

UTAH OIL AND GAS CONSERVATION COMMISSION

REMARKS WELL LOG ELECTRIC LOGS FILE WATER SANDS LOCATION INSPECTED SUB REPORT (aba)

DATE FILED **11-25-91**
 LAND FEE & PATENTED STATE LEASE NO PUBLIC LEASE NO **U-57878** INDIAN
 DRILLING APPROVED **12-17-91**
 SPUDDED IN **11-1-91**
 COMPLETED PUT TO PRODUCING
 INITIAL PRODUCTION *Completed*
 GRAVITY API
 GOR
 PRODUCING ZONES
 TOTAL DEPTH
 WELL LOCATION
 DATE ABANDONED **LA'D 11-22-93**
 FIELD **WILDCAT**
 UNIT
 COUNTY **SAN JUAN**
 WELL NO **PERIDOT UNIT FED. 22-31H** API NO. **43-037-31657**
 LOCATION **2000' FNL** FT FROM (N) (S) LINE **1620' FNL** FT FROM (E) (W) LINE **SE NW** 1/4 - 1/4 SEC **31**

TWP	RGE	SEC	OPERATOR
31S	23E	31	MERIDIAN OIL INC.

RGE	SEC	OPERATOR

MERIDIAN OIL

November 22, 1991

State of Utah
Natural Resources - Oil, Gas & Mining
355 West North Temple
3 Triad Center, Suite 350
Salt Lake City, UT 84180-1203

Re: Application for Permit to Drill
22-31H Peridot Unit Federal
Sec. 31-T31S-R23E
San Juan County, Utah

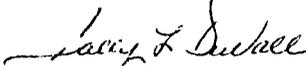
Gentlemen:

Please find enclosed the subject Application for Permit to Drill and related exhibits.

Please be advised that Meridian Oil Inc. requests that all pertinent data for the above-referenced well be granted TIGHT-HOLE status.

If you have any questions or requirements, please feel free to contact me at (303) 930-9393.

Very truly yours,



Sally L. DuVall
Regulatory Compliance Representative

Enc.

/sld

CONFIDENTIAL
RECEIVED

NOV 25 1991

DIVISION OF
OIL GAS & MINING

CONFIDENTIAL

Form 3160-3
(November 1983)
(formerly 9-311C)

SUBMIT IN TRIPLICATE*
(Other instructions on
reverse side)

Form approved.
Budget Bureau No. 1004-0136
Expires December 31, 1988

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

5. LEASE DESIGNATION AND SERIAL NO.
U-57878

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

12. TYPE OF WORK
 DRILL DEEPEN PLUG BACK

13. TYPE OF WELL
 OIL WELL GAS WELL OTHER SINGLE ZONE MULTIPLE ZONE

14. NAME OF OPERATOR
 Meridian Oil Inc.

15. ADDRESS OF OPERATOR
 5613 DTC Parkway, Englewood, CO 80111

16. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)
 At surface: 2000' FNL and 1620' FWL *SENW*

At proposed prod. zone: See attached plat

17. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE
 Approx. 50 miles north of Monticello, Utah

18. DISTANCE FROM PROPOSED LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT.
 1020'

19. DISTANCE FROM PROPOSED LOCATION TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIC. FOR THIS LEASE, FT.
 N/A

20. PROPOSED DEPTH
 6700' TVD *CNCR*

21. ELEVATIONS (Show whether OF, RT, GR, etc.)
 6751' GL

6. IF INDIAN, ALLOTTEE OR TRIBE NAME
 N/A

7. UNIT AGREEMENT NAME
 N/A

8. FARM OR LEASE NAME
 Peridot Unit Federal

9. WELL NO.
 22-31H

10. FIELD AND POOL OR WILDCAT
 Wildcat *001*

11. SEC. T. & M., OR S.E. & S.W. QUARTER OR AREA
 Sec 31-T31S-R23E

12. COUNTY OR PARISH 13. STATE
 San Juan UT

14. NO. OF ACRES ASSIGNED TO THIS WELL
 880*

15. ROTARY OR CABLE TOOLS
 Rotary

16. APPROX. DATE WORK WILL START*
 12-1-91

CONFIDENTIAL

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
17-1/2"	13-3/8"	54.5#	800'	400 sx 35:65 Pozmix, 250' sx C1 "C"
12-1/4"	9-5/8"	40#	4650'	1200 sx 35:65 Pozmix, 350' sx C1 "C"
8-3/4"	5-1/2"	17#, 20#, 23#	9000'	1100 sx "G"

Oil and Gas Order No. 1 and Exhibits

See attached Exploratory Unit Outline

- A: Survey Plat
- A-1: Horizontal Section Plat
- BL Eight-Point Drilling Plan
- C: BOP Diagram
- D: Multi-Point Surface Use Plat
- E: Access Roads
- E-1: Detail of Access Road
- E-2: 1-Mile Radius Map
- F: Production Lay-Out
- G: Cut Fill/Cross Sections
- H: Rig Layout

RECEIVED

NOV 25 1991

DIVISION OF
OIL GAS & MINING

Meridian Oil Inc. is properly bonded for drilling and plugging wells in Utah: State of Utah Bond No. 1536406, - Nationwide Bond No. UT0414.

Subject to formation of 10,895 acre federal exploratory unit.

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. 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. Regulatory Compliance Representative *Sally L. Durball* DATE 11-5-91

(This space for Federal or State office use)

PERMIT NO. 43-037-31157 APPROVAL DATE 12-17-91

APPROVED BY *Steve Jenkins* TITLE

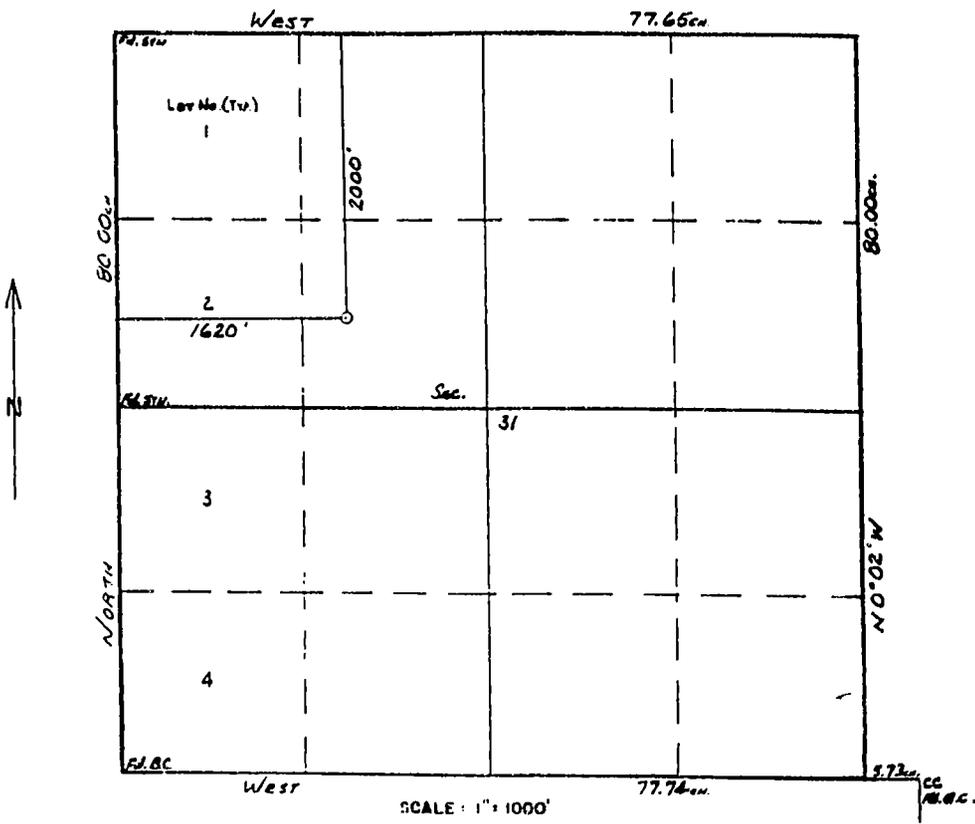
CONDITIONS OF APPROVAL, IF ANY:

APPROVED BY THE STATE OF UTAH DIVISION OF OIL, GAS AND MINING
 DATE 12-17-91
 ALL SPACING 6-15-3-2

*See Instructions On Reverse Side

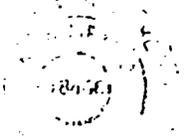
APD Approval Letter
 Date 1-28-92

COMPANY MERIDIAN OIL, INC.
 LEASE PERIDOT UNIT FEDERAL WELL NO. 22-31H
 SEC 31, T. 31 S, R. 23 W
 COUNTY San Juan STATE Utah
 LOCATION 2000' FNL & 1620' FWL
 ELEVATION 6251



THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS PREPARED FROM FIELD
 NOTES OF ACTUAL SURVEYS MADE BY ME OR UNDER MY SUPERVISION
 AND THAT THE SAME ARE TRUE AND CORRECT TO THE BEST OF MY
 KNOWLEDGE AND BELIEF.

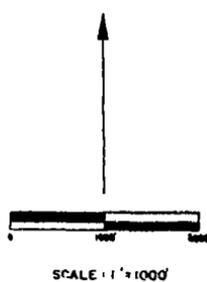
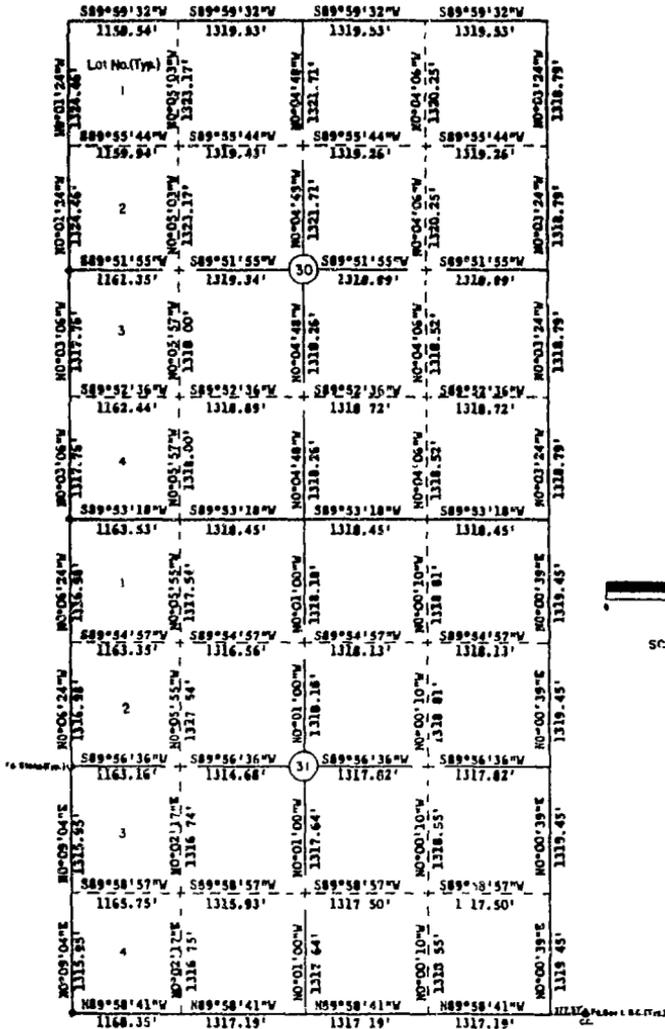
SEAL:




 WILLIAM E. MAHNKE II
 NEW MEXICO P.L.S. N° 8468

SURVEYED Oct. 17, 1991

HORIZONTAL SECTION PLAT
 Prepared for MERIDIAN OIL, INC.
 Well Location: #22-31H
 2000'FWL & 1620'FWL
 Sec.31, T31S, R22E, S.L.M.
 San Juan County, Utah



All corners shown on this plat were found on Oct 17, 22, and 23, 1991. All distances not between found monuments are calculated from other sections. All bearings are based on the line SW Cor Sec. 31, T31S, R22E to NE Cor. Sec. 25, T31S, R22E being North per G. L. O. plat dated March 28, 1914.

William E. Hahnke II
 William E. Hahnke II
 New Mexico F.L.S. No 8466

Date: 10/31/91



Prepared for:	MERIDIAN OIL, INC 5613 DTC PARKWAY ENGLEWOOD, CO. 80111
POWER ELEVATION CO, INC P.O. Box 991 Farmington N.M. 87499	
Drawn By:	W.E.H.H.
Date:	Oct 31, 1991

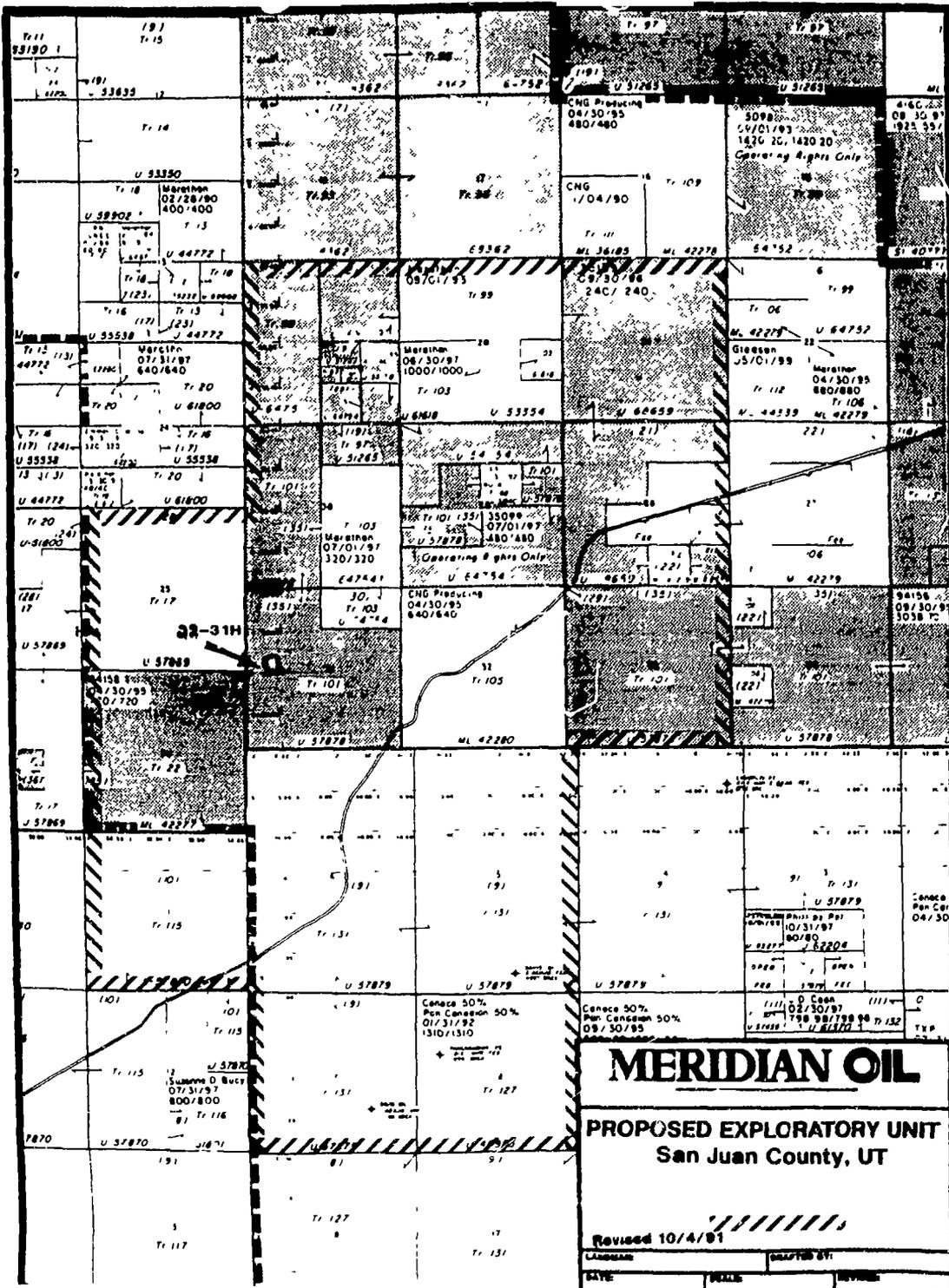


Exhibit "B"

EIGHT POINT DRILLING PROGRAM

COMPANY: Meridian Oil, Inc.
WELL NAME: 22-31H Peridot Unit Federal
LOCATION: SENW Section 31, T31S-R23E
San Juan County, Utah

All lease/or unit operations will be conducted in such a manner that full compliance is made with applicable laws, regulations (43 CFR 3100), Onshore Oil and Gas Orders and the approved plan of operations. MERIDIAN OIL INC. is fully responsible for the actions of its subcontractors. A copy of these conditions will be furnished to the field represent- ative to ensure compliance.

In addition, Meridian Oil Inc. is responsible under the terms and conditions of the subject lease for the operations on the lease.

1. Estimated Geological Markers

<u>Formation Tops</u>	<u>Depth</u>	<u>Subsea</u>
Navajo	Surface	
Chinle	765'	(+5555)
Moenkopi	1297'	(+5023)
Cutler	1393'	(+4927)
Hermosa	2893'	(+3427)
Ismay	4200'	(+2120)
Top of Salt	4524'	(+1796)
Akah	4642'	(+1678)
A Marker	5334'	(+ 986)
B Marker	5524'	(+ 796)
Cycle 19 Marker	6119'	(+ 201)
C Marker	6356'	(- 36)
Cycle 21 Marker	6404'	(- 84)
Cane Creek A	6572'	(- 252)
Cane Creek B	6599'	(- 279)
Cane Creek C	6625'	(- 305)
Base of Cane Creek	6664'	(- 344)
Mississippian Leadville	7229'	(- 909)

2. Estimated Depths of Anticipated Water, Oil, Gas or other Minerals

<u>Formation Tops</u>	<u>Depth</u>	<u>Subsea</u>	<u>Remarks</u>
Navajo	Surface	+5597'	Fresh Water
Ismay	4200'	+2120'	Oil, Gas, Water
Cane Creek	6599'	- 279	Oil, Gas

All fresh water and prospectively valuable minerals encountered during drilling, will be recorded by depth and adequately protected.

