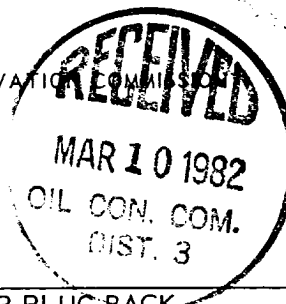


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NEW MEXICO OIL CONSERVATION COMMISSION



30-039-22903

Form C-101
Revised 1-1-65

5A. Indicate Type of Lease	
STATE <input type="checkbox"/>	FEE <input checked="" type="checkbox"/>
5. State Oil & Gas Lease No.	

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. Type of Work		7. Unit Agreement Name	
b. Type of Well OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input type="checkbox"/>		8. Farm or Lease Name Canyon Largo Unit	
2. Name of Operator Merrion Oil & Gas Corporation		9. Well No. 314	
3. Address of Operator P. O. Box 1017, Farmington, New Mexico 87401		10. Field and Pool, or Wildcat Devils Fork Gallup Ext.	
4. Location of Well UNIT LETTER J LOCATED 1650 FEET FROM THE South LINE AND 1850 FEET FROM THE East LINE OF SEC. 21 TWP. 25N RGE. 6W NMPM		12. County Rio Arriba	
19. Proposed Depth 5910		19A. Formation Gallup	
20. Rotary or C.T. Rotary		21. Elevations (Show whether DF, RT, etc.) 6322' GL	
21A. Kind & Status Plug. Bond Statewide		21B. Drilling Contractor Unknown	
22. Approx. Date Work will start April, 1982			

23.

PROPOSED CASING AND CEMENT PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	SACKS OF CEMENT	EST. TOP
12-1/4"	8-5/8"	20 #/ft.	200'	170 sx	Surface
7-7/8"	4-1/2"	10.5 #/ft.	5910'	875 sx.	Above Ojo Alamo

Propose to drill 12-1/4" hole to 200 ft. and set 200' 8-5/8" surface w/170 sx Class B 2% CACL₂ cement. Will drill 7-7/8" hole to TD and run open hole logs. If zone appears productive, will run 5910' 4-1/2" 10.5 #/ft. new production casing and cement w/875 sx. Will set stage collar below point lookout @ 4400' KB and cement above Ojo Alamo formation. Will perforate and stimulate as required. Minimum specifications for pressure control equipment is 10" 900 series double ram blow out preventer.

Estimated Tops

APPROVAL VALID FOR 60 DAYS 90 DAYS DATE OF COMPLETION 9-10-82 EXPIRES	San Jose Ojo Alamo Pictured Cliffs Mesa Verde Gallup	Surface 1535' 2190' 3750' 5510'
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IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: IF PROPOSAL IS TO DEEPEN OR PLUG BACK, GIVE DATA ON PRESENT PRODUCTIVE ZONE AND PROPOSED NEW PRODUCTIVE ZONE. GIVE BLOWOUT PREVENTER PROGRAM, IF ANY.

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

Signed [Signature] Title President Date 3/3/82

(This space for State Use)

APPROVED BY [Signature] TITLE DISTRICT DATE

CONDITIONS OF APPROVAL, IF ANY:

Hold C104 for communitization

All distances must be from the outer boundaries of the Section.

