

M E R R I O N

OIL & GAS

JUN - 5

June 4, 2002

Mr. Michael Stogner
New Mexico Oil Conservation Division
1220 S. St. Francis Drive
Santa Fe, New Mexico 87505-4000

Fax: 505-476-3471

Re: 2nd Supplemental Information
Non-standard Off-Pattern Coal Location
Panther #2
Section 25, T30N, R13W
San Juan County, New Mexico

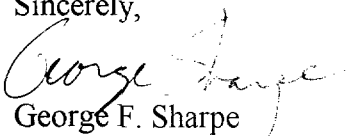
Dear Mr. Stogner:

In response to your May 29, 2002 letter, attached is an updated plat showing ALL offset operators. I apologize for not including the operators to the west of the location to start with. I was under the impression that it was only necessary to notify those operators that the nonstandard location was moving CLOSER to (those on the east), not those from which we were moving further from!

In any case, all of the offset operators received certified copies of this letter. In addition, Universal Resources (the operator to the west) received certified copies of the initial application and my May 28th letter with supplemental information.

Again, I apologize for the confusion in my application. If you have questions or need additional information, please call me at (505) 327-9801, ext. 114.

Sincerely,



George F. Sharpe
Manager - Oil & Gas Investments

xc: Offset Operators
Aztec OCD
Farmington BLM

Exhibit 1

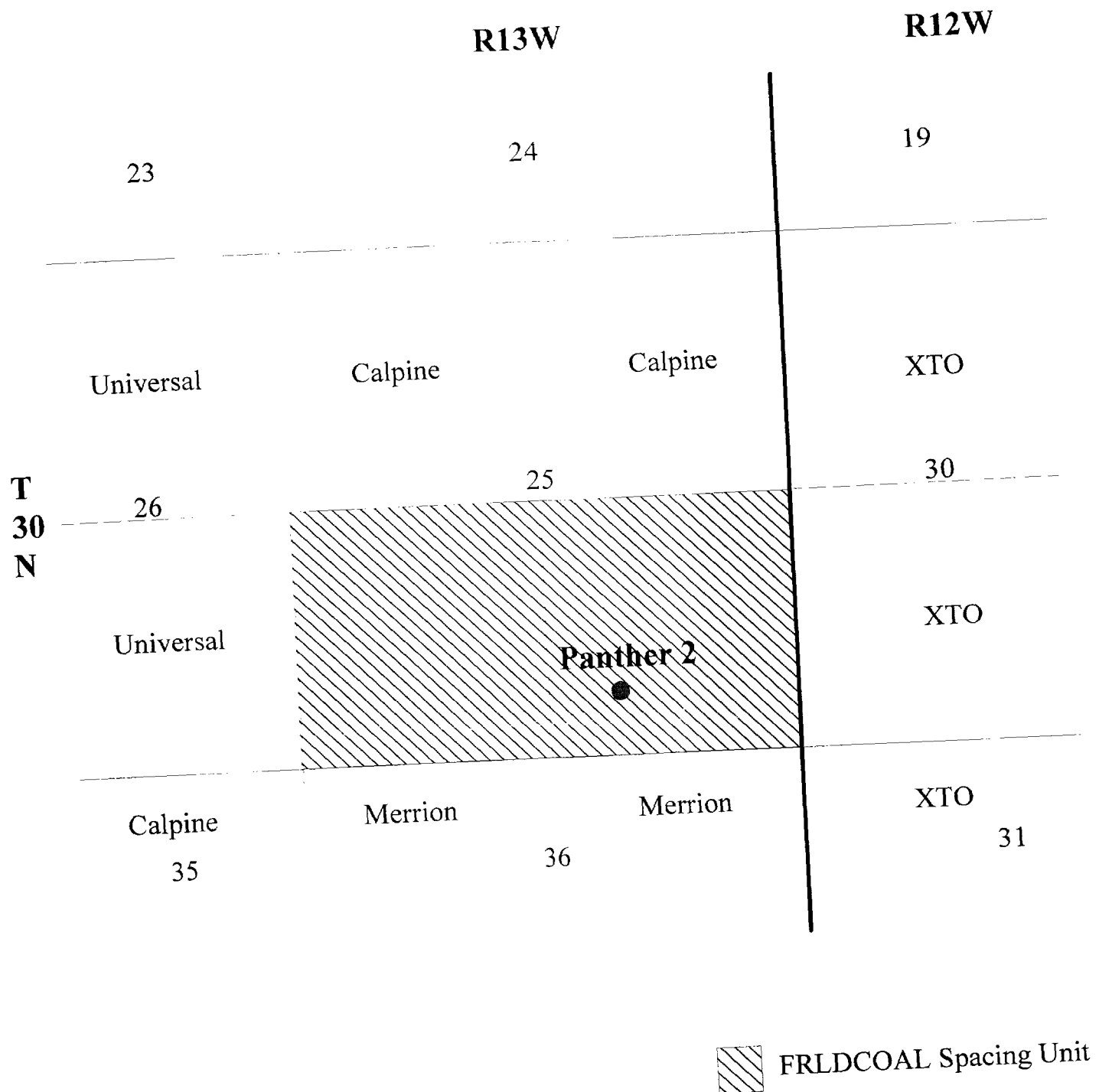
List of Offset Operators Panther #2 Non-Standard Location Application

XTO Energy
Attn: Mr. Gary Markestad
2700 Farmington Ave., Bldg. K, Suite 1
Farmington, New Mexico 87401

Calpine Natural Gas
Attn: Mr. Jerry Sullivan
1200 17th Street, Suite 770
Denver, Colorado 80202

Universal Resources
Jerry Gonzalez
1331 17th St., Suite 800
Denver, CO 80202

EXHIBIT 5
Offset Operator Plat
Panther 2 Non-standard Location Application



MERRION

OIL & GAS

6-24

FAX TRANSMITTALDate: 6-4-02The following 4 (including cover) pages are for:Name: Mr. Michael StognerCompany: Nmoco

Fax Number: _____

From: George Sharpe

Special Instructions/Comments:

If you did not receive all of your pages or if any pages are illegible, please call
(505) 327-9801 as soon as possible.

MERRION OIL & GAS CORPORATION

Fax Number: (505) 326-5900

MERRION

OIL & GAS

June 4, 2002

Mr. Michael Stogner
New Mexico Oil Conservation Division
1220 S. St. Francis Drive
Santa Fe, New Mexico 87505 4000

Fax: 505-476-3471

Re: 2nd Supplemental Information
Non-standard Off-Pattern Coal Location
Panther #2
Section 25, T30N, R13W
San Juan County, New Mexico

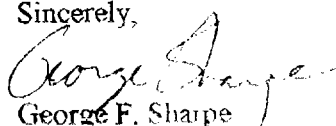
Dear Mr. Stogner:

In response to your May 29, 2002 letter, attached is an updated plat showing ALL offset operators. I apologize for not including the operators to the west of the location to start with. I was under the impression that it was only necessary to notify those operators that the nonstandard location was moving CLOSER to (those on the east), not those from which we were moving further from!

In any case, all of the offset operators received certified copies of this letter. In addition, Universal Resources (the operator to the west) received certified copies of the initial application and my May 28th letter with supplemental information.

Again, I apologize for the confusion in my application. If you have questions or need additional information, please call me at (505) 327-9801, ext. 114.

Sincerely,



George F. Sharpe
Manager - Oil & Gas Investments

xc: Offset Operators
Aztec OCD
Farmington BLM

Exhibit 1

List of Offset Operators

Panther #2 Non-Standard Location Application**XTO Energy**

Attn: Mr. Gary Markestad
2700 Farmington Ave., Bldg. K, Suite 1
Farmington, New Mexico 87401

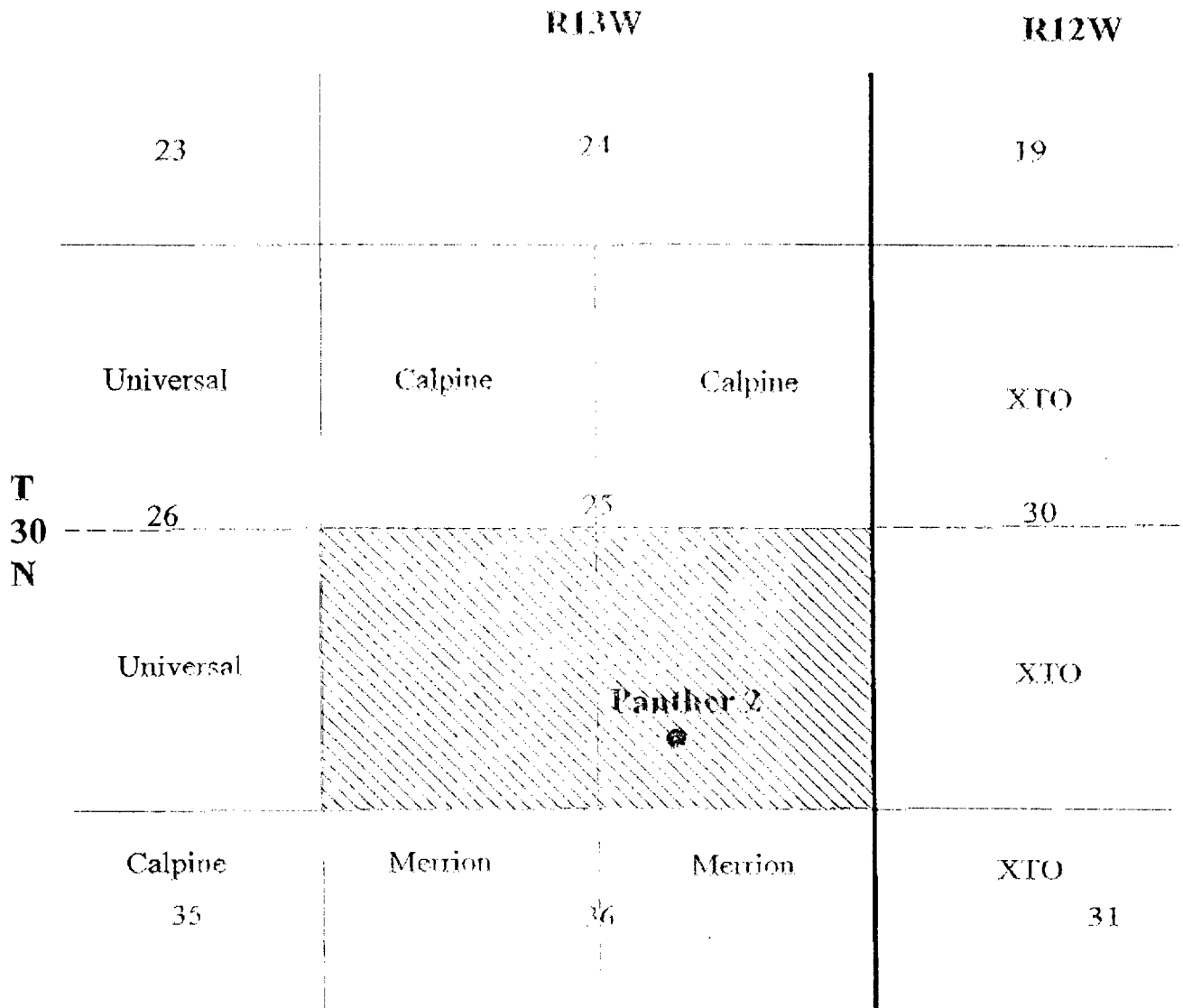
Calpine Natural Gas

Attn: Mr. Jerry Sullivan
1200 17th Street, Suite 770
Denver, Colorado 80202

Universal Resources

Jerry Gonzalez
1331 17th St., Suite 800
Denver, CO 80202

EXHIBIT 5
Offset Operator Plat
Panther 2 Non-standard Location Application



 FRLDCOAL Spacing Unit



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON
Governor
BETTY RIVERA
Cabinet Secretary

May 29, 2002

Lori Wrotenbery
Director
Oil Conservation Division

Merrion Oil & Gas Corporation
610 Reilly Avenue
Farmington, New Mexico 87401

Attention: George F. Sharpe

Re: *Administrative application for an exception to the well location provisions (Rule 7) of the "Special Rules and Regulations for the Basin-Fruitland Coal Gas Pool," as promulgated by Division Order No. R-8768, as amended.*

Dear Mr. Sharpe:

This letter acknowledges the receipt of your supplemental data that was telefaxed to me on Wednesday, May 29, 2002 for the subject application (*application reference No. pKRV0-213734804*) and my letter of May 24, 2002.

Please identify on the attached plat and submit proof that all of the offsets to the proposed 320-acre unit were notified as required by **Rule 8** of the "Special Rules and Regulations for the Basin-Fruitland Coal Gas Pool," as promulgated by Division Order No. R-8768, as amended.

Since the submitted supplemental information is insufficient to complete the subject request, the application remains incomplete as of May 29, 2002. Please submit the above stated information by Thursday, June 6, 2002.

The Division cannot proceed with your application until the required information is submitted. Upon receipt, the Division will continue to process your application. The additional information can be faxed to (505) 476-3471, or mailed to the Division in Santa Fe. If the necessary information is not submitted, your application will be returned to you.

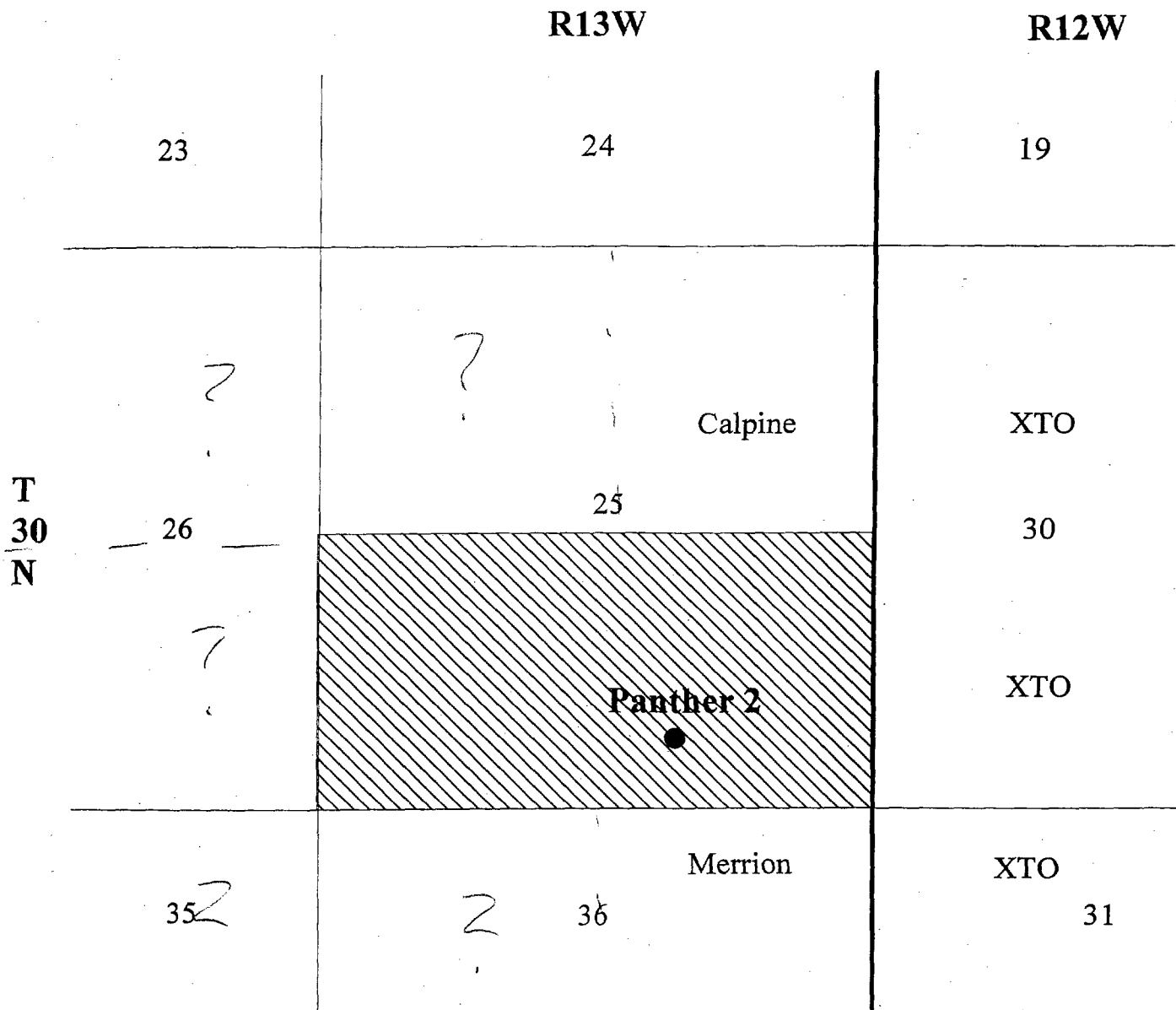
Should you have any questions concerning this matter, please contact me in Santa Fe at (505) 476-3465. Thank you.

