

Submit to Appropriate
District Office
State Lease -- 6 copies
Fee Lease -- 5 copies

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-101
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

API NO. (assigned by OCD on New Wells) 30-025-31774
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. V-1618
7. Lease Name or Unit Agreement Name HAT MESA STATE
8. Well No. 2
9. Pool name or Wildcat HAT MESA DELAWARE

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK					
1a. Type of Work: DRILL <input checked="" type="checkbox"/> RE-ENTER <input type="checkbox"/> DEEPEN <input type="checkbox"/> PLUG BACK <input type="checkbox"/>				7. Lease Name or Unit Agreement Name HAT MESA STATE	
b. Type of Well: OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input type="checkbox"/> SINGLE ZONE <input checked="" type="checkbox"/> MULTIPLE ZONE <input type="checkbox"/>					
2. Name of Operator MERIDIAN OIL INC.				8. Well No. 2	
3. Address of Operator P.O. Box 51810, Midland, TX 79710-1810				9. Pool name or Wildcat HAT MESA DELAWARE	
4. Well Location Unit Letter <u>N</u> : <u>660</u> Feet From The <u>SOUTH</u> Line and <u>1980</u> Feet From The <u>WEST</u> Line Section <u>32</u> Township <u>20-S</u> Range <u>33-E</u> NMPM <u>LEA</u> County					
		10. Proposed Depth 8550'		11. Formation DELAWARE	
				12. Rotary or C.T. ROTARY	
13. Elevations (Show whether DF, RT, GR, etc.) 3634.7' GR		14. Kind & Status Plug. Bond STATEWIDE		15. Drilling Contractor NA	
				16. Approx. Date Work will start UPON APPROVAL	
17. PROPOSED CASING AND CEMENT PROGRAM					
SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	SACKS OF CEMENT	EST. TOP
17-1/2"	13-3/8"	48#	400'	420 SXS	SURFACE
12-1/4"	8-5/8"	28#	3300'	1450 SXS	SURFACE
7-7/8"	5-1/2"	17#	8550'	950 SXS	EST. TOC 3000'

DV TOOL @6000' 2 STAGE CMT JOB

BOP PROGRAM: 11" - 3M BOP STACK TO BE INSTALLED ON 8-5/8" CSG AND LEFT FOR REMAINDER OF DRILLING.

ESTIMATED TOPS: RUSTLER 1350', SALADO 1500', YATES 3200', AND DELAWARE 4950'.

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. GIVE BLOWOUT PREVENTER PROGRAM, IF ANY.

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

SIGNATURE Maria L. Perez TITLE PRODUCTION ASST. DATE 10-28-92

TYPE OR PRINT NAME MARIA L. PEREZ TELEPHONE NO. 915-688-6906

(This space for State Use) ORIGINAL SIGNED BY JERRY SEXTON
DISTRICT I SUPERVISOR

APPROVED BY _____ TITLE _____ DATE NOV 02 '92

CONDITIONS OF APPROVAL, IF ANY:

see attached letter

Permit Expires 6 Months From Approval
Date Unless Drilling Underway.

