

OIL CONSERVATION DIVISION  
MERRION OIL & GAS CORPORATION610 REILLY AVE. • P. O. Box 840  
FARMINGTON, NEW MEXICO 87401

90 SEP 19 AM 8 39

**CERTIFIED MAIL**

September 17, 1990

Mr. William LeMay  
New Mexico Oil Conservation Division  
P. O. Box 2088  
Santa Fe, New Mexico 87503

*Copy sent to E. Burch*  
*11/16/90*

RE: Chaco No. 2  
908' FSL & 1807' FWL  
Section 7, T26N, R12W  
San Juan County, New Mexico

Dear Mr. LeMay:

This is a request for administrative approval for a non-standard gas well location in the Basin Fruitland Pool.

Merrion Oil & Gas has plugged back and recompleted the Chaco No. 2 well from the Pictured Cliffs pool to the Basin Fruitland Coal Pool. The current location of this well is 908' FSL & 1807' FWL, Section 7, T26N, R12W, San Juan County, New Mexico. The well is considered non-standard due to the non-standard width of Section 7 (i.e. the well is too close to the center line). To comply with the New Mexico Oil Conservation Division rules, Merrion is submitting the following for your approval of this non-standard location:

1. C-102 plat showing location of the well;
2. Plat showing offset owners/operators;
3. Affidavit of notification of offset owners/operators;
4. Copy of Well Re-completion Log for original completion.

A copy of this application is being submitted to all offset owners/operators by certified mail with a request that they furnish your Santa Fe office with a Waiver of Objection, and return one copy to this office.

Sincerely yours,

*George F. Sharpe*  
George F. Sharpe  
Reservoir Engineer

GFS/eg

Enclosures

CC: Well File

**CHACO NO. 2**

908' FSL & 1807' FWL  
Section 7, T26N, R12W  
San Juan County, New Mexico

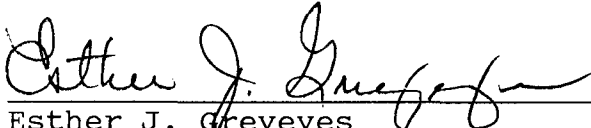
I hereby certify that the following offset owners/operators have been notified by certified mail of our application for administrative approval for non-standard gas well location for the plugback and recompletion of the above well.

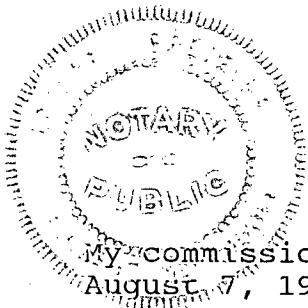
Dugan Petroleum Corporation  
P. O. Box 420  
Farmington, New Mexico 87499

Southern Union Exploration  
Box NBU 3001  
Farmington, New Mexico 87499

B.I.A.  
Minerals Department  
Attn: Ervin Peshlakai  
P. O. Box M  
Window Rock, Arizona 86515

San Juan County  
State of New Mexico

  
\_\_\_\_\_  
Esther J. Greyeyes  
September 17, 1990



My commission expires:  
August 7, 1994

New Mexico Oil Conservation Division  
Page Two  
September 17, 1990

**WAIVER**

\_\_\_\_\_ hereby waives objection to  
Merrion Oil & Gas Corporation's application for a non-standard  
location for their Chaco No. 2 as proposed above.

