

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM APPROVED
Budget Bureau No. 1004-0136
Expires: February 28, 1995

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1a. Type of Work

DRILL ☒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 1095' fsl & 679' fel (se se)

At proposed prod. zone Same

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

18 miles south of Farmington NM, near Chaco Plant

15. Distance from Proposed Location to Nearest

Property or Lease Line, Ft 679'

16. No. of Acres in Lease

160 acres

17. No. of Acres Assigned to This Well

160 acres SE 1/4

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

-2750'

19. Proposed Depth

-1400'

20. Rotary or Cable Tools

Rotary

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

6083' GR, 6088' 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 (35 cuft)
6-1/4"	4-1/2" J55	10.5 ppf	~1360' KB	~103 sx (177 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 (35 cuft). Will drill 6-1/4" hole to TD @ approx 1400' 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 62 sx 'B' (128 cuft) lead slurry followed by 41 sx 'B' (48 cuft) cement to fill from total depth to surface. Top of cement should circulate to surface (will adjust volumes based upon caliper log).

A 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.

Will test Fruitland Sand/ Pictured Cliffs 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.

This action is subject to technical and procedural review pursuant to 43 CFR §106.3 and appeal pursuant to 43 CFR §106.4.

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

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

Connie S. Dinning Title Engineer

Date October 4, 2000

(This space for Federal or State office use)

Permit No.

Approval Date

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:

APPROVED BY:

/s/ Joel Farrell

TITLE

DATE

JUL 17 2000

NM000

State of New Mexico
Energy, Minerals & Mining Resources Department

Form C - 102

OIL CONSERVATION DIVISION
2040 South Pocheco
Santa Fe, NM 87505

200 OCT -6 PM 12:36 AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

APA Number 30-045-30387	Pool Code 77310	Pool Name Gallegos S. Fruitland Sand / Pictured Cliffs
Property Code 28534	Property Name MONROE	Well Number 1
OGRD No. 14634	Operator Name MERRION OIL & GAS	Serial 5083

Surface Location

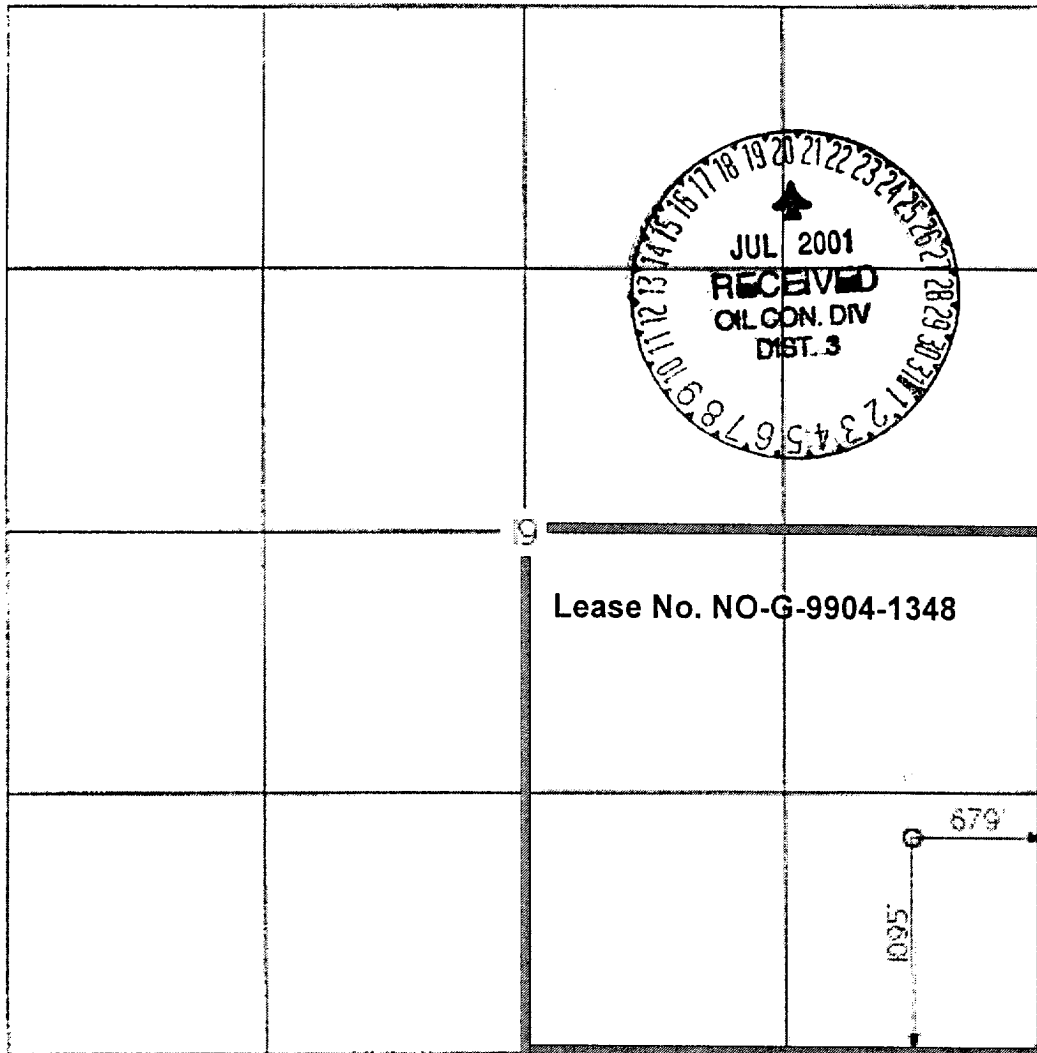
UL or Lot P	Sec. 19	Twp. 26 N	Rge. 1 W.	Lat. Lng. 1095 SOUTH 679 EAST	County SAN JUAN
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Bottom Hole Location if Different From Surface

