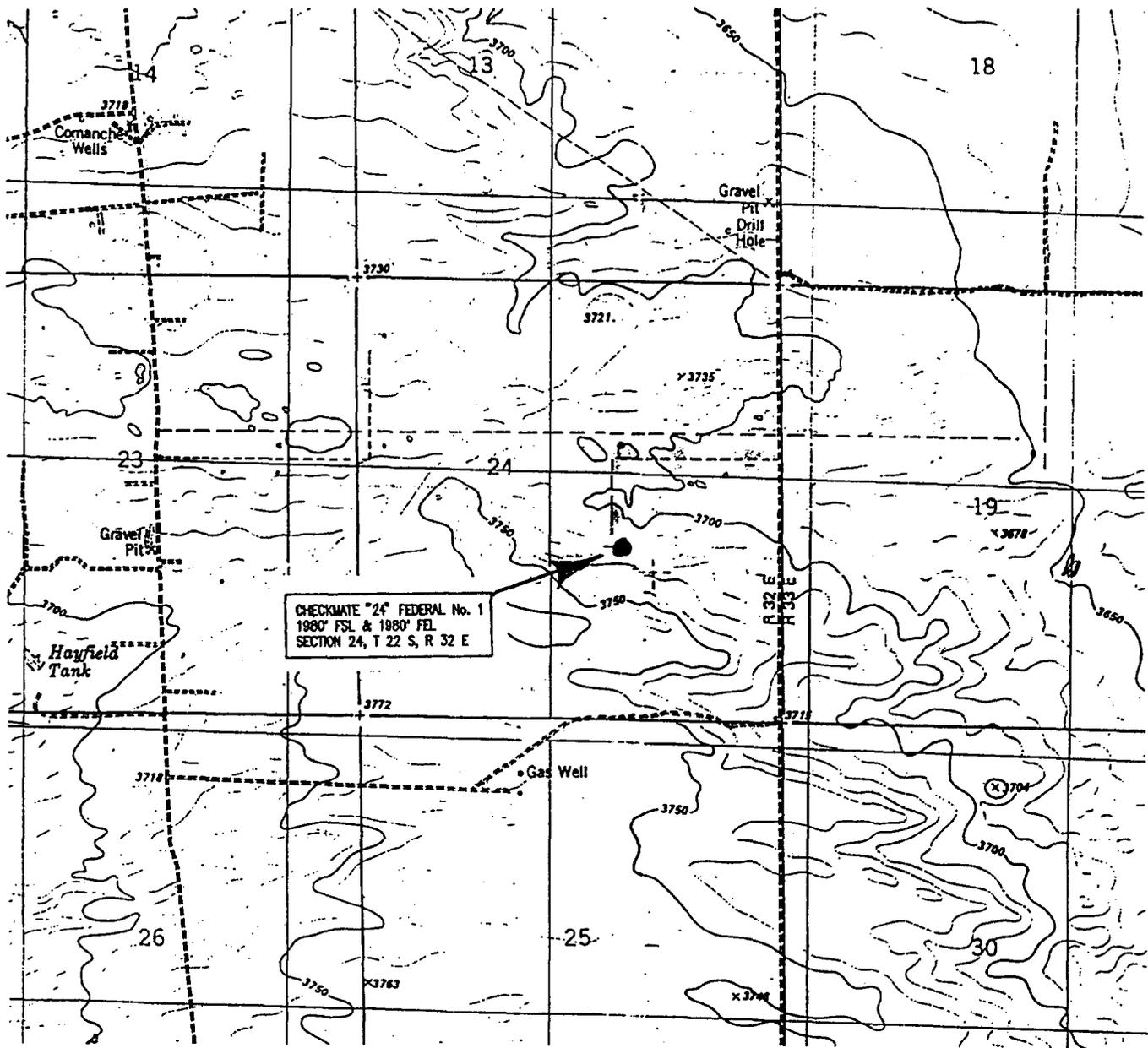


Exhibit
'B'

