UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

	TYPE OF WORK PLUG BACK	5. LEASE NUMBER USA-NM-011393			
1b.	TYPE OF WELL GAS	6. IF INDIAN, ALL. OR TRIBE NAME			
2.	OPERATOR Meridian Oil Inc.	7. UNIT AGREEMENT NAME			
3.	ADDRESS & PHONE NO. OF OPERATOR P.O. BOX 4289 FARMINGTON, NM 87499 (505) 326-9700	8. FARM OR LEASE NAME REESE FEDERAL 9. WELL NO. 1			
4.	1650' FSL; 1632; FEL	10. FIELD, POOL, OR WILDCAT BASIN FRUITLAND COAL 11. SEC. T. R. M OR BLK. SEC. 17, T27N, R09W			
14.	DISTANCE IN MILES FROM NEAREST TOWN	12. COUNTY 13. STATE SAN JUAN NM			
15.	DISTANCE FROM 16. ACRES IN LI PROPOSED LOCATION TO NEAREST PROPERTY OR LEASE LINE.	EASE 17. ACRES ASSIGNED TO WELL 320.00			
	DISTANCE FROM 19. PROPOSED DI PROPOSED LOCATION TO NEAREST WELL DR. COMPL., OR APPLIED FOR ON THIS LEASE.	EPTH 20. ROTARY OR CABLE TOOLS			
21.	ELEVATIONS (DF, FT, GR, ETC.) 6357' GR	22. APPROX. DATE WORK WILL START			
23.	PROPOSED CASING AND CE				
24.	AUTHORIZED BY: Jeggy Madfield (CJS)	AUG 2 0 1990 OIL CON. DIV.			
PERMI	T NO APPROVAL DATE _	DIST. 3			
APPRO	VED BY TITLE	DATE			
OTE:	THIS FORMAT IS ISSUED IN LIEU OF US BLM (NO ADDITIONAL DIRT WORK WILL BE REQUIR WISH to low for Councillation of the NMOCD E)	AUG 1 4 1990 Clevelaud Ken Townsend # 22(week AREA MANAGER			

Substit to Appropriate District Office State Lasse - 4 copies Fee Lasse - 3 copies

