

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 State requirements*)

At surface 970' FNL and 790' FEL

At proposed prod. zone Same

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE

16 miles North of Lybrook

10. DISTANCE FROM PROPOSED*

LOCATION TO NEAREST
PROPERTY OR LEASE LINE, FT. 790
(Also to nearest drlg. unit line, if any)

16. NO. OF ACRES IN LEASE

1440-1480

17. NO. OF ACRES ASSIGNED
TO THIS WELL

80/60

18. DISTANCE FROM PROPOSED LOCATION*

TO NEAREST WELL, DRILLING, COMPLETED,
OR APPLIED FOR, ON THIS LEASE, FT. 4500'

19. PROPOSED DEPTH

5925' KB

20. ROTARY OR CABLE TOOLS

0 - TD

21. ELEVATIONS (Show whether DF, RT, GR, etc.)

6954' GL

22. APPROX. DATE WORK WILL START*

Spring/1985

23.

DRILLING OPERATIONS AUTHORIZED ARE
SUBJECT TO COMPLIANCE WITH AMENDED
"GENERAL REQUIREMENTS"

23. 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"	24 #/ft., J-55	200'	175 sx (206.5 cu. ft.)
7-7/8"	4-1/2"	10.5 #/ft. J-55	5925'	as below

Will drill 12-1/4" surface hole to 200 ft. and set 200 ft. of 8-5/8", 24 #/ft., J-55 grade casing with 175 sx Class B cement with 3% CaCl₂. Will drill 7-7/8" hole to 5925'. Will run open hole logs. No other testing planned. If well appears productive, will run 5925' of 4-1/2", 10.5 #/ft., J-55 grade casing and stage cement. First stage will cement with 225 sx Class H 2% gel (1.22 cu. ft./sk. yield) 275 cu. ft. cement to cover Gallup interval from TD. Estimated top of cement is 4900 ft. Will set stage collar at 4800 ft., below Point Lookout Formation. Second stage will cement with 700 sx Class B 2% D-79 (2.06 cu. ft./sk.) 1442 cu. ft. cement. Followed by 50 sx Class H 2% gel (1.22 cu. ft./sk. yield) 61 cu. ft. cement to cover Mesaverde, Chacra, Pictured Cliffs, Fruitland and Ojo Alamo. Top of cement will be at 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 blow out preventer. Will perforate 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

TITLE Operations Manager

DATE 3/11/85

(This space for Federal or State office use)

PERMIT NO.

APPROVAL DATE

APPROVED
AS AMENDED

APPROVED BY

TITLE

DATE

CONDITIONS OF APPROVAL, IF ANY:

SEE ATTACHED FOR
CONDITIONS OF APPROVAL

NMOCC

*See Instructions On Reverse Side

/s/ J. Stan McKee

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 plate, 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	1391	Menefee	3698
Kirtland	1571	Point Lookout	4566
Fruitland	1951	Mancos	4745
Pictured Cliffs	2104	Gallup	5524
Lewis	2311	Total Depth	5925
Rusty Chacra	2571		
Cliffhouse	3616		

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 effects 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 operations 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.

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

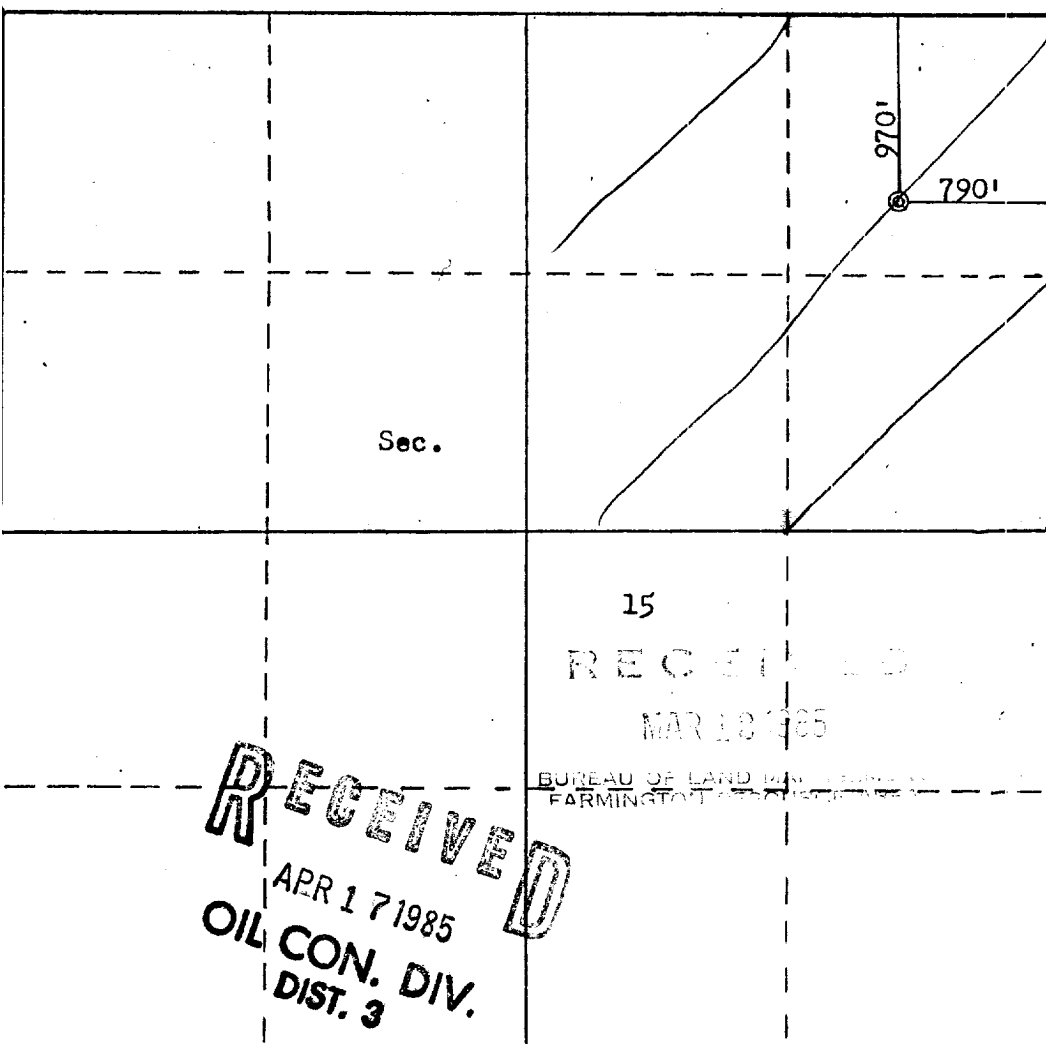
Operator MERRION OIL & GAS CORPORATION			Lease SHOO FLY		Well No. 2
Unit Letter A	Section 15	Township 24N	Range 8W	County San Juan	
Actual Footage Location of Well: 970 feet from the North line and 790 feet from the East line					
Ground Level Elev: 6954	Producing Formation Gallup - Dh		Pool Dupont Vt and - Dh Escrito Gallup		Dedicated Acreage 80 - 160 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.



