

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK DRILL <input checked="" type="checkbox"/> DEEPEN <input type="checkbox"/> PLUG BACK <input type="checkbox"/>			5. LEASE DESIGNATION AND SERIAL NO. SF-081102A	
b. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER <input type="checkbox"/>			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 840, Farmington, New Mexico 87499			8. FARM OR LEASE NAME Frontier	
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.) At surface 1,817' FSL & 2,115' FWL At proposed prod. zone			9. WELL NO. 2	
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE* 20 miles South of Farmington, New Mexico			10. FIELD AND POOL, OR WILDCAT Basin Fruitland Coal	
15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drg. unit line, if any) 1750'			11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA Section 5, T26N, R12W	
16. NO. OF ACRES IN LEASE 160			12. COUNTY OR PARISH 13. STATE San Juan New Mexico	
17. DISTANCE FROM PROPOSED* LOCATION TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 300'			17. NO. OF ACRES ASSIGNED TO THIS WELL W/ 320 3/4 20	
18. PROPOSED DEPTH 1175'			20. ROTARY OR CABLE TOOLS Rotary	
21. ELEVATIONS (Show whether DF, RT, GR, etc.) 5,901' GR			22. APPROX. DATE WORK WILL START* July, 1990	
23. PROPOSED CASING AND CEMENTING PROGRAM				
SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
9-3/4"	7"	20 lb/ft	100'	50 sx (59 cu.ft.)
6-1/4"	4-1/2"	10.5 lb/ft	1175'	130 sx (202 cu.ft.)

Propose to drill 9-3/4" surface hole to 100' KB. Will set approximately 100 ft. of 7", J-55, 20 lb/ft surface casing at 100 ft. KB with 50 sx (59 cu.ft.) of Class "B", with 2% CaCl₂. Top of cement at the surface. Wait on cement 10 hrs. Nipple up BOPS. Pressure test casing to 600 psi for 30 minutes. Drill 6-1/4" hole to total depth at 1,175 ft. Will run open hole logs. If well appears productive will set 4-1/2", J-55, 10.5 lb/ft production casing at total depth with 78 sx Class "B" with 2% D-79 (161 ft³) followed by 52 sx (63 cu.ft.) of Class "H", 2% gel. Estimated top of cement at the surface. Will perforate and stimulate as necessary to test well. Additional drilling program details attached.

RECEIVED

OCT 1 1990

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 submergence, location, and measured and true vertical depths. Give blowout preventer program, if any.

SIGNED Steven S. Dunn TITLE Operations Manager DATE 6-4-90
(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____

