

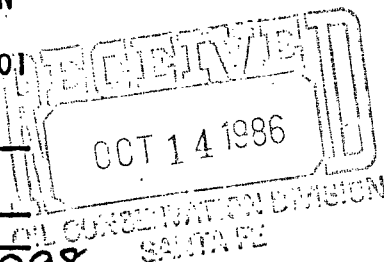


STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION
AZTEC DISTRICT OFFICE

1000 RIO BRAZOS ROAD
AZTEC, NEW MEXICO 87410
(505) 334-6178

OIL CONSERVATION DIVISION
BOX 2088
SANTA FE, NEW MEXICO 87501

DATE 10-6-86



RE: Proposed MC _____
Proposed DHC _____
Proposed NSL A-2698
Proposed SWD _____
Proposed WFX _____
Proposed PMX _____

Gentlemen:

I have examined the application dated 9-17-86
for the Merriam Oil & Gas Corp. Cursor #1 M-20-26N-2W
Operator Lease and Well No. Unit, S-T-R

and my recommendations are as follows:

Approve

Yours truly,

E. Bush

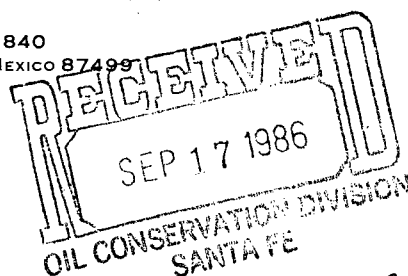
Release Date
10-6-86

B. J. D. R.

PH. 505-325-5093

MERRION OIL & GAS CORPORATION

P. O. Box 840
FARMINGTON, NEW MEXICO 87499



September 16, 1986

State of New Mexico
Energy and Minerals Department
Oil Conservation Division
P. O. Box 2088
Santa Fe, New Mexico 87501

NSC-2298
RULE-104 F(E)

Undersigned R.E. Ofito
Gallup-Dakota Pool
160 Acredd.
SW/4 Sec. 20

Re: Cursor No. 1
1180' FSL and 1125' FWL
Sec. 20, T26N, R2W
Rio Arriba Co., New Mexico

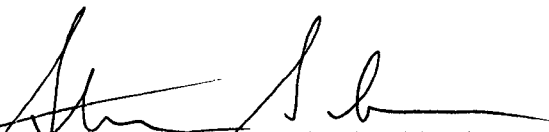
Dear Sir:

The above referred to location is for a well to be drilled to the Gallup Formation. Due to a topographic ravine to the West and a well site on the South, it is necessary to stake an unorthodox location. Certified Letters have been sent to the offsetting operators advising them of the proposed location. We hereby request administrative approval of this unorthodox location for drilling.

Thank you for your assistance in this matter.

