UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

	TYPE OF WORK PLUG BACK TYPE OF WELL GAS	·		LEASE NUMBER USA-ŚNM-0113 IF INDIAN, A	93	e name
2.	OPERATOR MERIDIAN OIL INC.		7.	UNIT AGREEME	NT NAME	
3.	ADDRESS & PHONE NO. OF OF P.O. BOX 4289 FARMINGTON, NM 87499 (505) 326-9700	PERATOR	İ	FARM OR LEAS CLEVELAND WELL NO. 7	E NAME	
4.	LOCATION OF WELL 1650' FSL; 1650' FEL	. , - 		FIELD, POOL, BASIN FRUITL SEC. T. R. M SEC. 21, T27	AND COAL OR BLK.	
14.	DISTANCE IN MILES FROM NE	AREST TOWN	12.	COUNTY SAN JUAN	13. STA	re
15.	DISTANCE FROM PROPOSED LOCATION TO NEAREST PROPERTY OR LEASE LINE.	16. ACRES IN I	LEASE	17. ACRES) WELI
18.	DISTANCE FROM PROPOSED LOCATION TO NEAREST WELL DR. COMPL., OR APPLIED FOR ON THIS LEASE.	19. PROPOSED I	ОЕРТН	20. ROTAR	Y OR CABLE	FOOLS
21.	ELEVATIONS (DF, FT, GR, E 6271' DF	TC.)	22	. APPROX. DAT	E WORK WILL	START
23.	PROPOS	ED CASING AND	EMENT	ING PROGRAM		
24.	$($ Λ \overrightarrow{A}	EE OPERATIONS (SHL)	AUG	2 0 1990 ON. DIV.	<i>У-3-9</i> 0 DATE	-
DEDMI	THE NO			IST. 3		
PERMI	T NO.	APPROVAL DATE				
APPRO	OVED BY T	ITLE		DATE		
NOTE:	(NO ADDITIONAL DIRT WOR	K WILL BE REQUI	IN FORM	4 3160-3. PPROVED		
	Hold C-104	FOR NSL NMOCD	FOR A	AUG 1 4 1990 Ken Townsend REA MANAGER	5) 7)	

Substaint to Appropriate District Office State Lease - 4 copies Foe Lease - 3 copies

State of New Mexico Energy, Minerais and Natural Resources Department

Form C-102 Revised 1-1-89

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

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

OIL CONSERVATION DIVISION

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

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

WELL LOCATION AND ACREAGE DEDICATION PLAT

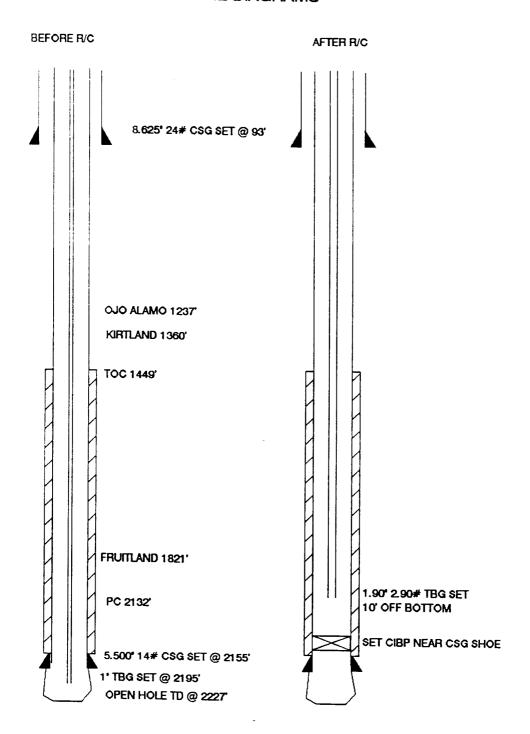
AL LEAST Section 1 Township 21 Township 21 27 North 29 West North County San Juan Township Location of Will: 1650 feet from the East		All Dia	tances must be from the o	uter boundaries of	the section	
J 21 27 North 9 West NATM San Juan 1650 feet from the East line made from the South time and 1650 feet from the East line made to the residence of South time and 1650 feet from the East line made to the feet from the East line made to the surject well by colored penal or hadrone reserve on the pain below. 2. If more time are insens or different conversible and identify the conversible thereof (both as to working interest and roywiny). 3. If more time one issues of different conversible to the well, have the interest and and identify the conversible thereof (both as to working interest and roywiny). 4. If more time one issues of different conversible to the well, have the interest form of increases. Note-pooling, for otherwise) or time form of unconversible well and an increases. The bear approved by the Division. Not re-surveyed prepared from plat by Stephen H. Kinney dated 4-22-55. BEEFIVE OIL CONI. Div. Date SURVEYOR CERTIFICATI I havely correly that the well location on this plan was planted from first the surface of the surface of the feet of the surface and the feet of the surface of the feet of the surface of the feet of the feet of the surface of the feet of	Meridian	Oil Inc.	Londo - C	leveland	(NM-011393)	Well No. 7
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Total Continue South Sou		!	North 9	West	· · · · · ·	
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2. If some than one team of deficinated to the well, custime such and identify the ownership thereof (both as to working interest and royalty). 1. If some than one team of different ownership is dedicated to the well, have the interest of all owners bean consolidated by communication. If summer is "not list the owners and tract descriptions which have actually been consolidated. (Use severe such of the form of successory.) No allowable well be suggisted to the well until all interests have been consolidated by communications, until stoop, forced-posing, or otherwise) or wait a non-remarked well be suggisted to the well until all interests have been approved by the Division. Not re-surveyed prepared from plat by Stephen H. Kinney dated 4-22-55. PECTIVE	1. Outline the acre	age dedicated to the subject we	il by colored peace or backs	D EDECKS OR the pist	heles	Acres
Trainment of "not list the common and tract descriptories which have actually been consciousles." Not described with be imagined to the well small all interests have been consciouslessed (by communications, institutions, forced-pooling, or otherwise) or small a non-standard test, eliminating such interest, has been approved by the Division. Not re-surveyed prepared from plat by Stephen H. Kinney dated 4-22-55. DECE VE OPERATOR CERTIFICATI I havely certify that the land complete from plat by Stephen H. Kinney dated 4-22-55. DIVIDENTIAL OF THE COMPANY Position Marridian Oil Inc. Company Surveyor Certification on this plat was plotted from plat are used to calculate actual surveys made by one or use approved the stand of my institute from plat and an approved the stand of my institute from plat and approved to the test of my institute from plat and approved the standard surveys made by one or use approved. OCCUPANY Surveyor Certification I havely certify that the well location on this plat was plotted from plat in approved to the test of my institute from plat in the standard surveys made by one or use approved to the standard surveys made by one or use approved to the standard surveys made by one or use approved to the standard surveys made by one or use approved to the standard surveys made by one or use approved to the standard surveys made by one or use approved to the standard surveys made by one or use approved to the standard surveys made by one or use approved to the standard surveys made by one or use approved to the standard surveys made by one or use approved to the standard surveys made by one or use approved to the standard surveys made by one or use approved to the standard surveys made by one or use approved to the standard surveys made by one or use approved to the standard surveys made by one or use approved to the standard surveys made by one or use approved to the standard surveys made by one or use approved to the standard surveys made by one or use approved to the standard surve	3. If more than our unstimation, force	s lease of different ownstakep is pooring, stc.?	dedicated to the well, have t	he interest of all ow		• • • • • • • • • • • • • • • • • • • •
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RECOMPLETION PROCEDURE Cleveland #7

