Form 3160-3
(July 1992)

SUBMIT IN TRIPLICATE*
(Other instructions on reverse side)

FORM APPROVED
OMB NO. 1004-0136
Expires: February 28, 1995

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

5. LEASE DESIGNATION AND SERIAL NO.
NM ~~35817~~ 17058

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

1a. TYPE OF WORK
DRILL [X] DEEPEN [ ]

b. TYPE OF WELL
OIL WELL [X] GAS WELL [ ] OTHER SINGLE ZONE [X] MULTIPLE ZONE [ ]

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME
RED TANK FEDERAL

2. NAME OF OPERATOR
MERIDIAN OIL INC.

9. WELL NO.
7

3. ADDRESS AND TELEPHONE NO.
P.O. BOX 51810, MIDLAND, TX 79710 915-688-6943

10. FIELD AND POOL, OR WILDCAT
WEST RED TANK DELAWARE

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.*)
At surface
1650' FSL & 660' FWL'
At proposed prod. zone

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA
SEC. 14, T22S, R32E

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*
43.4 MILES SOUTHWEST OF EUNICE

12. COUNTY OR PARISH: LEA
13. STATE: NM

15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any)	16. NO. OF ACRES IN LEASE	17. NO OF ACRES ASSIGNED TO THIS WELL
660'	240	40
18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.	**19. PROPOSED DEPTH**	**20. ROTARY OR CABLE TOOLS**
1475'	10,150	ROTARY

21. ELEVATIONS (Show Whether DF, RT, GR, ETC.)
3722'

22. APPROX. DATE WORK WILL START
UPON APPROVAL

23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	GRADE, SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
17 1/2"	13 3/8" H-40	48#	850'	800 SXS 'C' CIRC.
12 1/4"	8 5/8" K-55	28#/32#	4600'	1550 SXS 'C' CIRC.
7 7/8"	5 1/2" K-55	17#	10150'	1200 SXS 'H', TOC@4400'+/-

NO HYDROGEN SULFIDE AS PER JOHN SIMITZ/ROSWELL
NOT IN DESIGNATED POTASH AREA

CONTACT PERSON: DONNA WILLIAMS, 915-688-6943

NOTICE OF STAKING SUBMITTED ON APRIL 21, 1994.4.

OPER. OGRID NO. 14049
PROPERTY NO. 14795
POOL CODE 51689
EFF. DATE 10/9/94
API NO. 30-025-30544

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 [signature] TITLE PRODUCTION ASSISTANT DATE 5/13/94

(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____

APPROVAL SUBJECT TO GENERAL REQUIREMENTS AND SPECIAL STIPULATIONS ATTACHED

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 Ron Dunton (for) TITLE AREA MANAGER DATE 6/9/94

*See Instructions On Reverse Side

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

District I
PO Box 1980, Hobbs, NM 88241-1980
District II
PO Drawer DD, Artesia, NM 88211-0719
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
PO Box 2088, Santa Fe, NM 87504-2088

State of New Mexico
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION
PO Box 2088
Santa Fe, NM 87504-2088

Form C-102
Revised February 10, 1994
Instructions on back
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number	² Pool Code	³ Pool Name
	51689	West Red Tank Delaware

⁴ Property Code	⁵ Property Name	⁶ Well Number
14795	RED TANK FEDERAL	7
⁷ OGRID No.	⁸ Operator Name	⁹ Elevation
26485	MERIDIAN OIL INC.	3722

¹⁰ Surface Location

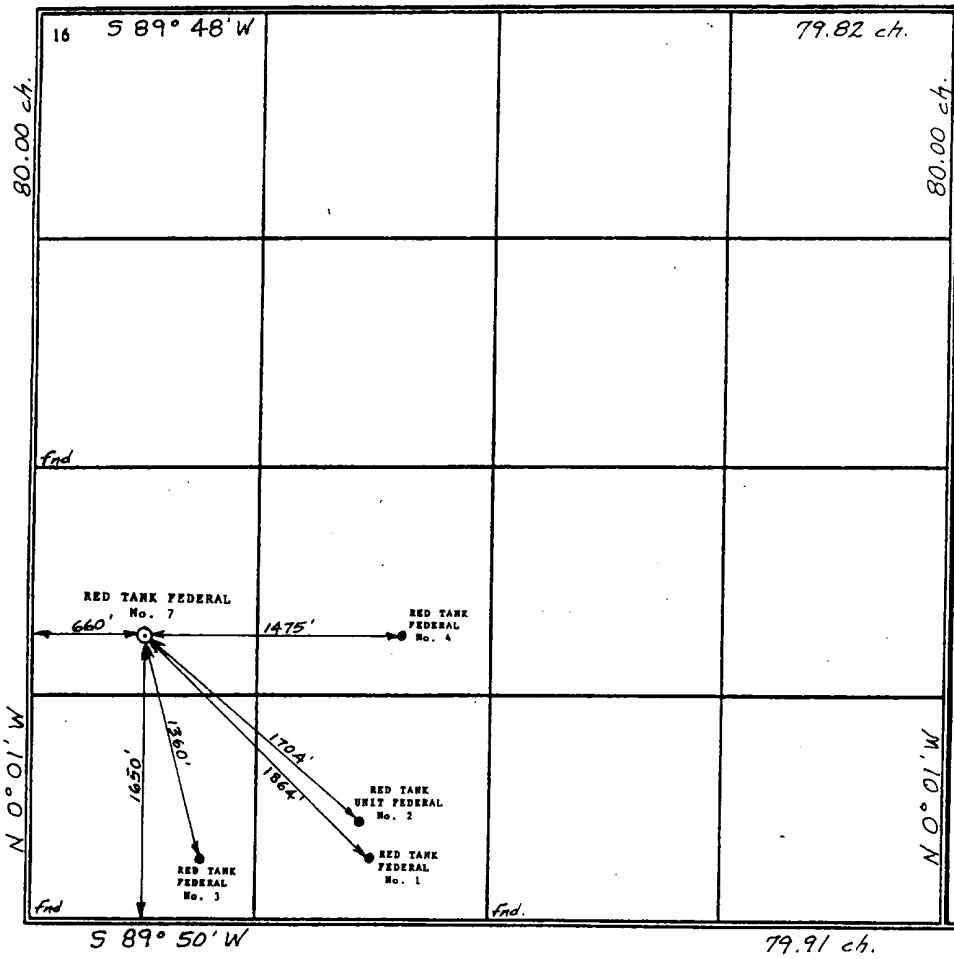
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
L	14	22 S	32 E		1650	SOUTH	660	WEST	LEA

¹¹ Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
Same As Surface									

¹² Dedicated Acres	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
40			

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION



¹⁷ OPERATOR CERTIFICATION

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

Signature

Donna Williams
Printed Name

Production Assistant
Title

5/13/94
Date

¹⁸ 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 belief.