Yours truly,

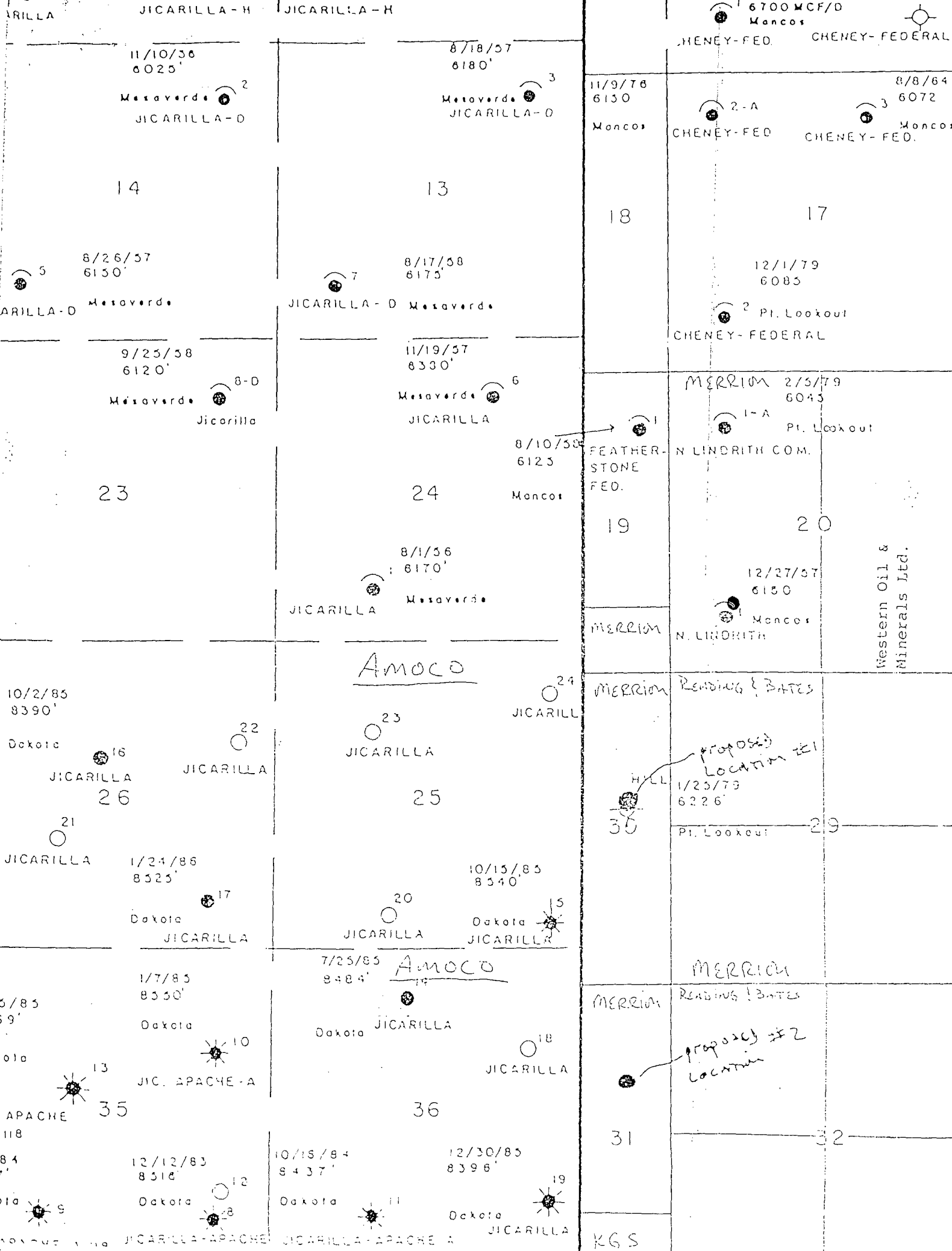
MERRION OIL & GAS CORPORATION


Steven S. Dunn, Operations Manager

SSD/am

Enc.

ok E.B. 10-6-86



N. MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT

Form C-102
Supersedes C-128
Effective 1-1-65

All distances must be from the outer boundaries of the Section.

