

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

CONTACT FILING
OFFICE FOR NUMBER
OF COPIES REQUIRED
(Other instructions on
reverse side)

BLM Roswell District
Modified Form No.
NM060-3160-2

30-215-26653

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 ☐

2. NAME OF OPERATOR

Meridian Oil Inc.

3a. AREA CODE & PHONE NO.

915-686-5600

3. ADDRESS OF OPERATOR

21 Desta Dr., Midland, TX 79705

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements)

At surface
990' FSL & 330' FEL

At proposed prod. zone
Same

O. C. D.
ARTESIA OFFICE

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*

11 miles southeast of Maljamar, NM

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

330'

16. NO. OF ACRES IN LEASE

320

17. NO. OF ACRES ASSIGNED
TO THIS WELL

40

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

1320'

19. PROPOSED DEPTH

3500'

20. ROTARY OR CABLE TOOLS

Rotary

21. ELEVATIONS (Show Whether DF, RT, GR, ETC.)

3400' GR. 3411

22. APPROX. DATE WORK WILL START *

15 November 1990

23. PROPOSED CASING AND CEMENTING PROGRAM Secretary's Potash/R-111-P Potash

| HOLE SIZE | CASING SIZE | WEIGHT/FOOT | GRADE | THREAD TYPE | SETTING DEPTH | QUANTITY OF CEMENT |
|-----------|-------------|-------------|-------|-------------|---------------|--------------------|
| 12-1/4" | 8-5/8" | 24 | K-55 | STC | 500' | 450 sx--Circulate |
| 7-7/8" | 5-1/2" | 15.5 | K-55 | LTC | 3500' | 700 sx--Circulate |

Drill 12-1/4" hole to 500'. Set 8-5/8" csg @500' and cmt w/450 sx--circulate.

Drill 7-7/8" hole to 3500'. Set 5-1/2" csg @3500' and cmt w/700 sx--circulate.

MUD PROGRAM: 0-500' fresh water gel and lime; 500'-3500' salt water; MW 9.8-10.2; no abnormal pressures or temperatures expected.

BOP PROGRAM: 10" 3M BOP stack to be installed on the 8-5/8" and left on for the remainder of the drilling.

The stack is to consist of an annular BOP, a blind ram BOP, and one pipe ram BOP. Test the BOP's using an independent tester after setting the 8-5/8" csg.

APPROVAL SUBJECT TO
GENERAL REQUIREMENTS AND
SPECIAL STIPULATIONS
ATTACHED

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.

24.