4-14-94
Date of Survey

Signature and Seal of Professional Surveyor

WILLIAM E. MAHNKE II
NEW MEXICO
#8466
REGISTERED PROFESSIONAL LAND SURVEYOR

WILLIAM E. MAHNKE II
Certificate Number 8466

OPERATORS NAME:	**Meridian Oil Inc.**
LEASE NAME AND WELL NO.:	**Red Tank Federal No. 7**
LOCATION:	**1650' FSL & 660' FWL, Sec. 14, T22S, R32E**
FIELD NAME:	**West Red Tank Delaware**
COUNTY:	**Lea County, NM**
LEASE NUMBER:	**NM-77058**

The following information is to supplement BLM form 3160-3 Application for permit to deepen 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.

FORMATION	DEPTH
Rustler	970'
T/Salt	1100'
B/Salt	4500'
Delaware Sandstone	4850'
BoneSpring, LS/Sandstone	8730'

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.

Bone Springs	8730-10050' (Oil)
Delaware - Bell Canyon	4850-5010' (Oil)
Brushy Canyon - Delaware	8100-8550' (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.

   13 5/8" 1.5M psi WP BOP w/rotating head to be installed on the 13 3/8" casing. Tested to 750 psi before drilling the 13 3/8" casing shoe.

11" 3M psi WP BOP to be installed on the 8 5/8" casing. The BOP stack will consist of one blind ram BOP, one pipe ram BOP, and a rotating head. Tested to 3000 psi before driling the 8 5/8" casing shoe.

4. The proposed casing program including size, grade, weights, type of thread and coupling, and the setting depth of each string and its condition (new or acceptably reconditioned). For exploratory wells, or for wells as otherwise specified by the authorized officer, the operator shall include the minimum design factors for tensions, burst, and collapse that are incorporated into the casing design. In cases where tapered casing strings are utilized, the operator shall also include and/or setting depths of each portion.

    - 17½" hole, 13 3/8" H-40 48# STC csg set @ 850'.
    - 12¼" hole, 3200' 8 5/8" 28# K-55 BTC, 1400' 8 5/8" 32# K-55 LTC csg.set depth @4600'.**
    - 7 7/8" hole, 9000' of 5½", 17# K-55 LTC csg. & 1150' of 5½" 17# N-80 LTC csg. setting depth @10,150'.

    **8 5/8" 28# K-55 BTC - ID=8.017", Drift=7.892", Burst=3390 psi, Collapse=1880 psi, & Tension=437000 lbs.

5. The amount and type(s) of cement, including anticipated additives to be used in setting each casing string, shall be described. If stage cementing techniques are to be employed, the setting depth of the stage collars and amount and type of cement, including additives, and preflush amounts to be used in each stage, shall be given. The expected linear fill-up of each cemented string, or each stage when utilizing stage-cementing techniques, shall also be given.

    a. 13 3/8" csg: Cmt w/600sxs. Class "C" + 4% gel & 2% $CaCl_2$.+ ¼ pps Flocele; tail w/ 200 sxs Class "C" +2% $CaCl_2$, + 1/4 pps Flocele. Circ to Surface.

    b. 8 5/8"csg:Cmt (2 Stages), DV Tool @ +/-2500'. Stage 1: lead - 600 sxs Class 'C' Lite + 9 pps salt + 5 pps Gilsonite + 1 pps Econolite + 1/4 pps Flocelle. Tail - 250 sx 'C' + 2% CaCl2.
    Stage 2: lead - 500 sxs Class 'C' Lite + 9 pps salt + 1/4 pps Flocele, tail - 200 sxs Class 'C' + 2% CaCl2. Circulate to Surface.

    c. 5½" csg: cmt first stage w/600 sxs Class 'H' 50/50 Poz + 2% gel + .6% Halad-9 + 3 pps KCL + 1/4 pps Flocele, displace to seal plug. Cmt second stage: 600 sxs Class 'H' 50/50 Poz + 2% gel + .6% Halad-9 + 3 pps KCL + 1/4 pps Flocele. Bring TOC to +/-4400'.

6. The anticipated characteristics, additives, use, and testing of drilling mud to be employed, along with the types and quantities of mud products to be maintained, shall be given. When air or gas drilling is proposed, the operator shall submit the following specific information:

   Mud Program:
   0-850' fresh water, gel and lime system, MW 8.6 - 9.0
   850-4600' Brine, MW 10.0 - 10.1
   4600-TD fresh brine/Bentonite/Drispac, MW 8.4 - 8.6

7. The anticipated testing, logging, and coring procedures to be used, including drill stem testing procedures, equipment, and safety measures.

   a. DST Program: None

   b. Core: None

   c. Mud Logging: Two-man unit 4600' to TD.

   d. Logs to be run: LDT/GR/CAL: TD:ICP CR to surface
      DIL/SFL/GR:TD-ICP
      BHC Sonic: TD-ICP

8. The expected bottom-hole pressure and any anticipated abnormal pressures, temperatures or potential hazards that are expected to be encountered, such as lost circulation zones and hydrogen sulfide. The operator's plans for mitigating such hazards shall be discussed. Should the potential to encounter hydrogen sulfide exist, the mitigation procedures shall comply with the provisions of Onshore Oil and Gas Order No. 6.

   No abnormal pressures are anticipated. bottom hole pressures at TD expected to be 4300 psi. Bottom hole temperature 140° F. No Hydrogen Sulfide expected in this known drilling area.

9. Any other facets of the proposed operation which the operator wishes for BLM to consider in reviewing the application.

   Anticipated drilling time expected to be 20 days from surface to TD.

12-POINT SURFACE USE PLAN OF OPERATIONS

1. **Existing Roads:** A legible map (USGS topographic, county road, or other such map) labeled and showing the access route to the location, shall be used for locating the proposed well site in relation to a town, village, or other locatable point, such as a highway or county road. All access roads shall be appropriately labeled. Any plans for improvement and/or maintenance of existing roads shall be provided. All roads shall be provided. All roads shall be improved or maintained in a condition the same as or better than before operations. The information provided for use and construction of roads will also be used by BLM for the required Plan of Development for a R/W application as described in Section II C of this Order No. 1.

   See Exhibits "A" - topographic land surveyors plat showing existing roads and directions to well site.

2. **Access Roads to be Constructed or Reconstructed:** All permanent and temporary access roads to be constructed or reconstructed in connection with the drilling of the proposed well shall be appropriately identified and submitted on a map or plat. The proposed route to the proposed drill site shall be shown, including distances from the point where the access route exists established roads. All permanent and temporary access roads shall be located and designed to implement the goals of transportation planning and meet applicable standards of the appropriate SMA, and shall be consistent with the needs of the users. Final selection of the rouge location may be accepted by the SMA as early as the predrill inspection or during approval of the APD.

   See Exhibit "B" plat for road to be constructed and description.

3. **Location of Existing Wells:** This information shall be submitted on a map or plat, which includes all recorded wells (water, injection, or disposal, producing, or being drilled) within a 1-mile radius of the proposed location.

   See Exhibit "C" - portion of land map showing surrounding wells in area.

4. **Location of existing and/or proposed production facilities:** For facilities planned either on or off the well pad, a plat or diagram shall be included showing, to the extent known or anticipated, the location of all production facilities and lines to be installed if the well is successfully completed for production. If new construction is planned, the dimensions of the facility layouts are to be shown. This information for off-pad production facilities may be used by BLM for R/W application information as specified in Section II C of Order No. 1.

