

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

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

At surface

F, 1980' FNL & 2180' FWL

At proposed prod. zone

BRUSHY CANYON DELAWARE

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

24 MILES WEST OF JAL, N.M.

10. DISTANCE FROM PROPOSED\*

LOCATION TO NEAREST  
PROPERTY OR LEASE LINE, FT.  
(Also to nearest drig. unit line, if any)

1980'

16. NO. OF ACRES IN LEASE

647.88 ACRES

17. NO. OF ACRES ASSIGNED  
TO THIS WELL

40

13. DISTANCE FROM PROPOSED LOCATION\*

TO NEAREST WELL, DRILLING, COMPLETED,  
OR APPLIED FOR, ON THIS LEASE, FT.

1ST WELL

19. PROPOSED DEPTH

8400'

20. ROTARY OR CABLE TOOLS

ROTARY

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

3525.5' GR

22. APPROX. DATE WORK WILL START\*

3-1-93

23. PROPOSED CASING AND CEMENTING PROGRAM

Secretary's Potash

SIZE OF HOLE	GRADE, SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
17-1/2"	H-40, 13-3/8"	48#	450'	400 SXS CIRCULATE
12-1/4"	K-55, 8-5/8"	28# & 32#	4000'	1100 SXS CIRCULATE
7-7/8"	k-55, 5-1/2"	17#	8300'	600 SXS (tie back)

APPROVAL SUBJECT TO  
GENERAL REQUIREMENTS AND  
SPECIAL STIPULATIONS

REACHED

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.

24.

SIGNED

*Maria L. Perez*

TITLE

PRODUCTION ASST.