Sincerely

Michael E. Stogner
Chief Hearing Officer/Engineer

cc: New Mexico Oil Conservation Division – Aztec

EXHIBIT 5
Offset Operator Plat
Panther 2 Non-standard Location Application



 FRLDCOAL Spacing Unit

MERRION

OIL & GAS

FAX TRANSMITTAL

Date: 5-29-02

The following 7 (including cover) pages are for:

Name: Mr. Michael Stagner

Company: NMOCD

Fax Number: 505 476-3471

From: George Sharpe

Special Instructions/Comments:

If you did not receive all of your pages or if any pages are illegible, please call (505) 327-9801 as soon as possible.

MERRION OIL & GAS CORPORATION
Fax Number: (505) 326-5900

MERRION

OIL & GAS

May 28, 2002

Mr. Michael Stogner
New Mexico Oil Conservation Division
1220 S. St. Francis Drive
Santa Fe, New Mexico 87505-4000

Fax: 505-476-3471

**Re: Supplemental Information
Non-standard Off-Pattern Coal Location
Panther #2
Section 25, T30N, R13W
San Juan County, New Mexico**

Dear Mr. Stogner:

This letter is in response to your letter dated May 24, 2002 requesting more information regarding the subject application. Specifically, you asked the following two questions:

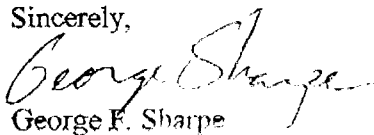
- 1.) **Why is Merrion proposing to recomplete the Panther 2 in a non-standard off-pattern location instead of the Panther 1 in a standard location?** Attachments 1 and 2 are production decline curves for the Panther 1 and 2 respectively. The Panther 1 is making over 1 MMCFD and has over 1 BCF of remaining reserves from the Pictured Cliffs. The Panther 2 is making around 200 MCFD and has only 100 MMCF of remaining reserves. Attachment 3 is a Fruitland coal production map in the area showing the offset coal wells to be making around 500 MCFD. The bottom line is that there is some risk that we will lose some or all of the Pictured Cliffs production as a result of commingling either well with the Fruitland Coal. There is far less to risk by completing the Panther 2. Merrion is not willing to risk losing 1 MMCFD from the Panther 1 to pick up 500 MCFD from the coal, and would prefer to wait several years to add the coal to that well (assuming 160 acre density coal wells are approved by the NMOCD).
- 2.) **How will Merrion's proposed off-pattern recompletion affect coal development in the area?** Attachment 3 is a plat showing the Fruitland Coal wells in the area. The two offset locations most affected are the on pattern locations in the SW of 30, T30N, R12W owned by XTO and in the NE of 36, T30N, R13W owned by Merrion. Merrion has received a verbal indication from Robin Tracy at XTO that they will not object to our proposal. In addition, Merrion plans to eventually add the coal in the Blackshawl in the NE of 36 pending the success of the Panther 2 add.

Summary

On a final note, the Panther wells are both adjacent to the Piedra Vista High School within the city limits of Farmington. If we wanted to drill a new wellbore for the coal, it would be very difficult to find an acceptable surface location, leaving the recompletion of the two wells as the only reasonable alternative. Since Merrion is not willing to recomplete the Panther 1 for a number of years, if the Panther 2 application is denied, then the Fruitland Coal will remain undeveloped on the Federal lease in the south half of Section 25. Therefore, we request your approval of our original application.

Copies of this additional information have been sent certified to the offset operators listed in Attachment 4. If you have questions or need additional information, please call me at (505) 327-9801, ext. 114.

Sincerely,

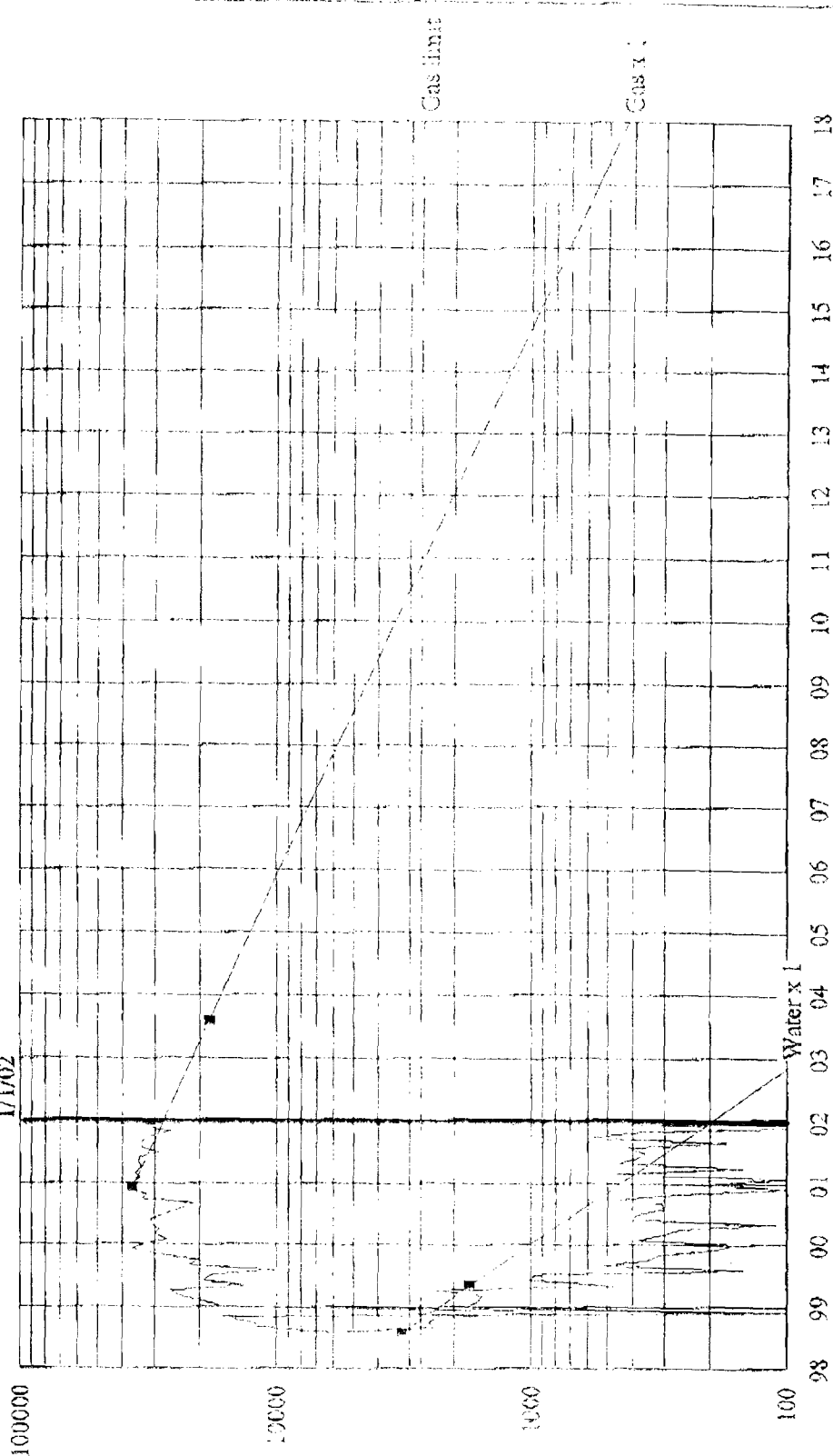


George F. Sharpe
Manager - Oil & Gas Investments

xc: Offset Operators
Aztec OCD
Farmington BLM

PRODUCTION GRAPH

Panther 1 (1 - 100%), Kutz West PC

Effective Date
1/1/02

PANTHER:
Panther 1 (1 - 100%)
JGM
Kutz West PC
San Juan, NM

101
Kutz West PC
25 DON 13W

Cumulative:
Remaining:
Ultimate:

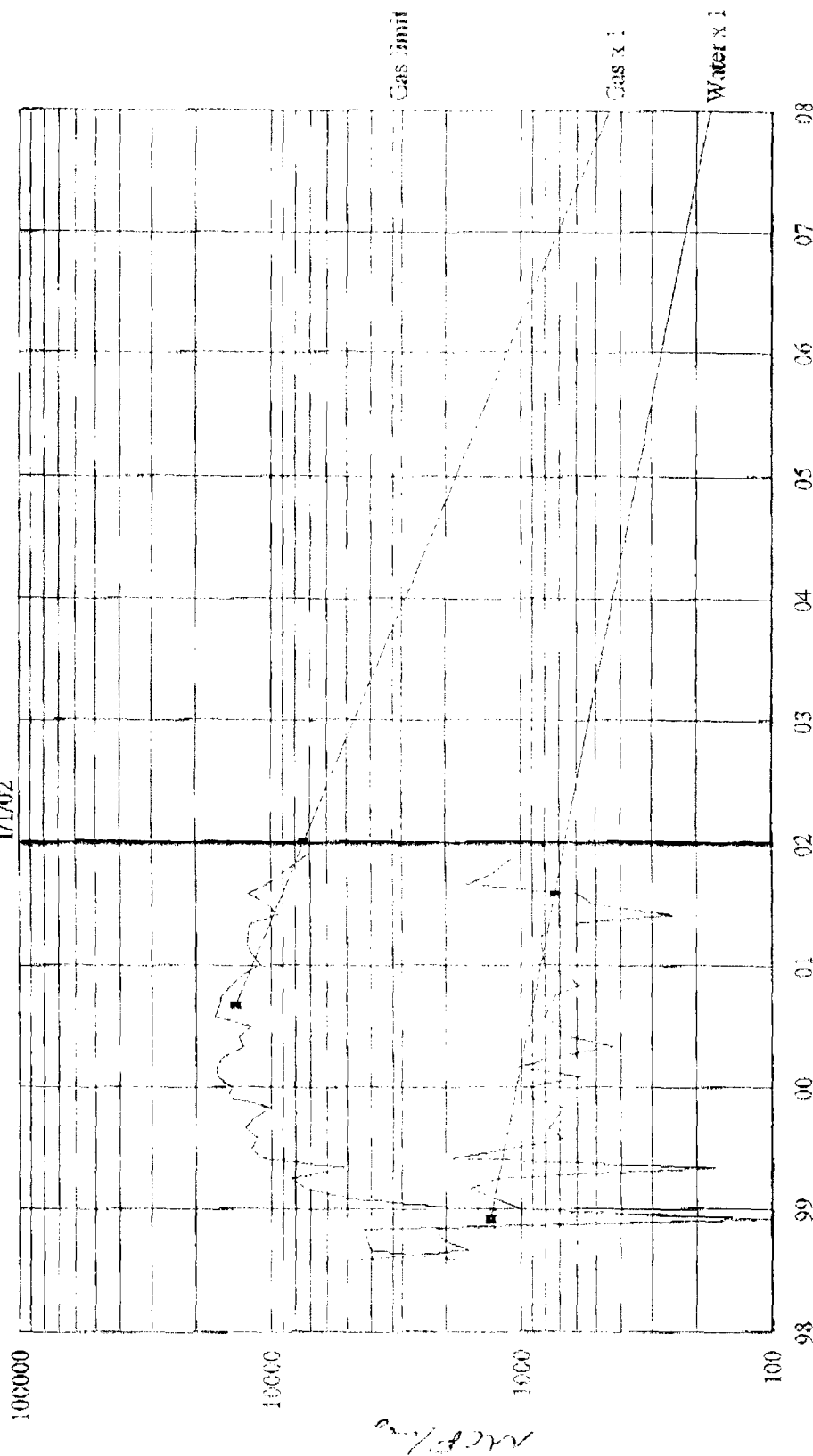
Gas (bbl)
0
0
0

Gas (mcf)
2,053,064
1,113,179
2,166,243

Water (bbl)
30,393
2,632
33,525

PRODUCTION GRAPH

Panther 2 (1 - 100%), Kutz West PC
Effective Date
1/1/02



	Gas (mcf)	Water (bbl)
Cumulative:	429,593	41,526
Remaining:	397,184	10,360
Ultimate:	526,779	52,386

[0] Kutz West PC
25 SON 13W

PANTHER2
Panther 2 (1 - 100%)
JCM
Kutz West PC
San Juan, NM

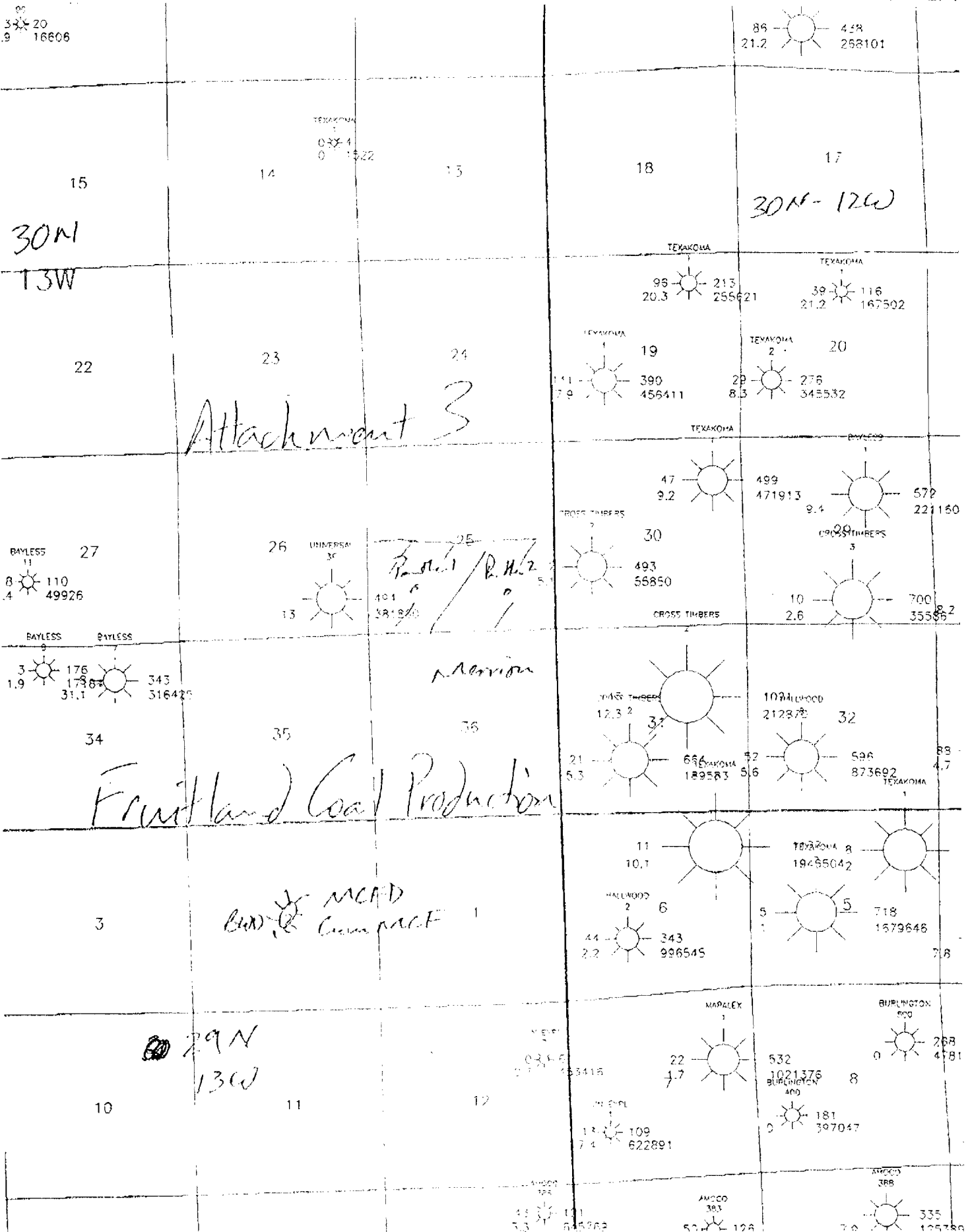


Exhibit 4

List of Offset Operators
Panther #2 Non-Standard Location Application

XTO Energy
Attn: Mr. Gary Markestad
2700 Farmington Ave., Bldg. K, Suite 1
Farmington, New Mexico 87401

Calpine Natural Gas
Attn: Mr. Jerry Sullivan
1200 17th Street, Suite 770
Denver, Colorado 80202



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON
Governor
BETTY RIVERA
Cabinet Secretary

May 24, 2002

Lori Wrotenbery
Director
Oil Conservation Division

Merrion Oil & Gas Corporation
610 Reilly Avenue
Farmington, New Mexico 87401

Attention: George F. Sharpe

Re: *Administrative application for an exception to the well location provisions (Rule 7) of the "Special Rules and Regulations for the Basin-Fruitland Coal Gas Pool," as promulgated by Division Order No. R-8768, as amended.*

Dear Mr. Sharpe:

This letter acknowledges the receipt of your administrative application dated May 14, 2002 seeking authorization to recomplete the existing Panther Well No. 2 (API No. 30-045-29574) by perforating the Fruitland coal interval at an unorthodox off-pattern Basin-Fruitland coal gas well location within a proposed standard 320-acre lay-down gas spacing unit comprising the S/2 of Section 25, Township 30 North, Range 13 West, NMPM, Basin-Fruitland Coal (Gas) Pool, San Juan County, New Mexico that is 832 feet from the South line and 1835 feet from the East line (Unit O) of Section 25. The Division received your application on May 16, 2002, and assigned it NMOC reference No. *pKRV0-213734804*. Please refer to this number in future correspondence with the Division.

