

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM APPROVED
Budget Bureau No. 1004-0136
Expires: February 28, 1995

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1a. Type of Work

DRILL ☒DEEPEN ☐

b. Type of Well

Oil Well ☐Gas Well ☒Other ☐Single Well ☒Multiple Zone ☐

2. Name of Operator

Merrion Oil & Gas Corporation

3. Address and Telephone No.

610 Reilly Ave Farmington NM 87401
ph: (505) 327-9801

4. Location of Well (Footages)

At Surface 810' fsl & 1355' fel (sw se)

At proposed prod. zone Same

14. Distance in Miles and Directions from Nearest Town or Post Office

18 miles south of Farmington NM, near Chaco Plant

15. Distance from Proposed Location to Nearest Property or Lease Line, Ft

810'

16. No. of Acres in Lease

640 acres

17. No. of Acres Assigned to This Well

160/1320 acres

18. Distance from Proposed Location to Nearest Well Drilling, Completed, or Applied for, on this Lease, FT

100'

19. Proposed Depth

1350'

20. Rotary or Cable Tools

Rotary

22. Approximate Date Work will Start

As soon as permitted

5. Lease Designation and Serial No.
NM-33047

6. If Indian, Allottee or Tribe Name

7. If Unit or CA, Agreement Designation

7804

8. Well Name and No.

Hi Roll No. 5

9. API Well No.

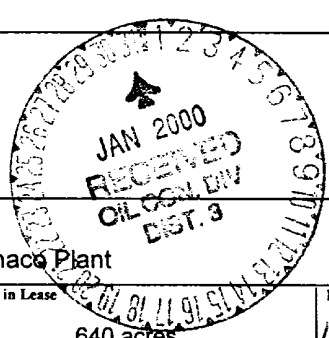
70-045-29973

10. Field and Pool, or Exploratory Area

Pic. Cliffs/Basin Fruitland (w/ty)

11. Sec., T., R., M., or BLK.
and Survey or Area

Section 35, T27N, R13W

12. County or Parish
San Juan13. State
NM

This activity is subject to technical and procedural review pursuant to 43 CFR 3100.1-1 GR, 5995' RKB and appeal pursuant to 43 CFR 3100.1-1 GR, 5995' RKB

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE & GRADE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
8-3/4"	7" J55	23 ppf	~120' KB	~30 sx (36 cuft)
6-1/4"	4-1/2" J55	10.5 ppf	~1350' KB	~105 sx (160 cuft)

Merrion proposes to drill 8-3/4" hole with native mud to approx 120' and set 7" 23# J55 surface casing, cement to surface with ~30 sx 'B' w/ 2% CaCl2 (36 cuft). Will drill 6-1/4" hole to TD @ approx 1350' KB with low solids non-dispersed mud system. Run open hole surveys. Will set 4-1/2" 10.5 ppf J55 production casing from TD to surface. Will cement with 40 sx 'B' w/ 2% SMS (83 cuft) and tail in with 65 sx 'B' (77 cuft) cement to fill from total depth to surface. A cementing chronology will be recorded and submitted to the BLM after completion of the job. Top of Cement should circulate to surface (will adjust volumes based upon caliper log).

A ~5 bbl water spacer will be pumped ahead of the lead slurry to prevent mud contamination of the cement. If cement does not reach surface, a temperature log or cement bond log will be run to determine top of cement.

The production casing will be centralized through the Pictured Cliffs and Fruitland intervals and through any usable water zones. Turbo-centralizers will be placed just below and into the base of the lowest usable water zone.

Will test Fruitland through perforated casing. Will fracture stimulate and put on for production test. Drilling operations below surface casing will be conducted with a Bag type BOP in place, minimum working pressure 1000 psig. Additional drilling technical details attached.

The well will be drilled on the existing Hi Roll No. 1R pad. The road and pipeline for the Hi Roll No. 1R will also be utilized. There will be no additional surface disturbance for any of the drilling, completion or production operations.

HOLD C104 FOR P1 of #12
HOLD C104 FOR NSC

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal to deepen, give present productive zone and proposed new productive zone.