3. Pressure Control Equipment

The Moab BLM office will be notified 24 hours prior to the testing of BOPE.

- A. For the drilling of the 17-1/2" hole from surface to 800', a 8" flow line will be rigged up on the 20" conductor. See Exhibit C-1.
- B. For the drilling of the 12-1/4" hole from 800' to 4650' (See Exhibit C-2):
 - 13-5/8" 3M 13-3/8" weld on casinghead
 - 13-5/8" 3M spool w/outlets for Kill and manifold lines
 - 13-5/8" 3M double ram BOP with both pipe and blind rams
 - 13-5/8" 3M spherical annular
- C. For the drilling of the 8-3/4" hole from 4650' to TD (See Exhibit C-3):
 - 11" 3M 13-5/8" X 5M 9-5/8" casing spool
 - 11" 5M spool w/outlets for kill and manifold lines
 - 11" 5M double ram BOP with both pipe and blind rams
 - 11" 5M spherical annular
 - Flow nipple w/flow and fill line
- D. Miscellaneous:
 - Accumulator will be 5M psi working pressure. BOP master controls will be at the accumulator; remote controls will be readily available to the driller.
 - Choke manifold: The line from the BOP to the choke manifold will be 3", 5M psi working pressure. Manual controls will be present for rams. Kill line and valves will have a minimum diameter of 2".
 - A hydraulically operated remote controlled choke, will be installed on the choke manifold (5M psi working pressure).
 - BOP's will be tested to maximum working pressure (3000 psi for the 13-5/8", 5000 psi for the 11") with a blanking plug at installation and pressure tested every 14 days thereafter. Pipe rams and blind rams will be functionally operated on trips. Annular preventer to be function tested a minimum of once per week.
 - Surface casing will be tested to 1500 psi. Intermediate casing will be tested to 2500 psi.

4. Casing Program

Surface Casing

<u>Hole Size</u>	<u>Size</u>	<u>Depth</u>	<u>Weight</u>	<u>Grade</u>	<u>Thread</u>	<u>Cond</u>
17-1/2"	13-3/8"	800'	54.5#/Ft	K-55	ST&C	NEW

Cement: 400 sx. of 35:65 Pozmix followed by 250 sx. of Class "G" cemented to surface.

Intermediate Casing

<u>Hole Size</u>	<u>Size</u>	<u>Depth</u>	<u>Weight</u>	<u>Grade</u>	<u>Thread</u>	<u>Cond</u>
12-1/4"	9-5/8"	4650'	40 #/Ft	N-80	LT&C	NEW

Cement: 1200 sx of 35:65 Pozmix followed by 350 sx of Class "G".

Production Casing

<u>Hole Size</u>	<u>Size</u>	<u>Depth</u>	<u>Weight</u>	<u>Grade</u>	<u>Thread</u>	<u>Cond</u>
8-3/4"	5-1/2"	0'-4200'	17#/Ft	N-80	LT&C	NEW
8-3/4"	5-1/2"	4200'-6100'	23#/Ft	P-110	BT&C	NEW
8-3/4"	5-1/2"	6100'-7000'	23#/Ft	P-110	BT&C	NEW
8-3/4"	5-1/2"	7000'-9000'	23#/Ft	N-80	BT&C	NEW

External Casing Packer set @ +/- 7800' MD
HOS Cementer to be placed in the Cape Creek "A" zone.

Cement: Lead slurry will be 300 sx. of Class "G".
Tail slurry will be 800 sx. of Class "G" with Salt Bond additives.

Cement will be placed from the external casing packer at 7000' to 4000'.

5. Proposed Mud Program

Description:

0' - 800':	Freshwater with Gel/Lime Sweeps to clean hole.
Mud Wt.:	8.6 - 9.2 Lb/Gal
Viscosity	38 - 46
Yield Point:	12 - 18
API Fluid Loss:	No Control

800' - 4200':

Low solids non-dispersed utilizing a
PHPA polymer for shale inhibition.

Mud Wt.: 8.7 - 9.1 Lb/Gal
Yield Point: 9 - 11
API Fluid Loss: 8 - 10 cc/30 min.

4200' - T.N. :

Invert Oil Mud

Mud Wt.: 9.0 - 15.0 Lb/Gal
Yield Point 12 - 22
Viscosity: 40 - 55
RTHP Fluid Loss: ± 30 cc/30 min.

6. Coring, Logging and Testing Program

The 22-31H Peridot Unit Federal will be drilled as follows:

1. 17-1/2" hole to 800', run & cement 13-3/8" casing;
2. 12-1/4" hole to 4650', run open hole logs and run & cement 9-5/8" casing;
3. Drill an 8-3/4" hole to the Cane Creek "A", obtain 60' of oriented core;
4. Drill to a depth of 6660' (50' below the Cane Creek "C") run open hole logs and a gyro survey;
5. Set a cement plug at +/- 6040' and run a Vertical Seismic Profile (VSP) in the direction which is to be determined from core analysis;
6. Kick-off, build angle to 90 deg., and drill a 2000' horizontal leg;
7. Run a Digital Sonic and P.E.F. (Mineral Identification) log on drillpipe in the lateral section of the wellbore;
8. Run and cement 5-1/2" casing.

The points detailed below, are based upon this well being drilled in the manner outlined above.

- A. Cores: A 60', vertical oriented core will be taken when the top of the Cane Creek "A" is encountered (+/- 6510').
- B. Drill Stem Tests: None planned.
- C. Logs:

DIL/SFL/SP/GR 800' - 4650'
CNL-LDT/GR/CAL 800' - 4650'

DIL/SFL/SP/GR 4650' - 6660'
CNL-LDT/GR/CAL 4650' - 6660'
BHC SONIC/GR/CAL 4650' - 6660'

VSP (Vertical
Seismic Profile) Surf. - 6040'

MWD GR 6040' - TD

DIGITAL SONIC/
M.I.F. LOG 6400' - TD (Drill pipe conveyed)

- D. **Vertical Seismic Profile:** The VSP will be run after the plug back cement plug has been set. The direction in which vibrator trucks will be placed in relation to surface location will be determined after core analysis has been completed.

One vibrator truck will initially be placed on location and two additional vibrator trucks will be placed approximately 4000' from surface location in the direction the VSP is to be run. The VSP tools will then be lowered into the wellbore, and a series of check-shots will be run with the truck that is on location. After the checkshots are complete, the truck that is on location will be driven over with the other two trucks for additional vibration capacity.

The VSP tools will then be lowered down to TD, and seismic shots will be taken at varying intervals up to surface. The results will then be processed by a portable workstation on location and results printed out. Additional refinements may be made to the raw data in Houston, where more advanced processing techniques can be performed on a mainframe computer.

- E. **Directional Surveys:** This well is planned as a medium radius horizontal well with 2000' of lateral hole and +/- 2600' of horizontal displacement in the desired azimuth. The exact footages of where this well will be terminated are not known due to the variability of the azimuth. It is intended to send sundry notices detailing azimuth, footages from hardlines and a copy of the gyro survey as soon as the azimuth is determined based upon core analysis.

Surveys will be taken approximately every 30' during the build and +/- 90' during the horizontal portion of this wellbore.

- F. **Samples:** Samples will be taken every 30' from surface to 6000' and every 10' from 6000' to TD.
- G. **Mud Logger:** Mud logger will be on location from 3000' to TD.
- H. **Completion Procedure:** The Cane Creek interval is expected to flow naturally upon initial completion.

7. Anticipated abnormal BHP or BHT

The Cane Creek is expected to have abnormal pressure. Anticipated BHP is +/- 5000 psi. Offset BHT data indicates a static BHT of +/- 120 F.

No H2S is anticipated in this area.

8. Other Information

Auxiliary equipment: See attached Exhibits "C-1", "C-2", "C-3" - BOP diagrams.

9. Anticipated Starting Dates

Spud Date: December 1, 1991

Drilling Days: 57

1 week to move drilling rig off and completion rig on.

14-21 days of initial completion work.

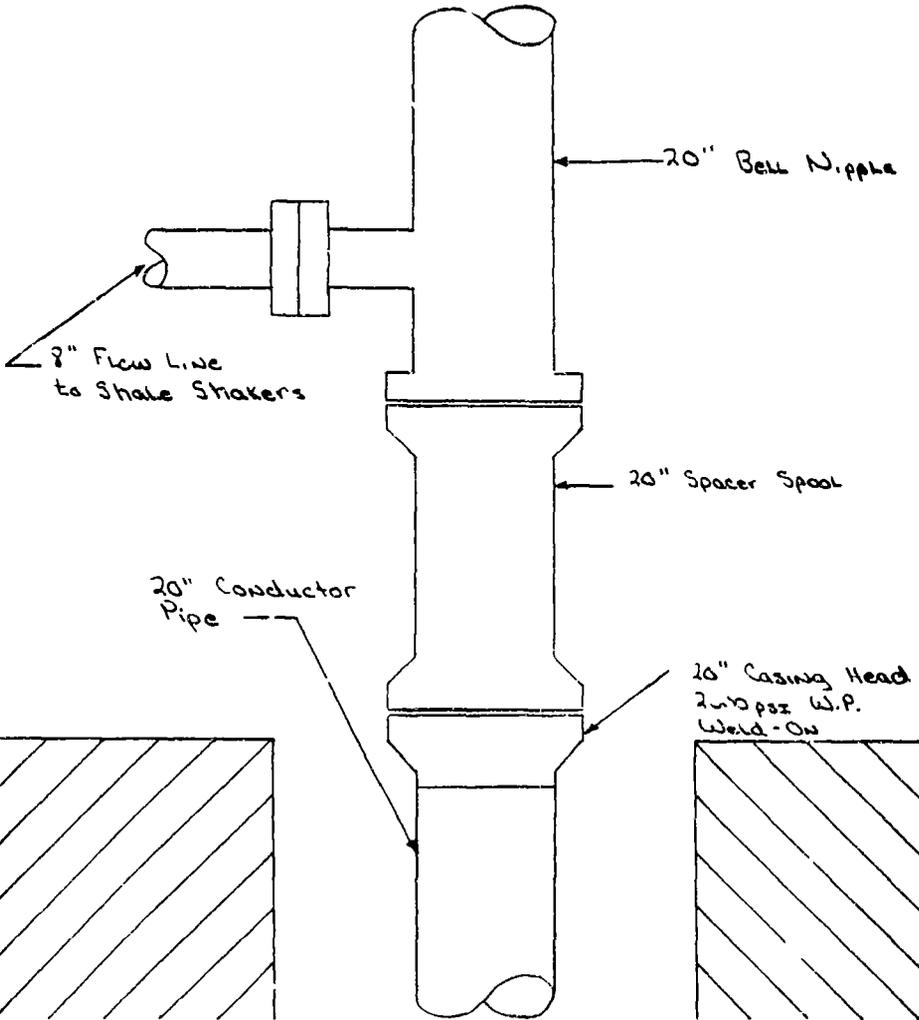
7-14 days to install production facilities.

st/273

Surface Diverter System

Exhibit "C-1."

22-141 50 SHEETS
22-142 100 SHEETS
22-144 200 SHEETS

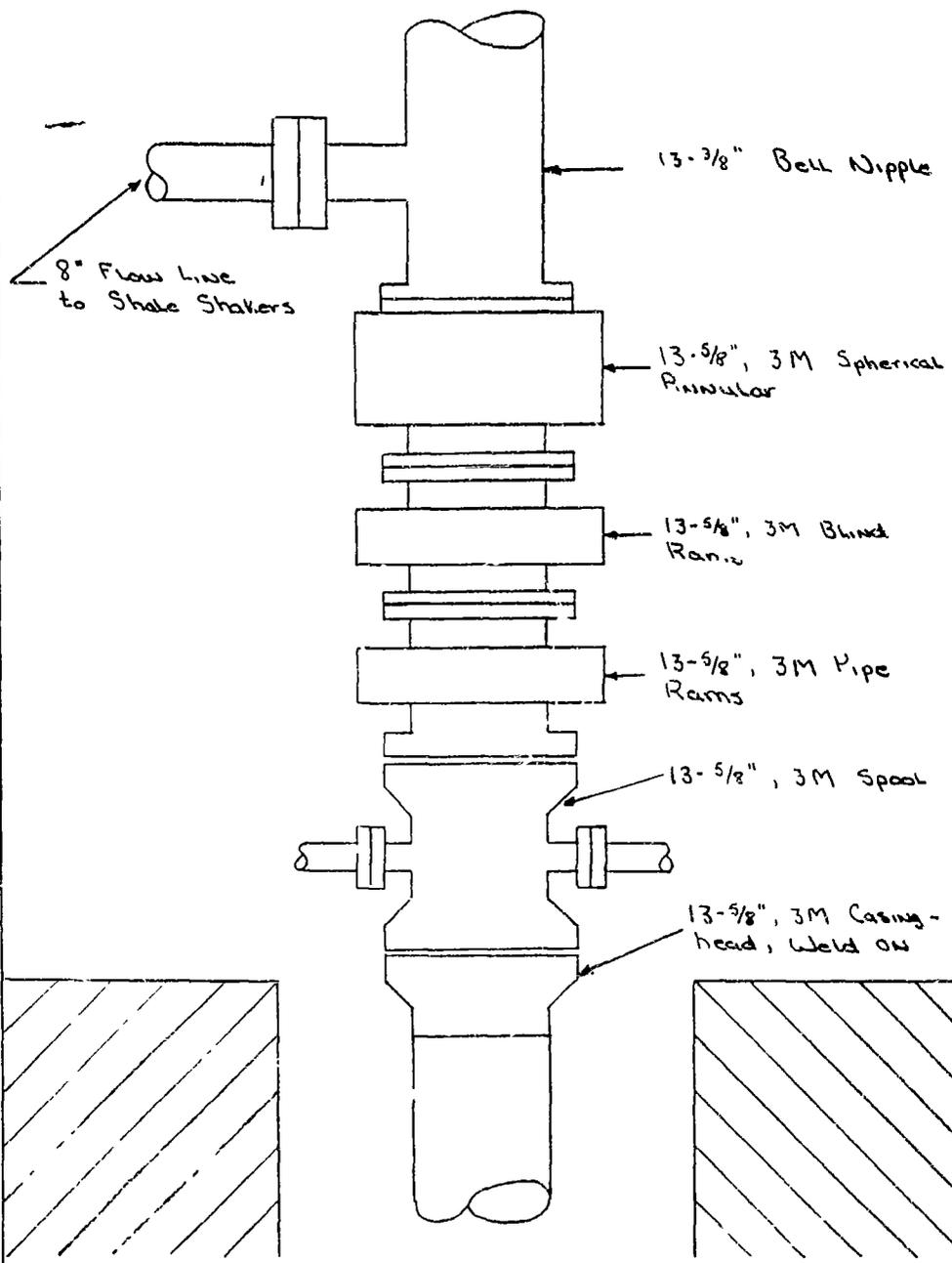


Scale: NTS

12-1/4" Hole Diverter System
Exhibit "C-2"
Pg. 1 of 2

50 SHEETS
100 SHEETS
200 SHEETS

22-141
22-142
22-144



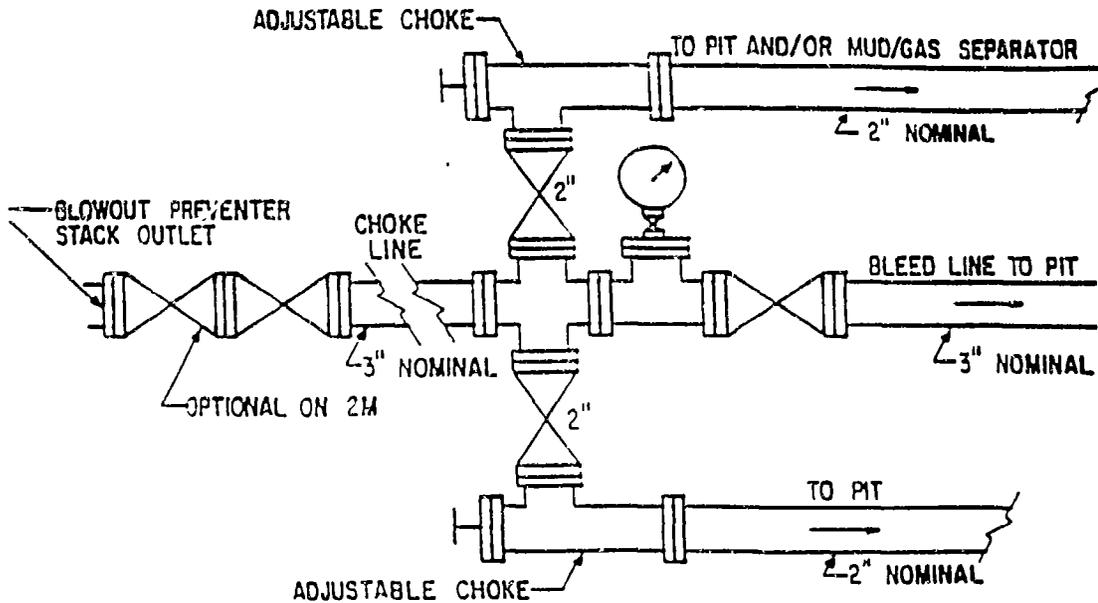
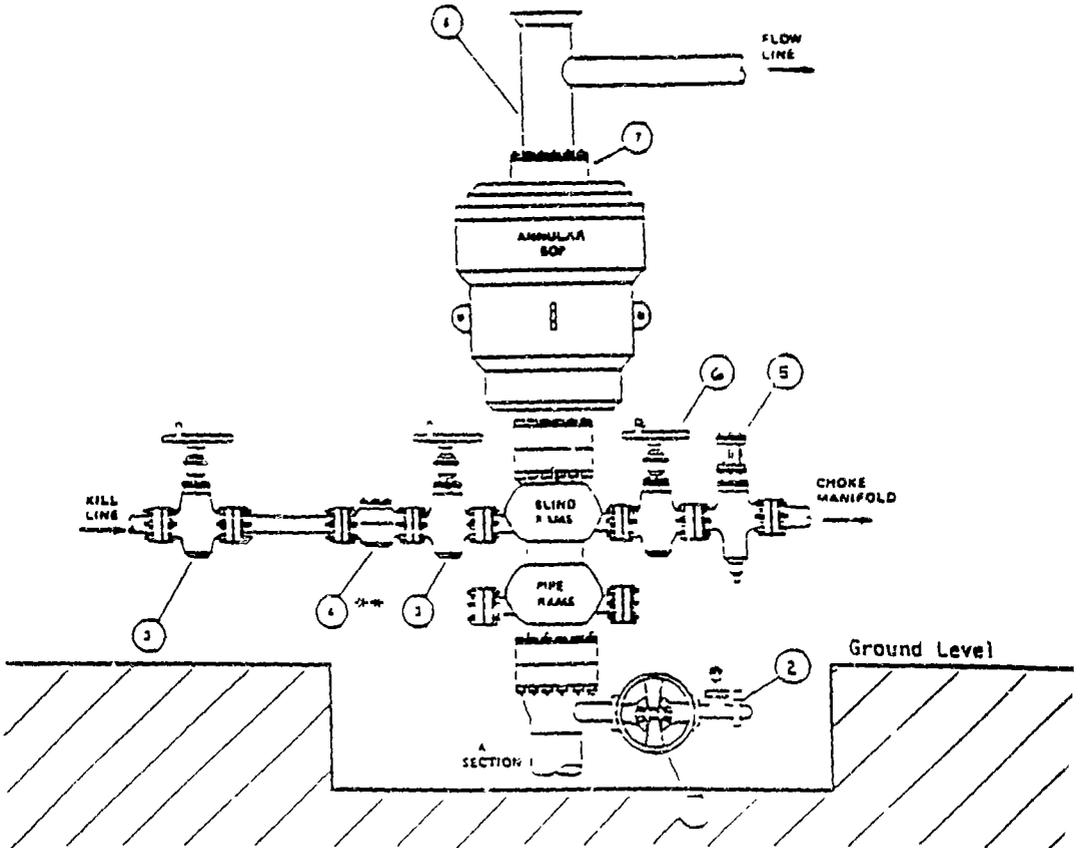


