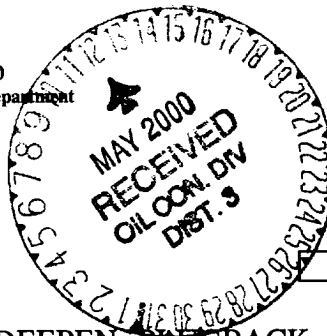


District I  
PO Box 1980, Hobbs, NM 88241-1980  
District II  
811 South First, Artesia, NM 88210  
District III  
1000 Rio Brazos Rd., Aztec, NM 87410  
District IV  
2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico  
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION  
2040 South Pacheco  
Santa Fe, NM 87505



Form C-101  
Revised October 18, 1994  
Instructions on back  
Submit to Appropriate District Office  
State Lease - 6 Copies  
Fee Lease - 5 Copies

AMENDED REPORT

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE

<sup>1</sup> Operator Name and Address. <b>Merrion Oil &amp; Gas Corporation</b> 610 Reilly Avenue Farmington, New Mexico 87401		<sup>2</sup> OGRID Number 014634
		<sup>3</sup> API Number 30 - 045-30238
<sup>4</sup> Property Code 22342	<sup>5</sup> Property Name <b>Shank Com</b>	<sup>6</sup> Well No. <b>2</b>

<sup>7</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
M	2	26N	13W		865	South	810	West	San Juan

<sup>8</sup> Proposed 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>9</sup> Proposed Pool WAW Fruitland/Pictured Cliffs					<sup>10</sup> Proposed Pool 2				

<sup>11</sup> Work Type Code N	<sup>12</sup> Well Type Code G	<sup>13</sup> Cable/Rotary Rotary	<sup>14</sup> Lease Type Code S	<sup>15</sup> Ground Level Elevation 6064'
<sup>16</sup> Multiple No	<sup>17</sup> Proposed Depth 1399' KB	<sup>18</sup> Formation WAW Fruitland Sand/Pictured Cliffs	<sup>19</sup> Contractor L&B Speed Drill	<sup>20</sup> Spud Date As Soon As Permitted

<sup>21</sup> Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
8-3/4"	7" J55	23 ppf	~120' KB	~30 sx (35 cuft)	Surface
6-1/4"	4-1/2" J55	10.5 ppf	~1399' KB	~107 sx (169 cuft)	Surface

<sup>22</sup> Describe the proposed program. If this application is to DEEPEN or PLUG BACK give the data on the present productive zone and proposed new productive zone. Describe the blowout prevention program, if any. Use additional sheets if necessary.

Merrion Oil & Gas proposes to drill 8<sup>3</sup>/<sub>4</sub>" hole with native mud to approx. 120' KB and set 7" 23# J55 surface casing, cement to surface with ~30 sx 'B' w/ 2% CaCl<sub>2</sub> (35 ft<sup>3</sup>). Will drill 6<sup>1</sup>/<sub>4</sub>" hole to TD @ approx. 1399' KB with low solids non-dispersed gel mud system. Run open hole surveys. If appears productive, will set 4<sup>1</sup>/<sub>2</sub>" 10.5 ppf J55 production casing from TD to surface. Will cement with 48 sx 'B' w/ 2% SMS (99 ft<sup>3</sup>) and tail in with 59 sx 'B' (70 ft<sup>3</sup>) cement to fill from total depth to surface. Top of cement should circulate to surface (will adjust volumes based upon caliper log). If cement does not reach surface, a temperature log or cement bond log will be run to determine top of cement.

Will test Fruitland Coal 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.

Formation tops: Undifferentiated Tertiary - Surface, Kirtland - 144', Fruitland - 820', Fruitland Coal - 1212', Pictured Cliffs 1249'.

<sup>23</sup> I hereby certify that the information given above is true and complete to the best of my knowledge and belief.

Signature:

Printed name:

Connie S. Dinning

Title:

Engineer

Date:

April 25, 2000

Phone:

505-327-9801

OIL CONSERVATION DIVISION

Approved by:

Title:

DEPUTY OIL & GAS INSPECTOR, DIST.

Appr:

MAY 12 2000

Expiration

MAY 12 2001

Conditions of Approval:

Attached ☐