

STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
2040 S. PACHECO
SANTA FE, NEW MEXICO 87505
(505) 827-7131

July 25, 1995

RECEIVED
JUL 27 1995

OIL CON. DIV.
DIST. 3

Merit Energy Company
c/o On Site Technologies, Ltd.
P. O. Box 2606
Farmington, New Mexico 87499

Attention: Robert L. Crabb

Administrative Order NSL-3547

Dear Mr. Crabb:

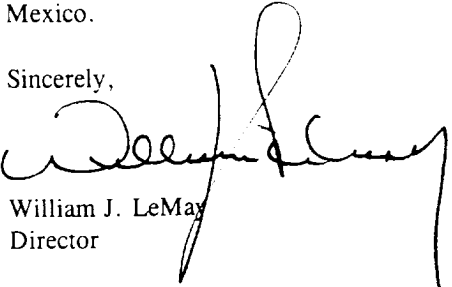
Reference is made to your applications dated March 13 and May 24, 1995 on behalf of the operator, Merit Energy Company, for an unorthodox Blanco-Mesaverde infill gas well location on an existing 320-acre gas spacing and proration unit (GPU) for said Blanco-Mesaverde Pool comprising the W/2 of Section 22, Township 26 North, Range 4 West, NMPM, Rio Arriba County, New Mexico. Said GPU presently has dedicated thereon the Merit Energy Company Jicarilla "E" Well No. 12 (API No. 30-039-21515) located at a standard gas well location 1850 feet from the South and West lines (Unit K) of said Section 22.

By the authority granted me under the provisions of Rule 2(d) of the Special Rules and Regulations for the Blanco-Mesaverde Pool, as promulgated by Division Order No. R-8170, as amended, the following described well to be drilled at an unorthodox gas well location is hereby approved:

**Jicarilla "E" Well No. 16
860' FNL - 2160' FWL (Unit C)**

Further, Merit Energy Company is hereby authorized to simultaneously dedicate Blanco-Mesaverde gas production on the subject GPU from the No. 16 well with the existing Well No. 12. Said wells and GPU will be subject to all existing rules, regulations, policies, and procedures applicable to prorated gas pools in Northwest New Mexico.

Sincerely,


William J. LeMay
Director

WJL/MES/kv

cc: Oil Conservation Division - Aztec ✓
U. S. Bureau of Land Management - Farmington

Ernie Busch

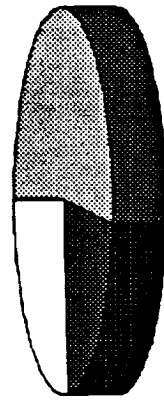
From: Ernie Busch
To: Mike Stogner
Subject: MERIT ENERGY CO (NSL)
Date: Friday, June 09, 1995 11:42AM
Priority: High

JICARILLA E #16
2160' FWL; 860' FNL
C-22-26N-04W
RECOMMEND: APPROVAL

MEXICO OIL & GAS ANNUAL REVENUES

TOTAL REVENUES
\$500 MILLION

AL
IES
(2)
(0)
LION



OIL & GAS
(TRD)
\$260 MILLION

YALTIES
)
LION

ONGARD
SYSTEM

OFF: (505) 325-8786



LAB: (505) 325-5667

May 24, 1995

Mr. Mike Stogner
State of New Mexico
Energy, Minerals & Natural Resources Department
Oil Conservation Division
2040 South Pacheco
Santa Fe, NM 87505

RECEIVED
JUN - 6 1995

OIL CON. DIV.
DIST. 3

RE: AMENDED REQUEST FOR AN UNORTHODOX LOCATION
MERIT ENERGY COMPANY
JICARILLA "E" # 16
2160' FWL & 860' FNL
SECTION 22, T-26-N, R-4-W
RIO ARriba COUNTY, NEW MEXICO

Dear Mr. Stogner:

On behalf of Merit Energy Company, On Site Technologies, Ltd., hereby submits to you this amended request for approval of an unorthodox location for the Jicarilla "E" # 16 well location. Said well will be drilled in the Blanco Mesa Verde pool. The reasons for this unorthodox location are due to topographic conditions and to prevent further surface disturbance per the request of the Jicarilla Apache Tribe.