 **Laughlin-Simmons of Texas**

MIDLAND DISTRICT OFFICE
 (915) 699-1238
 In State TOLL FREE 1
 1-800-242-3028
 P.O. BOX 1757
 MIDLAND, TEXAS 79702

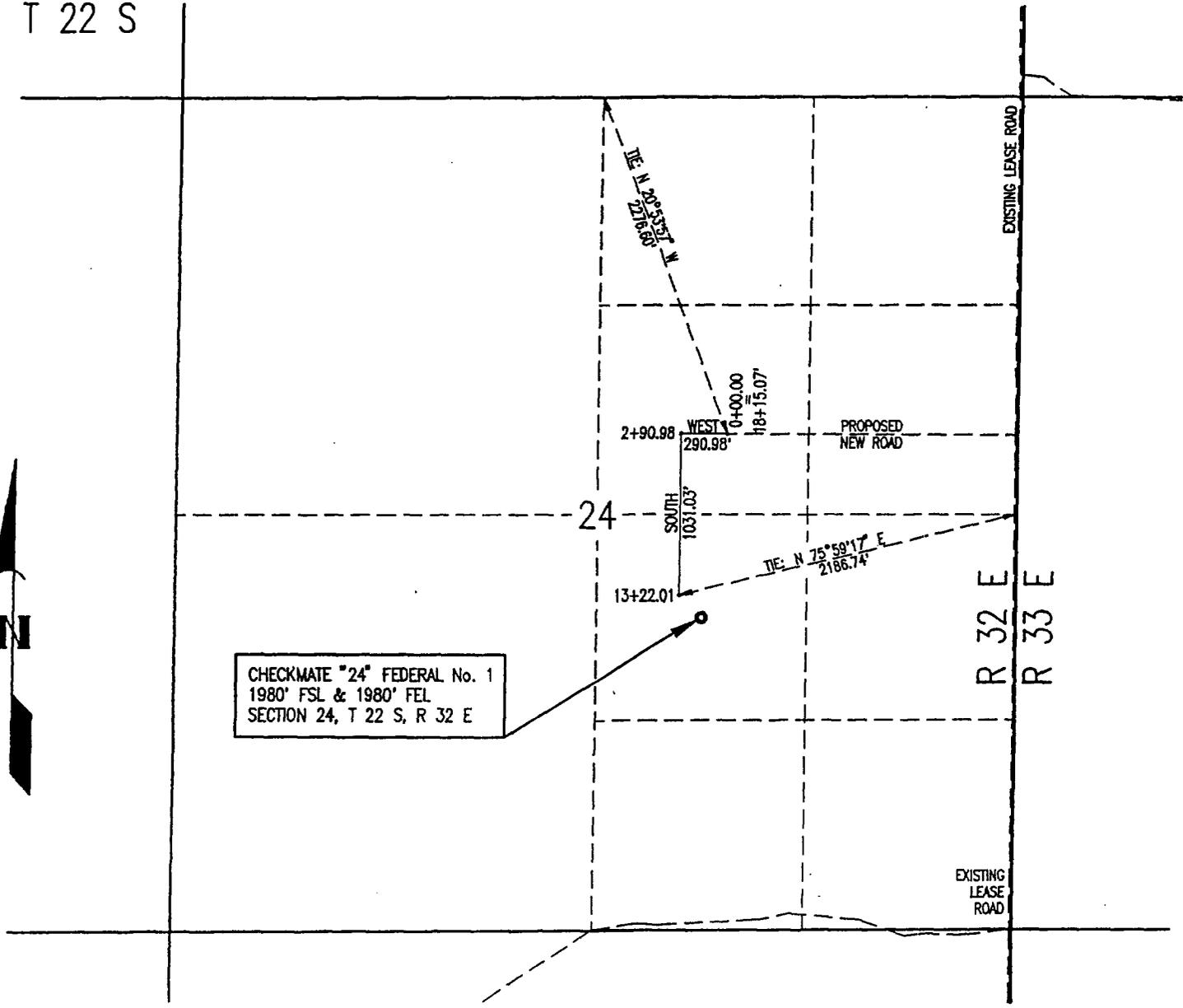
MERIDIAN OIL INC.
CHECKMATE "24" FEDERAL No. 1

PROPOSED ACCESS

LEA COUNTY, NEW MEXICO

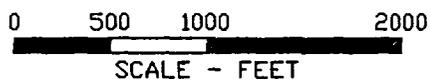
date: FEBRUARY 16, 1995 scale: 1"=2000'

T 22 S



CHECKMATE "24" FEDERAL No. 1
 1980' FSL & 1980' FEL
 SECTION 24, T 22 S, R 32 E

NOTE
 PROPOSED NEW ROAD:
 FROM: 0+00.00
 TO: 13+22.01
 TOTAL: 1322.01 LF.