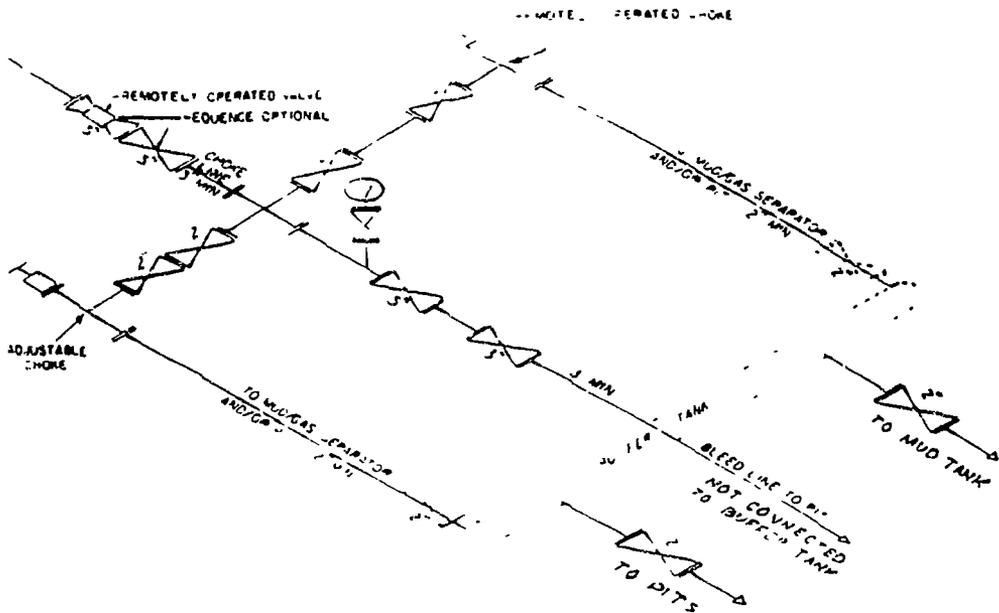
FIG. 3.A.1

TYPICAL CHOKER MANIFOLD ASSEMBLY
FOR 2M AND 3M RATED WORKING
PRESSURE SERVICE - SURFACE INSTALLATION

BLOWOUT PREVENTER (TYPICAL)



1. Screwed or flanged plug or gate valves — 2" minimum nominal dia. — same working pressure as "A" section
2. Tee with tapped bullplug, needle valve and pressure gauge.
3. Flanged plug or gate valve — 2" minimum nominal dia. — same working pressure as BOP stack.
4. Flanged flapper type check valve — 2" minimum nominal dia. — same working pressure as BOP stack
5. Flanged hydraulically controlled gate valve — 3" minimum nominal dia. — same working pressure as BOP stack.
6. Flanged plug or gate valve — 3" minimum nominal dia. — same working pressure as BOP stack.
7. Top of annular preventer must be equipped with an API flange ring gasket. All flange studs must be in place or holes filled in with screw type plugs.
8. The I.D. of the bell nipple must not be less than the minimum I.D. of the BOP stack.



SM CHOKE MANIFOLD EQUIPMENT — CONFIGURATION MAY VARY

Although not required for any of the choke manifold systems, buffer tanks are sometimes installed downstream of the choke assemblies for the purpose of maintaining the bleed lines together. When buffer tanks are employed, valves shall be installed upstream to isolate a failure or malfunction without interrupting flow control. Though not shown on 2M, 3M, 10M, or 15M drawings, it would also be applicable to these situations.

[FR Doc. 88-24728 Filed 11-17-88; 8:45 am]
 BILLING CODE 4310-04-6

Self-Certification of Operator

Be advised that Meridian Oil Inc is considered to be the operator of Well No. 22-31H Peridot Unit Federal, SPNW, Sec 31, T 31 S., R. 23 E , Lease U-57878, San Juan County, Utah, and is responsible under the terms and conditions of the lease for the operations conducted on the leased lands.

Bond Coverage for this well is provided by Bond No. UT-0414. (Principal St. Paul Fire and Marine Life Insurance, St. Paul, Minnesota) via surety consent as provided for in 43 CFR 3104.2

This office will hold the aforementioned operator and bond liable until the provisions of 43 CFR 3106.7-2 continuing responsibility are met.

By

Sally L. DuVall
Sally L. DuVall
Regulatory Compliance Rep.
MERIDIAN OIL INC.
5613 DTC Parkway
Englewood, CO 80111

CONFIDENTIAL

Form 3160-3
(November 1983)
(formerly 9-311C)

SUBMIT IN TRIPLICATE*
(Other instructions on
reverse side)

Form approved,
Budget Bureau No. 1004-0136
Expires December 31, 1988

**UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT**

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U-57878

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13 TYPE OF WORK
 DRILL DEEPEN PLUG BACK

14 TYPE OF WELL
 OIL WELL GAS WELL OTHER

15 NAME OF OPERATOR
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16 ADDRESS OF OPERATOR
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 Approx. 50 miles north of Monticello, Utah

19 DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE FT (Also to nearest drill unit line if any)
 1020'

20 NUMBER OF ACRES IN LEASE
 880

21 NO OF ACRES ASSIGNED TO THIS WELL
 880*

22 DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL DRILLED OR COMPLETED OR APPLIED FOR ON THIS LEASE, FT
 N/A

23 HORIZONTAL DEPTH
 6700' TVD *CLCR*

24 ROTARY OR CABLE TOOLS
 Rotary

25 ELEVATION* (Show whether DP RT GR, etc.)
 6251' *GL*

26 APPROX DATE WORK WILL START*
 12-1-91

6 IF INDIAN, ALLOTTEE OR TRIBE NAME
 N/A

7 UNIT AGREEMENT NAME
 N/A

8 FARM OR LEASE NAME
 Peridot Unit Federal

9 WELL NO
 22-31H

10 FIELD, TO POOL, OR WILDCAT
 Wildcat J01

11 SEC OR R. M. OR SLE. AND TWP OR AREA
 Sec 031E T31S-R23E

12 COUNTY OR PARISH 13 STATE
 San Juan UT

CONFIDENTIAL

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* Subject to formation of 10,895 acre federal exploratory unit.

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27 REGULATORY COMPLIANCE REPRESENTATIVE: Sally L. Duvall TITLE: Regulatory Compliance Representative DATE: 11-5-91

(This space for Federal or State office use)

PERMIT NO: 13-031 31657 APPROVAL DATE: 12-17-91

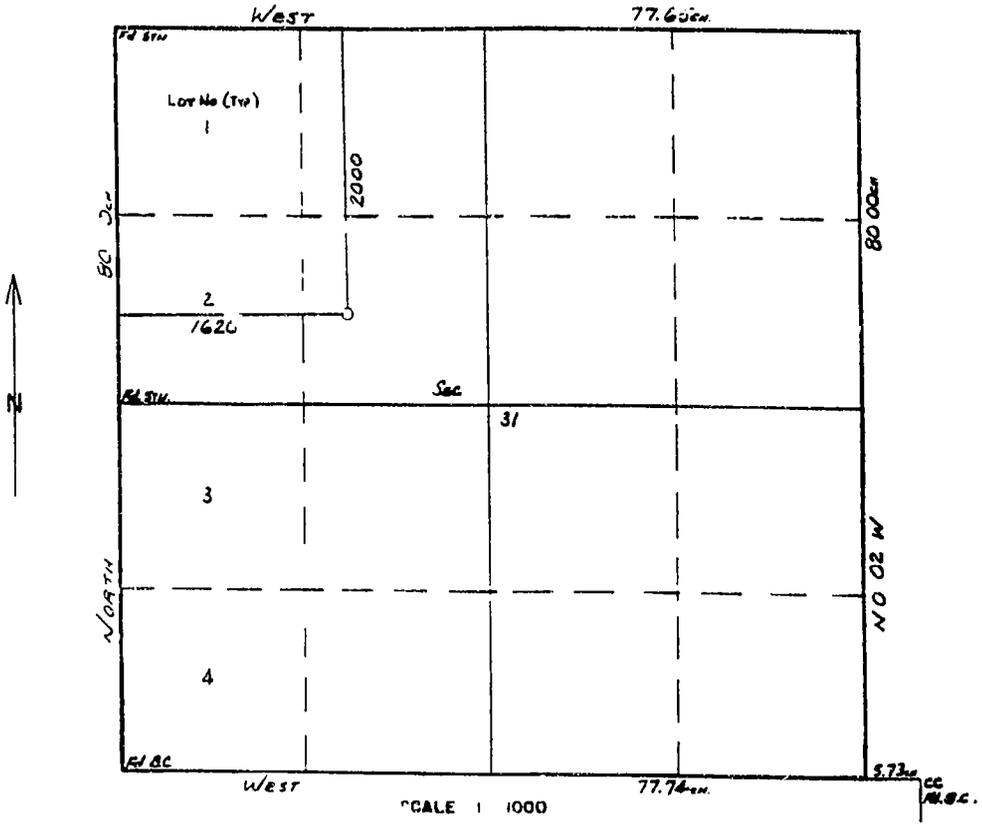
APPROVED BY: [Signature] TITLE: [Signature]

CONDITIONS OF APPROVAL, IF ANY: APD Approval Letter

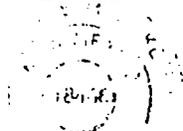
*See Instructions On Reverse Side

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.

COMPANY MERIDIAN OIL, INC
 LEASE PERIDOT UNIT FEDERAL WELL NO. 22-31H
 SEC 31 T 31 S R 23 E
 COUNTY San Juan STATE Utah
 LOCATION 2000'FNL & 1620'FWL
 ELEVATION 6251

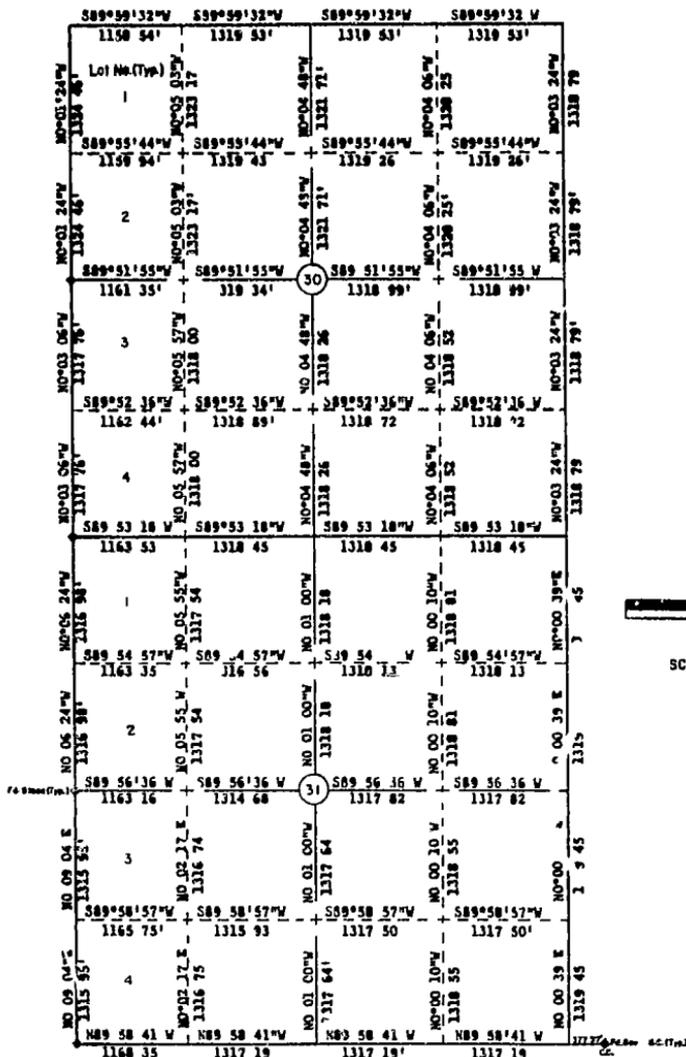


THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS PREPARED FROM FIELD
 NOTES OF ACTUAL SURVEYS MADE BY ME OR UNDER MY SUPERVISION
 AND THAT THE SAME ARE TRUE AND CORRECT TO THE BEST OF MY
 KNOWLEDGE AND BELIEF.

SEAL: 
William E. Mannke II
 WILLIAM E. MANNKE II
 NEW MEXICO P.L.S. N° 8468

SURVEYED Oct. 17, 1991

HORIZONTAL SECTION PLAT
 Prepared for MERIDIAN OIL, INC
 Well Location: #22-31N
 20800'PNL & 16200'PNL
 Sec 31, T31S, R23E, S 1 & M
 San Juan County, Utah



All corners shown on this plat were found on Oct 17 22 and 23 1991 All distances net between found monuments are calculated from other sections All bearings are based on the line SW Cor Sec 31 T31S R23E to NW Cor Sec 25 T31S R22E being North per O L O plat dated March 28 914

W. E. M. II
 William E. Mahake II
 New Mexico P.L.S. No. 8466

Date: 10-31-91



Prepared for	MERIDIAN OIL INC 5613 OTC PARKWAY ENGLEWOOD CO 80111
	POWERS ELEVATION CO INC P.O. Box 991 Farmington N.M. 87499
Drawn by:	W. E. M. II
Date	Oct 31 1991

Exhibit "B"

EIGHT POINT DRILLING PROGRAM

COMPANY: Meridian Oil, Inc.
WELL NAME: 22-31N Peridot Unit Federal
LOCATION: SENW Section 31, T31S-R23E
San Juan County, Utah

All lease/or unit operations will be conducted in such a manner that full compliance is made with applicable laws, regulations (43 CFR 3100), Onshore Oil and Gas Orders and the approved plan of operations. MERIDIAN OIL INC. is fully responsible for the actions of its subcontractors. A copy of these conditions will be furnished to the field representative to ensure compliance.

In addition, Meridian Oil Inc. is responsible under the terms and conditions of the subject lease for the operations on the lease.

1. Estimated Geological Markers

<u>Formation Tops</u>	<u>Depth</u>	<u>Subsea</u>
Navajo	Surface	
Chinle	765'	(+5555)
Moenkopi	1297'	(+5023)
Cutler	1393'	(+4927)
Hermosa	2893'	(+3427)
Ismay	4200'	(+2120)
Top of Salt	4524'	(+1796)
Akah	4642'	(+1678)
A Marker	5334'	(+ 986)
B Marker	5524'	(+ 796)
Cycle 19 Marker	6119'	(+ 201)
C Marker	6356'	(- 36)
Cycle 21 Marker	6404'	(- 84)
Cane Creek A	6572'	(- 252)
Cane Creek B	6599'	(- 279)
Cane Creek C	6625'	(- 305)
Base of Cane Creek	6664'	(- 344)
Mississippian Leadville	7229'	(- 909)

2. Estimated Depths of Anticipated Water, Oil, Gas or other Minerals

<u>Formation Tops</u>	<u>Depth</u>	<u>Subsea</u>	<u>Remarks</u>
Navajo	Surface	+5597'	Fresh Water
Ismay	4200'	+2120'	Oil, Gas, Water
Cane Creek	6599'	- 279	Oil, Gas

All fresh water and prospectively valuable minerals encountered during drilling, will be recorded by depth and adequately protected.

3. Pressure Control Equipment

The Moab BLM office will be notified 24 hours prior to the testing of BOPE.