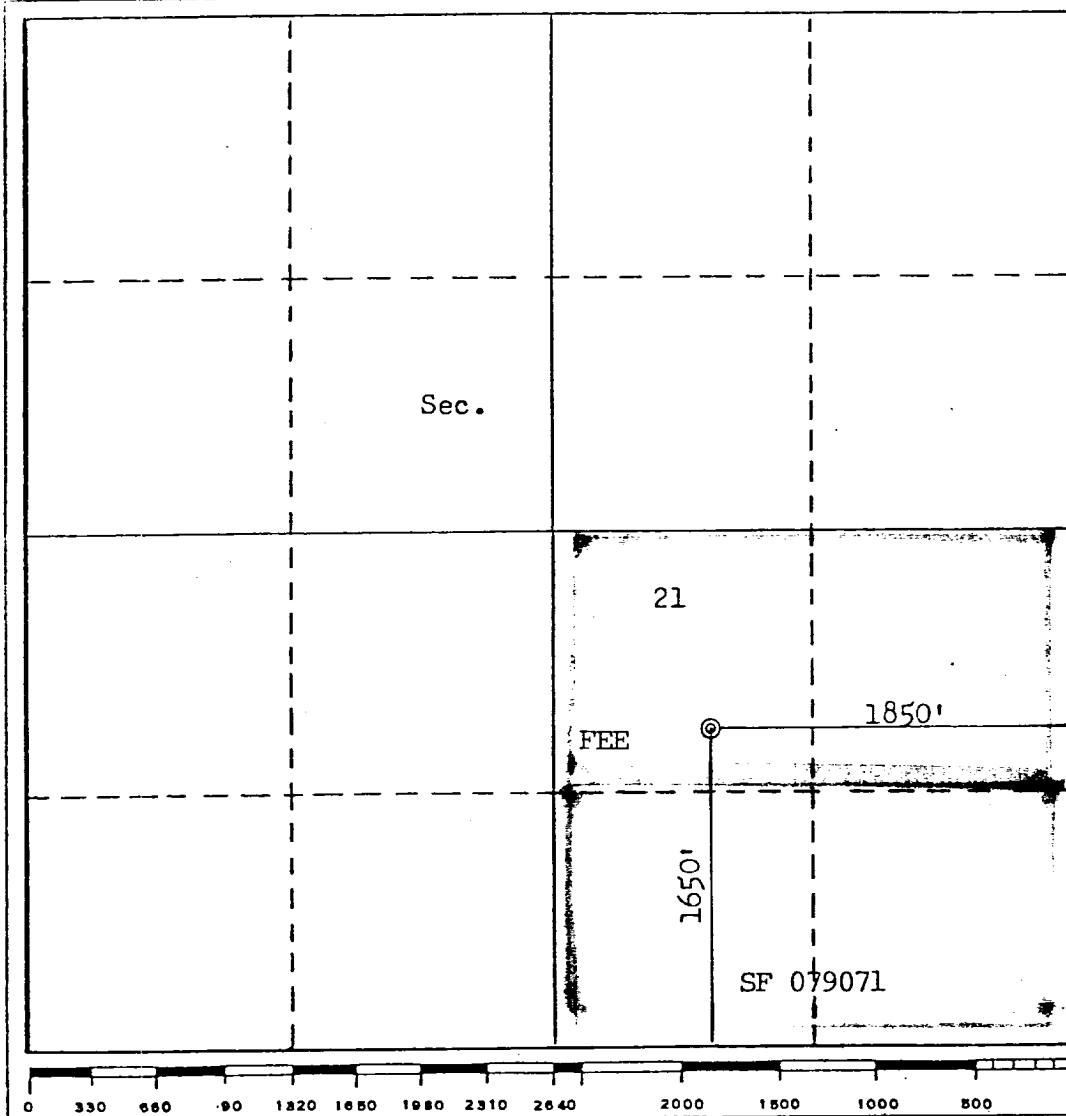
Operator MERRION OIL & GAS CORPORATION			Lease Canyon Largo Unit		Well No. 314
Unit Letter J	Section 21	Township 25N	Range 6W	County Rio Arriba	
Actual Footage Location of Well:					
1650 feet from the South		line and 1850 feet from the East		line	
Ground Level Elev. 6322	Producing Formation Gallup	Pool Devils Fork Ext.		Dedicated Acreage: 160 Acres	

1. Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

☒ Yes ☐ No If answer is "yes," type of consolidation Will be communitized

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 communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Commission.



CERTIFICATION

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

Name
J. Gregory Merrion

Position
President

Company
Merrion Oil & Gas Corporation

Date
3/3/82

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

February 1982

Registered Professional Engineer and/or Land Surveyor

Fred B. Kerr Jr.

Certificate No.

3950

F. B. KERR, JR.