

W. Thomas Kellahin
Karen Aubrey

Jason Kellahin
Of Counsel

KELLAHIN and KELLAHIN
Attorneys at Law
El Patio - 117 North Guadalupe
Post Office Box 2265
Santa Fe, New Mexico 87504-2265

Telephone 982-4285
Area Code 505

March 9, 1987

RECEIVED

MAR 10 1987

OIL CONSERVATION DIVISION

Mr. William J. LeMay
Oil Conservation Division
P. O. Box 2088
Santa Fe, New Mexico 87504

"Hand Delivered"

Re: Meridian Oil Inc.
Benson "3" Federal #1
Section 3, T19S, R30E
Eddy County, New Mexico

Case 9116

Dear Mr. LeMay:

On behalf of Meridian Oil Inc., please set the enclosed application for an unorthodox well location for the next Examiner hearing now scheduled for April 8, 1987.

Very truly yours,


W. Thomas Kellahin

WTK:ca
Enc.

cc: Meridian Oil Inc.
21 Desta Drive
Midland, Texas 79705

Les A. Clements
OCD - District II
P. O. Drawer DD
Artesia, New Mexico 88210

Yates Petroleum Corporation
105 S. Fourth Street
Artesia, New Mexico 88210
Attn: Mr. Randy Patterson

Texaco, Inc.
P. O. Box 728
Hobbs, New Mexico 88240

Mr. William J. LeMay
March 9, 1987
Page 2

Phillips Petroleum Company
4001 Penbrook
Odessa, Texas 79762

Mobil Producing Texas & New Mexico Inc.
Nine Greenway Plaza, Suite 2700
Houston, Texas 77046

OIL CONSERVATION DIVISION

OPERATOR	
TRANSPORTER	
OPERATION	
PROMOTION OFFICE	

RECEIVED BY
JAN 28 1987
O. C. S.
REQUEST FOR ALLOWABLE AND AUTHORIZATION TO TRANSPORT OIL AND NATURAL GAS

I. OPERATOR
 Meridian Oil Inc.
 Address
 21 Desta Drive, Midland, Texas 79701
 Reason(s) for filing (Check proper box)
 New Well Change in Transporter of: Oil Dry Gas
 Recompletion Casinghead Gas Condensate
 Change in Ownership
 Other (Please explain)
 Request for 1000 barrels test oil

If change of ownership give name and address of previous owner

II. DESCRIPTION OF WELL AND LEASE

Lease Name Benson "3" Federal	Well No. 1	Pool Name, including Formation Eddy Und (Strawn)	Kind of Lease State Federal XXX NM-29228	Lease No.
Location Unit Letter <u>B</u> : <u>760</u> Feet From The <u>North</u> Line and <u>2080</u> Feet From The <u>East</u> Line of Section <u>3</u> Township <u>19S</u> Range <u>30E</u> , N.M.P.M., Eddy County				

III. DESIGNATION OF TRANSPORTER OF OIL AND NATURAL GAS

Name of Authorized Transporter of Oil <input checked="" type="checkbox"/> or Condensate <input type="checkbox"/> The Permian Corporation	Address (Give address to which approved copy of this form is to be sent) P. O. Box 3110, Midland, Texas 79702
Name of Authorized Transporter of Casinghead Gas <input type="checkbox"/> or Dry Gas <input type="checkbox"/>	Address (Give address to which approved copy of this form is to be sent)
If well produces oil or liquids, give location of tanks. Unit <u>B</u> Sec. <u>3</u> Twp. <u>19S</u> Rge. <u>30E</u>	Is gas actually connected? when

If this production is commingled with that from any other lease or pool, give commingling order number:

IV. COMPLETION DATA

Designate Type of Completion - (X)	Oil well	Gas well	New well	Workover	Deepen	Plug back	Same well	III, etc.
Date Spudded	Date Compl. Ready to Prod.	Total Depth	P.B.T.D.					
Elevations (DF, RKB, RT, CR, etc.)	Name of Producing Formation	Top Oil/Gas Pay	Tubing Depth					
Perforations							Depth Casing Shoe	
TUBING, CASING, AND CEMENTING RECORD								
HOLE SIZE	CASING & TUBING SIZE	DEPTH SET	SACKS CEMENT					