   Will be laying a flow line from this location to the Checkerboard 23 Federal # 2 battery located in Unit Letter O, Sec. 23, T22S, R32E in Lea County, New Mexico, NM Lease: NM 81633. Off Lease Storage and Commingling of Hydrocarbons has been approved. The flow line is a 2 7/8" steel above ground. It will be +/- 2000 ' heading south/southeast. See Exhibit 'D'

5. **Location of Types of Water Supply:** Information concerning water supply, such as rivers, creeks, springs, lakes, ponds, and wells, may be shown by quarter-quarter section on a map or plat, or may be described in writing. The source and transportation method for all water to be used in drilling the proposed well shall be noted if the source is located on Federal or Indian Lands or if water is to be used from a Federal or Indian project. If the water is obtained from other than Federal or Indian lands, the location and transportation method shall be identified. Any access roads crossing Federal or Indian lands that are needed to haul the water shall be described as provided in paragraphs (1) and (2) of this Section. If a water supply well is to be drilled on the lease, the APD shall so state. The authorized officer of BLM may require the filing of a separate APD of a water well.

   No available surface or sub-surface fresh water exists in the vicinity of the proposed well. Drilling water will be transported or pumped to the drill site from the nearest commercial source.

6. **Construction Materials:** The operator shall state the character and intended use of all construction material, such as sand, gravel, stone, and soil material. If the materials to be used are Federally owned, the proposed source shall be shown either on a quarter-quarter section on a map or plat, or in a written description.

   Will try to use Caliche from reserve pit. If unable to use Caliche from reserve pit, then will get Caliche from pit located in Sec. 23, T22S, R32E, Lea Co., NM or a BLM approved pit.

7. **Methods of Handling Waste Disposal:** A written description of the methods and locations proposed for safe containment and disposal of each type of waste material (e.g. cuttings, garbage, salts, chemicals, sewage, etc.) that results from the drilling and completion of the proposed well shall be provided.

   - Drill cuttings - disposed into drilling pits.
   - Drill fluids - allowed to evaporate in drill pits until pits dry.
   - Produced water during testing - drill pits.
   - Produced oil during testing - storage tank until sold.
   - Current laws and regulations pertaining to disposal of human waste will be observed.
   - Reserve pit will be plastic lined.
   - Waste paper, garbage, and junk will be disposed of into a special container on location and removed regularly to an approved landfill site. All waste material will be covered with a screen or lid and contained to prevent scattering by wind.
   - All trash and debris will be removed from well site within 30 days after drilling and/or completion operations are finished.

8. **Ancillary Facilities:** All ancillary facilities such as camps and airstrips shall be identified on a map or plat. Information as to location, land area required, and methods to be used in construction shall also be provided.

None

9. **Well Site Layout:** A plat of suitable scale (not less than 1 inch = 50 feet) showing the proposed drill pad, reserve pit location, access road entry points, and its approximate location with respect to topographic features, along with cross section diagrams of the drill pad and the reserve pit showing all cuts and fills and the relation to topography. The plat shall also include the approximate proposed location and orientation of the drilling rig, dikes and ditches to be constructed, and topsoil and/or spoil material stockpiles.

   See Exhibit "E"

10. **Plans for Reclamation of the Surface:** A proposed interim plan for reclamation stabilization of the site and also final reclamation plan shall be provided. The interim portion of the plan shall cover areas of the drillpad not needed for production. The final portion of the plan shall cover final abandonment of the well. The plan shall include, as appropriate, configuration of the reshaped topography, drainage systems, segregation of spoil materials, surface manipulations, redistribution of topsoil, soil treatments, revegetation, and any other practices necessary to reclaim all disturbed areas, including any access roads and pipelines. An estimate of the time for commencement and completion of reclamation operations, including consideration of weather conditions and other local uses of the area, shall be provided.

    - After completion of drilling and/or completion of operations, all equipment and other material not needed for operations will be removed. Pits will be filled and locations cleaned of trash and junk to leave well in as aesthetically pleasing a condition as possible.
    - Any unguarded pits containing fluids will be fenced until filled.
    - After abandonment of well, surface restoration will be in accordance with the Bureau of Land Management Surface Requirements.

11. **Surface Ownership:** The surface ownership (Federal, Indian, State or private) and administration (BLM, FS, BIA, Department of Defense, etc.) at the well location, and of all lands crossed by roads which are to be constructed or upgraded, shall be indicated. Where the surface of the proposed well site is privately owned, the operator shall provide the name, address and telephone number of the surface owner.

    Bureau of Land Management
    P.O. Box 1778
    Carlsbad, NM 88227

12. **Other Information:** Type of bond. The operator shall be covered by a bond in its own name as principal, or by a bond in the name of the lessee or sublessee.

    Meridian Oil Inc. is covered by statewide bond.

Operator's Representatives:
Field representatives (Responsible for compliance with approved surface use operations plan.)

Meridian Oil Inc.
P.O. Box 837
Hobbs, NM 88240
Office: 505-393-5844

Mr. Ed Jackson, Drilling Foreman
Loco Hills, NM
Home: 505-677-2323
Mobil: 505-365-7206

Jim Kramer, - Sr. Drilling Eng.
P.O. Box 51810
Midland, TX 79710-1810
Office: 915-688-6843
Home: 915-694-2499

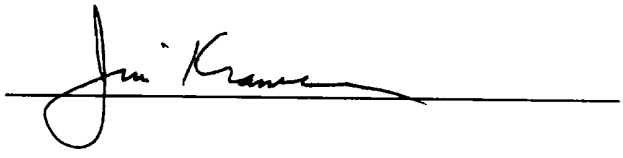
Gary Brink, Drilling Superintendent
P.O. Box 51810.
Midland, TX 79710-1810
Office: 915-688-6842
Home: 915-697-6400

