District III 1000 Rio Brazos Rd., Aztec, NM 87410 Phone:(505) 334-6178 Fax:(505) 334-6170

State of New Mexico

Form C-101 Permit 77231

Energy, Minerals and Natural Resources

Oil Conservation Division 1220 S. St Francis Dr. Santa Fe, NM 87505

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE

1. Operato	r Name and Address	2. OGRID Number		
	OIL & GAS CORP	14634 3. API Number		
	REILLY AVE ON , NM 874012634			
THIGHINGT	011,11111074012034	30-045-34747		
4. Property Code	5. Property Name	6. Well No.		
37222	GLADE PARK	001		

7. Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
E	9	29N	13W	E	1400	N	820	W	SAN JUAN

8. Pool Information

BASIN FRUITLAND COAL (GAS)	71629
phon rections conditions	71047

Additional Well Information

	563			marana	1111011111111		(96)
9. Work Type New Well	2002317	0. Well Type GAS		11. Cable/Rotary		12. Lease Type Private	13. Ground Level Elevation 5354
14. Mühtiple N	15. Prop	osed Depth	16. Formation Fruitland Coal			17. Contractor	18. Spud Date 8/1/2008
Depth to Ground water 17			D	istance from neares	t fiesh water w	ell	Distance to nearest surface water
tit: Liner: Synthetic [Closed Loop Syste	m 🗙	mils thick	Clay	Pit Volume:		Orilling Method: Fresh Water Brine	Diesel/Oil-based Gas/Air

19. Proposed Casing and Cement Program

Туре	Hole Size	Casing Type	Casing Weight/ft	Casing Weight/ft Setting Depth		Estimated TOC
Surf	12.25	8.625	24	120	89	0
Prod	7.875	5.5	15.5	1320	169	0

Casing/Cement Program: Additional Comments

12	Cashig/Centent Program: Additional Conditions	

Proposed Blowout Prevention Program

Туре	Working Pressure	Test Pressure	Manufacturer
DoubleRam	2000	2000	

I hereby certify that the information given of my knowledge and belief. I further certify that the drilling pit w		OIL CONSERVATION DIVISION					
NMOCD guidelines, a general perm OCD-approved plan	nit , or an (attached) alternative	Approved By: Steve Hayden					
Printed Name: Electronically filed	by Esther Greyeyes	Title: Geologist					
Title: Production Tech		Approved Date: 6/20/2008	Expiration Date: 6/20/2010				
Email Address: ejgreyeyes@merri	on.bz	7.45596	6.2 (1)				
Date: 6/19/2008	Phone: 505-324-5310	Conditions of Approval Attac	ched				

District I

1625 N. French Dr., Hobbs, NM 88240 Phone:(505) 393-6161 Fax:(505) 393-0720

<u>District II</u>

1301 W. Grand Ave., Artesia, NM 88210 Phone:(505) 748-1283 Fax:(505) 748-9720

1000 Rio Brazos Rd., Aztec, NM 87410 Phone:(505) 334-6178 Fax:(505) 334-6170

District IV

1220 S. St. Francis Dr., Santa Fe, NM 87505 Phone:(505) 476-3470 Fax:(505) 476-3462

State of New Mexico

Form C-102 Permit 77231

Energy, Minerals and Natural Resources Oil Conservation Division

1220 S. St Francis Dr. Santa Fe, NM 87505

WELL LOCATION AND ACREAGE DEDICATION PLAT

1000					
1. API Number	2. Pool Code	3. Pool Name			
30-045-34747	71629	ITLAND COAL (GAS)			
4. Property Code	5. Property	6. Well No.			
37222	GLADE:	GLADE PARK			
7. OGRID No.	8. Operato	9. Elevation			
14634	MERRION OIL	& GAS CORP	5354		

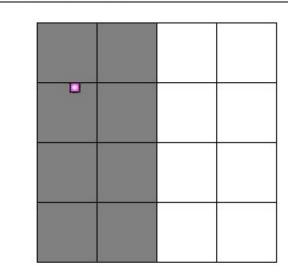
10. Surface Location

ò	UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
	E	9	29N	13W		1400	N	820	w	SAN JUAN

11. Bottom Hole Location If Different From Surface

UL - Lot	Section	To	ownship	wnship Range		Range Lot Idr		Idn	Feet From	N/S L	ine	Feet From	E/W Line	County
107571575	ated Acres		13. 1	foint or Infill		14	. Consolidation (Code			15. Order No.			

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



OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location(s) or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

E-Signed By: Esther Greyeyes Title: Production Tech

Date: 6/19/2008

SURVEYOR CERTIFICATION

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 belief.

Surveyed By: Gerald Huddleston

Date of Survey: 5/8/2008 Certificate Number: 6844

Permit Conditions of Approval

Operator: MERRION OIL & GAS CORP , 14634 Well: GLADE PARK #001

API: 30-045-34747

OCD Reviewer	Condition
ISHAYDEN	Pit, closed loop system, below grade tank, proposed alternative method or closure plan to be designed, applied for, constructed, opersted and closed pursuant to NMOCD Rule 19.15.17, effective 6/16/2008.