V. TEST DATA AND REQUEST FOR ALLOWABLE OIL WELL (Test must be after recovery of total volume of load oil and must be equal to or exceed top oil able for this depth or be for full 24 hours)

Date First New Oil Run To Tanks	Date of Test	Producing Method (Flow, pump, gas lift, etc.)	
Length of Test	Tubing Pressure	Casing Pressure	Choke Size
Actual Prod. During Test	Oil-Bbls.	Water-Bbls.	Gas-MCF

GAS WELL

Actual Prod. Test-MCF/D	Length of Test	Bbls. Condensate/MCF	Gravity of Condensate
Testing Method (pilot, back pr.)	Tubing Pressure (Shot-in)	Casing Pressure (Shot-in)	Choke Size

VI. CERTIFICATE OF COMPLIANCE

I hereby certify that the rules and regulations of the Oil Conservation Division have been complied with and that the information given above is true and complete to the best of my knowledge and belief.

Barbara Carter Holand
(Signature)
Production Operations Assistant
1-26-87
(Date)

OIL CONSERVATION DIVISION
 APPROVED JAN 28 1987
 BY [Signature]
 TITLE SUPERVISOR, DISTRICT II

This form is to be filed in compliance with RULE 111.
 If this is a request for allowable for a newly drilled or deepen well, this form must be accompanied by a tabulation of the deviate tests taken on the well in accordance with RULE 111.
 All sections of this form must be filled out completely for all able on new and recompleted wells.
 Fill out only Sections I, II, III, and VI for changes of operator name or number, or transporter, or other such change of conditions.
 Separate Forms C-104 must be filed for each pool in multi-completed wells.

DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

(Other instructions on reverse side)

SUNDRY NOTICES AND REPORTS ON WELLS

(Do not use this form for proposals to drill or to deepen or plug back to a different reservoir. Use "APPLICATION FOR PERMIT--" for such proposals.)

5. LEASE DESIGNATION AND SERIAL

NM-29228

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME

Benson "3" Federal

9. WELL NO.

1

10. FIELD AND POOL OR WILDCAT

Eddy Undesignated (Strawn)

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

Sec. 3, T-19-S, R-30-E

12. COUNTY OR PARISH, 13. STATE

Eddy

N.M.

1. OIL WELL GAS WELL OTHER

2. NAME OF OPERATOR

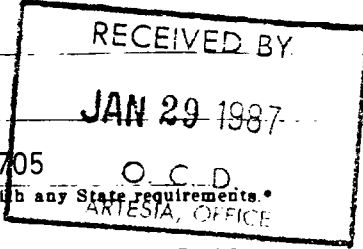
Meridian Oil Inc. ✓

3. ADDRESS OF OPERATOR

21 Desta Drive, Midland, Texas 79705

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements. See also space 17 below.)
At surface

760' FNL & 2080' FEL, Sec. 3, T-19-S, R-30-E



14. PERMIT NO

15. ELEVATIONS (Show whether DF, RT, GR, etc.)

3446.65' GR

16. Check Appropriate Box To Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:

SUBSEQUENT REPORT OF:

TEST WATER SHUT-OFF

PULL OR ALTER CASING

WATER SHUT-OFF

REPAIRING WELL

FRACTURE TREAT

MULTIPLE COMPLETE

FRACTURE TREATMENT

ALTERING CASING

SHOOT OR ACIDIZE

ABANDON*

SHOOTING OR ACIDIZING

ABANDONMENT*

REPAIR WELL

CHANGE PLANS

(Other) Set 5 1/2" csg

(Other)

(NOTE: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

17. 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.)*

Set 5 1/2" 17# csg @ 11,250'. Cmt w/525 sx C1 "H". PD @ 6:30 PM 1-13-87.
Rltd rig @ 12:00 Midnite 1-13-87. 1-21-87 MIRUCU.

ACCEPTED FOR RECORD

JAN 26 1987

FIL
CARLSBAD, NEW MEXICO

18. I hereby certify that the foregoing is true and correct

SIGNED _____

TITLE Engineering Tech III

DATE 1/21/87

(This space for Federal or State office use)

APPROVED BY _____

TITLE _____

DATE _____

CONDITIONS OF APPROVAL, IF ANY:

*See Instructions on Reverse Side

DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

LEASE DESIGNATION AND SERIAL

SUNDRY NOTICES AND REPORTS ON WELLS

(Do not use this form for proposals to drill or to deepen or plug back to a different reservoir. Use "APPLICATION FOR PERMIT" for such proposals.)