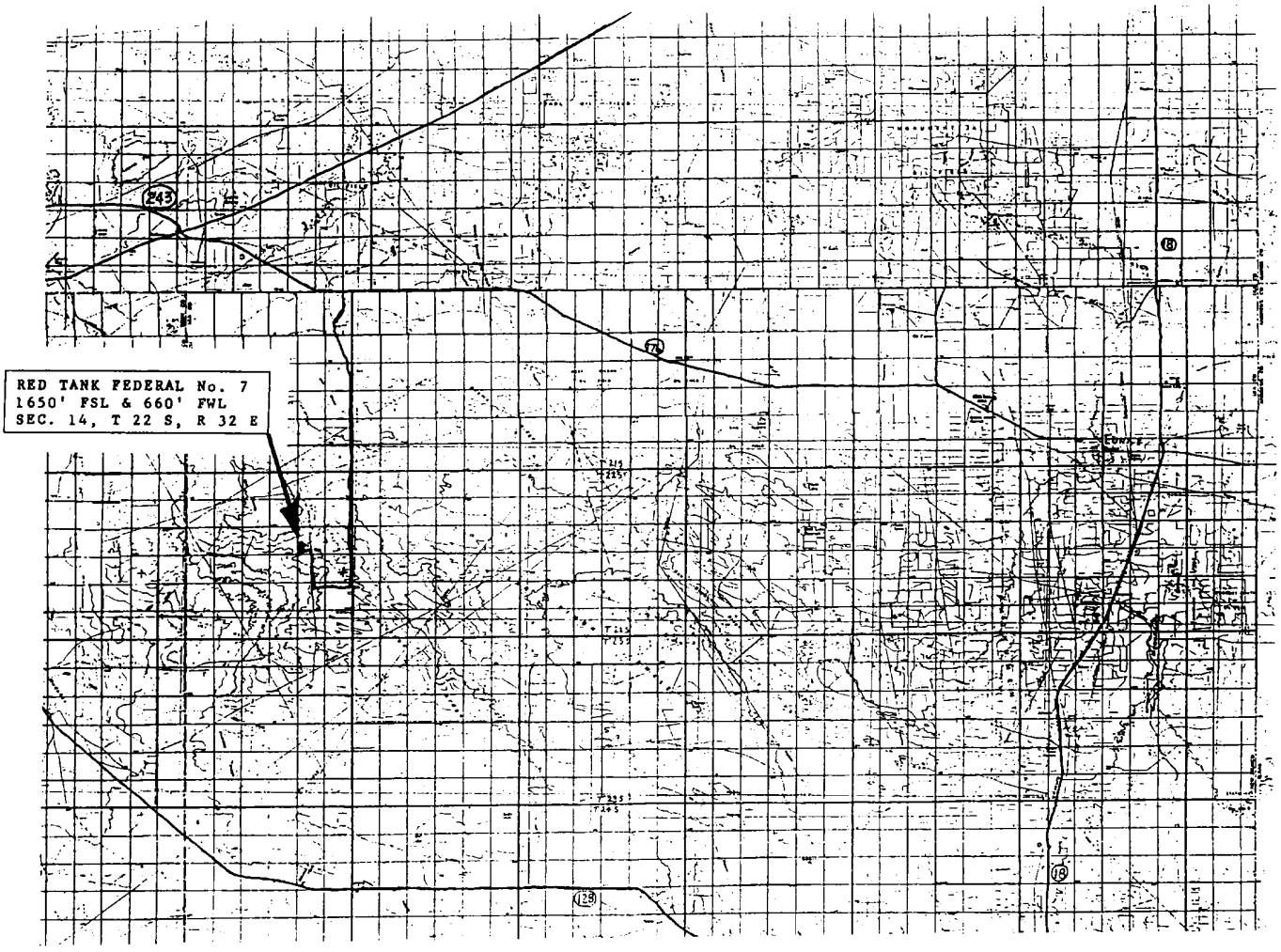
OPERATORS CERTIFICATION

I hereby certify that I, **Jim Kramer, Sr. Drilling Engineer,** under my direct supervision, have inspected the proposed drill site and access route that I am familiar with the conditions that currently exist; that the statements made in the APD package are, to the best of my knowledge, true and correct, and that the work associated with operations proposed herein will be performed by **not yet determined** contractors and subcontractors in conformity with this APD package and the terms and conditions under which it is approved. I also certify responsibility for the operations conducted on that portion of the leased lands associated with this application, with bond coverage being provided under BLM **statewide** bond. This statement is subject to the provisions of 18 U.S.C. 1001 for the filing of a false statement.

DATE: 4-14-94

NAME AND TITLE: Jim Kramer, Sr. Drilling Engineer

SIGNATURE: 



DIRECTIONS:

FROM THE INTERSECTION OF N.M. HIGHWAY 207 AND N.M. HIGHWAY 8 IN EUNICE, NEW MEXICO, GO WEST ON N.M. HWY 8 FOR 6.4 MILES, THEN TURN LEFT ON TO N.M. HWY 176 AND GO 22.0 MILES, THEN TURN LEFT ON TO LEASE ROAD AND GO 2.2 MILES, THEN TURN LEFT AND GO 0.9 MILES, THEN TURN LEFT AND GO 8.8 MILES, THEN TURN RIGHT AND GO 1.5 MILES, THEN TURN RIGHT AND GO 1.4 MILES, THEN TURN LEFT AND GO 0.4 MILES, THEN TURN RIGHT ON A PROPOSED NEW ROAD AND GO 0.2 MILES TO LOCATION.

——————— PAVED HIGHWAY

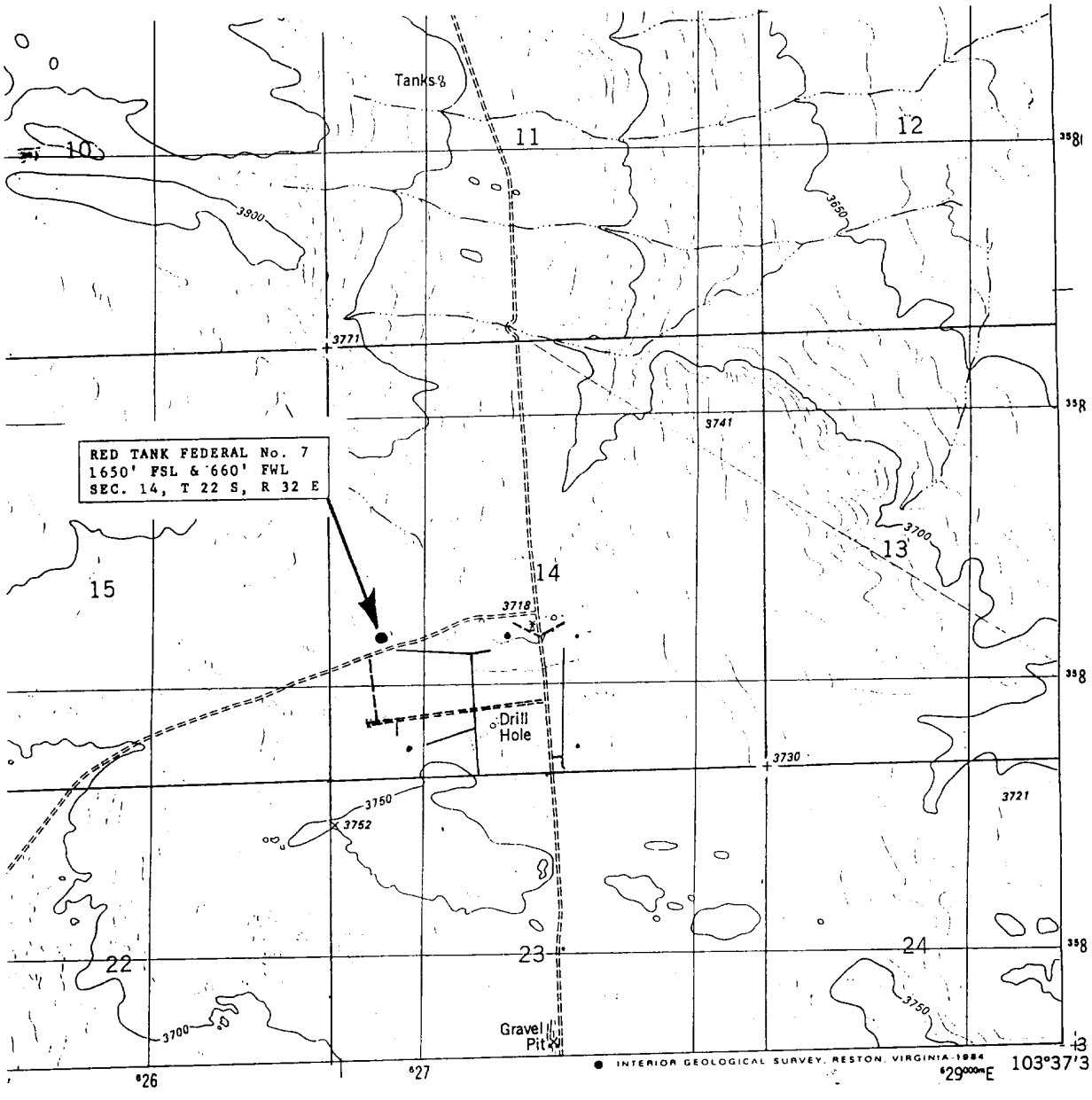
——————— GOOD LEASE ROAD

EXHIBIT
'A'

