

3160(067)  
NM-70343

JAN 13 1993

CERTIFIED--RETURN RECEIPT REQUESTED  
P 864 873 176

Meridian Oil Incorporated  
Attention: Maria L. Perez  
P. O. Box 51810  
Midland, TX 79710

RE: Dagger Lake "8" Federal Well No. 1  
NM-70343  
660' FNL & 1980' FWL, Sec. 8, T22S, R33E  
Lea County, New Mexico

Dear Ms. Perez:

On December 9, 1992, Meridian Oil Company filed an Application for Permit to Drill (APD) at the above referenced location. I am pleased to approve your APD at the present location. Your copy of the APD, with attached stipulations, is enclosed.

Through our analysis of the APD, we have determined that the well site is located a sufficient distance from the ore zones that potash resources should not be impacted.

If you need any additional information, please contact Tony Herrell in the Carlsbad Resource Area at (505) 887-6544.

Sincerely,

*15/ Kathy Eaton*

*Gr* Larry L. Woodard  
State Director

1 Enclosure

bcc:  
NM(910, L. Woodard)  
NM(920, R. Smith)  
NM(060, A. Lopez)✓  
NM(060, L. Cone)  
NM(067, T. Herrell)

30-025-3885

Form 3160-3  
(December 1990)

SUBMIT IN TRIPLICATE\*  
(Other instructions on  
reverse side)

Form approved.  
Budget Bureau No. 1004-0136  
Expires: December 31, 1991

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1a. TYPE OF WORK <b>DRILL</b> <input checked="" type="checkbox"/> <b>DEEPEN</b> <input type="checkbox"/>		5. LEASE DESIGNATION AND SERIAL NO. NM-70343	
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"/>		6. IF INDIAN, ALLOTTEE OR TRIBE NAME	
2. NAME OF OPERATOR MERIDIAN OIL INC.		7. UNIT AGREEMENT NAME	
3. ADDRESS AND TELEPHONE NO. P. O. BOX 51810, MIDLAND, TEXAS 79710		8. FARM OR LEASE NAME, WELL NO. DAGGER LAKE "8" FEDERAL	
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)* At surface C, 660' FNL & 1980' FWL At proposed prod. zone		9. AN WELL NO. 1	
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE* 27 MILES WEST OF EUNICE, N.M.		10. FIELD AND POOL, OR WILDCAT DAGGER LAKE DELAWARE	
15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drig. unit line, if any) 600'		11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA SEC. 8, T-22-S, R-33-E	
16. NO. OF ACRES IN LEASE 520		12. COUNTY OR PARISH LEA	
17. NO. OF ACRES ASSIGNED TO THIS WELL 40		13. STATE N.M.	
18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 1st WELL 5250'		20. ROTARY OR CABLE TOOLS ROTARY	
21. ELEVATIONS (Show whether DF, RT, GR, etc.) 3622.3' GR		22. APPROX. DATE WORK WILL START* 12-27-92	

PROPOSED CASING AND CEMENTING PROGRAM				Secretary's Potash
SIZE OF HOLE	GRADE SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12-1/4"	8-5/8"	28#	600'	1000 SXS - SURFACE <b>CIRCULATE</b>
7-7/8"	5-1/2"	17#	5250'	1600 SXS - SURFACE <b>CIRCULATE</b>



APPROVAL SUBJECT TO  
GENERAL REQUIREMENTS AND  
SPECIAL STIPULATIONS  
ATTACHED

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen, 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 Maria L. Perez TITLE PRODUCTION ASST. DATE 12-4-92  
(This space for Federal or State office use)

PERMIT NO. \_\_\_\_\_ APPROVAL DATE \_\_\_\_\_

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.  
CONDITIONS OF APPROVAL, IF ANY:

APPROVED BY \_\_\_\_\_ TITLE \_\_\_\_\_ DATE \_\_\_\_\_

\*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

**DISTRICT I**  
P.O. Box 1980, Hobbs, NM 88240

P.O. Box 2088  
Santa Fe, New Mexico 87504-2088

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

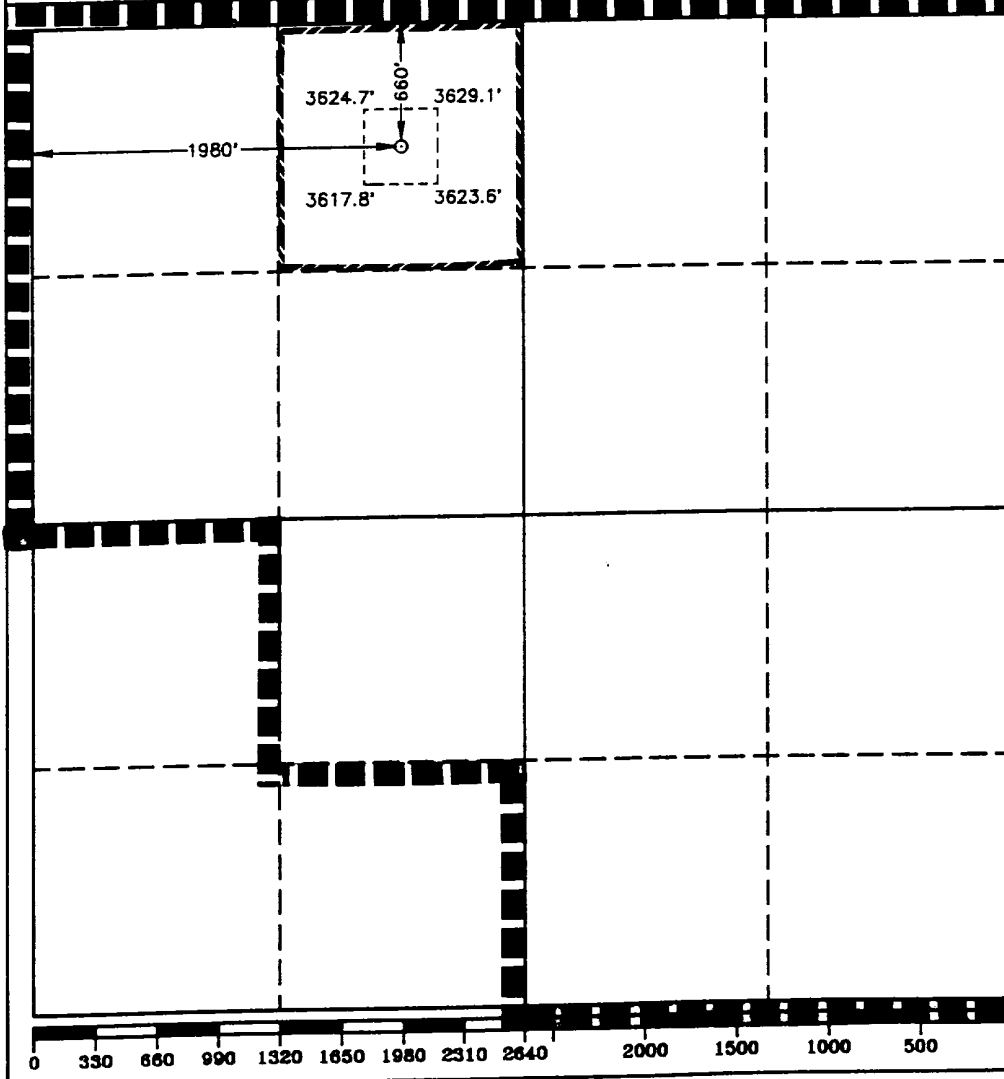
**DISTRICT III**  
1000 Rio Brazos Rd., Artec, NM 87410

## WELL LOCATION AND ACREAGE DEDICATION PLAT

All Distances must be from the outer boundaries of the section

Operator <b>MERIDIAN OIL INC.</b>			Lease <b>DAGGER LAKE "8" FEDERAL</b>		Well No. <b>1</b>
Unit Letter <b>C</b>	Section <b>8</b>	Township <b>22 SOUTH</b>	Range <b>33 EAST</b>	NMPM	County <b>LEA</b>
Actual Footage Location of Well: <b>660</b> feet from the <b>NORTH</b> line and <b>1980</b> feet from the <b>WEST</b> line					
Ground Level Elev. <b>3622.3'</b>		Producing Formation <b>DELAWARE</b>		Pool <b>DAGGER LAKE DELAWARE</b>	
				Dedicated Acreage: <b>40</b> Acres	

- Outline the acreage dedicated to the subject well by colored pencil or hachure 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 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

12-3-92

### 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

NOVEMBER 05, 1992

Signature & Seal of Professional Surveyor

GARY L. JONES  
NEW MEXICO  
1992  
Certificate No. JAMES WEST, 876  
RONALD EDSON, 3238  
GARY L. JONES, 7977

92-11-1653

**OPERATORS NAME:** Meridian Oil Inc.  
**LEASE NAME AND WELL NO.** Dagger Lake "8" Federal No. 1  
**LOCATION:** C. 660' ENL & 1980' FWL, Sec. 8, T-22-S, R-33-E  
**FIELD NAME:** Dagger Lake Delaware  
**COUNTY:** Lea County, New Mexico  
**LEASE NUMBER:** NM-35801

The following information is to supplement BLM form 3160-3 Application for permit to drill in accordance with Onshore Oil and Gas Order No. 1:

### 9 - POINT DRILLING PLAN

1. Name and estimated tops of important geologic formation/marker horizons.

Rustler	1130'
Salado	1265'
Tansill	3750'
Delaware	4910'