NOTE - BASIS OF BEARINGS:
 BEARINGS FOR THIS SURVEY ARE BASED ON THE LINE BETWEEN A BRASS CAP FOUND FOR THE WEST QUARTER CORNER OF SECTION 23 AND A BRASS CAP FOUND FOR THE NORTH WEST CORNER OF SAID SECTION 23, T 22 S, R 32 E, NMPM, LEA COUNTY, NEW MEXICO THE LINE IS ASSUMED TO BEAR N 0°01' W, 2641.32 FEET.

LEGAL DESCRIPTION:

A RIGHT OF WAY FOR A PROPOSED NEW ROAD TO BE LOCATED IN SECTION 24, TOWNSHIP 22 SOUTH, RANGE 32 EAST, NMPM, LEA COUNTY, NEW MEXICO, SAID RIGHT OF WAY 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, SAME BEING AT STATION 18+15.07 OF A SURVEY PREVIOUSLY MADE FOR A PROPOSED ACCESS ROAD TO SERVICE THE CHECKERBOARD "24" FEDERAL No. 3 LOCATION, AND FROM WHICH THE NORTH QUARTER CORNER OF SAID SECTION 24 BEARS N 20°53'57" W, 2276.60 FEET;

THENCE WEST, 290.98 FEET TO A POINT FOR SURVEY STATION 2+90.98;

THENCE SOUTH, AT 10.0 FEET CROSSING A PROPOSED FLOWLINE FOR SURVEY STATION 3+01.0, A TOTAL DISTANCE OF 1031.03 FEET TO POINT OF TERMINATION OF THE HEREIN DESCRIBED SURVEY CENTERLINE AT SURVEY STATION 13+22.01, FROM WHICH THE EAST QUARTER CORNER OF SAID SECTION 24 BEARS N 75°59'17" E, 2186.74 FEET;

SAID RIGHT OF WAY BEING 1322.01 FEET OR 80.12 RODS OR 0.25 MILES IN LENGTH, SUCH LENGTH BEING ALLOCATED BY FORTIES AS FOLLOWS:

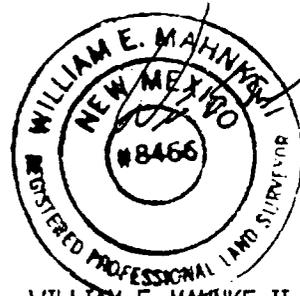
SW/4 OF NE/4 SECTION 24	- 48.62 RODS
NW/4 OF SE/4 SECTION 24	- 31.50 RODS
TOTAL	- 80.12 RODS

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.



