105128740

3/7/01 NSL

15

MERRION

OIL & GAS

February 13, 2001

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

RE: Application of Merrion Oil & Gas Non-Standard Location Bartens Park Com #1 (30-045-30493) Fulcher Kutz Pictured Cliffs Pool SE/4 Section 36, T30N, R13W San Juan County, New Mexico

Dear Mr. Stogner:

Merrion Oil & Gas Corp. (Merrion) requests administrative approval for a non-standard location for the subject well for topographic reasons.

Enclosed in support of this application are the following:

Exhibit 1: C-102 PlatExhibit 2: City of Farmington Zoning Map for Section 36Exhibit 3: County Ownership PlatExhibit 4: Offset Operator Plat

The well will be completed as a well in the Fulcher Kutz Pictured Cliffs Pool. The well is non-standard because it is too close to the northern boundary of the spacing unit. The well is staked within the Farmington City limits in a residential area.

Finding an acceptable drilling location within the city limits is a near impossibility. This particular quarter section straddles Main Street and contains a mall on one side and a Sams and Wallmart store on the other. Luckily, there is an existing Dakota well pad in the very north of the quarter section that is the <u>only</u> possible location for a well. As Exhibit 2 and 3 show, moving the well further south is not an option for the well.

The well is encroaching on the NE/4 of Section 36, T30N, R13W to the north of the location. The Blackshawl Com 1 well is staked in the very northern part of that NE/4 spacing unit, approximately 2400 feet from the Bartens Park Com 1 well. In addition, Merrion is the owner and operator of that well. Therefore, no additional notification of offset owners was necessary.

Please call me at 505-327-9801 ext 114 if additional information is needed.

Yours truly, × lorge

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George Sharpe Manager, Oil & Gas Investments

cc Frank Chavez, NMOCD – Aztec Well File

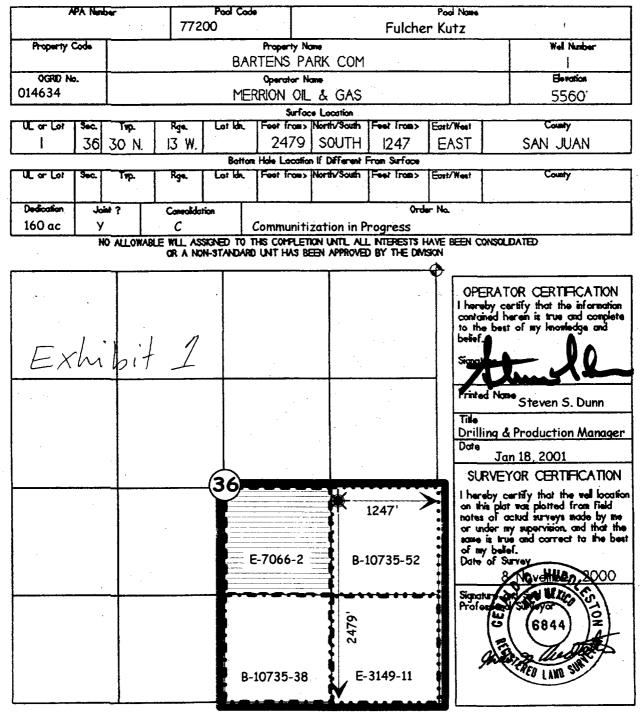
S\invest\gfs\2001corres\bartens park 1 nonstd app