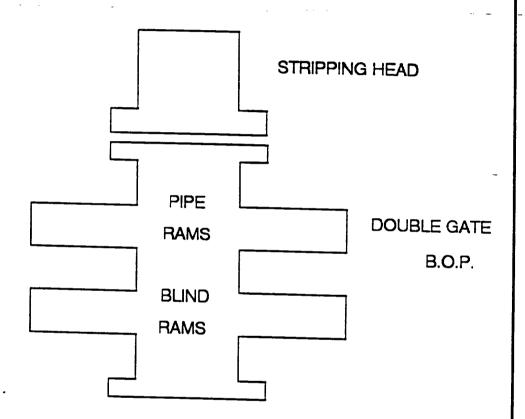
NO WORK IS TO BE PERFORMED OR EQUIPMENT TO BE LOCATED OFF APPROVED WELLPAD

- 1. Prepare location for workover. Install or replace anchors as necessary.
- 2. MOL with workover rig, hold safety meeting, install safety signs and proper fire equipment at strategic points. Comply with all BLM, NMOCD, and MOI regulations.
- Rig up blow lines, record tubing and casing pressures and blow well down. NU 6" 3000 psi BOP and test. Load hole with water.
- 4. TOOH with tubing.
- 5. PU 5 1/2" casing scraper and TIH with 2 3/8" 4.7# J-55 EUE tubing. TOOH.
- 6. RU wireline unit and set a 5 1/2" CIBP near 2100'. Pressure test casing to 2500 psi for 15 minutes.
- 7. Run logs.
- 8. Perforate across the coal. Perforations to be picked from log.
- 9. TIH with tubing and swab wellbore dry. Check well for gas flow. Evaluate well overnight. Check well for buildup pressure and gas flow.
- 10. Hold safety meeting with all personnel on location. PT surface lines to 4000 psi. Fracture stimulate well.
- 11. TIH with tubing and clean out to CIBP.
- 14. Land tubing. Swab well in. Record final 30, 45 and 60 minute gauges on morning report. ND BOP. NU tree. Rig down and release rig.
- 15. Shut well in for pressure build up. Obtain gas and water sample for analysis.

CLEVELAND #7 WELLBORE DIAGRAMS



WORKOVER / RECOMPLETION B.O.P. SCHEMATIC



MINIMUM: 6" 2000 PSI DOUBLE GATE B.O.P.
MAXIMUM ANTICIPATED SHUT-IN WELLHEAD
PRESSURE IS LESS THAN 2000 PSI