

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK

DRILL ☒

DEEPEN ☐

PLUG BACK ☐

b. TYPE OF WELL

OIL  
WELL ☒

GAS  
WELL ☐

OTHER ☐

SINGLE  
ZONE ☐

MULTIPLE  
ZONE ☒

2. NAME OF OPERATOR

Merrion Oil & Gas Corporation

3. ADDRESS OF OPERATOR

P. O. Box 1017, Farmington, New Mexico 87499

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)

At surface

790' FNL and 1190' FWL

At proposed prod. zone

Same

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE\*

10 miles North of Counselors.

15. DISTANCE FROM PROPOSED\*

LOCATION TO NEAREST

PROPERTY OR LEASE LINE, FT.

(Also to nearest drilg. unit line, if any)

18. DISTANCE FROM PROPOSED LOCATION\*

TO NEAREST WELL, INCLUDING COMPLETED,  
OR APPLIED FOR, ON THIS LEASE, FT.

790'

21. ELEVATIONS (Show both, if different)

6666' GL

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

23.

"GENERAL REQUIREMENTS"

PROPOSED CASING AND CEMENTING PROGRAM

This action is subject to administrative  
appeal pursuant to 30 CFR 290.

| SIZE OF HOLE | SIZE OF CASING | WEIGHT PER FOOT | SETTING DEPTH | QUANTITY OF CEMENT |
|--------------|----------------|-----------------|---------------|--------------------|
| 12-1/4"      | 8-5/8", J-55   | 24 #/ft.        | 200'          | 170 sx             |
| 7-7/8"       | 4-1/2", K-55   | 10.5 #/ft.      | 6920'         | 1200 sx            |

Propose to drill 12-1/4" hole to 1200 ft. and set 200 ft. of 8-5/8", 24 #/ft, J-55 casing with 170 sx (201 cu. ft.). Top of cement at the surface. Will wait on cement 10 hours. Pressure test to 600 PSI for 15 minutes prior to drill out. Will drill 7-7/8" hole to 6920'. Will run open hole logs. Will run 4-1/2", 10.5 #/ft, K-55 casing to 6920' and cement in two stages. The first stage will cover the Dakota and Gallup Formations and will consist of 450 sx Class H 2% gel, yield 1.22 cu. ft/sk, 549 cu. ft. Estimated top of cement is 4800'. Second stage tool will be set @ 4750+. Will cement second stage to cover Mesaverde, Picture Cliffs, Fruitland, Ojo Alamo with 700 sx Class B, 2% D-79, yield 2.06 cu. ft/sk, 1442 cu. ft. Followed by 50 sx Class H, 2% gel, yield 1.22 cu. ft/sk, 61 cu. ft. Estimated top of cement @ the surface.

In the event the Dakota appears to be exceptional on the logs, we request approval to set 5-1/2" 15.5 #/ft and 17 #/ft J-55 casing instead of 4-1/2" casing. The cement volumes will be reduced accordingly.

Will use low solids - non dispersed drilling fluid with gel, starch, CMC, caustic soda and water. No unusual drilling conditions are anticipated. (On back)

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen or plug back, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24.

SIGNED

TITLE

Operations Manager

DATE

3/11/85

(This space for Federal or State office use)

APPROVED  
AS AMENDED

PERMIT NO.

APPROVAL DATE

APPROVED BY

COMP. OF APPROVAL, IF ANY:

TITLE

DATE

APR 22 1985

M. MILLENBACH  
AREA MANAGER

NMOCC

\*See Instructions On Reverse Side

# INSTRUCTIONS

GENERAL: This form is designed for submitting proposals to perform certain well operations, as indicated, on all types of lands and leases for appropriate action by either a Federal or a State agency, or both, pursuant to applicable Federal and/or State regulations. Any necessary special instructions concerning the use of this form and the number of copies to be submitted, particularly with regard to local, area, or regional procedures and practices, either are shown below or will be issued by, or may be obtained from, the local Federal and/or State office.

