

District I
1625 N. French Dr., Hobbs, NM 88240
District II
811 South First, Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico
Energy Minerals and Natural Resources

Oil Conservation Division
2040 South Pacheco
Santa Fe, NM 87505

Form C-101
Revised March 17, 1999

Submit to appropriate District Office
State Lease - 6 Copies
Fee Lease - 5 Copies

☐ AMENDED REPORT

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE

¹ Operator Name and Address Merrion Oil & Gas Corporation		² OGRID Number 014634
		³ API Number 30 - 245-30421
³ Property Code 26926	⁵ Property Name Possible Dream Com	⁶ Well No. 1

⁷ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
D	36	30N	13W	nw nw	1026	North	1026	West	San Juan

⁸ Proposed 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
⁹ Proposed Pool 1 Fulcher Kutz PC						¹⁰ Proposed Pool 2			

¹¹ Work Type Code N	¹² Well Type Code G	¹³ Cable/Rotary R	¹⁴ Lease Type Code S	¹⁵ Ground Level Elevation 5648' -
¹⁶ Multiple No	¹⁷ Proposed Depth 1900'	¹⁸ Formation Pictured Cliffs	¹⁹ Contractor L&B Speed Drill	²⁰ Spud Date When Permitted

²¹ Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
8 1/4"	7"	23 ppf	120'	50 sx	Surface -
6 1/4"	4 1/2"	10.5 ppf	1900' -	160 sx	Surface -

²² Describe the proposed program. If this application is to DEEPEN or PLUG BACK, give the data on the present productive zone and proposed new productive zone. Describe the blowout prevention program, if any. Use additional sheets if necessary.

Merrion proposes to drill 8 1/4" surface hole with native mud to approx. 120' and set 7" 23 ppf J55 surface casing, cement to surface with ~50 sx 'H' w/ 2% CaCl₂ (59 cuft). Will drill 6 1/4" hole to TD @ approx. 1825' KB with low solids non-dispersed mud. Run open hole surveys. Will set 4 1/2" 10.5 ppf J55 production casing from TD to surface. Will cement with ~100 sx 'B' 2% SMS (206 cuft) and tail in with 60 sx 'B' 2% Gel (73 cuft) cement to fill from total depth to surface (Will adjust volumes based upon caliper log). If cement does not reach surface, a temperature log or cement-bond log will be run to find top of cement.

Will test Pictured Cliffs through perforated casing. Will fracture stimulate and put on production test. Drilling operations below surface casing will be conducted with a bag-type BOP in place, minimum working-pressure - 1000 psig.

This well is located within the city limits of Farmington and a city special use permit and Oil & Gas permit will be obtained prior to commencing drilling.

A second well, the Heights Com 1 Dakota, is on the same pad.

Tops: Undifferentiated Tertiary - Surface, Ojo Alamo - 95', Kirtland - 235', Fruitland - 1265', Pictured Cliffs - 1663'.

²³ I hereby certify that the information given above is true and complete to the best of my knowledge and belief.

Signature:

Printed name: **Steven S. Dunn**

Title: **Drilling & Production Manager**

Date: **November 14, 2000**

Phone: **505.327.9801**

OIL CONSERVATION DIVISION

Approved by:

Title: **DEPUTY OIL & GAS INSPECTOR**

Approval Date: **NOV 15 2000** Expiration Date: **NOV 15 2001**

Conditions of Approval:

Attached ☐

State of New Mexico
Energy, Minerals & Mining Resources Department

Form C - 102

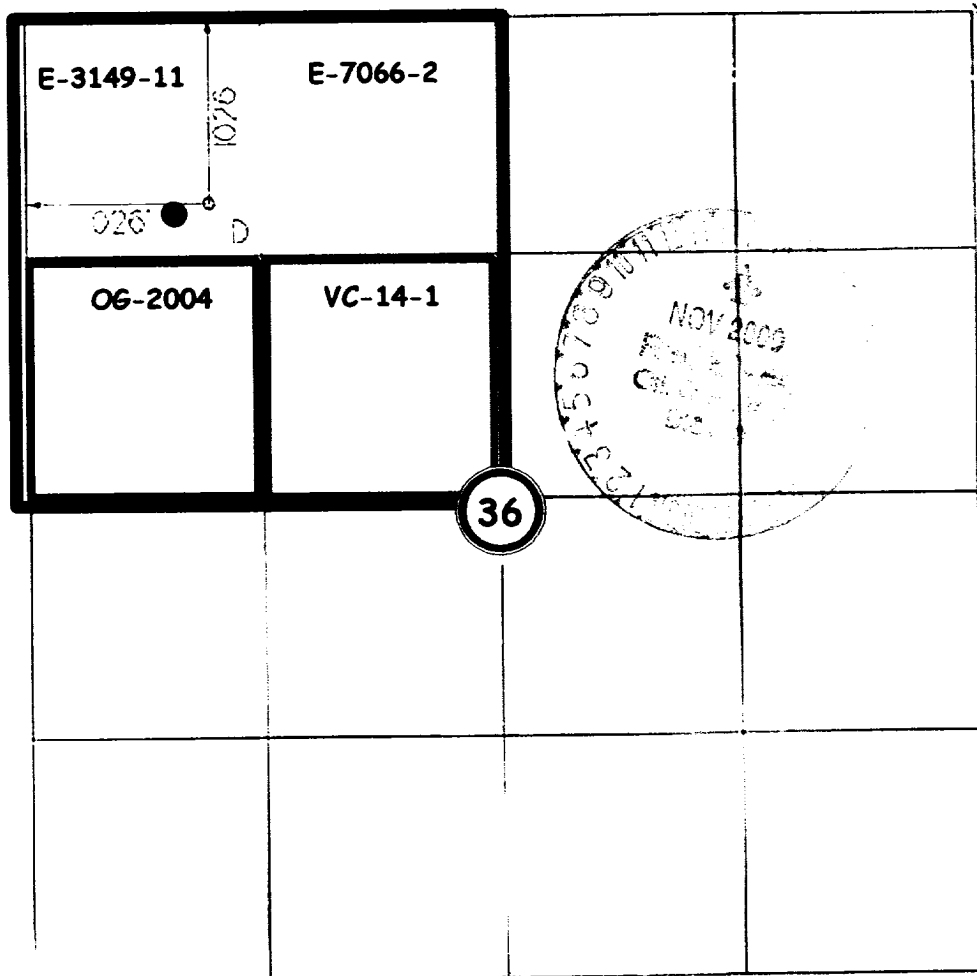
OIL CONSERVATION DIVISION
2040 South Pocheco
Santa Fe, NM 87505

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

AFA Number 30-045-30421		Pool Code 77200		Pool Name Fulcher Kutz	
Property Code 26926		Property Name POSSIBLE DREAM COM			
GRID No. 014634		Operator Name MERRION OIL & GAS			
		Well Number 1		Elevation 5648'	
Surface Location					
UL or Lat 0	Sec. 36	Twp. 30 N.	Rge. 13 W.	Lot Id. nw nw	Feet from North/South 1026
					Feet from East/West 1026
					County SAN JUAN
Bottom Hole Location if Different From Surface					
UL or Lat	Sec.	Twp.	Rge.	Lot Id.	Feet from North/South
					Feet from East/West
					County
Dedication 160	Joint? Y	Consolidation C	Order No. Communitization in Progress		

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



OPERATOR CERTIFICATION	
I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.	
Signature	<i>Steven S. Dunn</i>
Printed Name	Steven S. Dunn
Title	Drilling & Production Manager
Date	November 14, 2000
SURVEYOR CERTIFICATION	
I hereby certify that the well location 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	OCTOBER 2000
Signature and Seal of Professional Surveyor	<i>Gerald S. Rudleston</i>