COPIES: BLM+4, WELL FILE+1

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

Signed

Steven S. Dunn by Steven S. DunnTitle Drilling & Prod ManagerDate August 3, 1999

(This space for Federal or State office use)

Permit No.

Approval Date

Application approval does not warrant or certify that applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Conditions of approval, if any:

APPROVED BY:

Chip Hamaden

TITLE

Acting Team Lead

DATE

1/27/00

LMOC

District I
PO Box 1980, Hobbs, NM 88241-1980
District II
PO Drawer DD, Artesia, NM 88211-0719
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
PO Box 2088, Santa Fe, NM 87504-2088

State of New Mexico
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION
PO Box 2088
Santa Fe, NM 87504-2088

Form C-102
Revised February 21, 1994
Instructions on back
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

99 AUG -6 PM 1:14

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAN

API Number 30-045-29973	Pool Code 87190	Pool Name WAW Fruitland Sand Pictured Cliffs
Property Code 7804	Property Name Hi Roll	Well Number 5
OGRID No. 014634	Operator Name MERRION OIL & GAS CORPORATION	Elevation 5990'

10 Surface Location

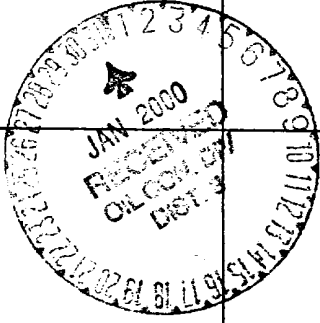
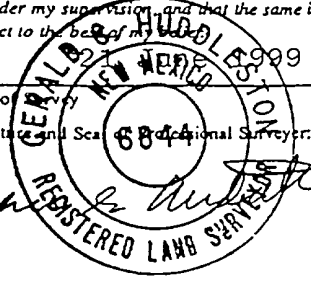
UL or lot no. 0	Section 35	Township 27 N	Range 13 W	Lot Idn SWSE	Feet from the 810	North/South line South	Feet from the 1355	East/West line East	County San Juan
--------------------	---------------	------------------	---------------	-----------------	----------------------	---------------------------	-----------------------	------------------------	--------------------

11 Bottom Hole Location If Different From Surface


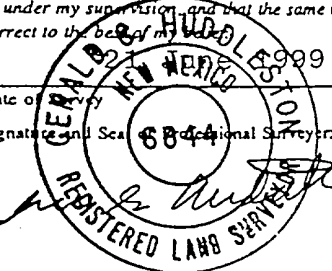
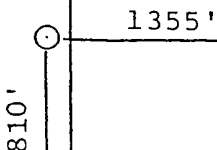
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
---------------	---------	----------	-------	---------	---------------	------------------	---------------	----------------	--------

12 Dedicated Acres	13 Joint or Infill	14 Consolidation Code	15 Order No.
--------------------	--------------------	-----------------------	--------------

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

16			17 OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief Signature Steven S. Dunn Printed Name Drlg & Prod Manager Title 8-3-99 Date
	XXXXXXXXXXXXXXXXXXXXXXXXXXXX		18 SURVEYOR CERTIFICATION 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 of Survey Signature and Seal of Professional Surveyor 
	XXXXXXXXXXXXXXXXXXXXXXXXXXXX		6844 Certificate Number

☐ AMENDED REPORT

16		THE DIVISION	17 OPERATOR CERTIFICATION <i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief</i>
			 Signature _____ Steven S. Dunn Printed Name _____ Drlg & Prod Manager Title _____ Date <u>8-3-99</u>
			18 SURVEYOR CERTIFICATION <i>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.</i> Date of Survey _____ Signature and Seal of Registered Professional Surveyor: 
	AA 22		Certificate Number <u>6844</u>