- A. For the drilling of the 17-1/2" hole from surface to 800', a 3" flow line will be rigged up on the 20" conductor. See Exhibit C-1.
- B. For the drilling of the 12-1/4" hole from 800' to 4650' (See Exhibit C-2):
 - 13-5/8" 3M 13-3/8" weld on casinghead
 - 13-5/8" 3M spool w/outlets for kill and manifold lines
 - 13-5/8" 3M double ram BOP with both pipe and blind rams
 - 13-5/8" 3M spherical annular
- C. For the drilling of the 8-3/4" hole from 4650' to TD (See Exhibit C-3):
 - 11" 3M 13-5/8" X 5M 9-5/8" casing spool
 - 11" 5M spool w/outlets for kill and manifold lines
 - 11" 5M double ram BOP with both pipe and blind rams
 - 11" 5M spherical annular
 - Flow nipple w/flow and fill line
- D. Miscellaneous:
 - Accumulator will be 5M psi working pressure. BOP master controls will be at the accumulator; remote controls will be readily available to the driller.
 - Choke manifold: The line from the BOP to the choke manifold will be 3", 5M psi working pressure. Manual controls will be present for rams. Kill line and valves will have a minimum diameter of 2".
 - A hydraulically operated remote controlled choke, will be installed on the choke manifold (5M psi working pressure).
 - BOP's will be tested to maximum working pressure (3000 psi for the 13-5/8", 5000 psi for the 11") with a blanking plug at installation and pressure tested every 14 days thereafter. Pipe rams and blind rams will be functionally operated on trips. Annular preventer to be function tested a minimum of once per week.
 - Surface casing will be tested to 1500 psi. Intermediate casing will be tested to 2500 psi.

4. Casing Program

Surface Casing

<u>Hole Size</u>	<u>Size</u>	<u>Depth</u>	<u>Weight</u>	<u>Grade</u>	<u>Thread</u>	<u>Cond</u>
17-1/2"	13-3/8"	800'	54.5#/Ft	K-55	ST&C	NEW

Cement: 400 sx. of 35:65 Pozmix followed by 250 sx. of Class "G" cemented to surface.

Intermediate Casing

<u>Hole Size</u>	<u>Size</u>	<u>Depth</u>	<u>Weight</u>	<u>Grade</u>	<u>Thread</u>	<u>Cond</u>
12-1/4"	9-5/8"	4650'	40 #/Ft	N-80	LT&C	NEW

Cement: 1200 sx of 35:65 Pozmix followed by 350 sx of Class "G".

Production Casing

<u>Hole Size</u>	<u>Size</u>	<u>Depth</u>	<u>Weight</u>	<u>Grade</u>	<u>Thread</u>	<u>Cond</u>
8-3/4"	5-1/2"	0'-4200'	17#/Ft	N-80	LT&C	NEW
8-3/4"	5-1/2"	4200'-6100'	23#/Ft	P-110	LT&C	NEW
8-3/4"	5-1/2"	6100'-7000'	23#/Ft	P-110	BT&C	NEW
8-3/4"	5-1/2"	7000'-9000'	23#/Ft	N-80	BT&C	NEW

External Casing Packer set @ +/- 7800' MD
HOS Cementer to be placed in the Gane Creek "A" zone.

Cement: Lead slurry will be 300 sx. of Class "G".
Tail slurry will be 800 sx. of Class "G" with Salt Bond additives.

Cement will be placed from the external casing packer at 7000' to 4000'.

5. Proposed Mud Program

Description:

0' - 800':

Freshwater with Gel/Lime Sweeps to clean hole.

Mud Wt.: 8.6 - 9.2 Lb/Gal
Viscosity: 38 - 46
Yield Point: 12 - 18
API Fluid Loss: No Control

800' - 4200':

Low solids non-dispersed utilizing a
PH7A polymer for shale inhibition.

Mud Wt.: 8.7 - 9.1 Lb/Gal
Yield Point: 9 - 11
API Fluid Loss: 8 - 10 cc/30 min.

4200' - T.D. :

Invert Oil Mud

Mud Wt: 9.0 - 15.0 Lb/Gal
Yield Point 12 - 22
Viscosity: 40 - 53
HTHP Fluid Loss: ± 30 cc/30 min.

6. Coring, Logging and Testing Program

The 22-31H Peridot Unit Federal will be drilled as follows:

1. 17-1/2" hole to 800', run & cement 13-3/8" casing;
2. 12-1/4" hole to 4650', run open hole logs and run & cement 9-5/8" casing;
3. Drill an 8-3/4" hole to the Cane Creek "A", obtain 60' of oriented core;
4. Drill to a depth of 6660' (50' below the Cane Creek "C") run open hole logs and a gyro survey;
5. Set a cement plug at +/- 6040' and run a Vertical Seismic Profile (VSP) in the direction which is to be determined from core analysis;
6. Kick-off, build angle to 90 deg., and drill a 2000' horizontal leg;
7. Run a Digital Sonic and P.E.F. (Mineral Identification) log on drillpipe in the lateral section of the wellbore;
8. Run and cement 5-1/2" casing.

The points detailed below, are based upon this well being drilled in the manner outlined above.

- A. Cores: A 60', vertical oriented core will be taken when the top of the Cane Creek "A" is encountered (+/- 6510').
- B. Drill Stem Tests: None planned.
- C. Logs:

DIL/SFL/SP/GR 800' - 4650'
CNL-LDT/GR/CAL 800' - 4650'

DIL/SFL/SP/GR 4650' - 6660'
CNL-LDT/GR/CAL 4650' - 6660'
BHC SONIC/GR/CAL 4650' - 6660'

VSP (Vertical
Seismic Profile) Surf. - 6040'

MWD GR 6040' - TD

DIGITAL SONIC/
M.I.F. LOG 6400' - Tⁿ (Drill pipe conveyed)

- D. **Vertical Seismic Profile:** The VSP will be run after the plug back cement plug has been set. The direction in which vibrator trucks will be placed in relation to surface location will be determined after core analysis has been completed.

One vibrator truck will initially be placed on location and two additional vibrator trucks will be placed approximately 4000' from surface location in the direction the VSP is to be run. The VSP tools will then be lowered into the wellbore, and a series of check- shots will be run with the truck that is on location. After the checkshots are complete, the truck that is on location will be driven over with the other two trucks for additional vibration capacity.

The VSP tools will then be lowered down to TD, and seismic shots will be taken at varying intervals up to surface. The results will then be processed by a portable workstation on location and results printed out. Additional refinements may be made to the raw data in Houston, where more advanced processing techniques can be performed on a mainframe computer.

- E. **Directional Surveys:** This well is planned as a medium radius horizontal well with 2000' of lateral hole and +/- 2600' of horizontal displacement in the desired azimuth. The exact footages of where this well will be terminated are not known due to the variability of the azimuth. It is intended to send sundry notices detailing azimuth, footages from hardlines and a copy of the gyro survey as soon as the azimuth is determined based upon core analysis.

Surveys will be taken approximately every 30' during the build and +/- 90' during the horizontal portion of this wellbore.

- F. **Samples:** Samples will be taken every 30' from surface to 6000' and every 10' from 6000' to TD.
- G. **Mud Logger:** Mud logger will be on location from 3000' to TD.
- H. **Completion Procedure:** The Cane Creek interval is expected to flow naturally upon initial completion.

7. Anticipated abnormal BHP or BHT

The Cane Creek is expected to have abnormal pressure. Anticipated BHP is +/- 5000 psi. Offset BHT data indicates a static BHT of +/- 120 F.

No H2S is anticipated in this area.

8. Other Information

Auxiliary equipment: See attached Exhibits "C-1", "C-2", "C-3" - BOP diagrams.

9. Anticipated Starting Dates

Spud Date: December 1, 1991

Drilling Days: 57

1 week to move drilling rig off and completion rig on.

14-21 days of initial completion work.

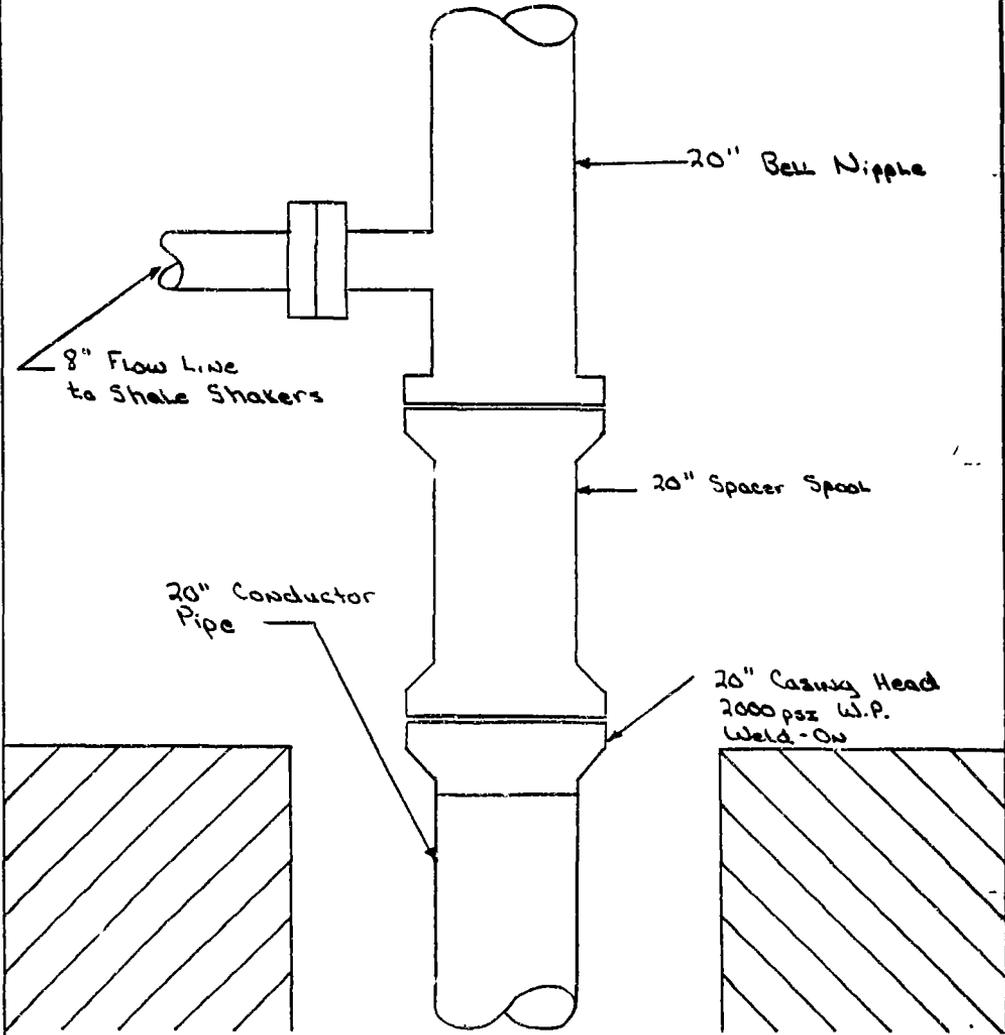
7-14 days to install production facilities.

st/273

Surface Diverter System

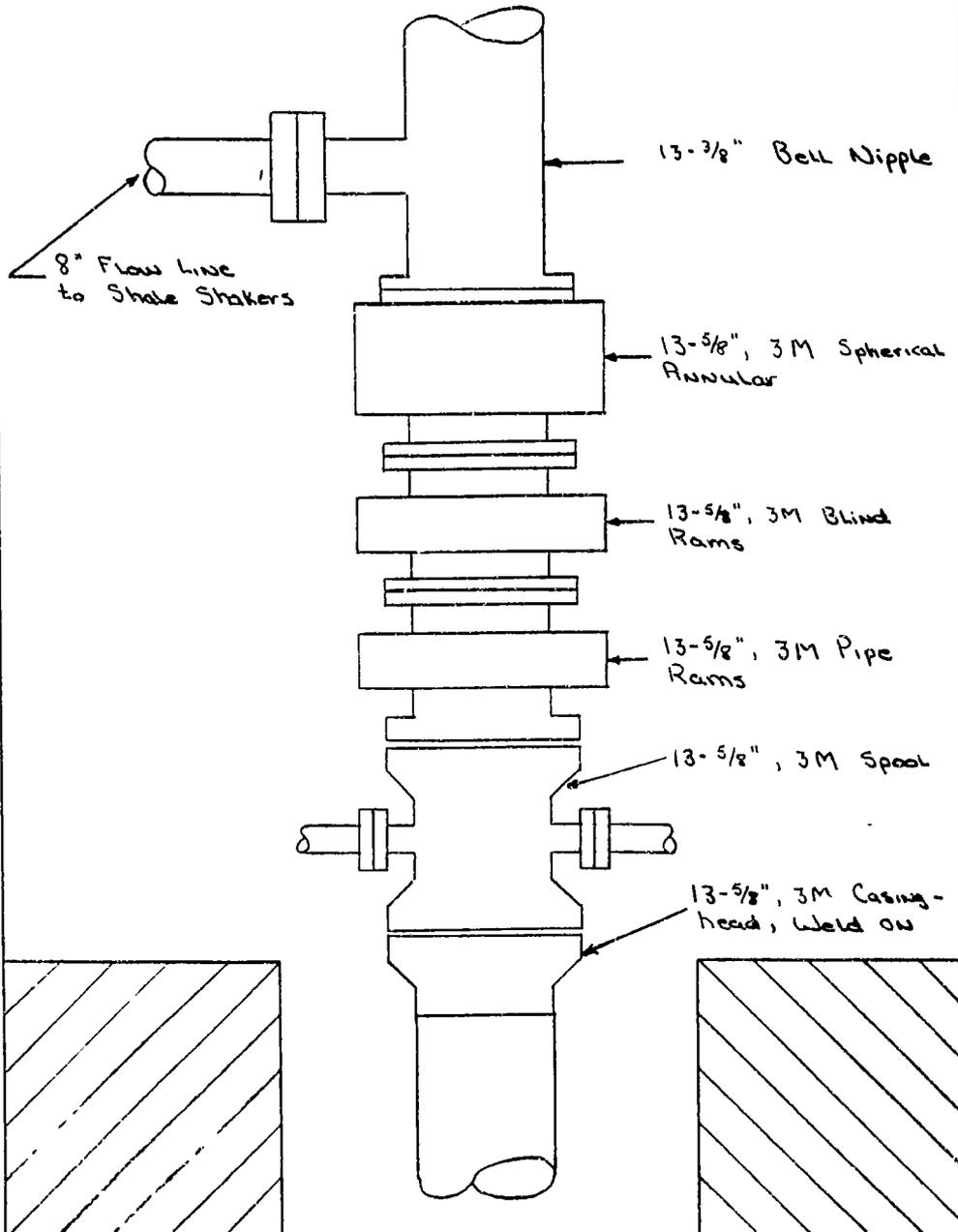
Exhibit "C-1"

22-141 50 SHEETS
22-142 100 SHEETS
22-144 200 SHEETS



Scale: NTS

12-1/4" Hole Diverter System
Exhibit "C-2"
Pg. 1 of 2



22-141 50 SHEETS
22-142 100 SHEETS
22-143 200 SHEETS



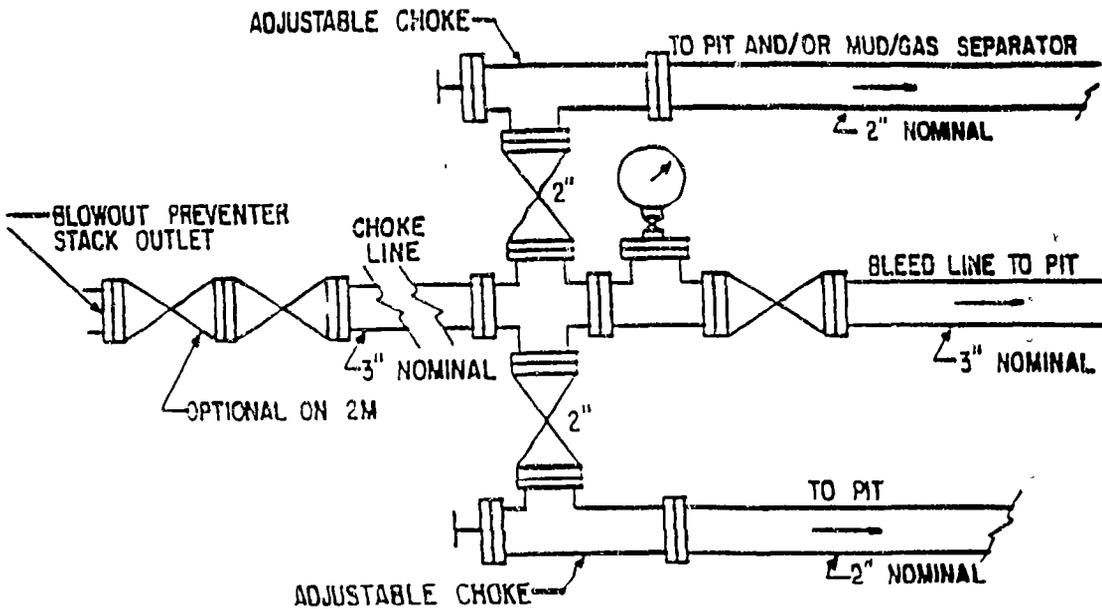
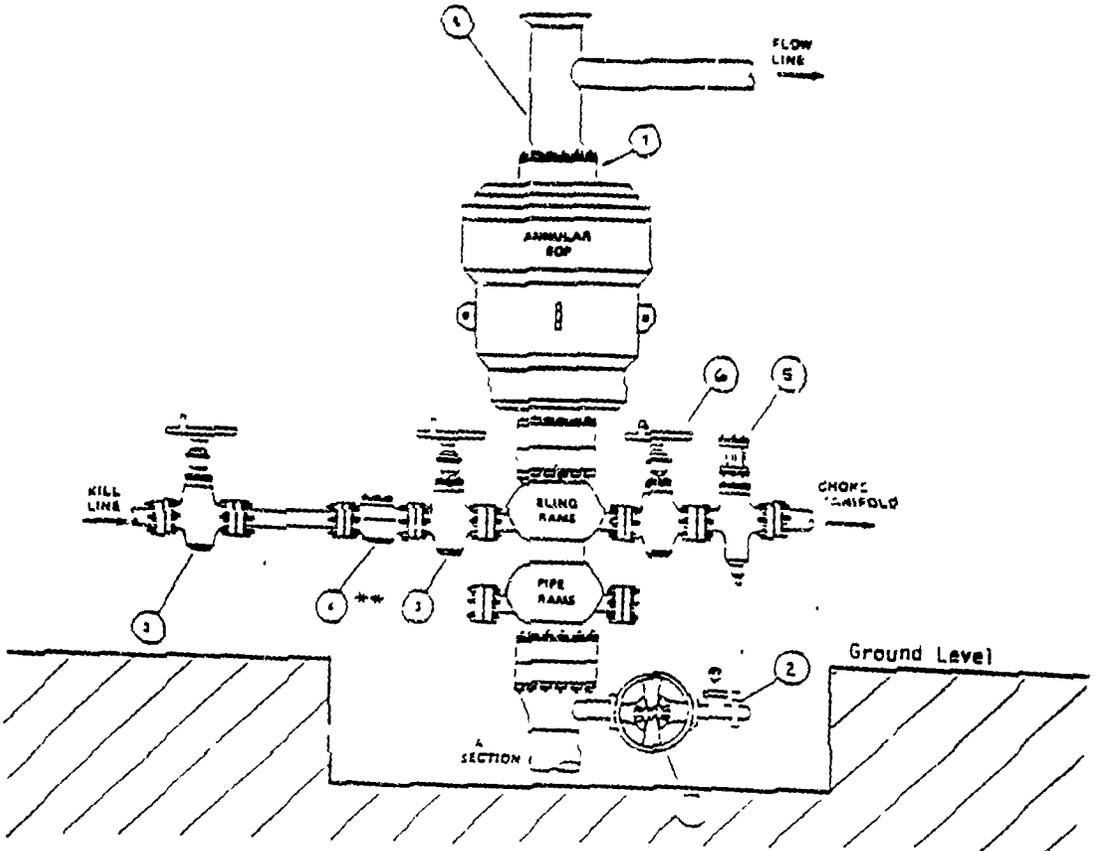
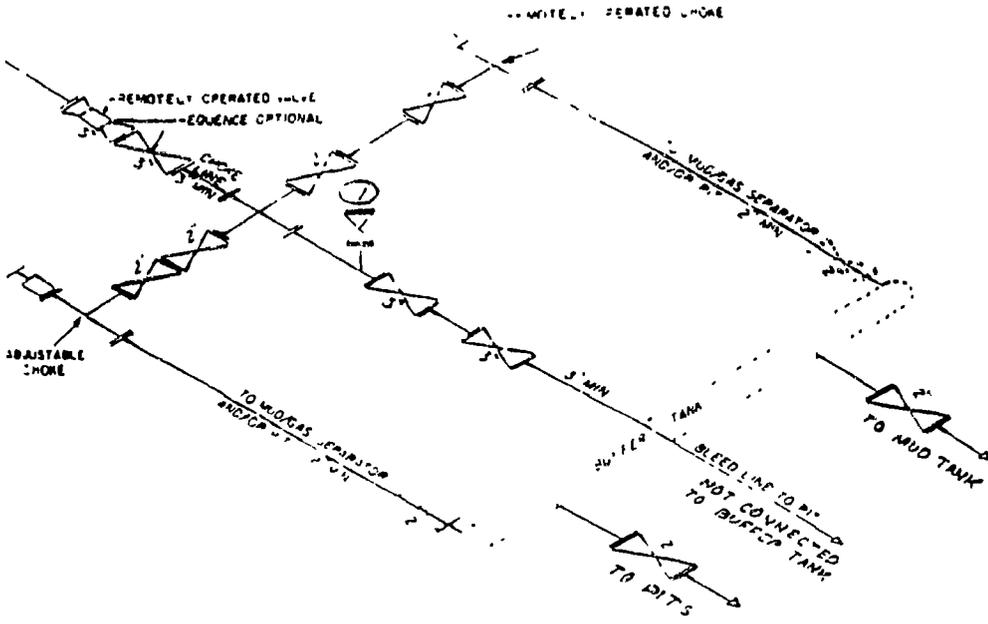