DATE

1-27-93

(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

/s/ Kathy Eaton

TITLE

Acting State Director

DATE

5-17-93

\*See Instructions On Reverse Side

OIL CONSERVATION DIVISION

P.O. Box 2088  
Santa Fe, New Mexico 87504-2088

DISTRICT I

P.O. Box 1980, Hobbs, NM 88240

DISTRICT II

P.O. Drawer DD, Artesia, NM 88210

DISTRICT III

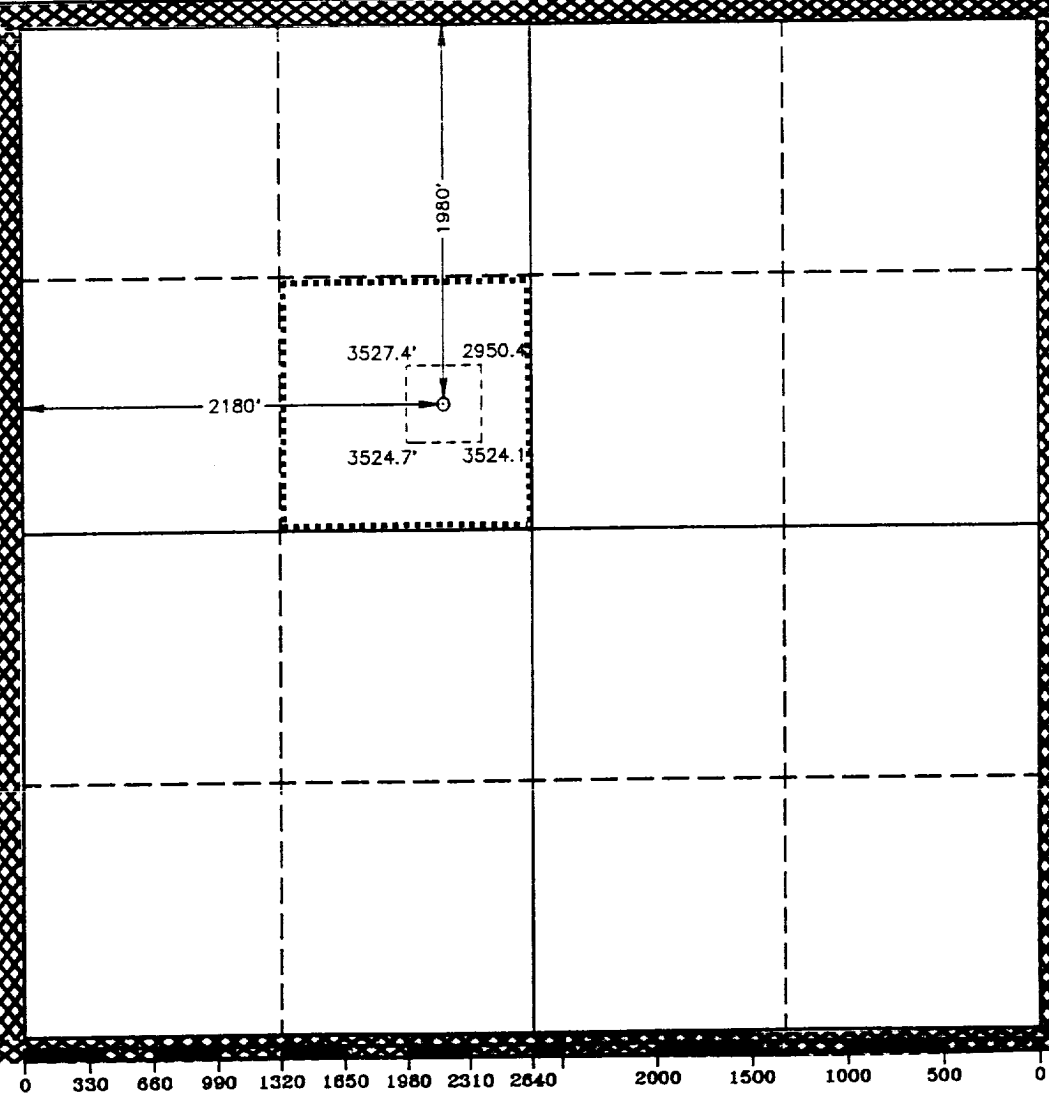
1000 Rio Brazos Rd., Artec, NM 87410

WELL LOCATION AND ACREAGE DEDICATION PLAT

All Distances must be from the outer boundaries of the section

Operator <b>MERIDIAN OIL INC.</b>			Lease <b>POKER LAKE 18 FEDERAL</b>		Well No. <b>1</b>
Unit Letter <b>F</b>	Section <b>18</b>	Township <b>24 SOUTH</b>	Range <b>31 EAST</b>	NMPM	County <b>EDDY</b>
Actual Footage Location of Well: <b>1980</b> feet from the <b>NORTH</b> line and <b>2180</b> feet from the <b>WEST</b> line					
Ground Level Elev. <b>3525.5'</b>	Producing Formation <b>BRUSHY CANYON DELAWARE</b>	Pool <b>WILDCAT</b>		Dedicated Acreage: <b>40</b> 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 of owners and tract descriptions which have actually been consolidated. (Use reverse side of this form necessary.)  
No allowable will be assigned to the well unit all interests have been consolidated (by communitization, unitization, forced-pooling, otherwise) or until a non-standard unit, eliminating such interest, has been approved by the Division.



OPERATOR CERTIFICATION

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

Signature  
*Maria L. Perez*  
Printed Name  
**MARIA L. PEREZ**  
Position  
**PRODUCTION ASST.**  
Company  
**MERIDIAN OIL INC.**  
Date  
**1-27-93**

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  
**JANUARY 15, 1993**  
Signature & Seal of  
Professional Surveyor

GARY L. JONES  
NEW MEXICO  
REGISTERED PROFESSIONAL SURVEYOR  
Certificate No. **JOHN W. JONES 676**  
**RONALD W. JONES 3239**  
**GARY L. JONES 7977**  
**93-11-0058**

<b>OPERATORS NAME:</b>	<u>Meridian Oil Inc.</u>
<b>LEASE NAME AND WELL NO.:</b>	<u>Poker Lake "18" Federal #1</u>
<b>LOCATION:</b>	<u>F, 1980' FNL &amp; 2180' FWL</u>
<b>FIELD NAME:</b>	<u>Wildcat (Brushy Canyon Delaware)</u>
<b>COUNTY:</b>	<u>EddyCounty, New Mexico</u>
<b>LEASE NUMBER:</b>	<u>NM-89819</u>

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.

Rustler	900'	Salado	1100'
Bone Spring	3400'	Delaware	4400'

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      4400' - TD

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.

BOP Program: 10" - 3M BOP stack to be installed on 8 5/8" and left for the remainder of drilling and tested to 1500 psi before drilling the 8 5/8" casing shoe. The BOP stack will consist of one blind ram BOP and one pipe ram BOP.

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.

- a. New 13 3/8" 48# H-40 STL csg set @ 450'.
  - b. New 8 5/8" 28# & 32# K-55 BTC csg. set @ 4000'
  - c. New 5 1/2" 17# K-55 LTC csg set @ 8300'
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/400 sx class "C" cmt w 2% CaCl<sub>2</sub>. Circ to surf.
  - b. 8 5/8" casing: cmt w/1100 sxs class "C" cmt w/2% CaCl<sub>2</sub>. Circulated cmt to surface.
  - c. 5 1/2" casing: cmt w/600 sxs "C" and lite + 5pps salt, + 0.25pps flocele. Circulate cmt to ±3700'
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 - 450' fresh water gel & lime;  
600' - 8300' salt water w/mw 9.8 - 10.2  
No abnormal pressures or temperatures are expected.
- (a.) Length and location of blowie line, including the automatic igniter or continuous pilot light.  
  
