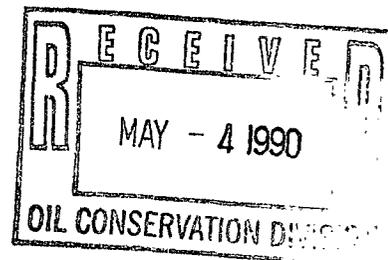


MERIDIAN OIL

May 3, 1990

Certified Mail

Mr. William LeMay
New Mexico Oil Conservation Division
Post Office Box 2088
Santa Fe, New Mexico 87503



RE: Cleveland #2
1090'FSL, 790'FEL
Section 15, T-27-N, R-10-W
San Juan County, New Mexico

Dear Mr. LeMay:

This is a request for administrative approval for a non-standard gas well location in the Basin Fruitland Pool.

Meridian Oil intends to plugback and recomplete the Cleveland #2 well from the Pictured Cliffs pool to the Basin Fruitland Coal Pool. The current location of this well is 1090'FSL, 790'FEL, Section 15, T-27-N, R-10-W, San Juan County, New Mexico. The well is considered non-standard due to the NE-SW dedicated pattern established for the Basin Fruitland Coal Pool. To comply with the New Mexico Oil Conservation Division rules, Meridian is submitting the following for your approval of this non-standard location:

1. C-102 plat showing location of the well;
2. Plat showing offset owners/operators;
3. Affidavit of notification of offset owners/operators;
4. Copy of Well Completion Log for original completion.

A copy of this application is being submitted to all offset owners/operators by certified mail with a request that they furnish your Santa Fe office with a Waiver of Objection, and return one copy to this office.

Sincerely yours,

A handwritten signature in cursive script that reads "Peggy Bradfield".

Peggy Bradfield
encl.

WAIVER

_____ hereby waives objection to Meridian Oil Inc.'s application for a non-standard location for their Cleveland #2 as proposed above.

By: _____ Date: _____

xc: Southland Royalty Company

MERIDIAN OIL

OIL CONSERVATION DIVISION
RECEIVED

May 3, 1990

'90 MAY 8 AM 10 15

Certified Mail

Mr. William LeMay
New Mexico Oil Conservation Division
Post Office Box 2088
Santa Fe, New Mexico 87503

RE: Cleveland #2
1090'FSL, 790'FEL
Section 15, T-27-N, R-10-W
San Juan County, New Mexico

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Sincerely yours,



Peggy Bradfield
encl.

WAIVER

Southland Royalty Co. hereby waives objection to Meridian Oil Inc.'s application for a non-standard location for their Cleveland #2 as proposed above.