State of New Mexico Energy. Minerals & Mining Resources Department

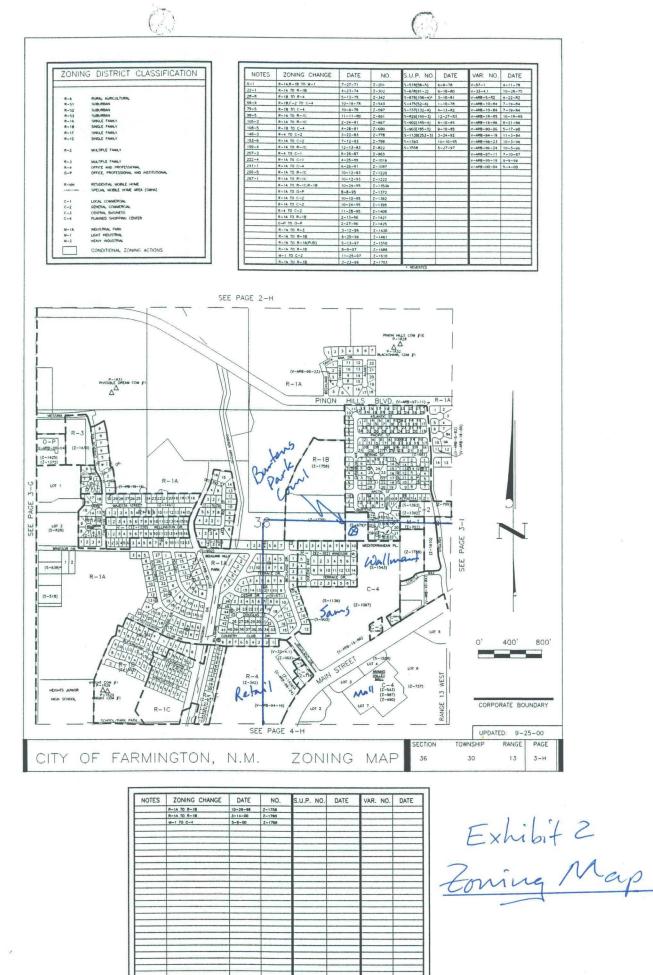
OL CONSERVATION DIVISION 2040 South Pacheco Santa Fe, NM 87505

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT



Form C - 102



• ROERED

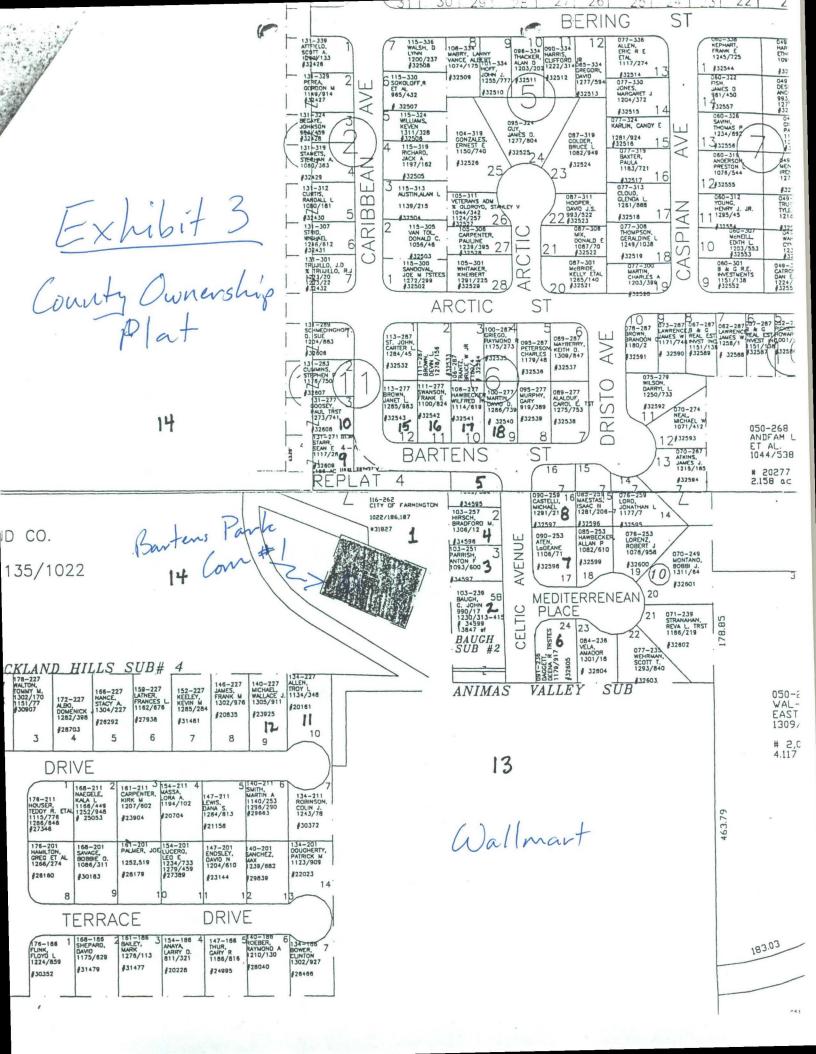
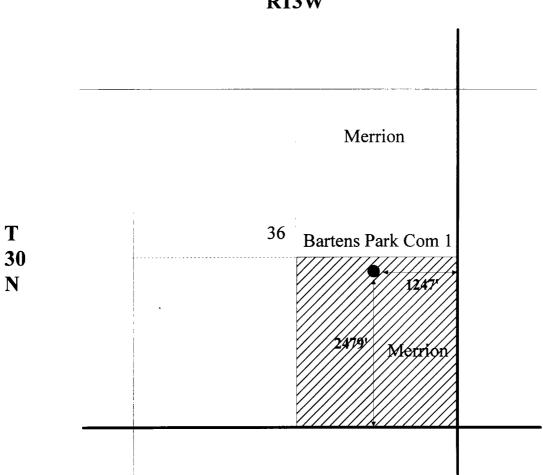


