

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

¹ Operator Name and Address. Merrion Oil & Gas Corporation 610 Reilly Avenue Farmington, New Mexico 87401		RECEIVED DEC 15 1999 OIL CON. DIV. DIST. 3	² OGRID Number 14634
⁴ Property Code 25175	⁵ Property Name Katy	³ API Number 30-045-30084	⁶ Well No. 1

⁷ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
B	26	30N	12W		890	North	1625	East	San Juan

⁸ 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
⁹ Proposed Pool Pictured Cliffs					¹⁰ Proposed Pool 2				

¹¹ Work Type Code N	¹² Well Type Code G	¹³ Cable/Rotary Rotary	¹⁴ Lease Type Code F FEE	¹⁵ Ground Level Elevation 5640'
¹⁶ Multiple No	¹⁷ Proposed Depth 2100' KB	¹⁸ Formation Pictured Cliffs	¹⁹ Contractor L&B Speed Drill	²⁰ Spud Date As Soon As Permitted

²¹ 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	~2100' KB	~155 sx (265 cuft)	Surface

²² 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 3/4" hole with native mud to approx. 120' KB and set 7" 23# J55 surface casing, cement to surface with ~30 sx 'B' w/ 2% CaCl₂ (35 ft³). Will drill 6 1/4" hole to TD @ approx. 2100' KB with low solids non-dispersed gel mud system. Run open hole surveys. If appears productive, will set 4 1/2" 10.5 ppf J55 production casing from TD to surface. Will cement with 94 sx 'B' w/ 2% SMS (194 ft³) and tail in with 60 sx 'B' (71 ft³) 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. Surface ownership is fee. Will negotiate with surface owner for approval to use surface. Formation tops: Nacimiento - Surface, Ojo Alamo - 377', Kirtland - 513', Fruitland - 1456', Fruitland Coal - 1817', Pictured Cliffs 1858'.

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

Signature: 

Printed name: Steven S. Dunn

Title: Drilling & Production Manager

Date: December 7, 1999 Phone: 505-327-9801

OIL CONSERVATION DIVISION

Approved by: 

Title: DEPUTY OIL & GAS INSPECTOR, DIST. 3

Approval Date: DEC 15 1999

Expiration Date: DEC 15 2000

Conditions of Approval :
Attached ☐

District I
PO Box 1980, Hobbs, NM 88241-1980

District II

PO Box 400, Artesia, NM 88211-0719

District III

1000 Kin 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

* API Number 30-045-30084		* Pool Code 71280	* Pool Name Aztec Pictured Cliffs
* Property Code 25175	* Property Name Katy		* Well Number 1
* OGRID No. 014634	* Operator Name MERRION OIL & GAS		* Elevation 5640'

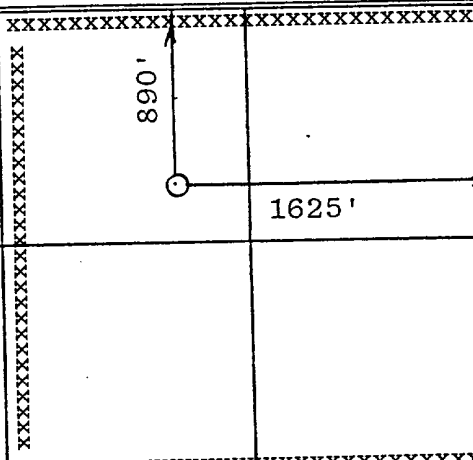


¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
B	26	30 N	12 W	NWNE	890	North	1625	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.					