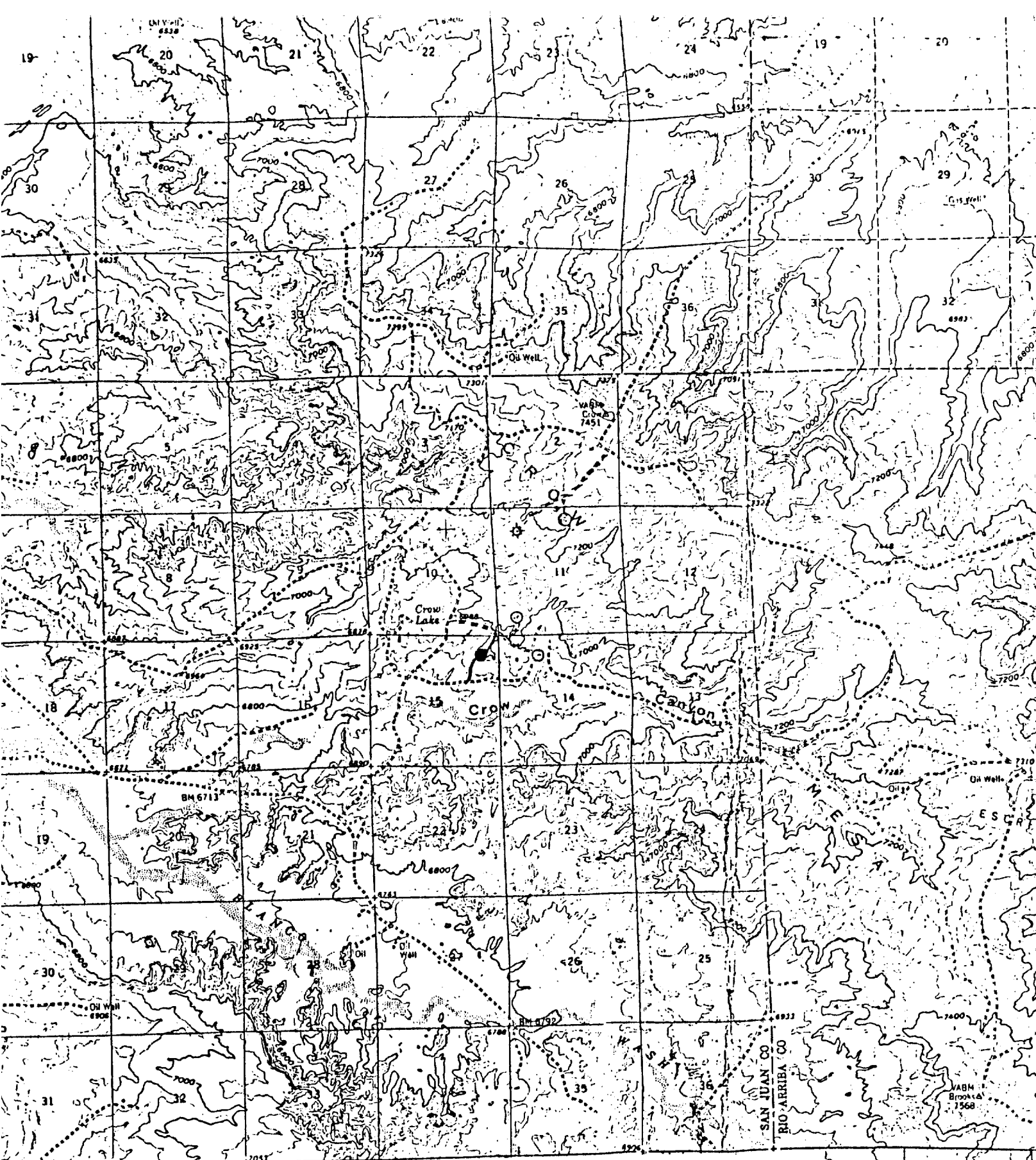
CERTIFICATION

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
3/11/85

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 11, 1985
Registered Professional Engineer and Land Surveyor
Fred B. Kerr
Certificate No.
10000



Vicinity Map for
 MERRION OIL & GAS CORPORATION #2 SHOO FLY
 830'FNL 790'FEL Sec. 15-T24N-R8W
 SAN JUAN COUNTY, NEW MEXICO

SCALE 1:62,500