FIG. 3.A.1
TYPICAL CHOKES MANIFOLD ASSEMBLY
FOR 2M AND 3M RATED WORKING
PRESSURE SERVICE - SURFACE INSTALLATION

BLOWOUT PREVENTER (TYPICAL)



1. Screwed or flanged plug or gate valves — 2" minimum nominal dia. — same working pressure as "A" section.
2. Tee with tapped bullplug, needle valve, and pressure gauge.
3. Flanged plug or gate valve — 2" minimum nominal dia. — same working pressure as BOP stack.
4. Flanged flapper type check valve — 2" minimum nominal dia. — same working pressure as BOP stack.
5. Flanged hydraulically controlled gate valve — 3" minimum nominal dia. — same working pressure as BOP stack.
6. Flanged plug or gate valve — 3" minimum nominal dia. — same working pressure as BOP stack.
7. Top of annular preventer must be equipped with an API flange ring gasket. All flange studs must be in place or holes filled in with screw type plugs.
8. The I.D. of the bell nipple must not be less than the minimum I.D. of the BOP stack.



5M CHOKE MANIFOLD EQUIPMENT — CONFIGURATION MAY VARY

Although not required for any of the choke manifold systems, buffer tanks are sometimes installed downstream of the choke assemblies for the purpose of maintaining the bleed lines together. When buffer tanks are employed, valves shall be installed upstream to isolate a failure or malfunction without interrupting flow control. Though not shown on 2M, 3M, 10M, or 15M drawings, it would also be applicable to these situations.

[FR Doc. 88-28738 Filed 11-17-88; 8:45 am]
 BILLING CODE 4310-04-8

Self-Certification of Operator

Be advised that Meridian Oil Inc. is considered to be the operator of Well No. 22-31H Peridot Unit Federal, SENW, Sec. 31. T. 31 S., R. 23 E., Lease U-57878, San Juan County, Utah, and is responsible under the terms and conditions of the lease for the operations conducted on the leased lands.

Bond Coverage for this well is provided by Bond No. U^W-0414. (Principal St. Paul Fire and Marine Life Insurance, St. Paul, Minnesota) via surety consent as provided for in 43 CFR 3104.2.

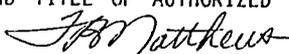
This office will hold the aforementioned operator and bond liable until the provisions of 43 CFR 3106.7-2 continuing responsibility are met.

By: _____

Sally L. DuVall
Sally L. DuVall
Regulatory Compliance Rep.
MERIDIAN OIL INC.
5613 DTC Parkway
Englewood, CO 80111

STATE ACTIONS

Mail to:
ROCC Coordinator
116 State Capitol
Salt Lake City, Utah 84114

1. ADMINISTERING STATE AGENCY
OIL, GAS AND MINING
355 West North Temple
3 Triad Center, Suite 350
Salt Lake City, Utah 84180-1203
2. STATE APPLICATION IDENTIFIER NUMBER:
(assigned by State Clearinghouse)
3. APPROXIMATE DATE PROJECT WILL START:
December 1, 1991
4. AREAWIDE CLEARING HOUSE(S) RECEIVING STATE ACTIONS:
(to be sent out by agency in block 1)
Southeastern Utah Association of Governments
5. TYPE OF ACTION: Lease Permit License Land Acquisition
 Land Sale Land Exchange Other _____
6. TITLE OF PROPOSED ACTION:
Application for Permit to Drill
7. DESCRIPTION:
Meridian Oil Inc. proposes to drill the Peridot Unit Federal #22-31H well (wildcat) on federal lease U-57878, San Juan County, Utah. This action is being presented to ROCC for consideration of resource issues affecting state interests. The U.S Bureau of Land Management is the primary administrative agency in this action and must issue approval before operations commence.
8. LAND AFFECTED (site location map required) (indicate county)
SE/4 NW/4, Section 31, Township 31 South, Range 23 East, San Juan County, Utah
9. HAS THE LOCAL GOVERNMENT(S) BEEN CONTACTED?
10. POSSIBLE SIGNIFICANT IMPACTS LIKELY TO OCCUR:
See Attachment
11. NAME AND PHONE NUMBER OF DISTRICT REPRESENTATIVE FROM YOUR AGENCY NEAR PROJECT SITE, IF APPLICABLE:
12. FOR FURTHER INFORMATION, CONTACT:
Frank R. Matthews
PHONE: 538-5340
13. SIGNATURE AND TITLE OF AUTHORIZED OFFICIAL

DATE: 11/26/91
Petroleum Engineer

WO1167



STATE OF UTAH
NATURAL RESOURCES
Water Rights

Norman H. Bangertor, Governor
Deo C. Hanson, Executive Director
Robert L. Morgan, State Engineer

Southeastern Area • 453 S. Carbon Avenue • P.O. Box 718 • Prica, UT 84501-0718 • 801-637-1303

December 11, 1991

RECEIVED

DEC 13 1991

DIVISION OF
OIL, GAS & MINING

Division of Oil, Gas & Mining
Attn: Tammy Searing
355 West North Temple
3 Triad Center, Suite 350
Salt Lake City, Utah 84180-1203

Re: Meridian Oil Inc.
Peridot 22-31H: Section 31, T31S, R23E, SLB3M

Dear Tammy:

Enclosed is the authorization for the use of the water under file #05-570 (DB38), held by Norma P. Blankenage1 of LaSal, Utah. The water will be hauled to the well by LaSal Trucking, Inc.

No further authorization with reference to a water right will be needed by this office. If you have any questions concerning the enclosed, please feel free to contact me.

Sincerely,

A handwritten signature in cursive script, appearing to read "Mark P. Page".

Mark P. Page
Regional Engineer

Enclosure
MPP/mjk

RECEIVED

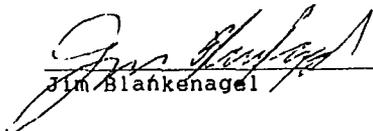
DEC 9 1991

Date: 12-3-91

WATER RIGHTS
PRICE

I, Jim Blankenagel of Rattlesnake Ranch, hereby authorize La Sal Trucking, Inc. to haul water to Meridian Oil's location, Peridot 22-31H, described as 1620 ft. from the West line & 2000 ft. from the North line of the SE $\frac{1}{4}$ NW $\frac{1}{4}$, Sec. 31, T31S, R23E, SLB&M, San Juan County, Utah.

Rattlesnake Ranch's permit number is 838-05-570.



Jim Blankenagel

OPERATOR Mendham Oil Co. N 76230 DATE 10-16-91

WELL NAME Pearlot Unit Federal 26-31H

SEC SE 1/4 T 31S R 013E COUNTY Union

43 037-31657
API NUMBER

Federal (1)
TYPE OF LEASE

CHECK OFF:

PLAT

BOND

NEAREST WELL

LEASE

FIELD

POTASH OR OIL SHALE

PROCESSING COMMENTS:

No other producing well within above T, R Sec
Water Permit included in file

ROCC II 10/16/91

Horizontal well - BHL to be specified
after drilling vertical hole & evaluating.

APPROVAL LETTER:

SPACING:

R615-2-3

N/A
UNIT

R615-3-2

N/A
CAUSE NO. & DATE

R615-3-3

STIPULATIONS

✓ Georganna Mitchell 503-930-9407
✓ Eileen Day 303-930-9407 ext. 9393

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

5. LEASE DESIGNATION AND SERIAL NO.
U-57878

6. IF INDIAN, ALLOTTEE OR TRIBE NAME
N/A

7. UNIT AGREEMENT NAME
N/A

8. FARM OR LEASE NAME
Peridot Unit Federal

9. WELL NO.
22-31H

10. FIELD AND POOL, OR WILDCAT
Wildcat

11. SEC., T., S., M., OR BLK.
AND SUBST. OR AREA
Sec. 31-T31S-R23E

12. COUNTY OR PARISH
San Juan

13. STATE
UT

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK
DRILL DEEPEN PLUG BACK

b. TYPE OF WELL
OIL WELL GAS WELL OTHER SINGLE ZONE MULTIPLE ZONE

2. NAME OF OPERATOR
Meridian Oil Inc.

3. ADDRESS OF OPERATOR
5613 DTC Parkway, Englewood, CO 80111

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)
At surface: 2000' FNL and 1620' FWL
At proposed prod. zone: See attached plat

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*
Approx. 50 miles north of Monticello, Utah

13. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to deepest drilg. unit line, if any)	1020'	18. NO. OF ACRES IN LEASE	880	17. NO. OF ACRES ABANDONED TO THIS WELL	880*
19. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING COMPLETED OR APPLIED FOR, ON THIS LEASE, FT.	N/A	19. PROPOSED DEPTH	6700' TVD	20. ROTARY OR CABLE TOOLS	Rotary

21. ELEVATIONS (Show whether DF, RT, Gc, etc.)
6251' GL

22. APPROX. DATE WORK WILL START*
12-1-91

RECEIVED

JAN 27 1992

DIVISION OF
OIL GAS & MINING

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. 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.

SIGNED: Suey L. Duvall REGULATORY COMPLIANCE REPRESENTATIVE DATE: 11-5-91

(This space for Federal or State office use)

APPROVED BY: _____ ACTING TITLE: Assistant District Manager for Minerals DATE: JAN 24 1992

CONDITIONS OF APPROVAL, IF ANY:

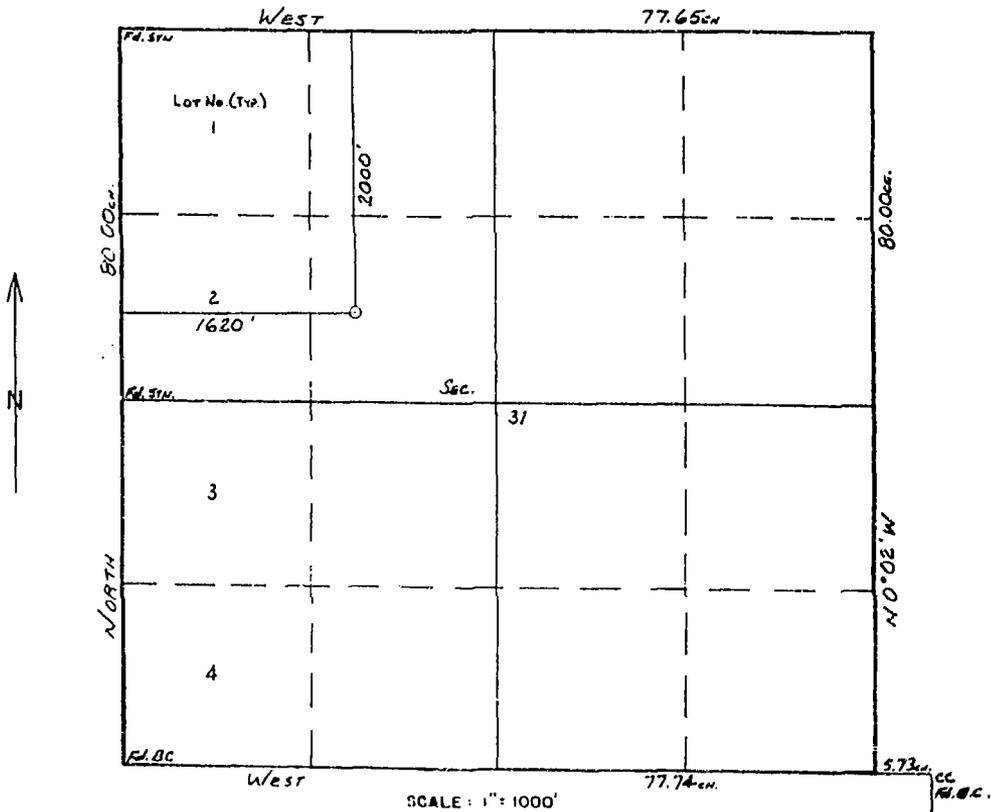
FLARING OR VENTING OF GAS IS SUBJECT TO NTL 4-A Dated 1/1/80

CONDITIONS OF APPROVAL, IF ANY:

*See Instructions On Reverse Side

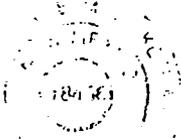
Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

COMPANY MERIDIAN OIL, INC.
 LEASE PERIDOT UNIT FEDERAL WELL NO. 22-31H
 SEC 31, T. 31 S, R. 23 E
 COUNTY San Juan STATE Utah
 LOCATION 2000' FNL & 1620' FWL
 ELEVATION 6251



THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS PREPARED FROM FIELD NOTES OF ACTUAL SURVEYS MADE BY ME OR UNDER MY SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.

SEAL:



William E. Mahnke II
 WILLIAM E. MAHNKE II
 NEW MEXICO P.L.S. N° 8466

SURVEYED Oct. 17, 1991

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUBMIT IN THIS DATE
(Other instructions on reverse side)

Form approved.
Budget Bureau No. 1004-0005
Expires August 31, 1985

5. LEASE DESIGNATION AND SERIAL NO.
D-57878

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

N/A

7. UNIT AGREEMENT NAME

N/A

8. FARM OR LEASE NAME

Peridot Unit Federal

9. WELL NO.

22-31H

10. FIELD AND POOL, OR WILDCAT?

Wildcat

11. SEC., T., R., M., OR BLK. AND SURVEY OR ABMA

Sec. 31-T31S-R23E

12. COUNTY OR PARISH 13. STATE

San Juan UT

SUNDRY NOTICES AND REPORTS ON WELLS

(Do not use this form for proposals to drill or to deepen or plug back to a different reservoir. Use "APPLICATION FOR PERMIT" for such proposals.)

1. WELL TYPE
OIL WELL GAS WELL OTHER

2. NAME OF OPERATOR

Meridian Oil Inc.

3. ADDRESS OF OPERATOR

5613 DTC Park way, Englewood, CO 80111

4. LOCATION OF WELL (Indicate location clearly and in accordance with any State requirements. See also space 17 below.)

At surface

2000'FNL and 1620'FWL

14. PERMIT NO.

15. ELEVATIONS (Show whether OF, AT, OR, ETC.)

6251'GL

Check Appropriate Box To Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO

SUBSEQUENT REPORT OF:

TEST WATER SHUT-OFF

PULL OR ALTER CASING

WATER SHUT-OFF

REPAIRING WELL

FRACTURE TREAT

MULTIPLE COMPLETION

FRACTURE TREATMENT

ALTERING CASING

SHOOT OR ACIDIZE

ABANDON*

SHOOTING OR ACIDIZING

ABANDONMENT*

REPAIR WELL

CHANGE PLANT

(Other) Water source

(Other)

17. (AS A GUIDE, PROPOSED OR COMPLETED OPERATIONS SHOULD STATE ALL PERTINENT DETAILS AND DATE PERTINENT DATA, 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 cores pertinent to this work.)