By: Swaince Date: 5/4/90

xc: Southland Royalty Company

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

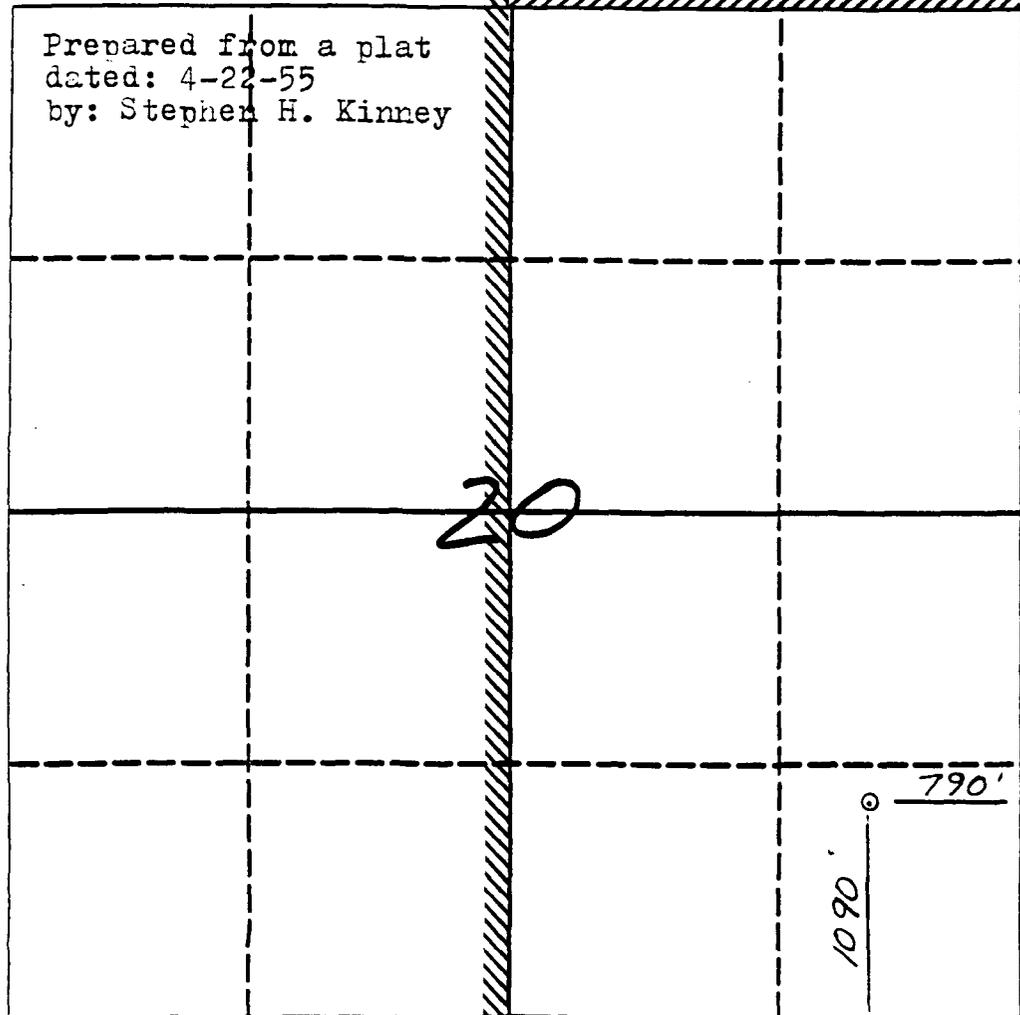
Operator Meridian Oil Inc.		Lease Cleveland (NM-011393)		Well No. 2
Unit Letter P	Section 20	Township 27 North	Range 9 West	County San Juan
Actual Footage Location of Well: 1090 feet from the South line and 790 feet from the East line				
Ground level Elev. 6291'	Producing Formation Fruitland Coal	Pool Basin	Dedicated Acreage: 320 Acres	

- Outline the acreage dedicated to the subject well by colored pencil or hectare marks on the plat below.
- If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
- 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.



Prepared from a plat
dated: 4-22-55
by: Stephen H. Kinney

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
Regulatory Affairs

Position
Meridian Oil Inc.

Company

Date

SURVEYOR CERTIFICATION

I hereby certify that the well location shown on this plat was plotted from field notes of 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. Re-copied 5-1-90

Date Surveyed

Signature
Professional Surveyor

NEALE EDWARDS
REGISTERED LAND SURVEYOR
NEW MEXICO
6857
6857

Certificate No.

