

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

N.M. OIL CONS. COMMISSION
P.O. BOX 1980
HOBBS, NEW MEXICO 88240

APPROVED
Budget Bureau No. 1004-0135
Expires: March 31, 1993

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir.
Use "APPLICATION FOR PERMIT -" for such proposals

SUBMIT IN TRIPLICATE

1. Type of Well

☒ Oil Well ☐ Gas Well ☐ Other

2. Name of Operator

MERIDIAN OIL INC.

3. Address and Telephone No.

P.O. Box 51810, Midland, TX 79710-1810 915-688-6943

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

SEC. 23 & 24, T22S, R32E

5. Lease Designation and Serial No.

NM 81633/NM 87268

6. If Indian, Allottee or Tribe Name

7. If Unit or CA, Agreement Designation

8. Well Name and No.

CHECKERBOARD
FEDERAL

9. API Well No.

10. Field and Pool, or exploratory Area

WEST RED TANK DELAWARE

11. County or Parish, State

LEA NM

12. CHECK APPROPRIATE BOX(s) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

- ☐ Notice of Intent
☒ Subsequent Report
☐ Final Abandonment Notice

TYPE OF ACTION

- ☐ Abandonment
☐ Recompletion
☐ Plugging Back
☐ Casing Repair
☐ Altering Casing
☐ Other COMINGLING REQUEST
☐ Change of Plans
☐ New Construction
☐ Non-Routine Fracturing
☐ Water Shut-Off
☐ Conversion to Injection
☐ Dispose Water
(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

AMENDED REQUEST:

MERIDIAN OIL INC. RESPECTFULLY REQUEST APPROVAL TO AMEND THE COMINGLING ORDER FOR THE CHECKERBOARD 23 FEDERAL LEASE (NM 81633) BY ADDING THE CHECKERBOARD '24' FEDERAL LEASE (NM 87268) AND DELETING THE RED TANK FEDERAL LEASE (NM 77058). ALL PRODUCTION IS FROM THE WEST RED TANK DELAWARE FIELD.

WE ARE REQUESTING APPROVAL FOR OFF-LEASE STORAGE, SURFACE COMINGLING, AND MEASUREMENT OF HYDROCARBONS.

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

Signed

Title REGULATORY ASSISTANT

Date 1/10/95

(This space for Federal or State office use)

Approved by

Title

Petroleum Engineer

Date

2/6/95

Conditions of approval, if any:

APPLICATION TO AMEND THE SURFACE COMMINGLING, AND MEASUREMENT APPROVAL FOR THE CHECKERBOARD 23 FEDERAL LEASE (NM 81633) BY DELETING THE RED TANK FEDERAL LEASE (NM 77058) AND ADDING THE CHECKERBOARD '24' FEDERAL LEASE (NM 87268), LOCATED IN SEC. 23, T22S, R32E. ALL IN THE WEST RED TANK DELAWARE FIELD.

TO: BUREAU OF LAND MANAGEMENT
P.O. BOX 1778
CARLSBAD, NEW MEXICO 88221-1778

MERIDIAN OIL INC. IS REQUESTING APPROVAL TO AMEND THE SURFACE COMMINGLING AND MEASUREMENT OF HYDROCARBON PRODUCTION FOR THE CHECKERBOARD '23' FEDERAL LEASE (NM 81633) BY DELETING THE RED TANK LEASE (NM 77058) AND ADDING THE CHECKERBOARD '24' FEDERAL LEASE (NM 87268) LOCATED IN SEC. 23, T22S, R32E, LEA COUNTY, NM. ALL IN THE WEST RED TANK DELAWARE FIELD.

