

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUBMIT IN TRIPLICATE
(Other instructions on
reverse side)

Form approved.
Budget Bureau No. 1004-0136
Expires August 31, 1985

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 840, Farmington, New Mexico 87499

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

At surface

2250' FNL and 750' FEL

At proposed prod. zone

Same

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

12 miles North of Lindrith, New Mexico

15. DISTANCE FROM PROPOSED

LOCATION TO NEAREST
PROPERTY OR LEASE LINE, FT.
(Also to nearest drlg. unit line, if any)

750'

18. DISTANCE FROM PROPOSED LOCATION*

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

16. NO. OF ACRES ASSIGNED

200 31201

19. PROPOSED DEPTH

7876

20. ROTARY OR CABLE TOOLS

Rotary

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

7449' GL

This action is subject to technical and
procedural review pursuant to 43 CFR 3165.3
and appeal pursuant to 43 CFR 3165.4

22. APPROX. DATE WORK WILL START*

Fall/1986

23. DRILLING OPERATIONS AUTHORIZED ARE

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12-1/4"	9-5/8", J-55	32 #/ft.	250'	125 sx Class B (148 cu. ft.)
8-3/4"				
7-7/8"	5-1/2", J-55	15.5 & 17 #/ft.	7876'	as below

Propose to drill 12-1/4" hole to 250' and set 237' ± of 9-5/8", 32 #/ft, J-55 surface casing with 125 sx Class B (148 cu. ft.) cement, 3% CaCl₂. Will drill 8-3/4" hole to approximately 5515'. Will reduce to 7-7/8" hole to 7876. 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 - 250 sx Class B 2% gel (305 cu. ft.) to cover Gallup. Top of cement estimated at 6075 ft. 2nd Stage - set stage tool at 6175' and cement with 150 sx Class B 2% D-79 (340 cu. ft.) followed by 50 sx Class H (61 cu. ft.) 2% gel to cover Mesaverde. Top of cement estimated at 4875'. Third Stage Tool @ 3850' 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. Top of cement estimated at 2400 ft. Will perforate and stimulate the Gallup as necessary. 10" 900 series Double Ram Preventers will be used in drilling. Estimated tops attached.

Lost circulation is expected. Drilling mud will be low solids with a fresh water base. 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

7/28/86

APPROVED

(This space for Federal or State office use)

AS AMENDED

PERMIT NO.

APPROVAL DATE

FEB 11 1987

"Approval of this action does
not warrant that the applicant
holds legal or equitable rights
or title to this lease."

TITLE

MSL-2281
A-8227
R-8227
NMOCC
OK
EB

DATE

/s/ J. Stan McKee

FOR

AREA MANAGER

See Instructions On Reverse Side

1987

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

Operator Merrion Oil & Gas			Lease Megabyte Com		Well No. 1
Unit Letter H	Section 30	Township 26 North	Range 2 West	County Rio Arriba	
Actual Postage Location of Well: (cardinal) 2250 feet from the North line and 750 feet from the East line					
Ground Level Elev. 7449	Producing Formation Gallup		Pool NE Ojito-Gal/Dak Undesignated Gallup		Dedicated Acreage 160.181

- Outline the acreage dedicated to the subject well by colored pencil or hatchure 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).
- 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?

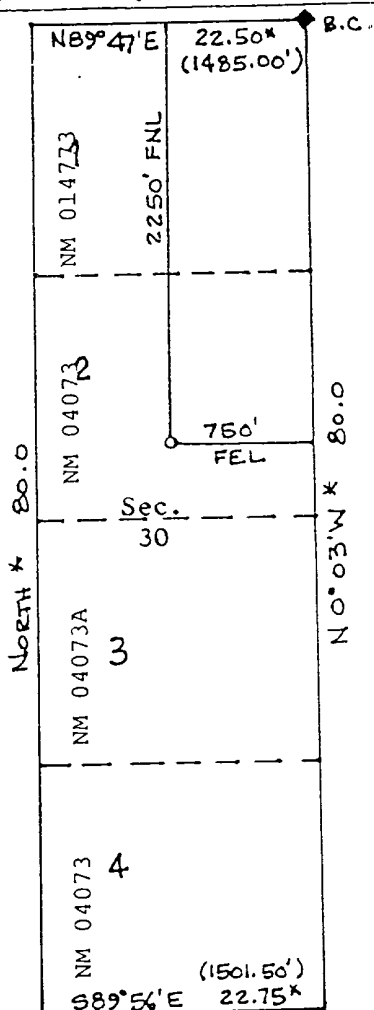
☒ Yes ☐ No If answer is "yes," type of consolidation Communitization

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 Division.

*Record GLO plat

♦Fd. GLO 1916 B.C.



RECEIVED

AUG 06 1986

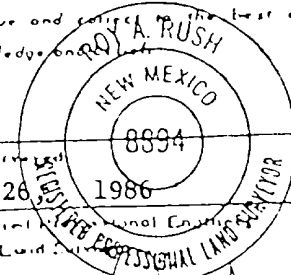
BUREAU OF LAND MANAGEMENT
FARMINGTON RESOURCE AREA

CERTIFICATION

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

Niche
Steve S. Dunn
Position
Operations Manager
Company
Merrion Oil & Gas Corporation
Date
7/28/86

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.



Date Surveyed
June 28, 1986
Registered Professional Engineer
under Land Surveying Laws of New Mexico
Certificate No. 8894

Vicinity map for:
MERRION OIL & GAS
Megabyte No. 1
2250' FNL & 750' FEL
Sec. 30, T26N, R2W
Rio Arriba Cnty., N.M.
Loc. Grnd. Elev. 7449