Laughlin-Simmons
of Texas
MIDLAND DISTRICT OFFICE
(915) 699-1238
(915) 699-8706
In State Toll Free:
1-800-242-3028

P.O. BOX 1757
MIDLAND, TX 79702

MERIDIAN OIL INC. RED TANK FEDERAL No. 7
DIRECTIONS AND ROAD MAP
LEA COUNTY, NEW MEXICO
date: 4-29-94 **scale:**



========== GOOD LEASE ROAD

– – – – – – – – – PROPOSED NEW ROAD

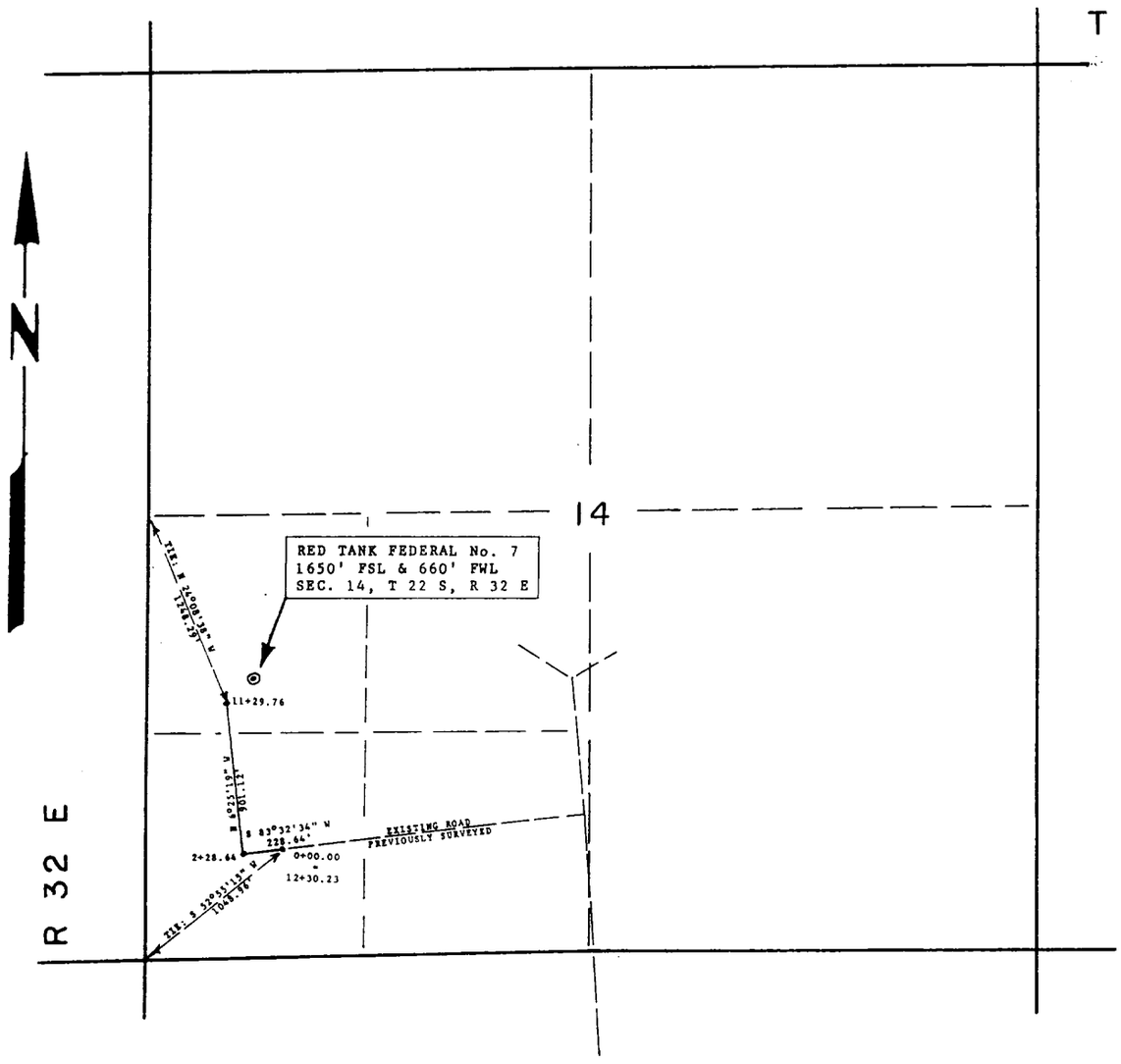
———————— PROPOSED POWER LINE

EXHIBIT
'B'

MERIDIAN OIL INC.
RED TANK FEDERAL No. 7
PROPOSED ACCESS AND POWER LINE
LEA COUNTY, NEW MEXICO
date: 4-29-94 **scale:** 1"=2000'

Laughlin-Simmons
of Texas
MIDLAND DISTRICT OFFICE
(915) 699-1238
(915) 699-8706
In State Toll Free:
1-800-242-3028

P.O. BOX 1757
MIDLAND, TX 79702



PROPOSED NEW ROAD:
FROM: 2+28.64
TO: 11+29.76
TOTAL: 901.12 LF.

NOTE - BASIS OF BEARINGS

BEARINGS FOR THIS SURVEY ARE BASED ON THE LINE BETWEEN A BRASS CAP FOUND FOR THE WEST QUARTER CORNER OF SECTION 23, AND A BRASS CAP FOUND FOR THE NORTH WEST CORNER OF SAID SECTION 23, T 22 S, R 32 E, NMPM, THE LINE IS ASSUMED TO BEAR N 0°01'00" W, 2641.32 FEET.

