

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

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SLM

94 AUG 18 PM 3:50

070 FARMINGTON, NM

Sundry Notices and Reports on Wells

- |   |   |
|---|---|
| <p>1. <b>Type of Well</b><br/>Gas</p> <hr/> <p>2. <b>Name of Operator</b><br/>Meridian Oil Inc.</p> <hr/> <p>3. <b>Address &amp; Phone NO. of Operator</b><br/>P.O. Box 4289, Farmington, NM 87499<br/>(505) 326 - 9700</p> <hr/> <p>4. <b>Location of Well, Footage, Sec., T, R, M</b><br/><br/>SW1/4SE1/4 Sec. 35, T. 30 N, R. 11 W</p> | <p>5. <b>Lease Number</b><br/>SF - 079962</p> <p>6. <b>If Indian, All. or Tribe Name</b></p> <p>7. <b>Unit Agreement Name</b></p> <hr/> <p>8. <b>Well Name &amp; Number</b><br/>Payne #2</p> <p>9. <b>API Well No.</b></p> <p>10. <b>Field and pool</b><br/>Pictured Cliffs</p> <p>11. <b>County and State</b><br/>San Juan, NM</p> |
|---|---|

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SEP 21 1994

OIL CON. DIV.

DIST. 3

**12. CHECK APPROPRIATE BOX TO INDICATE NATURE OF NOTICE, REPORT, OTHER DATA**

- | Type of Submission                                   | Type of Action                            |   |
|--|---|---|
| <input checked="" type="checkbox"/> Notice of Intent | <input type="checkbox"/> Abandonment      | <input type="checkbox"/> Change of Plans          |
| <input type="checkbox"/> Subsequent Report           | <input type="checkbox"/> Re-completion    | <input type="checkbox"/> New Construction         |
| <input type="checkbox"/> Final Abandonment           | <input type="checkbox"/> Plugging Back    | <input type="checkbox"/> Non - Routine Fracturing |
|  | <input type="checkbox"/> Casing Repair    | <input type="checkbox"/> Water Shut off           |
|  | <input type="checkbox"/> Altering Casing  | <input type="checkbox"/> Conversion to Injection  |
|  | <input checked="" type="checkbox"/> Other |   |

**13. Describe Proposed or Completed Operations**

Response to letter 14-08-001-6067 (CA) 3105 (07327)

Meridian Oil Inc. respectfully request that test data requiring that the Payne #2 is capable of producing in paying quantities be extended until March of 1995. This time frame will allow Meridian to connect the Payne #2 into a central compressor system which will allow the well to flow into lower line pressures.

The above mentioned project is currently underway and is expected to be operational by February 1995.

**14. I hereby certify that the foregoing is true and correct**

Signed *James D. Spence (RD)* Title *Reg. Rep.* Date *8-16-94*

(This space for Federal or State Office use)

Approved By \_\_\_\_\_ Title \_\_\_\_\_ Date \_\_\_\_\_

CONDITION OF APPROVAL, IF ANY:

**APPROVED**

*9/16/94*  
Date

*Duane W. Spencer*  
**Duane W. Spencer**  
Chief, Br. Reservoir Management  
BLM, Farmington District

XC: CRADDOCK  
FRASER



# United States Department of the Interior

## BUREAU OF LAND MANAGEMENT

Farmington District Office  
1235 La Plata Highway  
Farmington, New Mexico 87401

IN REPLY REFER TO:  
14-08-001-6067 (CA)  
3105 (07327)

**MERIDIAN OIL**

FARMINGTON, NEW MEXICO  
REGULATORY

JUN 7 1994

CERTIFIED-RETURN RECEIPT REQUESTED  
Z 777 608 613

Ms. Peggy Bradfield  
Meridian Oil Incorporated  
P. O. Box 4289  
Farmington, NM 87499

Dear Ms. Bradfield:

We have received your Form 3160-5 sundry notice dated March 25, 1994, concerning the integrity of the wellbore for the No. 2 Payne located in the SW $\frac{1}{4}$ SE $\frac{1}{4}$  Sec. 35, T. 30 N., R. 11 W., Federal Lease SF-079962. Since the subject well ceased production in September of 1989, and realizing the economic constraint of a high line pressure the terms of the communitization agreement still require that the No. 2 Payne well be capable of producing in paying quantities.

In a letter dated November 2, 1993, the Bureau of Land Management requested that you submit by January 3, 1994, adequate well test data showing that it is capable of production in paying quantities. No data has been submitted that convinces us of the well's current economic capabilities.

A review of our files concerning your well No. 2 Payne and Communitization Agreement (CA) 14-08-001-6067 indicates a similar request dated May 10, 1988, to El Paso Natural Gas Company requesting an acceptable showing that the subject well is capable of producing communitized substances in paying quantities. Meridian Oil Incorporated responded to this request on May 24, 1988, stating that the well had actively produced during the previous year.

By September 6, 1994, please submit well test data demonstrating that the No. 2 Payne is capable of producing in paying quantities from the Pictured Cliffs formation. Failure to do so will leave us no alternative than to terminate CA 14-08-001-6067.

If you have any questions, please contact Joe Hewitt at the above address or phone (505) 599-6365.

Sincerely,

*Ray Hagan*  
FOR

Duane W. Spencer  
Chief, Branch of Reservoir Management

Ken -  
What are plans  
with these. Review  
of form to ensure  
properly filled out.  
TH  
R