Laughlin-Simmons of Texas

MIDLAND DISTRICT OFFICE
 (915) 699-1238
 In State TOLL FREE :
 1-800-242-3028
 P.O. BOX 1757
 MIDLAND, TEXAS 79702



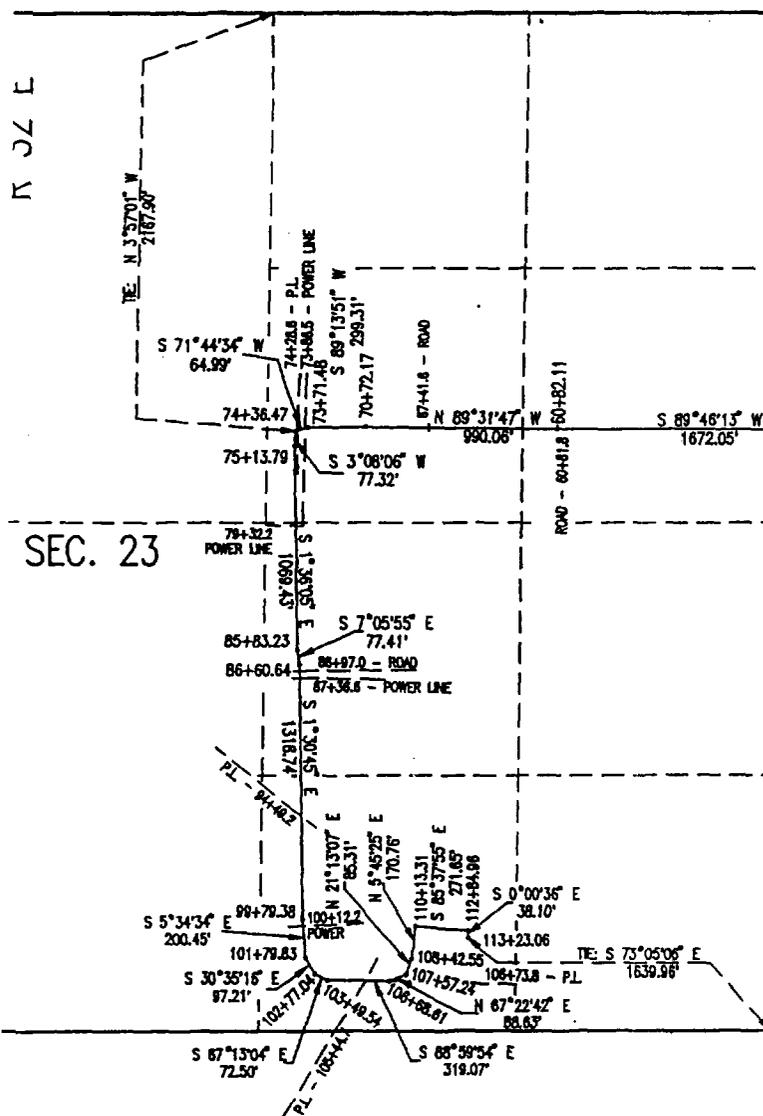
By: WILLIAM E. MAHINKE II, PLS #8466

MERIDIAN OIL INC.
CHECKMATE "24" FEDERAL No. 1
PROPOSED ROAD RIGHT OF WAY
SECTION 24, T 22 S, R 32 E
LEA COUNTY, NEW MEXICO
date: FEBRUARY 8, 1995 scale: 1"=1000'

R 32 E

SEC. 23

SEC. 24



CHECKMATE "24" FEDERAL No. 1
1980' FSL & 1980' FEL
SECTION 24, T 22 S, R 32 E

THENCE S 89°48'13" W, AT 531.79 FEET CROSSING THE WEST LINE OF SAID SECTION 24 INTO SAID SECTION 23 FOR SURVEY STATION 49+41.85, AT 1671.7 FEET CROSSING THE CENTER OF A PROPOSED ROAD FOR SURVEY STATION 60+81.8, A TOTAL DISTANCE OF 1672.05 FEET TO A POINT FOR SURVEY STATION 60+82.11;

THENCE N 89°31'47" W, AT 659.5 FEET CROSSING THE CENTER OF A PROPOSED ROAD FOR SURVEY STATION 67+41.8, A TOTAL DISTANCE OF 990.06 FEET TO A POINT FOR SURVEY STATION 70+72.17;

THENCE S 89°13'51" W, 299.31 FEET TO A POINT FOR SURVEY STATION 73+71.48;

THENCE S 71°44'34" W, AT 15.0 FEET CROSSING A POWER LINE FOR SURVEY STATION 73+86.5, AT 57.1 FEET CROSSING A G.P.M. PIPELINE FOR SURVEY STATION 74+28.6, A TOTAL DISTANCE OF 64.99 FEET TO A POINT FOR SURVEY STATION 74+36.47, FROM WHICH THE NORTH QUARTER CORNER OF SAID SECTION 23 BEARS N 3°57'01" W, 2167.90 FEET;

THENCE S 3°08'06" W, 77.32 FEET TO A POINT FOR SURVEY STATION 75+13.79;

THENCE S 1°36'05" E, AT 418.4 FEET CROSSING A POWER LINE FOR SURVEY STATION 79+32.2, A TOTAL DISTANCE OF 1069.44 FEET TO A POINT FOR SURVEY STATION 85+83.23;

THENCE S 7°05'55" E, 77.41 FEET TO A POINT FOR SURVEY STATION 86+60.64;

THENCE S 1°30'45" E, AT 36.4 FEET CROSSING THE CENTER OF AN EXISTING ROAD FOR SURVEY STATION 86+97.0, AT 76.0 FEET CROSSING A POWER LINE FOR SURVEY STATION 87+36.6, AT 788.6 FEET CROSSING A PIPELINE FOR SURVEY STATION 94+49.2, A TOTAL DISTANCE OF 1318.74 FEET TO A POINT FOR SURVEY STATION 99+79.38;

THENCE S 5°34'34" E, AT 32.8 FEET CROSSING A POWER LINE FOR SURVEY STATION 100+12.2, A TOTAL DISTANCE OF 200.45 FEET TO A POINT FOR SURVEY STATION 101+79.83;

