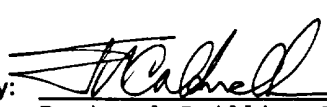


CONFIDENTIAL

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. Type of Work DRILL		5. Lease Number NM-046	
1b. Type of Well GAS		6. If Indian, All. or Tribe	
2. Operator MERIDIAN OIL 14538		7. Unit Agreement Name	
3. Address & Phone No. of Operator PO Box 4289, Farmington, NM 87499 (505) 326-9700		8. Farm or Lease Name 17012 Cheney Federal B ✓ 9. Well Number 2 ✓	
4. Location of Well ✓ 1650' FSL, 990' FWL at surface 2970' FNL, 790' FEL at total depth Latitude 36° 29' 49", Longitude 107° 04' 44"		10. Field, Pool, Wildcat 27194 Gavilan Mancos ✓ 11. Sec., Twn, Rge, Mer. L Sec 8, T-26-N, R-2-W ✓ NMFM	
14. Distance in Miles from Nearest Town 5 miles to Ojito, NM		12. County Rio Arriba	13. State NM
15. Distance from Proposed Location to Nearest Property or Lease Line 990'			
16. Acres in Lease		17. Acres Assigned to Well 640 ✓	
18. Distance from Proposed Location to Nearest Well, Drig, Compl, or Applied for on this Lease 660'			
19. Proposed Depth 7400' TVD 10,420' MD		20. Rotary or Cable Tools Rotary Rotary	
21. Elevations (DF, FT, GR, Etc.) 7217' GR		22. Approx. Date Work will Start 2nd quarter 1993	
23. Proposed Casing and Cementing Program See Operations Plan attached			
24. Authorized by:  Regional Drilling Engineer		Date <u>4/29/93</u>	

PERMIT NO. _____

APPROVAL DATE _____

APPROVED BY SHIRLEY MONDY

Acting
TITLE

AREA MANAGER

DATE MAY 27 1993

RIO NUSCO RESOURCE AREA

Archaeological Report submitted 12-28-92

Threatened and Endangered Species Report to be submitted

NOTE: This format is issued in lieu of U.S. BLM Form 3160-3

R-9864 (P)

NMOCD

Schedule to Application
District Office
State Lease - 4 copies
Fee Lease - 3 copies

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-182
Revised 1-1-89

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 Grande Rd., Aztec, NM 87410

WELL LOCATION AND ACREAGE DEDICATION PLAT

All Distances must be from the outer boundaries of the section

Operator		Lease		Well No.	
Meridian Oil Inc.		Cheney Federal "B"		2	
U.S. Letter	Section	Township	Range	County	
L	8	26 North	2 West	NM	
Actual Footage Location of Well:					
1650 feet from the South line and		990 feet from the West line		Rio Arriba	
Ground level Elev.	Producing Formation	Pool	Dedicated Acreage		
7217'	Mancos	Gavilan	640 Acres		

- Outline the acreage dedicated to the subject well by colored pencil or inkline 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 NM-84025 effective 12-19-88
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, force-pooling, or otherwise) or until a non-standard unit, eliminating such interest, has been approved by the Division.

3283.96

RECEIVED
JUN 11/1993
OIL CON. DIV.
DIST. 3

USA NM
046

990'

1650'

OPERATOR CERTIFICATION

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

Peggy Bradfield
Signature

Peggy Bradfield
Printed Name

Regulatory Affairs
Position

Meridian Oil Inc.
Company

4-28-93
Date

Date

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.

11/12/92

Date Surveyed

NEEDS APPROVALS

Signature of State Professional Surveyor

3357

Commission No.