Not applicable
  - (b.) Location of compressor equipment, including safety devices, and the distance from the wellbore.  
  
Not Applicable
  - (c.) Schematics showing dedustor equipment and rotating head.  
  
Not Applicable
  - (d.) Amounts, types, and characteristics of stand-by mud and associated circulating equipment.

Not Applicable

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 2500' to TD
  - d. Logs to be run: CNL-FDC/CR/CAL: TD SCP<CNL/CR to surface  
DLL/MSFL/GR:TD-SCP
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 1500 psi. Bottom hole temperature 110° F. No hydrogen sulfide expected in this known drilling area. No crooked hole or abnormal deviation problems.
9. Any other facets of the proposed operation which the operator wishes for BLM to consider in reviewing the application.

Anticipated start date 3-1-93. Anticipated drilling time expected to be 11 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 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" & "B" 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 "C": 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 "D" portion of land plat of existing 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.

Test tanks will be on well pad while completing and testing well.  
The tank battery will be built at this location if productive.

5. **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.

Surface material: Caliche will be obtained from the dug reserve pit on location or nearest BLM 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 buried or 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.

None

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, re vegetation, 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

Mr. Frank Raybon, Drilling Foreman  
Eunice, New Mexico  
Home: 505-394-2449

### OPERATORS CERTIFICATION

I hereby certify that I or **Bret Herring** 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 bonds statewide. this statement is subject to the provisions of 18 U.S.C. 1001 for the filing of a false statement.

