

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK

DRILL ☒

DEEPEN ☐

PLUG BACK ☐

b. TYPE OF WELL

OIL
WELL ☐

GAS
WELL ☒

OTHER ☐

SINGLE
ZONE ☒

MULTIPLE
ZONE ☐

2. NAME OF OPERATOR

Meridian Oil Inc.
Union Texas Petroleum Corp.

3. ADDRESS OF OPERATOR

4267 Farmington NM 87499
P.O. Box 2126 Houston, TX 77252-2120

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)*

At surface
2270 FSL & 840 FWL

At proposed prod. zone

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*

5 miles NW of Cedar Hill, NM

15. DISTANCE FROM PROPOSED*
LOCATION TO NEAREST
PROPERTY OR LEASE LINE, FT.

(Also to nearest drlg. unit line, if any)

840

16. NO. OF ACRES IN LEASE

1633.69 2633.69

17. NO. OF ACRES ASSIGNED
TO THIS WELL

318.04
w/ 314.97 W2

18. DISTANCE FROM PROPOSED LOCATION*
TO NEAREST WELL, DRILLING, COMPLETED,
OR APPLIED FOR, ON THIS LEASE, FT.

None

19. PROPOSED DEPTH

3025 2842

20. ROTARY OR CABLE TOOLS

Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)

6047 GR

This action is subject to technical and
procedural review pursuant to 43 CFR 3165.3
and proposed casing and cementing program

22. APPROX. DATE WORK WILL START*

6-1-90

23.

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT (GENERAL REQUIREMENTS)
12 1/4	9 5/8	36.0	350	210
8 3/4	7	23.0	2050-2590	238
6 1/4	5 1/2	15.5	2540-2842	none

We propose to drill to 3025' into the Fruitland Coal Formation
according to the 8 pt drilling plan.

"Approval of this action does
not warrant that the applicant
holds legal or equitable rights
or title to this lease."

RECEIVED
SEP 14 1990
OIL CON. DIV
DIST. 3

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen or plug back, 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

[Signature]

TITLE Regulatory Permit Coord

DATE 2/27/90

(This space for Federal or State office use)

PERMIT NO.

APPROVAL DATE

APPROVED BY

TITLE

DATE

CONDITIONS OF APPROVAL, IF ANY:

[Signature]

WOOD

SEP 14 1990
[Signature]
FOR AREA MANAGER

*See Instructions On Reverse Side

Submit to Appropriate
District Office
State Lease - 4 copies
Fee Lease - 3 copies

State of New Mexico
Energy, Minerals 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 I
P.O. Box 1980, Hobbs, NM 88240

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

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

WELL LOCATION AND ACREAGE DEDICATION PLAT

All Distances must be from the outer boundaries of the section

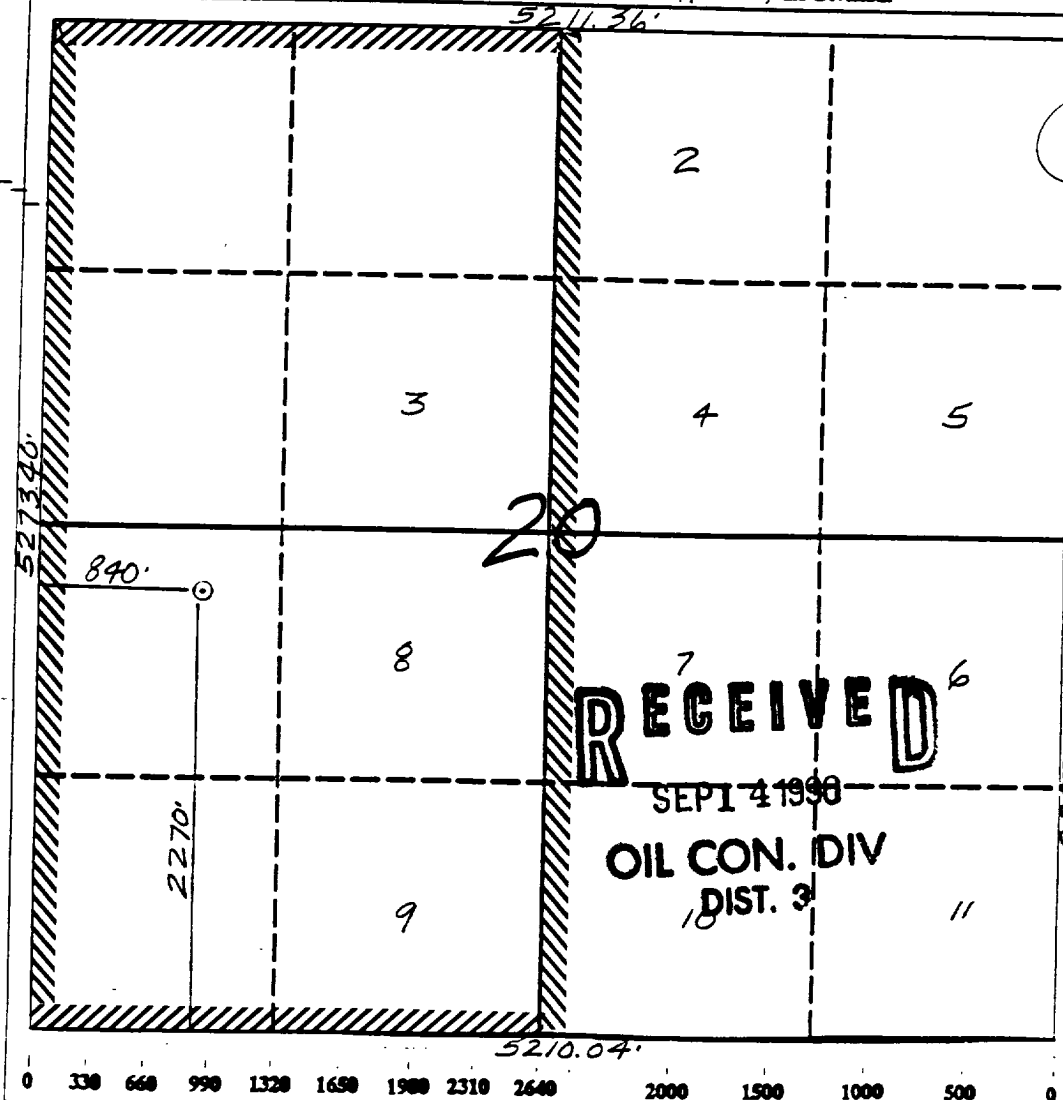
Operator Meridian Oil Inc.			Lease Payne (SF080517)		Well No. 201
Unit Letter L	Section 20	Township 32 North	Range 10 West	County NMPM San Juan	
Actual Footage Location of Well: 2270 feet from the South line and 840 feet from the West line					
Ground level Elev. 6047'	Producing Formation Fruitland Coal		Pool Basin	Dedicated Acreage: 318.06 Acres	