SIGNED

Robert L. Bradshaw

TITLE

Sr. Staff Env./Reg. Specialist

DATE

16 October 1990

(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

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

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102
Revised 1-1-89

OIL CONSERVATION DIVISION

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

P.O. Box 2088

Santa Fe, New Mexico 87504-2088

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

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

WELL LOCATION AND ACREAGE DEDICATION PLAT

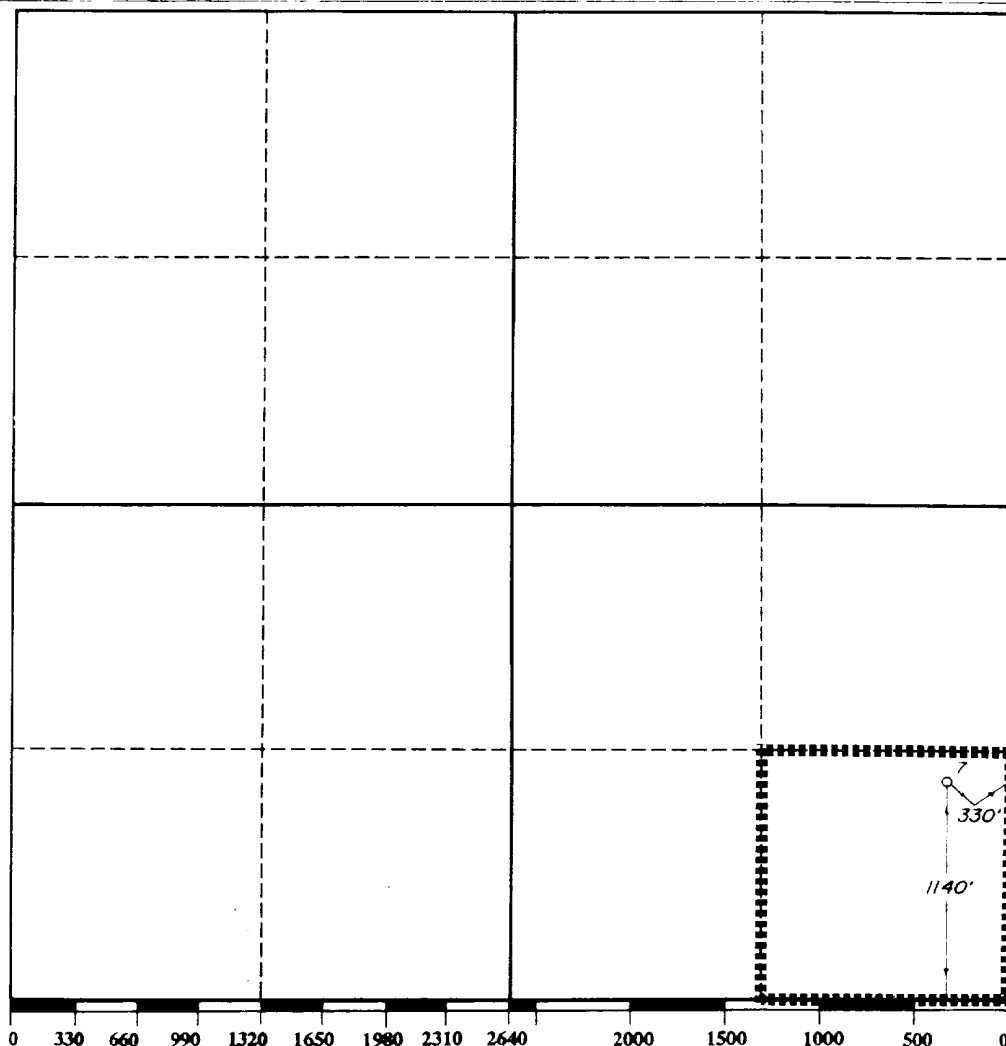
All Distances must be from the outer boundaries of the section

| | | | | | | | | |
|--------------------------------------|---------------------|----------------------------|------------------------------------|-----------------------|--|----------------------|--|--|
| Operator MERIDIAN OIL INC. | | | Lease BENSON "3" FEDERAL | | | Well No. 7 | | |
| Unit Letter P | Section 3 | Township 9-SOUTH | Range 30-EAST | County NMPM | | EDDY | | |

Actual Footage Location of Well:

| | | | |
|--|---|------------------------------------|---------------------------------------|
| 1140 feet from the SOUTH line and | | 330 feet from the EAST line | |
| Ground level Elev. 3411' | Producing Formation Y, 7R, QN, GB | Pool SHUGART | Dedicated Acreage: 40 Acres |

- Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.
- If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
- If more than one lease of different ownership is dedicated to the well, have the interest of all owners been 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. (Use reverse side of this form if necessary.)
No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interest, has been approved by the Division.



OPERATOR CERTIFICATION

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

Signature
Robert L. Bradshaw

Printed Name
ROBERT L. BRADSHAW

Position
SR. STAFF ENV/REG SPEC.

Company
MERIDIAN OIL INC.

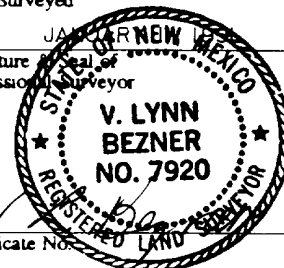
Date
FEBRUARY 7, 1991

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 knowledge and belief.

