



NEW MEXICO ENERGY, MINERALS  
& NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION  
2040 South Pacheco Street  
Santa Fe, New Mexico 87505  
(505) 827-7131

May 3, 1999

Merrion Oil & Gas Corporation  
610 Reilly Avenue  
Farmington, New Mexico 87401  
Attention: George Sharpe

RECEIVED  
MAY - 4 1999  
OIL CON. DIV.  
DIST. 3

Telefax No. (505) 326-5900

Administrative Order NSL-4275

Dear Mr. Sharpe:

Reference is made to your application dated April 7, 1999 for an exception to the well location requirements provided within the "Special Rules for the Blanco-Mesaverde Pool," as promulgated by Division Order No. R-10987-A, issued in Division Case No. 12069 dated February 1, 1999, for an unorthodox Blanco-Mesaverde infill gas well location in an existing non-standard 160-acre gas spacing and proration unit ("GPU") for the Blanco-Mesaverde Pool comprising the SW/4 of Section 32, Township 30 North, Range 7 West, NMPM, Rio Arriba County, New Mexico (approved by Division Order No. R-8320, issued in Case No. 8972 dated October 9, 1986). This unit is currently dedicated to Merrion Oil & Gas Corporation's Ired State Well No. 1-R (API No. 30-039-25416), located at a standard gas well location 1050 feet from the South line and 790 feet from the West line (Unit M) of Section 32.

The application has been duly filed under the provisions of Rules 104.F and 605.B of the Rules and Regulations of the New Mexico Oil Conservation Division ("Division").

By the authority granted me under the provisions of Division Rule 104.F(2), the following described well to be drilled at an unorthodox infill gas well location on this 160-acre GPU in Section 32 is hereby approved:

**Ired State Well No. 1-A  
1995' FSL & 1945' FWL (Unit K) - 30-039-26160  
(API No. 30-039-26160).**

Further, both of the aforementioned Ired State Well Nos. 1-R and 1-A and existing 160-acre GPU will be subject to all existing rules, regulations, policies, and procedures applicable to prorated gas pools in Northwest, New Mexico.

Sincerely,

Lori Wrotenbery  
Director  
LW/MES/kv

cc: New Mexico Oil Conservation Division - Aztec ✓  
New Mexico State Land Office - Santa Fe

# **MERRION**

OIL & GAS

April 7, 1999

**RECEIVED**  
APR - 9 1999  
**OIL CON. DIV.**  
EXL 3

Mr. Michael E. Stogner  
New Mexico Oil Conservation Division  
2040 S. Pacheco St.  
Santa Fe, New Mexico 87505

**Re: Application of Merrion Oil & Gas Corp.**  
**Non-Standard Location**  
**Ired State 1A**  
**Blanco Mesaverde Pool**  
**SW/4 Section 32, T30N, R7W**  
**Rio Arriba County, New Mexico**

Dear Mr. Stogner:

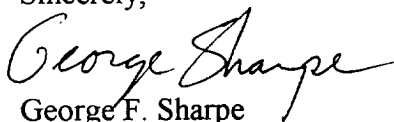
Merrion Oil & Gas Corporation (Merrion) requests administrative approval for a non-standard location for the subject well. Merrion has submitted an APD to drill the subject well 1945' FWL and 1995' FSL of Section 32, T30N, R7W. Since the well is only 645 feet from the northern boundary of the spacing unit, it is non-standard by 15 feet.

Exhibit 1 is the C-102 for the well and Exhibit 2 is a topographic map showing the proposed well location. We originally planned to drill the well at 1950' FWL and 1950' FSL. However, that was pushing us up against the edge of a large rock outcrop, an impossible spot to build the location. We had to move the well slightly north to get away from the cliff so that we had room for the location.

Exhibit 3 is a map showing the offset operators to the north of our spacing unit. Exhibit 4 is an address listing of the offset operators. Each operator received a certified copy of this application.

Please notify me at (505) 327-9801, ext. 114 if additional information is needed.

Sincerely,



George F. Sharpe  
Manager - Oil & Gas Investments

Xc: Well file

✓ Frank Chavez - Aztec OCD

District I  
 P.O. Box 1980, Hobbs, NM 88240-1980  
 District II  
 P.O. Drawer 600, Artesia, NM 88201-6719  
 District III  
 1000 Rio Grande Rd., Aztec, NM 87410  
 District IV  
 P.O. 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

* A/P Number		* Pool Code 72319	* Pool Name Blanco Mesaverde
* Property Code 14133	* Property Name IRED State		* Well Number 1A
* OUCRD No. 014634	* Operator Name Merrion Oil & Gas Corporation		* Depth 6210'

" Surface Location

UL or Sub sec.	Section	Township	Range	Lot file	Feet from the	North/South line	Feet from the	East/West line	County
K	32	30 N	7 W		1995'	South	1945'	West	Rio Arriba