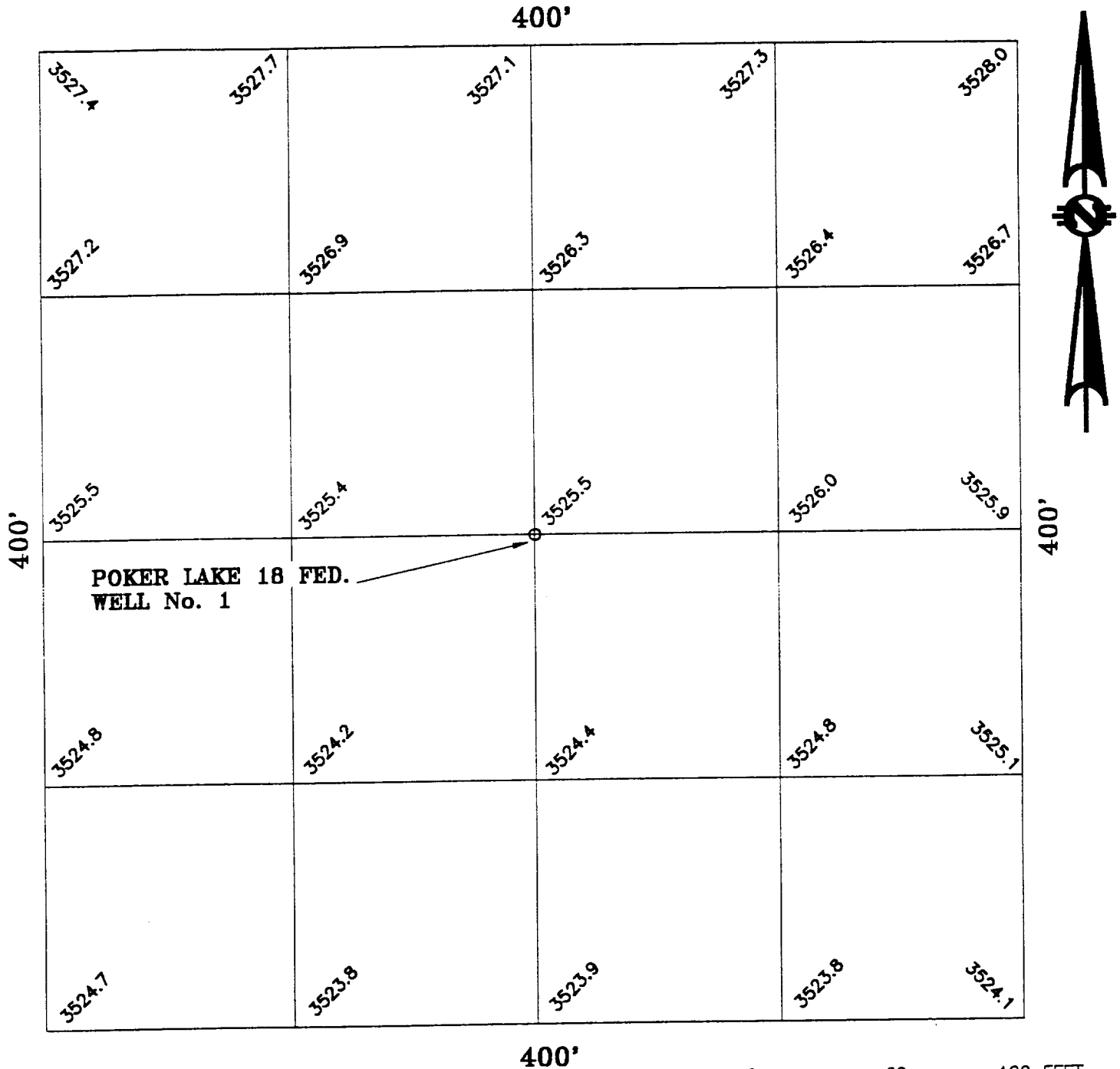
DATE: January 28, 1993

NAME AND TITLE: Bret Herring, Drilling Engineer

SIGNATURE: \_\_\_\_\_

A handwritten signature in black ink, appearing to read "Bret Herring", is written over a horizontal line. The signature is stylized with a large, looped "H" and a trailing flourish.

SECTION 18, TOWNSHIP 24 SOUTH, RANGE 31 EAST, N.M.P.M.,  
EDDY COUNTY, NEW MEXICO.



POKER LAKE 18 FEDERAL #1 - GRID

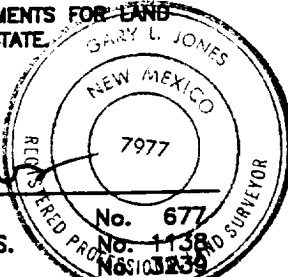
MERIDIAN OIL

A 100 FOOT GRID AROUND THE POKER LAKE 18 FED. WELL No.1, LOCATED 1980 FEET FROM THE NORTH LINE AND 2180 FEET FROM THE WEST LINE OF SECTION 18, TOWNSHIP 24 SOUTH, RANGE 31 EAST, N.M.P.M., EDDY COUNTY, NEW MEXICO.

JOHN W. WEST ENGINEERING COMPANY  
CONSULTING ENGINEERS & SURVEYORS - HOBBS, NEW MEXICO

Survey Date: 1-15-93	Sheet 1 of 1 Sheets
W.O. Number: 93-11-0068	Drawn By: S.C. NICHOLS
Date: 1-18-93	0068GRID Scale: 1" = 60'

I HEREBY CERTIFY THAT THIS PLAT WAS PREPARED FROM FIELD NOTES OF AN ACTUAL SURVEY AND MEETS OR EXCEEDS ALL REQUIREMENTS FOR LAND SURVEYS AS SPECIFIED BY THIS STATE.



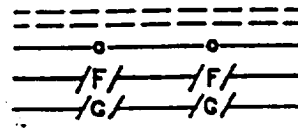
JOHN W. WEST  
RONALD J. EIDSON  
GARY L. JONES

N.M. P.S.  
TEXAS P.L.S.  
N.M. P.S.  
TEXAS P.L.S.  
N.M. P.S.