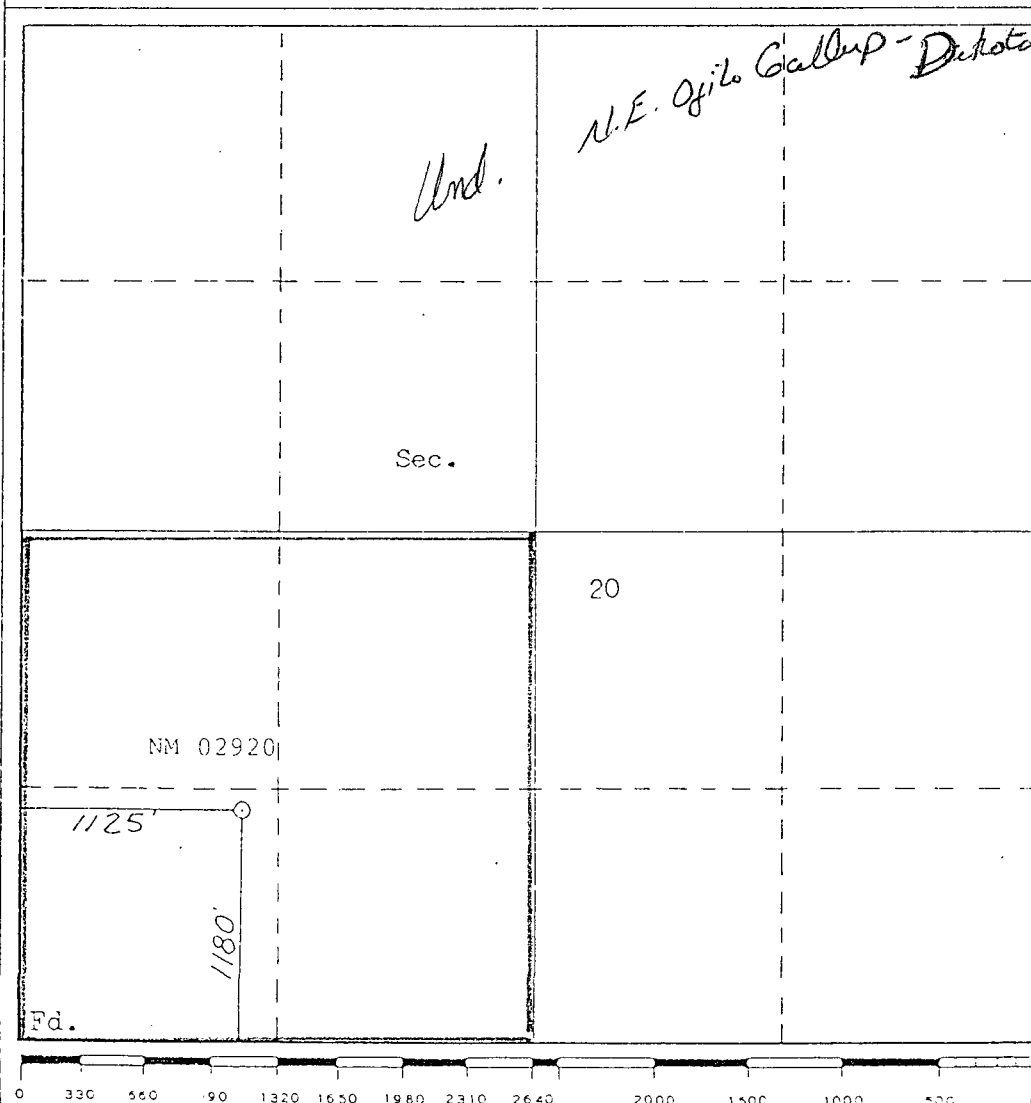
Operator MERRION OIL & GAS CORPORATION			Lease Cursor		Well No. 1
Unit Letter M	Section 20	Township 26N	Range 2W	County Rio Arriba	
Actual Footage Location of Well: 1180 feet from the South line and 1125 feet from the West line					
Ground Level Elev. 7380	Producing Formation Gallup		Pool Undesignated Gallup		Dedicated Acreage: 160 Acres

1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

☐ Yes ☐ No If answer is "yes," type of consolidation _____

If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) _____

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Commission.