ITEM 1: If the proposal is to redrill to the same reservoir at a different subsurface location or to a new reservoir, use this form with appropriate notations. Consult applicable State or Federal regulations concerning subsequent work proposals or reports on the well.

ITEM 4: If there are no applicable State requirements, locations on Federal or Indian land should be described in accordance with Federal requirements. Consult local State or Federal office for specific instructions.

ITEM 14: Needed only when location of well cannot readily be found by road from the land or lease description. A plot, or plat, or map, separate or on this reverse side, showing the roads to, and the surveyed location of, the well, and any other required information, should be furnished when required by Federal or State agency offices.

ITEMS 15 AND 18: If well is to be, or has been directionally drilled, give distances for subsurface location of hole in any present or objective production zone.

ITEM 22: Consult applicable Federal or State regulations, or appropriate officials, concerning approval of the proposal before operations are started.

A 10" 900 series double ram BOP with choke and kill manifold will be used for pressure control. Will perforate and stimulate as necessary to test the Dakota and Gallup intervals.

# NOTICE

The Privacy Act of 1974 and the regulation in 43 CFR 31.104(d) provide that you be furnished the following information in connection with information required by this application.

AUTHORITY: 30 U.S.C. 181 et seq., 25 U.S.C. 396, 43 CFR Part 3160.

PRINCIPAL PURPOSES: The information is to be used to process and evaluate your application for permit to drill, deepen, or plug back an oil or gas well.

ROUTINE USES: (1) The analysis of the applicant's proposal to discover and extract the Federal or Indian resources encountered. (2) The review of procedures and equipment and the projected impact on the land involved. (3) The evaluation of the effects of proposed operation on surface and subsurface water and other environmental impacts. (4)(5) Information from the record and/or the record will be transferred to appropriate Federal, State, local or foreign agencies, when relevant to civil, criminal or regulatory investigations or prosecutions, as well as routine regulatory responsibility.

EFFECT OF NOT PROVIDING INFORMATION: Filing of this application and disclosure of the information is mandatory only if the lessee elects to initiate drilling operations on an oil and gas lease.

Estimated Tops

|                 |      |               |      |             |      |
|-----------------|------|---------------|------|-------------|------|
| Ojo Alamo       | 1680 | Chacha        | 3100 | Gallup      | 5550 |
| Kirtland        | 1875 | Climhouse     | 3785 | Greenhorn   | 6500 |
| Luitland        | 2075 | Menefee       | 3800 | Graneros    | 6590 |
| Pictured Cliffs | 2265 | Point Lookout | 4160 | Total Depth | 6920 |
| Lewis           | 2365 | Mancoos       | 4660 |             |      |

The Paperwork Reduction Act of 1980 (44 U.S.C. 3501 et seq) requires us to inform you that:

This information is being collected to allow evaluation of the technical, safety, and environmental factors involved with drilling for oil and/or gas on Federal and Indian oil and gas leases.

This information will be used to analyze and approve applications.

Response to this request is mandatory only if the lessee elects to initiate drilling operations on an oil and gas lease.

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

|                                                                                                   |                                            |                                               |                                     |                      |
|---------------------------------------------------------------------------------------------------|--------------------------------------------|-----------------------------------------------|-------------------------------------|----------------------|
| Operator<br>MERRION OIL & GAS CORPORATION                                                         |                                            | Lease<br>CANADA MESA                          |                                     | Well No.<br>3E       |
| Unit Letter<br>D                                                                                  | Section<br>14                              | Township<br>24N                               | Range<br>6W                         | County<br>Rio Arriba |
| Actual Footage Location of Well:<br>790 feet from the North line and 1190 feet from the West line |                                            |                                               |                                     |                      |
| Ground Level Elev.<br>6666                                                                        | Producing Formation<br>Dakota - Gas (Cond) | Pool<br>Basin Dakota - Devils Fork Gas (Cond) | Dedicated Acreage:<br>320/160 Acres |                      |

- 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.

