

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK DRILL ☒ DEEPEN ☐ PLUG BACK ☐		5. LEASE DESIGNATION AND SERIAL NO. NM 24964	
b. TYPE OF WELL OIL WELL ☒ GAS WELL ☐ OTHER ☐		6. IF INDIAN, ALLOTTEE OR TRIBE NAME	
2. NAME OF OPERATOR Merrion Oil & Gas Corporation		7. UNIT AGREEMENT NAME	
3. ADDRESS OF OPERATOR P. O. Box 1017, Farmington, New Mexico 87499		8. FARM OR LEASE NAME Pot Mesa	
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)* At surface 660' FNL and 1980' FEL At proposed prod. zone Same		9. WELL NO. 1	
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE* 3 miles SW of Ojo Encino		10. FIELD AND POOL, OR WILDCAT WC Gallup	
15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drg. unit line, if any) 660'		11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA B Sec. 10, T20N, R6W	
16. NO. OF ACRES IN LEASE 2160		12. COUNTY OR PARISH McKinley	
17. NO. OF ACRES ASSIGNED TO THIS WELL 40		13. STATE New Mexico	
18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 2-1/2 mi.		20. ROTARY OR CABLE TOOLS Rotary	
21. ELEVATIONS (Show whether DF, RT, GR, etc.) 6891' GL		22. APPROX. DATE WORK WILL START* Summer/1985	
23. DRILLING OPERATIONS AUTHORIZED ARE SUBJECT TO COMPLIANCE WITH ATTACHED "GENERAL REQUIREMENTS" PROPOSED CASING AND CEMENTING PROGRAM			

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12-1/4"	9-5/8"	32 #/ft., J-55	100 ft.	50 sx (59 cu. ft.)
8-3/4"	7"	23 #/ft., J-55	3950 ft.	350 sx
6-1/4"	4-1/2"	10.5 #/ft., J-55	4430 ft.	

Will drill 12-1/4" hole to 100 ft. and set 100 ft. of 9-5/8", 32 #/ft surface casing with 50 sx Class B, 2% CaCl2. Wait on cement 10 hours. Nipple up BOPs, pressure test to 600 PSI. Drill 8-3/4" hole to 3950 ft. with fresh water, gel, starch, low solids, non-dispersed mud. If deemed necessary, will run open hole logs. Will set 7", 23 #/ft J-55 casing @ 3950' with 250 sx Class B 2% D-79 (515 cu. ft.) followed by 100 sx Class H 2% gel (122 cu. ft.) estimated top @ surface. Wait on cement, drill out shoe with 6-1/4" bit with water. Dry up hole and air drill 6-1/4" hole to 4430 ft. Run open hole logs Set 4-1/2" liner from 4430 ft. to 3900' with 75 sx Class H 2% gel. (92 cu. ft.). Perforate and stimulate as necessary to test Gallup Pressure control will be double ram BOPs with minimum pressure rating of 2000 PSI. A rotating head will be used during air drilling operations.

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 <i>[Signature]</i>	TITLE Operations Manager	DATE 4/9/85
(This space for Federal or State office use)		
PERMIT NO. _____	APPROVAL DATE _____	APPROVED AS AMENDED
APPROVED BY <i>[Signature]</i>	TITLE OIL CON. DIV. DIST. 3 NMOCC	DATE APR 24 1985
CONDITIONS OF APPROVAL, IF ANY:		for M. MILLENBACH AREA MANAGER

*See Instructions On Reverse Side

INSTRUCTIONS

GENERAL: This form is designed for submitting proposals to perform certain well operations, as indicated, on all types of lands and leases for appropriate action by either a Federal or a State agency, or both, pursuant to applicable Federal and/or State laws and regulations. Any necessary special instructions concerning the use of this form and the number of copies to be submitted, particularly with regard to local, area, or regional procedures and practices, either are shown below or will be issued by, or may be obtained from, the local Federal and/or State office.

ITEM 1: If the proposal is to redrill to the same reservoir at a different subsurface location or to a new reservoir, use this form with appropriate notations. Consult applicable State or Federal regulations concerning subsequent work proposals or reports on the well.

ITEM 4: If there are no applicable State requirements, locations on Federal or Indian land should be described in accordance with Federal requirements. Consult local State or Federal office for specific instructions.

ITEM 14: Needed only when location of well cannot readily be found by road from the land or lease description. A plat, or plats, separate or on this reverse side, showing the roads to, and the surveyed location of, the well, and any other required information, should be furnished when required by Federal or State agency offices.

ITEMS 15 AND 18: If well is to be, or has been directionally drilled, give distances for subsurface location of hole in any present or objective production zone.