Having received several applications in the past to recomplete existing wells to the Basin-Fruitland Coal (Gas) Pool at unorthodox coal gas well locations which are off-pattern for coal gas development, it appears that additional information may be necessary to properly evaluate future filings in instances when there are at least two wells within the proposed coal spacing unit producing from the same formation in which the one to be recompleted is also off-pattern.

Within the proposed S/2 unit, Merrion Oil & Gas Corporation operates a Pictured Cliffs producing well within the SW/4 of Section 25, the Panther Well No. 1 (API No. 30-045-29573), located at a standard coal gas well location in Unit "M" of Section 25. Why was the No. 2 well chosen over this well? Also, how does this off-pattern recompletion effect coal gas development in the immediate area? Please submit any support production data, engineering evaluation, wellbore design, and related technical data to support your choice of wells for recompletion. Also submit a plat of the offsetting sections showing planned coal gas completions or currently producing wells and provide a discussion addressing the proposed off-pattern development.

Further, the rules governing this pool provide that "all operators or owners of undrilled tracts offsetting the proposed [unorthodox] shall be notified" (see **Rule 8** of the "Special Rules and Regulations for the Basin-Fruitland Coal Gas Pool," as promulgated by Division Order No. R-8768, as amended).

Merrion Oil & Gas Corporation

May 24, 2002

Page 2

Since the submitted information is insufficient to review at this time, the application was ruled as incomplete on May 24, 2002. Please submit the above stated information by Friday, May 31, 2002.

The Division can not proceed with your application until the required information is submitted. Upon receipt, the Division will continue to process your application. The additional information can be faxed to (505) 476-3471, or mailed to the Division in Santa Fe. If the necessary information is not submitted, your application will be returned to you.

Should you have any questions concerning this matter, please contact me in Santa Fe at (505) 476-3465. Thank you.

Sincerely

A handwritten signature in black ink, appearing to read "Michael E. Stogner", with a long horizontal flourish extending to the right.

Michael E. Stogner
Chief Hearing Officer/Engineer

cc: New Mexico Oil Conservation Division – Aztec

ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION

- Engineering Bureau -

1220 South St. Francis Drive, Santa Fe, NM 87505



ADMINISTRATIVE APPLICATION CHECKLIST

THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

Application Acronyms:

[NSL-Non-Standard Location] [NSP-Non-Standard Proration Unit] [SD-Simultaneous Dedication]
[DHC-Downhole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling]
[PC-Pool Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measurement]
[WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion]
[SWD-Salt Water Disposal] [IPI-Injection Pressure Increase]
[EOR-Qualified Enhanced Oil Recovery Certification] [PPR-Positive Production Response]

[1] TYPE OF APPLICATION - Check Those Which Apply for [A]

[A] Location - Spacing Unit - Simultaneous Dedication
☒ NSL ☐ NSP ☐ SD

Check One Only for [B] or [C]

[B] Commingling - Storage - Measurement
☐ DHC ☐ CTB ☐ PLC ☐ PC ☐ OLS ☐ OLM

[C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery
☐ WFX ☐ PMX ☐ SWD ☐ IPI ☐ EOR ☐ PPR

[D] Other: Specify _____

[2] NOTIFICATION REQUIRED TO: - Check Those Which Apply, or Does Not Apply

[A] ☐ Working, Royalty or Overriding Royalty Interest Owners

[B] ☒ Offset Operators, Leaseholders or Surface Owner

[C] ☐ Application is One Which Requires Published Legal Notice

[D] ☐ Notification and/or Concurrent Approval by BLM or SLO
U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office

[E] ☒ For all of the above, Proof of Notification or Publication is Attached, and/or,

[F] ☐ Waivers are Attached

[3] SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED ABOVE.

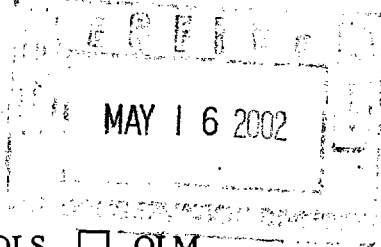
[4] CERTIFICATION: I hereby certify that the information submitted with this application for administrative approval is accurate and complete to the best of my knowledge. I also understand that no action will be taken on this application until the required information and notifications are submitted to the Division.

Note: Statement must be completed by an individual with managerial and/or supervisory capacity.

George Sharpe
Print or Type Name
Merrion Oil & Gas

George Sharpe
Signature

Investment Mgr. 5-14-02
Title
gsharpe_merrion@cyberport.com
e-mail Address



MERRION

OIL & GAS

May 14, 2002

Mr. David Catanach
New Mexico Oil Conservation Division
1220 S. St. Francis Drive
Santa Fe, New Mexico 87505-4000

**Re: Application for Administrative Approval
Downhole Commingling & Non-standard Off-Pattern Coal Location
Basin Fruitland Coal Pool and Fulcher Kutz Pictured Cliffs Pool
Panther #2
Section 25, T30N, R13W
San Juan County, New Mexico**

Dear Mr. Catanach:

Merrion Oil & Gas (Merrion) is proposing to add the Fruitland Coal in this existing Pictured Cliffs well. In that regard, Merrion requests administrative approval for a non-standard off-pattern coal well and for downhole commingling of the Basin Fruitland Coal and the Fulcher Kutz Pictured Cliffs Pools in the subject wellbore. The following information is provided in support of this application:

I. Proposed Spacing Units

Exhibit 1 shows the C-102 plat for the Basin Fruitland Coal with a 320 acre spacing unit in the S/2 of Section 25. Exhibit 2 is the C-102 plat for the Fulcher Kutz Pictured Cliffs Pool with a +160 acre spacing unit in the SE/4 of Section 25.

II. Non-Standard Location Justification

The well is at standard setbacks but is an off-pattern location in the SE/4 of the section. Merrion requests approval for this location to allow us to recompleate the coal in an existing wellbore as opposed to drilling a new well in the SW/4 of the section.

III. Commingling Justification

The well was drilled in late 1998 and completed in the Pictured Cliffs (PC) formation. The PC production is currently at 250 MCFD and declining quickly. The economics of the well can be significantly enhanced by adding the Fruitland Coal and commingling the two zones.

IV. Allocation Methodology

Exhibit 3 shows the PC production from the Panther #2 while Exhibit 4 shows the production history of the Federal A-3E, an offset coal well. The production characteristics of the two wells are very similar. Therefore, Merrion proposes to obtain stabilized production tests on each zone separately and use a fixed percentage to allocate future production between the two zones. If subsequent data indicates the need, additional testing may be done in the future to adjust the allocation percentages.

V. Reservoir Fluid Compatibility

Water analyses are not available for wells in the immediate area. However, the waters of the PC and Fruitland have been generally determined to be compatible across the basin based on other similar applications to the OCD.

VI. Cross Flow Between Zones

The reservoir pressure of both zones is estimated to be 300 psig. Therefore, crossflow is not anticipated to be a problem.

VII. Well Ownership

The ownership in the two zones is identical.

VIII. Offset Operator Notification

Exhibit 5 is a plat showing the offset operators and Exhibit 6 is a list of all offset operators who received certified copies of this application.

Summary

Completing the Fruitland Coal in the existing well will prevent waste. In addition, commingling the zones will maximize reserves and protect correlative rights. Therefore, we request your approval of this application.

If you have questions or need additional information, please call me at (505) 327-9801, ext. 114.

Sincerely,



George F. Sharpe
Manager - Oil & Gas Investments

xc: Offset Operators
Aztec OCD
Farmington BLM

**Application of Merrion Oil & Gas
Downhole Commingling & Non-Standard Location
Panther #2**

Objections to this application must be sent to the NMOCD within 20 days of receipt of this application. If you do not object, please sign and fax this waiver sheet to George Sharpe at (505) 326-5900.

WAIVER

_____ hereby waives objection to this application.
Company or Individual Name

Signature

Date

District I
1625 N. French Drive, Hobbs, NM 88240

District II
811 South First Street, Artesia, NM 88210

District III
1000 Rio Brazos Road, Aztec, NM 87410

District IV
2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-107A
Revised May 15, 2000

OIL CONSERVATION DIVISION

2040 South Pacheco
Santa Fe, New Mexico 87505

APPLICATION TYPE
☒ Single Well
☐ Establish Pre-Approved Pools
EXISTING WELLBORE
☒ Yes ☐ No

APPLICATION FOR DOWNHOLE COMMINGLING

MERRION OIL & GAS CORPORATION, 610 Reilly Avenue, Farmington, NM 87401-2634

Operator Address
PANTHER 2 O 25 30N 13W San Juan
Lease Well No. Unit Letter-Section-Township-Range County
OGRID No. 014634 Property Code 23182 API No. 30-045-29574 Lease Type: ☒ Federal ☐ State ☐ Fee

DATA ELEMENT	UPPER ZONE	INTERMEDIATE ZONE	LOWER ZONE
Pool Name	Basin Fruitland Coal		Fulcher Kutz Pictured Cliffs
Pool Code	71629		77200
Top and Bottom of Pay Section (Perforated or Open-Hole Interval)	1684'-1705'		1720'-1736'
Method of Production (Flowing or Artificial Lift)	Flowing		Flowing
Bottomhole Pressure (Note: Pressure data will not be required if the bottom perforation in the lower zone is within 150% of the depth of the top perforation in the upper zone)	300 psi		300 psi
Oil Gravity or Gas BTU (Degree API or Gas BTU)	BTU 1000		BTU 1000
Producing, Shut-In or New Zone	Shut In - not completed yet		Producing
Date and Oil/Gas/Water Rates of Last Production. (Note: For new zones with no production history, applicant shall be required to attach production estimates and supporting data.)	Date: Rates: N/A	Date: Rates:	Date: April, 2001 Rates: 250 MCFD, 30 BWPD
Fixed Allocation Percentage (Note: If allocation is based upon something other than current or past production, supporting data or explanation will be required.)	Oil Gas % % Will be provided after	Oil Gas % % Fruitland Coal is completed.	Oil Gas % %

ADDITIONAL DATA

Are all working, royalty and overriding royalty interests identical in all commingled zones? Yes ☒ No ☐
If not, have all working, royalty and overriding royalty interest owners been notified by certified mail? Yes ☐ No ☐

Are all produced fluids from all commingled zones compatible with each other? Yes ☒ No ☐

Will commingling decrease the value of production? Yes ☐ No ☒
If this well is on, or communitized with, state or federal lands, has either the Commissioner of Public Lands or the United States Bureau of Land Management been notified in writing of this application? Yes ☒ No ☐

NMOCD Reference Case No. applicable to this well:

Attachments:
C-102 for each zone to be commingled showing its spacing unit and acreage dedication.
Production curve for each zone for at least one year. (If not available, attach explanation.)
For zones with no production history, estimated production rates and supporting data.
Data to support allocation method or formula.
Notification list of working, royalty and overriding royalty interests for uncommon interest cases.
Any additional statements, data or documents required to support commingling.

PRE-APPROVED POOLS

If application is to establish Pre-Approved Pools, the following additional information will be required:

List of other orders approving downhole commingling within the proposed Pre-Approved Pools
List of all operators within the proposed Pre-Approved Pools
Proof that all operators within the proposed Pre-Approved Pools were provided notice of this application.
Bottomhole pressure data.

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

SIGNATURE George Sharpe TITLE Engineer DATE April 14, 2002
TYPE OR PRINT NAME George F. Sharpe TELEPHONE NO. (505) 327-9801 Ext. 114

District I
1625 N. French Dr., Hobbs, NM 88240

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-102
Revised August 15, 2000

Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-045-29574	² Pool Code 71629	³ Pool Name Basin Fruitland Coal
⁴ Property Code 23182	⁵ Property Name PANTHER	⁶ Well Number 002
⁷ OGRID No. 014634	⁸ Operator Name MERRION OIL & GAS CORPORATION	⁹ Elevation 5681'

¹⁰ Surface Location


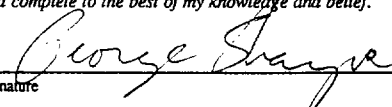
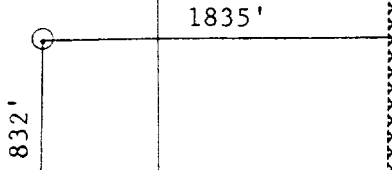
UL or lot no. O	Section 25	Township 30N	Range 13W	Lot Idn SWSE	Feet from the 832	North/South line South	Feet from the 1835	East/West line East	County San Juan
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¹¹ Bottom Hole Location If Different From Surface

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 320	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
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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>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</i>  Signature George Sharpe Printed Name Engineer Title May 14, 2002 Date
	¹⁸ SURVEYOR CERTIFICATION <i>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.</i> Date of Survey Signature and Seal of Professional Surveyor: Certificate Number

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 API Number		2 Pool Code		3 Pool Name Fulcher Kutz Pictured Cliffs	
4 Property Code		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. 0	Section 25	Township 30 N	Range 13 W	Lot Idn SWSE	Feet from the 832	North/South line South	Feet from the 1835	East/West line East	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 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 Steven S. Dunn Printed Name Drlg & Prod Manager Title 12/23/97 Date	
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 and Seal of Professional Surveyer: Certificate Number					

Exhibit 3

Lease Name: PANTHER
County, State: SAN JUAN, NM
Operator: MERRION OIL & GAS CORPORATION
Field: FULCHER KUTZ
Reservoir: PICTURED CLIFFS
Location: 25 30N 13W NE SW SE