LEGAL DESCRIPTION:

A RIGHT OF WAY FOR A ROAD LOCATED IN SECTION 14, TOWNSHIP 22 SOUTH, RANGE 32 EAST, NMPM, LEA COUNTY, NEW MEXICO, SAID RIGHT OF WAY BEING FIFTY FEET WIDE AND BEING TWENTY FIVE FEET ON EITHER SIDE OF THE SURVEY CENTERLINE MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT A STEEL SPIKE IN THE CENTER OF AN EXISTING ROAD, SAID SPIKE BEING AT STATION 12+30.23 OF A SURVEY PREVIOUSLY MADE FOR SAID ROAD, FOR STATION 0+00.00 OF THIS SURVEY, AND FROM WHICH THE SOUTH WEST CORNER OF SAID SECTION 14 BEARS S 52°55'15" W, 1048.96 FEET;

THENCE S 83°32'34" W, WITH THE CENTER OF SAID EXISTING ROAD, 228.64 FEET TO A STEEL SPIKE SET FOR SURVEY STATION 2+28.64;

THENCE N 6°25'19" W, LEAVING SAID EXISTING ROAD AND WITH THE CENTER OF A PROPOSED NEW ROAD, 901.12 FEET TO POINT OF TERMINATION OF THE HEREIN DESCRIBED SURVEY CENTERLINE AT SURVEY STATION 11+29.76, FROM WHICH THE WEST QUARTER CORNER OF SAID SECTION 14 BEARS N 24°08'38" W, 1248.29 FEET;

SAID RIGHT OF WAY BEING 1129.76 FEET OR 68.47 RODS OR 0.21 MILES IN LENGTH, SUCH LENGTH BEING ALLOCATED BY FORTIES AS FOLLOWS:

SW/4 of SW/4	SECTION 14 -	57.52 RODS
NW/4 of SW/4	SECTION 14 -	10.95 RODS
	TOTAL -	68.47 RODS

I hereby certify this plat to be correct to the best of my knowledge.

Laughlin-Simmons of Texas
MIDLAND DISTRICT OFFICE
(915) 699-1238
(915) 699-8706
In State Toll Free:
1-800-242-3028

P.O. BOX 1757
MIDLAND, TX 79702

WILLIAM E. MAHNKE II
NEW MEXICO
#8466
REGISTERED PROFESSIONAL LAND SURVEYOR

By: WILLIAM E. MAHNKE II, PLS #8466

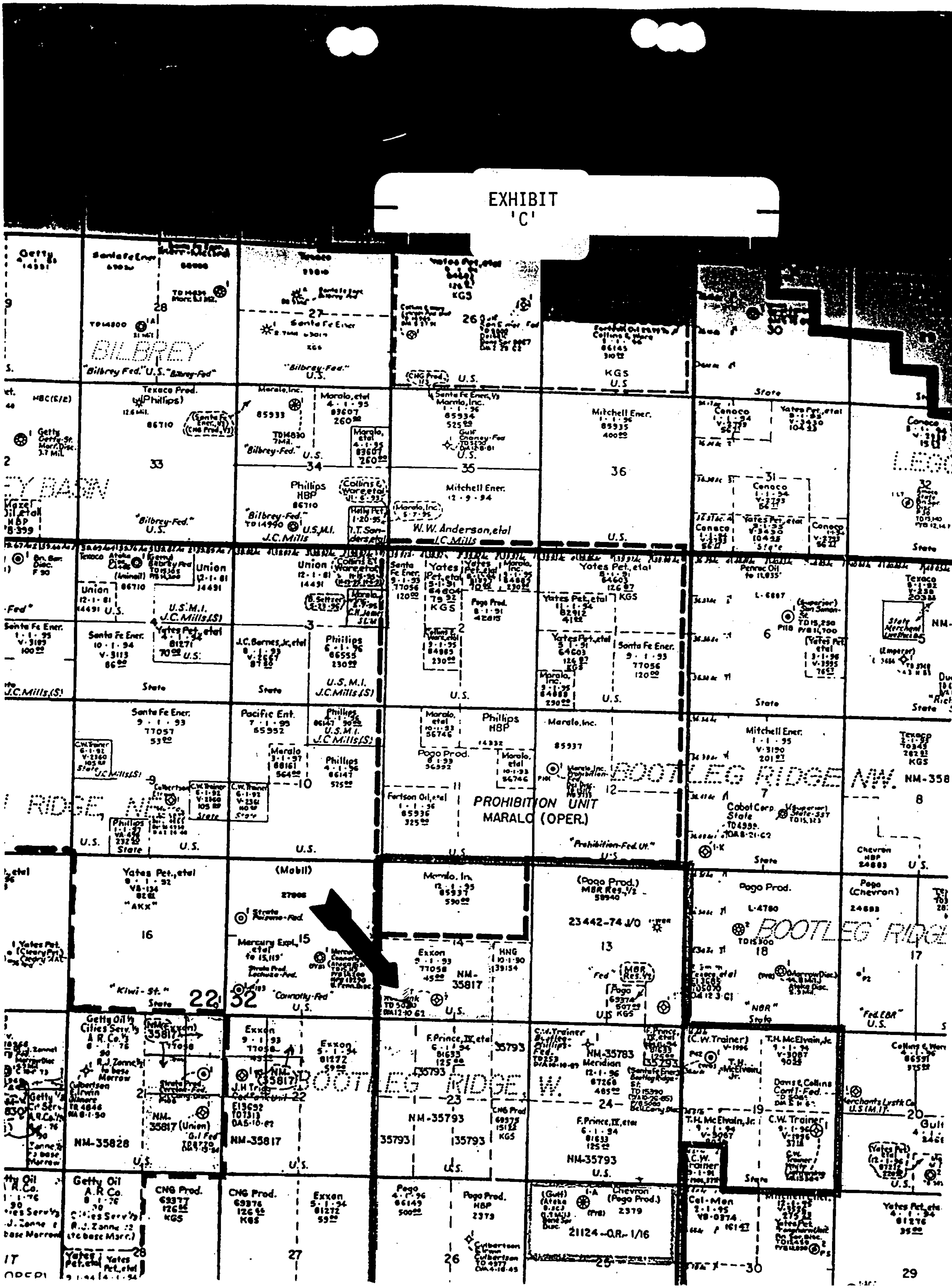
MERIDIAN OIL INC.
RED TANK FEDERAL No. 7