1190'

790'

SF 079086

Sec.

RECEIVED

APR 24 1985

OIL CON. DIV.

DIST. 3

RECEIVED

APR 23 1985

BUREAU OF LAND MANAGEMENT

WASHINGTON, D.C. 20250

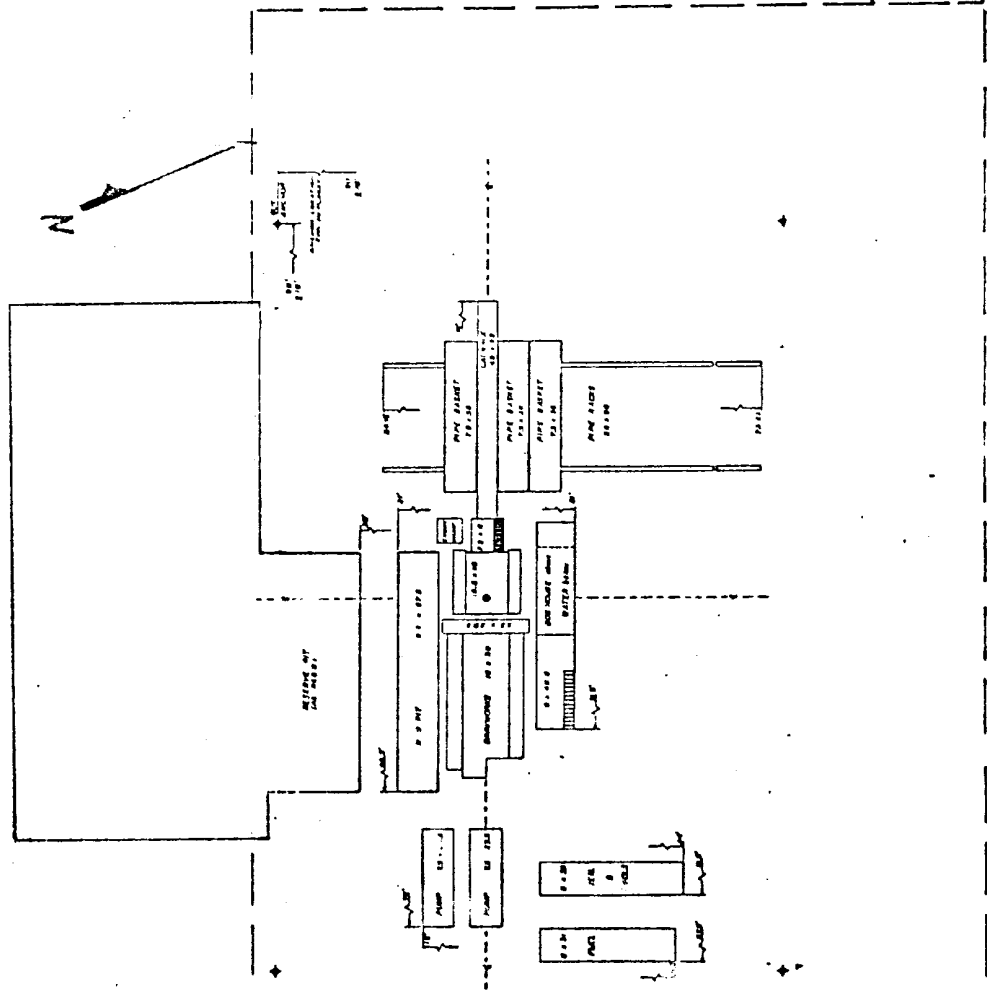