The above mentioned proposed well location is on an existing well pad. The original well (Jicarilla "E" well No. 11) was approved for an unorthodox location in 1975 (Exhibit I).

The dedicated acreage for this well will be 320 acres, being the W/2 of Section 22, T-26-N, R-4-W.

In accordance with NMOCD memorandum dated March 21, 1990, from William J. LeMay, Director, I have enclosed the following:

1. A copy of the Notice of Staking listed as Exhibit "A"
2. A copy of the APD listed as Exhibit "B"
3. A copy of the C-102 listed as Exhibit "C"
4. A site plan listed as Exhibit "D"
5. A 7.5 minute quad topo map showing the proposed location listed as Exhibit "E"
6. A map denoting all off setting wells within a mile radius listed as Exhibit "F"
7. Enlarged topographic map denoting well location & topographic contours listed as Exhibit G
8. Diagram of Drilling Window listed as Exhibit "H"
9. Oil Conservation Commission letter of Approval dated July 16, 1975 listed as Exhibit "I"

All wells within the mile radius are Merit Energy Company wells. No other producers were found of record during the title search.

Please contact me if you should have any question or require any additional information.

Yours truly,

Robert L. Crabb
Agent for Merit Energy Company

P. O. BOX 2606 • FARMINGTON, NM 87499

Exploration & Development Department

NOS Format

NOTICE OF STAKING (Not to be used in place of Application for Permit to Drill Form 3160-3)		6. Lease Number JIC. CONT. #104	
1. Oil well <input type="checkbox"/> Gas well <input checked="" type="checkbox"/> Other (Specify)		7. If Indian, Allottee or Tribe Name JICARILLA APACHE	
2. Name of Operator MERIT ENERGY COMPANY ON SITE TECHNOLOGIES, LTD. - AGENT		8. Unit Agreement Name N/A	
3. Name of Specific Contact Person TORA BALDWIN - Agent		9. Farm or Lease Name JICARILLA "E"	
4. Address & Phone No. of Operator or Agent P.O. BOX 2606 FARMINGTON, NM 87499 (505) 325-5667		10. Well No. #16	
5. Surface Location of Well Attach: a) Sketch showing road entry onto pad, pad dimensions, and reserve pit. b) Topographical or other accept- able map showing location, access road, and lease boundaries.		11. Field or Wildcat Name MV Basin Dakota	
		12. Sec., T., R., M., or Blk and Survey or Area SEC. 22, T.26N., R.4W.	
15. Formation Objective(s) MESA VERDE BASIN DAKOTA	16. Estimated Well Depth 8000'	13. County, Parish or Borough RIO ARriba COUNTY	14. State NM
17. Additional Information (as appropriate; must include surface owner's name, address, and telephone number)			

18. Signed  Title ON SITE TECHNOLOGIES, LTD
AGENT FOR MERIT Date 12-05-94
TORA BALDWIN

Note: Upon receipt of this Notice, the Bureau of Land Management (BLM) will
schedule the date of the onsite predrill inspection and notify you
accordingly. The location must be staked and access road must be
flagged prior to the onsite.

Operators must consider the following prior to the onsite:

- a) H₂S Potential
- b) Cultural Resources (Archeology)
- c) Federal Right of Way or Special Use Permit

