

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 840, Farmington, New Mexico 87499

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)

At surface

1180' FSL and 1125' FWL

At proposed prod. zone

Same

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

12 miles North of Lindrith, New Mexico

15. DISTANCE FROM PROPOSED*

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

1125'

16. NO. OF ACRES IN LEASE

160

17. NO. OF ACRES ASSIGNED
TO THIS WELL

160

18. DISTANCE FROM PROPOSED LOCATION*
TO NEAREST WELL, DRILLING, COMPLETED,
OR APPLIED FOR, ON THIS LEASE, FT.

19. PROPOSED DEPTH
7880'

20. ROTARY OR CABLE TOOLS

Rotary

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

7380' GL

DRILLING OPERATIONS AUTHORIZED ARE
SUBJECT TO COMPLIANCE WITH ATTACHED

22. APPROX. DATE WORK WILL START*
Fall, 1986

23. "GENERAL REQUIREMENTS" CASING AND CEMENTING PROGRAM

This action is subject to technical and
procedural review pursuant to 43 CFR 3165.3
and appeal pursuant to 43 CFR 3165.4.

| SIZE OF HOLE | SIZE OF CASING | WEIGHT PER FOOT | SETTING DEPTH | QUANTITY OF CEMENT |
|--------------|----------------|-----------------|---------------|------------------------------|
| 12-1/4" | 9-5/8", J-55 | 32 #/ft. | 250' | 125 sx Class B (148 cu. ft.) |
| 8-3/4" | | | | |
| 7-7/8" | 5-1/2", J-55 | 15.5 & 17 #/ft. | 7880 | as below |

Propose to drill 12-1/4" hole to 250' and set 237' ± of 9-5/8", 32 #/ft, J-55 surface casing with 125 sx Class B (148 cu. ft.) cement, 3% CaCl₂. Will drill 8-3/4" hole to approximately 5515'. Will reduce to 7-7/8" hole to 7880. Will run open hole logs. If well appears productive, will run 5-1/2", 15.5 and 17 #/ft. J-55 casing to TD and cement in three stages. 1st Stage - 250 sx Class H 2% gel (305 cu. ft.) to cover Gallup. Top of cement estimated at 6180 ft. 2nd Stage - set stage tool at 6175' and cement with 160 sx Class B 2% D-79 (340 cu. ft.) followed by 50 sx Class H (61 cu. ft.) 2% gel to cover Mesaverde. Top of cement estimated at 4875'. Third Stage Tool @ 3850' KB with 150 sx Class B (309 cu. ft.) 2% D-79 followed by 50 sx (61 cu. ft.) Class H 2% gel to cover Pictured Cliffs, Fruitland, Kirtland, and Ojo Alamo. Top of cement estimated at 2400 ft. Will perforate and stimulate the Gallup as necessary. 10" 900 series Double Ram Preventers will be used in drilling. Estimated tops attached.

Lost circulation is expected. Drilling mud will be low solids with fresh water base. 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.

SIGNATURE

TITLE Operations Manager

DATE 7/28/86

(This space for Federal or State office use)

PERMIT NO.

APPROVAL DATE

APPROVED BY

TITLE

CONDITIONS OF APPROVAL, IF ANY:

/s/ J. Stan McKee

FOR AREA MANAGER

*See Instructions On Reverse Side

NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT

Form C-102
Supersedes C-128
Effective 1-1-65

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

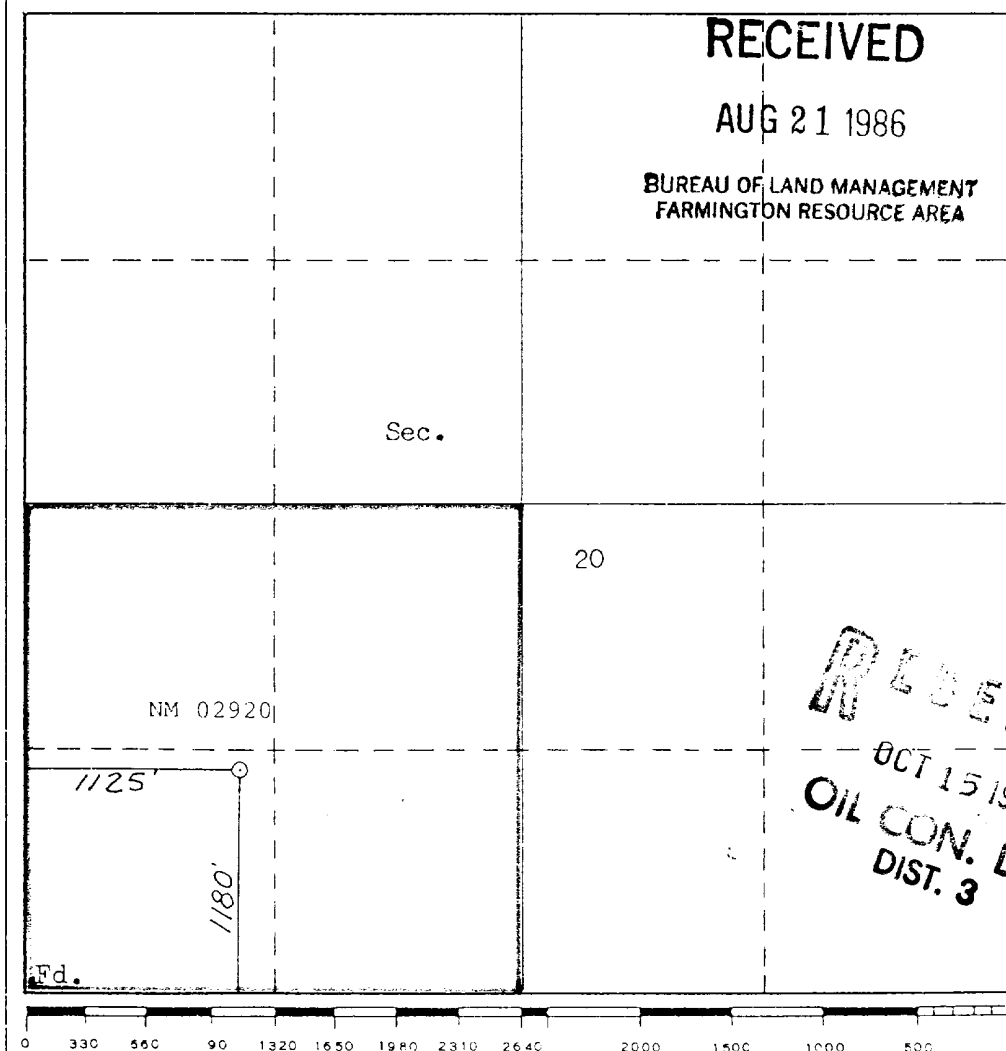
| | | | | | |
|--|--------------------------------------|--|------------------------|--|----------------------|
| Operator MERRION OIL & GAS CORPORATION | | | Lease Cursor | | Well No. 1 |
| Unit Letter M | Section 20 | Township 26N | Range 2W | County Rio Arriba | |
| Actual Footage Location of Well: 1180 feet from the South line and 1125 feet from the West line | | | | | |
| Ground Level Elev. 7380 | Producing Formation Gallup | Pool <i>NE of it</i> Undesignated Gallup | | Dedicated Acreage: 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.



