District IV

State of New Mexico

30-039-27563 Rio Arriba County

Form C-101

Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION

Revised October 18, 1994 Instructions on back

Submit to Appropriate District Office

State Lease - 6 Copies

Fee Lease - 5 Copies

AMENDED REPORT

PO Box 1980, Hobbs, NM 88241-1980 811 South First, Artesia, NM 88210 District III 1000 Rio Brazos Rd., Aztec, NM 87410

2040 South Pacheco, Santa Fe, NM 87505

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APPLICATION FOR PERMIT TO DRILL, RE-EN	TER, DE	EPÊNSPIA	JGBACK,	OR ADD A ZONE
¹ Operator Name and Address.	POS.	J.C.7. 3		² OGRID Number

Merrion Oil & Gas Corporation

610 Reilly Avenue Farmington, New Mexico 87401 014634

³ API Number

4 Property Code

⁵ Property Name Strawberry Snap Com 6 Well No. 1

⁷ Surface Location

⁹ Proposed Pool 1				10 Prop	osed Pool 2				
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
⁸ Proposed Bottom Hole Location If Different From Surface									
Κ	32	T30N	R7W	NESW	2275'	South	1950′	West	San Juan
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 1

Basin Fruitland (71629)

¹¹ Work Type Code N	¹² Well Type Code G	¹³ Cable/Rotary R	¹⁴ Lease Type Code S	¹⁵ Ground Level Elevation 6200'
¹⁶ Multiple	17 Proposed Depth	18 Formation	19 Contractor	²⁰ Spud Date
N	3200' RKB	Fruitland Coal	Not Chosen	As soon as rig available
	21 -			

²¹ Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
12 1 "	8 <u>5</u> "	24 lb. Or greater	~200' RKB	+/-112 sx	Surface
7 7 "	5½"	15.5 lb. Or greater	~3200' RKB	+/-544 sx	Surface
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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 will conduct the well drilling phase by drilling a 12½" hole with spud mud to a depth of approximately 200 feet. After setting 8½" surface casing will install blowout preventers, wait on cement and pressure test surface shoe to 600 psi prior to drill out. Will drill a $7\frac{7}{6}$ " hole with conventional mud into the Pictured Cliffs formation to a depth of approximately 3200 feet. We will run $5\frac{1}{2}$ " production casing to a total depth (td) of ±3200 feet KB. No open hole logs will be run. We will perforate and fracture the Fruitland Coal formation, then test production. Blowout preventers will be double ram, 3000 psi working pressure. (Wellbore schematic attached)

Formation tops: Nacimiento 765', Ojo Alamo 1963', Kirtland 2170', Fruitland 2800', Pictured Cliffs 3047'.

23 I hereby certify that the information gi my knowledge and belief.	ven above is true and complete to the best of	OIL CONSERVATION DIVISION			
Signature:		Approved by:	well		
Printed name: Connie 5. Dinning		Title: DEPUTY ON REAL PROPERTY AND ST. #37.			
Title: Production Engineer		Approvaled 8 2003	Expiration Date N - 8 Zoo4		
Date: January 7, 2003	Phone: 327-9801	Conditions of Approval : Attached □			

State of New Mexico Energy. Minerals & Mining Resources Department OIL CONSERVATION DIVISION 2040 South Pacheco Sonta Fe. NM 87505

MENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT APA Number **Basin Fruitland Coal** Property Code Property Name Wall Nuber 71058 STRAWBERRY SNAP COM OGRID No. Operator Name Bovation MERRION OIL & GAS 6200 Surface Localian Feet from> North/South UL or Lat Top. لما ام Foot Iron> County Rga. Cast/West K 32 **NESW** 30 N 7 W. 2275 SOUTH 1950 WEST NAUL NAR Bottom Hole Location II Different From Surface UL or Lat Feel from North/South | Feet from Tep. Rge. Lot to East/West County Dedication John ? Consolidation Order No. 320 Ac NO ALLOWABLE WILL ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLDATED OR A NON-STANDARD UNT HAS BEEN APPROVED BY THE DIVISION OPERATOR CERTIFICATION 790' I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief. 790' Blueberry Buckle 1 Signature Printed Name Connie S. Dinning AN 2003 NAD 27 ECENED 36 46 05.43° N **Production Engineer** COMS. DIM 107 35 45.86° W DIST. 3 Date January 7, 2003 52175270 SURVEYOR CERTIFICATION I hereby certify that the well location on this plot sas plotted from field notes of actual surveys made by ms or under my supervision, and that the same is true and correct to the best of my belief.

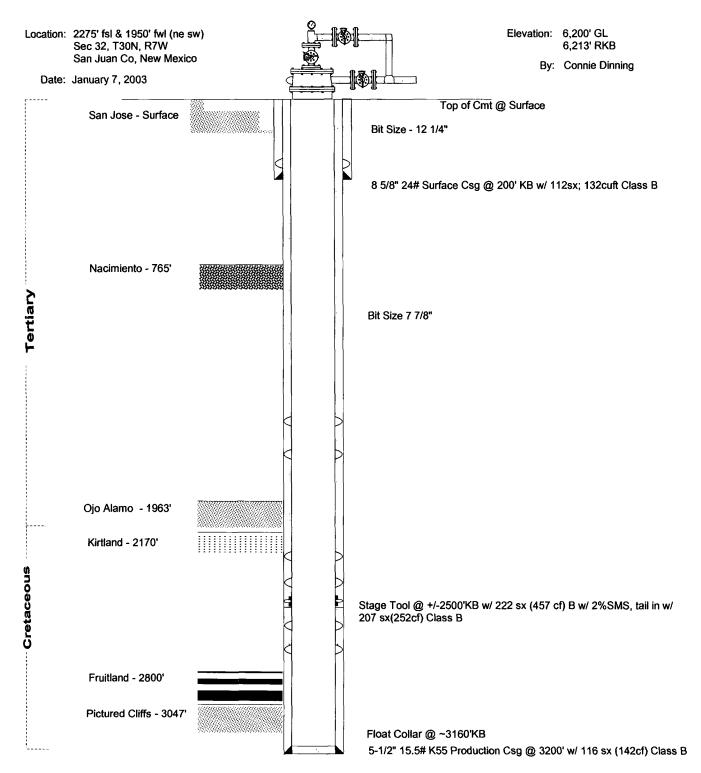
Date of Survey Strawberry|Snap 1 1950 K E-178-12 Date of Survey 2275

Merrion Oil & Gas Corporation

Wellbore Schematic

Strawberry Snap No. 1

Proposed Wellbore Configuration



TD @ ~3200'KB PBTD @ ~3160'KB