THENCE S 30°35'16" E, 97.21 FEET TO A POINT FOR SURVEY STATION 102+77.04;

THENCE S 67°13'04" E, 72.50 FEET TO A POINT FOR SURVEY STATION 103+49.54;

THENCE S 88°59'54" E, AT 195.2 FEET CROSSING AN E.O.T.T. PIPELINE FOR SURVEY STATION 105+44.7, A TOTAL DISTANCE OF 319.07 FEET TO A POINT FOR SURVEY STATION 106+68.61;

THENCE N 67°22'42" E, AT 5.2 FEET CROSSING A G.P.M. PIPELINE FOR SURVEY STATION 106+73.8, A TOTAL DISTANCE OF 88.63 FEET TO A POINT FOR SURVEY STATION 107+57.24;

THENCE N 21°13'07" E, 85.31 FEET TO A POINT FOR SURVEY STATION 108+42.55;

THENCE N 5°45'25" E, 170.76 FEET TO A POINT FOR SURVEY STATION 110+13.31;

THENCE S 85°37'55" E, 271.65 FEET TO A POINT FOR SURVEY STATION 112+84.96;

THENCE S 0°00'36" E, 38.10 FEET TO POINT OF TERMINATION OF THE HEREIN DESCRIBED SURVEY CENTERLINE AT SURVEY STATION 113+23.06, FROM WHICH THE SOUTH EAST CORNER OF SAID SECTION 23 BEARS S 73°05'06" E, 1639.96 FEET;

SAID EASEMENT BEING 11,323.06 FEET OR 686.25 RODS OR 2.14 MILES IN LENGTH, SUCH LENGTH BEING ALLOCATED BY FORTIES AS FOLLOWS:

NW/4 OF SE/4 SECTION 24	-	40.12	RODS
SW/4 OF NE/4 SECTION 24	-	79.83	RODS
SE/4 OF NW/4 SECTION 24	-	80.09	RODS
SW/4 OF NW/4 SECTION 24	-	99.47	RODS
SE/4 OF NE/4 SECTION 23	-	80.00	RODS
SW/4 OF NE/4 SECTION 23	-	100.19	RODS
NW/4 OF SE/4 SECTION 23	-	80.12	RODS
SW/4 OF SE/4 SECTION 23	-	126.43	RODS
TOTAL	-	686.25	RODS

LEGAL DESCRIPTION:

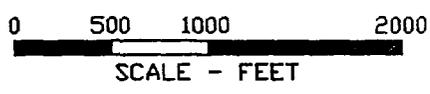
AN EASEMENT FOR A PROPOSED FLOWLINE TO BE LOCATED IN SECTIONS 24 AND 23, TOWNSHIP 22 SOUTH, RANGE 32 EAST, NMPM, LEA COUNTY, NEW MEXICO, SAID EASEMENT BEING FIFTY FEET WIDE AND BEING TWENTY FIVE FEET ON EITHER SIDE OF THE SURVEY CENTERLINE MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT FOR STATION 0+00.00 OF THIS SURVEY, FROM WHICH THE EAST QUARTER CORNER OF SAID SECTION 24 BEARS N 72°30'55" E, 2238.01 FEET;

THENCE NORTH, 1470.00 FEET TO A POINT FOR SURVEY STATION 14+70.00;

THENCE S 89°46'25" W, 2619.89 FEET TO A POINT FOR SURVEY STATION 40+89.89;

THENCE SOUTH, 320.17 FEET TO A POINT FOR SURVEY STATION 44+10.06, FROM WHICH THE WEST QUARTER CORNER OF SAID SECTION 24 BEARS S 47°12'07" W, 723.93 FEET;



NOTE - BASIS OF BEARINGS:
BEARINGS FOR THIS SURVEY ARE BASED ON THE LINE BETWEEN A BRASS CAP FOUND FOR THE WEST QUARTER CORNER OF SECTION 23 AND A BRASS CAP FOUND FOR THE NORTH WEST CORNER OF SAID SECTION 23, T 22 S, R 32 E, NMPM, LEA COUNTY, NEW MEXICO THE LINE IS ASSUMED TO BEAR N 0°01' W, 2641.32 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.