CERTIFICATION

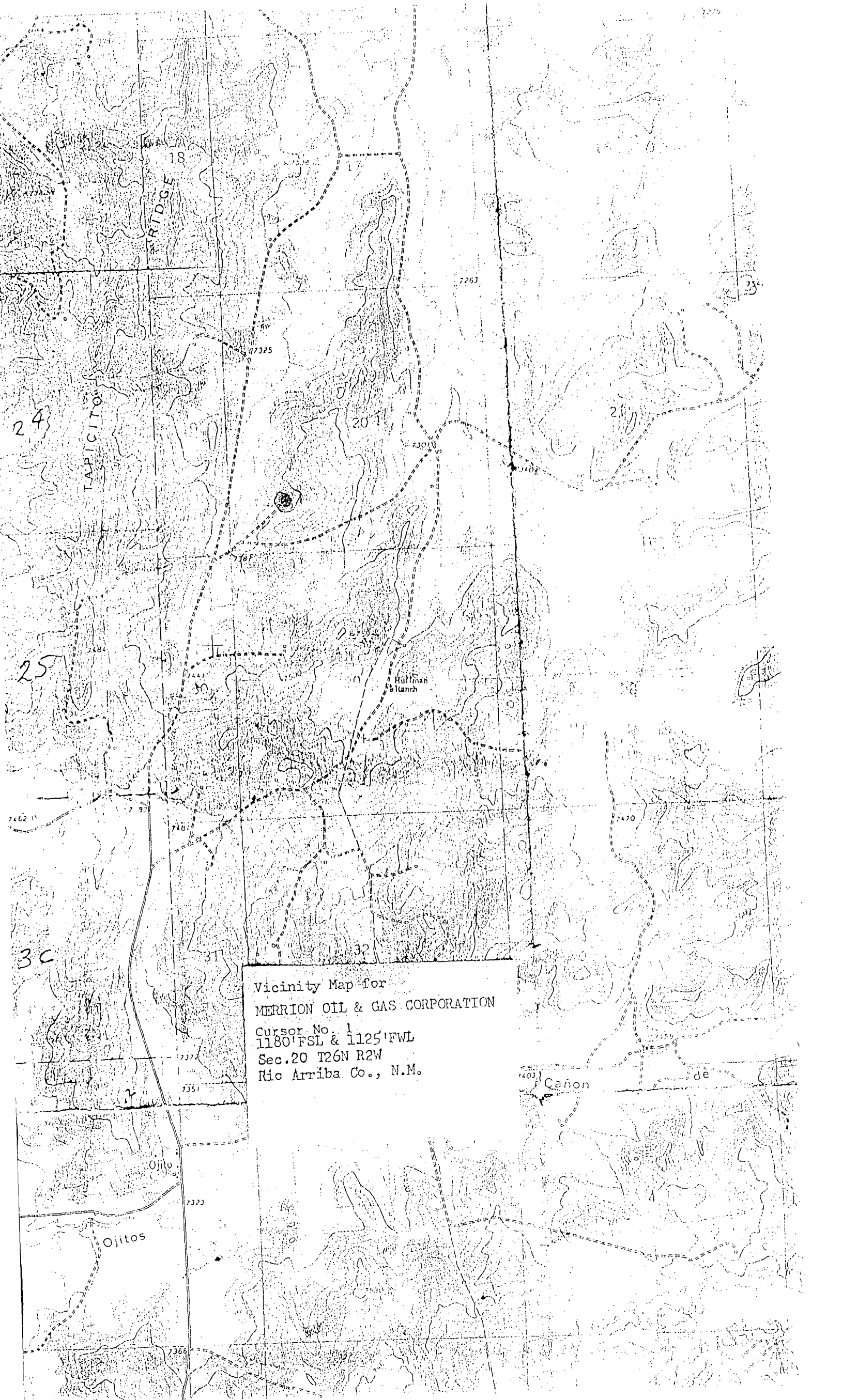
I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Name Steve S. Dunn
Position Operations Manager
Company Merrion Oil & Gas Corporation
Date 7/24/86

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 knowledge and belief.

6-26-86

Date Surveyed 6-26-86
William E. Mahanke II
Registered Professional Engineer
and/or Land Surveyor
Certificate No. 8166



Vicinity Map for
MERRION OIL & GAS CORPORATION
Cursor No. 1
1180' FSL & 1125' FWL
Sec. 20 T26N R2W
Rio Arriba Co., N.M.