STATE OF NEW MEXICO 136-639 23572 ENERGY AND MINERALS DEPARTMENT OIL CONSERVATION DIVISION HO. OF COPIES RECEIVED Revised 10-1-78 P. O. BOX 2088 DISTRIBUTION SANTA FE, NEW MEXICO 87501 SA. Indicate Type of Lease DECEN SANTA FE FEE X FILE .5. State Oil & Gas Lease No. U.S.G.S. LAND OFFICE OPERATOR APPLICATION FOR PERMIT TO DRILL, DEEPEN 7. Unit Agreement Nam ON POSTACK DRILL X DEEPEN b. Type of Well 8. Farm or Lease Name WELL X MULTIPLE X Krystina 2. Name of Operator 9. Well No. Merrion Oil & Gas Corporation 3. Address of Operator 10. Field and Pool, or Wildcat U/C id. Gallup/Dai Gavilan Mancos Undes. P. O. Box 1017, Farmington, New Mexico 87499 4. Location of Well L ____ LOCATED_ 1850 South West Rio Arriba 19. Proposed Depth Rotary 8080 * KB Mancos/Gallup/Dak 21B. Drilling Contractor 22. Approx. Date Work will start 7301' GL Nationwide Unknown Fall, 1984 PROPOSED CASING AND CEMENT PROGRAM SIZE OF HOLE SIZE OF CASING WEIGHT PER FOOT | SETTING DEPTH SACKS OF CEMENT EST. TOP 12-1/4" 32 #/ft. 3001 225 sx Class B (148 cu. ft.) 8-3/4" 15.5 & 17 #/ft 8080 715 sx as below Propose to drill 12-1/4" hole to 300' and set 300' of 9-5/8", 32 #/ft, J-55 surface casing with 125 sx Class B (148 cu. ft.) cement, 3% CaCl . Will drill 8-3/4" hole to approximately 5000'. Will reduce to 7-7/8" hole to TD. Will run open hole logs. If well appears productive will run 5-1/2" 15.5 and 17 #/ft. J-55 casing to TD and cement in three stages. 1st Stage 300 sx Class H 2% gel (366 cu. ft.) to cover Gallup and Dakota. 2nd Stage - set stage tool @ 5734' and cement with 165 sx Class B 2% D-79 (340 cu. ft.) followed by 50 sx Class H (61 cu. ft.) 2% gel to cover Mesaverde. Third Stage Tool @ 3492' KB with 150 sx Class B (309 cu. ft.) 2% D-79 followed by 50 sx (61 cu. ft.) Class H 2% gel to cover Pictured Cliffs, Fruitland, Kirtland, and Ojo Alamo. Will perforate and stimulate the Gallup and Dakota as necessary. 10" 900 series Double Ram Preventers will be used in drilling. Drilling circulating medium will be low solids, non-dispersed, low water loss mud using Bentonite, Starch, CMC and fresh water. APPROVAL EXPIRES 3-21-85 Estimated tops on back. UNLESS DRILLING IS COMMENCED. Lost circulation is expected. SPUD NOTICE MUST BE SUBMITTED

WITHIN 10 DAYS IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: IF PROPOSAL IS TO DEEPEN OR PLUG BACK, G Tive zone. Give blowout preventer program, IF any. I hereby certify that the information above is true and complete to the best of my knowledge and belief. Tule Operations Manager 9/18/84 Signed (This space for State Use)

SUPERVISOR DISTRICT # 3

SEP 21 1984

ESTIMATED TOPS

Ojo Alamo	2420
Kirtland	2460
Fruitland	2890
Pictured Cliffs	3292
Cliffhouse	5020
Menefee	5120
Point Lookout	5520
Mancos	5734
Gallup	6714
Greenhorn	7614
Dakota	7724
Total Depth	8080

OIL CONSERVATION DIVISION

STATE OF NEW MEXICO JERGY AID MINERALS DEPARTMENT

P. O. BOX 2088 SANTA FE, NEW MEXICO 87501

Form C-107 Revised 10-1-

		All distances must be fo	um the cuter hounder	ies of the Section.			
Operator			Lease		Well No.		
MERRION OIL	L & GAS CORPOR	RATION	KRYSTINA CO	M	1		
Unit Letter	Section	Township	Range	County			
L	14	57Л	2W	Rio Arriba			
Actual Footage Location of Well:							
1850	feet from the. So	outh line and	990	feet from the West	line		
Ground Level Elev:	Producing For	mation	Pool	W.C. W.C.	Dedicated Acreager		
7301	Mancos/Ga	llup/Dakota	Gavilan Manco	. Undes. Gal/Dak.	320 40/40 Acres		
 Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below. 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 will be communitized 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 Commis-							
sion.					CERTIFICATION		
	Se	ec.	SEP 2 1 1984 OIL DIST:	Company	y certify that the information con- herein is true and complete to the my knowledge and belief. S. Dunn ions Manager n Oil & Gas Corporation		
999		11,		shown on notes of under miles true	y certify that the well location on this plat was plotted from field of actual surveys made by me are any supervision, and that the same and correct to the best of my lige and belief.		
. 1850,	Fee		NM 5973	Registere	ember 15, 1981 i Professional Engineer and Surveyor 3. Kerr Jr.		
~ . e · 1"#1000"					The second secon		