| WELL NO: | SEC. | TWP | RNG | FORMATION | LEASE NO. | STATUS |
|-------------------------------------|------|-----|-----|-----------|-----------|---------------|
| Checkerboard '23' Fed. # 1 | 23 | 22S | 32E | Delaware | NM 81633 | Prod. |
| Checkerboard '23' Fed. # 2 | 23 | 22S | 32E | Delaware | NM 81633 | Prod. |
| Checkerboard '23' Fed. # 3 | 23 | 22S | 32E | Delaware | NM 81633 | Prod. |
| Checkerboard '23' Fed. # 4 | 23 | 22S | 32E | Delaware | NM 81633 | Prod. |
| Checkerboard '23' Fed. # 5 | 23 | 22S | 32E | Delaware | NM 81633 | Prod. |
| Checkerboard '23' Fed. # 6 | 23 | 22S | 32E | Delaware | NM 81633 | Prod. |
| Checkerboard '23' Fed. # 7 | 23 | 22S | 32E | Delaware | NM 81633 | Prod. |
| Checkerboard '23' Fed. # 8 | 23 | 22S | 32E | Delaware | NM 81633 | Prod. |
| Checkerboard '23' Fed. # 9 | 23 | 22S | 32E | Delaware | NM 81633 | Prod. |
| Checkerboard '23' Fed. # 10 | 23 | 22S | 32E | Delaware | NM 81633 | Prod. |
| Checkerboard '23' Fed. # 11 | 23 | 22S | 32E | Delaware | NM 81633 | Prod. |
| Checkerboard '23' Fed. # 12 | 23 | 22S | 32E | Delaware | NM 81633 | Prod. |
| Checkerboard '23' Fed. # 13 (PRO)23 | 23 | 22S | 32E | Delaware | NM 81633 | To be drilled |
| Checkerboard '24' Fed. # 1 | 24 | 22S | 32E | Delaware | NM 87268 | to be drilled |
| Checkerboard '24' Fed. # 2 | 24 | 22S | 32E | Delaware | NM 87268 | to be drilled |

PRODUCTION FROM THE LEASES INVOLVED IS AS FOLLOWS:

| LEASE NAME AND NO. | BOPD | GRAVITY | MCF/PD |
|--|------|---------|--------|
| Checkerboard '23' Federal (NM 81633) | 831 | 40.4 | 1173 |
| Checkerboard '24' Federal (NM 87268)** | 450 | 41.0 | 450 |

** THIS PRODUCTION IS BASED ON RESERVOIR STUDIES FROM SURROUNDING WELLS.

THIS REQUEST IS FOR LEASE COMMINGLING DUE TO CONTINUED FUTURE DRILLING PLANS.

A MAP IS ENCLOSED SHOWING LOCATION OF ALL WELLS THAT WILL CONTRIBUTE PRODUCTION TO THE PROPOSED COMMINGLING/COMMON STORAGE FACILITY. ALL UNITIZED/COMMUNITIZED AREAS, PRODUCING ZONES/POOLS ARE ALSO CLEARLY ILLUSTRATED.

A SCHEMATIC DIAGRAM IS ALSO ATTACHED WHICH CLEARLY IDENTIFIES ALL EQUIPMENT THAT WILL BE UTILIZED.

THE STORAGE AND MEASURING FACILITY IS LOCATED IN THE SW/SE OF SEC. 23, T22S, R32E, LEA COUNTY, NEW MEXICO. FEDERAL LEASE NM 81635. THE BUREAU WILL BE NOTIFIED IF THERE IS ANY FUTURE CHANGE IN THE FACILITY LOCATION.

DETAILS OF THE PROPOSED METHOD FOR ALLOCATING PRODUCTION TO CONTRIBUTING SOURCES IS AS FOLLOWS:

ALL THE PRODUCTION INVOLVED WILL BE SEPARATELY MEASURED AT VARIOUS TIMES OF THE MONTH VIA A TEST VESSEL SITUATED BY THE COMMON STORAGE VESSEL TO BE INDIVIDUALLY TESTED. (WELL TESTS). THE GAS WILL BE METERED & SOLD AT ONE POINT

MERIDIAN IS 100% WORKING INTEREST OWNER FOR ALL THE LEASES TO BE INVOLVED IN THE COMMINGLING.

THE PROPOSED COMMINGLING OF PRODUCTION IS IN THE INTEREST OF CONSERVATION AND WILL NOT RESULT IN REDUCED ROYALTY OR IMPROPER MEASUREMENT OF PRODUCTION.

THE PROPOSED COMMINGLING IS NECESSARY FOR CONTINUED OPERATION OF THE ABOVE REFERENCED FEDERAL LEASES.


WE UNDERSTAND THAT THE REQUESTED APPROVAL WILL NOT CONSTITUTE THE GRANTING OF ANY RIGHT OF WAY OR CONSTRUCTION RIGHTS NOT GRANTED BY THE LEASE INSTRUMENT, AND IF APPLICABLE, WE WILL SUBMIT WITHIN 30 DAYS AN APPLICATION FOR RIGHT OF WAY APPROVAL TO THE BLM'S REALTY SECTION IN YOUR OFFICE IF WE HAVE NOT ALREADY DONE SO.