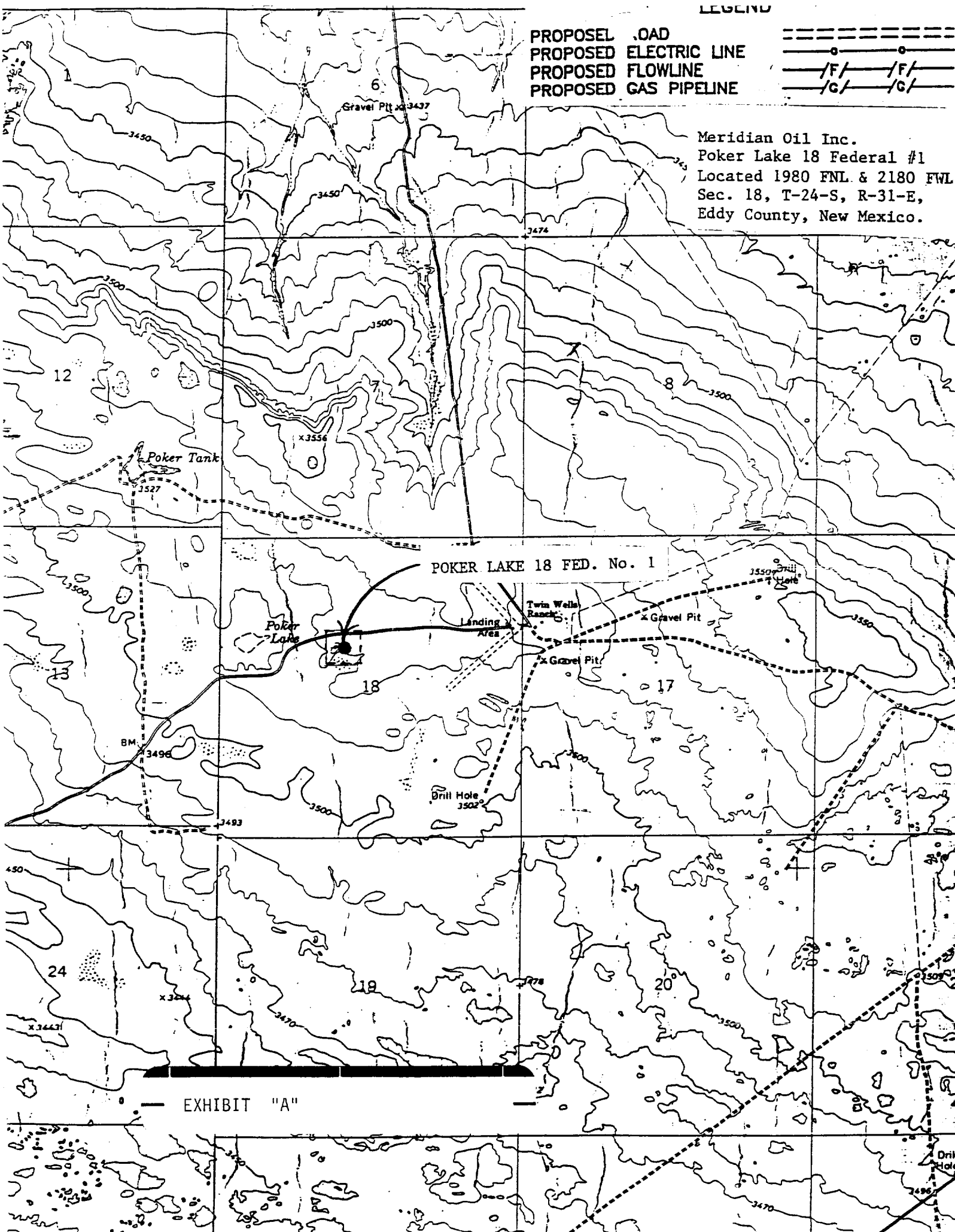
No. 677  
No. 1138  
No. 1239  
No. 1885  
No. 7977

LEGEND

PROPOSED ROAD  
 PROPOSED ELECTRIC LINE  
 PROPOSED FLOWLINE  
 PROPOSED GAS PIPELINE



Meridian Oil Inc.  
 Poker Lake 18 Federal #1  
 Located 1980 FNL & 2180 FWL  
 Sec. 18, T-24-S, R-31-E,  
 Eddy County, New Mexico.