ROAD RIGHT OF WAY

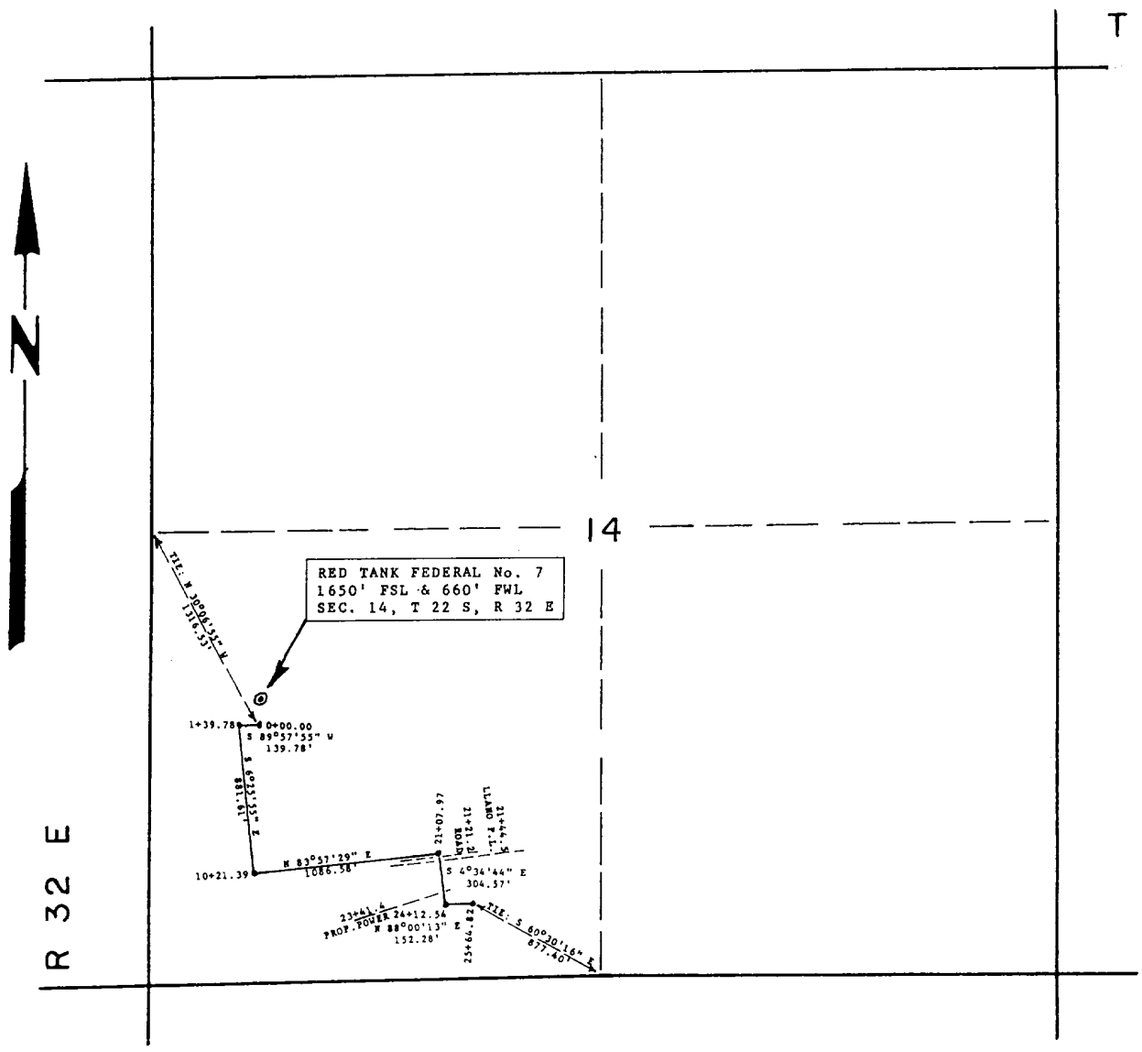
LEA COUNTY, NEW MEXICO

date: 4-29-94 **scale:** 1"=1000'

EXHIBIT
'C'



BILBREY
BOOTLEG RIDGE NW.
PROHIBITION UNIT
MARALO (OPER.)
BOOTLEG RIDGE
BOOTLEG RIDGE W.
NM-35817
NM-35793
NM-35828
NM-35783
23442-74 J/O
21124-O.R.-1/16



NOTE - BASIS OF BEARINGS

BEARINGS FOR THIS SURVEY ARE BASED ON THE LINE BETWEEN A BRASS CAP FOUND FOR THE WEST QUARTER CORNER OF SECTION 23, AND A BRASS CAP FOUND FOR THE NORTH WEST CORNER OF SAID SECTION 23, T 22 S, R 32 E, NMPM, THE LINE IS ASSUMED TO BEAR N 0°01'00" W, 2641.32 FEET.

LEGAL DESCRIPTION:

AN EASEMENT FOR A PROPOSED FLOWLINE LOCATED IN SECTION 14, TOWNSHIP 22 SOUTH, RANGE 32 EAST, NMPM, LEA COUNTY, NEW MEXICO, SAID EASEMENT BEING FIFTY FEET WIDE AND BEING TWENTY FIVE FEET ON EITHER SIDE OF THE SURVEY CENTERLINE MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT FOR STATION 0+00.00 OF THIS SURVEY, FROM WHICH THE WEST QUARTER CORNER OF SAID SECTION 14 BEARS N 30°06'55" W, 1316.53 FEET;

THENCE S 89°57'55" W, 139.78 FEET TO A POINT FOR SURVEY STATION 1+39.78;

THENCE S 6°25'55" E, 881.61 FEET TO A POINT FOR SURVEY STATION 10+21.39;

THENCE N 83°57'29" E, 1086.58 FEET TO A POINT FOR SURVEY STATION 21+07.97;

THENCE S 4°34'44" E, AT 13.2 FEET CROSSING AN EXISTING ROAD FOR SURVEY STATION 21+21.2, AT 36.5 FEET CROSSING A LLANO INC. PIPELINE FOR SURVEY STATION 21+44.5, AT 233.4 FEET CROSSING A PROPOSED POWER LINE FOR SURVEY STATION 23+41.4, A TOTAL DISTANCE OF 304.57 FEET TO A POINT FOR SURVEY STATION 24+12.54;

THENCE N 88°00'13" E, 152.28 FEET TO POINT OF TERMINATION OF THE HEREIN DESCRIBED SURVEY CENTERLINE AT SURVEY STATION 25+64.82, FROM WHICH THE SOUTH QUARTER CORNER OF SAID SECTION 14 BEARS S 60°30'16" E, 877.40 FEET;

SAID EASEMENT BEING 2564.82 FEET OR 155.44 RODS OR 0.49 MILES IN LENGTH, SUCH LENGTH BEING ALLOCATED BY FORTIES AS FOLLOWS:

NW/4 of SW/4	SECTION 14 -	19.43 RODS
SW/4 of SW/4	SECTION 14 -	85.19 RODS
SE/4 of SW/4	SECTION 14 -	50.82 RODS
	TOTAL -	155.44 RODS

I hereby certify this plat to be correct to the best of my knowledge.

Laughlin-Simmons
of Texas
MIDLAND DISTRICT OFFICE
(915) 699-1238
(915) 699-8706
In State Toll Free:
1-800-242-3028

P.O. BOX 1757
MIDLAND, TX 79702

EXHIBIT 'D'

WILLIAM E. MAHNKE II
NEW MEXICO
#8466
REGISTERED PROFESSIONAL LAND SURVEYOR

By: WILLIAM E. MAHNKE II, PLS #8466

MERIDIAN OIL INC.
RED TANK FEDERAL No. 7

PROPOSED FLOWLINE EASEMENT

LEA COUNTY, NEW MEXICO

date: 4-29-94 **scale:** 1"=1000'