Certificate No. 3950

Case: 11-10008

# MERRISON OIL & GAS CORPORATION

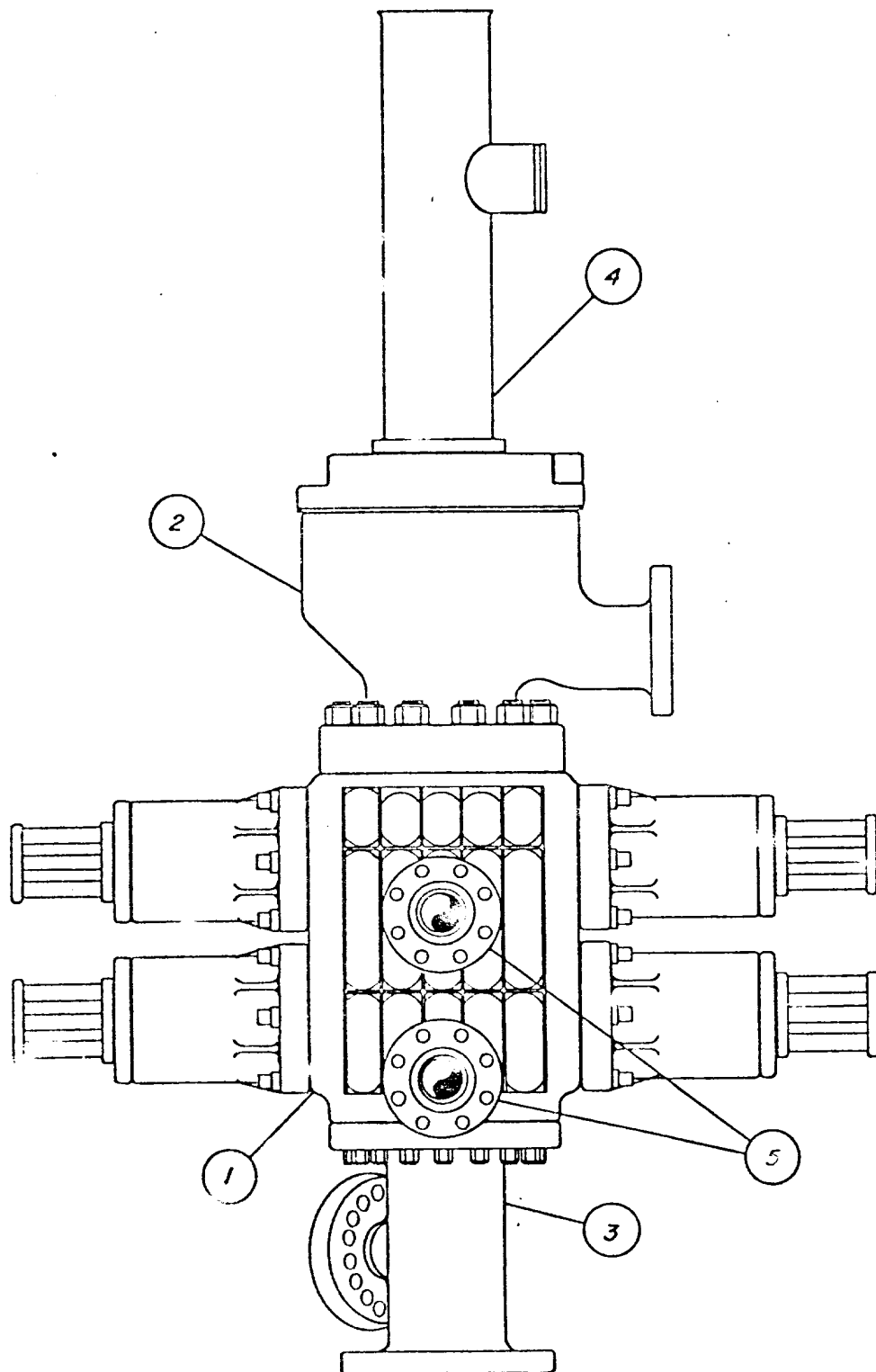
## LOCATION LAYOUT

### DRILLING WELL



Location Size: 225' x 225'

