		Dra UNITEDAST PARTMENT OF BUREAU OF LAND	ATES NA 882	MISS CONTACT R OFFICE FOR I OF COPIES RE 10 (Other instruction reverse side)	C. KED	BLM Roswo Modified Fo NM060-311 30 -01 5. LEASE DESI	orm No. 60-2 5 - 2	
APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK						6. IF INDIAN, A		
1a. TYPE OF WORK b. TYPE OF WELL						7. UNIT AGREEMENT NAME		
						8. FARM OR LEASE NAME		-
2. NAME OF OPERATOR 3a. AREA CODE & PHONE NO. Meridian Oil Inc. 915-686-5600						9. WELL NO.	son "3"	Federal
3. ADDRESS OF OPERATOR 5								
21 Desta	21 Desta Dr., Midland, TX 79705 4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.*) At surface 10. FIELD AND POOL, OR WILDCAT M Shugart (Y, SR, Q, GB) 11. SEC. T. R. M. OR BLK.							
At surface		cleany and in accordan	C with any state requ	'DEC 20	'90	11. SEC., T., R AND SURVE		BLK.
10' 1650' FNL	at 1050° FEL rod. zone	NH.	5	O, C.	n	AND SURVE	Y OR AREA	
Same		FROM NEAREST TOWN OR	DOCT OFFICER	ARTESIA, C		Sec. 3, T19S, R30E		S, R30E
	outheast of Ma		POST OFFICE			Eddy		NM
15. DISTANCE FROM LOCATION TO N		990'	16. NO. OF	ACRES IN LEASE		ACRES ASSIGNED		
PROPERTY OR (Also to neare	LEASE LINE, FT. st drig. unit line, if a	iny)		320			40	
18. DISTANCE FROM TO NEAREST W	A PROPOSED LOCATION	LETED,	19. PROPOS	20. ROTAF	20. ROTARY OR CABLE TOOLS			
	OR, ON THIS LÉASE, F how Whether DF, RT,		<u>l</u>	3500'			DATE WOR	K WILL START *
-3451' GR.	3439					10 N	ovembe	r 1990
23.		PROPOSEL	CASING AND CE	MENTING PROGRA	M			
HOLE SIZE	CASING SIZE	WEIGHT/FOOT	GRADE	THREAD TYPE	SETT	ING DEPTH	QUANT	ITY OF CEMENT
12-1/4"	8-5/8"	24	K-55	STC	1	500'	450 9	x-Circulate
7-7/8"	5-1/2"	15.5	K-55	LTC		3500'	700 s	x- <u>Circulate</u>
Drill 12-1/4" Drill 7-7/8" h MUD PROGRAM pressures or BOP PROGRAM The stack is	hole to 500'. ole to 3500'. A: 0-500' fres temperatures I: 10" 3M BOP to consist of a	Set 8–5/8" csg @ Set 5–1/2" csg @ In water gel and expected. stack to be inst an annular BOP, a	2500' and cmt w 23500' and cmt lime; 500'-3500 alled on the 8-5 a blind ram BOP,	//450 sxcircu w/700 sxcirc ' salt water; M /8" and left on	late. sulate. IW 9.8- for the	10.2; no ab remainder (onormal of the d	rilling.
Drill 12–1/4" Drill 7–7/8" h MUD PROGRAM pressures or BOP PROGRAM The stack is independent APPROVAL GENERAL	hole to 500'. ole to 3500'. A: 0-500' fres temperatures I: 10" 3M BOP to consist of a tester after se SUBJECT TO REQUIREMENTS STIPULATIONS	Set 8–5/8" csg @ Set 5–1/2" csg @ h water gel and expected. stack to be insta an annular BOP, a stitting the 8–5/8"	9500' and cmt w 93500' and cmt lime; 500'-3500 alled on the 8-5 a blind ram BOP, csg.	//450 sxcircu w/700 sxcirc ' salt water; M /8" and left on	late. sulate. IW 9.8- for the am BOP.	10.2; no ab remainder (Test the l	anormal of the d BOP's us AREA	Irilling. sing an
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*See Instructions On Reverse Side

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 or representations as to any matter within its jurisdiction.

