

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM 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 832' fsl & 1835' fwl (sw se)

At proposed prod. zone Same

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

0.5 miles north of San Juan College, Farmington NM

15. Distance from Proposed Location to Nearest

Property or Lease Line, Ft 832'

16. No. of Acres in Lease

2480 acres

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

50'

19. Proposed Depth

-1830'

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

5681' GR 5686' RKB

This action is subject to technical and procedural review pursuant to 43 CFR 3100.3 and appeal pursuant to 43 CFR 3100.4.

22. Approximate Date Work will Start

~March, 1998

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	~1830' KB	~180 sx (260 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 1830' 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 25 sx 'B' (30 cuft) lead slurry followed by 55 sx 'B' w/ 2% SMS (112 cuft) and tail in with 100 sx 'B' (118 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).

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 and through any usable water zones. Turbo-centralizers will be placed just below and into the base of the lowest usable water zone.

Will test Pictured Cliffs through perforated casing. Will fracture stimulate and put on for production test. Drilling operations below surface casing will be conducted with a double ram type BOP in place, minimum working pressure 2000 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 & Prod Manager

Date December 23, 1997

(This space for Federal or State office use)

Permit No.

Approval Date

4/8/98

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

Joe Hunt

TITLE Acting Team Lead

DATE

4-8-98

NMOOD

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

WELL LOCATION AND ACREAGE DEDICATION PLAT

1 APT Number 30-045-29574		2 Pool Code 91200 29680		3 Pool Name Fulcher Kutz Pictured Cliffs EXT	
4 Property Code 23182		5 Property Name Panther			6 Well Number #2
7 OGRID No. 014634		8 Operator Name MERRION OIL & GAS			9 Elevation 5681'

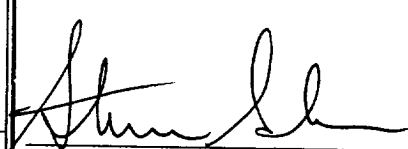
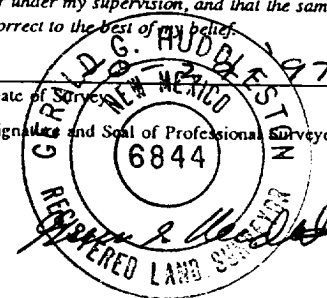
10 Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
0	25	30 N	13 W	SWSE	832	South	1835	East	San Juan

11 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
12 Dedicated Acres 160		13 Joint or Infill		14 Consolidation Code		15 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

16		<div style="text-align: center;">RECEIVED APR 13 1998 OIL CON. DIV. DIST. 3</div>		17 OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief <div style="text-align: right;"> Signature Steven S. Dunn Printed Name Drlg & Prod Manager Title 12/23/97 Date</div>	
				18 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. <div style="text-align: right;"> Date of Survey Signature and Seal of Professional Surveyer Certificate Number</div>	

832'
1835'

**MERRION OIL & GAS
CORPORATION**
TOPOGRAPHIC LOCATOR MAP

PANTHER NO. 2
832' fsl & 1835' fel (sw se)
Sec 25, T30N, R13W, NMMP
San Juan County, New Mexico

Panther No 2
832' fsl & 1835' fel (sw se)
Sec 25, T30N, R13W, NMMP