Water source will be Rattlesnake Pond located in Sec. 8-T29S-R24E San Juan County, UT.

RECEIVED

JAN 27 1992

DIVISION OF OIL GAS & MINING

RECEIVED
SAN JUAN COUNTY
JAN DEC - 6 11 10 06

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

SIGNED

RC. McInnis

TITLE

Regional Drilling Eng.

DATE

12-5-91

(This space for Federal or State office use)

ACTING

Assistant District Manager

DATE

JAN 24 1992

APPROVED BY

K. D. ...

TITLE

for Minerals

CONDITIONS OF APPROVAL, IF ANY:

*Approve with APD and its conditions
JAN 12/1991*

*See Instructions on Reverse Side

Meridian Oil Inc.
Peridot Unit Federal No. 22-31H
SENW Sec. 31, T. 31 S., R. 23 E.
San Juan County, Utah
Lease U-57878

CONDITIONS OF APPROVAL

Approval of this application 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.

Be advised that Meridian Oil Inc., is considered to be the operator of the above well and is responsible under the terms and conditions of the lease for the operations conducted on the leased lands.

Bond coverage for this well is provided by MT0220 (Principal - Meridian Oil Inc.) via surety consent as provided for in 43 CFR 3104.2.

This office will hold the aforementioned operator and bond liable until the provisions of 43 CFR 3106.7-2 continuing responsibility are met.

This permit will be valid for a period of one year from the date of approval. A one-time, 90 day extension of this period may be granted. After permit termination, a new application must be filed for approval.

All lease operations will be conducted in full compliance with applicable regulations (43 CFR 3100), Onshore Oil and Gas Orders, lease terms, notices to lessees, and the approved plan of operations. The operator is fully responsible for the actions of his subcontractors. A copy of these conditions and the approved plan will be made available to field representatives to insure compliance.

A. DRILLING PROGRAM

1. There will be no deviation from the proposed drilling and/or workover program without prior approval from Assistant District Manager. "Sundry Notice and Report on Wells" (Form 3160-5) will be filed for approval for all changes of plans and other operations in accordance with 43 CFR 3162.3-2. Safe drilling and operating practices must be observed.

2. Detailed daily drilling and completion progress reports shall be submitted to the District office on a weekly basis.

3. The BLM shall be kept apprised of all fluids entering or leaving the pit, through either weekly drilling reports or a final status report, submitted with the completion report. Either of which shall be submitted prior to reclamation of the pits.

4. No trivalent or hexavalent chromate additives shall be used in the mud system. Due to potential for contamination of usable quality water aquifers, chromates are banned from Federal leases.

5. As stated under item No. 3c, a 11" 3M 13-5/8" X 9-5/8" casing spool was to be used within a 5M blowout preventer system. As per Onshore Order No. 2 this spool shall be upgraded to 5M specifications.

6. BOP systems shall be consistent with API RP 53 and Onshore Oil and Gas Order No. 2. Pressure tests of the surface casing and all BOP equipment potentially subject to pressure will be conducted before drilling the surface casing shoe. Blowout preventer controls will be installed prior to drilling the surface casing plug and will remain in use until the well is completed or abandoned. Ram preventers shall be inspected and operated each trip (no more than once a day is necessary), and annular preventers shall be inspected and operated weekly to ensure good mechanical working order. These inspections shall be recorded on the daily drilling report.

7. Operations authorized by this permit shall not be suspended for more than 30 days without prior approval of the Authorized Officer. All conditions of this approval shall be applicable during any operations conducted with a replacement rig.

8. When the completion program is determined, a sundry notice describing the completion shall be submitted to this office for approval.

9. Should the well become productive, the BLM, District Office must be notified no later than five business days after production begins. Notification shall be by letter or sundry notice, or orally to be followed by a letter or sundry notice.
10. Gas produced from this well may not be vented or flared beyond an initial authorized test period of 30 days or 50 MMCF following its completion, whichever comes first, without prior written approval of the Authorized Officer. Surface casing shall have centralizer on each of the bottom three joints.
12. Surface casing shall be set 50 feet into the Chinle Formation regardless of the depth the Chinle is encountered.
13. Intermediate casing shall be set 50 ft into the second clastic zone within the Paradox Formation regardless of the depth this zone is encountered.
14. Prior to the use of oil base mud, the operator shall disclose to the Moab District Office, BLM components used in the mud system.
15. To determine cement top and bond quality, a cement bond log (CBL) or cement evaluation tool (CET) shall be run after the 13 3/8" and the 9 5/8" casings are run and cemented in place.
16. As proposed, the horizontal portion of the well is to be determined based off of the VSP logging. Therefore once a direction has been determined the operator shall immediately notify this office of its intentions. Once determined the bearing of this hole shall not deviate more than ± 10 degrees without prior approval from the authorized officer.

6 - Fold the liner edges into the pit before covering the pit with one foot of native subsoil. The bentonite cap shall be of commercial grade and the cap shall be crowned in the middle to a thickness of one foot and graded to the edges to a minimum thickness of six inches. The cap shall extend at least ten feet beyond the original pit limits.

7 - The bentonite cap shall be covered with a minimum of 2 feet of native topsoil.

8 - The San Juan Resource Area Office will be kept apprised prior to beginning each operation to allow witnessing of the actions.

9 - Coordinate with the state to enforce the speed limit on highway U211 during the 24 hour construction and possibly install a blinking deer crossing alert device.

ATTACHMENT D

THE FOLLOWING STIPULATIONS ARE REQUIRED BY THE AUTHORIZED OFFICER AS STANDARD CONDITIONS OF APPROVAL:

1. If a tank battery is constructed on this lease, it will be surrounded by a dike of sufficient capacity to contain 1.5 times the storage capacity of the largest tank plus one days production entering into the battery.
2. There will be NO BURNING OF TRASH ON LOCATION.
3. All wells, whether drilling, producing, suspended, or abandoned and/or separate facilities, will be identified in accordance with 43 CFR 3162.6.
4. "Sundry Notice and Report on Wells" (Form 3160-5) will be filed for approval for all changes of plans and other operations in accordance with 43 CFR 3162.6.
5. All site security guidelines identified in 43 CFR 3162.7 regulations and onshore Oil and Gas order No. 3; Site Security will be adhered to.
6. Gas Measurement will be conducted in accordance with the Onshore Oil and Gas Order No. 5; Gas Measurement and 43 CFR 3162.7-3.
7. Gas meter runs for each well will be located within five hundred (500) feet of the wellhead. The gas flowline will be buried from the wellhead to the meter along with any other sections occurring on the pad. Meter runs will be housed and/or fenced.
8. Oil Measurement will be conducted in accordance with onshore Oil and Gas Order No. 4, Oil Measurement and 43 CFR 3162.7-2.

9. There will be no deviation from the proposed drilling and/or workover program without prior approval from the District Manager. Safe drilling and operating practices must be observed. All wells, whether drilling, producing, suspended, or abandoned, will be identified in accordance with 43 CFR 3162.2.
10. The dirt contractor will be provided with an approved copy of the surface use plan.
11. The operator is responsible for informing all persons in the area who are associated with this project that they will be subject to prosecution for knowingly disturbing historic or archaeological sites, or for collecting artifacts. If historic or archaeological materials are uncovered during construction, the operator is to immediately stop work that might further disturb such materials, and contact the authorized officer (AO). Within five working days the AO will inform the operator as to:
 - whether the materials appear eligible for the National Register of Historic Places;
 - the mitigation measures the operator will likely have to undertake before the site can be used (assuming in-situ preservation is not necessary); and,
 - a timeframe for the AO to complete an expedited review under 36 CFR 800.11 to confirm, through the State Historic Preservation Officer, that the findings of the AO are correct and that mitigation is appropriate.

If the operator wishes, at any time, to relocate activities to avoid the mitigation and/or the delays associated with this process, the AO will assume responsibility for whatever recordation and stabilization of the exposed materials may be required. Otherwise, the operator will be responsible for mitigation costs. The AO will provide technical and procedural guidelines for the conduct of mitigation. Upon verification from the AO that the required mitigation has been completed, the operator will then be allowed to resume construction.

12. This permit will be valid for a period of one (1) year from the date of approval. After permit termination, a new application will be filed for approval for any future operations.

B. SURFACE USE PLAN

1. The dirt contractor will be provided with an approved copy of the surface use plan of operations before initiating construction.

2. All wells, whether drilling, producing, suspended, or abandoned, will be identified in accordance with 43 CFR 3162.6.

3. A cultural resource clearance will be required before any construction begins. The operator is responsible for informing all persons in the area who are associated with this project that they will be subject prosecution for knowingly disturbing historic or archaeological sites, or for collecting artifacts. If historic or archaeological materials are uncovered during construction, the operator is to immediately stop work that might further disturb such materials, and contact the authorized officer (AO). Within five (5) working days, the AO will inform the operator as to:

- whether the materials appear eligible for the National Register of Historic Places;
- the mitigation measures the operator will likely have to undertake before the site can be used (assuming in situ preservation is not necessary), and;
- a time frame for the AO to complete an expedited review under 36 CFR 800.11 to confirm, through the State Historic Preservation Officer, that the findings of the AO are correct and that mitigation is appropriate.

If the operator wishes, at any time, to relocate activities to avoid the expense of mitigation and/or the delays associated with this process, the AO will assume responsibility for whatever recordation and stabilization or the exposed materials may be required. Otherwise, the operator will be responsible for mitigation costs. The AO will provide technical and procedural guidelines for the conduct of mitigation. Upon verification from the AO that the required mitigation has been completed, the operator will then be allowed to resume construction.

4. The reserve pit shall be located in cut material, with at least 50% of the pit volume being below original ground level. Three sides of the reserve pit will be fenced before drilling starts. The fourth side will be fenced as soon as drilling is completed, and shall remain until the pit is dry. As soon as the reserve pit has dried or within 18 months of completion of drilling whichever is least, all areas not needed for production will be rehabilitated.

As stated under the eight point drilling program in item No. 5 of the APD, an oil base mud (diesel) will be utilized to drill the hole from 4200-9000'. This drilling fluid shall be contained in the mud storage facilities during all phase of drilling operations. Following drilling operations the fluid shall be properly disposed of or efforts shall be made to recycle the mud for future use.

5. Surface disturbance and vehicular travel will be limited to the approved location and access road. Any additional area needed must be approved by the Area Manager in advance.

6. Trash must be contained in a trash cage and hauled away to an approved disposal site as necessary but no later than at the completion of drilling operations.

7. If the well is productive, cattle guards will be installed on the access road at fence crossings. The access road will be rehabilitated or brought to Resource (Class III) Road Standards within sixty (60) days of dismantling the drilling rig. If this time frame cannot be met, the Area Manager will be notified so that temporary drainage control can be installed along the access road.

8. If a tank battery is constructed on this lease, it will be surrounded by a dike of sufficient capacity to contain 150% of the storage capacity of the largest tank in the battery. All loading lines and valves will be placed inside the berm surrounding the tank battery.

9. All permanent (on-site for six (6) months or longer) structures constructed or installed (including oil well pumping units) shall be painted a flat, nonreflective, earth tone color to blend with the local environment, as determined by the Rocky Mountain Five-State Interagency Committee. All facilities shall be painted within six (6) months of installation. Facilities required to comply with the Occupational Safety and Health Act (OSHA) may be excluded. Colors shall be coordinated with the Price River Resource Area office prior to initiating painting.

10. All off-lease storage, off-lease measurement, or commingling (on-lease or off-lease) shall have prior written approval from the Assistant District Manager.

11. Pipeline construction activity is not authorized under this permit.

12. Copies of all water analysis required by the State of Utah in relation to surface discharge of produced water will be submitted to the Moab District Office Bureau of Land Management.

13. Produced waste water will be confined to an unlined pit for a period not to exceed ninety (90) days after initial production. During the ninety (90) day period, an application for approval of a permanent disposal method and location, along with the required water analysis, will be submitted for the Assistant District Manager's approval pursuant to Ordinance Oil and Gas Order No. 7 (NTL-2B).

Plans will be formulated to determine how or how to protect aquifers and springs in the area of proposed development prior to approval of further applications for permits to Drill.

14. If at any time the facilities located on the land authorized by the terms of the lease are no longer included in the lease (due to contraction in the lease or other lease or unit boundary change) the BLM will proceed to change its authorization to the appropriate extent. All operations will be subject to appropriate permit, or other regulatory obligation determined by the applicable regulatory authority.

C. REQUIRED NOTIFICATIONS AND APPROVALS

Required verbal notifications are summarized in Table 1, attached.

Spud- Written notification in the form of a Sundry notice (Form 3160-5) will be submitted to the District office within twenty-four (24) hours after spudding (regardless of whether spud was made with a dry hole digger or pig rig). If the spudding occurs on a weekend or holiday, the written report will be submitted on the following work day.

Undesirable Events/Immediate Reports- Spills, blowouts, fires, leaks, accidents, or any other unusual occurrences shall be immediately reported to the Resource Area in accordance with requirements of NTL-3A.

Cultural Resources- If cultural resources are discovered during construction, work that might disturb the resources is to stop, and the Area Manager is to be notified.

First Production- Should the well be successfully completed for production, the Assistant District Manager, General Division will be notified when the well is placed in producing status. Such notification may be made by phone, but must be followed by a sundry notice or letter not later than five (5) business days following the date on which the well is placed in production.

A first production conference will be scheduled within fifteen (15) days after receipt of the first production report. The Resource Area Office will coordinate the field conference.

Well Completion Report- Whether the well is completed as a dry hole or as a producer, "Well Completion and Recompletion Report and Log" (Form 3160-4) will be submitted to the District Office not later than thirty (30) days after completion of the well or after completion of operations being performed, in accordance with 43 CFR 3162.4-1. Two copies of all logs, core descriptions, core analyses, well test data, geologic summaries, sample description, and all other surveys or data obtained and compiled during the drilling, workover, and/or completion operations, will be filed with Form 3160-4. Samples (cuttings, muds, and/or gas) will be submitted when requested by the Assistant District Manager.

Plugging and Abandonment- If the well is completed as a dry hole, plugging instructions must be obtained from the SLM, Lead District Office prior to initiating plugging operations. Table 1 of this document provides the after-hours phone numbers of personnel who are authorized to give plugging instructions.

The top of the marker will be closed or capped.

The following minimum information will be permanently placed on the marker with a plate, cap, or boarded-on with a welding torch:

"Red" or "Ind", as applicable. "Well number, location by 1/4 1/4 section, township and range". "Lease number".

A "Subsequent Report of Abandonment" (Form 3150-5) will be filed with the Assistant District Manager, Minerals Division within thirty (30) days following completion of the well top abandonment. This report will indicate where plugs were placed and the current status of surface restoration. Upon completion of approved plugging, a regulation marker will be erected in accordance with 43 CFR 3162.6. Final abandonment will not be approved until the surface reclamation work required by the approved APD or approved abandonment notice has been completed to the satisfaction of the Area Manager or his representative, or the appropriate surface managing agency.

Venting/Flaring of Gas- HPL-4A allows venting/flaring of gas during the initial well evaluation period which is between 30 days or 50 mmcf. Venting/flaring beyond the initial test period threshold must be approved by the District Office.



Norman H. Bangerter
Governor
Dee C. Hansen
Executive Director
Dianne R. Nielson, Ph.D.
Division Director

State of Utah

DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

355 West North Temple
3 Trade Center, Suite 350
Salt Lake City, Utah 84100-1203
801 538 5340

January 28, 1992

Meridian Oil Inc.
5613 DTC Parkway
Englewood, Colorado 80111

Gentlemen:

Re: Peridot Unit Federal 22-31H Well, 2000 feet from the north line, 1620 feet from the west line, SE 1/4 NW 1/4, Section 31, Township 31 South, Range 23 East, San Juan County, Utah

Pursuant to Utah Admin. R. 615-3-2 and Utah Admin. R. 615-3-4, approval to drill the referenced well is hereby granted.

In addition, the following specific actions are necessary to fully comply with this approval:

1. Compliance with the requirements of Utah Admin. R. 615-1 et seq., Oil and Gas General Rules.
2. Notification within 24 hours after drilling operations commence.
3. Submittal of Entity Action Form, Form 6, within five working days following commencement of drilling operations and whenever a change in operations or interests necessitates an entity status change.
4. Submittal of the Report of Water Encountered During Drilling, Form 7.
5. Prompt notification prior to commencing operations, if necessary, to plug and abandon the well. Notify Frank R. Matthews, Petroleum Engineer, (Office) (801)538-5340, (Home) (801)476-8613, or R.J. Firth, Associate Director, (Home) (801)571-6068.
6. Compliance with the requirements of Utah Admin. R. 615-3-20, Gas Flaring or Venting, if the well is completed for production.

Page 2
Meridian Oil Inc.
Peridot Unit Federal 22-31H Well
January 28, 1992

Prior to commencement of the proposed drilling operations, plans for facilities for disposal of sanitary wastes at the drill site should be submitted to the local health department. These drilling operations and any subsequent well operations should be conducted in accordance with applicable state and local health department regulations. A list of local health departments and copies of applicable regulations are available from the Department of Environmental Quality, Division of Drinking Water/Sanitation, telephone (801)538-6159.

This approval shall expire one (1) year from the date of issuance unless substantial and continuous operation is underway or an application for an extension is made prior to the approval expiration date. The API number assigned to this well is 43-037-31657.

Sincerely,



R.J. Firth
Associate Director, Oil and Gas

ldc
Enclosures
cc: Bureau of Land Management
J.L. Thompson
WO11

DIVISION OF OIL, GAS AND MINING

SPUDDING INFORMATION

NAME OF COMPANY: MERIDAN 43-047-31657

WELL NAME: PERIDOT FEDERAL 22-31H

Section 31 Township 31S Range 23E County SAN JUAN

Drilling Contractor _____

Rig # _____

SPUDDED: Date 2-1-92

Time _____

How DRY HOLE

CONFIDENTIAL

Drilling will commence _____

Reported by GLENN

Telephone # _____

Date 2-3-92 SIGNED TGG

26-92

07

DIVISION OF OIL, GAS AND MINING

SPUDDING INFORMATION

NAME OF COMPANY: MERIDAN 43-037-31657

WELL NAME: PERIDOT FEDERAL 22-31H

Section 31 Township 31S Range 23E County SAN JUAN

Drilling Contractor _____

Rig # _____

SPUDED: Date 2-1-92

Time _____

How DRY HOLE

CONFIDENTIAL

Drilling will commence _____

Reported by GLENN

Telephone # _____

Date 2-3-92 SIGNED TGG



State of Utah

DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

Norman H. Bangerter

Governor

Dee C Hansen

Executive Director

Diane H. Nielson Ph.D.