FORM APPROVED
OMB NO. 1004-0136
Expires: February 28, 1995UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1a. Type of Work DRILL X DEEPEN <input type="checkbox"/>		5. Lease Designation and Serial No. Jicarilla Cont. #104
b. Type of Well Oil <input type="checkbox"/> Gas X Other <input type="checkbox"/> Single Zone <input type="checkbox"/> Multiple Zone X		6. If Indian, Allottee or Tribe Name Jicarilla Apache
2. Name of Operator Merit Energy 12222 Merit Drive, Suite 1500, Dallas, TX 75251		7. Unit Agreement Name N/A
3. Address and Telephone No. AGENT (505) 325-8786 On Site Technologies, Ltd. P.O. Box 2606, Farmington, NM 87499		8. Farm or Lease Name, Well No. Jicarilla E #16
4. Location of Well (Report location clearly and in accordance with any State requirements.)* At surface 2160' FWL & 860' FNL. At proposed prod. zone Same		9. API Well No.
14. Distance in Miles and Direction From Nearest Town or Post Office* Approximately 12 miles from Lindrieth, NM		10. Field and Pool, or Wildcat Blanco Mesa Verde
15. Distance from Proposed* Location to Nearest Property or Lease Line, Ft. (Also to nearest drlg. unit line, if any) 3120'	16. No. of Acres in Lease 2560	11. Sec., T., R., M., or Blk. and Survey or Area Sec. 22, T26N, R4W
18. Distance from Proposed Location* to Nearest Well, Drilling, Completed, or Applied For, On This Lease, Ft. 100'	19. Proposed Depth 8000'	12. County or Parish Rio Arriba
21. Elevations (Show whether DF, RT, GR, etc.) 6818' GL		13. State NM
22. Approx. Date Work will Start* May 1, 1995		17. No. of Acres Assigned to This Well 160
20. Rotary or Cable Tools Rotary		

23. PROPOSED CASING AND CEMENTING PROGRAM				
Size of Hole	Grade, Size of Casing	Weight Per Foot	Setting Depth	Quantity of Cement
12 1/4"	J55 8 5/8"	24 #	300'	230 sxs class B @ 15.6#/gal
8 5/8"	J55 5 1/2"	15.5 # / 17.0 #	8000'	Lead 400 sxs class B 50/50/Pozmix @ 11.7#/gal
			D.V.Tool 5500'	Tail 230 sxs class B @ 15.6#/gal
				Second stage: Lead 800 sxs class B 50/50/Pozmix @ 11.7 #/gal. Tail 50 sxs class B @ 15.6#/gal.

SEE ATTACHED DRILLING PROGRAM

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 Robert H. Crabb Title AGENT FOR MERIT ENERGY Date March 16, 1995
ROBERT CRABB

(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

Title

Date

*See Instruction 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.

EXHIBIT B

District I
PO Box 1980, Hobbs, NM 88241-1980
District II
PO Drawer DD, Artesia, NM 88211-0719
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
PO Box 2088, Santa Fe, NM 87504-2088

State of New Mexico
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION
PO Box 2088
Santa Fe, NM 87504-2088

Form C-1
Revised February 21, 1990
Instructions on back
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number		Pool Code		Pool Name	
Property Code		Property Name			Well Number
		JICARILLA			E # 16
OGRID No.		Operator Name			Elevation
		MERIT ENERGY COMPANY			6818'

10 Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
C	22	26N	4W		860	NORTH	2160	WEST	RIO ARRIE