POKER LAKE 18 FED. No. 1

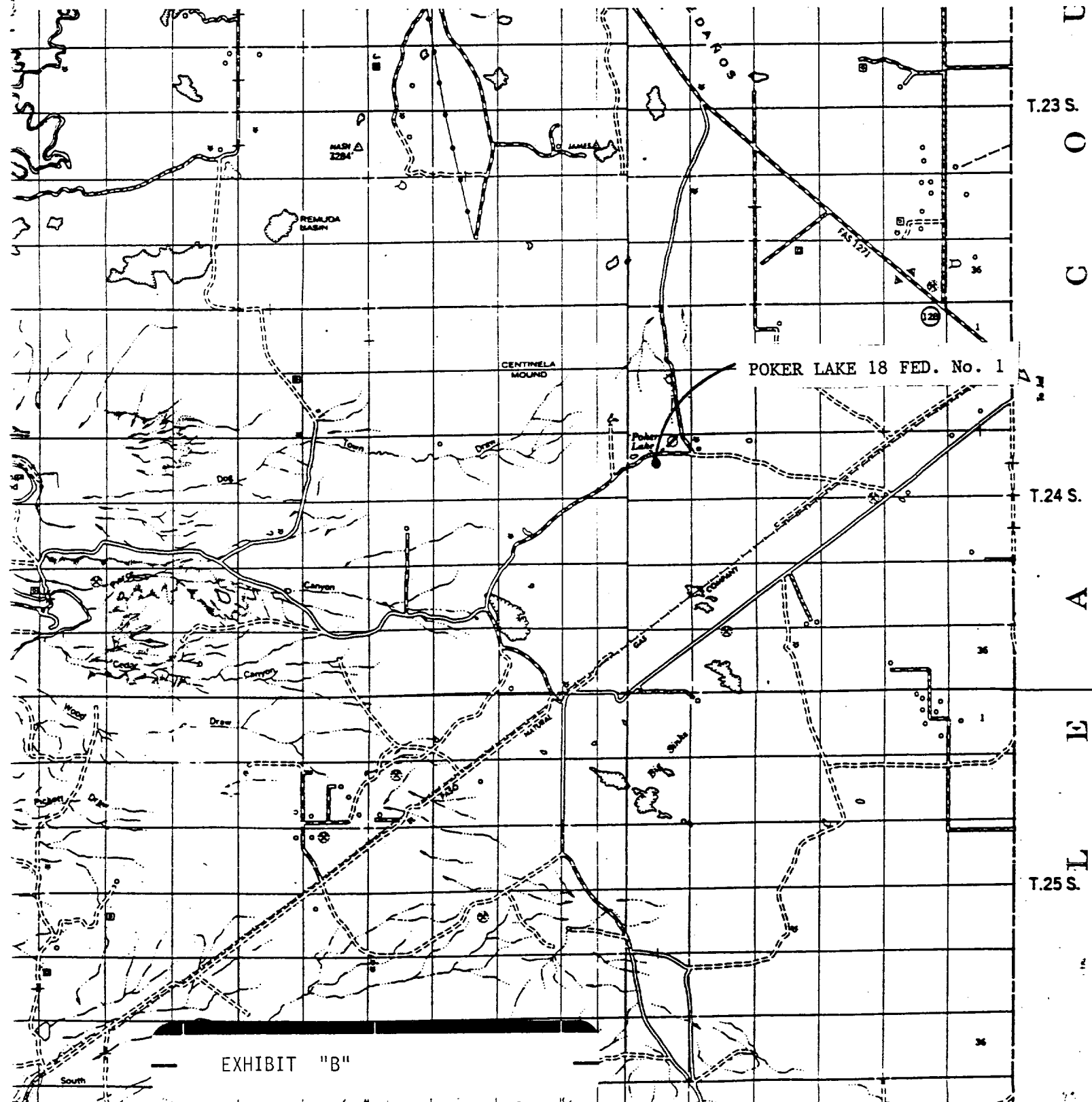
EXHIBIT "A"

