

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

RECEIVED
BLM MAIL ROOM

89 MAR 17 PM 1:26

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

FARMINGTON RESOURCE AREA
NEW MEXICO

SF-077383

1a. TYPE OF WORK
DRILL

1b. TYPE OF WELL
GAS SINGLE ZONE

5. LEASE NUMBER
6. IF INDIAN, ALL. OR TRIBE NAME

7. UNIT AGREEMENT NAME

2. OPERATOR
MERIDIAN OIL INC.

3. ADDRESS & PHONE NO. OF OPERATOR
P O BOX 4289
FARMINGTON, NM 87499

8. FARM OR LEASE NAME
DAVIDSON G. C. F.
9. WELL NO.
503

4. LOCATION OF WELL
1450'S 1190'W

10. FIELD, POOL, OR WILDCAT
BASIN FRUITLAND COAL
11. SEC. T. R. M OR BLK.
L SEC. 28 T28N R10W NMPM

14. DISTANCE IN MILES FROM NEAREST TOWN
8 MILES FROM BLOOMFIELD

12. COUNTY 13. STATE
SAN JUAN NM

15. DISTANCE FROM
PROPOSED LOCATION 1190'
TO NEAREST PROPERTY
OR LEASE LINE.

16. ACRES IN LEASE 17. ACRES ASSIGNED TO WELL
12.80 \$/320.00

DRILLING OPERATIONS AUTHORIZED ARE
SUBJECT TO COMPLIANCE WITH ATTACHED
"GENERAL REQUIREMENTS"

18. DISTANCE FROM
PROPOSED LOCATION
TO NEAREST WELL DR. 500'
COMPL., OR APPLIED
FOR ON THIS LEASE.

19. PROPOSED DEPTH 20. ROTARY OR CABLE TOOLS
2095' ROTARY

THE BUREAU OF LAND MANAGEMENT
DOES NOT WARRANT THAT THE APPLICANT
HOLDS LEGAL OR EQUITY INTEREST
OR TITLE TO THIS LEASE.

21. ELEVATIONS (DF, FT, GR, ETC.)
6105'GL

22. APPROX. DATE WORK WILL START

23. PROPOSED CASING AND CEMENTING PROGRAM

*SEE OPERATIONS PLAN

24. AUTHORIZED BY: *[Signature]*
REGULATORY AFFAIRS

DATE

APPROVED
AS AMENDED

NOTE: THIS FORMAT IS ISSUED IN LIEU OF US BLM FORM 3160-3.

MAR 30 1989
[Signature]
AREA MANAGER

NMOCC

All distances must be from the outer boundaries of the Section.

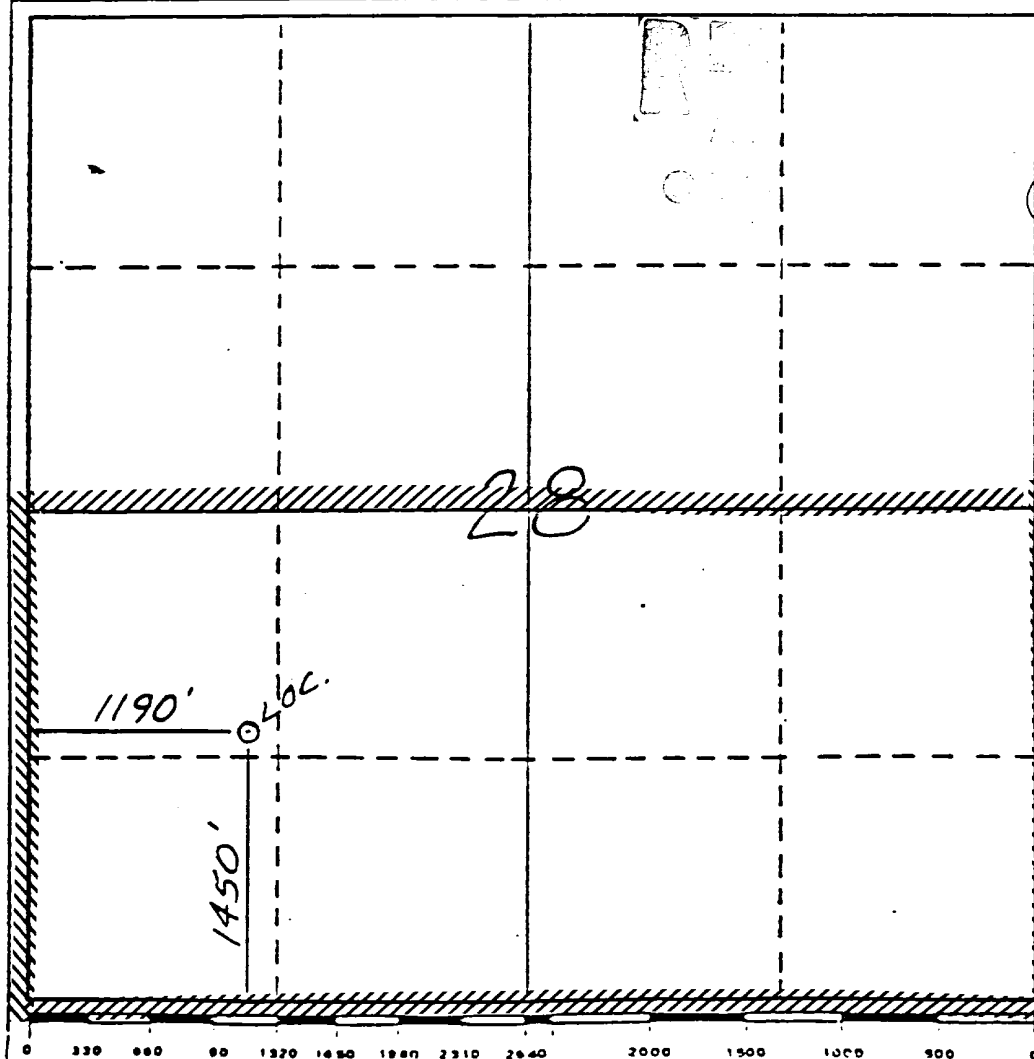
| | | | | |
|--|---------------------------------------|--------------------------------------|---------------------------|--------------------|
| Operator Meridian Oil Inc. | | Lease Davidson G.C. F (SF-077383) | | Well No. 503 |
| Unit Letter L | Section 28 | Township 28 North | Range 10 West | County San Juan |
| Actual Footage Location of Well: 1450 feet from the South line and 1190 feet from the West line | | | | |
| Ground Level Elev. 6105' | Producing Formation Fruitland Coal | Pool Basin | Dedicated Acreage: 320 | |

1. Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to work interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interests 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 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, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Division.



CERTIFICATION

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

Neale C. Edward
Name

Regulatory Affairs

Position:
Meridian Oil Inc.

Company

3-15-89

Date

I hereby certify that the well location shown on this plat was plotted from notes of actual surveys made by me under my supervision, and that the same is true and correct to the best of my knowledge and belief.

Neale C. Edward
Date Surveyed

11-12-88

Registered Professional Engineer and/or Land Surveyor

Neale C. Edward

Certificate No.

6857

OPERATIONS PLAN

DATE: MAR 14, 1985

Well Name: 503 DAVIDSON G. C. F
 Sec. 28 T28N R10W
 BASIN FRUITLAND COAL

1450'S 1190'W
 SAN JUAN NEW MEXICO
 Elevation 6105'GL

Formation tops: Surface- NACIMIENTO
 Ojo Alamo- 991
 Kirtland- 1186
 Fruitland- 1756
 Fruitland Coal Top- 1954
 Fruitland Coal Base- 2094
 Intermediate TD- 1934
 Total Depth- 2095
 Pictured Cliffs- 2098

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 APR 10 1985
 C. C. CO. CO.
 L. C. CO.

Logging Program: Mud logs from intermediate to total depth.

Mud Program: Low solid non-dispersed mud from surface to total depth.

| Casing Program: | Hole Size | Depth Interval | Csg. Size | Weight | Grade |
|-----------------|-----------|----------------|-----------|--------|-------|
| | 12 1/4" | 0 - 200 | 9 5/8" | 32.3# | H-40 |
| | 8 3/4" | 0 - 1934 | 7" | 20.0# | K-55 |
| | 6 1/4" | 1884 - 2095 | 5 1/2" | 15.5# | K-55 |
| Tubing Program: | | 0 - 2095 | 2 7/8" | 6.5# | J-55 |

Float Equipment: 9 5/8" surface casing - saw tooth guide shoe.

7" intermediate casing - guide shoe and self-fill insert float valve. Three centralizers run every other joint above shoe. Run insert float one joint above the guide shoe.

5 1/2" production liner - float shoe on bottom and a pre-drilled liner run to the 7" casing with a minimum 50' overlap. Liner hanger is a double slip grip type.

Wellhead Equipment: 9 5/8" x 7" x 2 7/8" x 11" 3000 psi xmas tree assembly.

Cementing:

9 5/8" surface casing - cement with 106 sacks of class "B" cement with 1/4# flocele/sack and 3% calcium chloride (125 cu ft. of slurry, 100% excess to circulate to surface). WOC 12 hours. Test casing to 600 psi for 30 minutes.