Date Surveyed

Signature of Professional Surveyor



Certificate No.

V. LYNN BEZNER, R.L.S. # 7920

Meridian Oil Inc.

Benson "3" Federal #7
1140' ~~990~~' FSL & 330' 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' - Oil |
|-------|--------------|
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 Cl. "C" cmt + 2% CaCl₂.
 - b. 5 1/2" csg: Cement w±450 sxs Cl "C" Lite and tail in w/250 sxs Cl "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.

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 11-15-90. Anticipated drilling time expected to be 10 days from surface to TD.

6. Source of Construction Material:

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. Handling Waste Disposal:

- 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. Ancillary Facilities:

None

9. Plans for Restoration of Surface:

- 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. Topography and Soil:

New Mexico Archaeological Services, Inc. Report by Dr. J. Loring Haskell will be submitted when ready.

11. Land Use:

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 #7
page three

12. Surface Ownership:

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

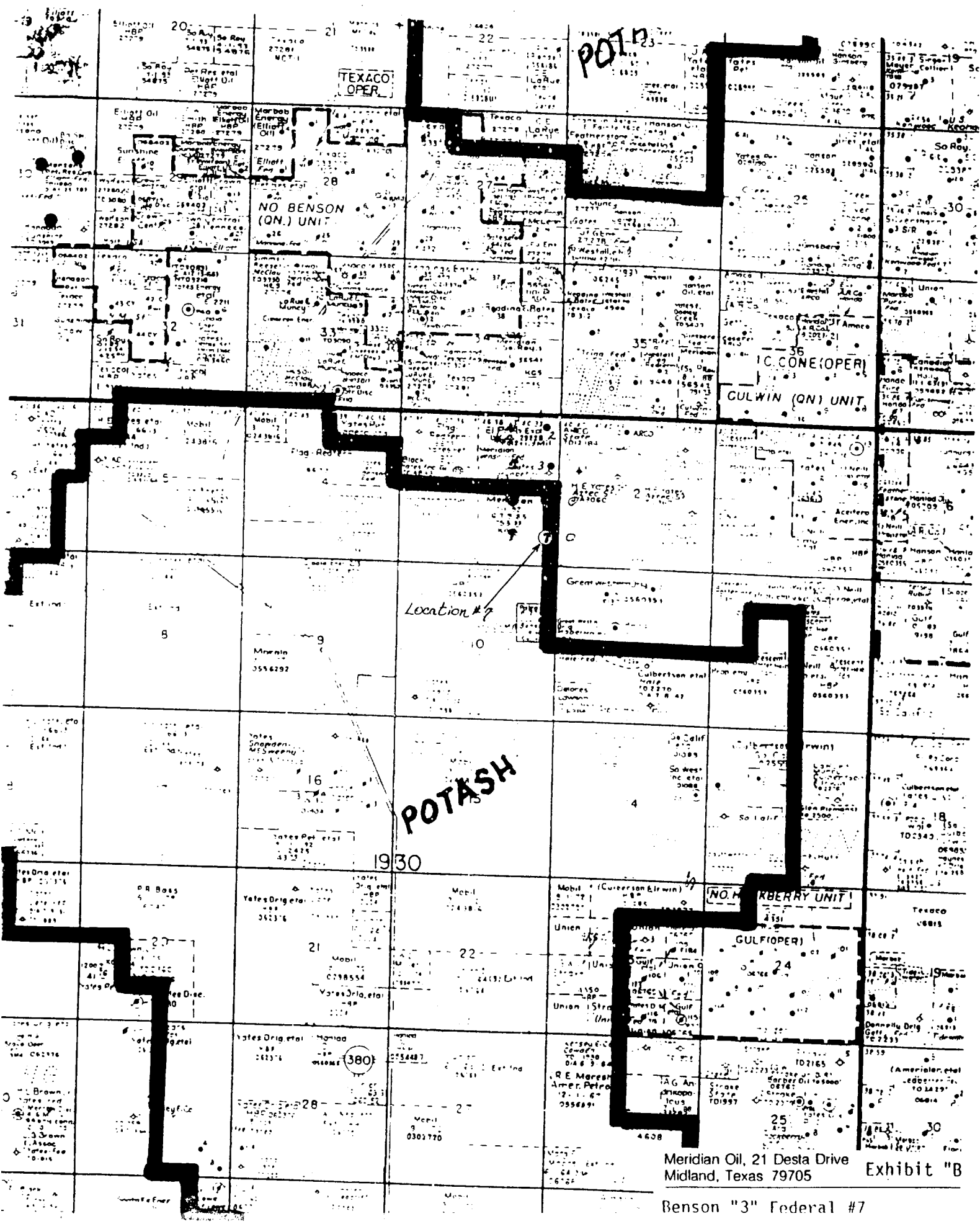
14. Certification:

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: 10/16/90

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

RLB/bn

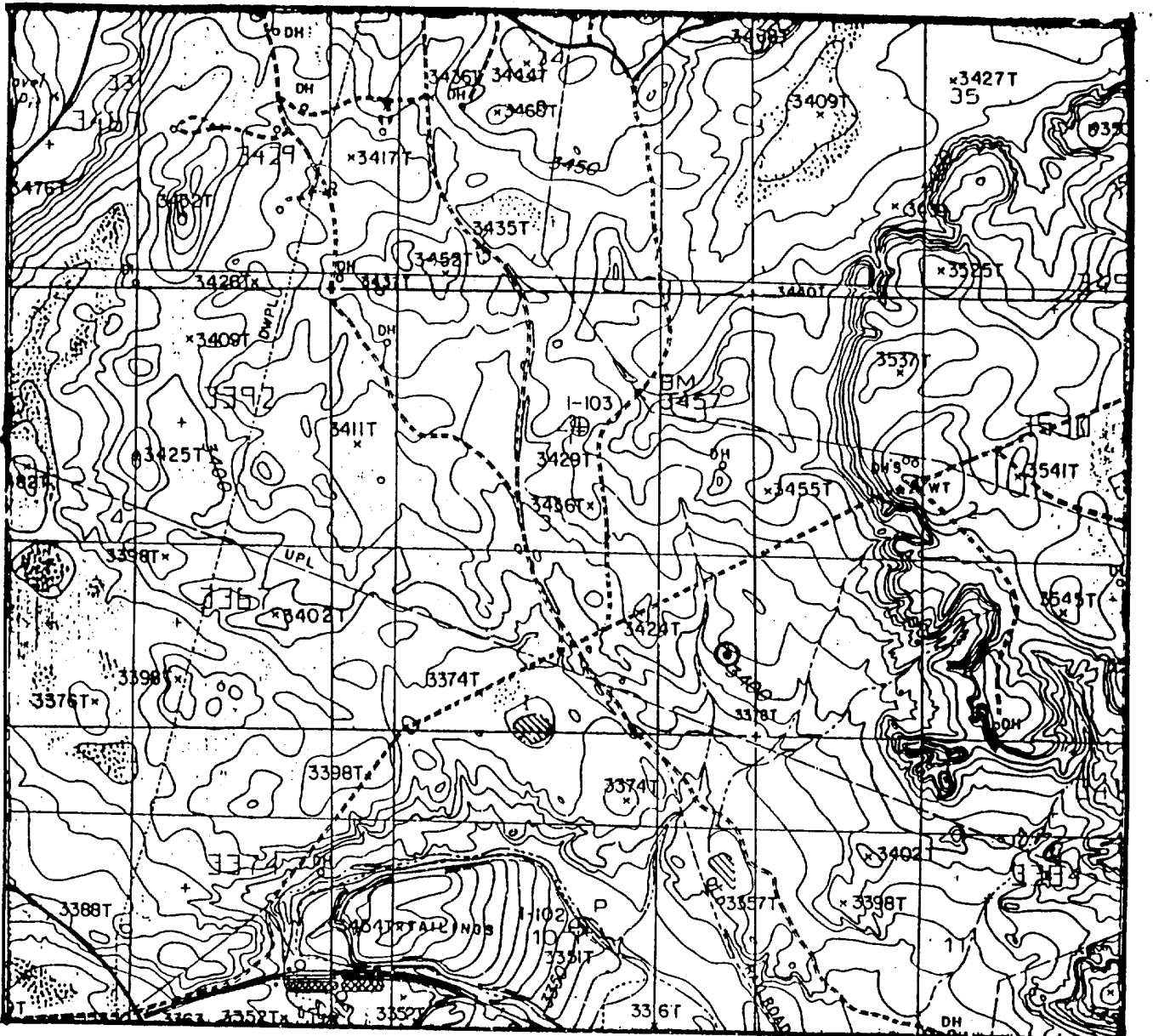


Meridian Oil, 21 Desta Drive
Midland, Texas 79705

Exhibit "B"

Benson "3" Federal #7

LOCATION & ELEVATION VERIFICATION MAP



SCALE 1" = 2000'

CONTOUR INTERVAL 10'

SEC. 3 BLK. TWP.

SURVEY T-19-S R-30-E

COUNTY EDDY STATE N. MEX.

DESCRIPTION 990' FSL & 330' FEL

ELEVATION 3409'

OPERATOR MERIDIAN OIL, INC.

LEASE BENSON "3" FEDERAL #7

U.S.G.S. TOPOGRAPHIC MAP

HACKBERRY LAKE, N. MEX.

SCALED LAT: 32°41'05"

LONG: 103°57'06".



This location has been very carefully staked on the ground according to the best official survey records, maps, and other data available to us, but its accuracy is not guaranteed.

Review this plot and notify us immediately of any possible discrepancy.

