

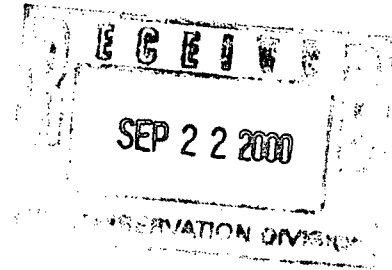
26931463 NSL 10/12/00

MERRION

OIL & GAS

September 19, 2000

Mr. Michael E. Stogner
New Mexico Oil Conservation Division
2040 S. Pacheco St.
Santa Fe, New Mexico 87505



**RE: Application of Merrion Oil & Gas
Non-Standard Location
Hi Roll 2R
WAW Fruitland Pictured Cliffs Pool
SW/4 Section 35, T27N, R13W
San Juan County, New Mexico**

Dear Mr. Stogner:

Merrion Oil & Gas Corp. (Merrion) requests administrative approval for a non-standard location for the subject well for topographic reasons.

Enclosed in support of this application are the following:


- Exhibit 1: C-102 Plat
- Exhibit 2: Topographic Map
- Exhibit 3: NAPI Farm Map
- Exhibit 4: Offset Operator Plat

The well will be completed in the WAW Fruitland Pictured Cliffs Pool on 160 acre spacing in the SW/4 of Section 35, T27N, R13W. The well is non-standard because it is only 640 feet from the northern boundary of the spacing unit. However, the well is a redrill of the Hi Roll 2, which received past approval for a non-standard location. Because the wells are located in the NAPI farming area (see Exhibit 3), the 2R was staked on the same pad as the 2 to eliminate any additional surface damages and use of farm land. With the access road being immediately adjacent to the well, moving the 2R to the south would put it on the other side of the access road, requiring basically a new location. Therefore, in an effort to minimize any additional surface impact, we request your approval of the non-standard location.

Exhibit 4 is a map showing that Merrion is the offset operator to the north of the well. We have no objection to our application!

Please call me at 505-327-9801 ext 114 if additional information is needed.

Yours truly,


George Sharpe
Manager, Oil & Gas Investments

cc Frank Chavez, NMOCD – Aztec
Well File

S:\invest\gfs\2000 corres\hi roll 2r nonstd app

District I
PO Box 1980, Hobbs, NM 88241-4980
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-107
Revised February 21, 1991
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 API Number | | 2 Pool Code 87190 | | 3 Pool Name WAW Fruitland Sand Pictured Cliffs | |
| 4 Property Code | | 5 Property Name Hi Roll | | | 6 Well Number 2 R |
| 7 OGRID No. 014634 | | 8 Operator Name MERRION OIL & GAS CORPORATION | | | 9 Elevation 6031' |

10 Surface Location

| | | | | | | | | | |
|--------------------|---------------|------------------|---------------|-----------------|-----------------------|---------------------------|-----------------------|------------------------|--------------------|
| UL or lot no. K | Section 35 | Township 27 N | Range 13 W | Lot Idn NESW | Feet from the 2000 | North/South line South | Feet from the 1835 | East/West line West | County 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 | 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

| | | | | | |
|----------------------------|--|--|--|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--|
| <p>16</p> <p>Exhibit 1</p> | | | | <p>17 OPERATOR CERTIFICATION</p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief</p> <p><i>George F. Sharpe</i> Signature George F. Sharpe Printed Name Engineer Title 8-4-99 Date</p> | |
| | | | | <p>18 SURVEYOR CERTIFICATION</p> <p>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</p> <p>21 Jan 1999 Date of Survey Signature and Seal of Professional Surveyor 6844 Certificate Number</p> | |

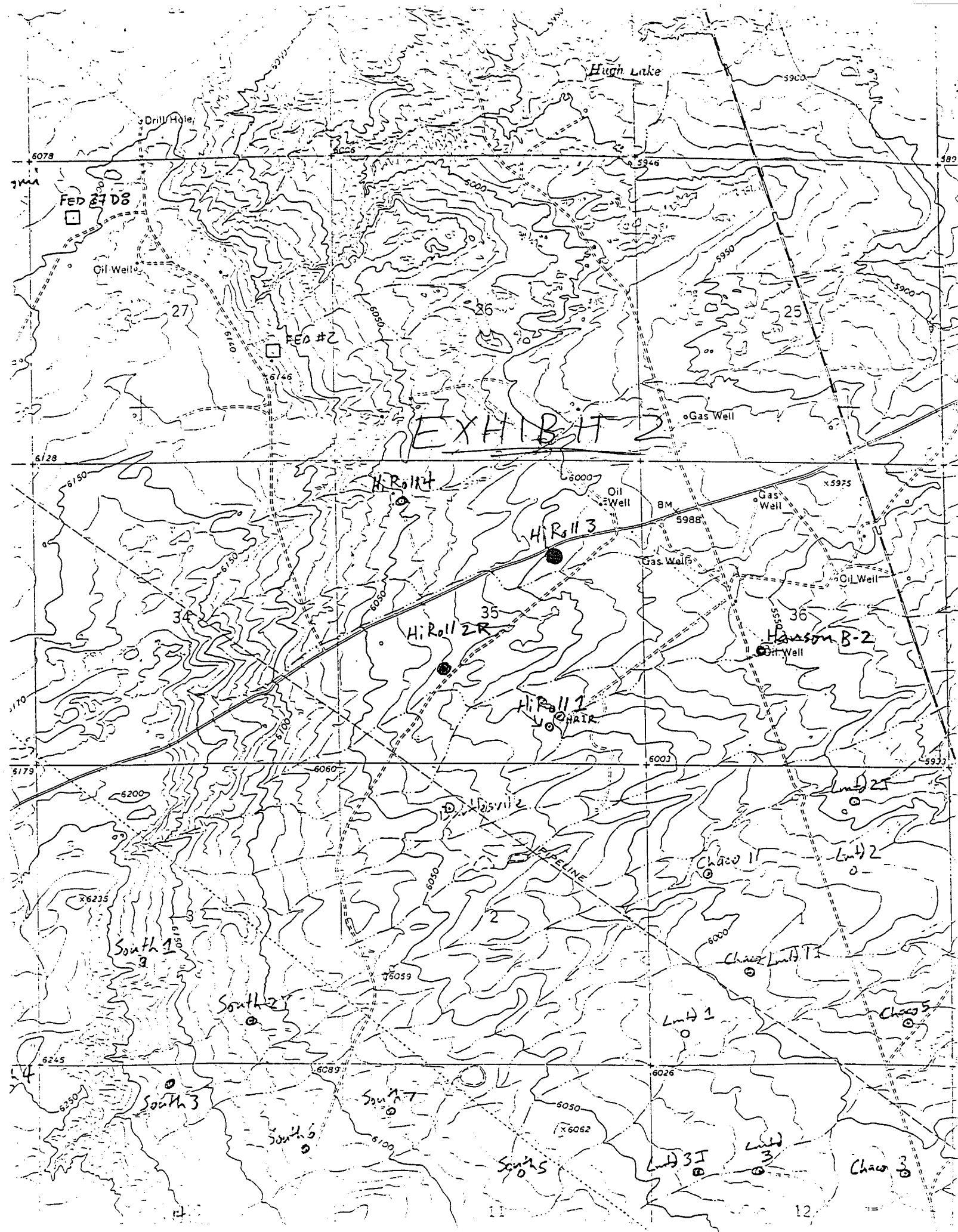


EXHIBIT 4
OFFSET OPERATOR PLAT
HI ROLL #2R
NON-STANDARD LOCATION APPLICATION