PANTHER - 2 FULCHER KUTZ 25 30N 13W NE SW SE

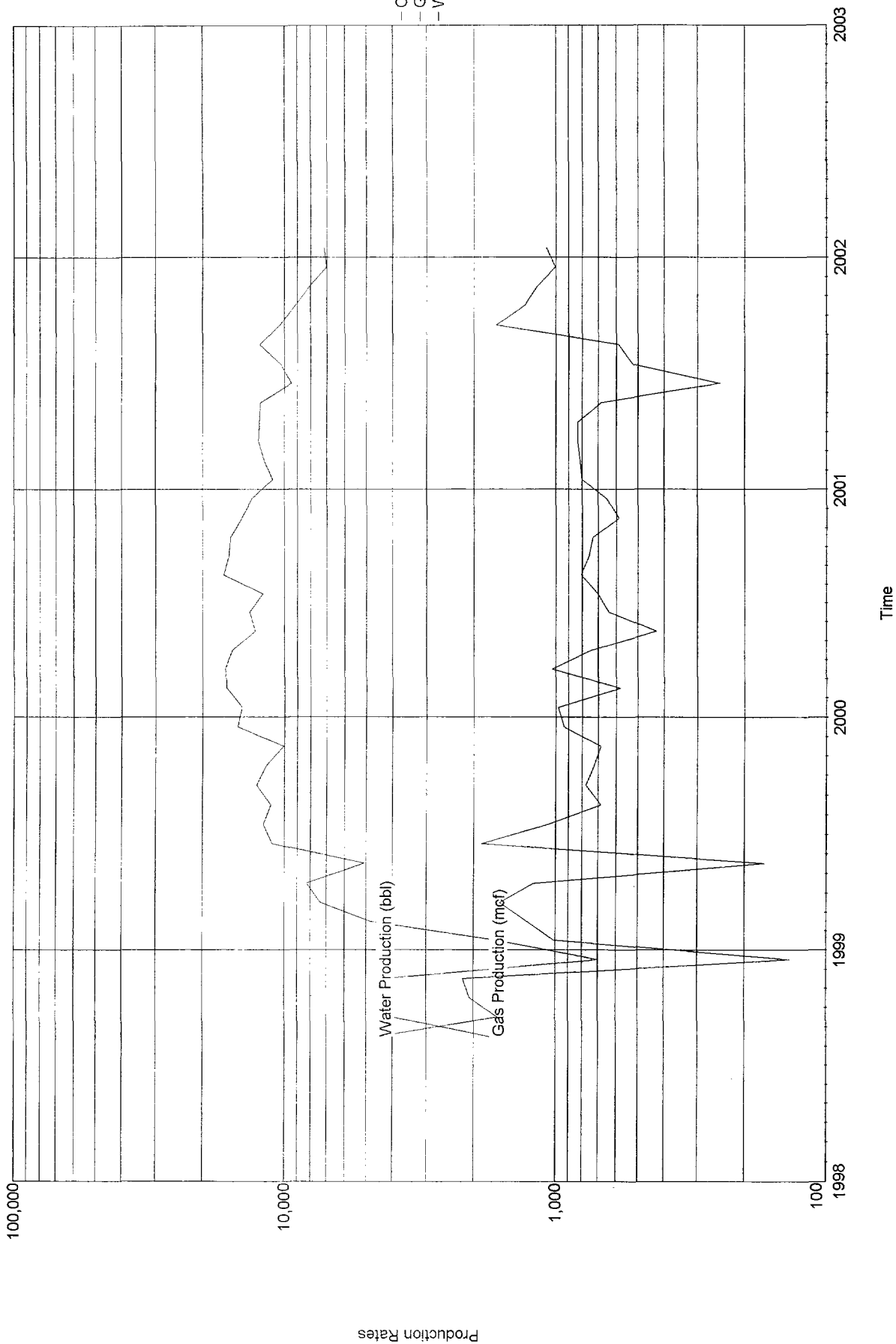
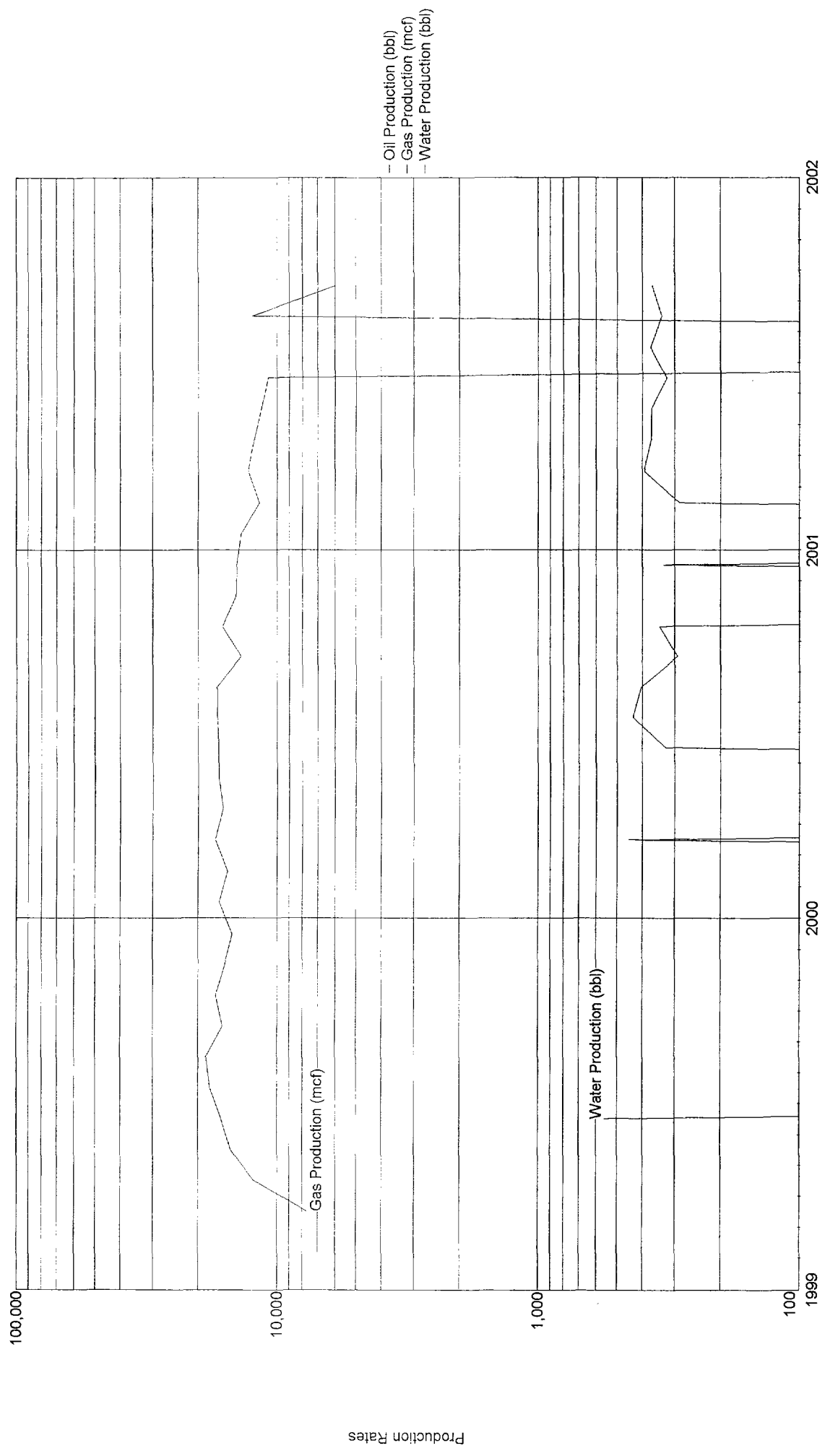


Exhibit 4

Lease Name: FEDERAL A
County, State: SAN JUAN, NM
Operator: UNIVERSAL RESOURCES CORPORATION
Field: BASIN
Reservoir: FRUITLAND COAL
Location: 26 30N 13W NW SE SE

FEDERAL A - 3E BASIN 26 30N 13W NW SE SE



Production Rates

EXHIBIT 5
Offset Operator Plat
Panther 2 Non-standard Location Application

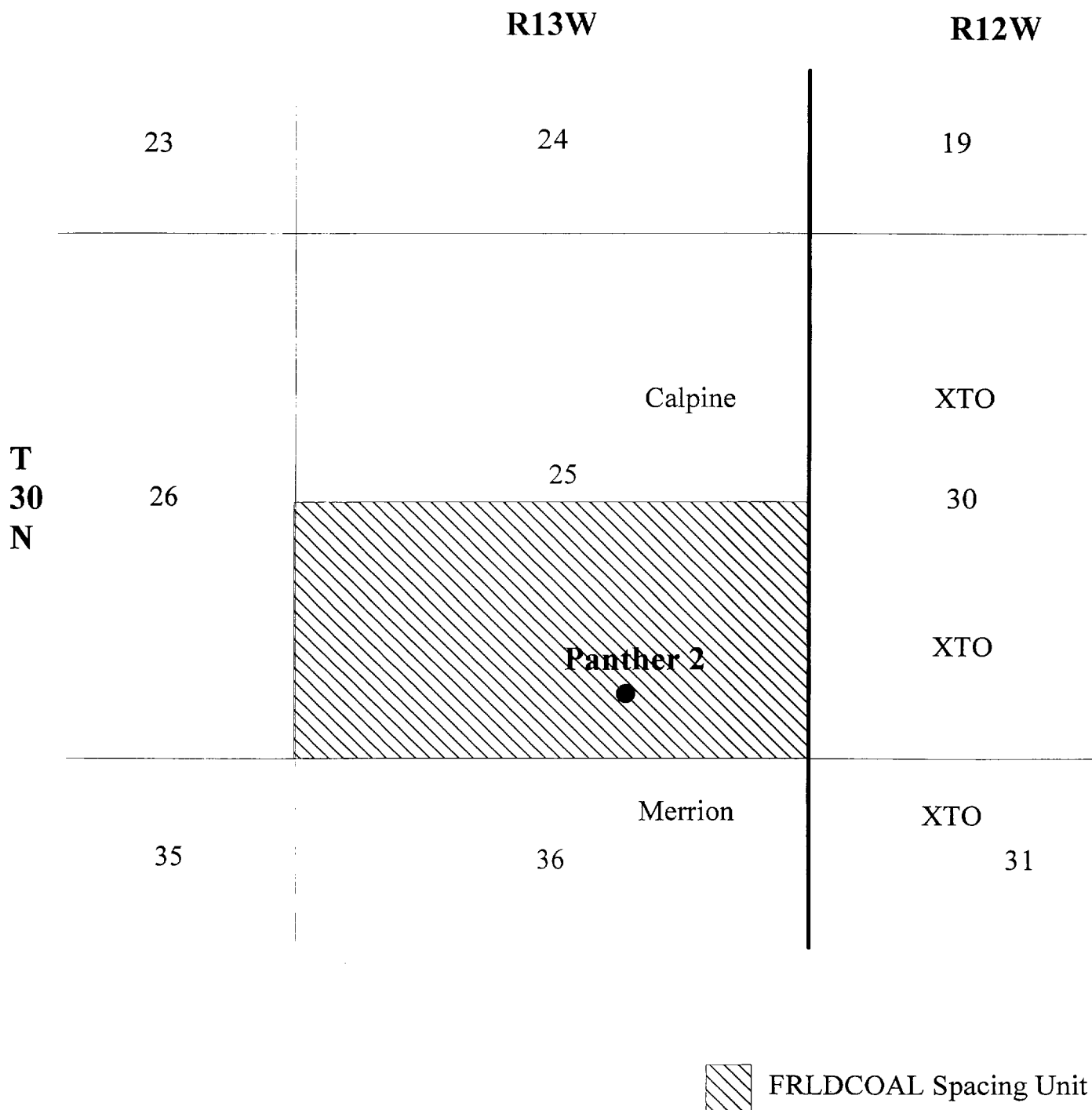


Exhibit 6

List of Offset Operators Panther #2 Non-Standard Location Application

XTO Energy
Attn: Mr. Gary Markestad
2700 Farmington Ave., Bldg. K, Suite 1
Farmington, New Mexico 87401

Calpine Natural Gas
Attn: Mr. Jerry Sullivan
1200 17th Street, Suite 770
Denver, Colorado 80202

CMD : ONGARD 05/23/02 10:21:47
OG6IWCM INQUIRE WELL COMPLETIONS OGOMES -TQOC

API Well No : 30 45 29573 Eff Date : 07-30-1998 WC Status : A
Pool Idn : 77200 FULCHER KUTZ PICTURED CLIFFS (GAS)
OGRID Idn : 14634 MERRION OIL & GAS CORP
Prop Idn : 23182 PANTHER

Well No : 001
GL Elevation: 5660

	U/L	Sec	Township	Range	North/South	East/West	Prop/Act (P/A)
B.H. Locn	:	M	25	30N	13W	FTG 990 F S FTG 1255 F W	P
Lot Identifier:							
Dedicated Acre:	160.00						
Lease Type	:	F					
Type of consolidation (Comm, Unit, Forced Pooling - C/U/F/O) :							

M0025: Enter PF keys to scroll
PF01 HELP PF02 PF03 EXIT PF04 GoTo PF05 PF06
PF07 PF08 PF09 PF10 NEXT-WC PF11 HISTORY PF12 NXTREC

CMD :
OG6ACRE

ONGARD
C102-DEDICATE ACREAGE

05/23/02 10:24:07
OGOMES -TQOC
Page No : 1

API Well No : 30 45 29573 Eff Date : 07-30-1998
Pool Idn : 77200 FULCHER KUTZ PICTURED CLIFFS (GAS)
Prop Idn : 23182 PANTHER
Spacing Unit : 50919 OCD Order :
Sect/Twp/Rng : 25 30N 13W Acreage : 160.00
Dedicated Land:

Simultaneous Dedication: Revised C102? (Y/N)				
S	Base U/L	Sec	Twp Rng	Acreage L/W Ownership Lot Idn

K	25	30N 13W	40.00	N FD
L	25	30N 13W	40.00	N FD
M	25	30N 13W	40.00	N FD
N	25	30N 13W	40.00	N FD

E0005: Enter data to modify or PF keys to scroll

PF01 HELP	PF02	PF03 EXIT	PF04 GoTo	PF05	PF06 CONFIRM
PF07 BKWD	PF08 FWD	PF09	PF10 LAND	PF11 NXTSEC	PF12 RECONF

CMD : ONGARD

05/23/02 10:24:19

OG6IPRD INQUIRE PRODUCTION BY POOL/Well

OGOMES -TQOC

Page No: 1

OGRID Identifier : 14634 MERRION OIL & GAS CORP

Pool Identifier : 77200 FULCHER KUTZ PICTURED CLIFFS (GAS)

API Well No : 30 45 29573 Report Period - From : 01 2000 To : 04 2002

API Well No	Property Name	Prodn. Days		Production Volumes			Well Stat
		MM/YY	Prod	Gas	Oil	Water	
30	45 29573 PANTHER	01 00	30	32919		162	F
30	45 29573 PANTHER	02 00	29	26742		380	F
30	45 29573 PANTHER	03 00	31	29847		305	F
30	45 29573 PANTHER	04 00	30	28953		259	F
30	45 29573 PANTHER	05 00	31	30994		110	F
30	45 29573 PANTHER	06 00	30	31026		398	F
30	45 29573 PANTHER	07 00	31	27079		383	F

Reporting Period Total (Gas, Oil) :

M0025: Enter PF keys to scroll

PF01 HELP PF02 PF03 EXIT PF04 GOTO PF05 PF06 CONFIRM
PF07 BKWD PF08 FWD PF09 PF10 NXTPool PF11 NXTOGD PF12

CMD : ONGARD 05/23/02 10:24:22
OG6IPRD INQUIRE PRODUCTION BY POOL/Well OGOMES -TQOC
Page No: 2

OGRID Identifier : 14634 MERRION OIL & GAS CORP
Pool Identifier : 77200 FULCHER KUTZ PICTURED CLIFFS (GAS)
API Well No : 30 45 29573 Report Period - From : 01 2000 To : 04 2002

API Well No	Property Name	Prod. Days		Production Volumes			Well
		MM/YY	Prod	Gas	Oil	Water Stat	
30	45 29573 PANTHER	08 00	31	23997		300	F
30	45 29573 PANTHER	09 00	28	20949		307	F
30	45 29573 PANTHER	10 00	31	33531		450	F
30	45 29573 PANTHER	11 00	30	32123		271	F
30	45 29573 PANTHER	12 00	31	38755		50	F
30	45 29573 PANTHER	01 01	31	36515		200	F
30	45 29573 PANTHER	02 01	28	34264		7	F

Reporting Period Total (Gas, Oil) : -----

E0049: User may continue scrolling.