# MERIDIAN OIL INC.

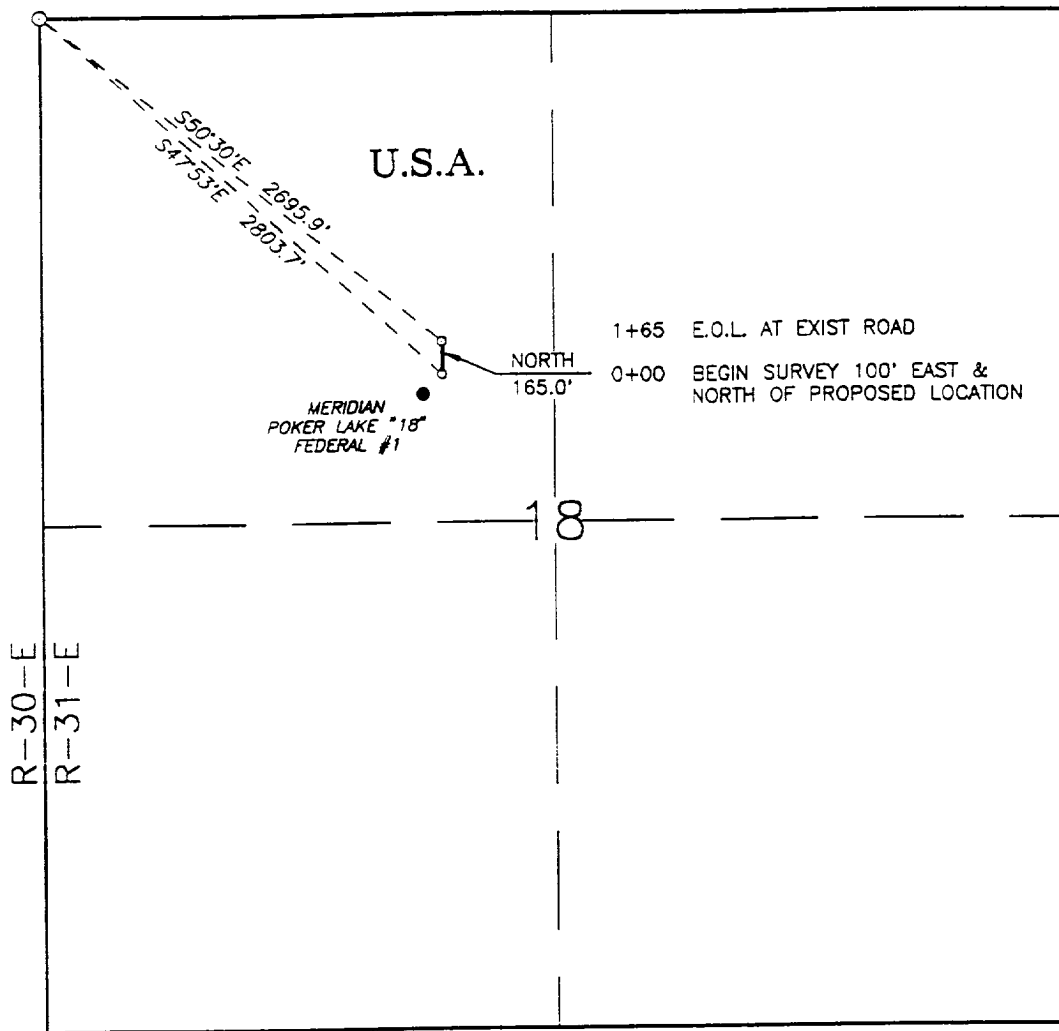
POKER LAKE 18 FEDERAL No. 1

1980' FNL & 2180' FWL SEC. 18, T-24-S, R-31-E, EDDY COUNTY, NEW MEXICO

Begin at intersection of State Hwy 18 & County road 787, go South on County road 787 5 1/4 miles and then go West 1/2 mile to location.



SECTION 18, TOWNSHIP 24 SOUTH, RANGE 31 EAST, N.M.P.M.,  
EDDY COUNTY, NEW MEXICO



LEGAL DESCRIPTION

A STRIP OF LAND 50.0 FEET WIDE, 165.0 FEET OR 0.03 MILES IN LENGTH AND BEING 25.0 FEET LEFT AND 25.0 FEET RIGHT OF THE ABOVE PLATTED CENTERLINE SURVEY.

EXHIBIT "C"

1000 0 1000 2000 Feet

POKER LAKE "18" FEDERAL No 1

I HEREBY CERTIFY THAT THIS PLAT WAS PREPARED FROM FIELD NOTES OF AN ACTUAL SURVEY AND MEETS OR EXCEEDS ALL REQUIREMENTS FOR LAND SURVEYS AS SPECIFIED BY THE STATE OF NEW MEXICO.

JOHN W. WEST N.M. P.S. No. 678  
TEXAS P.S. No. 1130  
RONALD J. EIDSON, N.M. L.S. No. 9839  
TEXAS P.S. No. 1283  
GARY L. JONES N.M. P.S. No. 7977

MERIDIAN OIL

A PROPOSED ROAD CROSSING FEDERAL LANDS IN SECTION 18, TOWNSHIP 24 SOUTH, RANGE 31 EAST, N.M.P.M., EDDY COUNTY, NEW MEXICO.