Neale Edwards

0 330 660 990 1320 1650 1980 2310 2640 2000 1500 1000 500 0

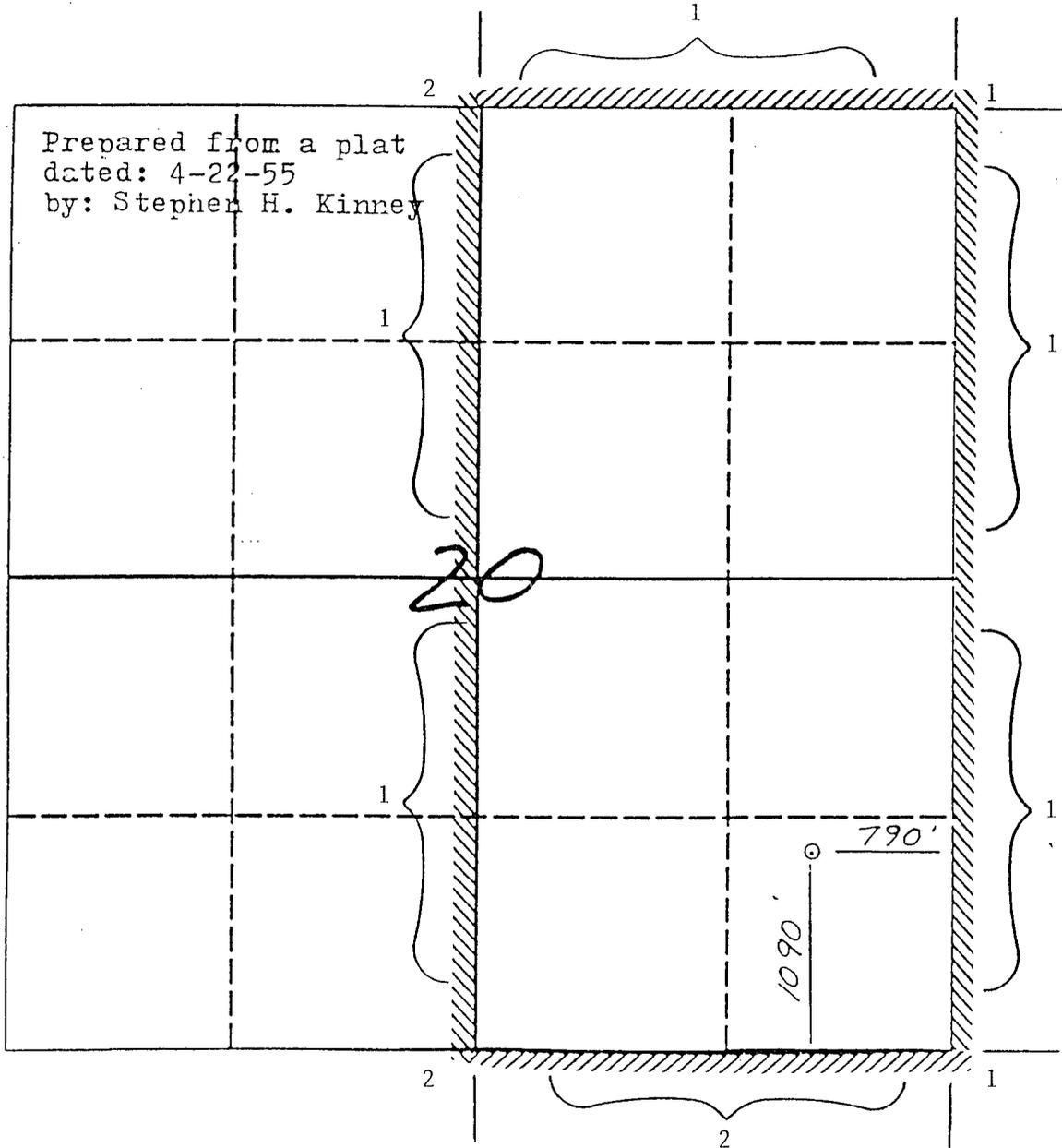
MERIDIAN OIL INC

Well Name Cleveland #2

Footage 1090' FSL; 790' FEL

APPLICATION FOR NON-STANDARD LOCATION

County San Juan State New Mexico Section 20 Township 27N Range 9W



Remarks 1) Meridian Oil Inc.
2) Southland Royalty Company

Cleveland #2
1090'FSL, 790'FEL
Section 15, T-27-N, R-10-W
San Juan County, New Mexico

I hereby certify that the following offset owners/operators have been mailed notification of our application for administrative approval for non-standard gas well location for the plugback and recompletion of the above well.

Southland Royalty Company
P.O. Box 4289
Farmington, NM 87499

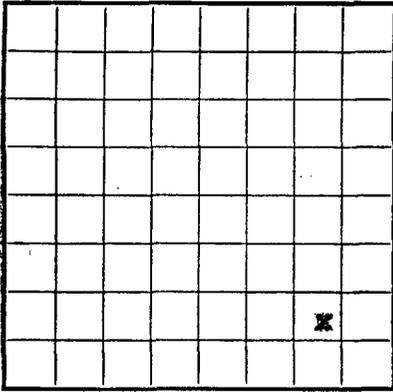


Peggy Bradfield
May 3, 1990

San Juan County
State of New Mexico

My commission expires August 17, 1992

U. S. LAND OFFICE New Mexico
SERIAL NUMBER 011973
LEASE OR PERMIT TO PROSPECT _____



LOCATE WELL CORRECTLY

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

LOG OF OIL OR GAS WELL

Company J. Glenn Turner Address P. O. Box 728 - Farmington New Mexico
Lessor or Tract Cleveland Field Fletcher-Duda State New Mexico
Well No. 2-20 Sec. 20 T. 17 N. R. 2 W. Meridian H.M.P.M. County San Juan
Location 1070 ft. $\left\{ \begin{matrix} N. \\ S. \end{matrix} \right\}$ of 8 Line and 792 ft. $\left\{ \begin{matrix} E. \\ W. \end{matrix} \right\}$ of E Line of Sec. 20 Elevation 6299
(Derrick floor relative to sea level)

