

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

99 AUG -6 PM 1:15

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

2000' fsl & 1835' fwl (ne sw)

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

1835'

16. No. of Acres in Lease

640 acres

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

+/-100'

19. Proposed Depth

+/-1400'

17. No. of Acres Assigned to This Well

SW 1/4 PC
w/ 2 320 acres Fruitland

20. Rotary or Cable Tools

DRILLING OPERATIONS AUTHORIZED ARE
SUBJECT TO COMPLIANCE WITH ATTACHED
GENERAL REQUIREMENTS

As soon as permitted

This document is subject to technical and procedural review pursuant to 43 CFR 3160.4 and appeal pursuant to 43 CFR 3160.4.

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	~1400' KB	~109 sx (167 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 1400' 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 44 sx 'B' w/ 2% SMS (91 cuft) and tail in with 64 sx 'B' (76 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. 2 pad. The road and pipeline for the Hi Roll No. 2 will also be utilized. There will be no additional surface disturbance for any of the drilling, completion or production operations.

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

Title Drilling & Prod Manager

Date August 3, 1999

(This space for Federal or State office use)

Permit No.

Approval Date

10/5/00

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:

TITLE

DATE

10/5/00

UNCL

NOT TO BE USED

NSL

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
☐ AMENDED REPORT

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WELL LOCATION AND ACREAGE DEDICATION PLAT

1 APT Number 30-045-29974		2 Pool Code 87190		3 Pool Name WAW Fruitland Sand Pictured Cliffs		
4 Property Code 7804		5 Property Name Hi Roll			6 Well Number 2 R	
7 OGRID No. 014634		8 Operator Name MERRION OIL & GAS CORPORATION			9 Elevation 6031'	

10 Surface Location

UL or lot no. K	Section 35	Township 27 N	Range 13 W	Lot Idn NESW	Feet from the 2000	North/South line South	Feet from the 1835	East/West line West	County San Juan
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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
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12 Dedicated Acres 160	13 Joint or Infill	14 Consolidation Code	15 Order No.
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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 <u>George F. Sharpe</u> Printed Name <u>George F. Sharpe</u> Title <u>Engineer</u> Date <u>8-4-99</u>			
<p>1835'</p> <p>2000'</p>				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 belief Date of Survey <u>21 Jan 1999</u> Signature and Seal of Professional Surveyor <u>Gerald H. Hupp</u> Certificate Number			
				<p>6844</p>			

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WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-045-29974	Pool Code 71629	Pool Name Basin Fruitland Coal
Property Code 7804	Property Name Hi Roll	Well Number 2 R
OGRID No. 014634	Operator Name MERRION OIL & GAS CORPORATION	Elevation 6031'

10 Surface Location

UL or lot no. K	Section 35	Township 27 N	Range 13 W	Lot Ida NESW	Feet from the 2000	North/South line South	Feet from the 1835	East/West line West	County San Juan
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UL or lot no.	Section	Township	Range	Lot Ida	Feet from the	North/South line	Feet from the	East/West line	County
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12 Dedicated Acres 320 W/2	13 Joint or Infill	14 Consolidation Code	15 Order No.
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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 George F. Sharpe Printed Name George F. Sharpe Title Engineer Date 8-4-99
	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 belief 21 Jan 1999 Date of Survey Signature and Seal of Professional Surveyor Certificate Number

**MERRION OIL & GAS
CORPORATION**

TOPO LOCATOR MAP

HI ROLL No. 2R

2000' fsl & 1835' fwl (ne sw)
Sec 35, T27N, R13W, NMPM
San Juan County, New Mexico