PF01 HELP PF02 PF03 EXIT PF04 GoTo PF05 PF06 CONFIRM
PF07 BKWD PF08 FWD PF09 PF10 NXTPool PF11 NXTOGD PF12

CMD : ONGARD 05/23/02 10:24:23
OG6IPRD INQUIRE PRODUCTION BY POOL/WELL OGMES -TQOC
Page No: 3

OGRID Identifier : 14634 MERRION OIL & GAS CORP
Pool Identifier : 77200 FULCHER KUTZ PICTURED CLIFFS (GAS)
API Well No : 30 45 29573 Report Period - From : 01 2000 To : 04 2002

API Well No	Property Name	Prodn. Days MM/YY Prod	Production Volumes Gas Oil Water	Well Stat
30 45 29573	PANTHER	03 01 31	35758	467 F
30 45 29573	PANTHER	04 01 30	33820	148 F
30 45 29573	PANTHER	05 01 30	34689	452 F
30 45 29573	PANTHER	06 01 30	34354	383 F
30 45 29573	PANTHER	07 01 31	29064	357 F
30 45 29573	PANTHER	08 01 31	33546	412 F
30 45 29573	PANTHER	09 01 30	33694	172 F

Reporting Period Total (Gas, Oil) :

E0049: User may continue scrolling.
PF01 HELP PF02 PF03 EXIT PF04 GoTo PF05 PF06 CONFIRM
PF07 BKWD PF08 FWD PF09 PF10 NXTPool PF11 NXTOGD PF12

CMD : ONGARD 05/23/02 10:24:24

OG6IPRD INQUIRE PRODUCTION BY POOL/Well OGOMES -TQOC

Page No: 4

OGRID Identifier : 14634 MERRION OIL & GAS CORP

Pool Identifier : 77200 FULCHER KUTZ PICTURED CLIFFS (GAS)

API Well No : 30 45 29573 Report Period - From : 01 2000 To : 04 2002

API Well No	Property Name	Prodn. Days		Production Volumes			Well
		MM/YY	Prod	Gas	Oil	Water Stat	
30	45 29573 PANTHER	10	01 31	32306		566	F
30	45 29573 PANTHER	11	01 30	25925		410	F
30	45 29573 PANTHER	12	01 31	32604		48	F
30	45 29573 PANTHER	01	02 31	33854		53	F
30	45 29573 PANTHER	02	02 28	28687		202	F
30	45 29573 PANTHER	03	02 31	28899		368	F

Reporting Period Total (Gas, Oil) : 844894 7620

E0049: User may continue scrolling.

PF01 HELP PF02 PF03 EXIT PF04 GoTo PF05 PF06 CONFIRM
PF07 BKWD PF08 FWD PF09 PF10 NXTPool PF11 NXTOGD PF12

CMD : ONGARD 05/23/02 10:24:43
OG6IWCM INQUIRE WELL COMPLETIONS OGOMES -TQOC

API Well No : 30 45 29574 Eff Date : 07-30-1998 WC Status : A
Pool Idn : 77200 FULCHER KUTZ PICTURED CLIFFS (GAS)
OGRID Idn : 14634 MERRION OIL & GAS CORP
Prop Idn : 23182 PANTHER

Well No : 002
GL Elevation: 5681

	U/L	Sec	Township	Range	North/South	East/West	Prop/Act (P/A)
B.H. Locn	:	O	25	30N	13W	FTG 832 F S FTG 1835 F W	P
Lot Identifier:							
Dedicated Acre:						160.00	
Lease Type	:	F					
Type of consolidation (Comm, Unit, Forced Pooling - C/U/F/O) :							

M0025: Enter PF keys to scroll
PF01 HELP PF02 PF03 EXIT PF04 GOTO PF05 PF06
PF07 PF08 PF09 PF10 NEXT-WC PF11 HISTORY PF12 NXTREC

CMD :
OG6ACRE

ONGARD
C102-DEDICATE ACREAGE

05/23/02 10:24:46
OGOMES -TQOC
Page No : 1

API well No : 30 45 29574 Eff Date : 07-30-1998
Pool Idn : 77200 FULCHER KUTZ PICTURED CLIFFS (GAS)
Prop Idn : 23182 PANTHER
Spacing Unit : 51249 OCD Order :
Sect/Twp/Rng : 25 30N 13W Acreage : 160.00 Well No : 002
Dedicated Land: Simultaneous Dedication:
Revised C102? (Y/N) :

S	Base U/L	Sec	Twp	Rng	Acreage	L/W	Ownership	Lot	Idn
I	25	30N	13W	40.00	N	FD			
J	25	30N	13W	40.00	N	FD			
O	25	30N	13W	40.00	N	FD			
P	25	30N	13W	40.00	N	FD			

E0005: Enter data to modify or PF keys to scroll
PF01 HELP PF02 PF03 EXIT PF04 GOTO PF05 PF06 CONFIRM
PF07 BKWD PF08 FWD PF09 PF10 LAND PF11 NXTSEC PF12 RECONF

CMD :

ONGARD

05/23/02 10:24:55

OG6IPRD

INQUIRE PRODUCTION BY POOL/Well

OGOMES - TQOC

Page No: 1

OGRID Identifier : 14634 MERRION OIL & GAS CORP

Pool Identifier : 77200 FULCHER KUTZ PICTURED CLIFFS (GAS)

API Well No : 30 45 29574 Report Period - From : 01 2000 To : 04 2002

API Well No	Property Name	Prodn. Days		Production Volumes			Well
		MM/YY	Prod	Gas	Oil	Water Stat	
30	45 29574 PANTHER	01 00	31	14335		979	P
30	45 29574 PANTHER	02 00	29	16412		578	P
30	45 29574 PANTHER	03 00	31	16514		1031	P
30	45 29574 PANTHER	04 00	30	15613		741	P
30	45 29574 PANTHER	05 00	31	12840		426	P
30	45 29574 PANTHER	06 00	30	13475		638	P
30	45 29574 PANTHER	07 00	29	12041		698	P

Reporting Period Total (Gas, Oil) :

M0025: Enter PF keys to scroll

PF01 HELP PF02 PF03 EXIT PF04 GOTO PF05 PF06 CONFIRM
PF07 BKWD PF08 FWD PF09 PF10 NXTPool PF11 NXTOGD PF12

CMD :

ONGARD

05/23/02 10:25:01

OG6IPRD

INQUIRE PRODUCTION BY POOL/WELL

OGOMES -TQOC

Page No: 2

OGRID Identifier : 14634 MERRION OIL & GAS CORP

Pool Identifier : 77200 FULCHER KUTZ PICTURED CLIFFS (GAS)

API Well No : 30 45 29574 Report Period - From : 01 2000 To : 04 2002

API Well No	Property Name	Prodn. Days		Production Volumes			Well
		MM/YY	Prod	Gas	Oil	Water Stat	
30	45 29574 PANTHER	08 00	31	16787		807	P
30	45 29574 PANTHER	09 00	30	16076		757	P
30	45 29574 PANTHER	10 00	31	15832		733	P
30	45 29574 PANTHER	11 00	30	14413		586	P
30	45 29574 PANTHER	12 00	31	13218		650	P
30	45 29574 PANTHER	01 01	31	11066		800	P
30	45 29574 PANTHER	02 01	28	11864		814	P

Reporting Period Total (Gas, Oil) :

E0049: User may continue scrolling.

PF01 HELP PF02 PF03 EXIT PF04 GOTO PF05 PF06 CONFIRM
PF07 BKWD PF08 FWD PF09 PF10 NXTPool PF11 NXTOGD PF12

CMD :

ONGARD

05/23/02 10:25:02

OG6IPRD

INQUIRE PRODUCTION BY POOL/Well

OGOMES -TQOC

Page No: 3

OGRID Identifier : 14634 MERRION OIL & GAS CORP

Pool Identifier : 77200 FULCHER KUTZ PICTURED CLIFFS (GAS)

API Well No : 30 45 29574 Report Period - From : 01 2000 To : 04 2002

API Well No		Property Name	Prod. Days MM/YY Prod	Production Volumes		Well
				Gas	Oil	Water Stat
30	45	29574 PANTHER	03 01 31	12511		831 P
30	45	29574 PANTHER	04 01 30	12377		831 P
30	45	29574 PANTHER	05 01 31	12276		683 P
30	45	29574 PANTHER	06 01 30	9432		248 P
30	45	29574 PANTHER	07 01 31	10346		521 P
30	45	29574 PANTHER	08 01 31	12406		588 P
30	45	29574 PANTHER	09 01 30	10439		1660 P

Reporting Period Total (Gas, Oil) :

E0049: User may continue scrolling.

PF01 HELP PF02 PF03 EXIT PF04 GOTO PF05 PF06 CONFIRM
PF07 BKWD PF08 FWD PF09 PF10 NXTPool PF11 NXTOGD PF12

CMD : ONGARD

05/23/02 10:25:04

OG6IPRD INQUIRE PRODUCTION BY POOL/WELL

OGOMES -TQOC

Page No: 4

OGRID Identifier : 14634 MERRION OIL & GAS CORP

Pool Identifier : 77200 FULCHER KUTZ PICTURED CLIFFS (GAS)

API Well No : 30 45 29574 Report Period - From : 01 2000 To : 04 2002

API Well No	Property Name	Prodn. Days		Production Volumes		Well Stat
		MM/YY	Prod	Gas	Oil	
30	45 29574 PANTHER	10 01	31	9148		1301 P
30	45 29574 PANTHER	11 01	30	8063		1170 P
30	45 29574 PANTHER	12 01	28	7020		1006 P
30	45 29574 PANTHER	01 02	31	7159		1086 P
30	45 29574 PANTHER	02 02	28	6778		1502 P
30	45 29574 PANTHER	03 02	31	7729		606 P

Reporting Period Total (Gas, Oil) : 326170 22271

E0049: User may continue scrolling.

PF01 HELP PF02 PF03 EXIT PF04 GOTO PF05 PF06 CONFIRM
PF07 BKWD PF08 FWD PF09 PF10 NXTPool PF11 NXTOGD PF12

CMD :
OG5SECT

ONGARD
INQUIRE LAND BY SECTION

05/23/02 10:21:23
OGOMES -TQCC
PAGE NO: 1

Sec : 25 Twp : 30N Rng : 13W Section Type : NORMAL

D	C	B	A
40.00	40.00	40.00	40.00
Federal owned	Federal owned	Federal owned	Federal owned
F	F	G	H
40.00	40.00	40.00	40.00
Federal owned	Federal owned	Federal owned	Federal owned
A A		A A	

PF01 HELP PF02 PF03 EXIT PF04 GoTo PF05 PF06
PF07 BKWD PF08 FWD PF09 PRINT PF10 SDIV PF11 PF12

CMD :
OG5SECT

ONGARD
INQUIRE LAND BY SECTION

05/23/02 10:21:29
OGOMES -TQCC
PAGE NO: 2

Sec : 25 Twp : 30N Rng : 13W Section Type : NORMAL

L	K	J	I
40.00	40.00	40.00	40.00
Federal owned	Federal owned	Federal owned	Federal owned
M	N	O	P
40.00	40.00	40.00	40.00
Federal owned	Federal owned	Federal owned	Federal owned
A A		A A	

PF01 HELP PF02 PF03 EXIT PF04 GoTo PF05 PF06
PF07 BKWD PF08 FWD PF09 PRINT PF10 SDIV PF11 PF12

CMD : ONGARD 05/23/02 10:44:30
 OG6IWCM INQUIRE WELL COMPLETIONS OGOMES -TQOC

API Well No : 30 45 23890 Eff Date : 01-16-1999 WC Status : A
 Pool Idn : 71629 BASIN FRUITLAND COAL (GAS)
 OGRID Idn : 23846 QUESTAR EXPLORATION & PRODUCTION CO
 Prop Idn : 15477 FEDERAL A

Well No : 003E
 GL Elevation: 5696

U/L	Sec	Township	Range	North/South	East/West	Prop/Act (P/A)
B.H. Locn	: P	26	30N	13W	FTG 1000 F S FTG 1000 F E	P
Lot Identifier:						
Dedicated Acre:	320.00					
Lease Type	: F					
Type of consolidation (Comm, Unit, Forced Pooling - C/U/F/O) :						

PF01 HELP PF02 PF03 EXIT PF04 GoTo PF05 PF06
 PF07 PF08 PF09 PF10 NEXT-WC PF11 HISTORY PF12 NXTREC

CMD :
OG6ACRE

ONGARD
C102-DEDICATE ACREAGE

05/23/02 10:44:36
OGOMES -TQCC
Page No : 1

API Well No : 30 45 23890 Eff Date : 01-16-1999
Pool Idn : 71629 BASIN FRUITLAND COAL (GAS)
Prop Idn : 15477 FEDERAL A
Spacing Unit : 52496 OCD Order :
Sect/Twp/Rng : 26 30N 13W Acreage : 320.00
Dedicated Land: Simultaneous Dedication:
Revised C102? (Y/N) :

S	Base U/L	Sec	Twp	Rng	Acreage	L/W	Ownership	Lot	Idn
A	26	26	30N	13W	40.00	N	FD		
B	26	26	30N	13W	40.00	N	FD		
G	26	26	30N	13W	40.00	N	FD		
H	26	26	30N	13W	40.00	N	FD		
I	26	26	30N	13W	40.00	N	FD		
J	26	26	30N	13W	40.00	N	FD		
O	26	26	30N	13W	40.00	N	FD		
P	26	26	30N	13W	40.00	N	FD		

E0005: Enter data to modify or PF keys to scroll

PF01 HELP PF02 PF03 EXIT PF04 GoTo PF05 PF06 CONFIRM
PF07 BKWD PF08 FWD PF09 PF10 LAND PF11 NXTSEC PF12 RECONF

CMD : ONGARD

05/23/02 10:44:50

OG6IPRD INQUIRE PRODUCTION BY POOL/WELL

OGOMES -TQOC
Page No: 1

OGRID Identifier : 23846 QUESTAR EXPLORATION & PRODUCTION CO

Pool Identifier : 71629 BASIN FRUITLAND COAL (GAS)

API Well No : 30 45 23890 Report Period - From : 01 2000 To : 04 2002

API Well No	Property Name	Prodn. Days MM/YY Prod	Production Volumes Gas Oil Water	Well Stat
-------------	---------------	---------------------------	-------------------------------------	--------------

30	45 23890 FEDERAL A	01 00 29	16663	F
30	45 23890 FEDERAL A	02 00 27	15463	F
30	45 23890 FEDERAL A	03 00	17300	451 F
30	45 23890 FEDERAL A	04 00 30	16096	F
30	45 23890 FEDERAL A	05 00 31	16740	F
30	45 23890 FEDERAL A	06 00 30	16707	324 F
30	45 23890 FEDERAL A	07 00 30	16951	434 F

Reporting Period Total (Gas, Oil) :

M0025: Enter PF keys to scroll

PF01 HELP PF02 PF03 EXIT PF04 GoTo PF05 PF06 CONFIRM
PF07 BKWD PF08 FWD PF09 PF10 NXTPool PF11 NXTOGD PF12

CMD : ONGARD

05/23/02 10:44:53

OG6IPRD INQUIRE PRODUCTION BY POOL/WELL

OGOMES -TQOC

Page No: 2

OGRID Identifier : 23846 QUESTAR EXPLORATION & PRODUCTION CO

Pool Identifier : 71629 BASIN FRUITLAND COAL (GAS)

API Well No : 30 45 23890 Report Period - From : 01 2000 To : 04 2002

API Well No		Property Name	Prodn. Days MM/YY Prod	Production Volumes Gas Oil Water	Well Stat
30	45	23890 FEDERAL A	08 00 31	16971	403 F
30	45	23890 FEDERAL A	09 00 27	13734	292 F
30	45	23890 FEDERAL A	10 00 30	16209	343 F
30	45	23890 FEDERAL A	11 00 28	14332	F
30	45	23890 FEDERAL A	12 00 31	14233	331 F
30	45	23890 FEDERAL A	01 01 31	13699	F
30	45	23890 FEDERAL A	02 01 28	11696	288 F

Reporting Period Total (Gas, Oil) :

E0049: User may continue scrolling.