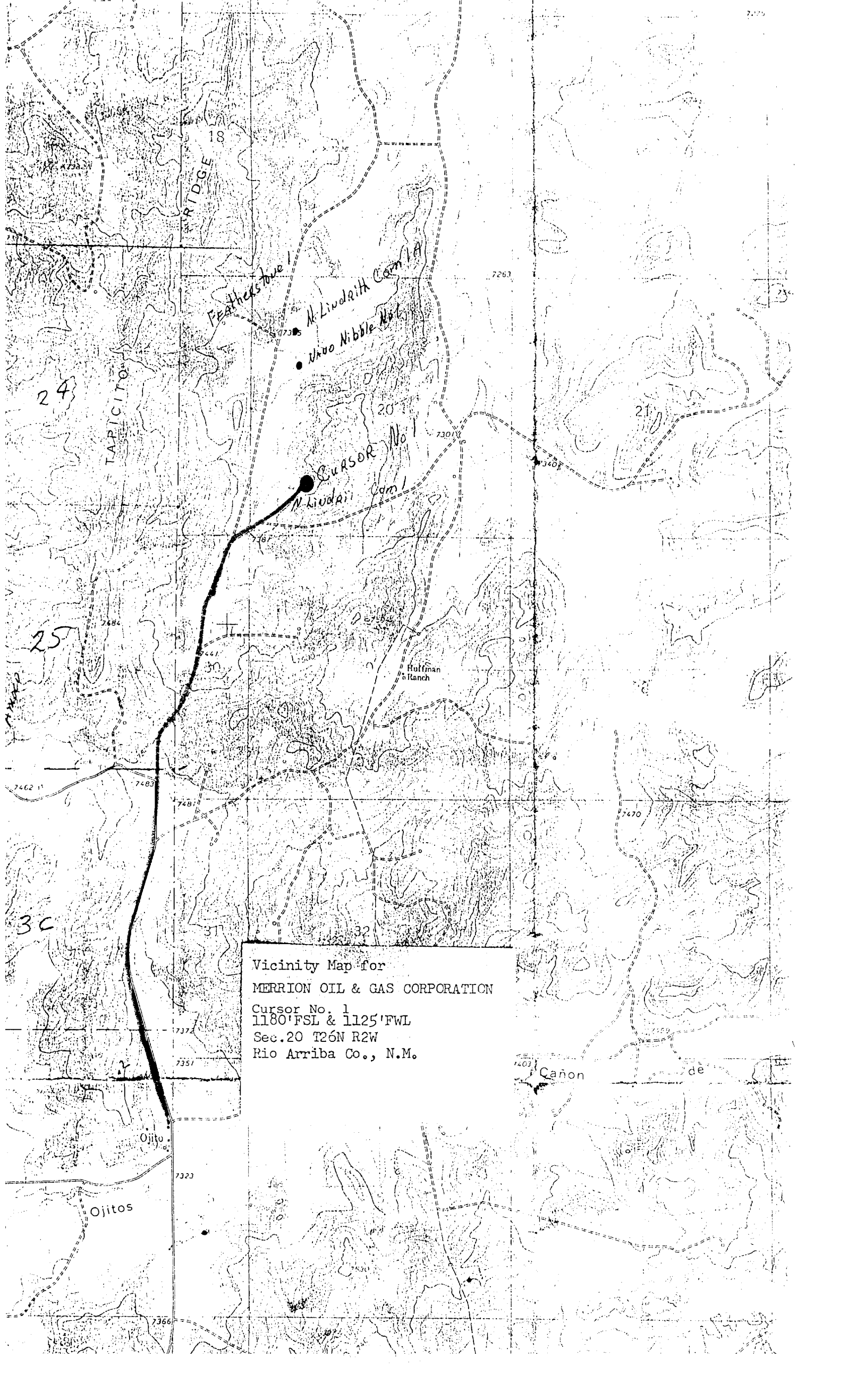
CERTIFICATION

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

Name *Steve S. Dunn*
Steve S. Dunn
Position
Operations Manager
Company
Merrion Oil & Gas Corporation
Date
7/24/86

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 *8-26-86*
William E. Mahnké II
Registered Professional Engineer
No. 52406
Certificate No. *81166*



Vicinity Map for
MERRION OIL & GAS CORPORATION
Cursor No. 1
1180' FSL & 1125' FWL
Sec. 20 T26N R2W
Rio Arriba Co., N.M.