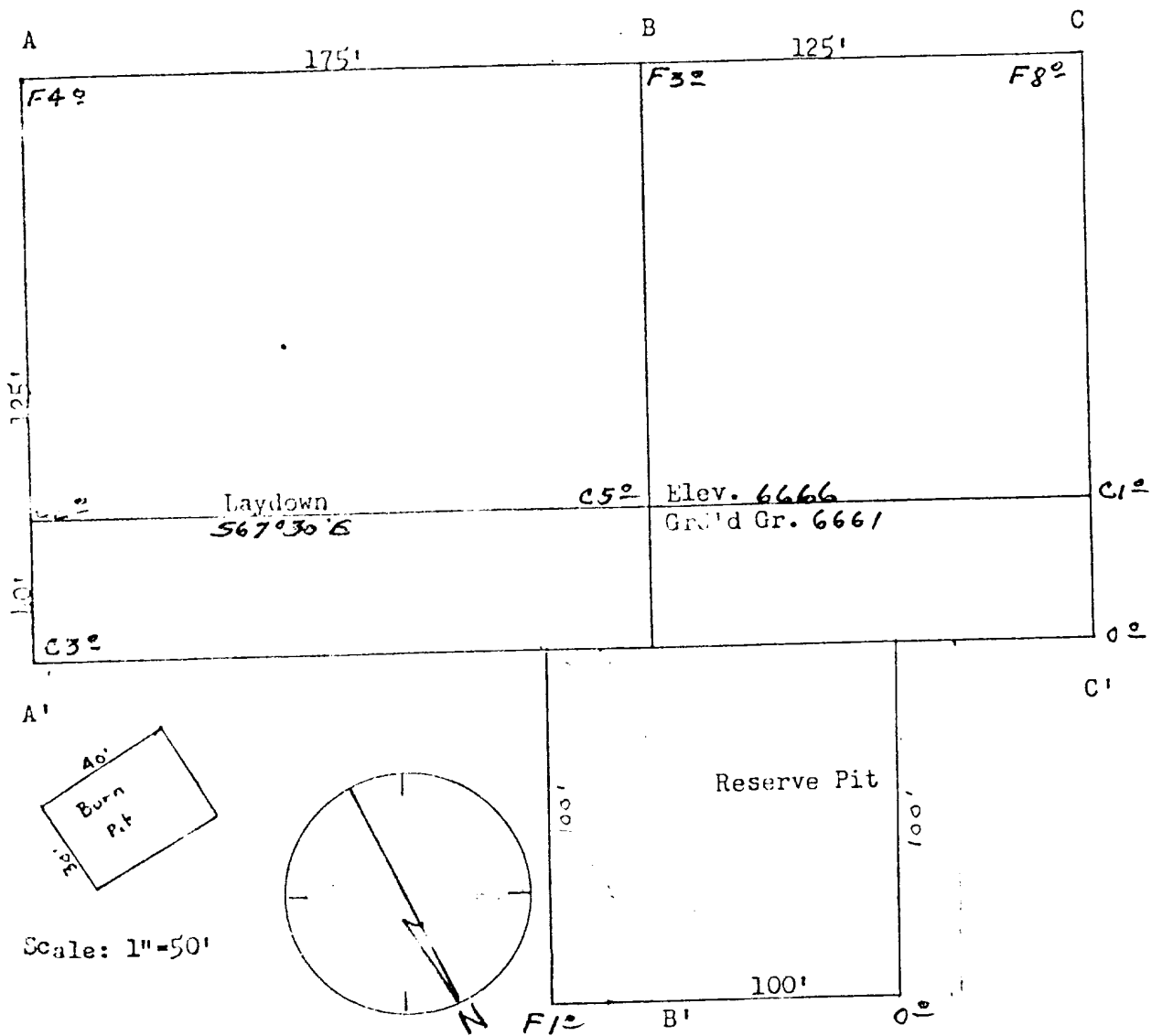
Canada Mesa 3E  
NW/4 Sec. 14, T4N R6W  
Rio Arriba Co., NM