PF01 HELP PF02 PF03 EXIT PF04 GoTo PF05 PF06 CONFIRM
PF07 BKWD PF08 FWD PF09 PF10 NXTPool PF11 NXTOGD PF12

CMD : ONGARD 05/23/02 10:44:54

OG6IPRD INQUIRE PRODUCTION BY POOL/WELL OGOMES -TQOC

Page No: 3

OGRID Identifier : 23846 QUESTAR EXPLORATION & PRODUCTION CO

Pool Identifier : 71629 BASIN FRUITLAND COAL (GAS)

API Well No : 30 45 23890 Report Period - From : 01 2000 To : 04 2002

API Well No		Property Name	Prodn. Days MM/YY Prod	Production Volumes Gas Oil Water	Well Stat
30	45	23890 FEDERAL A	03 01 31	12888	394 F
30	45	23890 FEDERAL A	04 01 30	12249	370 F
30	45	23890 FEDERAL A	05 01 31	11477	369 F
30	45	23890 FEDERAL A	06 01 30	10867	323 F
30	45	23890 FEDERAL A	07 01		371 F
30	45	23890 FEDERAL A	08 01 31	12460	337 F
30	45	23890 FEDERAL A	09 01	6032	367 F

Reporting Period Total (Gas, Oil) :

E0049: User may continue scrolling.

PF01 HELP PF02 PF03 EXIT PF04 GoTo PF05 PF06 CONFIRM
PF07 BKWD PF08 FWD PF09 PF10 NXTPool PF11 NXTOGD PF12

CMD :

ONGARD

05/23/02 10:44:55

OG6IPRD

INQUIRE PRODUCTION BY POOL/WELL

OGOMES -TQOC

Page No: 4

OGRID Identifier : 23846 QUESTAR EXPLORATION & PRODUCTION CO

Pool Identifier : 71629 BASIN FRUITLAND COAL (GAS)

API Well No : 30 45 23890 Report Period - From : 01 2000 To : 04 2002

API Well No		Property Name	Prodn. Days MM/YY Prod	Production Volumes		Well
				Gas	Oil	Water Stat
30	45	23890 FEDERAL A	10 01 29	11406		344 F
30	45	23890 FEDERAL A	11 01	6058		F
30	45	23890 FEDERAL A	12 01			F
30	45	23890 FEDERAL A	01 02 31	10206		F
30	45	23890 FEDERAL A	02 02 28	10241		361 F

Reporting Period Total (Gas, Oil) : 320678 6102

E0049: User may continue scrolling.

PF01 HELP PF02 PF03 EXIT PF04 GOTO PF05 PF06 CONFIRM
PF07 BKWD PF08 FWD PF09 PF10 NXTPPOOL PF11 NXTOGD PF12

CMD : ONGARD 05/23/02 10:46:10
OG6C101 C101-APPLICATION FOR PERMIT TO DRILL OGO MES -TQOC

OGRID Idn : 194807 API Well No: 30 45 31008 APD Status(A/C/P) : A
Opr Name, Addr: CALPINE NATURAL GAS COMPANY L.P. Aprvl/Cncl Date : 04-03-2002
1200 17TH STREET
SUITE 770
DENVER, CO 80202

Prop Idn: 28103 ARNIE Well No: 4

U/L	Sec	Township	Range	Lot	Idn	North/South	East/West
Surface Locn	: A	25	30N	13W		FTG 735 F N	FTG 660 F E
OCD U/L	: A	API	County	: 45			

Work typ(N/E/D/P/A) : N Well typ(O/G/M/I/S/W/C) : G Cable/Rotary (C/R) : R
Lease typ(F/S/P/N/J/U/I) : F Ground Level Elevation : 5739

State Lease No: Multiple Comp (S/M/C) : S
Prpsd Depth : 1995 Prpsd Frmtn : BASIN FRUITLAND COAL

E0009: Enter data to modify record
PF01 HELP PF02 PF03 EXIT PF04 GOTO PF05 PF06 CONFIRM
PF07 PF08 PF09 PRINT PF10 C102 PF11 HISTORY PF12

CMD : ONGARD 05/23/02 10:43:28
OG6IWCM INQUIRE WELL COMPLETIONS OGOMES -TQOC

API Well No : 30 45 23865 Eff Date : 06-16-1999 WC Status : A
Pool Idn : 71629 BASIN FRUITLAND COAL (GAS)
OGRID Idn : 23846 QUESTAR EXPLORATION & PRODUCTION CO
Prop Idn : 15477 FEDERAL A

Well No : 002E
GL Elevation: 5765

U/L Sec Township Range North/South East/West Prop/Act (P/A)

B.H. Locn : C 26 30N 13W FTG 890 F N FTG 1730 F W P
Lot Identifier:
Dedicated Acre: 320.00
Lease Type : F
Type of consolidation (Comm, Unit, Forced Pooling - C/U/F/O) :

PF01 HELP PF02 PF03 EXIT PF04 GOTO PF05 PF06
PF07 PF08 PF09 PF10 NEXT-WC PF11 HISTORY PF12 NXTREC

CMD : ONGARD
OG6ACRE C102-DEDICATE ACREAGE

05/23/02 10:43:39
OGOMES -TQCC
Page No : 1

API Well No : 30 45 23865 Eff Date : 06-16-1999
Pool Idn : 71629 BASIN FRUITLAND COAL (GAS)
Prop Idn : 15477 FEDERAL A
Spacing Unit : 56005 OCD Order :
Sect/Twp/Rng : 26 30N 13W Acreage : 320.00
Dedicated Land: Simultaneous Dedication:
Revised C102? (Y/N) :

S	Base U/L	Sec	Twp	Rng	Acreage	L/W	Ownership	Lot	Idn
C	26	26	30N	13W	40.00	N	FD		
D	26	26	30N	13W	40.00	N	FD		
E	26	26	30N	13W	40.00	N	FD		
F	26	26	30N	13W	40.00	N	FD		
K	26	26	30N	13W	40.00	N	FD		
L	26	26	30N	13W	40.00	N	FD		
M	26	26	30N	13W	40.00	N	FD		
N	26	26	30N	13W	40.00	N	FD		

E0005: Enter data to modify or PF keys to scroll
PF01 HELP PF02 PF03 EXIT PF04 GOTO PF05 PF06 CONFIRM
PF07 BKWD PF08 FWD PF09 PF10 LAND PF11 NXTSEC PF12 RECONF

CMD : ONGARD 05/23/02 10:43:50

OG6IPRD INQUIRE PRODUCTION BY POOL/WELL OGOUES -TQOC

Page No: 1

OGRID Identifier : 23846 QUESTAR EXPLORATION & PRODUCTION CO

Pool Identifier : 71629 BASIN FRUITLAND COAL (GAS)

API Well No : 30 45 23865 Report Period - From : 01 2000 To : 04 2002

API Well No		Property Name	Prodn. Days MM/YY Prod	Production Volumes		Well
				Gas	Oil	Water Stat
30	45	23865 FEDERAL A	01 02 31	3030		F
30	45	23865 FEDERAL A	02 02 28	2604		372 F

Reporting Period Total (Gas, Oil) : 5634 372

M0025: Enter PF keys to scroll

PF01 HELP PF02 PF03 EXIT PF04 GoTo PF05 PF06 CONFIRM
PF07 BKWD PF08 FWD PF09 PF10 NXTPool PF11 NXTOGD PF12

CMD : ONGARD 05/23/02 10:29:30
OG6C101 C101-APPLICATION FOR PERMIT TO DRILL OGOMES -TQC

OGRID Idn : 194807 API Well No: 30 45 31004 APD Status(A/C/P) : A
Opr Name, Addr: CALPINE NATURAL GAS COMPANY L.P. Aprvl/Cncl Date : 04-02-2002
1200 17TH STREET
SUITE 770
DENVER, CO 80202

Prop Idn: 28115 TIGER Well No: 16

U/L	Sec	Township	Range	Lot	Idn	North/South	East/West
Surface Locn	: B	35	30N	13W		FTG 660 F N	FTG 1540 F E
OCD U/L	: B	API	County	: 45			

Work typ(N/E/D/P/A) : N Well typ(O/G/M/I/S/W/C) : G Cable/Rotary (C/R) : R
Lease typ(F/S/P/N/J/U/I) : F Ground Level Elevation : 5678

State Lease No: Multiple Comp (S/M/C) : S
Prpsd Depth : 1855 Prpsd Frmtn : BASIN FRUITLAND COAL

E0009: Enter data to modify record
PF01 HELP PF02 PF03 EXIT PF04 GOTO PF05 PF06 CONFIRM
PF07 PF08 PF09 PRINT PF10 C102 PF11 HISTORY PF12

CMD : ONGARD 05/23/02 10:30:37
OG6C101 C101-APPLICATION FOR PERMIT TO DRILL OGO MES -TQOC

OGRID Idn : 194807 API Well No: 30 45 30823 APD Status(A/C/P): A
Opr Name, Addr: CALPINE NATURAL GAS COMPANY L.P. Aprvl/Cncl Date : 11-14-2001
1200 17TH STREET
SUITE 770
DENVER, CO 80202
Prop Idn: 28115 TIGER Well No: 17

U/L	Sec	Township	Range	Lot	Idn	North/South	East/West
Surface Locn	: M	35	30N	13W		FTG 660 F S	FTG 905 F W
OCD U/L	: M	API	County	: 45			

Work typ(N/E/D/P/A) : N Well typ(O/G/M/I/S/W/C): G Cable/Rotary (C/R) : R
Lease typ(F/S/P/N/J/U/I): F Ground Level Elevation : 5730

State Lease No: Multiple Comp (S/M/C) : S
Prpsd Depth : 1873 Prpsd Frmtn : BASIN FRUITLAND COAL

E0009: Enter data to modify record
PF01 HELP PF02 PF03 EXIT PF04 GOTO PF05 PF06 CONFIRM
PF07 PF08 PF09 PRINT PF10 C102 PF11 HISTORY PF12

District I
PO Box 1988, Hobbs, NM 88241-1988
District II
PO Drawer DD, Artesia, NM 88211-0719
District III
1800 Rio Brancos 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-104
Revised February 10, 1994
Instructions on back
Submit to Appropriate District Office
5 Copies

☐ AMENDED REPORT

I. REQUEST FOR ALLOWABLE AND AUTHORIZATION TO TRANSPORT

Operator name and Address MERRION OIL & GAS CORPORATION 610 Reilly Avenue Farmington, New Mexico 87401-2634		OGRID Number 014634
		Reason for Filing Code NW = New Well
API Number 30 - 0 45-29574	Pool Name Fulcher Kutz Pictured Cliffs Ext.	Pool Code 77200
Property Code 23182	Property Name PANTHER	Well Number 2

II. 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	30N	13W	SWSE	832	south	1835	east	San Juan

¹¹ Bottom Hole Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
Use Code F	Producing Method Code F = Flowing	Gas Connection Date 8/2/98	C-129 Permit Number	C-129 Effective Date	C-129 Expiration Date				

III. Oil and Gas Transporters

Transporter OGRID	Transporter Name and Address	POD	O/G	POD ULSTR Location and Description
25244	Williams Field Services P. O. Box 58900 Salt Lake City, Utah 84158	2 8 2 1 9 9 7	EG	

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AUG 20 1998
OIL CON. DIV.
DIST. 3

IV. Produced Water

POD 2 8 2 1 9 9 8	POD ULSTR Location and Description
----------------------	------------------------------------

V. Well Completion Data

Spud Date 4/15/98	Ready Date 7/30/98	TD 1841' KB	PBTD 1786' KB	Perforations 1720'-1736'
Hole Size 8-3/4"	Casing & Tubing Size 7"	Depth Set 317' KB	Sacks Cement 100 sxs	
	4-1/2"	1841' KB	200 sxs	
	2-3/8"	1694' KB		

VI. Well Test Data

Date New Oil ---	Gas Delivery Date 8/2/98	Test Date 8/11/98	Test Length 24 hrs	Tbg. Pressure 110 psi	Csg. Pressure 240 psi
Choke Size ---	Oil 0	Water 225	Gas 227	AOF ---	Test Method Sales

I hereby certify that the rules of the Oil Conservation Division have been complied with and that the information given above is true and complete to the best of my knowledge and belief.

Signature: *Steven S. Dunn*

Printed name: Steven S. Dunn

Title: Drlg & Prod Manager

Date: 8/19/98

Phone: (505) 327-9801

9/17/98 OIL CONSERVATION DIVISION

Approved by:

Charles Lewis

Title:

DEPUTY OIL & GAS INSPECTOR, DIST. 43

Approval Date:

SEP 17 1998

If this is a change of operator fill in the OGRID number and name of the previous operator

Previous Operator Signature

Printed Name

Title

Date

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUBMIT IN DUPLICATE*

RECEIVED
BLM

FORM APPROVED
OMB NO. 1004-0137
Expires: February 28, 1995
5. LEASE DESIGNATION AND SERIAL NO.
SF-078213

WELL COMPLETION OR RECOMPLETION REPORT AND LOG 00

1a. TYPE OF WELL: OIL WELL ☐ GAS WELL ☒ DRY ☐ Other ☐
b. TYPE OF COMPLETION: NEW WELL ☒ WORK OVER ☐ DEEPEN ☐ PLUG BACK ☐ DIFF. REVR. ☐ Other ☐

2. NAME OF OPERATOR
MERRION OIL & GAS CORPORATION (014634)

3. ADDRESS AND TELEPHONE NO.
610 Reilly Ave., Farmington, NM 87401

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements)
At surface 832' fsl & 1835' fel (SW SE)

At top prod. interval reported below

At total depth

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AUG 28 1998
OIL CON. DIV.
DIST. 3

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME, WELL NO.
PANTHER No. 2 (23182)

9. API WELL NO.
30-045-29574

10. FIELD AND POOL, OR WILDCAT
Fulcher Kutz Pictured Cliffs Ext. (77200)

11. SEC., T., R., M., OR BLOCK AND SURVEY OR AREA

Sec. 25, T30N, R13W

12. COUNTY OR PARISH San Juan 13. STATE New Mexico

15. DATE SPUDDED 4/15/98 16. DATE T.D. REACHED 4/19/98 17. DATE COMPL. (Ready to prod.) 7/30/98 18. ELEVATIONS (DF, RKB, RT, GR, ETC.)* 5681' GL 19. ELEV. CASINGHEAD 5686' KB

20. TOTAL DEPTH, MD & TVD 1841' KB 21. PLUG BACK T.D., MD & TVD 1786' KB 22. IF MULTIPLE COMPL., HOW MANY* -- 23. INTERVALS DRILLED BY -- 24. PRODUCING INTERVAL(S), OF THIS COMPLETION—TOP, BOTTOM, NAME (MD AND TVD)* Pictured Cliffs (32 holes - 16') 1720'-1736'

25. WAS DIRECTIONAL SURVEY MADE No

26. TYPE ELECTRIC AND OTHER LOGS RUN CBL-CNL-GCL 27. WAS WELL CORED No

28. CASING RECORD (Report all strings set in well)					
CASING SIZE/GRADE	WEIGHT, LB./FT.	DEPTH SET (MD)	HOLE SIZE	TOP OF CEMENT, CEMENTING RECORD	AMOUNT PULLED
7"	J55, 23#	317' KB	8-3/4"	100 sxs (118 cu.ft.) (Top Surface)	
4-1/2"	J55, 10.5#	1841' KB	6-1/4"	200 sxs (324 cu.ft.) (Top @ 370' CBL)	

29. LINER RECORD					30. TUBING RECORD		
SIZE	TOP (MD)	BOTTOM (MD)	SACKS CEMENT*	SCREEN (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)
--	--	--	--	--	2-3/8"	1694' KB	

31. PERFORATION RECORD (Interval, size and number)		32. ACID, SHOT, FRACTURE, CEMENT SQUEEZE, ETC.	
Pictured Cliffs: (32 holes - 16') 1720'-1736'		DEPTH INTERVAL (MD)	AMOUNT AND KIND OF MATERIAL USED
		1720'-1736'	Fract with 30,000 gal 70 Q X-linked foam and 61,000# 16/30 sand.