Laughlin-Simmons of Texas

MIDLAND DISTRICT OFFICE
(915) 699-1238
In State TOLL FREE :
1-800-242-3028
P.O. BOX 1757
MIDLAND, TEXAS 79702

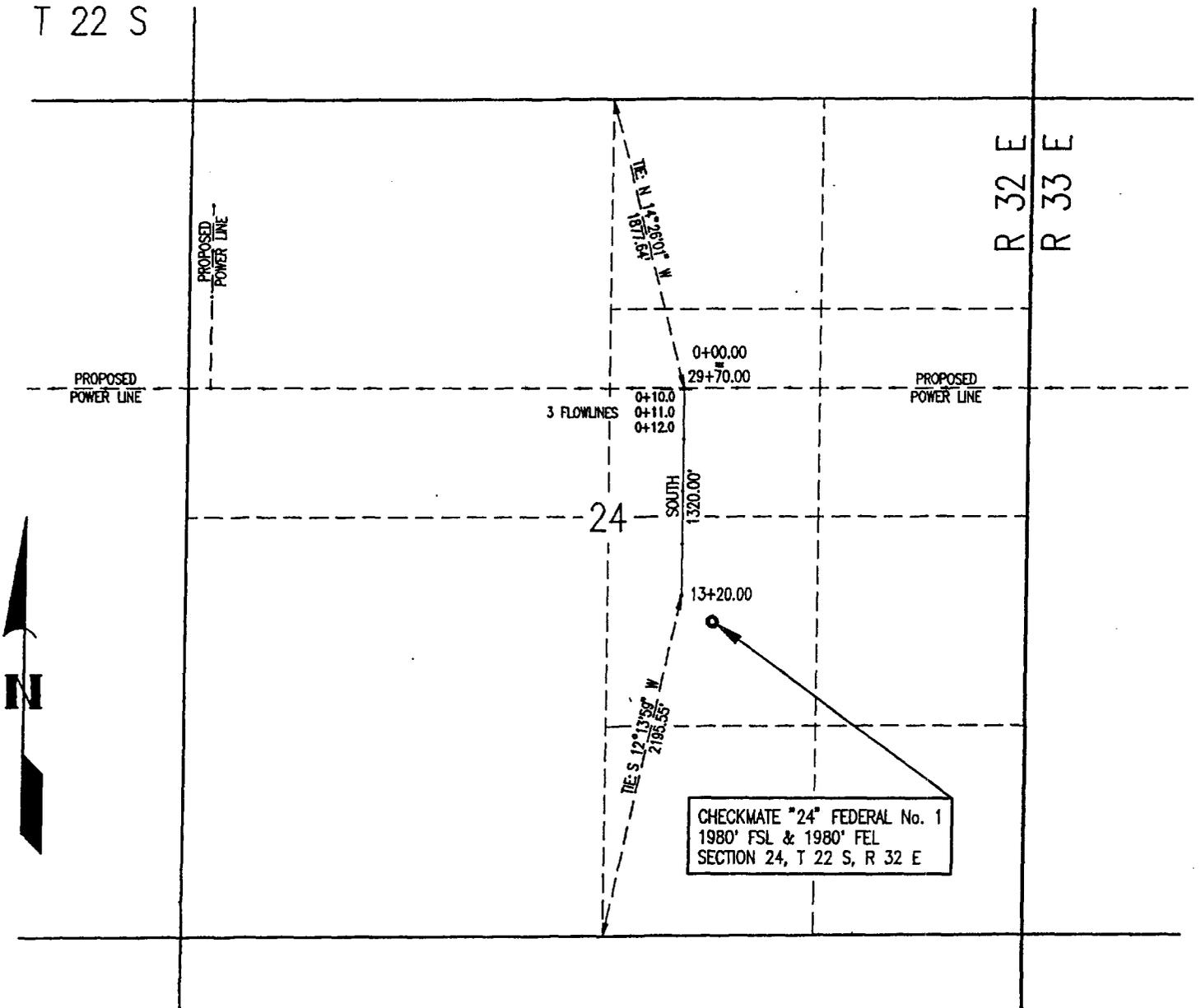
Exhibit
'D'



By: WILLIAM E. MAHANKÉ II, PLS #8466

MERIDIAN OIL INC.
CHECKMATE "24" FEDERAL No. 1
PROPOSED FLOWLINE EASEMENT
SECTIONS 24 & 23, T 22 S, R 32 E
LEA COUNTY, NEW MEXICO
date: FEBRUARY 7, 1995 scale: 1"=1000'

T 22 S



0 500 1000 2000
SCALE - FEET

NOTE - BASIS OF BEARINGS:
BEARINGS FOR THIS SURVEY ARE BASED ON THE LINE BETWEEN A BRASS CAP FOUND FOR THE WEST QUARTER CORNER OF SECTION 23 AND A BRASS CAP FOUND FOR THE NORTH WEST CORNER OF SAID SECTION 23, T 22 S, R 32 E, NMPM, LEA COUNTY, NEW MEXICO. THE LINE IS ASSUMED TO BEAR N 0°01'00" W, 2641.32 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.