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

Hold 5-184 with TCR MMOOD

*See Instructions On Reverse Side

OIL CONSERVATION DIVISION

P.O. Box 2088

Santa Fe, New Mexico 87504-2088

DISTRICT I

P.O. Box 1980, Hobbs, NM 88240

DISTRICT II

P.O. Drawer DD, Artesia, NM 88210

DISTRICT III

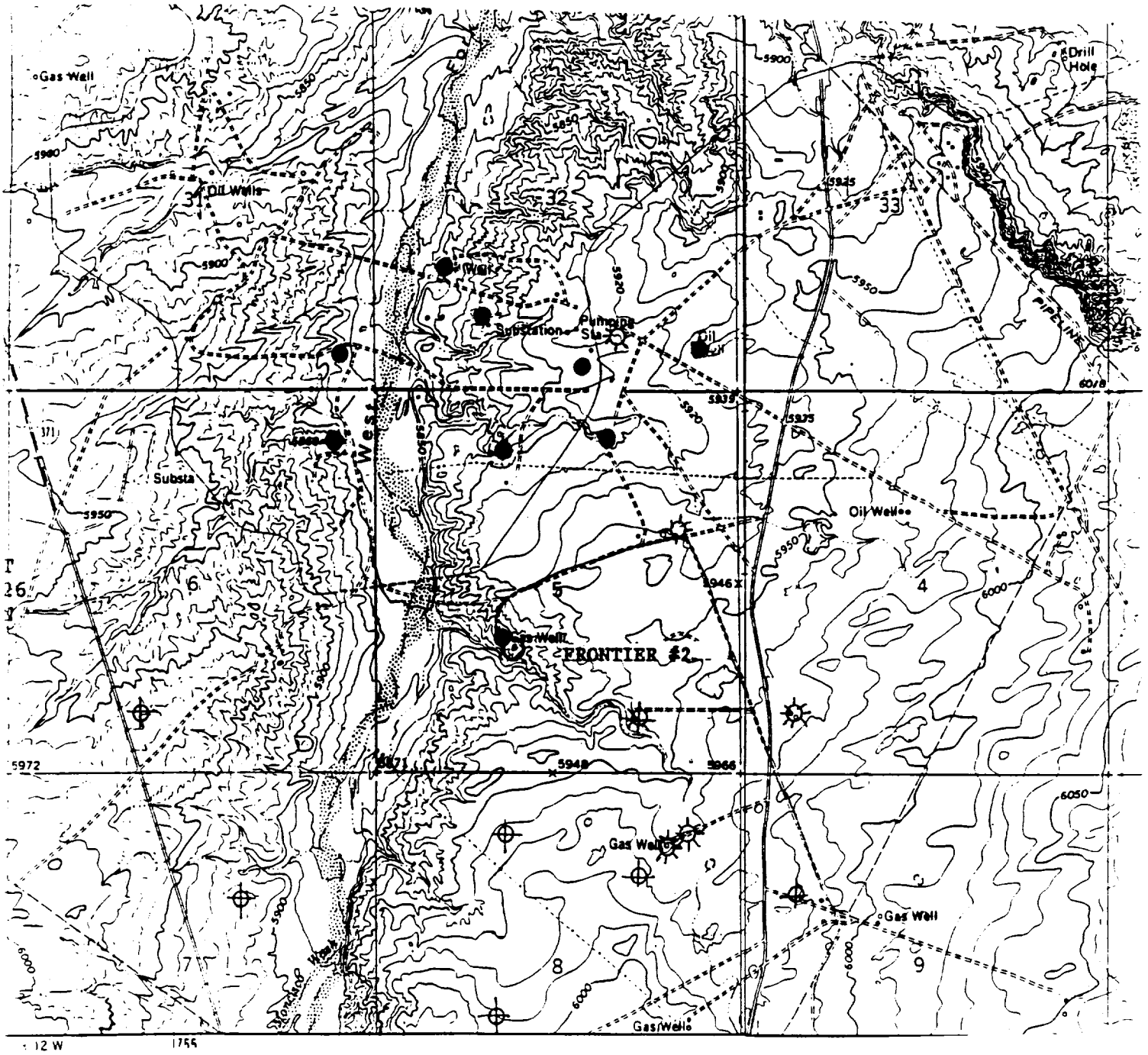
1000 Rio Brazos Rd., Aztec, NM 87410

WELL LOCATION AND ACREAGE DEDICATION PLAT

All Distances must be from the outer boundaries of the section

Operator Merrion Oil & Gas Corporation		Lease Frontier		Well No. 2
Unit Letter K	Section 5	Township 26N	Range 12W	County San Juan
Actual Footage Location of Well: 1817 feet from the South line and 2115 feet from the West line				
Ground level Elev. 5901'	Producing Formation Fruitland	Pool Basin Fruitland	Dedicated Acreage: 320 5/9 20 Acres	
<p>1. Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.</p> <p>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).</p> <p>3. If more than one lease of different ownership is dedicated to the well, have the interest of all owners been consolidated by communitization, unitization, force-pooling, etc.? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If answer is "yes" type of consolidation <u>will be communitized</u></p> <p>If answer is "no" list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.)</p> <p>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 interest, has been approved by the Division.</p>				
<p>US</p> <p>SF 081102 A</p> <p>2115'</p> <p>1817'</p> <p>5</p> <p>58° 58' E</p> <p>78.78 CH</p> <p>189° 59' W</p>			OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief. Signature: <i>Steven S. Dunn</i> Printed Name: Steven S. Dunn Position: Operations Manager Company: Merrion Oil & Gas Corp. Date: 6/4/90	
			SURVEYOR CERTIFICATION I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief. Date Surveyed: 6-02-90 Surveyor: Roy A. Rush Signature & Seal of Professional Surveyor: <i>Roy A. Rush</i> Certificate No.: 8894	

R12W



LEGEND

- PROPOSED LOCATION
- PRODUCING OIL WELLS
- ⊗ PRODUCING GAS WELLS
- ⊗ P&A GAS WELLS
- ⊗ D&A LOCATIONS
- EXISTING ROADS
- PROPOSED NEW ACCESS ROAD
- LEASE BOUNDARY

MERRION OIL & GAS CORPORATION

FRONTIER NO. 2

1,817' FSL & 2,115' FWL

Section 5, T26N, R12W

San Juan County, New Mexico

$$\begin{array}{r}
 38.59 \\
 39.61 \\
 \hline
 78.20 \\
 179.00 \\
 \hline
 240.00 \\
 \hline
 319.20
 \end{array}$$