EXHIBIT 4 OFFSET OPERATOR PLAT BARTENS PARK COM 1 NON-STANDARD LOCATION APPLICATION



R13W

Stogner, Michael

From:Hayden, StevenSent:Wednesday, February 07, 2001 3:44 PMTo:Stogner, MichaelSubject:RE: 2 Merrion NSL requests

The fifth one just came in a week or so ago and is still in the works with the city, I'm sure you will see it soon.

| From: | Stogner, Michael |
|----------|--------------------------------------|
| Sent: | Wednesday, February 07, 2001 3:43 PM |
| To: | Hayden, Steven |
| Subject: | RE: 2 Merrion NSL requests |

I show to have only four. Thanks. Consider the Heights Com #1-E and Pinon Hills #1-E processed and approved. The other two (Knight Com. #1 and Blackshawl Com. #1) I'll try to get out this week. Thanks again Steve.

From: Hayden, Steven Sent: Wednesday, February 07, 2001 2:56 PM To: Stogner, Michael Subject: RE: 2 Merrion NSL requests

There were a total of five wells that Merrion has applied to drill within the city limits of Farmington that are all constrained by the location of things like schools. The city has OKed four of them so far. As long as they can get the city's approval, I would not object to non-standard locations. They appear to have done things right on this. I talked to the city engineer about this a couple of weeks ago and he is satisfied.

Steve

 From:
 Stogner, Michael

 Sent:
 Wednesday, February 07, 2001 2:25 PM

 To:
 Hayden, Steven; Perrin, Charlie

 Subject:
 FW: 2 Merrion NSL requests

While ya'll are reviewing the two Merrion wells below, I should soon be getting down to two other Merrion applications that are in the same section: (1) Knight Com. #1 and (2) Blackshawl Com. #1, both PC wells. Your thoughts on those. Thanks.

From:Stogner, MichaelSent:Wednesday, February 07, 2001 1:47 PMTo:Hayden, Steven; Perrin, Charlie; Valdes, KathySubject:2 Merrion NSL requests

Attached are two draft NSL orders for Merrion's Heights Well No. 1-E and Pinon Hills Com. Well No. 1-E, both in Sec. 36-T30N-R13W, Basin-Dakota Pool. Within the applications, both dated Jan. 8th, Merrion shows copies were provided Aztec. Since I haven't seen anything from Aztec can I assume both are OK to release? If there are problems call me ASAP and I'll stop them. Thanks.