1. Outline the acreage dedicated to the subject well by colored pencil or ballpoint marker 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 working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interest 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 interest, has been approved by the Division.



OPERATOR CERTIFICATION

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

Signature: *Peggy Bradfield*

Printed Name: Peggy Bradfield

Position: Regulatory Affairs

Company: Meridian Oil Inc.

Date: 7-10-90

Date: 7-10-90

SURVEYOR CERTIFICATION

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

Date Surveyed: 7-2-90

Signature: *[Signature]*

Professional Surveyor: *[Signature]*



Certificate No. 6857

Neale C. Edwards

Well Name: 201 PAYNE
 Sec. 20 T32N R10W
 BASIN FRUITLAND COAL

2270' FSL 840' FWL
 SAN JUAN NEW MEXICO
 Elevation 6047' GL

Formation tops: Surface- NACIMIENTO

Ojo Alamo- 1084

Kirtland- 1134

Fruitland- 2424

Fruitland Coal Top- 2598

Fruitland Coal Base- 2840

Pictured Cliffs- 2845

Intermediate TD- 2590

Total Depth- 2842

Logging Program: Mud logs from intermediate to total depth.

Mud Program:	Interval	Type	Weight	Visc.	Fl. Loss
	0 - 350	Spud	8.4 - 8.9	40-50	no control
	350 - 2590	Non-dispersed	8.4 - 9.1	30-60	no control
	2590 - 2842	Formation Water	8.4		no control

Casing Program:	Hole Size	Depth Interval	Csg. Size	Weight	Grade
	12 1/4"	0 - 350	9 5/8"	32.3#	H-40
	8 3/4"	0 - 2590	7"	20.0#	K-55
	6 1/4"	2540 - 2842	5 1/2"	15.5#	K-55
Tubing Program:		0 - 2842	2 7/8"	6.5#	J-55

Float Equipment: 9 5/8" surface casing - saw tooth guide shoe. Centralizers will be run in accordance with Onshore Order #2.

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. Two turbolizing type centralizers - one below and one into the base of the Ojo Alamo @ 1134'. Standard centralizers thereafter every fourth joint up to the base of the surface pipe.

5 1/2" production casing - 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 279 sacks of class "B" cement with 1/4# flocele/sack and 3% calcium chloride (329 cu ft. of slurry, 200% excess to circulate to surface). WOC 12 hours. Test casing to 600 psi for 30 minutes.

7" intermediate casing - lead with 371 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. 835 cu ft. of slurry, 110% excess to circulate to surface. If hole conditions permit, a 600 ft spacer will be run ahead of the cement slurry to avoid mud contamination of the cement. WOC 12 hours. If cement does not circulate to surface, a temperature log will be run after 8 hours to determine TOC.

5 1/2" liner - do not cement.

$$\begin{array}{r}
 1.1 \\
 159.35 \\
 158.71 \\
 \hline
 318.06
 \end{array}$$