ITEM 22: Consult applicable Federal or State regulations, or appropriate officials, concerning approval of the proposal before operations are started.

ESTIMATED TOPS

Ojo Alamo	Surface	Menefee	2130
Kirtland	200	Point Lookout	3028
Fruitland	485	Mancos	3152
Pictured Cliffs	735	Gallup	4124
Cliffhouse	1900	Total Depth	4430

NOTICE

The Privacy Act of 1974 and the regulation in 43 CFR 2.48(d) provide that you be furnished the following information in connection with information required by this application.

AUTHORITY: 30 U.S.C. 181 et seq., 25 U.S.C. 396; 43 CFR Part 3160.

PRINCIPAL PURPOSE: The information is to be used to process and evaluate your application for permit to drill, deepen, or plug back an oil or gas well.

ROUTINE USES: (1) The analysis of the applicant's proposal to discover and extract the Federal or Indian resources encountered. (2) The review of procedures and equipment and the projected impact on the land involved. (3) The evaluation of the effects of proposed operation on surface and subsurface water and other environmental impacts. (4)(5) Information from the record and/or the record will be transferred to appropriate Federal, State, local or foreign agencies, when relevant to civil, criminal or regulatory investigations or prosecutions, as well as routine regulatory responsibility.

EFFECT OF NOT PROVIDING INFORMATION: Filing of this application and disclosure of the information is mandatory only if the lessee elects to initiate drilling operations on an oil and gas lease.

The Paperwork Reduction Act of 1980 (44 U.S.C. 3501 et seq) requires us to inform you that:

This information is being collected to allow evaluation of the technical, safety, and environmental factors involved with drilling for oil and/or gas on Federal and Indian oil and gas leases.

This information will be used to analyze and approve applications.

Response to this request is mandatory only if the lessee elects to initiate drilling operations on an oil and gas lease.

**NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT**

Form C-102
Supersedes C-128
Effective 1-1-65

All distances must be from the outer boundaries of the Section.

Operator MERRION OIL & GAS CORPORATION			Lease POT MESA		Well No. 1
Unit Letter B	Section 10	Township 20N	Range 6W	County McKinley	
Actual Footage Location of Well: 660 feet from the North line and 1980 feet from the East line					
Ground Level Elev. 6891	Producing Formation Gallup	Pool WC Gallup		Dedicated Acreage: 40 Acres	

1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

☐ Yes ☐ No If answer is "yes," type of consolidation _____

If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) _____

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

	660' 1980'	
Sec.	NM24964	
	10	

APR 26 1985
 OIL CON. DIV.
 DIST. 3

Scale: 1"=1000'