By: \_\_\_\_\_ Date: \_\_\_\_\_

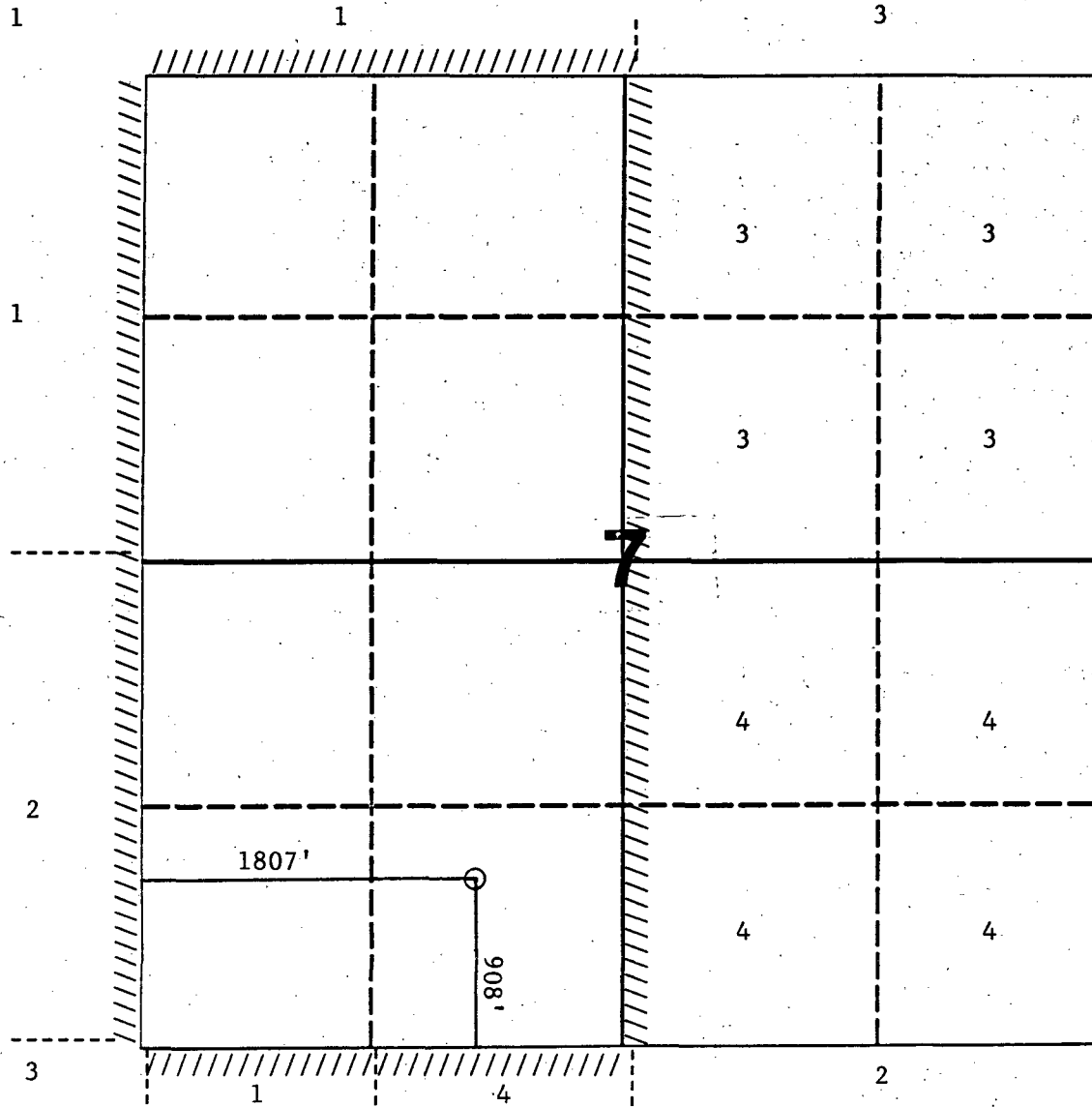
CC: Dugan Petroleum Corp-Fmgtn,NM  
B.I.A.-Window Rock, AZ  
Southern Union Exploration-Fmtgn,NM  
Well File

MERRION OIL & GAS CORPORATION

**CHACO NO. 2**

908' FSL & 1807' FWL  
Section 7, T26N, R12W  
San Juan County, New Mexico

APPLICATION FOR NON-STANDARD PRORATION UNIT



- REMARKS: 1) Merrion Oil & Gas Corporation, P. O. Box 840, Farmington, NM 87499
- 2) Dugan Production, P. O. Box 420 Farmington, NM 87499
- 3) B.I.A.-Minerals Dept, Attn: Ervin Peshlakai, Box M, Window Rock, AZ 86515
- 4) Southern Union Exploration, Box NBU 3001, Farmington, New Mexico 87499