33. PRODUCTION							
DATE FIRST PRODUCTION 8/2/98		PRODUCTION METHOD (Flowing, gas lift, pumping—size and type of pump) Flowing				WELL STATUS (Producing or shut-in) Producing	
DATE OF TEST 8/11/98	HOURS TESTED 24 Hrs	CHOKE SIZE --	PROD'N. FOR TEST PERIOD --	OIL—BBL. 0	GAS—MCF. 227	WATER—BBL. 225	GAS-OIL RATIO --
FLOW. TUBING PRESS. 110 psi	CASING PRESSURE 240 psi	CALCULATED 24-HOUR RATE --	OIL—BBL. 0	GAS—MCF. 227	WATER—BBL. 225	OIL GRAVITY-API (CORR.) ---	

34. DISPOSITION OF GAS (Sold, used for fuel, vented, etc.)
Sold

35. LIST OF ATTACHMENTS

36. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records.
SIGNED Steven S. Dunn TITLE Drlg & Prod Manager DATE 8/19/98

ACCEPTED FOR RECORD

AUG 25 1998

FARMINGTON DISTRICT OFFICE

*(See Instructions and Spaces for Additional Data on Reverse Side)
Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

37. SUMMARY OF POROUS ZONES: (Show all important zones of porosity and contents thereof; cored intervals; and all drill-stem, tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures, and recoveries):

FORMATION	TOP	BOTTOM	DESCRIPTION, CONTENTS, ETC.
Pictured Cliffs	1720'	1736'	Gas, Water

38.

GEOLOGIC MARKERS

NAME	TOP	
	MEAS. DEPTH	TRUE VERT. DEPTH
Ojo Alamo	170'	
Kirtland	290'	
Fruitland	1327'	
Main Coal	1683'	
Pictured Cliffs	1714'	
Total Depth	1841' KB	

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM APPROVED
Budget Bureau No. 1004-0135
Expires: March 31, 1993

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir.

Use "APPLICATION FOR PERMIT--" for such proposals

SUBMIT IN TRIPLICATE

1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Designation and Serial No. SF-078213	
2. Name of Operator Merrion Oil & Gas Corporation (14634)		6. If Indian, Allottee or Tribe Name	
3. Address and Telephone No. 610 Reilly Avenue, Farmington, NM 87401-2634		7. If Unit or CA, Agreement Designation	
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 832' fsl & 1835' fel (sw se) Section 25, T30N, R13W		8. Well Name and No. Panther No. 2 (23/82)	
		9. API Well No. 30-045-295 74	
		10. Field and Pool, or Exploratory Area (77200) Fulcher Kutz Pictured Cliffs	
		11. County or Parish, State San Juan County, New Mexico	

2. CHECK APPROPRIATE BOX (s) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA		
TYPE OF SUBMISSION	TYPE OF ACTION	
<input type="checkbox"/> Notice of Intent <input checked="" type="checkbox"/> Subsequent Report <input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Abandonment <input type="checkbox"/> Recompletion <input type="checkbox"/> Plugging Back <input type="checkbox"/> Casing Repair <input type="checkbox"/> Altering Casing <input checked="" type="checkbox"/> Other Perfs, Frac & Tbg Rpt	<input type="checkbox"/> Change of Plans <input type="checkbox"/> New Construction <input type="checkbox"/> Non-Routine Fracturing <input type="checkbox"/> Water Shut-Off <input type="checkbox"/> Conversion to Injection <input type="checkbox"/> Dispose Water <small>(Note: Report results of multiple completion on Completion or Recompletion Report and Log form.)</small>

3. Describe Proposed or completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

1/27/98 MIRU Black Warrior WL Company and BJ Services. Ran CBL-CNL-CCL log from PBDT @ 1786' KB to 1200' KB. Pressure tested casing to 3000 psi for 10 mins - held good. Perforated Pictured Cliffs from 1720'-1736', 16' (32 holes - 2 jsf - 0.34" dia.), per Piedra Vista 1E density log. Breakdown with 2% KCl water, ISIP 350 psig. Did not ball off with 12 bbls 15% HCl acid and 48 RCN ball sealers, 5 bpm at 650 psig, ball off to 3400 psig. Flow back well. Ran junk basket, recovered 46 ball sealers, 32 with hits. Shut in well. RU flowback manifold.

1/28/98 MIRU BJ Services. Frac Pictured Cliffs perfs (1720'-36' KB) with 30,000 gal 70 Q 20# x-link foam, 61,000# 16/30 sand, pumped at 30 bpm, ATP 1150 psi, ISIP 770 psi. RD equipment. Start flowback on 1/4" choke at 10:30 AM

1/30/98 MIRU Big A. ND WH, NU BOPs. TIH with 2-3/8" bailer on 2-3/8" tubing. Tagged sand @ 1733', bailed to 1797', TOH LD bailer. TIH with 2-3/8" production string with seating nipple on bottom. Landed tubing at 1694' KB with seating nipple on bottom. ND BOPs. NU WH. Swabbed for 3 hrs, FL stayed at 600'. RDMOL.

4. I hereby certify that the foregoing is true and correct

Signed Connie Dinning Title Contract Engineer Date 8/13/98

(This space for Federal or State office use)

Approved By _____
 Conditions of approval, if any: _____

Title _____

ACCEPTED FOR RECORD
Date

AUG 17 1998

the 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

FARMINGTON DISTRICT OFFICE

RV

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM APPROVED
Budget Bureau No. 1004-0135
Expires: March 31, 1993

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir: 54
Use "APPLICATION FOR PERMIT--" for such proposals

SUBMIT IN TRIPLICATE

070 FARMINGTON, NM

1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other	5. Lease Designation and Serial No. SF-078213
2. Name of Operator Merrion Oil & Gas Corporation (14634)	6. If Indian, Allottee or Tribe Name
3. Address and Telephone No. 610 Reilly Avenue, Farmington, NM 87401-2634 (505) 327-9801	7. If Unit or CA, Agreement Designation
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 832' fsl & 1835' fel (sw se) Section 25, T30N, R13W	8. Well Name and No. PANTHER No. 2
	9. API Well No. 74 30-045-29543
	10. Field and Pool, or Exploratory Area Fulcher Kutz P.C.
	11. County or Parish, State San Juan County, New Mexico

12. CHECK APPROPRIATE BOX (s) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA		
TYPE OF SUBMISSION	TYPE OF ACTION	
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Abandonment	RECEIVED APR 27 1998 OIL CON. DIV. DIST. 3
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Recompletion	
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Plugging Back	
	<input type="checkbox"/> Casing Repair	
	<input type="checkbox"/> Altering Casing	
	<input checked="" type="checkbox"/> Other Spud, TD and Casing Reports	
		<input type="checkbox"/> Change of Plans <input type="checkbox"/> New Construction <input type="checkbox"/> Non-Routine Fracturing <input type="checkbox"/> Water Shut-Off <input type="checkbox"/> Conversion to Injection <input type="checkbox"/> Dispose Water <small>(Note: Report results of multiple completion on Completion or Recompletion Report and Log form.)</small>

13. Describe Proposed or completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

4/15/98 Spudded 8-3/4" surface hole and drilled to 260' KB. Circulated clean.

4/16/98 Drilled to 317' KB. RIH with 9 joints (311') of 7", J-55, 23# new surface casing. Cemented with 100 sxs (118 cu.ft.) of Class 'G' with 4% CaCl₂. PD @ 11:30 AM. Good cement to surface. NU BOPs.

4/19/98 Drilled to TD @ 1835' KB. Condition hole. LDDP. RIH with guide shoe, shoe joint, insert float, 41 jts of new 4-1/2", J55, 10.5 ppf R3 casing. Casing depth 1841.47' KB, float 1797' KB. Circulated hole for 40 mins with rig pump. RU and cement casing while rotating with 100 sxs (206 cu.ft.) of Class 'G' with 2% SMS, 3.0 pps gilsonite, 0.25 pps celloflake, wt. 12.5 ppg, tail-in with 100 sxs (118 cu.ft.) of Class 'G' with 3.0 pps gilsonite, 0.25 pps celloflake, wt. 15.6 ppg. Displace with 28.5 bbls, good circulation throughout job. Bump plug at 4:32 PM. Released pressure, float held. Circulated 4 bbls good cement back to surface. Land casing as cemented. RDMOL, WOCT.

14. I hereby certify that the foregoing is true and correct		
Signed <u>Steven S. Dunn</u>	Title <u>Drlg & Prod Manager</u>	Date <u>4/20/98</u>
(This space for Federal or State office use)		
Approved By _____	Title _____	Date _____
Conditions of approval, if any: _____		

ACCEPTED FOR RECORD

APR 24 1998

CEMENTERS, INC.

P. O. BOX 302
FARMINGTON, NEW MEXICO 87499

CEMENT JOB DETAIL SHEET

RECEIVED:

CUSTOMER <i>Merrion oil</i>	DATE <i>4/19/98</i>	F.R.# <i>7961</i>	SER. SUP <i>10a</i>	TYPE JOB <i>4 1/2 casing</i>
EASE & WELL NAME - OCSG <i>Panther #2</i>	LOCATION <i>93 APR 21 PM 12:54</i>	COUNTY <i>San Juan</i>		
DRILLING CONTRACTOR RIG # <i>LFB</i>	OPERATOR <i>U70 FARMINGTON, NM</i>			

MATERIAL FURNISHED	TYPE OF PLUGS		LIST CSG HARDWARE	SQ MANI FOLD Y(N)	TOP OF EACH FLUID	PHYSICAL SLURRY PROPERTIES						
	TOP BTM	Rubber				Slurry Weight PPG	Slurry Yield FT ³	Water GPS	Pump Time HR: MIN:	Bbl Slurry	Bbl Mix Water	
100 SX w/ 2 1/2 C-bit 3 PPS Gilsonite 1 1/4 # Cellulose Flake						12.5	2.06	11.8			36 3/4	
100 SX Neat 3 PPS Gilsonite 1 1/4 # Cellulose Flake						15.6	1.18	5.2			21	

Available Mix Water				Bbl.	Available Displ. Fluid						Bbl.							TOTAL	
HOLE				TBG-CSG-D.P.				TBG-CSG-D.P.				COLLAR DEPTHS							
SIZE	% EXCESS	DEPTH		SIZE	WGT.	TYPE	DEPTH	SIZE	WGT.	TYPE	DEPTH	SHOE	FLOAT	STAGE					
6 1/4		1835	4 1/2	10.5			1836												
LAST CASING				PKR-CMT RET-BR PL-LINER				PERF DEPTH		TOP CONN.		WELL FLUID							
SIZE	WGT.	TYPE	DEPTH	BRAND & TYPE				DEPTH	TOP	BTM	SIZE	THREAD	TYPE	WGT					
CAL. DISPL. VOL. Bbl.				CAL. PSI	CAL. MAX PSI	OP. MAX	MAX TBG PSI		MAX CSG PSI		DISPL. FLUID		WATER SOURCE						
TBG.	CSG.	CSG	TOTAL	BUMP PLUG	TO REV	SQ PSI	RATED	OP	RATED	OP	TYPE	WGT							

XPLANATION: TROUBLE SETTING TOOL, RUNNING CSG., ETC., PRIOR TO CEMENTING:

PRESSURE RATE DETAIL						EXPLANATION	
TIME HR: MIN:	PRESSURE - PSI		RATE BPM	Bbl FLUID PUMPED	FLUID TYPE	SAFETY MEETING: CREW <input type="checkbox"/>	CO. REP. <input type="checkbox"/>
	PIPE	ANNULUS				TEST LINES	PSI
						CIRCULATING WELL RIG <input type="checkbox"/>	WPS <input type="checkbox"/>
16:08	200		4.5	10	H ₂ O	Proflush w/ 10 Bl	
	200		4.5	36.75	Cement	Mix Pump 100SX29, C-Lite 3PPS Gilsonite 1/4" Cello	
	200		4.5	21	Cement	100SX Neox w/ 3PPS Gilsonite 1/4" Cello	
						wash pumps & Lines	
	700		4.5	28.5	H ₂ O	Displace w/ 28.5 Bl	
16:32	1200					Plug down @ 16:32	
						4 Bl Cement Returns	
BUMPED PLUG	PSI TO BUMP PLUG	TEST FLOAT EQUIP.	TOTAL Bbl. PUMPED	Bbl GMT RETURNS/ REVERSED	PSI LEFT ON CSG	SPOT TOP CEMENT	SER. SUP. <i>Vinton</i> CUSTOMER REP.
Y N		Y N		4 Bl			

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 DEEPE

1a. Type of Work

DRILL ☒DEEPEEN ☐

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

17. No. of Acres Assigned to This Well

160 acres

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

50'

19. Proposed Depth

-1830'

20. Rotary or Cable Tools

Rotary

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

5681' GR, 5686' RKB

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

action is subject to technical and

Federal review pursuant to 43 CFR 3165.3

appeal pursuant to 43 CFR 3165.4

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	TYPE & 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

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

RECEIVED
BLM
97 DEC 29 PM 2:03

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

1 APT Number 30-045-29574		2 Pool Code 79680		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'

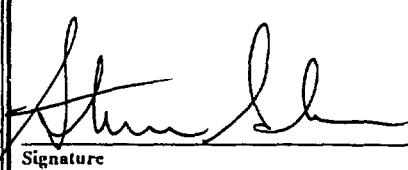
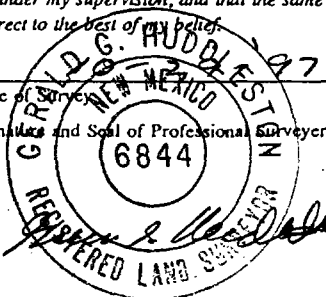
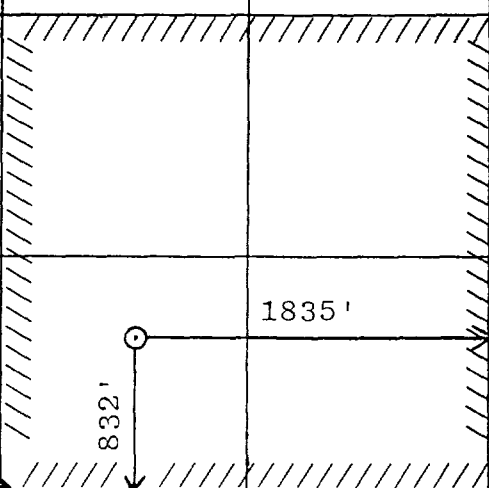
10 Surface Location

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.			