SIGNATURE:

NAME:

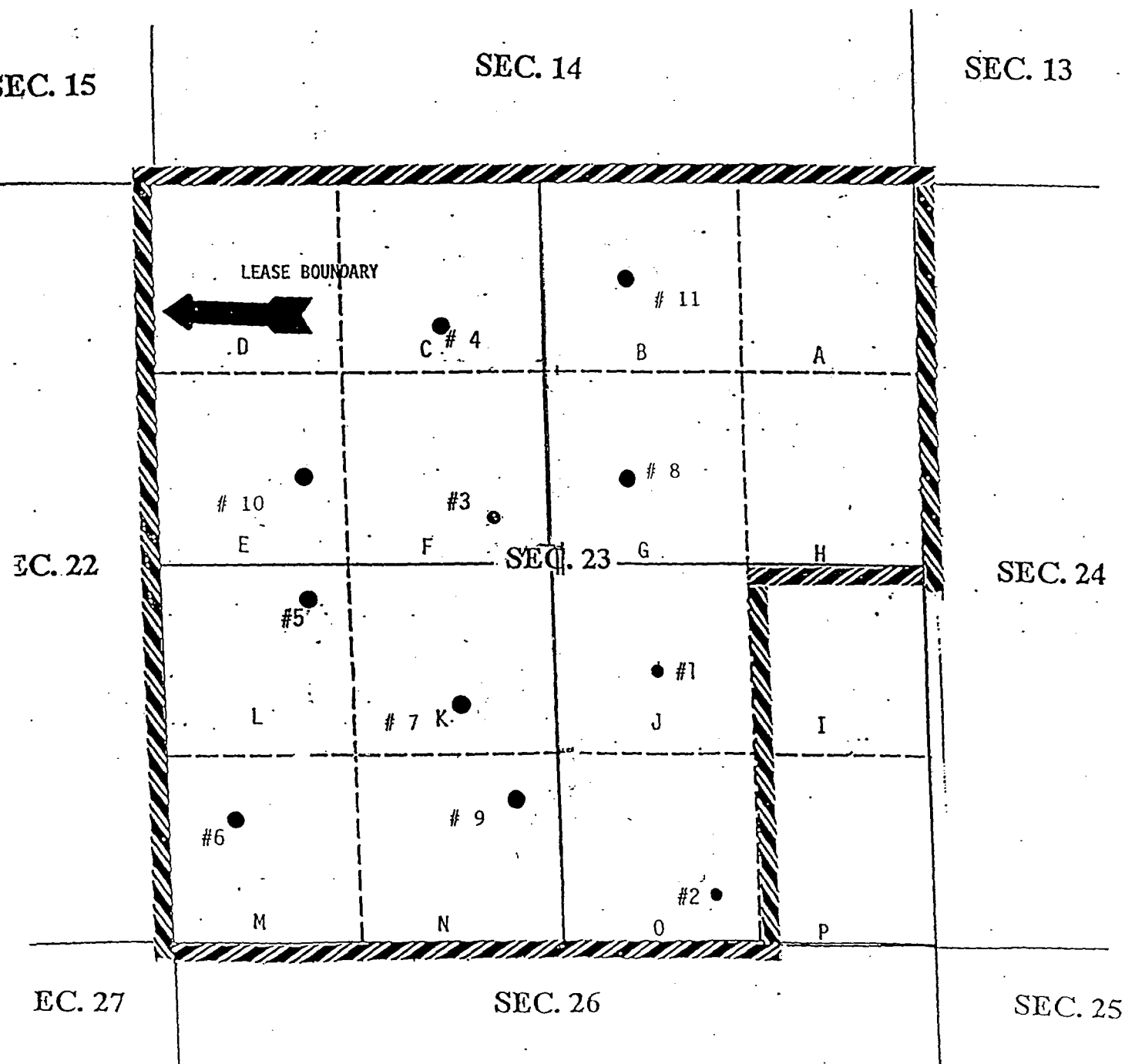