NM-29228

IF INDIAN ALLOTTEE OR TRIBE

UNIT AGREEMENT NAME

FARM OR LEASE NAME

Benson "3" Federal
WELL NO.

FIELD AND POOL OR WILDCAT

Eddy Undesignated (Strawn)
SEC., T., B., M., OR BLK. AND SURVEY OR AREA

Sec. 3, T-19-S, R-30-E

COUNTY OR PARISH, STATE

Eddy N.M.

WELL TYPE: OIL WELL, GAS WELL, OTHER

NAME OF OPERATOR

Meridian Oil Inc.

ADDRESS OF OPERATOR

21 Desta Drive, Midland, Texas 79705

LOCATION OF WELL (Report location clearly and in accordance with any State Requirements. See also space 17 below.)
At surface

760' FNL & 2080' FEL, Sec. 3, T-19-S, R-30-E

RECEIVED BY
JAN -9 1987
ARTESIA, OFFICE

PERMIT NO.

ELEVATIONS (Show whether DF, RT, GR, etc.)

3446.65' GR

Check Appropriate Box To Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:

TEST WATER SHUT-OFF

FRACTURE TREAT

SHOOT OR ACIDIZE

REPAIR WELL

(Other)

PULL OR ALTER CASING

MULTIPLE COMPLETE

ABANDON*

CHANGE PLANE

SUBSEQUENT REPORT OF:

WATER SHUT-OFF

FRACTURE TREATMENT

SHOOTING OR ACIDIZING

(Other) Set 8 5/8" csg

REPAIRING WELL

ALTERING CASING

ABANDONMENT*

(Other)

(NOTE: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

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.)

Set 8 5/8" 24# csg @ 1995'. Cmt w/1000 sx. Howco Lite. Tailed in w/200 sx C1 "C". PD @ 2:30 PM 12-19-86. Cmt circ 173 sx. WOC 24 hrs. Tested csg to 1000#. Held OK.

ACCEPTED FOR RECORD

JAN 07 1987

CARLSBAD, NEW MEXICO

I hereby certify that the foregoing is true and correct

SIGNED

TITLE

Engineering Tech III

DATE

12/19/86

(This space for Federal or State office use)

APPROVED BY

TITLE

DATE

CONDITIONS OF APPROVAL, IF ANY:

*See Instructions on Reverse Side

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

3. BILL IN TRIPPLICATE
(Other instructions on reverse side)

EXHIBIT A
LEASE DESIGNATION AND SERIAL

NM-29228

IF INDIAN ALLOTTEE OR TRIBE

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or plug back to a different reservoir
Use APPLICATION FOR PERMIT for such proposals.

1. OIL WELL GAS WELL OTHER

2. NAME OF OPERATOR
Meridian Oil Inc. ✓

3. ADDRESS OF OPERATOR
21 Desta Drive, Midland, Texas 79705

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.
See also space 17 below.)
At surface
760' FNL & 2080' FEL, Sec. 3, T-19-S, R-30-E

RECEIVED BY
DEC 22 1986
O. C. D.
APPROPRIATE OFFICE

7. UNIT AGREEMENT NAME
8. FARM OR LEASE NAME
Benson "3" Federal

9. WELL NO.
1

10. FIELD AND POOL OR WILDCAT
Eddy Undesignated (Strawn)

11. SEC. T., R., M., OR BLK. AND SURVEY OR AREA
Sec. 3, T-19-S, R-30-E

14. PERMIT NO.
15. ELEVATIONS (Show whether DF, RT, GR, etc.)
3446.65' GR

12. COUNTY OR PARISH
Eddy
13. STATE
N.M.

Check Appropriate Box To Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:

SUBSEQUENT REPORT OF:

TEST WATER SHUT-OFF
FRACTURE TREAT
SHOOT OR ACIDIZE
REPAIR WELL
(Other)
PULL OR ALTER CASING
MULTIPLE COMPLETE
ABANDON*
CHANGE PLANS

WATER SHUT-OFF
FRACTURE TREATMENT
SHOOTING OR ACIDIZING
(Other) Set 13 3/8" Surf Csg.
REPAIRING WELL
ALTERING CASING
ABANDONMENT*

(NOTE: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

17. 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.)*

Spudded 17 1/2" hole at 11:00 12-14-86. Drilled 17 1/2" hole to 405'. Set 13 3/8" 61# csg @ 405'. Cmt w/500 sx C1 "C". NU BOP. PD @ 1:45 PM 12-15-86. Circ 157 sx. WOC 12 hrs. Test csg to 1000#. Held OK.