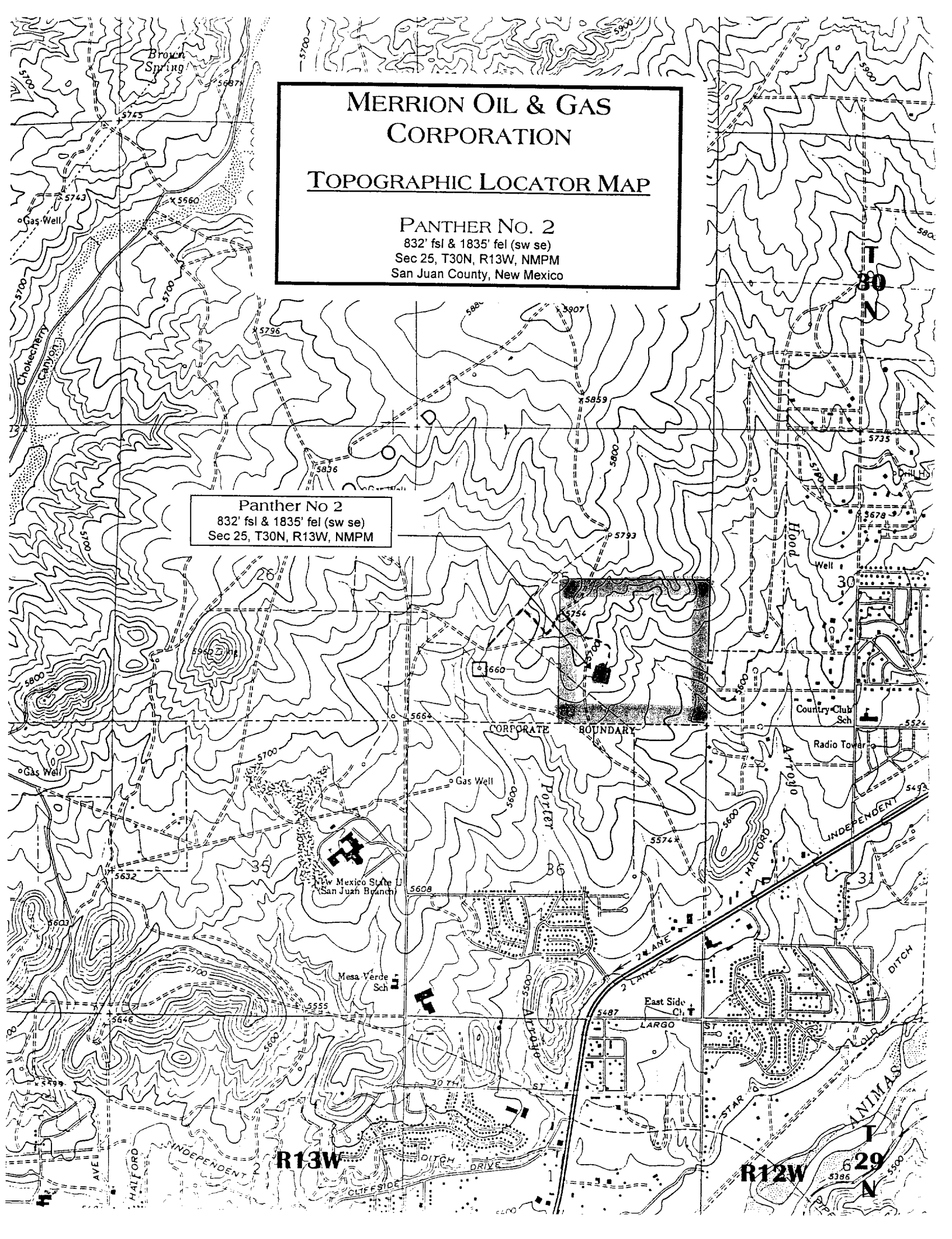
NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

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  Signature Steven S. Dunn Printed Name Drlg & Prod Manager Title 12/23/97 Date	
					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 and Seal of Professional Surveyer: Certificate Number	
						

MERRION OIL & GAS
CORPORATION
TOPOGRAPHIC LOCATOR MAP

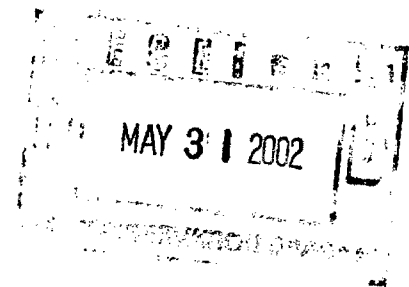
PANTHER NO. 2
832' fsl & 1835' fsl (sw se)
Sec 25, T30N, R13W, NMPM
San Juan County, New Mexico

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



MERRION

OIL & GAS



May 28, 2002

Mr. Michael Stogner
New Mexico Oil Conservation Division
1220 S. St. Francis Drive
Santa Fe, New Mexico 87505-4000

Fax: 505-476-3471

**Re: Supplemental Information
Non-standard Off-Pattern Coal Location
Panther #2
Section 25, T30N, R13W
San Juan County, New Mexico**

Dear Mr. Stogner:

This letter is in response to your letter dated May 24, 2002 requesting more information regarding the subject application. Specifically, you asked the following two questions:

- 1.) **Why is Merrion proposing to recomplete the Panther 2 in a non-standard off-pattern location instead of the Panther 1 in a standard location?** Attachments 1 and 2 are production decline curves for the Panther 1 and 2 respectively. The Panther 1 is making over 1 MMCFD and has over 1 BCF of remaining reserves from the Pictured Cliffs. The Panther 2 is making around 200 MCFD and has only 100 MMCF of remaining reserves. Attachment 3 is a Fruitland coal production map in the area showing the offset coal wells to be making around 500 MCFD. The bottom line is that there is some risk that we will lose some or all of the Pictured Cliffs production as a result of commingling either well with the Fruitland Coal. There is far less to risk by completing the Panther 2. Merrion is not willing to risk losing 1 MMCFD from the Panther 1 to pick up 500 MCFD from the coal, and would prefer to wait several years to add the coal to that well (assuming 160 acre density coal wells are approved by the NMOCD).
- 2.) **How will Merrion's proposed off-pattern recompletion affect coal development in the area?** Attachment 3 is a plat showing the Fruitland Coal wells in the area. The two offset locations most affected are the on pattern locations in the SW of 30, T30N, R12W owned by XTO and in the NE of 36, T30N, R13W owned by Merrion. Merrion has received a verbal indication from Robin Tracy at XTO that they will not object to our proposal. In addition, Merrion plans to eventually add the coal in the Blackshawl in the NE of 36 pending the success of the Panther 2 add.

Summary

On a final note, the Panther wells are both adjacent to the Piedra Vista High School within the city limits of Farmington. If we wanted to drill a new wellbore for the coal, it would be very difficult to find an acceptable surface location, leaving the recompletion of the two wells as the only reasonable alternative. Since Merriam is not willing to recomplete the Panther 1 for a number of years, if the Panther 2 application is denied, then the Fruitland Coal will remain undeveloped on the Federal lease in the south half of Section 25. Therefore, we request your approval of our original application.

Copies of this additional information have been sent certified to the offset operators listed in Attachment 4. If you have questions or need additional information, please call me at (505) 327-9801, ext. 114.

Sincerely,



George F. Sharpe
Manager - Oil & Gas Investments

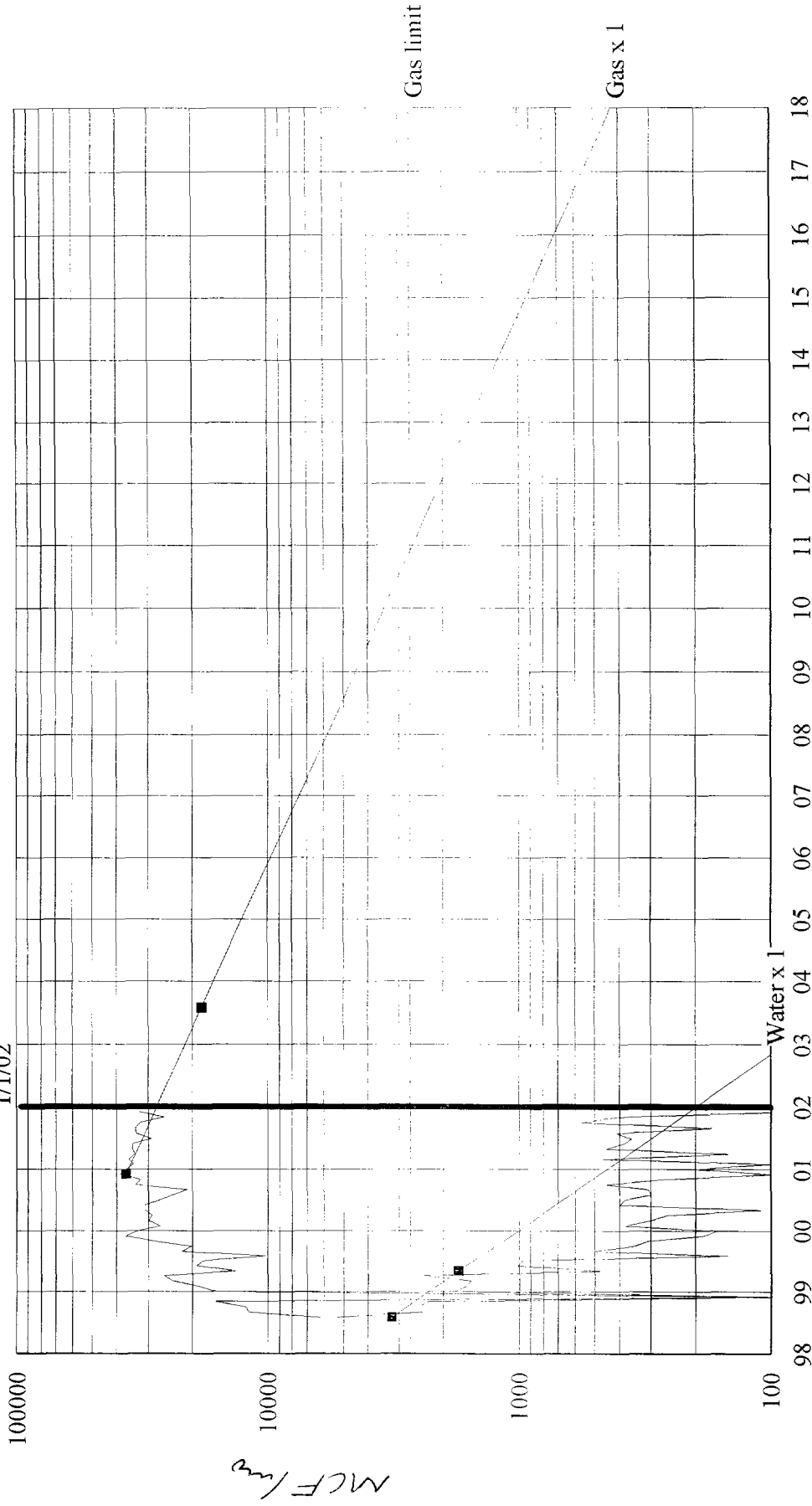
xc: Offset Operators
Aztec OCD
Farmington BLM

PRODUCTION GRAPH

Attachment 1

Panther 1 (1 - 100%), Kutz West PC

Effective Date
1/1/02



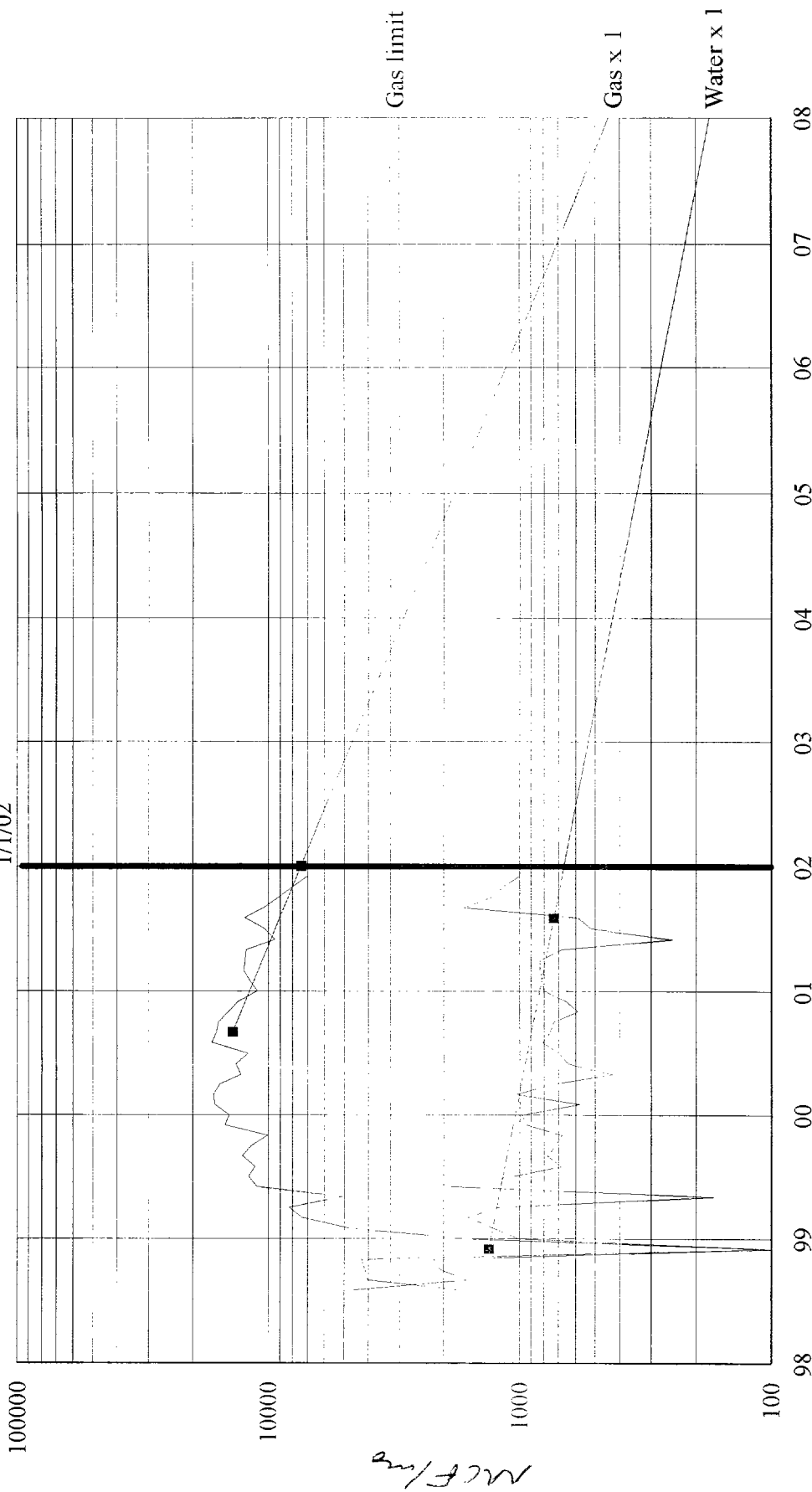
PANTHER1
Panther 1 (1 - 100%)
JGM
Kutz West PC
San Juan, NM

[0]	Oil (bbl)	Gas (mcf)	Water (bbl)
Kutz West PC	0	1,053,064	30,893
25 30N 13W	0	1,113,179	2,632
	0	2,166,243	33,525
Cumulative:			
Remaining:			
Ultimate:			

Attachment 2

PRODUCTION GRAPH

Panther 2 (1 - 100%), Kutz West PC
Effective Date
1/1/02



PANTHER2
Panther 2 (1 - 100%)
JGM
Kutz West PC
San Juan, NM

[0]
Kutz West PC
25 30N 13W

Cumulative:
Remaining:
Ultimate:

Oil (bbl)
0
0
0

Gas (mcf)
429,595
97,184
526,779

Water (bbl)
41,526
10,860
52,386

DUGAN 90 10
3 20
.9 16606

86 438
21.2 268101

TEXAKOMA
1
0 4
0 1522

15

14

13

18

17

30N

13W

30N-12W

22

23

24

Attachment 3

TEXAKOMA

96 213
20.3 255621

TEXAKOMA

39 116
21.2 167502

TEXAKOMA

14 390
7.9 456411

TEXAKOMA

29 276
8.3 345532

TEXAKOMA

47 9.2

BAYLESS

499 471913

572 22160

BAYLESS 11
8 110
.4 49926

26

UNIVERSAL

13 434
361670

25
Pantel 1 / Pantel 2
0 0

CROSS TIMBERS

30 493
55850

CROSS TIMBERS

10 700
2.6 35586

BAYLESS

3 176
1.9 31.1 343 316425

34

35

36

Merion

Fruitland Coal Production

CROSS TIMBERS

21 12.3
5.3 31 664 189583

HALLWOOD

102 212870
52 596 873692

3

MCFD
BWD Cum MCF

11 10.1

HALLWOOD

44 343
2.2 996545

TEXAKOMA

19455042

5 718
1 1679646

29N
13W

10

11

12

IN EXPL

6 434

IN EXPL

13 109
14 622891

MARALEX

22 532
1.7 1021376

BURLINGTON

500 268
0 4781

181 397047

AMOCO

388 335
7.9 175380

AMOCO

383 50 126

Exhibit 4

List of Offset Operators Panther #2 Non-Standard Location Application

XTO Energy
Attn: Mr. Gary Markestad
2700 Farmington Ave., Bldg. K, Suite 1
Farmington, New Mexico 87401

Calpine Natural Gas
Attn: Mr. Jerry Sullivan
1200 17th Street, Suite 770
Denver, Colorado 80202