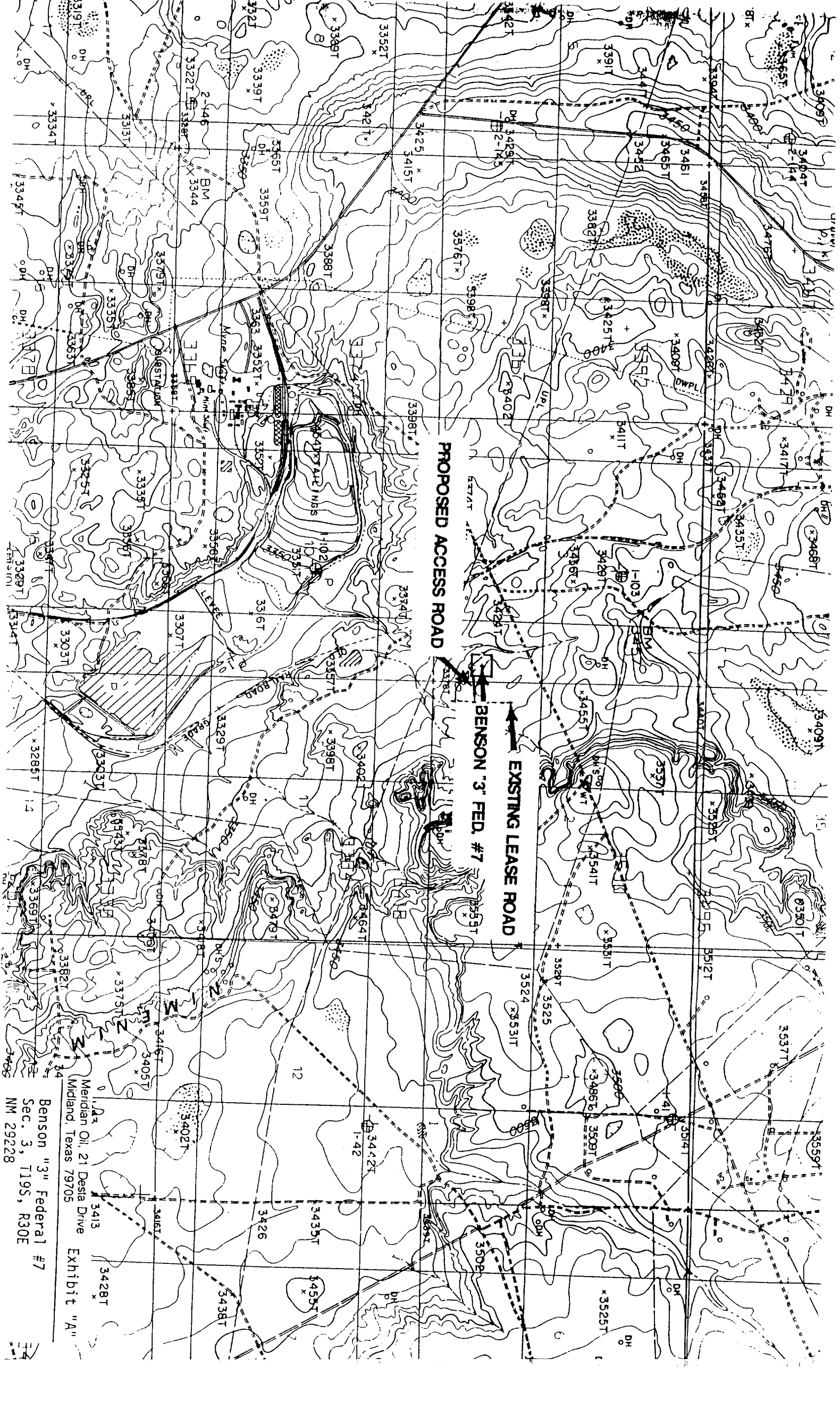
TOPOGRAPHIC LAND SURVEYORS

Surveying & Mapping for the Oil & Gas Industry

1305 N. HOBART
PAMPA, TX 79065
(806) 665-7210

910 W. WALL
MIDLAND, TX 79701
(815) 682-1653

215 E. TRAVIS
MARSHALL, TX 75670
(214) 938-9802



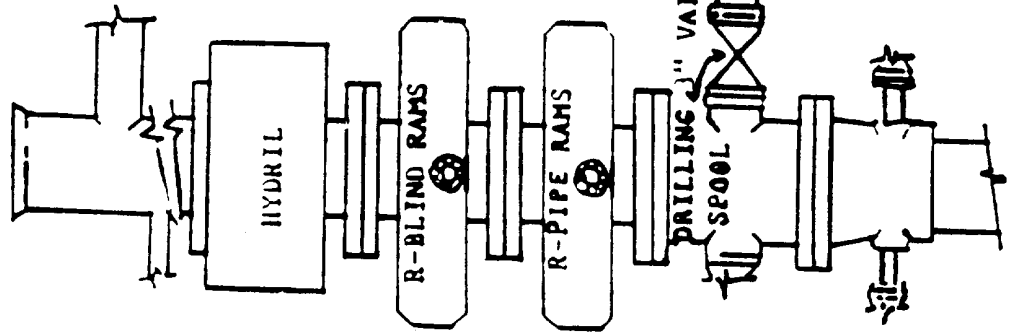
PROPOSED ACCESS ROAD

EXISTING LEASE ROAD

BENSON "3" FED. #7

Benson "3" Federal #7
Sec. 3, T19S, R30E
NM 29228

Meridian Oil, 21 Desia Drive
Midland, Texas 79705
Exhibit "A"



BLOW OUT PREVENTION EQUIPMENT
 10" 900s ALL FLANGED CONNECTIONS
 3,000 PSI WORKING PRESSURE - 6,000 PSI TEST