Submit to Appropriate District Office State Lease - 4 copies Fee Lease - 3 copies

DISTRICT I P.O. Box 1980, Hobbs, NM 88240

DISTRICT II P.O. Drawer DD, Artesia, NM 88210

125630

NO. Diswer DD, Anesis, NM 8821

DISTRICT III 1000 Rio Brazos Rd., Aziec, NM 87410

State of New Mexico Energy, Minerals and Natural Resources Department

OIL CONSERVATION DIVISION

P.O. Box 2088

Santa Fe, New Mexico 87504-2088

WELL LOCATION AND ACREAGE DEDICATION PLAT

All Distances must be from the outer boundaries of the section

Operator				Lease				Well No.
•	DIAN O	IL, INC.		ł	NSON '	'3" FEDE	RAL	5
Unit Letter Se	ction	Township		Range			County	
G	3	19	-SOUTH		30-E	AST N	MPM 1	EDDY
Actual Footage Location	of Well:	- -		ł				<u> </u>
	t from the	NORTH	line and		650	feet	from the	
Ground level Elev.	Producin	g Formation		Pool				Dedicated Acreage:
3439'	Y . S	SR. 0. & GB		SH	UGART			40 Acres
2. If more that	n one lease is ded	d to the subject well licated to the well, o	utline each and	identify the	ownennhip the	reof (both as to		
unitization, Ye If answer is "r this form if ne No allowable	force-pooling, etc s bo'' list the ownen ccessary. will be assigned to	No If answ s and tract description	wer is "yes" typ ms which have microsis have be	e of consolid actually bee	fation consolidated ted (by comm	. (Use reverse s	ade of	communitization,
			a, nas been app	roved by the	DIVISIOD.		<u> </u>	
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								knowledge and belief.
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							Signature	
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SURFACE USE PLAN

Meridian Oil Inc.

Benson "3" Federal #5 2310⁷ 1650' FNL & 1650' FEL Sec. 3, T-19-S, R-30-E Eddy County, New Mexico NM-29228

This plan is submitted with Application to Drill on above described well. The minerals are federal and the surface is leased for grazing (See below for surface lessee). The purpose of this plan is to describe the location, proposed construction activities and operations plans, magnitude of necessary surface disturbance and procedures to be followed in rehabilitating the surface after completion of the operation so that complete appraisal can be made of the environmental effects associated with the operations.

1. Existing Roads:

Exhibit "A" is a Topographic Land Surveys plat showing the location of the proposed well as staked.

Directions to the well are as follows: From the junction of US 180 and Hwy. 360, 15 miles east of Carlsbad, go north 11.6 miles on Hwy. 360, thence northeast 1.9 miles on County Road 251, thence 1.5 miles on County Road 250, thence south 0.6 mile to a point 1100' west of $t^{h}e$ NE corner of Section 3.

- 2. <u>Planned Access Road</u>:
 - a. An existing lease road will be used. An 1100' access road will be constructed to the well site per BLM standards.
- 3. Location of Existing Wells in Area:

See Exhibit "B"

4. Location of Proposed Facilities:

Location of proposed well site and tank battery is shown on Exhibit "C". The battery will be located on proposed well pad; no additional surface disturbance will be necessary.

5. <u>Water Supply</u>:

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. Surface Use Plan Benson "3" Federal #5 page two

6. <u>Source of Construction Material</u>:

Caliche for surfacing access road and pad will be obtained from an existing pit located in the NE/4 SE/4 of Sec. 29, T18S, R31E.

•• •

7. <u>Handling Waste Disposal</u>:

- a. Drill cuttings disposed into drilling pits.
- b. Drill fluids allowed to evaporate in drill pits until pits dry.
- c. Produced water during testing drill pits.
- d. Produced oil during testing storage tank until sold.
- e. Current laws and regulations pertaining to disposal of human waste will be observed.
- f. Reserve pit will be plastic lined.
- g. Waste paper, garbage, and junk will be disposed of into a special trash bin on location. All waste material will be regularly removed to an approved landfill.
- h. All trash and debris will be buried or removed from well site within 30 days after drilling and/or completion operations are finished.

8. <u>Ancillary Facilities</u>:

None

- 9. <u>Plans for Restoration of Surface</u>:
 - a. 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.
 - b. Any unguarded pits containing fluids will be fenced until filled.
 - c. After abandonment of well, surface restoration will be in accordance with the Bureau of Land Management Surface Requirements.
- 10. <u>Topography and Soil</u>:

New Mexico Archaeological Services, Inc. Report by Dr. J. Loring Haskell is attached.

11. <u>Land Use</u>:

Grazing and hunting - Federal

Surface Lessee -Snyder Ranch c/o Mr. Larry Squires P.O. Box 726 Lovington, NM 88260 Surface Use Plan Benson "3" Federal #5 page three

12. <u>Surface Ownership</u>:

Bureau of Land Management (Federal)

13. Operators Representatives:

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

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

Mr. Johnny Ellis, Drilling Foreman, or a consultant Hobbs, New Mexico Home: 505-393-8150

Mr. Bill Dawson, Drilling Superintendent Midland, Texas Office: 915-686-5600 Home: 915-682-9037

14. <u>Certification</u>:

I hereby certify that I, or persons under my supervision, have inspected the proposed drill site and access route; that I am familiar with conditions which presently exist; that the statements made in this plan are, to the best of my knowledge, true and correct; and the work associated with the operations proposed herein will be performed by Meridian Oil Inc. and its contractors and sub-contractors in uniformity with this plan and the terms and conditions under which it is approved.