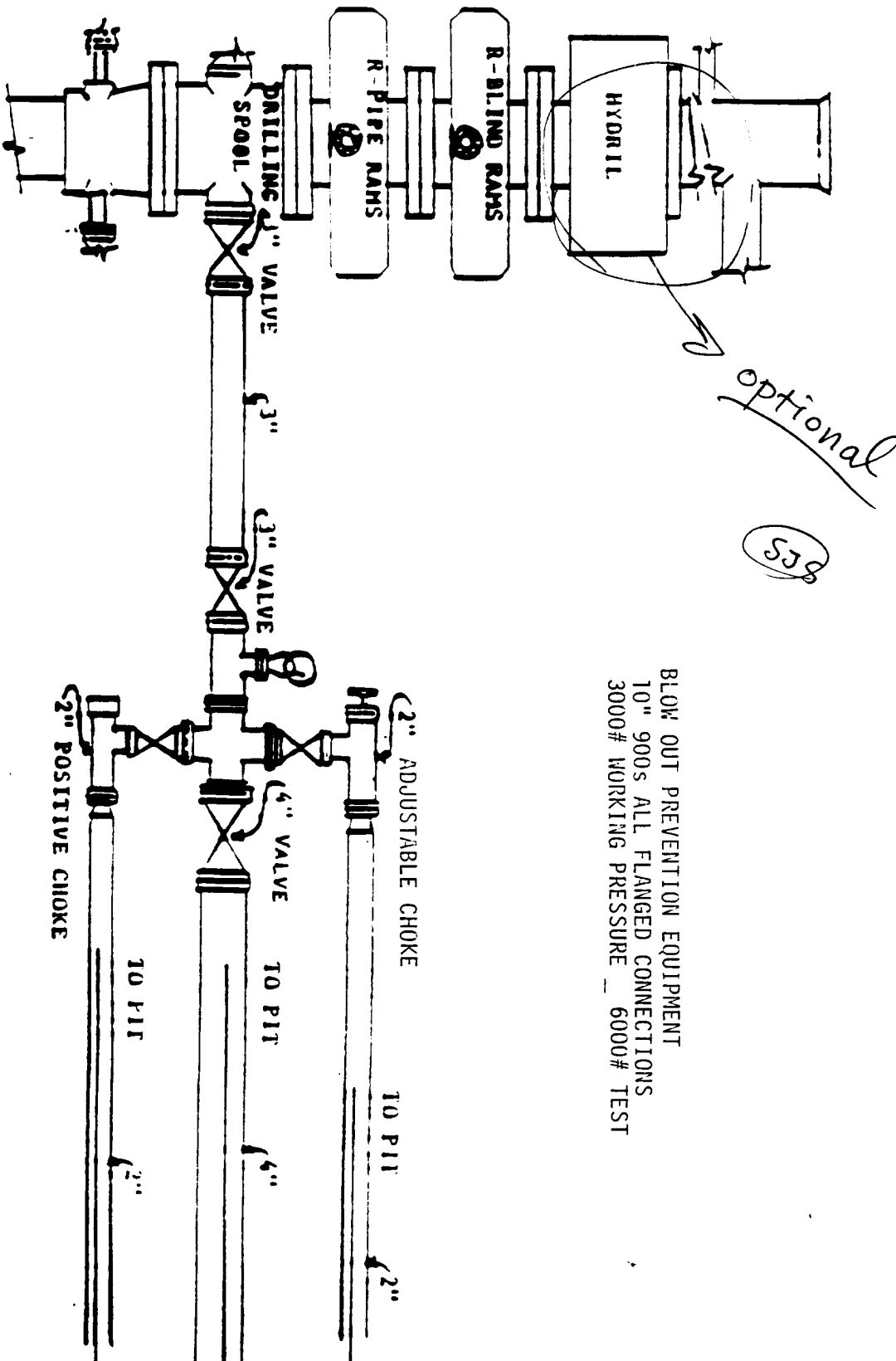
The geological name of the surface formation is: OCHOA

2. Estimated depths at which the top and bottom of formations potentially containing usable water, oil, gas, or prospectively valuable deposits of other minerals are expected to be encountered and the operator's plans for protecting such resources.

Delaware 4910' - 5250' - Oil

3. The operator's minimum specifications for Blowout Preventer (BOP) and related equipment to be used and schematic diagrams thereof showing sizes, pressure ratings, and the testing procedures and testing frequency. BOP and BOP - related equipment (BOPE) schematics shall include schematics of choke manifold equipment. Accumulator systems and remote controls shall be utilized.

BOP program: 10" - 3M BOP stack to be installed on 8 5/8" and left for the remainder of drilling and tested to 1500 psi before drilling the 8 5/8" casing shoe. The BOP stack will consist of one blind ram BOP and one pipe ram BOP.



*optional*

538

BLOW OUT PREVENTION EQUIPMENT  
 10" 900S ALL FLANGED CONNECTIONS  
 3000# WORKING PRESSURE \_ 6000# TEST

173  
JAN 25 1993

RECEIVED  
JAN 25 1993  
OFFICE OF THE