

**UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT**

Sundry Notices and Reports on Wells

1. Type of Well:

☒ Oil Well ☐ Gas Well ☐ Other:

RECEIVED

MAR 11 2011

2. Name of Operator:

Merrion Oil & Gas Corp

Farmington Field Off.
Bureau of Land Management**3. Address & Phone No. of Operator:**

610 Reilly Ave Farmington, NM 87401 505-324-5300

4. Location of Well, Footage, Sec., T, R, M:

Unit D (NWNW) 812' FNL & 818' FWL, Sec. 24, T26N, R2W, NMPM

5. Lease Number:

NM-105830

6. If Indian, All. Or Tribe Name:

NA

7. Unit Agreement Name:

Communitized

8. Well Name & Number:

Guinea Pig Com #1

9. API Well No.:

30-039-27247

10. Field and Pool:

Gavilan Mancos

11. County and State:

Rio Arriba, NM

RCVD MAR 17 '11

OIL CONS. DIV.

12. CHECK APPROPRIATE BOX TO INDICATE NATURE OF NOTICE, REPORT, OTHER DATA

DIST. 3

Type of Submission:☒ Notice of Intent☐ Subsequent Report☐ Final Abandonment**Type of Action:**☐ Acidize☐ Alter Casing☐ Casing Repair☐ Change of Plans☐ Convert to Injection☐ Deepen☐ Fracture Treat☐ New Construction☐ Plug & Abandon☐ Plug Back☐ Production (Start/Resume)☐ Reclamation☐ Recomplete☐ Temp Abandon☐ Water Disposal☐ Water Shut-off☐ Well Integrity☐ Other:**13. Describe Proposed or Completed Operation:**

Merrion Oil & Gas would like to vent the gas on a temporary basis to evaluate the production. The evaluation period will not exceed 4 months. During the evaluation period the gas volumes will be measured and oil production watched closely. We believe that the reduction of the back pressure will increase the oil production and want the opportunity to evaluate. We will also look at the feasibility of a gas tie-in based on gas volume. We would like to start the evaluation as soon as approval can be granted and gas measurement equipment can be installed. At the end of the evaluation period we will report the results and have a plan for future direction (apply to permanently vent, tie in gas, shut casing back in).

**SEE ATTACHED FOR
CONDITIONS OF APPROVAL**

Comply with NMOC 19.15.18.12

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

Signed Philana Thompson Philana Thompson Title Regulatory Compliance Spec. Date 3-9-11

(This space for Federal or State Office use)

APPROVED BY [Signature] Title Petr. Eng. Date 3/16/11

CONDITION OF APPROVAL, if any:

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

NMOC



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Farmington District Office
1235 La Plata Highway - Suite A
Farmington, New Mexico 87401
www.blm.gov/nm



In Reply Refer To:

Conditions of Approval:

Guinea Pig Com #1
Unit D, Section 24-26N-2W
Lease No. NMNM105830

- Venting is authorized pursuant to NTL 4A Part IV, B. As such, no royalty obligation will be incurred during the evaluation period. The vented volumes must be reported on your Oil and Gas Operations Reports (OGORs) during the venting period.
- Venting will be authorized for a four (4) month evaluation period as proposed. If additional time is required, please contact this office accordingly.
- Within 30 days of completion of the production evaluation, please provide this office with your engineering and economic analysis and future plans for oil and gas development of this well.
- Please take any appropriate and necessary safety precautions at this well site during the venting period.