Date:

S.J. Van Howe Drilling Engineer Meridian Oil Inc.

RLB/bn

Meridian Oil Inc.

Benson "3" Federal #5 230⁷ 1650' FNL & 1650' FEL Sec. 3, T-19-S, R-30-E Eddy County, New Mexico NM-29228

To supplement USGC Form 3160-3 Application to Drill the following additional information is submitted concerning questions on Page 5 of NTL-6:

- 1. See Form 3160-3
- 2. See Form 3160-3
- 3. The geological name of surface formation is: Ochoa
- 4. See Form 3160-3
- 5. See Form 3160-3

6. The estimated tops of important geological markers are:

Yates	2,050	Queen Sand	2,950'
Seven Rivers	2,325'	Grayburg	3,430'

7. The estimated depths at which anticipated water, oil, gas, and mineral bearing strata are as follows:

Queen 2,950' - 011

- 8. See Form 3160-3. All casing will be new.
- 9. See Form 3160-3 for depths of strings. Cement volumes and additions as follows:
 - a. 8 5/8" csg: Cement w/450 sx C1. "C" cmt + 2% CaCl₂.
 - b. 5 1/2" csg: Cement w±450 sxs C1 "C" Lite and tail in w/250 sxs C1 "C".

A caliper log will be run prior to setting 5 1/2' pipe to determine exact cement volumes required.

10. The pressure control diagram is attached to Form 3160-3. The following additional information is as follows:

8 5/8" casing installation: 10" - 3M BOP stack to be installed and tested by an independent tester to 3,000 psi before drilling the 8 5/8" casing shoe. The BOP stack to consist of an annular BOP, a blind ram BOP, and one pipe ram BOP.

Supplement to USGS Form 3160-3 Benson "#" Federal #4 page two

- 11. See Form 3160-3
- 12. A. DST Program: None
 - B. Core: //
 - C. Mud Logging: 2000' to TD, one-man unit
 - D. Wire Line Logs:

The following suite of logs will be run in both of the listed intervals:

CNL/LDT TD - 2000' (GR/CNL to surface) DLL/RXO TD - 2000'

- 13. No abnormal pressures are anticipated. Bottom hole pressures at TD expected to be 1600 psi. Bottom hole temperature 100° F. No Hydrogen Sulfide expected in this known drilling area. No crooked hole or abnormal deviation problems.
- 14. Anticipated starting date to spud on or before 11-10-90. Anticipated drilling time expected to be 10 days from surface to TD.



Meridian Oil, 21 Desta Drive Midland, Texas 79705 EXHIBIT "A"





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MERIDIAN OIL

Meridian Oil, 21 Desta Drive Midland, Texas 79705

MERIDIAN OIL INC. Benson "3" Federal #5 Sec. 3 T19S R30E NM 29228



PLAT SHOWING a PROPOSE WELL LOCATION and LEASE ROAD in SECTION 3, T-19-S, R-30-E, EDDY COUNTY, NEW MEXICO

FROM THE JC1. UF U.S. 180 & HWY 360, 15 MILES EAST OF CARLSBAD, GO NORTH 11.6 MILES ON HWY 360, THENCE NORTHEAST 1.9 MILES ON COUNTY ROAD 251, THENCE EAST 1.5 MILES ON COUNTY ROAD 250, THENCE SOUTH O.6 MILE TO A POINT ± 1100' WEST OF THE NE° OF SECTION 3



LOCATION & ELEVATION VERIFICATION MAP



SCALE 1" = 2000"

SEC3	BLK	TWP ,
	T-19-S	R-30-E
COUNTY	EDDY	STATE N. MEX.
DESCRIPTIO	N	FNL & 1650' FEL
ELEVATION .		3451'

MERIDIAN OIL INC. OPERATOR _ BEN SON "3" FEDERAL # 5 LEASE .

- U.S.G.S. TOPOGRAPHIC MAP HACKBERRY LAKE, N. MEX.
- N 32.41'31" SCALED LAT' . LONG W 103.57'22"

10' CONTOUR INTERVAL _



This location has been very carefully staked on the ground according to the beet official survey records, maps, and other data evaluable to us, but its accuracy is not guaranteed. Review this plat and notify us immediately of any possible discrepancy.

TOPOGRAPHIC LAND SURVEYORS

Surveying & Mapping for the Oil & Gas Industry

1305 N. HOBART PAMPA, TX 79085 (806) 665-7218

910 W. WALL MIDLAND, TX 79701 (915) 662-1653

215 E. TRAVIS MARSHALL, TX 75670 (214) 338-9802