11 Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

12 Dedicated Acres	13 Joint or Infill	14 Consolidation Code	15 Order No.

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

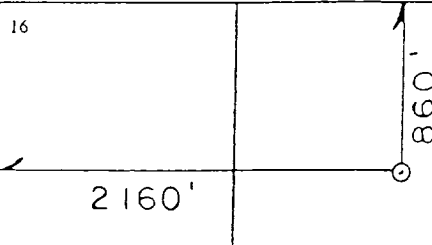
16			

EXHIBIT C

17 OPERATOR CERTIFICATION

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

Signature

Printed Name

Title

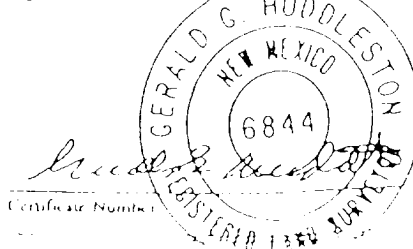
Date

18 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 belief

9-12-94
Date of Survey

Signature and Seal of Professional Surveyor



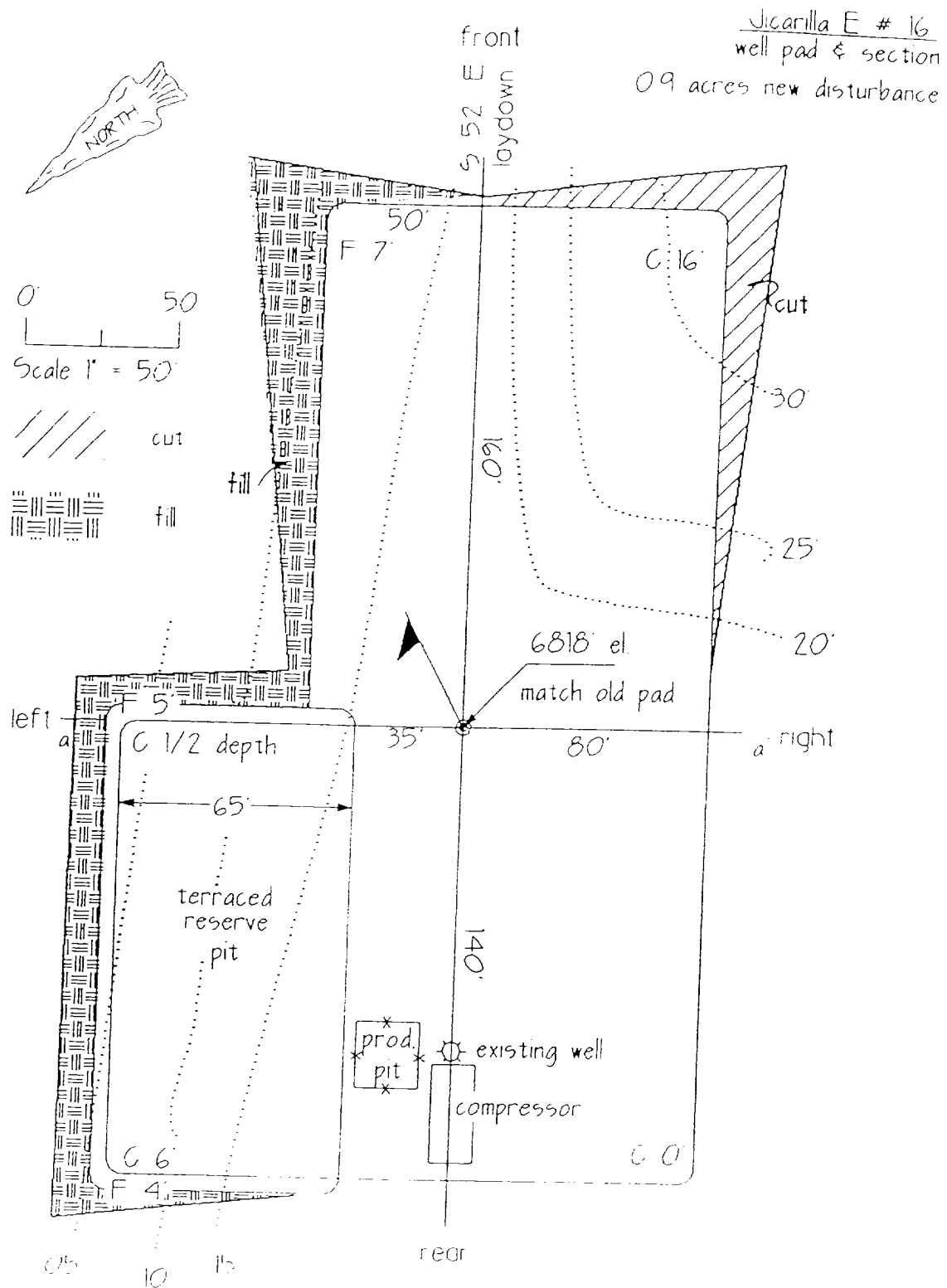


EXHIBIT D

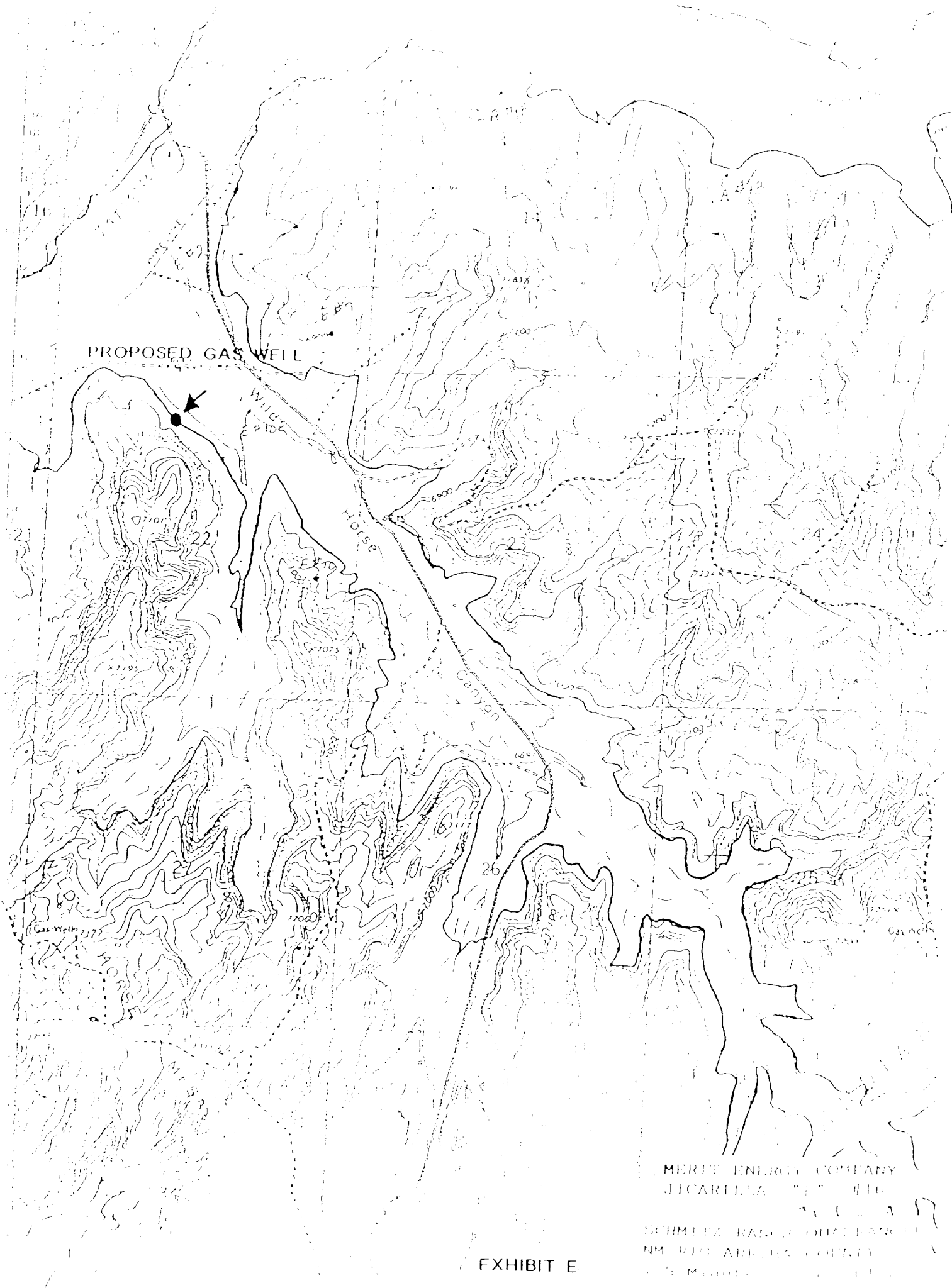
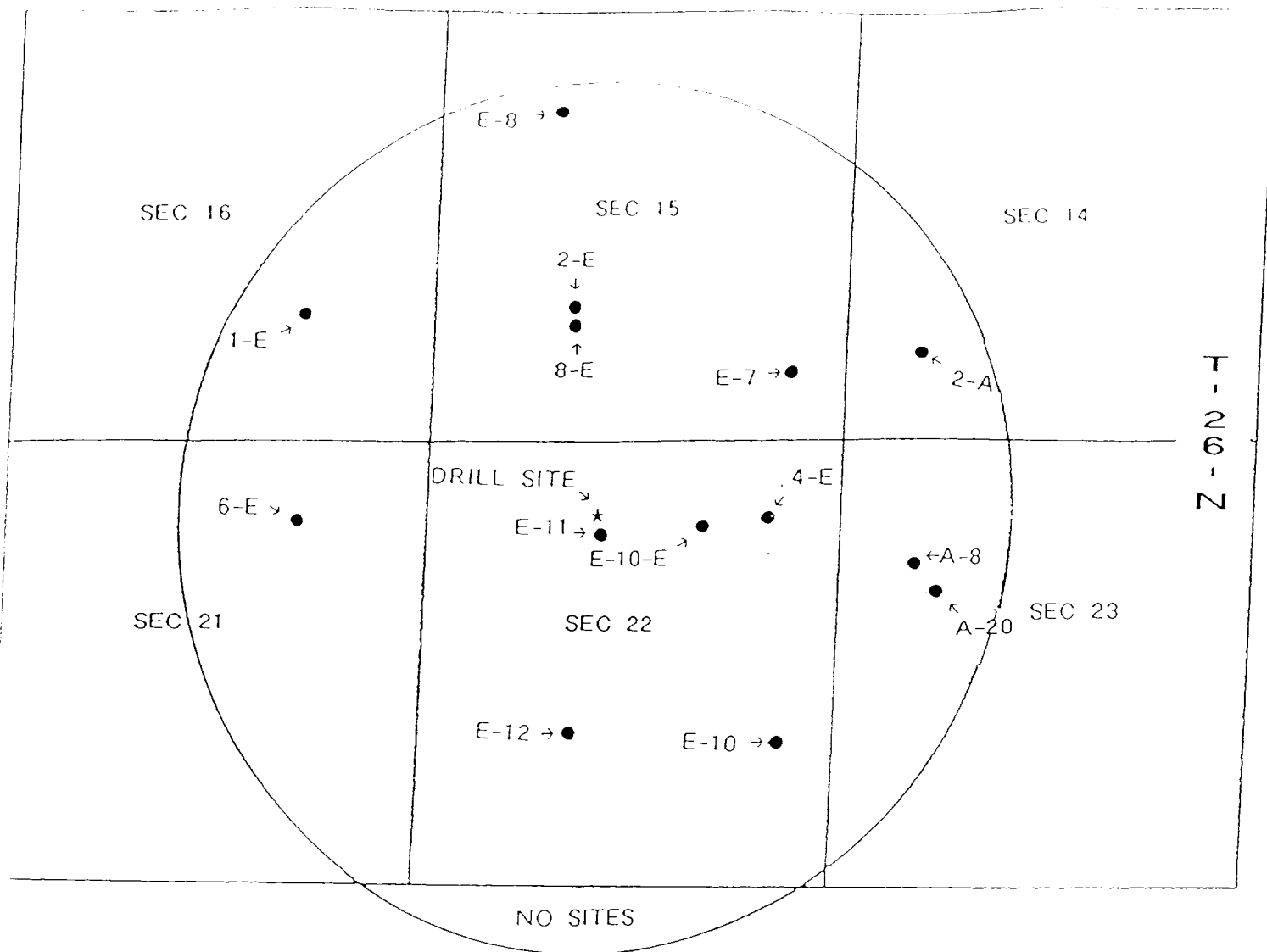