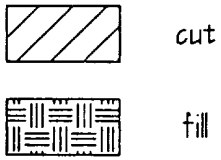
NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

16			17 OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief Signature:  Printed Name: Connie S. Dinning Title: Contract Engineer Date: December 10, 1999
			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 Date of Survey: _____ Signature:  Seal of Professional Surveyor: 6844 Certificate Number: _____
	<p>RECEIVED DEC 15 1999 OIL CON. DIV. SANTA FE</p>		

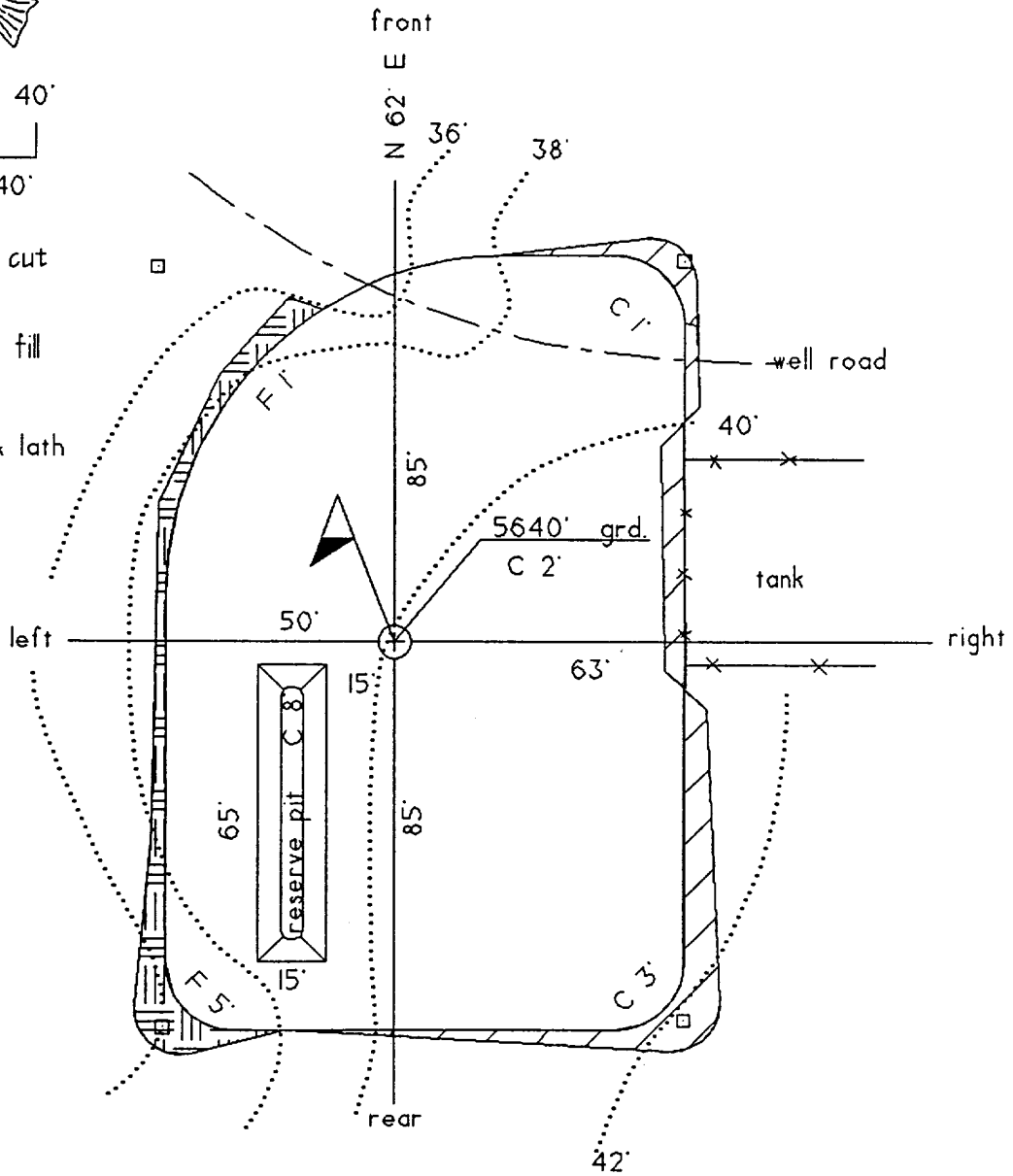
Katy # 1
well pad and section



0' 40'
Scale 1" = 40'



□ set stake & lath



section