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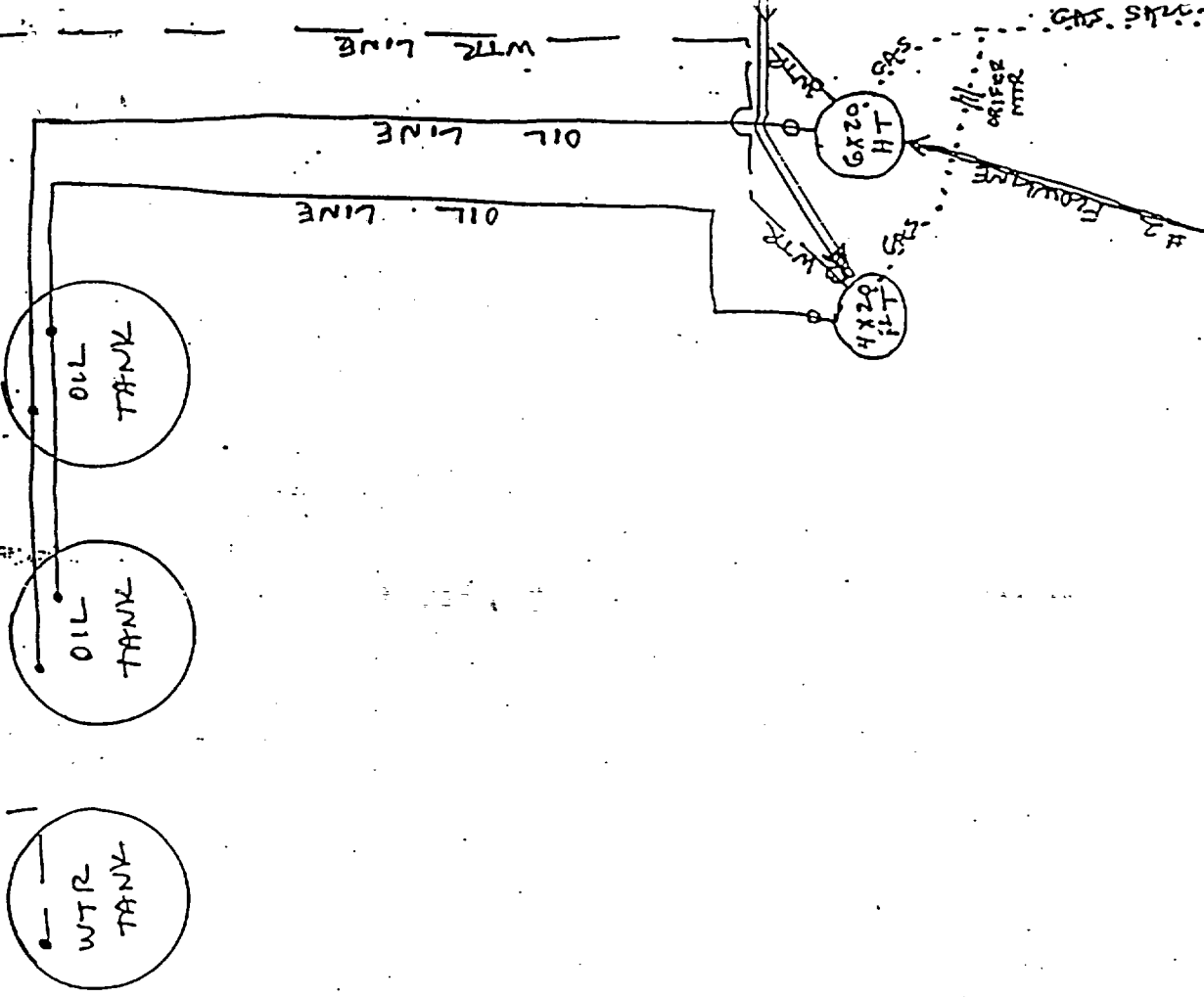
DATE:



Donna Williams
Regulatory Assistant
1/10/95

**LEASE DESCRIPTION: 560 ACRES IN LEASE
ALL OF SECTION 23 EXCEPT FOR THE E/2 OF THE SE/4**





MERIDIAN OIL INC.
 CHECKERBOARD "23" FEDERAL BATTERY
 SW/4 SE/4 SEC. 23, T-22-S, R-32-E
 LEA COUNTY, N.M.

(NOT TO SCALE)

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MERIDIAN OIL INC.

CHECKERBOARD '24' FEDERAL LEASE

LEASE NO: NM 87268

SEC. 24, T22S, R32E

LEA COUNTY, NEW MEXICO

LEASE DESCRIPTION: 280 ACRES IN LEASE
N/2 OF SEC. 24 EXCEPT THE NE4/NE

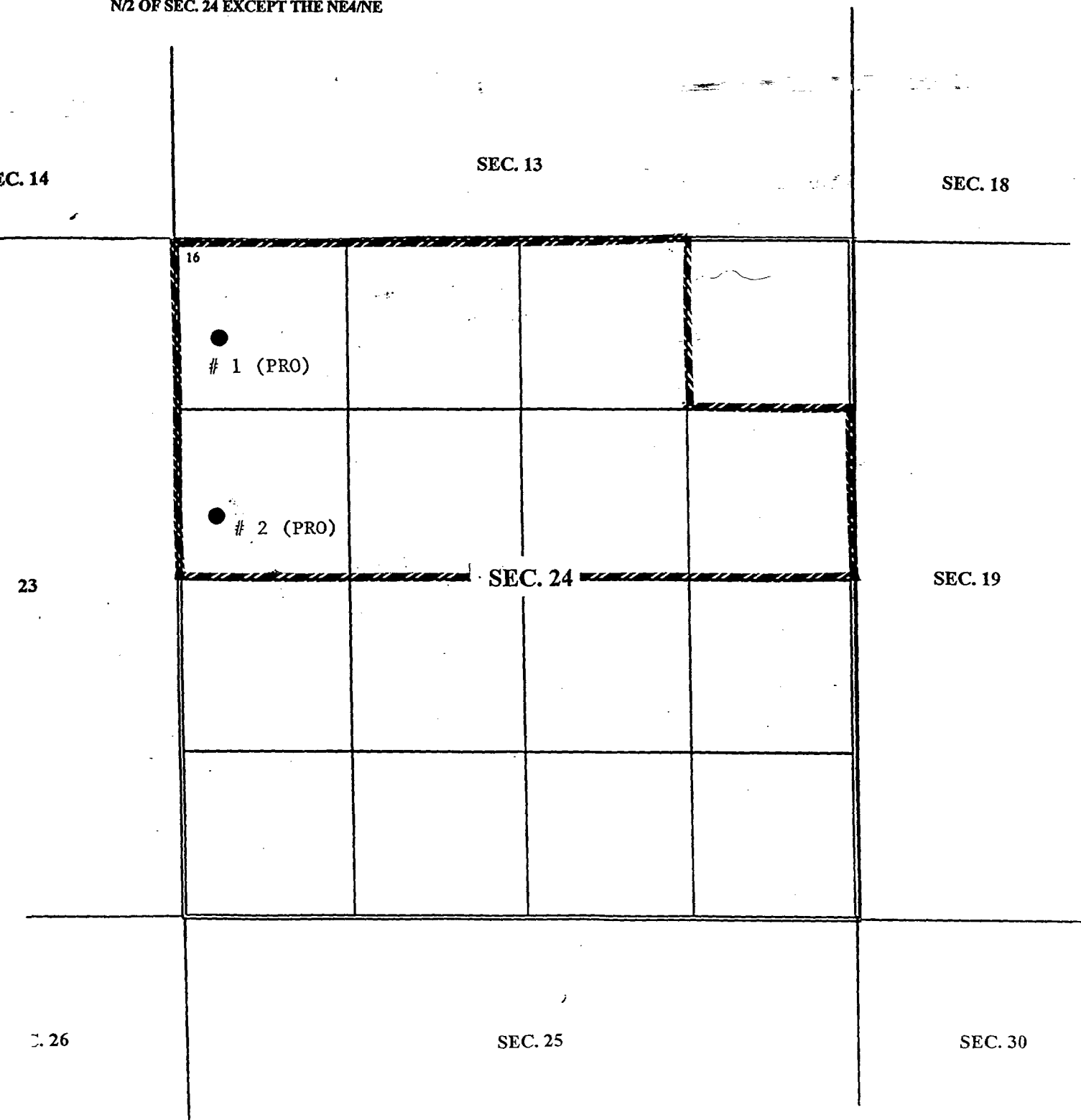


EXHIBIT E

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U.S. HOUSE
OFFICE