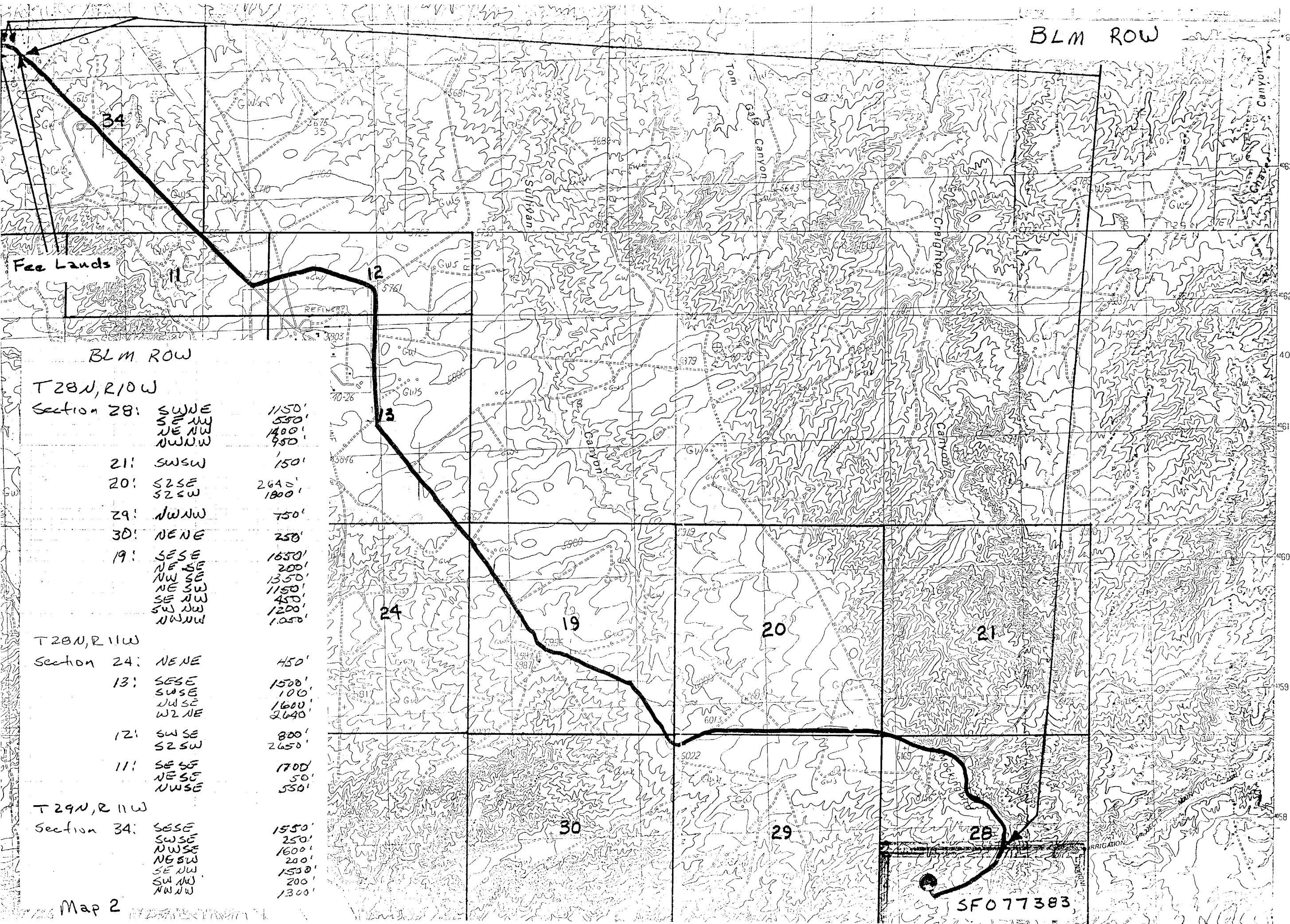
7" intermediate casing - lead with 86 sacks of 65/35 class "B" poz with 6% gel, 2% calcium chloride and 1/2 cu.ft. Perlite/sack (10.3 gallons of water/sack) tail with 100 sacks of class "B" with 2% calcium chloride. 283 cu ft. of slurry, 100% excess to cover the Ojo Alamo. Run temperature survey at 8 hours. WOC 12 hours. Test casing to 1500 psi for 30 minutes.

5 1/2" liner - do not cement.

The Fruitland coal formation will be completed.

A 3000 psi WP and 6000 psi test double gate preventer equipped with blind and pipe rams will be used for blow out prevention on this well. This gas is dedicated.

The S/2 of Section 28 is dedicated to this well.



T28N,R10W
Section 28:

| | |
|-------|-------|
| SUJE | 1150' |
| SE NW | 550' |
| NE NW | 1400' |
| NW NW | 950' |

| | | |
|-----|-------|-------|
| 21: | SWSW | 150' |
| 20: | S2SE | 2640' |
| | S2SW | 1800' |
| 29: | NW NW | 750' |
| 30: | NENE | 250' |
| 19: | SESE | 1650' |
| | NE SE | 200' |
| | NW SE | 1350' |
| | NE SW | 1150' |
| | SE NW | 450' |
| | SW NW | 1200' |
| | NW NW | 1050' |

T28N,R11W
Section 24:

| | |
|------|------|
| NENE | 450' |
|------|------|

| | | |
|-----|------|-------|
| 13: | SESE | 1500' |
| | SWSE | 100' |
| | NWSE | 1600' |
| | W2NE | 2640' |
| 12: | SWSE | 800' |
| | S2SW | 2650' |
| 11: | SESE | 1700' |
| | NESE | 50' |
| | NWSE | 550' |

T29N,R11W
Section 34:

| | |
|-------|-------|
| SESE | 1550' |
| SWSE | 250' |
| NWSE | 1600' |
| NE SW | 200' |
| SE NW | 1530' |
| SW NW | 200' |
| NW NW | 1300' |