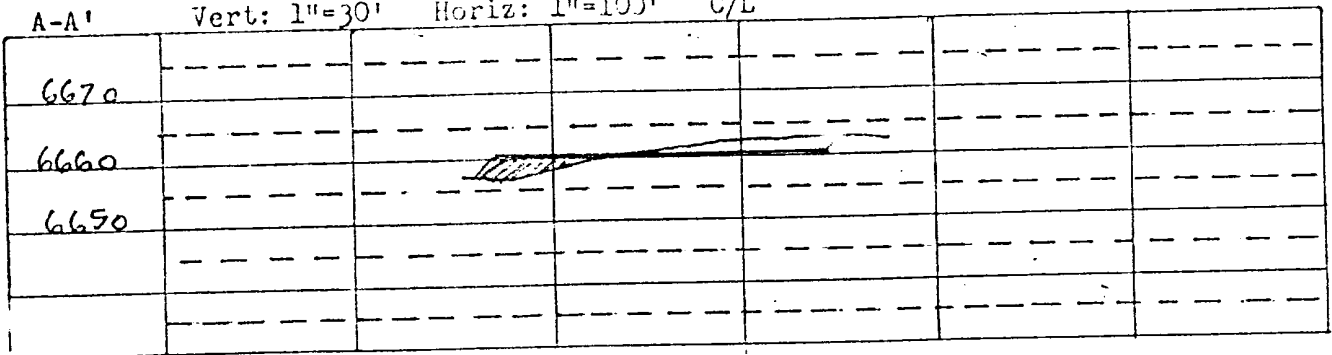
- ① SHAFFER 11" 3000 LB. MODEL LWS MANUAL LOCK RAM BLOWOUT PREVENTER
- ② 11" 3000 LB. ROTATING DRILL HEAD
- ③ 11" SPOOL
- ④ 11" FLOW NIPPLE
- ⑤ 4" 3000 LB. NOZZLE

Merrion Oil & Gas Corp.  
 Canada Mesa 3E  
 Sec. 14, T24N, R6W  
 Rio Arriba Co., NM

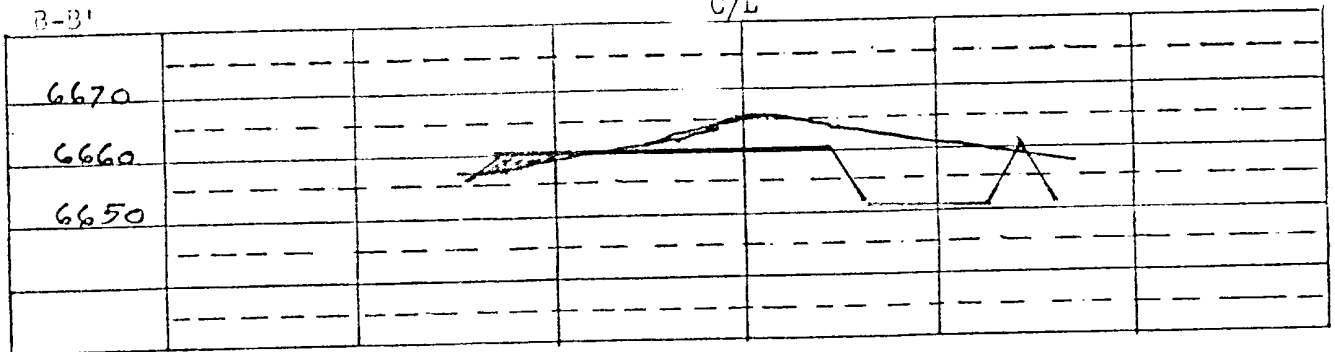
MERRION OIL & GAS CORP. #3E CANADA MESA  
 790'FNL 1190'FWL Sec. 14-T24N-R6W  
 RIO ARriba COUNTY, NEW MEXICO



