

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK
DRILL ☒ DEEPEN ☐ PLUG BACK ☐

b. TYPE OF WELL
OIL WELL ☒ GAS WELL ☐ OTHER ☐ SINGLE ZONE ☒ MULTIPLE ZONE ☐

2. NAME OF OPERATOR
Merrion Oil & Gas Corporation

3. ADDRESS OF OPERATOR
P. O. Box 1017, Farmington, New Mexico 87499

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements)
At surface 960' FSL and 350' FEL
At proposed prod. zone Same

5. LEASE DEPOSITION AND REFERENCE NO.
SE 079015

6. INDIAN, ALLOTTEE OR OTHER NAME

7. UNIT AGREEMENT NAME
Canyon Largo Unit

8. FARM OR LEASE NAME
Canyon Largo Unit

9. WELL NO.
363

10. FIELD AND TOOL OF WEIGHAT
Devils Fork Mainland

11. SEC. T. R. M. OR BLM AND SURVEY OR AREA
Sec. 1, T24N, R1W

12. COUNTY OR PARISH IN STATE
Rio Arriba New Mexico

13. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE
13 miles North of Counselors

14. DISTANCE FROM PROPOSED LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT.
(Also to nearest drig. unit line, if any) 800'

15. DISTANCE FROM PROPOSED LOCATION TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.
1850'

16. NO. OF ACRES IN LEASE
120

17. NO. OF ACRES ASSIGNED TO THIS WELL
40

18. PROPOSED DEPTH
4900

19. ROTARY OR CABLE TOOLS
0 - TD

20. ELEVATIONS (Show whether DF, RT, GR, etc.)
6613' GL

21. DRILLING OPERATIONS AUTHORIZED ARE SUBJECT TO COMPLIANCE WITH ATTACHED GENERAL REQUIREMENTS AND CEMENTING PROGRAM

22. APPROX. DATE WORK WILL BEAT
Spring, 1985

This action is subject to administrative appeal pursuant to 30 CFR 290.

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12-1/4"	8-5/8", J-55	23 #/ft.	200	170 sx (350 cu. ft.)
7-7/8"	4-1/2", J-55	10.5 #/ft.	4900	900 sx.

Will drill 12-1/4" surface hole to 200 ft. and set 200 ft. of 8-5/8", 23 #/ft. J-55 grade casing with 170 sx Class B cement with 3% CaCl₂. Will drill 7-7/8" hole to 4900'. Will run open hole logs. No other testing during drilling planned. If well appears to be sealing, will run 4900' of 4-1/2", 10.5 #/ft., J or K-55 grade casing to TD. Will cement with Class B 28 D-79 (2.06 cu. ft/sk yield) 1339 cu. ft. cement, tail in with 250 cu. ft. Class H 2% gel to cover Mesaverde, Chacra, Pictured Cliffs, Fruitland, and Ojo Alamo. Estimated top of cement is at the surface. Drilling circulating medium will be low solids, non-dispersed, low water loss mud using Bentonite, starch, CMC, and fresh water. Minimum specifications for pressure control is 10" 900 series double ram blowout preventer. Will perforate the Mesaverde and stimulate as required for completion.

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. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24. SIGNED _____ Operations Manager DATE 1/4/85

(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____

APPROVED BY _____

CONDITIONS OF APPROVAL, IF ANY:

APPROVED
AS AMENDED
MAY 02 1985
/s/ J. Sitan McKee

SEE ATTACHED FOR
CONDITIONS OF APPROVAL

*See Instructions On Reverse Side

M. MILLENBACH
AREA MANAGER

INSTRUCTIONS

GENERAL: This form is designed for submitting proposals to perform certain well operations, as indicated, on all types of lands and leases for appropriate action by either a Federal or a State agency, or both, pursuant to applicable Federal and/or State laws and regulations. Any necessary special instructions concerning the use of this form and the number of copies to be submitted, particularly with regard to local, area, or regional procedures and practices, either are shown below or will be issued by, or may be obtained from, the local Federal and/or State office.

ITEM 1: If the proposal is to redrill to the same reservoir at a different subsurface location or to a new reservoir, use this form with appropriate notations. Consult applicable State or Federal regulations concerning subsequent work proposals or reports on the well.