EXHIBIT E

MERIT ENERGY COMPANY
JICARILLA "1" #16
SCHMIDT RANCH QUIL RANCH
NM PEO ARIZONA COUNTY
MOUNTAIN



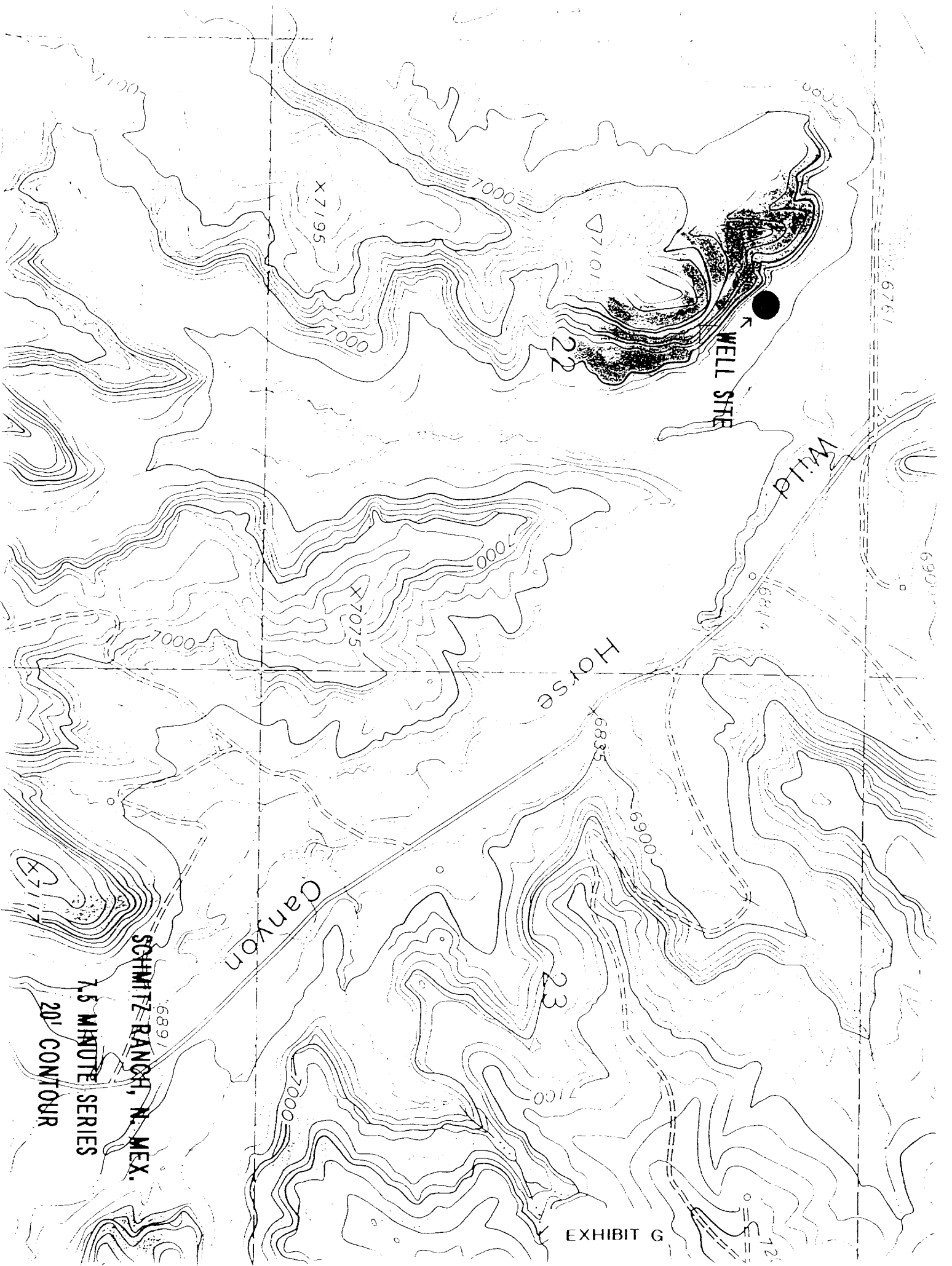
OFFSET WELL LOCATION PLAT FOR AN UNORTHADOX
LOCATION FOR MERIT ENERGY COMPANY'S
JICARILLA E-16
SECTION 22, T-26-N, R-4-W NMPM
RIO ARRIBA COUNTY, NEW MEXICO

