

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

ROW/APD

FORM APPROVED  
Budget Bureau No. 1004-0136  
Expires: February 28, 1995

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1a. Type of Work

DRILL ☒

070 DEEPEN ☐

b. Type of Well

Oil Well ☐ Gas Well ☒ Other ☐

Single Well ☒ Multiple Zone ☐

2. Name of Operator

Merrion Oil & Gas Corporation

3. Address and Telephone No.

610 Reilly Ave Farmington NM 87401  
ph: (505) 327-9801

4. Location of Well (Footages)

At Surface 907' fsl & 1770' fwl (se sw)

This action is proposed to be the same and procedural review pursuant to 43 CFR 3160.3 and appeal pursuant to 43 CFR 3160.4.

RECEIVED  
JUN 17 1999  
OIL CON. DIV.  
DIST. 3

5. Lease Designation and Serial No.  
NM-0560223

6. If Indian, Allottee or Tribe Name

7. If Unit or CA, Agreement Designation

8. Well Name and No.  
Toe No. 1

9. API Well No.

10. Field and Pool, or Exploratory Area  
Basin Fruitland CORAL

11. Sec., T., R., M., or BLK.  
and Survey or Area  
Section 29, T26N, R12W

14. Distance in Miles and Directions from Nearest Town or Post Office

22 miles south of Farmington NM, near Chaco Plant

12. County or Parish  
San Juan

13. State  
NM

15. Distance from Proposed (Also to nearest drig. unit line, if any)  
Location to Nearest

Property or Lease Line, Ft 907'

16. No. of Acres in Lease

2227.6 acres

17. No. of Acres Assigned to This Well

11/320 acres

18. Distance from Proposed Location  
to Nearest Well Drilling, Completed,  
or Applied for, on this Lease, FT

-294'

19. Proposed Depth

-1215'

20. Rotary or Cable Tools

DRILLING OPERATIONS AUTHORIZED ARE  
SUBJECT TO COMPLIANCE WITH ATTACHED  
"GENERAL REQUIREMENTS"

21. Elevations (Show whether DF, RT, GR, etc)

6070' GR, 6075' RKB

22. Approximate Date Work will Start

As soon as permitted

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE & GRADE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
8-3/4"	7" J55	23 ppf	~120' KB	~30 sx (36 cuft)
6-1/4"	4-1/2" J55	10.5 ppf	~1215' KB	~101 sx (165 cuft)

Merrion proposes to drill 8-3/4" hole with native mud to approx 120' and set 7" 23# J55 surface casing, cement to surface with ~30 sx 'B' w/ 2% CaCl2 (36 cuft). Will drill 6-1/4" hole to TD @ approx 1215' KB with low solids non-dispersed mud system. Run open hole surveys. Will set 4-1/2" 10.5 ppf J55 production casing from TD to surface. Will cement with 51 sx 'B' w/ 2% SMS (106 cuft) and tail in with 50 sx 'B' (59 cuft) cement to fill from total depth to surface. A cementing chronology will be recorded and submitted to the BLM after completion of the job. Top of Cement should circulate to surface (will adjust volumes based upon caliper log if available).

A ~5 bbl water spacer will be pumped ahead of the lead slurry to prevent mud contamination of the cement.. If cement does not reach surface, a temperature log or cement bond log will be run to determine top of cement.

The production casing will be centralized through the Pictured Cliffs and Fruitland intervals. Will test Fruitland through perforated casing. Will fracture stimulate and put on for production test. Drilling operations below surface casing will be conducted with a Bag type BOP in place, minimum working pressure 1000 psig. Additional drilling technical details attached.

A pipeline route approval is also proposed as part of this APD as per the enclosed plat.

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal to deepen, give present productive zone and proposed new productive zone.

COPIES: BLM+4, WELL FILE+1

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

Signed

Steven S. Dunn

Title Drilling & Production Manager

Date Dec. 10, 1998

(This space for Federal or State office use)

Permit No.

Approval Date

JUN 14 1999

Application approval does not warrant or certify that 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:

Team Lead, Petroleum Management

JUN 14 1999

APPROVED BY:

/S/ Duane W. Spencer

TITLE

DATE

NMOCD

[illegible][illegible]

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

State of New Mexico  
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION

PO Box 2088  
Santa Fe, NM 87504-2088

Form C-102

Revised February 21, 1994

Instructions on back

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

☐ AMENDED REPORT

070 FARMINGTON, NM

WELL LOCATION AND ACREAGE DEDICATION PLAT

<sup>1</sup> API Number 30-045-2972	<sup>2</sup> Pool Code 71629	<sup>3</sup> Pool Name Basin Fruitland Coal
<sup>4</sup> Property Code 24733	<sup>5</sup> Property Name Toe	<sup>6</sup> Well Number # 1
<sup>7</sup> OGRJD No. 014634	<sup>8</sup> Operator Name MERRION OIL & GAS CORPORATION	<sup>9</sup> Elevation 6075'

<sup>10</sup> Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
N	29	26 N.	12 W	SESW	907	South	1770	West	San Juan

<sup>11</sup> Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
<sup>12</sup> Dedicated Acres 320	<sup>13</sup> Joint or Infill	<sup>14</sup> Consolidation Code	<sup>15</sup> Order No.						

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

	<sup>17</sup> OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief  Signature Connie S. Dinning Printed Name Contract Engineer Title 12/17/98 Date
	<sup>18</sup> SURVEYOR CERTIFICATION I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief  Date of Survey Signature and Seal of Professional Surveyor 6844 REGISTERED LAND SURVEYOR Certificate Number

**MERRION OIL & GAS  
CORPORATION**

**TOPOGRAPHIC LOCATOR MAP**

**TOE No. 1**

907' fsl & 1770' fwl (se sw)  
Sec 29, T26N, R12W, NMPM  
San Juan County, New Mexico

