



NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
2040 South Pacheco Street
Santa Fe, New Mexico 87505
(505) 827-7131

October 21, 1998

RECEIVED
OCT 22 1998

OIL CON. DIV.
DIST. 3

Merrion Oil & Gas Corporation
610 Reilly Avenue
Farmington, New Mexico 87401
Attention: George Sharpe

Administrative Order NSL-4157

Dear Mr. Sharpe:

Reference is made to your application dated September 17, 1998 for a non-standard gas well location in the Pictured Cliffs formation for the recently drilled and completed Panther Well No. 1 (API No. 30-045-29573), located 990 feet from the South line and 1255 feet from the West line (Unit M) of Section 25, Township 30 North, Range 13 West, NMPM, San Juan County, New Mexico. The SW/4 of Section 25 shall be dedicated to the well to form a standard 160-acre gas spacing and proration unit in the Undesignated Fulcher Kutz-Pictured Cliffs Pool.

The application has been duly filed under the provisions of Rule 104.F of the General Rules and Regulations of the New Mexico Oil Conservation Division ("Division").

By the authority granted me under the provisions of Division General Rule 104.F(2), the above-described unorthodox Pictured Cliffs gas well location is hereby approved.

Sincerely,

Lori Wrotenbery
Director

LW/MES/kv

cc: New Mexico Oil Conservation Division - Aztec /
U. S. Bureau of Land Management - Farmington

MERRION

OIL & GAS

September 17, 1998

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OIL CON. DIV.
DIST. 3

Mr. Michael E. Stogner
New Mexico Oil Conservation Division
2040 S. Pacheco St.
Santa Fe, New Mexico 87505

**Re: Application of Merrion Oil & Gas
Non-Standard Location
Panther #1
Fulcher Kutz Pictured Cliffs Extension
SW/4 Section 25, T30N, R13W
San Juan County, New Mexico**

Dear Mr. Stogner:

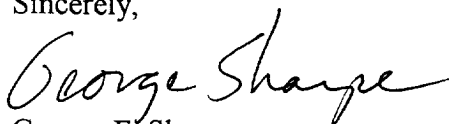
Merrion Oil & Gas drilled the subject well 990' FSL and 1255' FWL in Section 25, T30N, R13W. We failed to notice that it was too close to an interior quarter-quarter section line of the spacing unit. Therefore, we request administrative approval for a non-standard location for the subject well.

Attached in support of this application are the C-102 plat and the topo map showing the well. The well is located on the northern edge of the city of Farmington, immediately adjacent to the new Piedra Vista High School. The well is also in an area designated for a future park by the City.

To minimize the impact, the well was drilled on the existing well pad of the Piedra Vista #1 Dakota well. A standard location would have required a new well pad. Therefore, Merrion requests approval of the non-standard location based on topographic reasons.

Please let me know if you need additional information.

Sincerely,



George F. Sharpe
Manager - Oil & Gas Investments

xc: Well File
Aztcc OC)

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

97 DEC 24 10:35

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

1 API Number		2 Pool Code		3 Pool Name			
		7968077200		Eulcher West Kutz Pictured Cliffs Ext.			
4 Property Code		5 Property Name				6 Well Number	
		Panther				#1	
7 OGRID No.		8 Operator Name				9 Elevation	
014634		MERRION OIL & GAS				5660'	

10 Surface Location

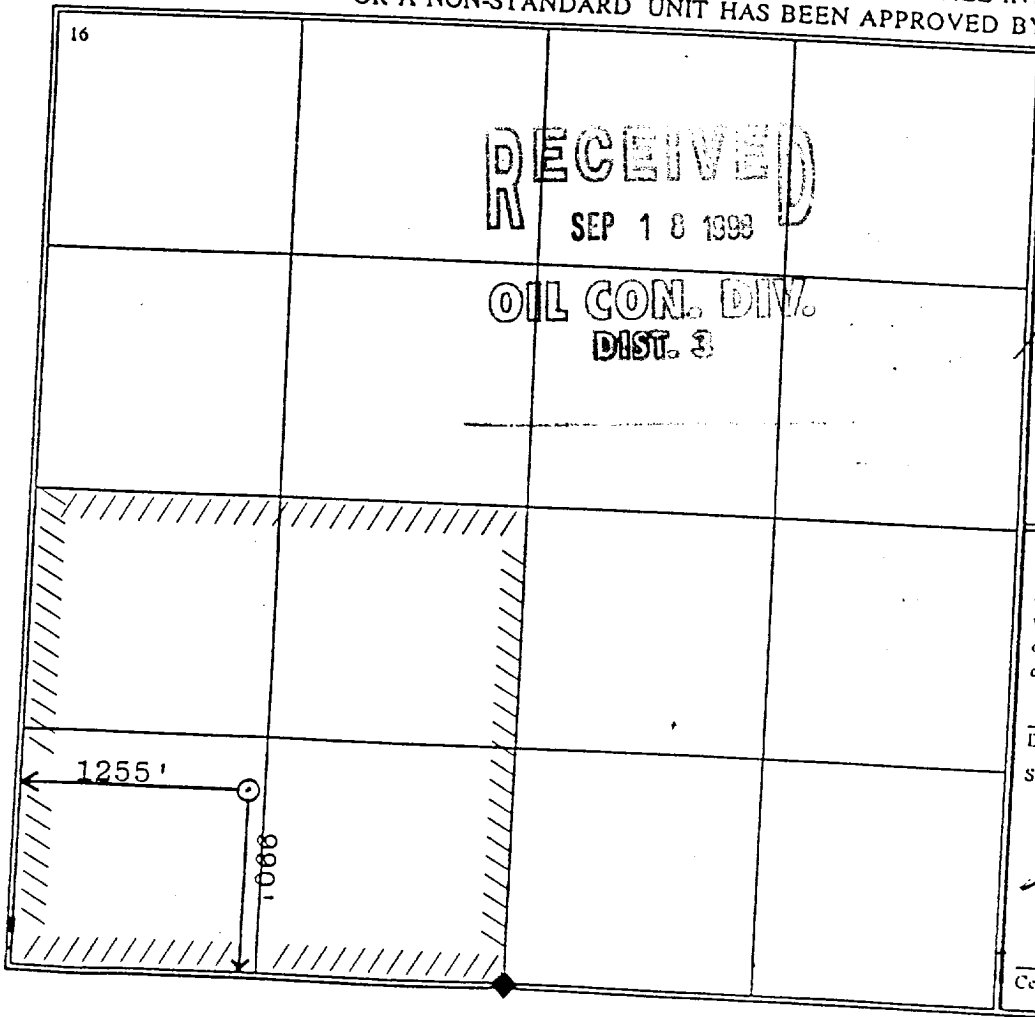
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
M	25	30 N	13 W	SWSW	990	South	1255	West	San Juan

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	13 Joint or Infill	14 Consolidation Code	15 Order No.
160			

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



17 OPERATOR CERTIFICATION

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

Steven S. Dunn
 Signature

Steven S. Dunn
 Printed Name

Drlg & Prod Manager
 Title

December 23, 1997
 Date

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

Gerald G. Hubbles
 Signature and Seal of Professional Surveyor

6844
 REGISTERED LAND SURVEYOR

Certificate Number

MERRION OIL & GAS
CORPORATION
TOPOGRAPHIC LOCATOR MAP

PANTHER NO. 1
990' fsl & 1255' fwl (sw sw)
Sec 25, T30N, R13W, NMPM
San Juan County, New Mexico

Panther No 1
990' fsl & 1255' fwl (sw sw)
Sec 25, T30N, R13W, NMPM