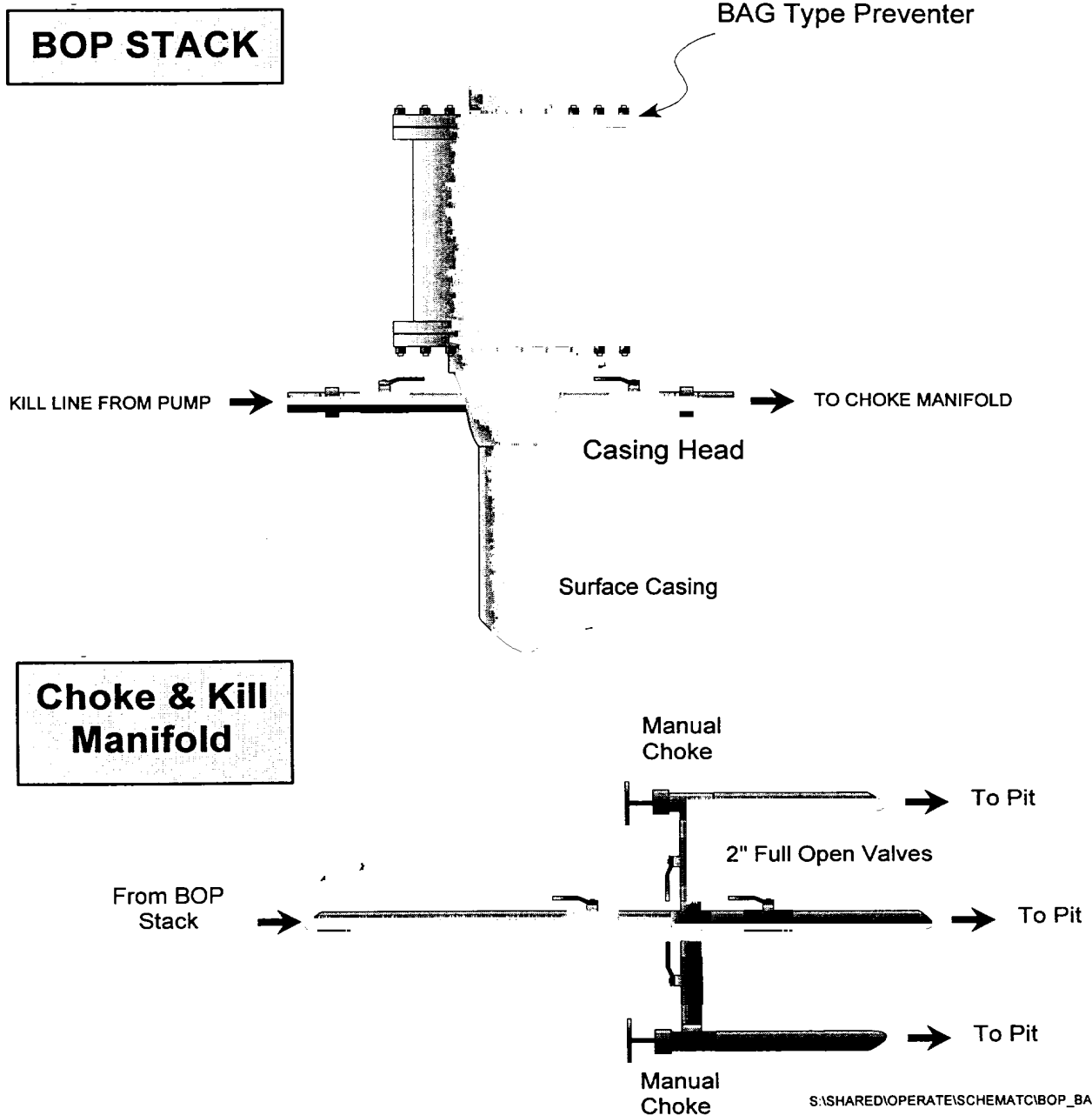
Merrion Oil & Gas Corporation
Well Control Equipment Schematic for 1M Service

Attachment to APD Form 3160-3

Hi Roll No. 5

Location: 810' fsl & 1355' fel (sw se)
Sec 35, T27N, R13W, NMPM
San Juan County, New Mexico

Date: August 3, 1999
Drawn By: Steven S. Dunn



810' fsl & 1355' fel (sw se)
Sec 35, T27N, R13W, NMPM
San Juan County, New Mexico

