

Submit 3 Copies To Appropriate District Office
District I
1625 N. French Dr., Hobbs, NM 88240
District II
811 South First, Artesia, NM 88210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources

OIL CONSERVATION DIVISION
2040 South Pacheco
Santa Fe, NM 87505

Form C-103
Revised March 25, 1999

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" (FORM C-101) FOR SUCH PROPOSALS.)		WELL API NO. 30-045-30238
1. Type of Well: Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other <input type="checkbox"/>		5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
2. Name of Operator Merrion Oil & Gas		6. State Oil & Gas Lease No.
3. Address of Operator 610 Reilly Ave, Farmington, NM 87401		7. Lease Name or Unit Agreement Name: Shank Com
4. Well Location Unit Letter M : 865 feet from the South line and 810 feet from the West line. Section 2 Township 26N Range 13W San Juan County		8. Well No. 2
10. Elevation (Show whether DR, RKB, RT, GR, etc.) 6064' GR		9. Pool name or Wildcat Basin Fruitland Coal/WAW PC

11. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐
TEMPORARILY ABANDON ☐ CHANGE PLANS ☐
PULL OR ALTER CASING ☐ MULTIPLE COMPLETION ☐

OTHER: Downhole Commingle ☒

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING OPNS. ☐ PLUG AND ABANDONMENT ☐
CASING TEST AND CEMENT JOB ☐

OTHER: ☐

12. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompilation.

Merrion Oil & Gas proposes to complete the Basin Fruitland Coal and to commingle the Basin Fruitland Coal and WAW Pictured Cliffs according to the attached procedure.

See attached supporting data.

Basin Fruitland coal 67 %
WAW FS PC 33 %

DHC 1358A2

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

SIGNATURE [Signature] TITLE Production Engineer DATE 12/02/03

Type or print name Connie S. Dinning Telephone No. 327-9801
(This space for State use)

APPROVED BY [Signature] TITLE DEPUTY OIL & GAS INSPECTOR, DIST. 88 DATE DEC - 5 2003
Conditions of approval, if any: reevaluate production allocation by subtraction method after DHC is complete

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State of New Mexico
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION
2040 South Pacheco
Santa Fe, NM 87505

Form C-102
 Revised August 15, 2000
 Submit to Appropriate District Office
 State Lease - 4 Copies
 Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-045-30238		² Pool Code 71629		³ Pool Name Basin Fruitland Coal	
⁴ Property Code 22342		⁵ Property Name Shank Com			⁶ Well Number 2
⁷ OGRID No. 014634		⁸ Operator Name Merrion Oil & Gas			⁹ Elevation 6064' GR


¹⁰ Surface Location

UL or lot no. M	Section 2	Township 26N	Range 13 W	Lot Idn SWSW	Feet from the 865	North/South line South	Feet from the 810	East/West line West	County San Juan
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¹¹ Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
¹² Dedicated Acres 320	¹³ Joint 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

¹⁶ Lease No. E-9707 1840' fml Shank Com No. 1 1840' fwl				¹⁷ OPERATOR CERTIFICATION <i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</i>  Signature Connie S. Dinning Printed Name Production Engineer Title December 3, 2003 Date
Shank Com No. 2 810' fwl 865' fsl Lease No. E-3555				¹⁸ SURVEYOR CERTIFICATION <i>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.</i> Date of Survey Signature and Seal of Professional Surveyor: Certificate Number

**SUPPORTING DATA FOR C-103
SHANK COM NO. 2 COMMINGLE
BASIN FRUITLAND COAL (71629) AND
WAW PICTURED CLIFFS (87190)**

This supplemental information is attached to the C-103 to commingle the subject well in the Basin Fruitland Coal and WAW Pictured Cliffs pools.

1. The Basin Fruitland Coal and WAW Pictured Cliffs have been pre-approved for commingling by order no. R-11363.
2. This well is currently perforated in the Fruitland Sand at 1109', 1117', 1123', 1140', 1147', 1158', 1169', 1177', 1189', 1195', 1201', 1209' and in the Pictured Cliffs from 1242 to 1254' at 1 spf, total 25 holes. We plan to add the Fruitland Coal interval according to the attached procedure from 1214' to 1232'.
3. The Pictured Cliffs is making approximately 50 MCFD as shown on the attached production plot. Pictured Cliffs production just before the commingling will be subtracted from the commingled production rate to determine the contribution from the Fruitland Coal Zone. A constant percentage shall be used to allocate the production between the zones. The production for the Shank Com No. 1, the offset Fruitland Coal well is also attached. We expect similar production of about 100 MCFD from the Fruitland Coal in the Shank Com No. 2. We do not anticipate any loss of production from either zone as a result of downhole commingling.
4. Ownership of the Fruitland Coal and Pictured Cliffs are not the same. Interest owners in both pools have been notified of the proposed commingling.
5. A copy of this application will be sent to the Farmington BLM office.