<<File: DKNFL038.doc>><<File: DKNFL037.doc>>

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02/18/68

PF02

PF07 BKWD PF08 FWD

CMD : ONGARD OG5SECT INQUIRE LAND BY SECTION Sec : 36 Twp : 30N Rng : 13W Section Type : NORMAL С В D Α 40.00 40.00 40.00 40.00 CS CS CS CS E07066 0003 E03149 0012 E07066 0003 E03149 0012 MERRION OIL & GAS | MERRION OIL & GAS | MERRION OIL & GAS | MERRION OIL & GAS 12/10/59 04/10/63 04/10/63 12/10/59 C | C С С A A A A Е F G Η 40.00 40.00 40.00 40.00

08/01/99

PF03 EXIT

PF09 PRINT

CS

CROSS TIMBERS OIL | CROSS TIMBERS OIL | MERRION OIL & GAS | CROSS TIMBERS OII

С

PF04 GoTo

PF10 SDIV

E03149 0012

12/10/59

PF05

PF11

CS

C

VC0014 0002

CS

PF01 HELP

С

OG2004 0001

Date: 3/10/2001 Time: 02:12:03 PM

03/10/01 13:47:40

CS

С

OG2004 0001

PF06

PF12

02/18/68

OGOMES -TPEY

PAGE NO: 1

| CMD : OG5SECT | ONGARD INQUIRE LAND H | 03/10/01 13:47:44 OGOMES -TPEY PAGE NO: 2 | | | | | | |
|--|--------------------------|---|-------------------|--|--|--|--|--|
| Sec : 36 Twp : 30N Rng : 13W Section Type : NORMAL | | | | | | | | |
| L | К | J | I | | | | | |
| 40.00 | 40.00 | 40.00 | 40.00 | | | | | |
| CS | CS CS | | CS | | | | | |
| E07066 0003 | VC0014 0002 | E07066 0003 | B10735 0052 | | | | | |
| MERRION OIL & GAS | CROSS TIMBERS OIL | MERRION OIL & GAS | ENRON OIL & GAS C | | | | | |
| C 04/10/63 | C 08/01/99 | C 04/10/63 | C 10/20/53 | | | | | |
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| M | N | 0 | P | | | | | |
| 40.00 | 40.00 | 40.00 | 40.00 | | | | | |
| CS | CS CS | CS | CS | | | | | |
| E00453 0022 | B11242 0050 | B10735 0038 | E03149 0012 | | | | | |
| DUGAN PRODUCTION | CROSS TIMBERS OIL | EVKO DEVELOPMENT | MERRION OIL & GAS | | | | | |
| C 07/16/55 | C 05/26/54 | C 10/20/53 | C 12/10/59 | | | | | |
| AA | | | | | | | | |
| | | | | | | | | |

| PF01 HELP | PF02 | PF03 EXIT | PF04 GoTo | PF05 | PF06 |
|-----------|----------|------------|-----------|------|------|
| PF07 BKWD | PF08 FWD | PF09 PRINT | PF10 SDIV | PF11 | PF12 |

03/10/01 13:48:15 ONGARD CMD : C101-APPLICATION FOR PERMIT TO DRILL OGOMES - TPEY OG6C101 OGRID Idn : 14634 API Well No: 30 45 30493 APD Status(A/C/P): A Opr Name, Addr: MERRION OIL & GAS CORP Aprvl/Cncl Date : 01-18-2001 610 REILLY AVE FARMINGTON, NM 87401-2634 Well No: 1 Prop Idn: 27329 BARTENS PARK COM U/L Sec Township Range Lot Idn North/South East/West Surface Locn : I 36 30N 13W FTG 2479 F S FTG 1247 F E OCD U/L : I API County : 45 Work typ (N/E/D/P/A) : N Well typ (O/G/M/I/S/W/C) : G Cable/Rotary (C/R) : F Lease typ(F/S/P/N/J/U/I): S Ground Level Elevation : 5560 Multiple Comp (S/M/C) : S State Lease No: Prpsd Depth : 1700 Prpsd Frmtn : FULCHER KUTZ PICTURED CLIFFS E0009: Enter data to modify record PF03 EXIT PF04 GOTO PF05 PF06 CONFIRM PF09 PRINT PF10 C102 PF11 HISTORY PF12 PF01 HELP PF02 PF07 PF08