JOHN W. WEST ENGINEERING COMPANY  
CONSULTING ENGINEERS & SURVEYORS - HOBBS, NEW MEXICO

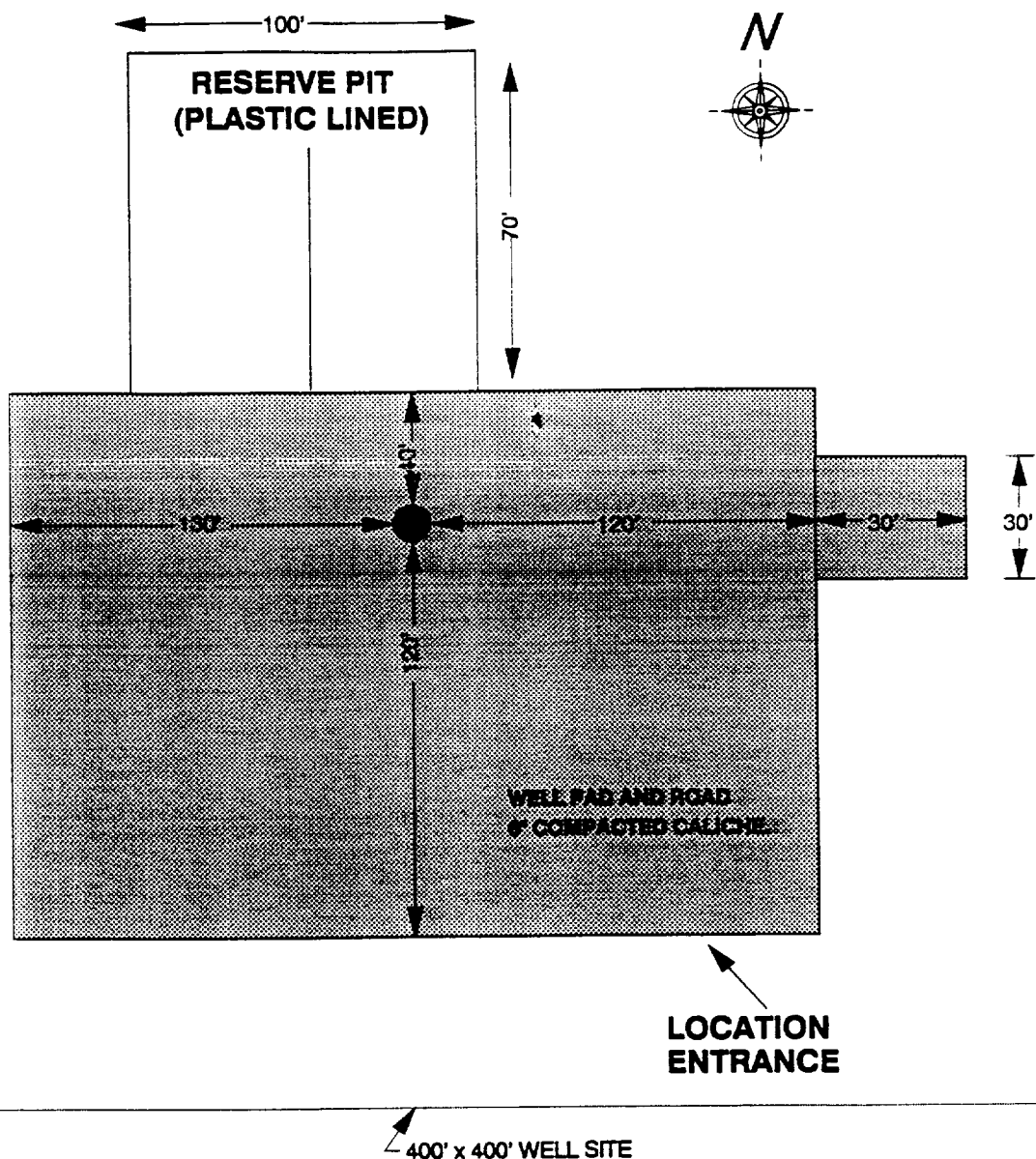
Survey Date: 11-16-92 Sheet 1 of 1 Sheets

W.O. Number: 92-11-1784 Drawn By: Johnny Holmes

Date: 12-21-92 MO1784-S Scale: 1" = 1000'

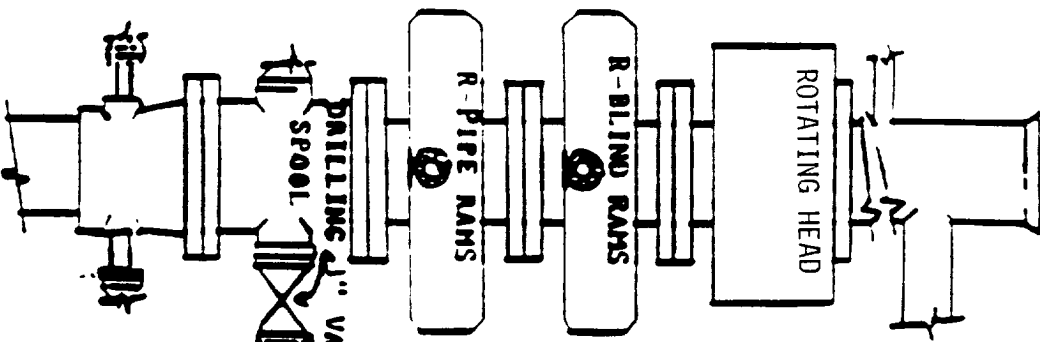


**MERIDIAN OIL**  
**MIDLAND REGION**  
**DRILL WELL LOCATION SPECIFICATIONS**





DOUBLE RAM



BLOW OUT PREVENTION EQUIPMENT  
10" 900S ALL FLANGED CONNECTIONS  
3000# WORKING PRESSURE \_ 6000# TEST