April 29, 1993

OPERATIONS PLAN

Well Name: Cheney Federal B #2
Location: 1650'FSL, 990'FWL, Section 8, T-26-N, R-2-W
 Rio Arriba County, New Mexico
 Latitude 36° 29' 49", Longitude 107° 04' 44"
Formation: Gavilan Mancos
Elevation: 7217'GL

<u>Formation Tops:</u>	<u>Top</u>	<u>Bottom</u>	<u>Contents</u>
Surface	San Jose	3345'	
Ojo Alamo	3345'	3485'	aquifer
Fruitland	3485'	3595'	salt water
Pictured Cliffs	3595'	3930'	salt water & gas
Lewis	3930'	4685'	salt water & gas
Chacra	4685'	5300'	salt water & gas
Cliff House	5300'	5565'	salt water & gas
Menefee	5565'	5860'	salt water & gas
Point Lookout	5860'	6325'	salt water & gas
Mancos	6325'	6900'	salt water & gas
Niobrara	6900' TVD		gas & hydrocarbons
Intermediate Depth	7070' TVD	7263' MD	
Total Depth	7400' TVD	10420' MD	

Logging Program: DIL-LDT-GR from 5000' MD to 7263' MD.

Mud Program:

<u>Interval</u>	<u>Type</u>	<u>Weight</u>	<u>Vis.</u>	<u>Fluid Loss</u>
0- 200'	Spud	8.4-8.9	40-50	no control
200- 7700' MD	Non-dispersed	8.4-9.0	30-60	no control
7700-10300' MD	Gas/Mist	n/a	n/a	n/a

Drilling:

Surface/Intermediate Hole:

Drill to surface casing point of 200' and set 9 5/8" casing. Mud drill from 200' to intermediate total depth. The well will be drilled vertically to a kick off point depth of 6663'. At this point the well will deviate at 15.0 degrees/100 feet to 84 degrees (80 degrees azimuth). At this point (7070' TVD, 7263' MD) 7", 23.0#, N-80/K-55 casing will be set (see wellbore schematic).

<u>TVD</u>	<u>MD</u>	<u>Vertical Section</u>	<u>Hole Size</u>	<u>Notes</u>
200'	200'	0'	12 1/4"	9 5/8" casing set
6663'	6663'	0'	8 3/4"	Kick off point
7070'	7263'	366'	8 3/4"	7" casing set