ACCEPTED FOR RECORD

DEC 17 1986

JM
CARISBAD, NEW MEXICO

18. I hereby certify that the foregoing is true and correct

SIGNED _____ TITLE Engineering Tech III DATE 12/17/86

(This space for Federal or State office use)

APPROVED BY _____ TITLE _____ DATE _____
CONDITIONS OF APPROVAL, IF ANY:

*See Instructions on Reverse Side

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

5. LEASE DESIGNATION AND SERIAL NO.
NM-29228

6. IF INDIAN ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME
Benson "3" Federal

9. WELL NO.
1

10. FIELD AND POOL, OR WILDCAT
Eddy Undesignated (Strawn)

11. SEC., T., R., M., OR BLK.
AND SURVEY OR AREA
Sec. 3, T-19-S, R-30-E

12. COUNTY OR PARISH
Eddy

17. NO. OF ACRES ASSIGNED
TO THIS WELL
40

20. ROTARY OR CABLE TOOLS
Rotary

22. APPROX. DATE WORK WILL START*
11-28-86

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK
DRILL DEEPEN PLUG BACK

b. TYPE OF WELL
OIL WELL GAS WELL OTHER

SINGLE ZONE MULTIPLE ZONE
JAN 14 1987
O.C.D.
ARDESIA OFFICE

2. NAME OF OPERATOR
Meridian Oil Inc.

3. ADDRESS OF OPERATOR
21 Desta Drive, Midland, Texas 79705

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)
At surface 760' FNL & 2080' FEL, Sec. 3, T-19-S, R-30-E
At proposed prod. zone

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*
22 miles northeast of Loco Hills, New Mexico

15. DISTANCE FROM PROPOSED*
LOCATION TO NEAREST
PROPERTY OR LEASE LINE, FT.
(Also to nearest drilg. unit line, if any) 560'

16. NO. OF ACRES IN LEASE
160

18. DISTANCE FROM PROPOSED LOCATION*
TO NEAREST WELL, DRILLING, COMPLETED,
OR APPLIED FOR, ON THIS LEASE, FT.
NA

19. PROPOSED DEPTH
11,250'

21. ELEVATIONS (Show whether DF, RT, GR, etc.)
3446.65' GR

23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
17 1/2"	13 3/8"	48#	400'	500 sx. CT "C" CIRCULATE
12 1/4"	8 5/8"	24#	2000'	1000 sx. Lite C & 200 sx CT "C"
7 7/8"	5 1/2"	17#	11,250'	Volume may vary w/upper zone development (TOC by Temp Survey)

Set surface csg @ 400'. Circ cmt. Drl 12 1/4" hole to 2000'. Set 8 5/8" csg. Circ cmt. Drl to TD to test the Strawn & intermediate horizons. If commercial, run 5 1/2" csg to TD. Cmt w/sufficient volume to bring above all prospective zones. Estimated TOC @ 9000'. Perf & stimulate Strawn for production.

MUD PROGRAM: 0-400' spud mud; 400-2000' brine; 2000-10,500' cut brine & sweeps; 10,500-TD cut brine, Drispac & 3% KCl. MW 9.0-9.2, VIS 32-36, 10-15 cc. BHP @ TD anticipated to be 4400 psi.

BOP PROGRAM: BOP to be installed on 13 5/8"-3M annular BOP to be installed on 8 5/8" 11"-5M BOP stack. The BOP stack consist of an annular BOP, blind ram BOP and one pipe ram BOP. Test BOP w/Yellow Jacket, Inc.

GAS NOT DEDICATED

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen or plug back, 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 _____ TITLE Engineering Tech III DATE 11/17/86

(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____

APPROVED BY _____ TITLE _____ DATE _____

CONDITIONS OF APPROVAL, IF ANY:

*See Instructions On Reverse Side

Meridian Oil, Inc

Benson 3 Fed.