Division Director

355 West North Temple

3 Trade Center Suite 350

Salt Lake City Utah 84180 1203

801 538 5540

May 13, 1992

Meridian Oil, Inc.
801 Cherry Street
Fort Worth, Texas 76102

Gentlemen:

Re: Request for Completed Entity Action Form
Peridot Unit Federal 22-31H - SENW Sec. 31, T. 31S, R. 23E
San Juan County, Utah

This is written to remind you that all well operators are responsible for sending an Entity Action Form to the Division of Oil, Gas and Mining within five working days of spudding a new well. This office was notified that your company spudded the Peridot Unit Federal 22-31H, API Number 43-037-31657, on February 1, 1992. At this time, we have not received an Entity Action Form for this well.

Please review the instructions on the back of the enclosed form. Make sure you choose the proper Action Code to show whether the well will be a single well with its own sales facilities (Code A), a well being added to an existing group of wells having the same tank battery and common division of royalty interest (Code B - show existing Entity Number to which well should be added), or a well being drilled in the participating area of a properly designated unit (Code B). Complete the form and return it to us by May 22, 1992.

Your attention to this matter is appreciated. If we can be of assistance to you, please feel free to call Lisha Romero at the above number.

Sincerely,

Don Staley
Administrative Supervisor

lcr
Enclosure
cc: R. J. Firth
File

OPERATOR Meridian Oil Inc.
ADDRESS 5613 DTC Parkway
Englewood, CO 80111

OPERATOR ACCT. NO. N 7230

ACTION CODE	CURRENT ENTITY NO.	NEW ENTITY NO.	API NUMBER	WELL NAME	WELL LOCATION				COUNTY	SPUD DATE	EFFECTIVE DATE
					QQ	SC	TP	RG			
A	99999	11369	43-037-31657	22-31H Peridot Unit Federal	SE NW	31	31 S	23 E	San Juan	1-30-92	1-30-92
WELL 1 COMMENTS: Well was not drilled beyond 60'. Current Status: Waiting on rotary rig <i>Entity added 6-11-92 for</i>											
WELL 2 COMMENTS:											
WELL 3 COMMENTS:											
WELL 4 COMMENTS:											
WELL 5 COMMENTS:											

ACTION CODES (See instructions on back of form)

- A - Establish new entity for new well (single well only)
- B - Add new well to existing entity (group or unit well)
- C - Re-assign well from one existing entity to another existing entity
- D - Re-assign well from one existing entity to a new entity
- E - Other (explain in comments section)

NOTE: Use COMMENT section to explain why each Action Code was selected

RECEIVED

JUN 0 8 1992

DIVISION OF
OIL GAS & MINING

Sally L. DuWall
Signature

Regulatory Compliance Rep. 6-3-92

Title Date

Phone No. (303) 930-9393

WORKSHEET
APPLICATION FOR PERMIT TO DRILL

31736

APD RECEIVED: 121 91 93

API NO. ASSIGNED: 43-037-~~31659~~

Letter to reinstate
WELL NAME: Peridot Unit Federal 22-31H
OPERATOR: Meridian Oil Inc.

PROPOSED LOCATION:

SE 1/4 Sec. 31 T. 31 S. R. 23 E.
SURFACE: 2000' FNL - 1620' FNL
BOTTOM:
COUNTY San Juan
FIELD W/C

INSPECT LOCATION BY: / /		
TECH REVIEW	Initials	Date
Engineering		
Geology		
Surface		

LEASE TYPE: Federal
LEASE NUMBER: U-57878

RECEIVED AND/OR REVIEWED:

- Plat
- Bond
- ____ (Number _____)
- ____ Potash (Y/N)
- Oil shale (Y/N)
- Water permit
- ____ (Number _____)
- ____ RDCC Review (Y/N) (N)
- ____ (Date: _____)

LOCATION AND SITING:

- ____ R649-2-3. Unit: _____
- R649-3-2. General.
- ____ R649-3-3. Exception.
- ____ Drilling Unit.
- ____ Board Cause no: _____
- ____ Date: _____

COMMENTS: Reinstate a previously L.A. well.

STIPULATIONS: ① Directemal drilling stipulations

San Juan
County Co. Assessor.
BLM-Moab.

Moab District
P. O. Box 970
Moab, Utah 84532

3162
(U-57878)
(UT-065)

NOV - 9 1993

Meridian Oil Inc.
5613 DTC Parkway
Englewood, Colorado 80111

RECEIVED

NOV 12 1993

**DIVISION OF
OIL, GAS & MINING**

Re: Rescinding Application for Permit to Drill
Well No. 22-31H 43-037-31657
SWNW Sec. 31, T. 31 S., R. 23 E.
San Juan County, Utah
Lease U-57878

Gentlemen:

The Application for Permit to Drill the referenced well was approved on January 24, 1992. Although the location was constructed, the well was not drilled.

Applications for permit to drill are effective for a period of one year. In view of the foregoing, this office is rescinding the approval of the referenced application. A new application was submitted October 12, 1993 and we are currently processing it.

If you have any questions, please contact Verlene Butts, Branch of Fluid Minerals at (801) 259-6111.

Sincerely,

/S/ WILLIAM C. STRINGER

Associate District Manager

Enclosure
Application for Permit to Drill

cc: UT-069, San Juan Resource Area (wo/Enclosure)
State of Utah
Division of Oil, Gas and Mining
355 West North Temple
3 Triad Center, Suite 350
Salt Lake City, Utah 84180-1203 (wo/Enclosure) ✓

VButts:vb:11/5/93



State of Utah
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

Michael O. Leavitt
Governor
Ted Stewart
Executive Director
James W. Carter
Division Director

305 West North Temple
3 Third Center, Suite 350
Salt Lake City, Utah 84180 1203
801 538 5340
801 359 3840 (Fax)
801 538 5319 (TDD)

November 22, 1993

Meridian Oil Inc.
5613 DTC Parkway
Englewood, Colorado 80111

Re: Application for Permit to Drill
Well No. Peridot Unit 22-31H
SE NW, Sec. 31, T. 31 S, R. 23 E
San Juan County, Utah
API No. 43-037-31657

Gentlemen

The Bureau of Land Management, Moab District rescinded its approval of the referenced application on November 9, 1993. In conformance with this action, the Division rescinds its approval of the referenced application issued on January 28, 1992.

If you have any questions, please contact Mike Hebertson at (801)538-5340

Sincerely,

Frank R. Matthews
Petroleum Engineer

ldc
cc R. J. Firth
D. T. Staley
D. M. Eatchel
Bureau of Land Management - Moab District
Well file

WO1196



FROM: 10/31/93
THRU: 11/30/93

DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING
WELL COMPLETION REPORT 11

PAGE 2

EMERY COUNTY

CHEVRON USA INC

RANGE CREEK 3-4
TOTAL DEPTH:
COMPLETED: 00/00/00

43-015-30239
ELEVATION 5874' GR
LA

SWSW 4 18 0 S 16.0 E SLM
SURFACE: 0510 FSL 1300 FWL
FIELD: WILDCAT
BOTTOM

GRAND COUNTY

CSV OIL EXPLORATION CO

FEDERAL 10-2
TOTAL DEPTH: 3810'
COMPLETED: 11/06/93
INTERVAL: 3604-3705'
INITIAL PRODUCTION

43-019-31327
ELEVATION 5433' XB
FORMATION MORRISON
0 BOPD 697 MCFD 0 BWPD

WNWE 10 17 0 S 25.0 E SLM
SURFACE 0872 FWL 1897 FEL
FIELD: BAR X

SAN JUAN COUNTY

MERIDIAN OIL INC

PERIDOT UNIT 22-31H
TOTAL DEPTH:
COMPLETED: 00/00/00

43-037-31657
ELEVATION 6251' GR
LA

GENW 31 31.0 S 23.0 E SLM
SURFACE: 2000 FWL 1620 FWL
FIELD: WILDCAT
BOTTOM

ANPOLEX (TEXAS) INC

CACTUS PARK #2
TOTAL DEPTH: 5952'
COMPLETED 11/10/93

43-037-31700
ELEVATION 5925' GR
PA

NENW 30 36.0 S 25.0 E SLM
SURFACE: 0816 FWL 1901 FWL
FIELD WILDCAT

WESGRA CORPORATION

GOODRIDGE TRUST
TOTAL DEPTH: 660'
COMPLETED 10/15/93
INTERVAL: 600-45'
INITIAL PRODUCTION

43-037-31713
ELEVATION 4125' GR
FORMATION LITTLE LOOP
1 BOPD 0 MCFD 0 BWPD

SWSE 7 42 0 S 19 0 E SLM
SURFACE 4251 FWL 1472 FEL
FIELD MEXICAN HAT

UINTAH COUNTY

MITCHELL ENERGY CORP

BITTER CREEK 1-25 14 25
TOTAL DEPTH: 7865'
COMPLETED: 10/25/90

43-047 31894
ELEVATION 8293' GR
PA

SWSW 25 14 0 S 25 0 E SLM
SURFACE 0805 FSL 0922 FWL
FIELD WILDCAT

From: Michael Hebertson (MHEBERTSON)
To: DSTALEY
Date: Friday, December 10, 1993 11:28 am
Subject: MERIDIAN OIL 22-31 PERIDOT UNIT FEDERAL

DON,
YES THIS WELL WAS SPUDED ON 2-1-92 WITH DRY HOLE RIG,
THE LOCATION WILL STILL BE USED AND THE LOCATION WILL BE
REACTIVATED UNDER THE OLD API NUMBER. THE SUNDRY THAT WAS
RECEIVED YESTERDAY CONTAINED NEW CONTACT INFORMATION FOR MERIDIAN
PERSONNELL. THE REMAINDER OF THE APD IS THE SAME. AS A MATTER
OF RECORDS KEEPING THE LOCATION SHOULD BE RE-ENSTATED.

The well was LA, on 11/22/93.



State of Utah
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

Michael O. Leavitt
Governor
Ted Stewart
Executive Director
James W. Carter
Division Director

355 West North Temple
3 Triad Center, Suite 350
Salt Lake City, Utah 84100 1203
801 538 5340
001-538 3040 (Fax)
801 538 5319 (TDD)

November 22, 1993

Meridian Oil Inc.
5613 DTC Parkway
Englewood, Colorado 80111

Re. Application for Permit to Drill
Well No. Peridot Unit 22-31H
SE NW, Sec. 31, T 31 S, R 23 E
San Juan County, Utah
API No 43-037-31657

Gentlemen

The Bureau of Land Management, Moab District rescinded its approval of the referenced application on November 9, 1993 in conformance with this action, the Division rescinds its approval of the referenced application issued on January 28, 1992.

If you have any questions, please contact Mike Hebertson at (801)538-5340

Sincerely,

A handwritten signature in cursive script that reads "Frank R. Matthews".

Frank R. Matthews
Petroleum Engineer

ldc
cc R J Firth
D. T. Staley
D M Eatchel
Bureau of Land Management - Moab District
Well file

WO1196



Found it!

Data Entry Screen - Mail

Date: 11/12/93

API No. 43-037-31657

Report Type: RESCIND

Operator: MERIDIAN

Well Name: 22-31H

SEC TWN RNG

Well Location: 31 31S 23E

Highlights

LETTER FROM BLM: RESCIND APD *CONFIDENTIAL*

Order - DATEOPER <Append> < Save > <Browse>

Press Alt-X to Exit



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Moab District
P. O. Box 970
Moab, Utah 84532

Meridian Oil

NOV 12 1993



IN REPLY REFER TO

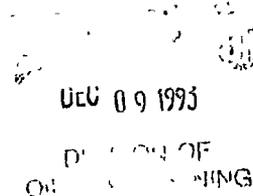
3162
(U-57878)
(UT-065)

REGULATORY COMPLIANCE
WESTERN REGION

NOV - 9 1993

Meridian Oil Inc.
5613 DTC Parkway
Englewood, Colorado 80111

Re: Rescinding Application for Permit to Drill
Well No. 22-31H
SWNW Sec. 31, T. 31 S., R. 23 E.
San Juan County, Utah
Lease U-57878



Gentlemen:

The Application for Permit to Drill the referenced well was approved on January 24, 1992. Although the location was constructed, the well was not drilled.

Applications for permit to drill are effective for a period of one year. In view of the foregoing, this office is rescinding the approval of the referenced application. A new application was submitted October 12, 1993 and we are currently processing it.

If you have any questions, please contact Verlene Butts, Branch of Fluid Minerals at (801) 259-6111.

Sincerely,

Associate District Manager

Enclosure

Application for Permit to Drill

cc: UT-069, San Juan Resource Area (wo/Enclosure)
State of Utah
Division of Oil, Gas and Mining
355 West North Temple
3 Triad Center, Suite 350
Salt Lake City, Utah 84180-1203 (wo/Enclosure)

STATE OF UTAH
DIVISION OF OIL, GAS AND MINING

<p>SUNDRY NOTICES AND REPORTS ON WELLS (Do not use this form for proposals to drill or to deepen or plug back to a different reservoir. Use "APPLICATION FOR PERMIT" for such proposals.)</p>		<p>3. LEASE SIGNATION & SERIAL NO. U-57878</p> <p>6. IF INDIAN, ALLOTTEE OIL TRIBE NAME N/A</p> <p>7. UNIT AGREEMENT NAME N/A</p> <p>8. FARM OR LEASE NAME 22-31H Peridot Unit Federal</p> <p>9. WELL NO. 22-31H</p> <p>10. FIELD AND POOL OR WILDCAT Wildcat</p> <p>11. SEC. T. R. S. OR BLK. AND SURVEY OR AREA Section 31-T31S-R23E</p>
<p>1. OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input type="checkbox"/></p> <p>2. NAME OF OPERATOR Meridian Oil Inc.</p> <p>3. ADDRESS OF OPERATOR 5613 DTC Parkway, Englewood, CO 80111</p> <p>4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements for this issue 17 below.) At surface 2000' FNL and 1620' FWL At proposed prod. zone</p>	<p>12. COUNTY San Juan</p> <p>13. STATE Utah</p>	<p>5. ELEVATIONS (Show whether OF, AT, GR, etc.) 6251' GL</p> <p>14. API NO. 43057-31057</p>

16. Check Appropriate Box To Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
TEST WATER SHUT-OFF <input type="checkbox"/>	FULL OR ALTER CASING <input type="checkbox"/>	WATER SHUT-OFF <input type="checkbox"/>	REPAIRING WELL <input type="checkbox"/>
FRACTURE TREAT <input type="checkbox"/>	MULTIPLE COMPLETEZ <input type="checkbox"/>	FRACTURE TREATMENT <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
SHOOT OR ACIDIZE <input type="checkbox"/>	ABANDON <input type="checkbox"/>	SHOOTING OR ACIDIZING <input type="checkbox"/>	ABANDONMENT* <input type="checkbox"/>
REPAIR WELL <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	(Other) <u>Changes to original APD</u> <input type="checkbox"/>	
APPROX. DATE WORK WILL START _____		DATE OF COMPLETION _____	

17. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting and 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.)

* Must be accompanied by a cement verification report.

Attached are the revised pages to the original APD for the above captioned well. These are the only changes that were made.

APPROVED BY THE STATE
OF UTAH DIVISION OF
OIL, GAS, AND MINING
DATE: 12-14-93
BY: [Signature]
WELL SPACING: 649-3-2

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

SIGNED Georgeanne Mitchell TITLE Regulatory Assistant DATE 12/6/93

(This space for Federal or State office use)

APPROVED BY _____ TITLE _____ DATE _____

CONDITIONS OF APPROVAL, IF ANY: _____

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1. LEASE DESIGNATION AND SERIAL NO. U-57878

2. IF INDIAN ALLOTTEE OR TRIBE NAME N/A

3. UNIT AGREEMENT NAME N/A

4. FARMOR LEASE NAME WELL NO. Peridot Unit Federal

5. APPROVAL DATE DEC 09 1993

6. FIELD AND POOL, OR WILDCAT Wildcat

7. SEC. T., R. M., OR BLM. AND SURVEY OR AREA Sec. 31-T31S-R23E

8. COUNTY OR PARISH San Juan 9. STATE Utah

10. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE* Approximately 50 miles north of Monticello, Utah

11. DISTANCE FROM PROPOSED LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drig. unit line, if any) 1020'

12. NO. OF ACRES IN LEASE 880

13. NO. OF ACRES ASSIGNED TO THIS WELL 880*

14. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. N/A

15. PROPOSED DEPTH 6700' TVD

16. ROTARY OR CABLE TOOLS Rotary

17. ELEVATIONS (Show whether DP, RT, GL, etc.) 6251' GL

18. APPROX. DATE WORK WILL START* To be determined

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"	54.5#	800'	400 sx 35:65 Pozmix, 250 sx Cl. "G"
12-1/4"	9-5/8"	40.0#	4650'	200 sx 35:65 Pozmix, 350 sx Cl. "G"
8-3/4"	5-1/2"	17#, 20#, 23#	9900'	100 sx "G"

Oil and Gas Order No. 1 and Exhibits

A: Survey Plat

A-1: Horizontal Section Plat

B: Eight-Point Drilling Plan

C: BOP Diagram

D: Multi-Point Surface Use Plan

E: Access Roads

E-1: Detail of Access Road

E-2: 1-Mile Radius Map

F: Production Lay-out

G: Cut Fill/Cross Sections

H: Rig Layout

See attached Exploratory Unit Outline

Meridian Oil Inc. is properly bonded for drilling and plugging wells in Utah: State of Utah Bond No. 1536406, - Nationwide Bond No. UT0414.

*Subject to formation of 10,895 acre federal exploratory unit.