The information given herewith is a complete and correct record of the well and all work done thereon so far as can be determined from all available records.
Signed [Signature]

Date July 22, 1955 Title C. Hanson Neal, Agent in Farmington

The summary on this page is for the condition of the well at above date.

Commenced drilling June 16, 1955, 19____ Finished drilling July 2, 1955, 19____

OIL OR GAS SANDS OR ZONES

(Denote gas by G)

No. 1, from 2160 to 2222 No. 4, from _____ to _____
No. 2, from _____ to _____ No. 5, from _____ to _____
No. 3, from _____ to _____ No. 6, from _____ to _____

IMPORTANT WATER SANDS

No. 1, from _____ to _____ No. 3, from _____ to _____
No. 2, from _____ to _____ No. 4, from _____ to _____

CASING RECORD

Size casing	Weight per foot	Threads per inch	Make	Amount	Kind of shoe	Cut and pulled from	Perforated		Purpose
							From—	To—	
<u>8-5/8"</u>	<u>216</u>	<u>8 rd. thd.</u>	<u>How</u>	<u>106.7'</u>	<u>How</u>				
<u>5-1/2"</u>	<u>116</u>	<u>8 rd. thd.</u>	<u>How</u>	<u>216.9'</u>	<u>How</u>				

MUDDING AND CEMENTING RECORD

Size casing	Where set	Number sacks of cement	Method used	Mud gravity	Amount of mud used
<u>8-5/8"</u>	<u>106.7'</u>	<u>80</u>	<u>Sullivan</u>	<u>Mostly water</u>	
<u>5-1/2"</u>	<u>216.9'</u>	<u>100</u>	<u>Sullivan</u>	<u>Mostly water</u>	

PLUGS AND ADAPTERS

Heaving plug—Material _____ Length _____ Depth set _____

FOLD MARK

REVISED

May 7, 1990

'90 MAY 8 AM 10 21

Certified Mail

Mr. William LeMay
New Mexico Oil Conservation Division
Post Office Box 2088
Santa Fe, New Mexico 87503

RE: Cleveland #2
1090'FSL, 790'FEL
Section 20, T-27-N, R-09-W
San Juan County, New Mexico

Dear Mr. LeMay:

This is a request for administrative approval for a non-standard gas well location in the Basin Fruitland Pool.

Meridian Oil intends to plugback and recomplete the Cleveland #2 well from the Pictured Cliffs pool to the Basin Fruitland Coal Pool. The current location of this well is 1090'FSL, 790'FEL, Section 20, T-27-N, R-09-W, San Juan County, New Mexico. The well is considered non-standard due to the NE-SW dedicated pattern established for the Basin Fruitland Coal Pool. To comply with the New Mexico Oil Conservation Division rules, Meridian is submitting the following for your approval of this non-standard location:

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Sincerely yours,



Peggy Bradfield
encl.

WAIVER

_____ hereby waives objection to Meridian Oil Inc.'s application for a non-standard location for their Cleveland #2 as proposed above.

By: _____ Date: _____

xc: Southland Royalty Company

MERIDIAN OIL

OIL CONSERVATION DIVISION
RECEIVED

REVISED

'90 MAY 9 AM 8 39
May 7, 1990

Certified Mail

Mr. William LeMay
New Mexico Oil Conservation Division
Post Office Box 2088
Santa Fe, New Mexico 87503

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Peggy Bradfield
encl.