Laughlin-Simmons of Texas

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 POWER LINE TO BE LOCATED IN SECTION 24, TOWNSHIP 22 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 A PROPOSED POWER POLE AT STATION 29+70.00 OF A SURVEY MADE PREVIOUSLY FOR A PROPOSED POWER LINE TO SERVICE THE PROPOSED CHECKERBOARD "24" FEDERAL No. 3 LOCATION, FOR STATION 0+00.00 OF THIS SURVEY, AND FROM WHICH THE NORTH QUARTER CORNER OF SAID SECTION 24 BEARS N 14°26'01" W, 1877.64 FEET;

THENCE SOUTH, AT 10.0 FEET CROSSING A PROPOSED FLOWLINE FOR SURVEY STATION 0+10.0, AT 11.0 FEET CROSSING A PROPOSED FLOWLINE FOR SURVEY STATION 0+11.0, AT 12.0 FEET CROSSING A PROPOSED FLOWLINE FOR SURVEY STATION 0+12.0, A TOTAL DISTANCE OF 1320.00 FEET TO POINT OF TERMINATION OF THE HEREIN DESCRIBED SURVEY CENTERLINE AT SURVEY STATION 13+20.00, FROM WHICH THE SOUTH QUARTER CORNER OF SAID SECTION 24 BEARS S 12°13'59" W, 2195.55 FEET;

SAID EASEMENT BEING 1320.00 FEET OR 80.00 RODS OR 0.25 MILES IN LENGTH, SUCH LENGTH BEING ALLOCATED BY FORTIES AS FOLLOWS:

SW/4 OF NE/4 SECTION 24	-	49.70	RODS
NW/4 OF SE/4 SECTION 24	-	30.30	RODS
		TOTAL	- 80.00 RODS

MERIDIAN OIL INC.
CHECKMATE "24" FEDERAL No. 1
PROPOSED POWER LINE EASEMENT
SECTION 24, T 22 S, R 32 E

LEA COUNTY, NEW MEXICO

date: FEBRUARY 8, 1995 scale: 1"=1000'