ITEM 4: If there are no applicable State requirements, locations on Federal or Indian land should be described in accordance with Federal requirements. Consult local State or Federal office for specific instructions.

ITEM 14: Needed only when location of well cannot readily be found by road from the land or lease description. A plat, or plats, separate or on this reverse side, showing the roads to, and the surveyed location of, the well, and any other required information, should be furnished when required by Federal or State agency offices.

ITEMS 15 AND 18: If well is to be, or has been directionally drilled, give distances for subsurface location of hole in any present or objective production zone.

ITEM 22: Consult applicable Federal or State regulations, or appropriate officials, concerning approval of the proposal before operations are started.

ESTIMATED TOPS

Ojo Alamo	1590	Chacra	3050
Kirtland	1738	Cliffhouse	3765
Fruitland	2005	Menefee	3815
Pictured Cliffs	2220	Point Lookout	4515
Lewis	2365	Mancos	4690
		Total Depth	4900

NOTICE

The Privacy Act of 1974 and the regulation in 43 CFR 2.48(d) provide that you be furnished the following information in connection with information required by this application.

AUTHORITY: 30 U.S.C. 181 et seq., 25 U.S.C. 396; 43 CFR Part 3160.

PRINCIPAL PURPOSE: The information is to be used to process and evaluate your application for permit to drill, deepen, or plug back an oil or gas well.

ROUTINE USES: (1) The analysis of the applicant's proposal to discover and extract the Federal or Indian resources encountered. (2) The review of procedures and equipment and the projected impact on the land involved. (3) The evaluation of the effect of proposed operation on surface and subsurface water and other environmental impacts. (4)(5) Information from the record and/or the record will be transferred to appropriate Federal, State, local or foreign agencies, when relevant to civil, criminal or regulatory investigations or prosecutions, as well as routine regulatory responsibility.

EFFECT OF NOT PROVIDING INFORMATION: Filing of this application and disclosure of the information is mandatory only if the lessee elects to initiate drilling operation on an oil and gas lease.

The Paperwork Reduction Act of 1980 (44 U.S.C. 3501 et seq) requires us to inform you that:

This information is being collected to allow evaluation of the technical, safety, and environmental factors involved with drilling for oil and/or gas on Federal and Indian oil and gas leases.

This information will be used to analyze and approve applications.

Response to this request is mandatory only if the lessee elects to initiate drilling operations on an oil and gas lease.

OIL CONSERVATION DIVISION

P. O. BOX 2088

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT

SANTA FE, NEW MEXICO 87501

Form C-107
Revised 10-1

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

Operator MERRION OIL & GAS CORPORATION			Lease CANYON LARGO UNIT		Well No. 363
Init Letter P	Section 1	Township 24N	Range 7W	County Rio Arriba	
Actual Footage Location of Well: 960 feet from the South line and 350 feet from the East line					
Ground Level Elev: 6613	Producing Formation Mesaverde		Pool Devils Fork Mesaverde		Dedicated Acreage: 40 Acres

1. Outline the acreage dedicated to the subject well by colored pencil or hachure 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 _____

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.

RECEIVED
MAY 06 1985
OIL CON. DIV. 1
DIST. 3

RECEIVED

MAR 06 1985

BUREAU OF LAND MANAGEMENT
SANTA FE, NEW MEXICO

Sec.

1

SF 079915

CERTIFICATION

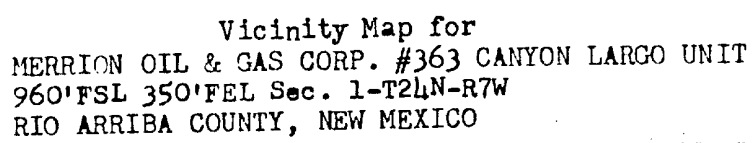
I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Name	Steve S. Dunn
Position	Operations Manager
Company	Merrion Oil & Gas Corporation
Date	3/4/85

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	March 1, 1985
Registered Professional Engineer and Land Surveyor	<i>Fred B. Kerr Jr.</i> Fred B. Kerr Jr.
Certificate No.	3950

Scale: 1"=1000'



NAGEEZI, N. MEX.
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