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By: Cubert Date: 5/8/90

xc: Southland Royalty Company

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 00, Aramis, NM 88210

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

WELL LOCATION AND ACREAGE DEDICATION PLAT

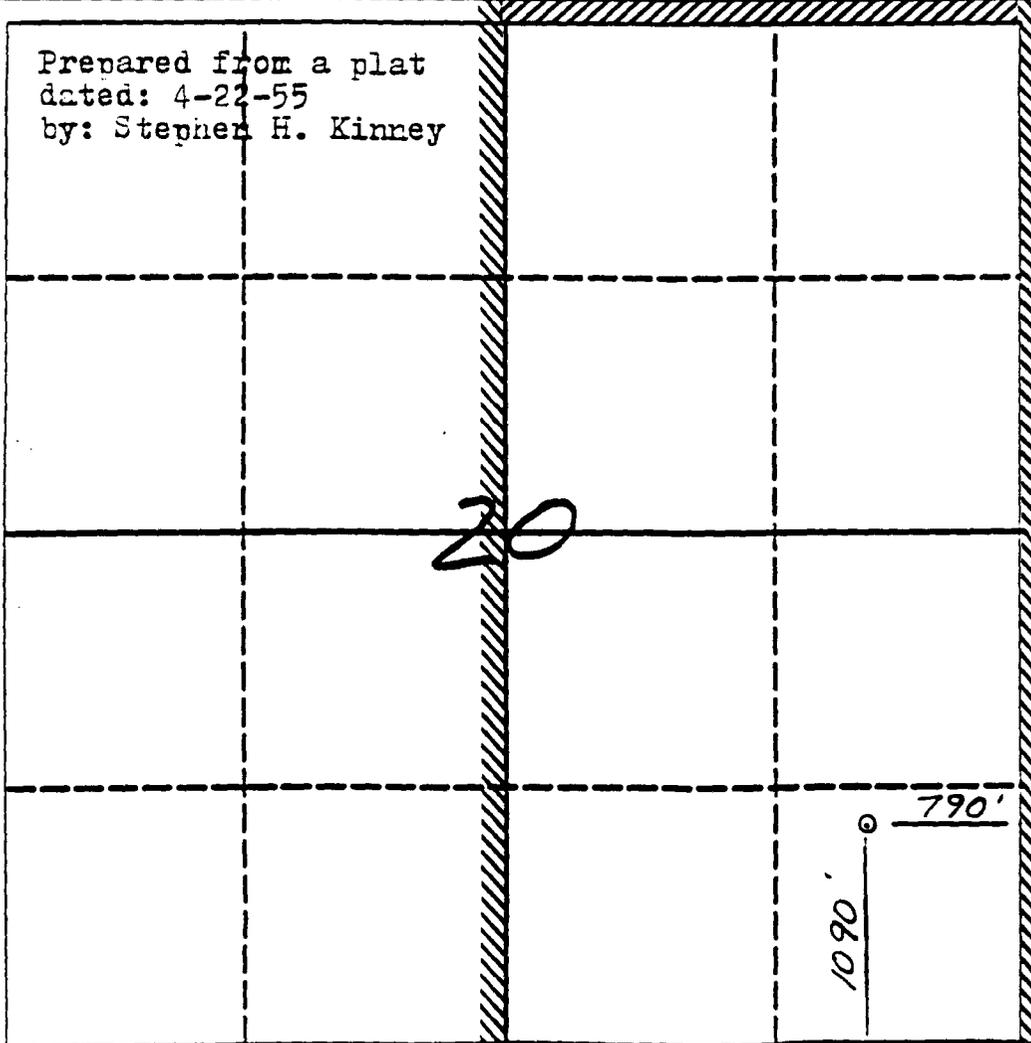
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Prepared from a plat
dated: 4-22-55
by: Stephen H. Kinney

OPERATOR CERTIFICATION

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

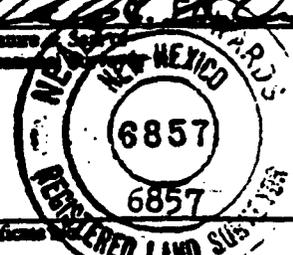
Signature
Peggy Bradfield
Printed Name
Regulatory Affairs
Position
Meridian Oil Inc.
Company

Date

SURVEYOR CERTIFICATION

I hereby certify that the well location shown on this plat was plotted from field notes, 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. Re-copied 5-1-90