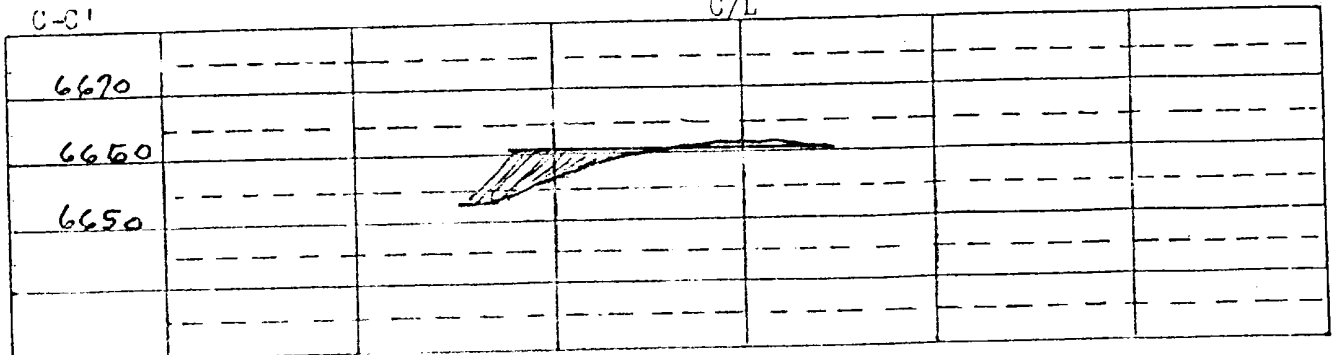
A-A' Vert: 1"=30' Horiz: 1"=100' C/L



B-B' C/L



C-C' C/L



SURFACE USE AND OPERATIONS PLAN

MERRION OIL & GAS CORPORATION

Canada Mesa 3E  
Sec. 14, T24N, R6W  
Rio Arriba Co., NM

- 1 & 2. A topographical map is attached showing location of drillsite and access roads to location; approximately 2000 ft. of new road is anticipated and is color coded accordingly on the map. A drive in truck mounted drilling rig will be used and will be driven in to the location with our road work. Our planned access road will be twelve feet in width, and will follow the existing terrain. No turnouts, culverts or cuts and fills are anticipated on the proposed access. In addition, natural drainage and surfacing material will be used.
3. Wells within one mile radius are shown on the topo map.
4. A. Existing facilities located within a one mile radius of the proposed location owned or controlled by the Operator and shown on the attached map:
- Wellhead, pumping unit, tank battery
- B. Anticipated new facilities shown on the attached map:
- Wellhead, pumping unit, tank battery
- C. Rehabilitation plans for the disturbed areas no longer needed for operations and maintenance:
- according to BLM
5. A Location & type of water supply: NE/SE Sec. 28, T25N, R6W, NE/SE Sec. 3, T24N, R6W  
NE/NE Sec. 4, T24N, R6W
- B. Water located on /-XX/ Federal, / State, / Indian, or / private surface.
- C. Method of transporting water: Commercial Water Truck
- D. Water will be hauled on proposed access route noted in item 1 & 2.

12. Operator representative:

Steve S. Dunn  
Operations Manager  
Merrion Oil & Gas Corporation  
P. O. Box 1017  
Farmington, New Mexico 87401

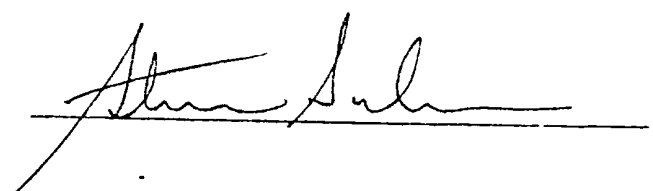
(505) 325-5093

13. Certification:

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drillsite and access route; that I am familiar with the conditions which exist; that the statements made in this plan are, to the best of my knowledge, true and correct; and, that the work associated with the operations proposed herein will be performed by Merrion & Bayless and its contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved.

3/11/85

DATE

A handwritten signature, likely of Steve S. Dunn, is written over a horizontal line. The signature is in cursive and appears to be "Steve S. Dunn".