" Bottom Hole Location If Different From Surface

UL or Sub sec.	Section	Township	Range	Lot file	Feet from the	North/South line	Feet from the	East/West line	County

" Dedicated Name 160	" Unit or Lot Y	" Consolidation Code	" Order No. Applying for NSL
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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

<div style="text-align: center;"> <p>10</p> <p><b>RECEIVED</b> APR - 9 1999</p> <p><b>OIL CON. DIV.</b> <b>EXHIBIT 1</b> <b>DIST. 3</b></p> </div>				<p><b>1. OPERATOR CERTIFICATION</b></p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</p> <p><i>Steven S. Dunn</i> Signature</p> <p>Steven S. Dunn Printed Name</p> <p>Drilling &amp; Production Manager Title</p> <p>March 31, 1999 Date</p>	
				<p><b>2. SURVEYOR CERTIFICATION</b></p> <p>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.</p> <p>Date of Survey Signature and Title of Professional Surveyor</p> <p><i>6844</i> 6844</p> <p>REGISTERED LAND SURVEYOR 6844</p> <p>Certification Number</p>	

# Merrion Oil & Gas Corporation

## IRED 1A

### Topographic Map

1950' fsl & 1950' fwl (ne sw)

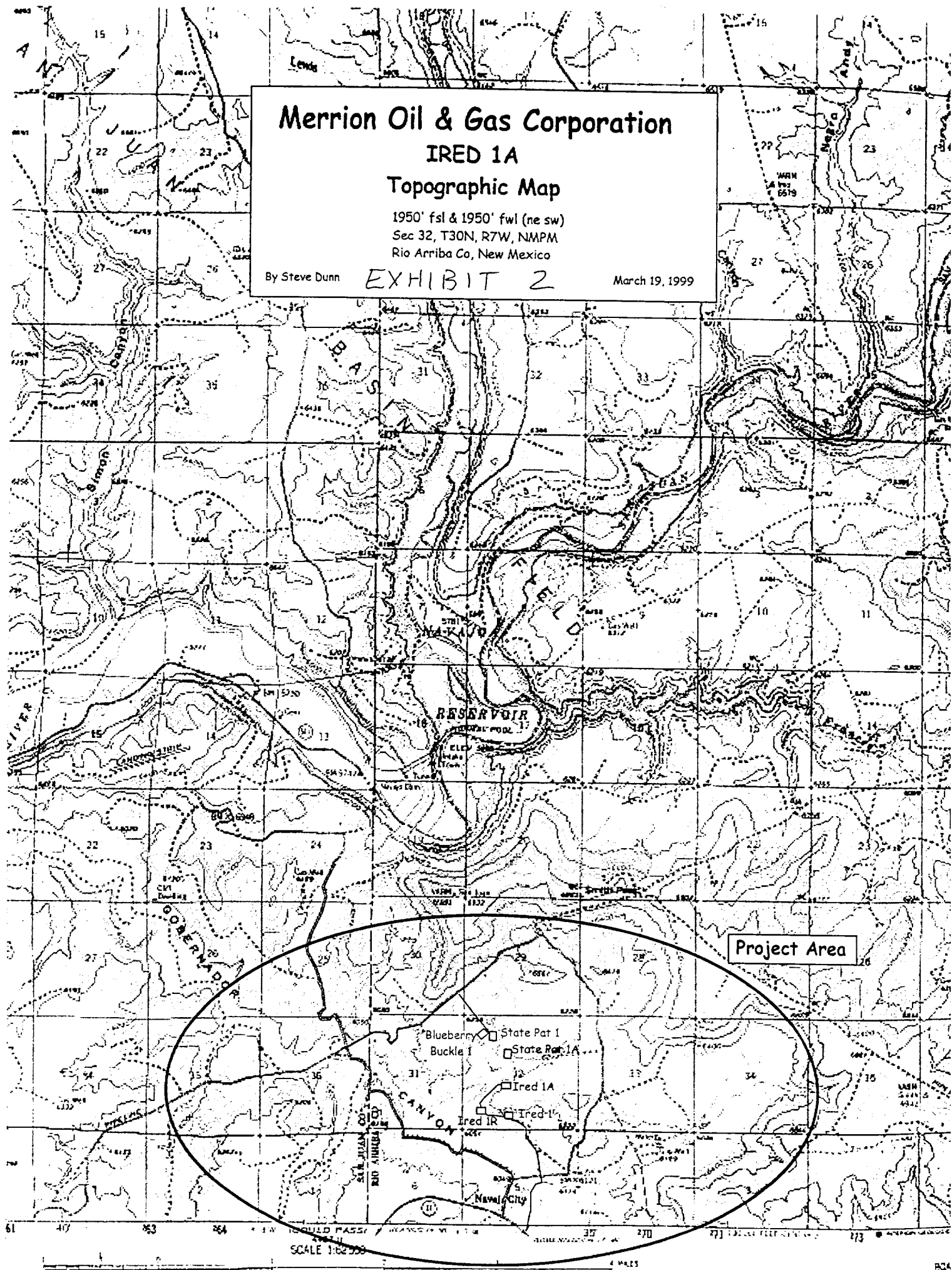
Sec 32, T30N, R7W, NMPM

Rio Arriba Co, New Mexico

By Steve Dunn

EXHIBIT 2

March 19, 1999



**EXHIBIT 3**  
**OFFSET OPERATOR PLAT**  
**IREN STATE 1A NON-STANDARD LOCATION**

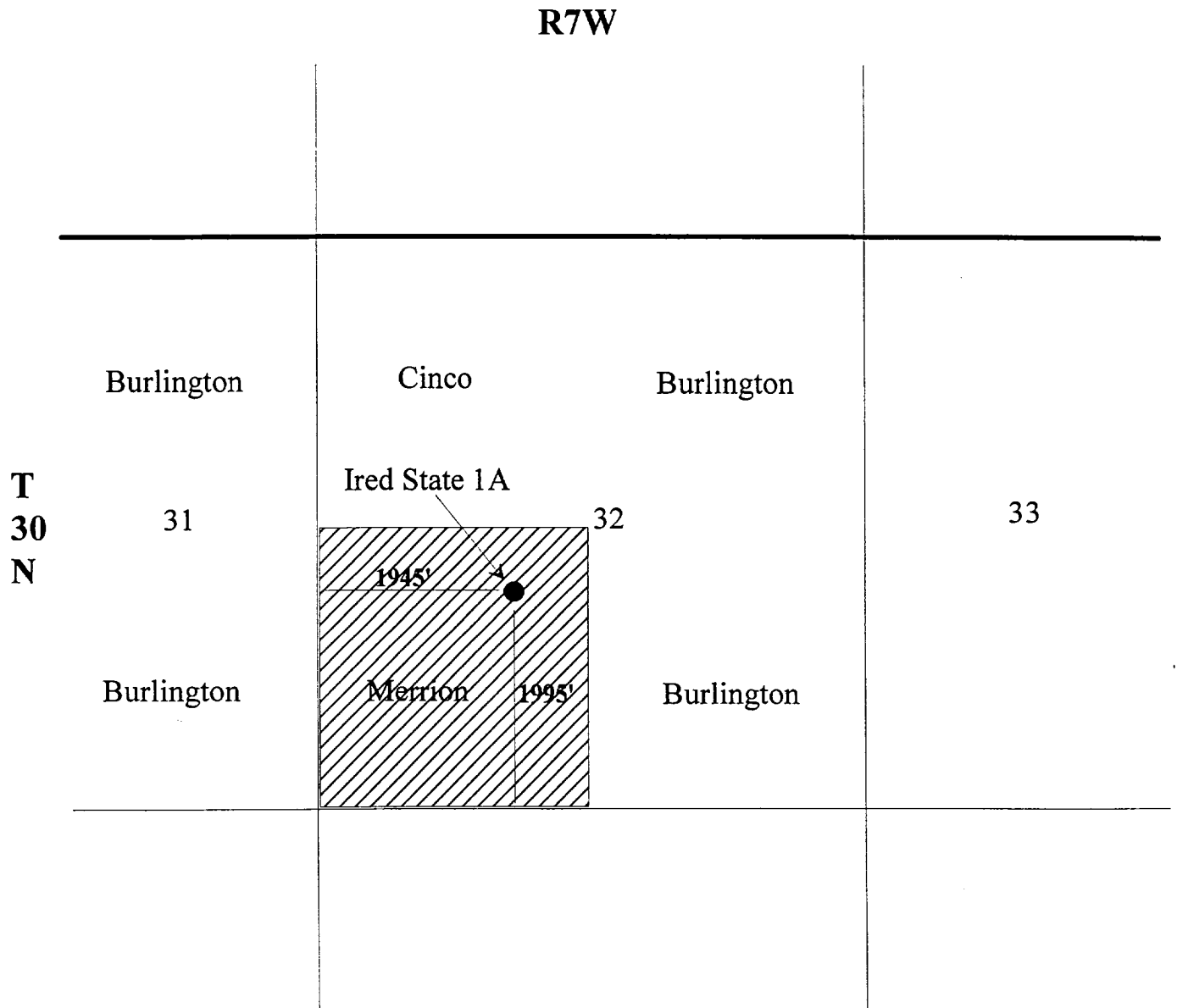


Exhibit 4

Offset Operator Notification  
Ired State 1A  
Non-Standard Location

To: Offset Operators

If you have questions, please call George Sharpe at (505) 327-9801, ext. 114. If you have any objections to this application, please notify the NMOCD in writing within 20 days of receipt of this application.

Mr. Dean Price  
Burlington Resources  
P.O. Box 4289  
Farmington, NM 87499

Mr. Frank Gorham III  
Cinco General Partnership  
P.O. Box 451  
Albuquerque, NM 87103