Date Surveyed
Signature of Surveyor
Professional Seal No. _____



Certified by
Neale G. Edwards

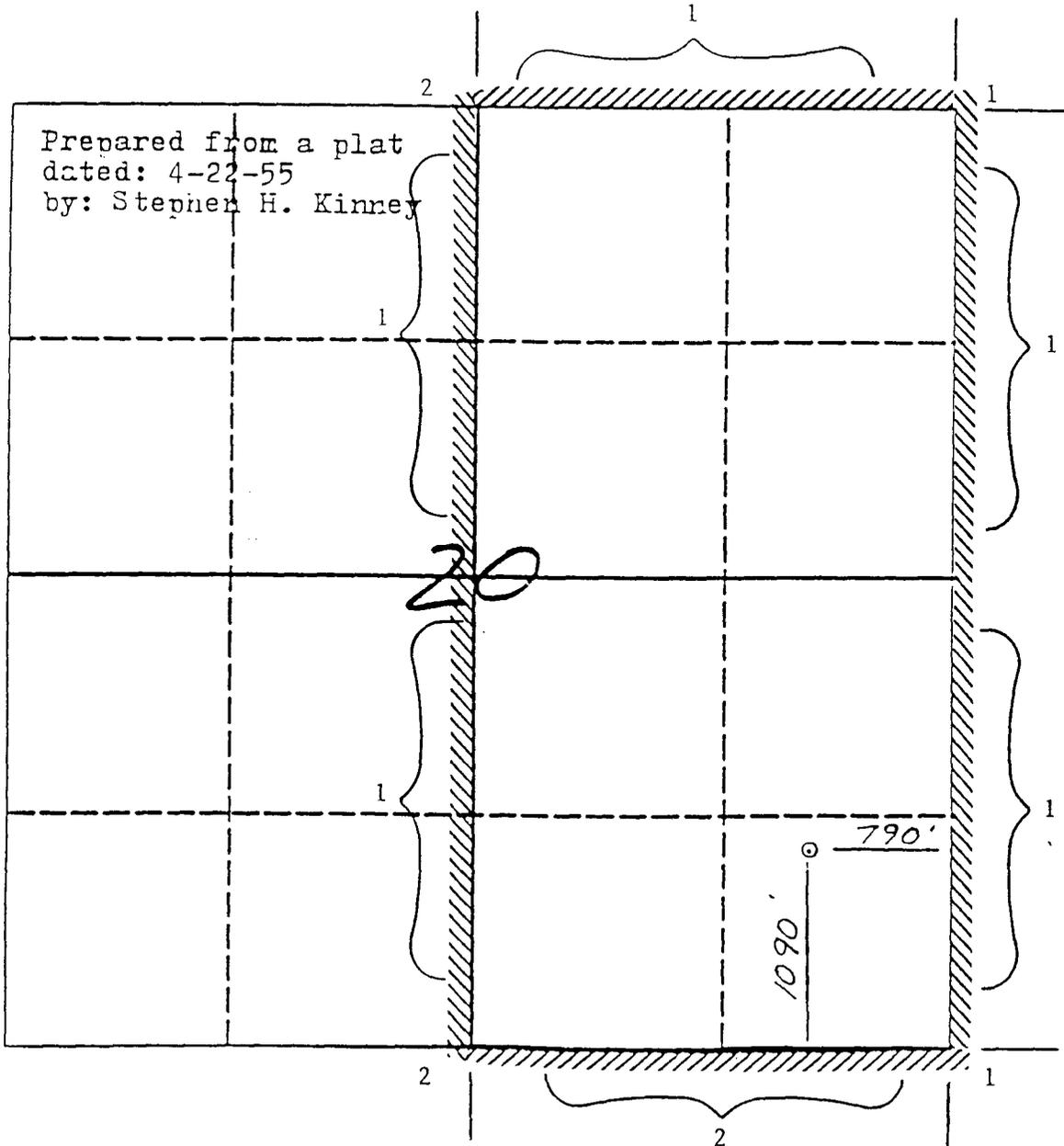
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County San Juan State New Mexico Section 20 Township 27N Range 9W



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Farmington, NM 87499


Peggy Bradfield
May 7, 1990

San Juan County
State of New Mexico

My commission expires August 17, 1992