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., Artec, NM 87410

WELL LOCATION AND ACREAGE DEDICATION PLAT

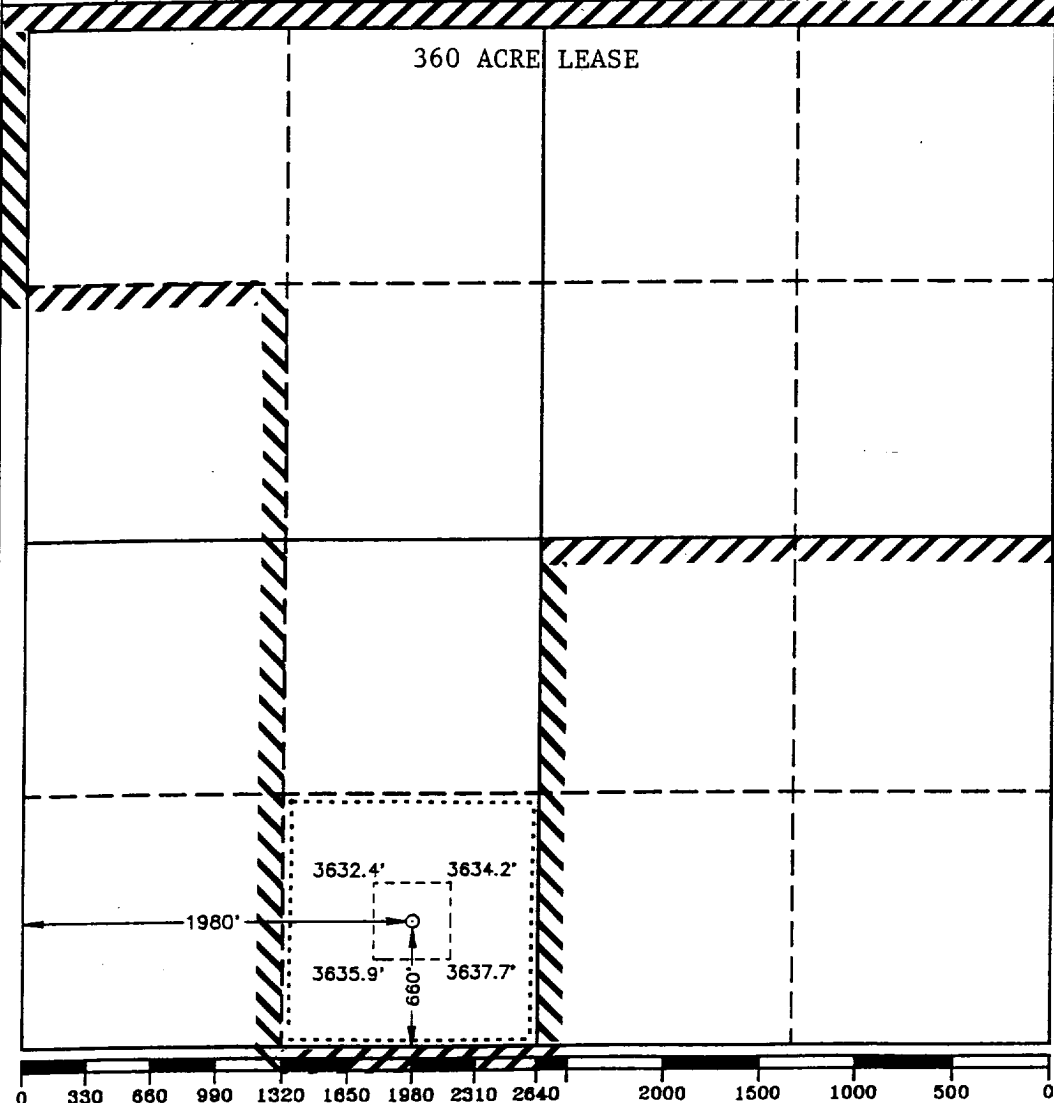
All Distances must be from the outer boundaries of the section

Operator MERIDIAN OIL INC.			Lease HAT MESA STATE		Well No. 2
Unit Letter N	Section 32	Township 20 SOUTH	Range 33 EAST	County NMPM LEA	
Actual Footage Location of Well: 660 feet from the SOUTH line and 1980 feet from the WEST line					
Ground Level Elev. 3634.7'	Producing Formation DELAWARE		Pool HAT MESA DELAWARE		Dedicated Acreage: 40 Acres

- Outline the acreage dedicated to the subject well by colored pencil or hatchure 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 of owners and tract descriptions which have actually been consolidated. (Use reverse side of this form necessary.)

No allowable will be assigned to the well unit all interests have been consolidated (by communitization, unitization, forced-pooling, otherwise) or until a non-standard unit, eliminating such interest, has been approved by the Division.



OPERATOR CERTIFICATION

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

Signature

Maria L. Perez
Printed Name
MARIA L. PEREZ

Position

PRODUCTION ASST.

Company

MERIDIAN OIL INC.

Date

OCTOBER 30, 1992

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.

Date Surveyed

OCTOBER 12, 1992

Signature & Seal of
Professional Surveyor

Gary L. Jones
Certificate No. **JOHN W. WEST, 876**
RONALD W. EIDSON, 3239
GARY L. JONES, 7977

92-11-1536



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION
HOBBS DISTRICT OFFICE

BRUCE KING
GOVERNOR

November 2, 1992

POST OFFICE BOX 1980
HOBBS, NEW MEXICO 88241-1980
(505) 393-6161

Meridian Oil Inc.
P.O. Box 51810
Midland, TX 79710-1810

Attn: Maria L. Perez

RE: Hat Mesa State #2-N
Sec. 32, T20S, R33E

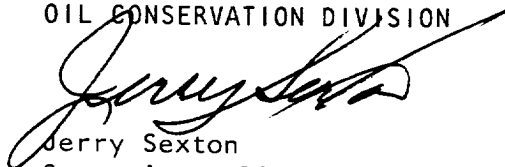
Gentlemen:

This is to advise that your intent to drill the above-referenced well has been approved. However, we wish to point out that there is a salt water disposal well located on this same 40 acres (990/S & 1980/W) which disposes of produced water into the Delaware formation at 5413-5682 feet.

Due to the location of your proposed well to the close proximity of this disposal well you should be prepared for handle a possible waterflow when you drill into the disposal zone should one be encountered.

Very truly yours,

OIL CONSERVATION DIVISION


Jerry Sexton
Supervisor, District I

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P.S. Rule 102 (C) requires that you notify the operator of other wells located on the 40-acre tract. In order to meet this requirement, please send them a copy of this APD.

Strata Production Company
648 Petroleum Building
Roswell, NM 88201