MERIDIAN OIL
MIDLAND REGION
DRILL WELL LOCATION SPECIFICATIONS

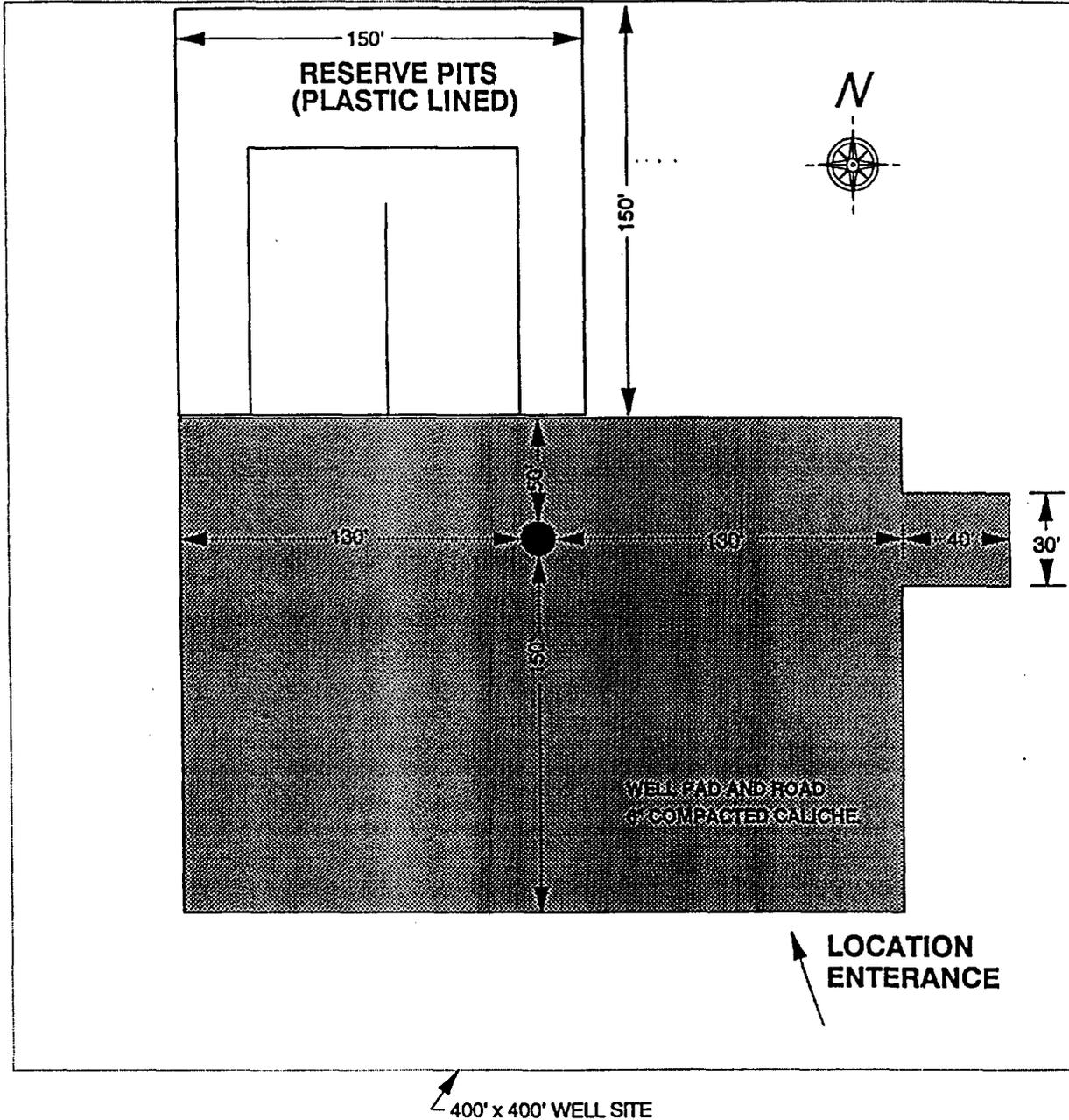
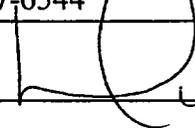


Exhibit
'8'

NOTICE OF STAKING

(Not to be used in place of Application for Permit to Drill Form 3160-3)

*dep # 58678-A
NM 35793-210*

1. Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other(specify) <input type="checkbox"/>		6. Lease Number: NM 81633	
2. Name of Operator: MERIDIAN OIL INC.		7. If Indian, Allottee or Tribe Name:	
3. Name of Specific Contact Person: W.K. Juroska, Reservoir Engr. (915-688-9002)		8. Unit Agreement Name:	
4. Address & Phone # of Operator or Agent: P.O. Box 51810, Midland, TX 79710-1810 915-688-6800		9. Farm or Lease Name: Checkmate '24' Federal	
5. Surface Location of Well: 1980' FSL & 1980' FEL		10. Well No. 1	
Attach: a.) Sketch showing road entry into pad, pad dimensions and reserve pit. b.) Topographical or other acceptable map showing location, access road and lease boundaries.		11. Field or Wildcat Name: Red Tank	
		12. Sec. T-R-M or Blk. & Survey or Area 24, T22S, R32E	
15. Formation Objective(s) Delaware/Bone Spring	16. Est. Well Depth 10,200	13. Co., Parish or Borough Lea	14. State NM
17. Additional information as appropriate (must include surface owner's name, address and telephone number): Bureau of Land Management P.O. Box 1778, Carlsbad NM 88221-1778 505-887-6544			
18. Signed 		Title Regulatory Assistant Date 2/6/95	

Note: Upon receipt of this Notice, the Bureau of Land Management (BLM) will schedule the date of the onsite predrill inspection and notify you accordingly. The location must be staked and access road must be flagged prior to the onsite.

Operators must consider the following prior to the onsite:

- H₂S Potential
- Cultural Resources (Archeology)

MERIDIAN OIL
MIDLAND REGION
DRILL WELL LOCATION SPECIFICATIONS

