

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM 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 1529' fml & 799' fwl (sw nw)

At proposed prod. zone Same

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

8 miles west of Farmington, New Mexico

15. Distance from Proposed Location to Nearest (Also to nearest drlg. unit line, if any)

Property or Lease Line, Ft 799'

16. No. of Acres in Lease

2539.57 acres

17. No. of Acres Assigned to This Well

160 acres

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

278'

19. Proposed Depth

3780' 4463

20. Rotary or Cable Tools

Rotary

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

5765' GR, 5778'RKB

22. Approximate Date Work will Start

December, 1997

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE & GRADE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12-1/4"	8-5/8" J55	24 ppf	~240' KB	150 sx (177 cuft) Surface
7-7/8"	4-1/2" J55	10.5 ppf 14	3780' 4463	375 sx (686 cuft) Surface
	5 1/2"			

Merrion proposes to drill 12-1/4" hole with native mud to approx 240' and set 8-5/8" 24# J55 surface casing, cement to surface with ~150 sx 'B' w/ 2% CaCl2 (177 cuft). Will drill 7-7/8" hole to TD @ approx 3780' KB with low solids non-dispersed mud system. Run open hole surveys. Will set 4-1/2" 10.5# J55 production casing from TD to surface. Will cement in two stages: first stage with 100 sx 'B' (118 cuft) cement to fill across the Cliffhouse pay zone; second stage DV tool will be set at ~2150' below Pictured Cliffs formation and into Lewis shale, will cement with 25 sx 'B' (30 cuft) lead slurry followed by 275 sx 'B' w/ 2% SMS (567 cuft) and tail in with 75 sx 'B' (89 cuft). Top of Cement circulated to surface.

Will test Cliffhouse pay zone through perforated casing. Will fracture stimulate and put on for production test. Drilling operations below surface casing will be conducted with a double ram type BOP in place, minimum working pressure 2000 psig. Additional drilling technical details attached.

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

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

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 November 12, 1997

(This space for Federal or State office use)

Permit No.

Approval Date

JAN 22 1998

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

NMOCD

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

WELL LOCATION AND ACREAGE DEDICATION PLAT

1 APT Number 30-045-29518		2 Pool Code 75680		3 Pool Name Crouch Mesa Mesaverde EXT	
4 Property Code 22344		5 Property Name Hut #1			6 Well Number #1
7 OGRID No. 014634		8 Operator Name MERRION OIL & GAS			9 Elevation 5765'

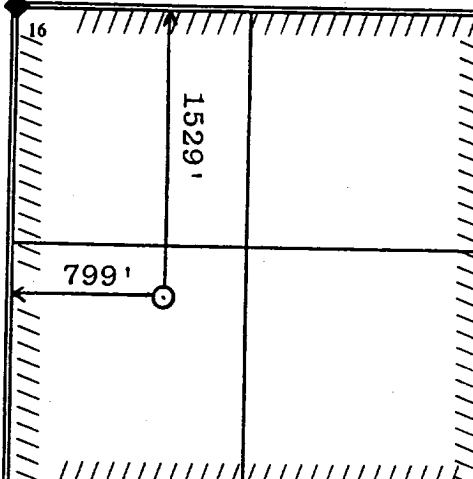
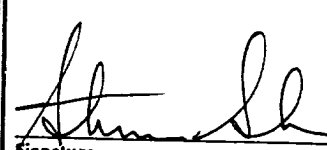

10 Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
E	8	29 N	11 W		1529	North	799	West	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 160		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

	<p>RECEIVED JAN 26 1993</p> <p>OIL CON. DIV. DIST. 3</p>				<p>17 OPERATOR CERTIFICATION</p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief</p> <p> Signature Steven S. Dunn Printed Name Drlg &amp; Prod Manager Title 11/17/97 Date</p>	
					<p>18 SURVEYOR CERTIFICATION</p> <p>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</p> <p> Signature Gerald E. Hubbard Printed Name 6844 Certificate Number</p>	
					<p>Date of Survey</p>	
					<p>Seal of Professional Surveyor</p>	

**Merrion Oil & Gas Corporation**  
**Topographic Locator Map**

San Juan County, New Mexico

Hut No. 1  
1529' +/- & 799' +/- (sw/nw)  
Sec 8, T28N, R11W

R11W

T28N