# OIL CONSERVATION DIVISION

DISTRICT I  
P.O. Box 1980, Hobbs, NM 88240

P.O. Box 2088  
Santa Fe, New Mexico 87504-2088

DISTRICT II  
P.O. Drawer DD, Artesia, NM 88210

DISTRICT III  
1000 Rio Brazos Rd., Aztec, NM 87410

## WELL LOCATION AND ACREAGE DEDICATION PLAT

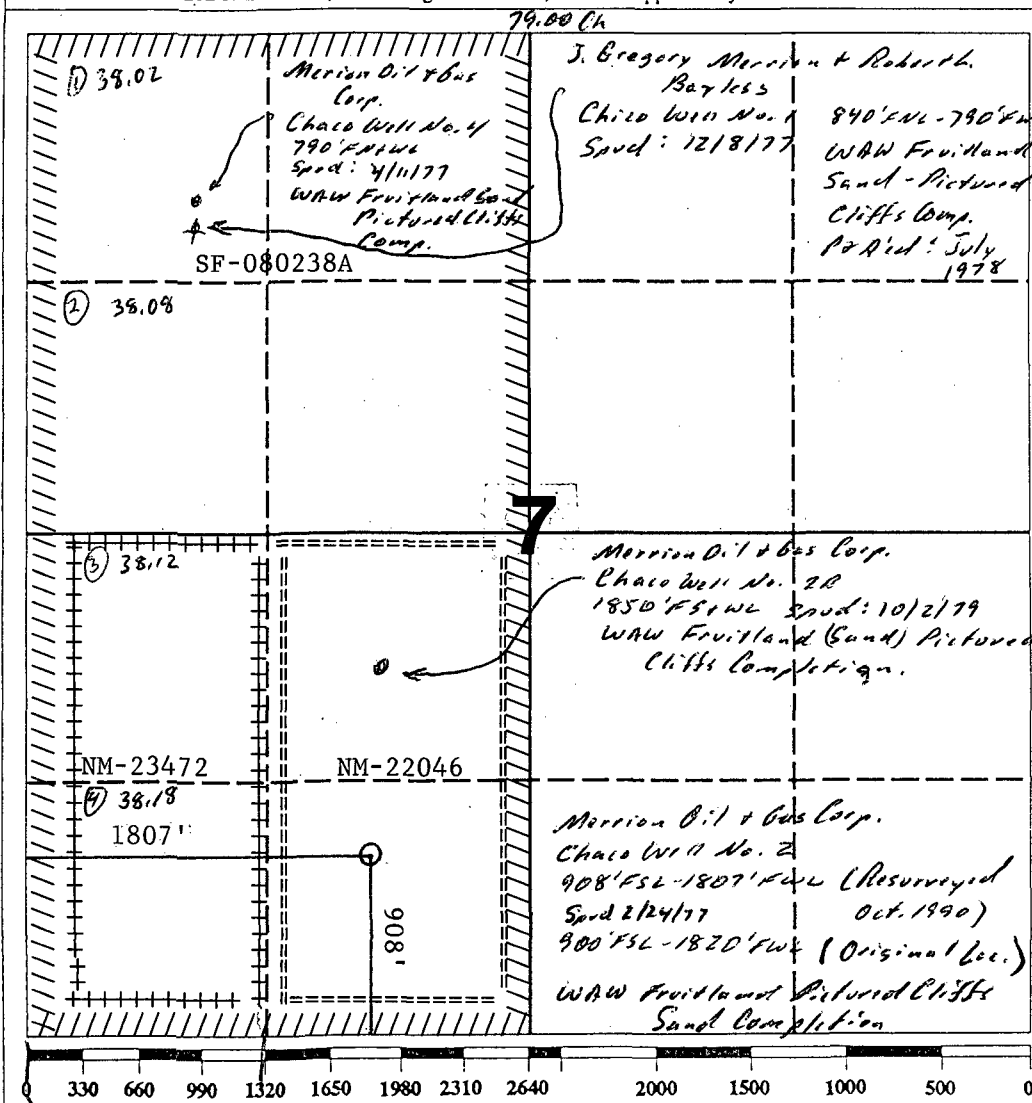
All Distances must be from the outer boundaries of the section