MERIDIAN OIL

MIDLAND REGION
DRILL WELL LOCATION SPECIFICATIONS

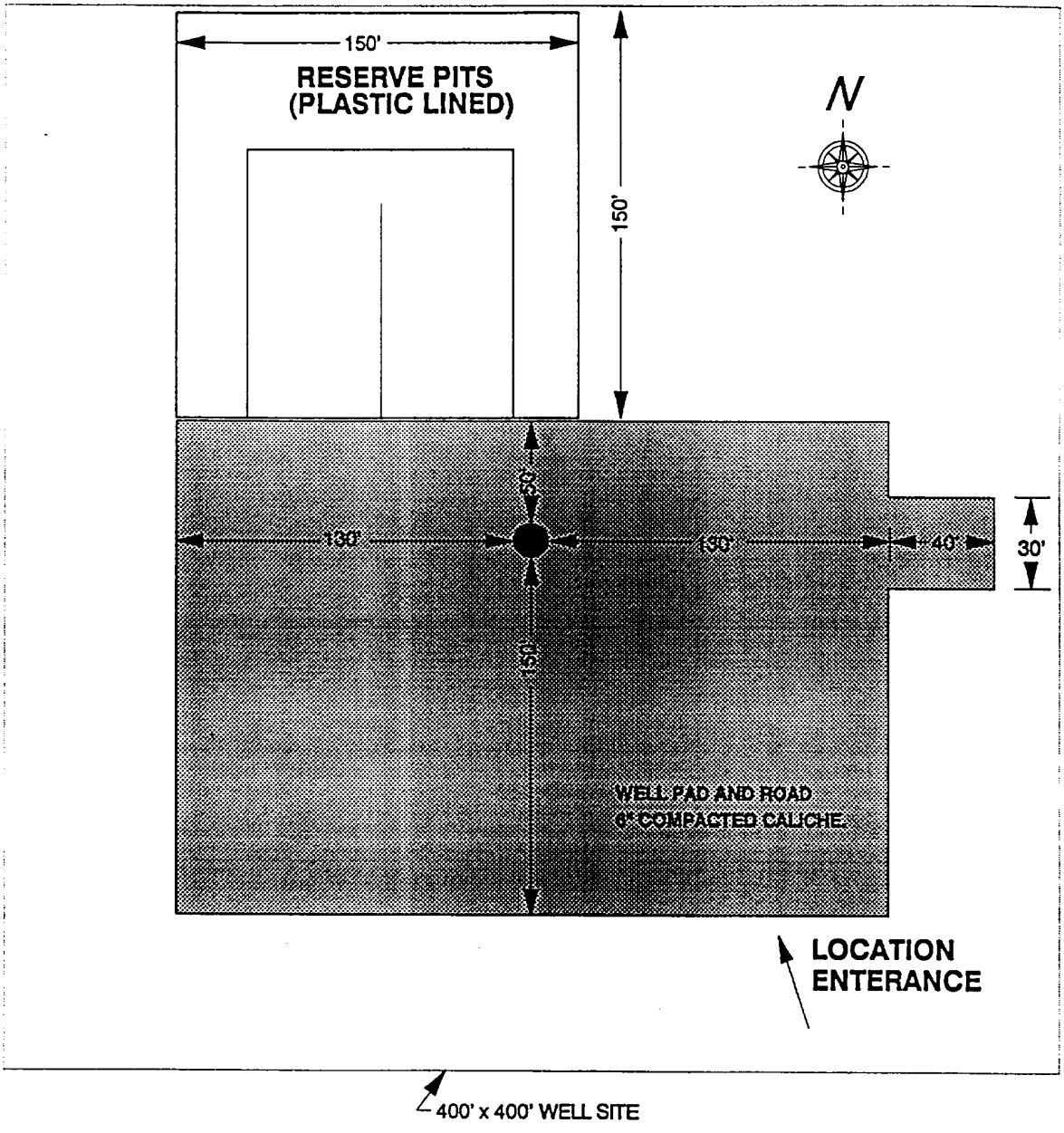
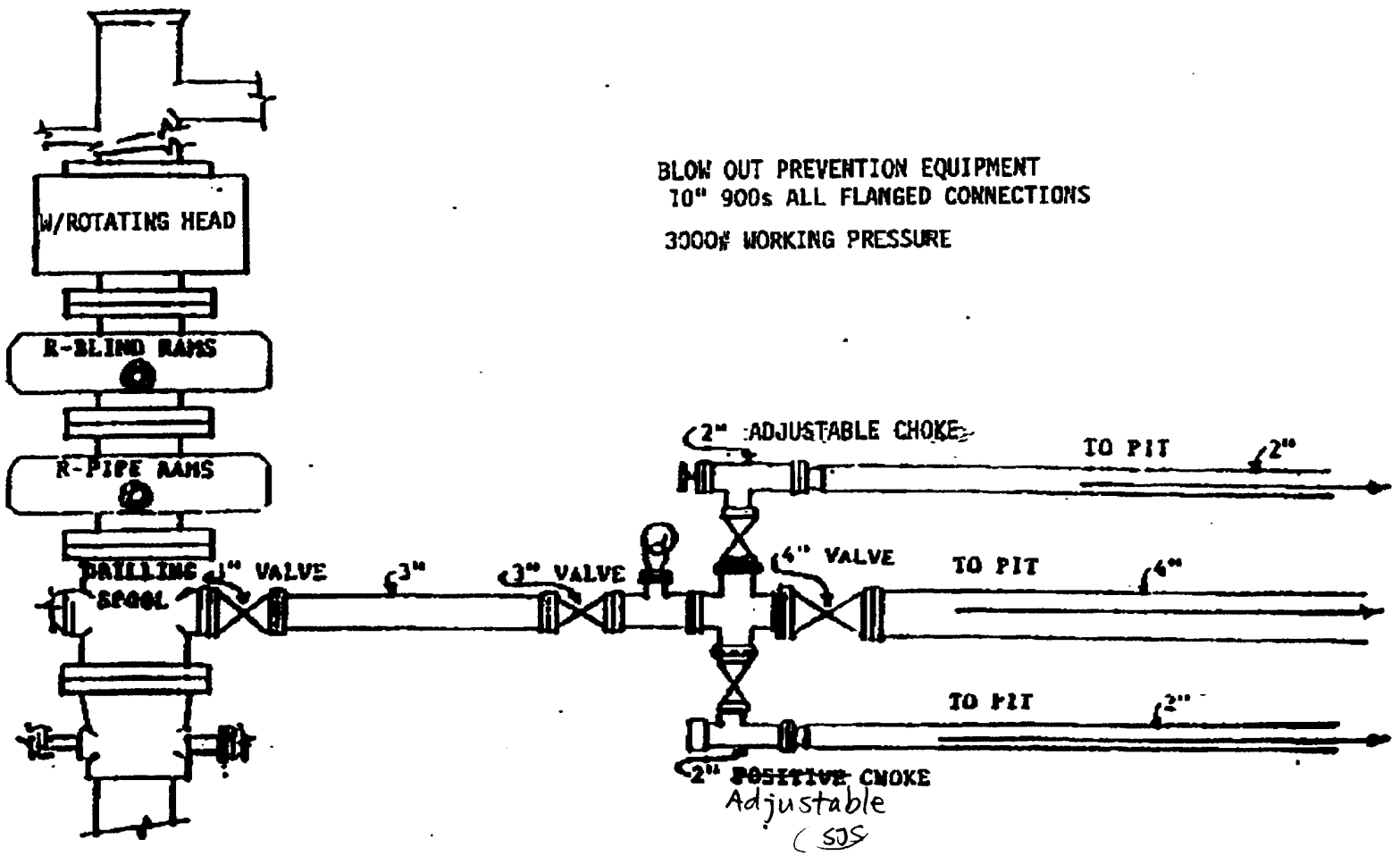


EXHIBIT
'E'

DOUBLE RAM



BLOW OUT PREVENTION EQUIPMENT
10" 900s ALL FLANGED CONNECTIONS

3000# WORKING PRESSURE