State of New Mexico Energy, Minerais and Natural Resources Department

Form C-102 Revised 1-1-89

OIL CONSERVATION DIVISION

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

DISTRICT II
P.O. Dizwer DD, Artesia, NM \$8210

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

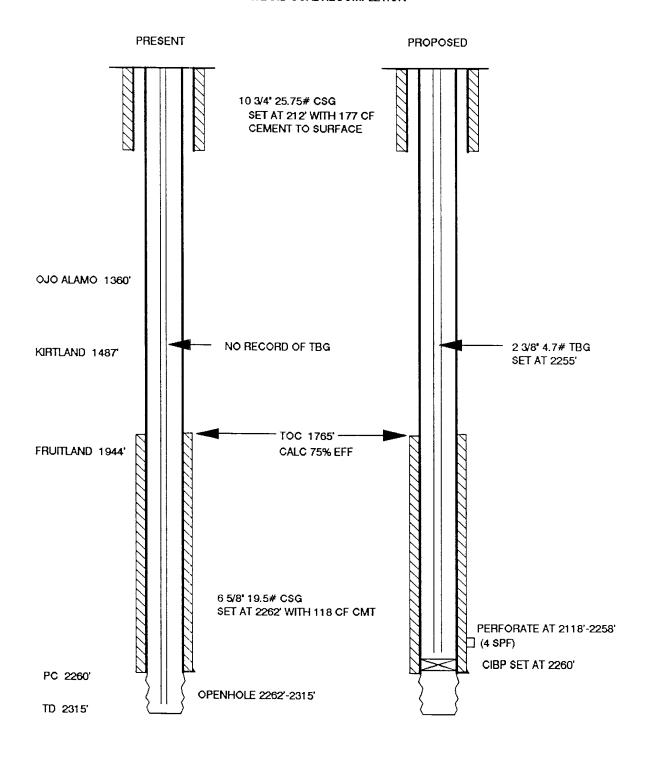
DISTRICT III 1000 Rio Brazos Rd., As		WELL LOCAT	TON AND AC	CREAGE DEDICA o outer boundaries of t	TION PLAT	Miles Charles M. Alba
Operacor Meridia	ın Oil Inc		Lense	Reese Fede	(NM-011393) Well No.
Unit Letter Se	17	Towaship 27 Nor	Range	9 West	Com	sy San Juan
Actual Footage Location 1650	of Well:	South	!	1632	NMPM	East
Ground level Elev. 6357 '	Producing	Formation.	Pool		feet from the	line Dedicated Acresge:
2. If more than 3. If more than	acreage dedicated to a cost team in dedica	ted to the well, outline	ored peacel or be each and identify	Sin desire marks on the plat b the ownership thereof (bo we the interest of all owner	oth as to working inter	
Ye If answer is "a this form if as No allowable is	to" list the owners as consensy. will be assigned to ti	nd tract descriptions whi he well until all interest string such interest, has	have been come been approved by	been consolidated. (Use :	ion, unstization, forced	-pooling, or otherwise)
	erveyed. To the by E.S.	aken		-= 	Contains best of for Signature Pegg	gy Bradfield
(1)	0 990 0 990				Position Mer Company	ulatory Affairs idian Oil Inc. 8-3-50 VEYOR CERTIFICATION
	DIV.I		9-	/632'	I hereby on this p actual su supervisor correct to	certify that the well location shown let was plotted from field notes of the made by me or under my, and that the same is true and that the bast of my knowledge and $8-2-90$
			/650'			6857 6857
330 640 990	1320 1650 196	2310 2640	2000 150	1000 500	Certificate	LACO LYRU 201

Reese Federal #1 Procedure to Recomplete Fruitland Coal

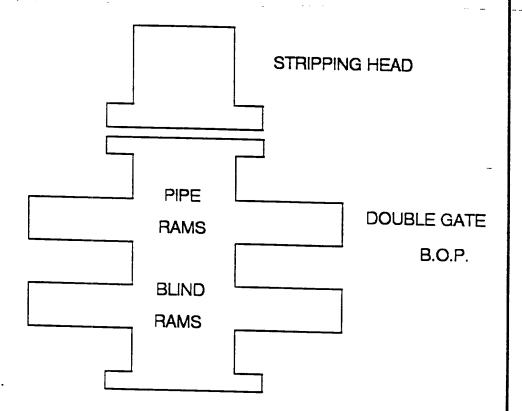
- 1. Check location anchors.
- 2. MOL and rig up daylight pulling unit with rip pump and blow tank.
- Kill PC with water as needed. ND wellhead. NU BOP. TOOH with 1" tubing.
- 4. Run GR-CNL-CCL. Set cast iron bridge plug at 2260'.
- 5. Pressure test casing to 750 psi for 15 minutes. TIH with 3 1/2" frac string and set at 2100'. Pressure test frac string to 3000 psi. If test fails, well will be evaluated for repair or abandonment.
- 6. Perforate the Fruitland Coal interval.
- 7. Pick up retrievable bridge plug and packer. TIH on 2 3/8" tubing Isolate each coal interval and breakdown.
- 8. Fracture stimulate well.
- 9. Open well through variable choke and flow back slowly.
- 10. TIH with 2 3/8" tubing with expendable check on bottom. Blow well with air.
- 11. Obtain and record gauges. When returns dry up, TOOH with 2 3/8" tubing.
- 12. TIH with 2 3/8" 4.7# EUE tubing with pump out plug on bottom and common pump seating nipple one joint off bottom. Land tubing at 2255'. Nipple down BOP. Nipple up wellhead.

REESE FEDERAL #1 WELLBORE DIAGRAMS

UNIT J SECTION 17 T27N-R9W FRUITLAND COAL RECOMPLETION



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