Operator <b>Merrion Oil &amp; Gas Corporation</b>			Lease <b>Chaco</b>		Well No. <b>2</b>
Unit Letter <b>N</b>	Section <b>7</b>	Township <b>26N</b>	Range <b>12W</b>	County <b>NMPM San Juan</b>	
Actual Footage Location of Well: <b>908</b> feet from the <b>South</b> line and <b>1807</b> feet from the <b>West</b> line					
Ground level Elev. <b>5958'</b>	Producing Formation <b>Fruitland</b>		Pool <b>Basin</b>	Dedicated Acreage: <b>320</b> Acres	

- 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 interest of all owners been consolidated by communization, unitization, force-pooling, etc.?  
☐ Yes ☐ No If answer is "yes" type of consolidation \_\_\_\_\_

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 communization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interest, 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.

Signature: *George F. Sharpe*  
Printed Name: **George F. Sharpe**  
Position: **Reservoir Engineer**  
Company: **Merrion Oil & Gas Corp.**  
Date: **September 17, 1990**

### 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 knowledge and belief.

Date Surveyed

Signature & Seal of Professional Surveyor

Certificate No.

19.10

79.10 Ch

1260.6

1136  
8640  
1807  
833

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

SUBMIT IN TRIPLICATE\*  
(Other instructions on re-  
verse side)

Form approved.  
Budget Bureau No. 1004-0135  
Expires August 31, 1985

SUNDRY NOTICES AND REPORTS ON WELLS

(Do not use this form for proposals to drill or to deepen or plug back to a different reservoir.  
Use "APPLICATION FOR PERMIT—" for such proposals.)

1. OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER		5. LEASE DESIGNATION AND SERIAL NO. NM-22046
2. NAME OF OPERATOR Merrion Oil & Gas Corporation		6. IF INDIAN, ALLOTTEE OR TRIBE NAME
3. ADDRESS OF OPERATOR P. O. Box 840, Farmington, New Mexico 87499		7. UNIT AGREEMENT NAME
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.* See also space 17 below.) At surface 908' FSL & 1807' FWL		8. FARM OR LEASE NAME Chaco
14. PERMIT NO.		9. WELL NO. 2
15. ELEVATIONS (Show whether DF, RT, GR, etc.) 5958' GL		10. FIELD AND POOL, OR WILDCAT Basin Fruitland
		11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA Section 7, T26N, R12W
		12. COUNTY OR PARISH San Juan
		13. STATE New Mexico

16. Check Appropriate Box To Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
TEST WATER SHUT-OFF <input type="checkbox"/>	PULL OR ALTER CASING <input type="checkbox"/>	WATER SHUT-OFF <input type="checkbox"/>	REPAIRING WELL <input type="checkbox"/>
FRACTURE TREAT <input type="checkbox"/>	MULTIPLE COMPLETE <input type="checkbox"/>	FRACTURE TREATMENT <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
SHOOT OR ACIDIZE <input type="checkbox"/>	ABANDON* <input type="checkbox"/>	SHOOTING OR ACIDIZING <input type="checkbox"/>	ABANDONMENT* <input type="checkbox"/>
REPAIR WELL <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	(Other) Footage Change <input checked="" type="checkbox"/>	
(Other) <input type="checkbox"/>		(NOTE: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)	

17. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)\*

Footage on this well has changed to 908' FSL & 1807' FWL FROM 900' FSL & 1820' FWL,  
the rest of the information stays the same.

18. I hereby certify that the foregoing is true and correct

SIGNED George F. Sharpe TITLE Reservoir Engineer DATE 9/17/90

(This space for Federal or State office use)

APPROVED BY \_\_\_\_\_ TITLE \_\_\_\_\_ DATE \_\_\_\_\_

CONDITIONS OF APPROVAL, IF ANY:

CC: O+5 (BLM)

1 (Well File)

1 NMOC D w/NSL letter

\*See Instructions on Reverse Side

P 565 381 753

## RECEIPT FOR CERTIFIED MAIL

NO INSURANCE COVERAGE PROVIDED  
NOT FOR INTERNATIONAL MAIL  
(See Reverse)