#1

E 3

198

30 E

Edd

760

N

2080

E

3446.65

Strawn

~~Edd~~ Undesignated Benson Strawn

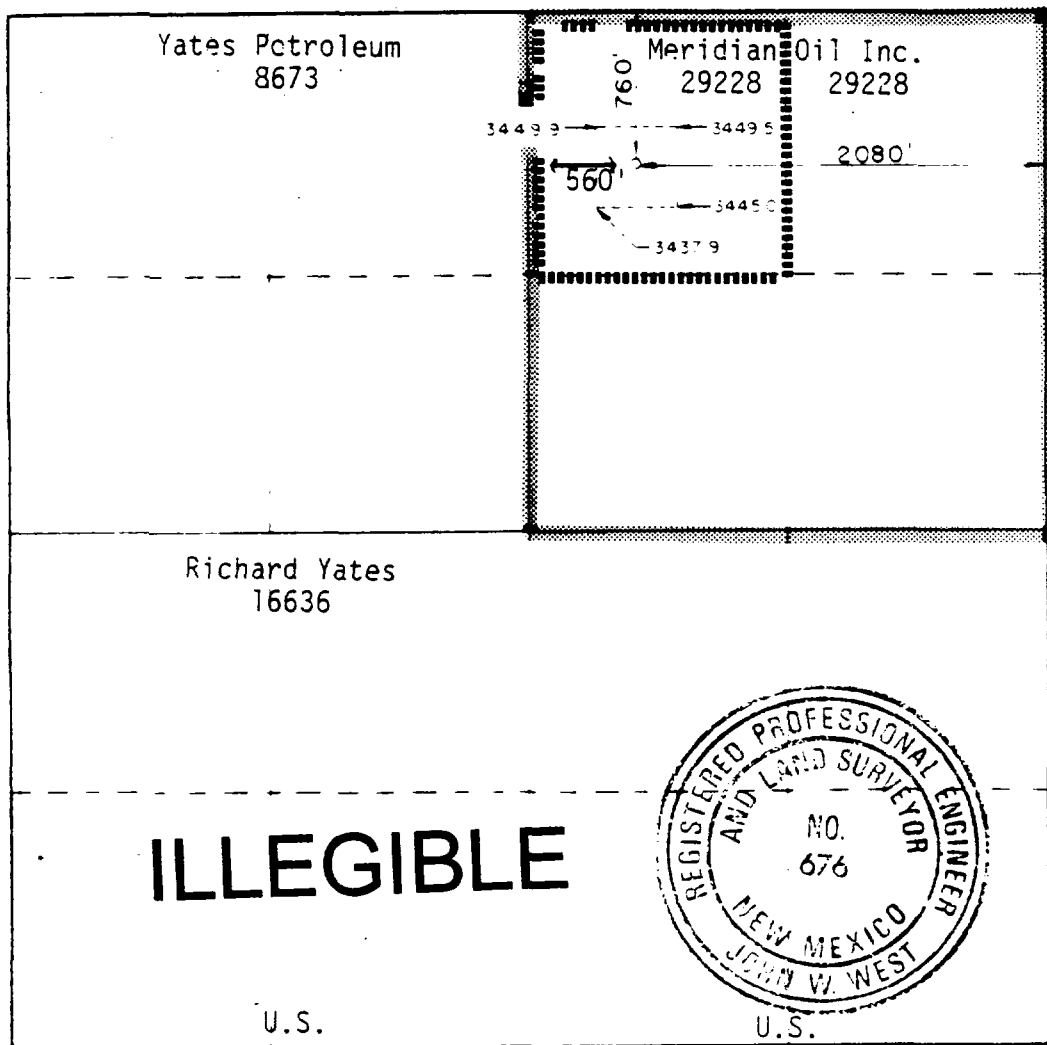
40

1. Outline the acreage dedicated to the subject well by colored pencil or harbor marks on the plat.
2. If more than one lease is dedicated to the well, outline each and identify the ownership therefor (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 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. (List reverse side of this form if necessary.) _____

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



CERTIFICATION

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

Cathy Nokes

Engineering Tech III

Meridian Oil Inc.

11/13/86

I hereby certify that the well location shown on this plat was a result of the notes of original surveys made by me or under my supervision and that the same is true and correct to the best of my knowledge and belief.

John W. West

Certificate No. _____