MERIDIAN OIL INC
CHENEY FEDERAL B #2
T 26 N, R 02 W
300' New Construction

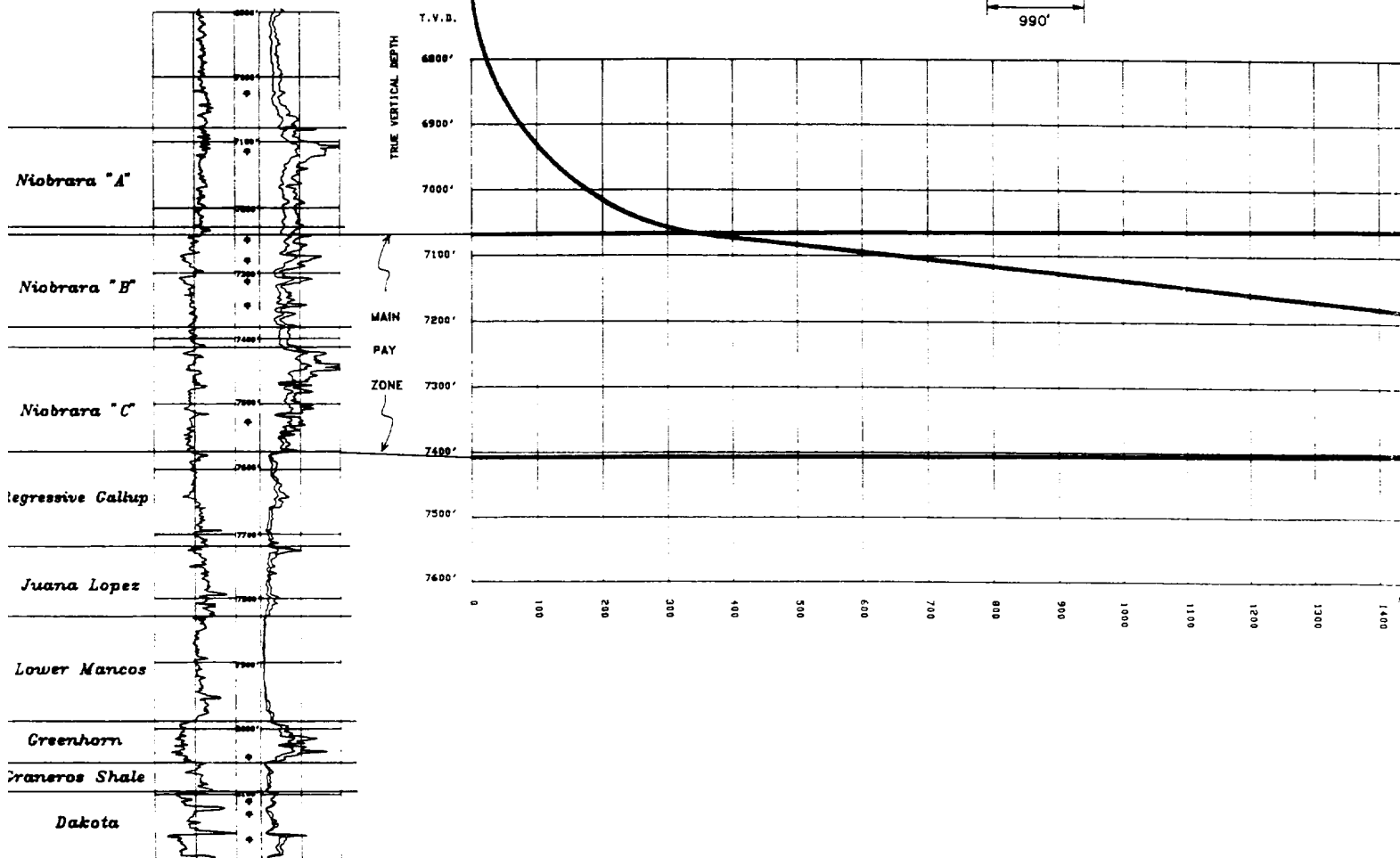
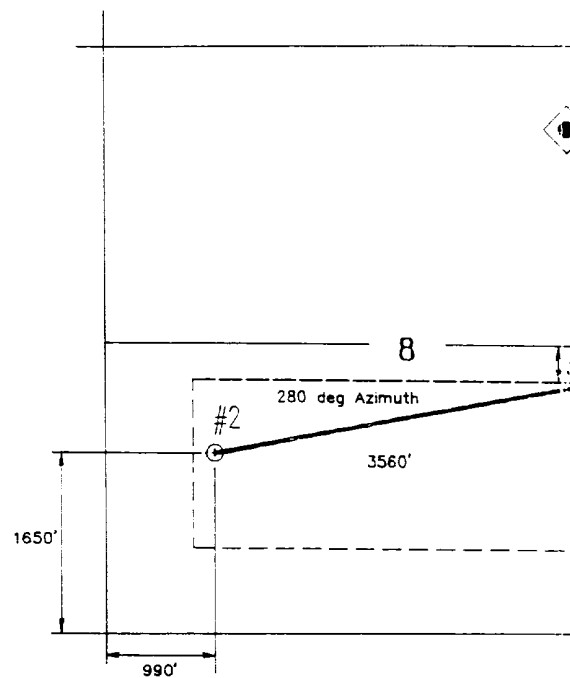
Section	8:	W2SW
		SESW
	17:	E2W2
		SWSW

1700'
300'
500'
1500'

JICARILLA "99" NO. 16
SW/SW 23, T26N-R3W
Rio Arriba Co., N.M.

SW
CHENEY FEDERAL
"B" NO. 2

K.O.P. 6663'



MERIDIAN OIL
CHENEY FEDERAL "B" NO. 2
HIGH ANGLE NIOBRARA NEW DRILL
NW/SW 8-T26N-R2W
Rio Arriba County, New Mexico

D. A. SCHODERBEK
P. D. ALLAN
L. K. SMITH

DWG: C. GROTH
REVISED 2/2/93

N