U.S.G.P.O. 1989-234-555

PS Form 3800, June 1985

Sent to <b>Southern Union Exploration</b>	
Street and No. <b>Box NBU 3001</b>	
P.O. State and ZIP Code <b>Farmington, New Mexico 87499</b>	
Postage	\$ <b>.45</b>
Certified Fee	<b>1.75</b>
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt showing to whom and Date Delivered	
Return Receipt showing to whom, Date, and Address of Delivery	
TOTAL Postage and Fees	\$ <b>2.20</b>
Postmark or Date <b>9/17/90</b>	
<b>NSL - Chaco #2</b>	

P 565 381 759

## RECEIPT FOR CERTIFIED MAIL

NO INSURANCE COVERAGE PROVIDED  
NOT FOR INTERNATIONAL MAIL  
(See Reverse)

U.S.G.P.O. 1989-234-555

PS Form 3800, June 1985

Sent to <b>B.I.A.</b>	
<b>Minerals Department</b>	
Street and No. <b>Atan and Ervin Peshlakai</b>	
<b>P. O. Box M</b>	
P.O. State and ZIP Code <b>Window Rock, AZ 86515</b>	
Postage	\$ <b>.45</b>
Certified Fee	<b>1.75</b>
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt showing to whom and Date Delivered	
Return Receipt showing to whom, Date, and Address of Delivery	
TOTAL Postage and Fees	\$ <b>2.20</b>
Postmark or Date <b>9/17/90</b>	
<b>NSL (Chaco #2)</b>	

P 565 381 752

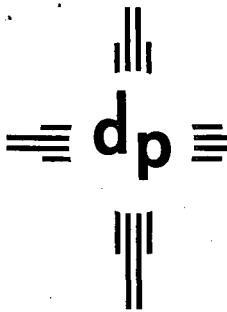
## RECEIPT FOR CERTIFIED MAIL

NO INSURANCE COVERAGE PROVIDED  
NOT FOR INTERNATIONAL MAIL  
(See Reverse)

U.S.G.P.O. 1989-234-555

PS Form 3800, June 1985

Sent to <b>Dugan Petroleum Corporation</b>	
Street and No. <b>P. O. Box 420</b>	
P.O. State and ZIP Code <b>Farmington, New Mexico 87499</b>	
Postage	\$ <b>.45</b>
Certified Fee	<b>1.75</b>
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt showing to whom and Date Delivered	
Return Receipt showing to whom, Date, and Address of Delivery	
TOTAL Postage and Fees	\$ <b>2.20</b>
Postmark or Date <b>9/17/90</b>	
<b>NSL - Chaco #2</b>	



dugan production corp.

'90 SEP 24 AM 9 25

September 20, 1990

New Mexico Oil Conservation Division  
P. O. Box 2088  
Santa Fe, NM 87503-2088

Attn: Mr. William LeMay

RE: Application for Non-Standard Location  
Chaco No. 2  
908' FSL & 1807' FWL  
Section 7-T26N-R12W  
San Juan County, NM

Dear Mr. LeMay:

Enclosed is a Waiver of Objection executed by Dugan Production Corp. for a non-standard location requested by Merrion Oil and Gas which covers the captioned well.

If you have any questions pertaining to the enclosed information, please contact me.

Sincerely,

Richard Corcoran  
Land Manager

RC/mmm

Enclosures

cc: Merrion Oil and Gas

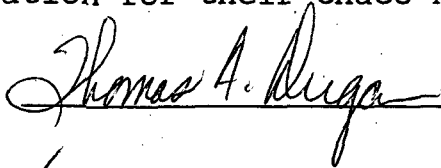


New Mexico Oil Conservation Division  
Page Two  
September 17, 1990

WAIVER

DUGAN PRODUCTION CORP. hereby waives objection to  
Merrion Oil & Gas Corporation's application for a non-standard  
location for their Chaco No. 2 as proposed above.

By:



Date: September 20, 1990

CC: ✓ Dugan Petroleum Corp-Fmgtn, NM  
B.I.A.-Window Rock, AZ  
Southern Union Exploration-Fmtgn, NM  
Well File