All Above Noted Well Locations Are Merit Energy Company Locations
The "Star" Icon Denotes The Location for The Jicarilla E#16

Drawn By Robert L. Crabb

March 13, 1995

NOT DRAWN TO SCALE



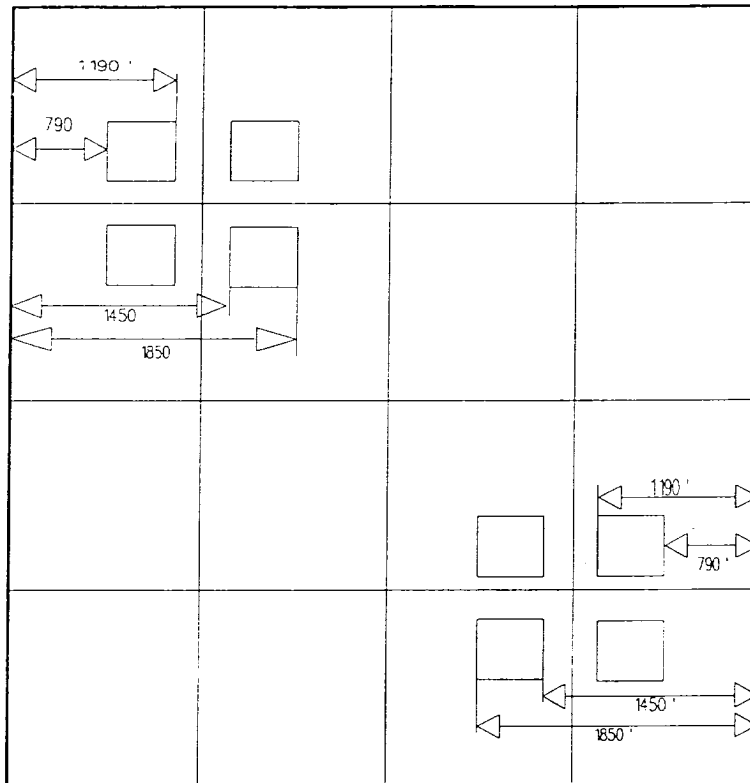
SCHMITZ RANCH, N. MEX.

7.5 MINUTE SERIES

20' CONTOUR

EXHIBIT G

DRILLING WINDOW FOR THE BLANCO MESAVERDE POOL



OIL CONSERVATION COMMISSION

P. O. BOX 2088

SANTA FE NEW MEXICO 87501

July 16, 1975

C
Southern Union Production Company
P. O. Box 808
Farmington, New Mexico 87401

Attention: Mr. Bill Vanderslice

Administrative Order HSL-716

O
Gentlemen:

P
Reference is made to your application for approval of a non-standard location for your Jicarilla "E" Well No. 11, located 800 feet from the North line and 2075 feet from the West line of Section 22, Township 26 North, Range 4 West, NMPM, Tapacito Pictured Cliffs Pool, Rio Arriba County, New Mexico.

Y
By authority granted me under the provisions of Rule 104 F of the Commission Rules and Regulations, the above-described unorthodox location is hereby approved.

Yours very truly

JOE D. RAMEY
Secretary-Director

JDR/JEK/dr

cc: Oil Conservation Commission - Aztec
Oil & Gas Engineering Committee - Hobbs
U. S. Geological Survey - Farmington