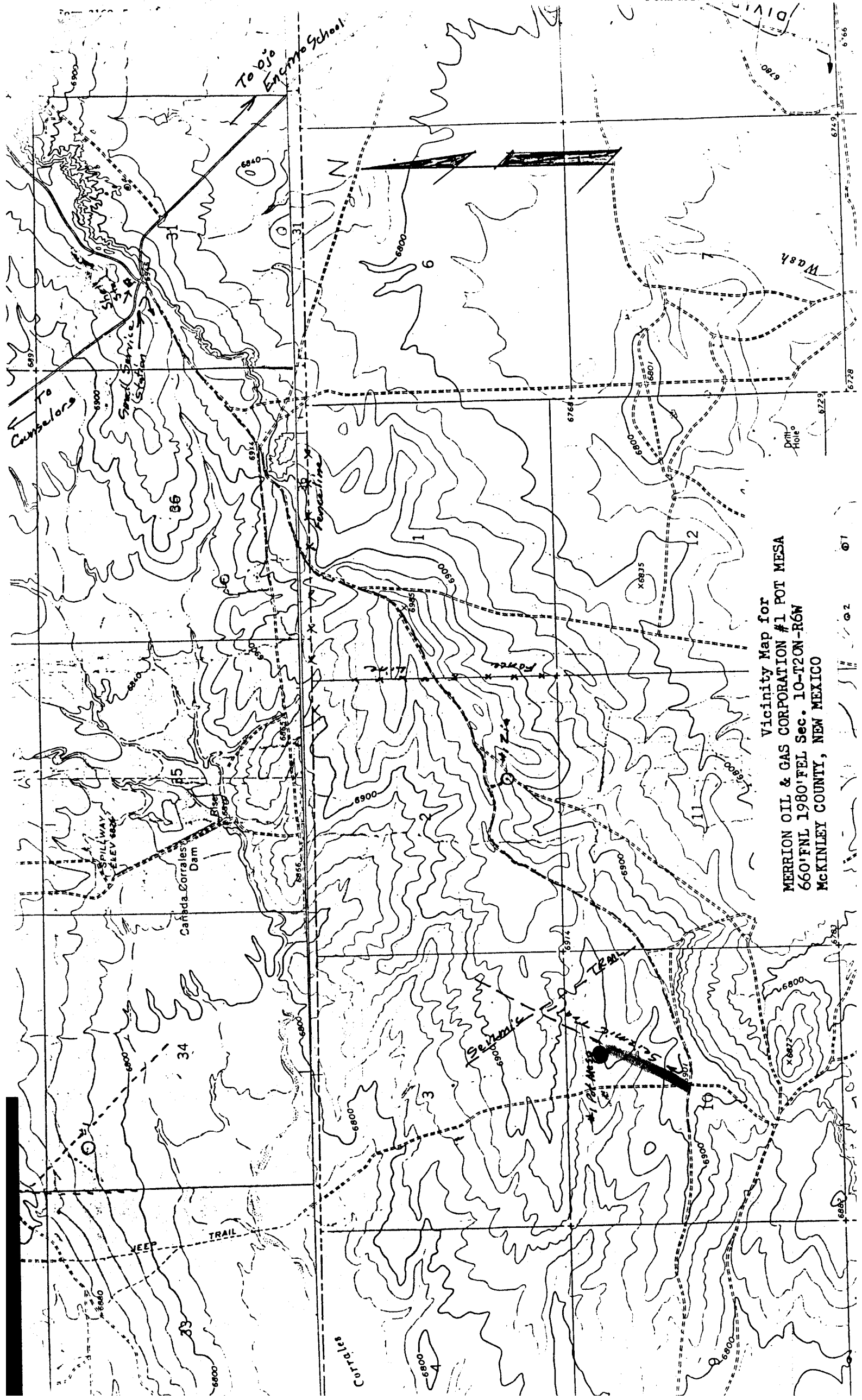
CERTIFICATION

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

Name Steve S. Dunn
 Position Operations Manager
 Company Merrion Oil & Gas Corporation
 Date 4/3/85

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.

Date Surveyed April 2, 1985
 Registered Professional Engineer and Land Surveyor
Fred B. Kerr Jr.
 Certificate No. 3950



Vicinity Map for
MERRION OIL & GAS CORPORATION #1 POT MESA
660'FNL 1980'FEL Sec. 10-T20N-R6W
MCKINLEY COUNTY, NEW MEXICO

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUBMIT IN TRIPLICATE*
(Other instructions on re-
verse side)

Form approved.
Budget Bureau No. 1004-0135
Expires August 31, 1985

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. ☒ OIL WELL ☐ GAS WELL ☐ OTHER

2. NAME OF OPERATOR
Merrion Oil & Gas Corporation

3. ADDRESS OF OPERATOR
P. O. Box 1017, Farmington, New Mexico 87499

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.*
See also space 17 below.)
At surface
660' FNL and 1980' FEL

14. PERMIT NO.

15. ELEVATIONS (See reverse side)
6891' GL

5. LEASE DESIGNATION AND SERIAL NO.
NM 24964

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME
Pot Mesa

9. WELL NO.
1

10. FIELD AND POOL, OR WILDCAT
WC Mesaverde

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA
Sec. 10, T20N, R6W

12. COUNTY OR PARISH
McKinley

13. STATE
New Mexico

RECEIVED

APR 23 1985

16. 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 COMPLETE ☐	FRACTURE TREATMENT ☐	ALTERING CASING ☐
SHOOT OR ACIDIZE ☐	ABANDON* ☐	SHOOTING OR ACIDIZING ☐	ABANDONMENT* ☐
REPAIR WELL ☐	CHANGE PLANS ☐	(Other) ☐	

(Other) Change of formation & drilling plan

(NOTE: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

17. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

Request approval for change of plans as follows:

Drill Mesaverde test to 3150'. Will set 8-5/8", 23 #/ft, J-55 surface casing at 100 ft. (94.4 cu with 80 sx Class B, 2% CaCl2. Drill 6-3/4" hole to TD. Will run 4-1/2", 10.5 #/ft, K-55 to TD and single stage cement with 150 sx Class B 2% D-79 (309 cu. ft.) followed by 100 sx Class H 2% gel (122 cu. ft.) Estimated top of cement - surface.

Pressure control will be 2000 PSI bag type blowout preventer. No air drilling will be done.

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APR 23 1985
OIL & GAS DIV.
DIST. 3

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

SIGNED

TITLE Operations Manager

DATE 4/23/85

(This space for Federal or State office use)

APPROVED BY

TITLE

CONDITIONS OF APPROVAL, IF ANY:

APPROVED
DATE

7s/J. Stan McKee

M. MILLENBACH
AREA MANAGER

*See Instructions on Reverse Side

NMOCC