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 bearings data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

SIGNED [Signature] REGULATORY COMPLIANCE ADMINISTRATOR TITLE DATE 10/8/93

(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE APPROVED BY THE STATE OF UTAH DIVISION OF OIL, GAS, AND MINING

Application approval does not warrant or certify that the applicant holds legal or equitable title to these rights in the subject lease which would entitle the applicant to conduct operations thereon.

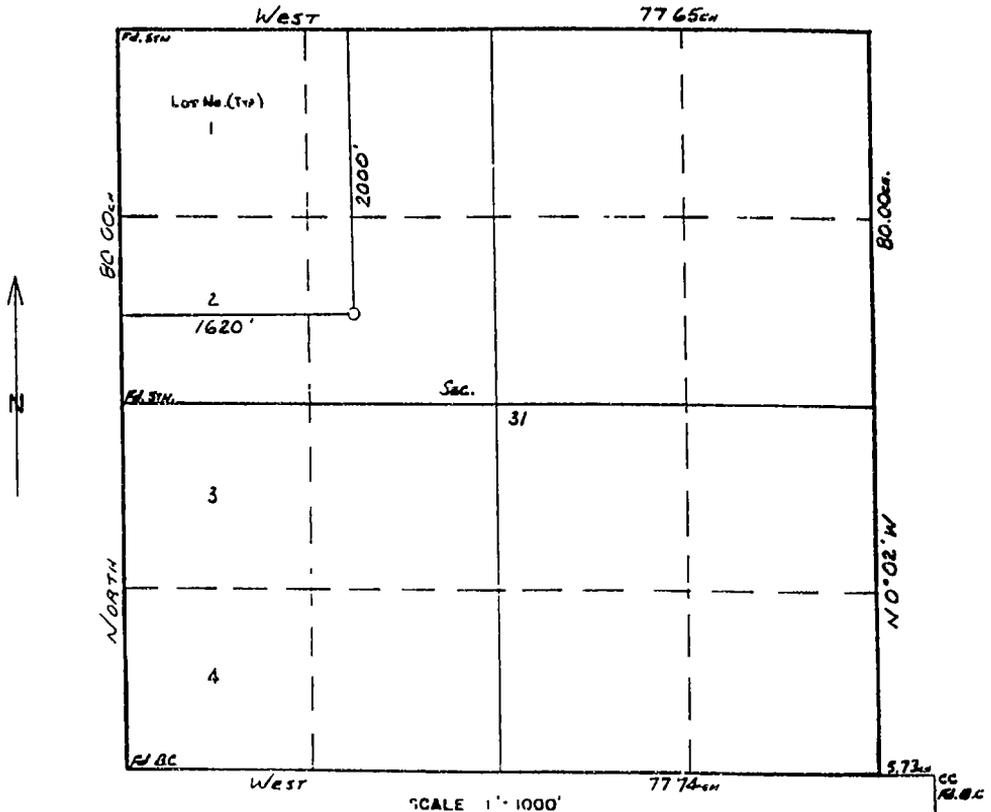
CONDITIONS OF APPROVAL, IF ANY:

DATE: 12-14-93
BY: [Signature]
WELL SPACING: 649-3-2

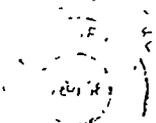
APPROVED BY _____ TITLE _____

*See Instructions On Reverse Side

COMPANY MERIDIAN OIL, INC.
 LEASE PERIDOT UNIT FEDERAL WELL NO. 22-31H
 SEC 31, T 31 S, R. 23 E
 COUNTY San Juan STATE Utah
 LOCATION 2000'FNL & 1620'FWL
 ELEVATION 6251



THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS PREPARED FROM FIELD
 NOTES OF ACTUAL SURVEYS MADE BY ME OR UNDER MY SUPERVISION
 AND THAT THE SAME ARE TRUE AND CORRECT TO THE BEST OF MY
 KNOWLEDGE AND BELIEF

SEAL 

William E. Mannke II
 WILLIAM E. MANNKE II
 NEW MEXICO PLS NO 8468

SURVEYED Oct. 17, 1991

11 Surface Ownership

Val Dalton
Monticello, UT
(801) 587-2416

12 Other Information

- (1) The area that would be impacted by the well site and access road was surveyed for cultural resources by La Plata Archeological Consultants on October 24, 1991. No cultural resources were found. Meridian Oil will notify the BLM if unexpected cultural resources are observed and shall avoid operations that would result in destruction of these resources. Archeological clearance for positioning of the seismic trucks for the VSP logging process will be performed as soon as the required locations are determined. Trucks will be located within the unit boundaries.
- (2) A prework conference will be scheduled after APD approval. This will include, at minimum, the permittee or his authorized representative, the dirt contractor, and the authorized BLM representative. The lead operator/permittee is responsible for scheduling and holding this meeting in a timely manner sufficient for resolving any potential problems.

Other standard BLM Stipulations covering construction, drilling operations, production facilities, rehabilitation and fire prevention will be incorporated into the approved APD.

13. Lessee or Operator's Field Representative and Certification

Meridian Oil Inc
5613 DTC Parkway
Englewood, CO 80111

2	Gregg A. Olson Drilling Engineer	Office: Home	303/930-9316 303/237-6777
3.	R. E. Muncief Reg Drilling Eng.	Office Home	303/930-9327 303/791-7347
4	Scott B Palmer Completion Supt	Office Home	303/930-9494 303/841-3892

9. Anticipated Starting Dates

Spud Date: To be determined

Drilling Days 57

1 week to move drilling rig off and completion rig on

14-21 days of initial completion work

7-14 days to install production facilities

st/273

Self-Certification of Operator

Be advised that Meridian Oil Inc is considered to be the operator of Well No 22-31H Peridct Unit Federal, SENW, Sec. 31, T 31 S , R 23 E , Lease U-57878, San Juan County, Utah, and is responsible under the terms and conditions of the lease for the operations conducted on the leased lands

Bond Coverage for this well is provided by Bond No UT-0414 (Principal St Paul Fire and Marine Life Insurance, St. Paul, Minnesota) via surety consent as provided for in 43 CFR 3104.2.

This office will hold the aforementioned operator and bond liable until the provisions of 43 CFR 3106.7-2 continuing responsibility are met

By



Eileen Danni Dey
Regulatory Compliance Administrator
MERIDIAN OIL INC
5613 DTC Parkway
Englewood, CO 80111



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Moab District
P. O. Box 970
Moab, Utah 84532

Meridian Oil

NOV 12 1993



IN REPLY REFER TO:

3162
(U-57878)
(UT-065)

REGULATORY COMPLIANCE
CENTER REGION

NOV - 9 1993

Meridian Oil Inc.
5613 DTC Parkway
Englewood, Colorado 80111

Re: Rescinding Application for Permit to Drill
Well No. 22-31H
SWNW Sec. 31, T. 31 S., R. 23 E.
San Juan County, Utah
Lease U-57878



DEC 09 1993

DIVISION OF
OIL, GAS & MINING

Gentlemen:

The Application for Permit to Drill the referenced well was approved on January 24, 1992. Although the location was constructed, the well was not drilled.

Applications for permit to drill are effective for a period of one year. In view of the foregoing, this office is rescinding the approval of the referenced application. A new application was submitted October 12, 1993 and we are currently processing it.

If you have any questions, please contact Verlene Butts, Branch of Fluid Minerals at (801) 259-6111.

Sincerely,

Associate District Manager

Enclosure

Application for Permit to Drill

cc: UT-069, San Juan Resource Area (wo/Enclosure)
State of Utah
Division of Oil, Gas and Mining
355 West North Temple
3 Triad Center, Suite 350
Salt Lake City, Utah 84180-1203 (wo/Enclosure)

STATE OF UTAH
DIVISION OF OIL, GAS AND MINING

3. LEASE DESIGNATION & SERIAL NO.
U-57878

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

SUNDRY NOTICES AND REPORTS ON WELLS

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

7. UNIT AGREEMENT NAME
N/A

8. FARM OR LEASE NAME
22-31H Peridot Unit Federal

9. WELL NO.
22-31H

10. FIELD AND FOOT, OR NEICAT
Wildcat

11. SEC. T. A. M. OR BLK. AND SURVEY OR AREA
Section 31-T31S-R23E

1. OIL WELL GAS WELL OTHER

2. NAME OF OPERATOR
Meridian Oil Inc.

3. ADDRESS OF OPERATOR
5613 DTC Parkway, Englewood, CO 80111

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements. See also items 17 below.)
At surface 2000' FNL and 1620' EWL
At proposed prod. zone

14. API NO.
43-037-31657

15. ELEVATIONS (Show whether OF, RT, CR, etc.)
6251' GL

12. COUNTY
San Juan

13. STATE
Utah

16. Check Appropriate Box To Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:

TEST WATER SHUT-OFF
FRACTURE TREAT
SHOOT OR ACIDIZE
REPAIR WELL
(Other) _____
PULL OR ALTER CASING
MULTIPLE COMPLETE
ABANDON
CHANGE PLANS

SUBSEQUENT REPORT OF:

WATER SHUT-OFF
FRACTURE TREATMENT
SHOOTING OR ACIDIZING
(Other) Changes to original APD
REPAIRING WELL
ALTERING CASING
ABANDONMENT*

APPROX. DATE WORK WILL START _____

DATE OF COMPLETION _____

17. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give settlement 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.)

* Must be accompanied by a cement verification report.

Attached are the revised pages to the original APD for the above captioned well. These are the only changes that were made.

18. I hereby certify that the foregoing is true and correct.
SIGNED Georganna Mitchell TITLE Regulatory Assistant DATE 12/6/93

(This space for Federal or State office use)

APPROVED BY _____ TITLE _____ DATE _____
CONDITIONS OF APPROVAL, IF ANY:

December 6, 1993



DEC 09 1993

DIVISION OF
OIL, GAS & MINING

Mr. Mike Hebertson
State of Utah
Department of Natural Resources
Division of Oil, Gas and Mining
355 West North Temple
3 Triad Center, Suite 350
Salt Lake City, UT 84180

RE: Application for Permit to Drill
22-31H Peridot Unit Federal
SENVw Sec. 31-T31S-R23E
San Juan County, Utah
API No. 43-037-31657

Dear Mr. Hebertson:

Pursuant to our telephone conversation, Meridian still has plans to re-enter and drill the above captioned well.

As you know, the BLM has requested that a new Application for Permit to Drill be submitted as the original APD has expired. Enclosed is a Sundry with the attached revised pages. These were the only changes made to the original APD.

- ✓ Meridian requests that the State reinstate the permit using the same API number since the well has been spudded and the permit should not have been rescinded.

Sincerely,

MERIDIAN OIL INC.

A handwritten signature in cursive script that reads "Georganne Mitchell".

Georganne Mitchell
Regulatory Assistant

gm:2231ST

Enclosure

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1a TYPE OF WORK DRILL <input checked="" type="checkbox"/> DEEPEN <input type="checkbox"/>		3 LEASE DESIGNATION AND SERIAL NO U-57878	
b TYPE OF WELL OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input type="checkbox"/>		6 IF INDIA? ALLOTTEE OR TRIBE NAME N/A	
2 NAME OF OPERATOR Meridian Oil Inc.		7 UNIT AGREEMENT NAME N/A	
3 ADDRESS AND TELEPHONE NO 5613 DTC Parkway, Englewood, CO 80111		8 FARM OR LEASE NAME WELL NO Peridot Unit Federal	
4 LOCATION OF WELL (Report location clearly and in accordance with any State requirements*) At surface: 2000' ENL and 1620' FWL At proposed prod zone: See attached plat		9 AP WELL NO 22-31H	
14 DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE* Approximately 50 miles north of Monticello, Utah		10 FIELD AND POOL OR WILDCAT Wildcat	
15 DISTANCE FROM PROPOSED LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT (Also to nearest drill unit line, if any): 1020'		11 SEC. T. R. M. OR SLE AND SURVEY OR AREA Sec. 31-T31S-R23E	
16 NO OF ACRES IN LEASE: 880		12 COUNTY OR PARISH: 13 STATE San Juan Utah	
18 PROPOSED DEPTH: 6700' TVD		17 NO OF ACRES ASSIGNED TO THIS WELL: 880*	
19 DISTANCE FROM PROPOSED LOCATION TO NEAREST WELL, DRILLING COMPLETED OR APPLIED FOR, ON THIS LEASE, FT: N/A		20 ROTARY OR CABLE TOOLS Rotary	
21 ELEVATIONS (Show whether DF, RT, GR, etc.) 6251' GL		22 APPROX DATE WORK WILL START* To be determined	

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	CASING SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
17-1/2"	13-3/8"	54.5#	800'	400 sx 35:65 Pozmix, 250 sx Cl.
12-1/4"	9-5/8"	40.0#	4650'	200 sx 35:65 Pozmix, 350 sx Cl.
8-3/4"	5-1/2"	17#, 20#, 23#	9900'	100 sx "G"

Oil and Gas Order No. 1 and Exhibits

- A: Survey Plat
- A-1: Horizontal Section Plat
- B: Eight-Point Drilling Plan
- C: BOP Diagram
- D: Multi-Point Surface Use Plan
- E: Access Roads
- E-1: Detail of Access Road
- E-2: 1-Mile Radius Map
- F: Production Lay-out
- G: Cut Fill/Cross Sections
- H: Rig Layout

See attached Exploratory Unit Outline

Meridian Oil Inc. is properly bonded for drilling and plugging wells in Utah: State of Utah Bond No. 1536406, - Nationwide Bond No. UT0414.

*Subject to formation of 10,895 acre federal exploratory unit.

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 surface location and azimuth and true vertical depth. Give blowout preventer program, if any.

24 *Robert D. Smith* Regulatory Compliance Administrator DATE 10/8/93

(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

11. Surface Ownership

Val Dalton
Monticello, UT
(801) 587-2416

12. Other Information

- (1) The area that would be impacted by the well site and access road was surveyed for cultural resources by La Plata Archeological Consultants on October 24, 1991. No cultural resources were found. Meridian Oil will notify the BLM if unexpected cultural resources are observed and shall avoid operations that would result in destruction of these resources. Archeological clearance for positioning of the seismic trucks for the VSP logging process will be performed as soon as the required locations are determined. Trucks will be located within the unit boundaries.
- (2) A prework conference will be scheduled after APD approval. This will include, at minimum, the permittee or his authorized representative, the dirt contractor, and the authorized BLM representative. The lead operator/permittee is responsible for scheduling and holding this meeting in a timely manner sufficient for resolving any potential problems.

Other standard BLM Stipulations covering construction, drilling operations, production facilities, rehabilitation and fire prevention will be incorporated into the approved APD.

13. Lessee or Operator's Field Representative and Certification

Meridian Oil Inc
5613 DTC Parkway
Englewood, CO 80111

2	Gregg A. Olson Drilling Engineer	Office Home	303/930-9316 303/237-6777
3	R. E. Muncief Reg Drilling Eng	Office Home	303/930-9327 303/791-7347
4	Scott B. Palmer Completion Supt.	Office Home	303/930-9494 303/841-3852

9. Anticipated Starting Dates

Spud Date. To be determined

Drilling Days: 57

1 week to move drilling rig off and completion rig on

14-21 days of initial completion work.

7-14 days to install production facilities

st/273

Self-Certification of Operator

Be advised that Meridian Oil Inc is considered to be the operator of Well No 22-31H Peridot Unit Federal, SENW, Sec 31, T 31 S , R 23 E , Lease U-57878, San Juan County, Utah, and is responsible under the terms and conditions of the lease for the operations conducted on the leased lands

Bond Coverage for this well is provided by Bond No UT-0414 (Principal St Paul Fire and Marine Life Insurance, St Paul, Minnesota) via surety consent as provided for in 43 CFR 3104.2

This office will hold the aforementioned operator and bond liable until the provisions of 43 CFR 3106.7-2 continuing responsibility are met

By



Eileen Danni Dey
Regulatory Compliance Administrator
MERIDIAN OIL INC
5613 DTC Parkway
Englewood, CO 80111



State of Utah
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

Michael O. Leavitt
Governor

Ted Stewart
Executive Director

James W. Carter
Division Director

355 West North Temple
3 Third Center, Suite 350
Salt Lake City, Utah 84100 1203
801 538 5340
801 359 3840 (Fax)
801 538 5318 (TDD)

December 14, 1993

Meridian Oil Inc.
5613 DTC Parkway
Englewood, Colorado 80111

Re: Peridot Unit Federal 22-31H Well, 2000' FNL, 1620' FWL, SE NW, Sec. 31, T. 31 S., R. 23 E., San Juan County, Utah

Gentlemen:

Pursuant to Utah Admin. R. 649-3-2, Location and Siting of Wells and Utah Admin. R. 649-3-4, Permitting of Wells to be Drilled, Deepened or Plugged-Back, approval to drill the referenced well is hereby granted.

In addition, the following specific actions are necessary to fully comply with this approval:

1. Submittal of directional drilling data upon completion of drilling operations to properly ascertain the location of the producing formation.
2. Compliance with the requirements of Utah Admin. R. 649-1 et seq., Oil and Gas Conservation General Rules.
3. Notification within 24 hours after commencing drilling operations.
4. Submittal of Entity Action Form, Form 6, within five working days following commencement of drilling operations and whenever a change in operations or interests necessitates an entity status change.
5. Submittal of the Report of Water Encountered During Drilling, Form 7.
6. Prompt notification prior to commencing operations, if necessary, to plug and abandon the well. Notify Frank R. Matthews, Petroleum Engineer, (Office) (801)538-5340, (Home) (801)476-8613, or Mike Hebertson, Oil and Gas Field Specialist, (Home) (801)269-9212.

Page 2

Meridian Oil Inc.
Peridot Unit Federal 22-31H Well
December 14, 1993

7. Compliance with the requirements of Utah Admin. R. 649-3-20, Gas Flaring or Venting, if the well is completed for production.

This approval shall expire one year after date of issuance unless substantial and continuous operation is underway or a request for an extension is made prior to the approval expiration date. The API number assigned to this well is 43-057-31736.

Sincerely,



R.J. Pirth
Associate Director, Oil and Gas

ldc
Enclosures
cc: San Juan County Assessor
Bureau of Land Management, Moab
WO11