UL or Lot	Sec.	Twp.	Rge.	Lat. Lng.	Foot Trans. North/South	Foot Trans.	East/West	County
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Dedication 160 5/4	Joint ?	Consolidation	Order No.
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NO ALLOWABLE WILL ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION



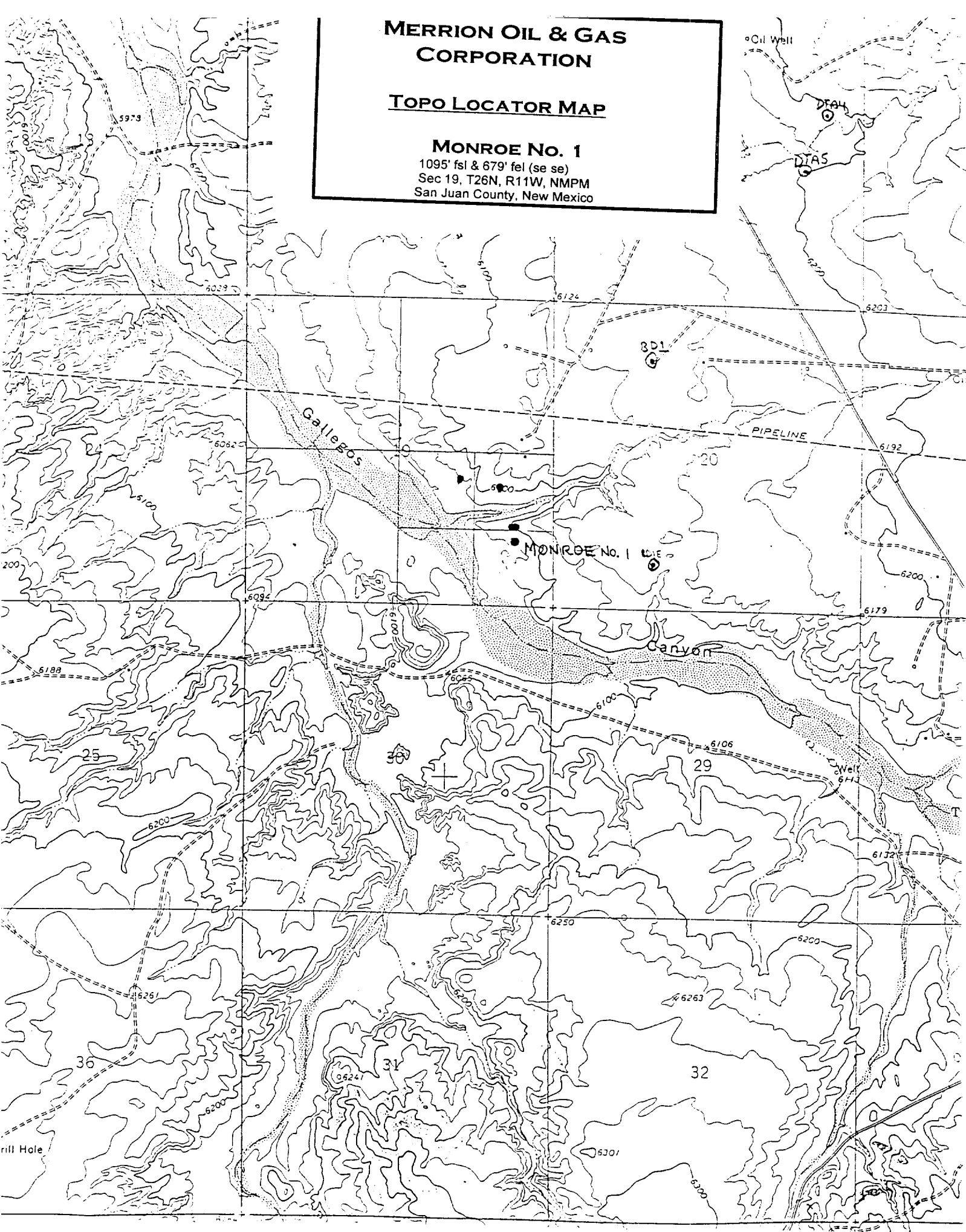
OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief. Signature: <i>[Signature]</i>	
Printed Name Connie S. Dinning	
Title Engineer	
Date September 5, 2000	
SURVEYOR CERTIFICATION I hereby certify that the well location 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 SEP AUG 2000	

**MERRION OIL & GAS
CORPORATION**

TOPO LOCATOR MAP

MONROE No. 1

1095' fsl & 679' fel (se se)
Sec 19, T26N, R11W, NMPM
San Juan County, New Mexico



Merrion Oil & Gas Corporation
Well Control Equipment Schematic for 1M Service

Attachment to APD Form 3160-3

Monroe No. 1

Location: 1095' fsl & 679' fel (se se)
Sec 19, T26N, R11W, NMPM
San Juan County, New Mexico

Date: October 4, 2000
Drawn By: Connie S. Dinning

