

District I
PO Box 1980, Hobbs, NM 88241-1980
District II
811 South First, Artesia, NM 88210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION
2040 South Pacheco
Santa Fe, NM 87505

Form C-101
Revised October 18, 1994
Instructions on back
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 610 Reilly Avenue Farmington, New Mexico 87401		² OGRID Number 014634
³ API Number 30 - 045 - 30458		
⁴ Property Code 23186	⁵ Property Name Charles Hutton Com	⁶ Well No. 1E

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
I	23	30N	12W	ne se	1645'	South	1285'	East	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 Basin Dakota					¹⁰ Proposed Pool 2				

¹¹ Work Type Code N	¹² Well Type Code G	¹³ Cable/Rotary Rotary	¹⁴ Lease Type Code P	¹⁵ Ground Level Elevation 5517'
¹⁶ Multiple No	¹⁷ Proposed Depth 6485' KB	¹⁸ Formation Dakota	¹⁹ Contractor Aztec Well Service	²⁰ Spud Date January, 2001

²¹ Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
12 $\frac{1}{4}$ "	8 $\frac{5}{8}$ "	24 ppf	320'	200 sx	Surface
7 $\frac{7}{8}$ "	4 $\frac{1}{2}$ "	10.5 ppf	6485'	850 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 12 $\frac{1}{4}$ " surface hole with native mud to approx. 320' and set 8 $\frac{5}{8}$ " 24ppf J55 surface casing, cement to surface with ~200 sx 'H' w/ 2% CaCl₂ (236 cuft). Will drill 7 $\frac{7}{8}$ " hole to TD @ approx. 6485' KB with low solids non-dispersed mud. Run open hole surveys. Will set 4 $\frac{1}{2}$ " 10.5 ppf J55 production casing from TD to surface. Will cement in two stages: First stage with 200 sx 'B' 35:65 Pozimix w/ 12% Gel (292 cuft) and tail in with 200 sx 'B' 2% Gel (244 cuft) cement to fill from total depth across the Dakota pay zone and above the Gallup formation; second stage DV tool will be set at ~4400' KB at the Mancos top, will cement with 400 sx 'B' 35:65 Pozimix w/ 12% Gel (1164 cuft) and tail in with 150 sx 'B' 2% Gel (183 cuft) cement to fill from DV tool to surface (Will adjust volumes based upon caliper log).

Will test Dakota pay through perforated casing. Will fracture stimulate and put on production test. Drilling operations below surface casing will be conducted with a double-ram BOP in place, minimum working pressure - 2000 psig.

Tops: Ojo Alamo - 266', Kirtland - 410', Fruitland - 1351', Pictured Cliffs - 1744', Lewis - 1917', Cliffhouse - 3315', Menefee - 3474', Pt. Lookout - 4110', Mancos - 4391', Gallup - 5364', Greenhorn - 6114', Graneros - 6150', Dakota - 6435'.

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: December 21, 2000 Phone: 505-327-9801

OIL CONSERVATION DIVISION

Approved by: 

Title: DEPUTY OIL & GAS INSPECTOR, DIST. 3

Approval Date: DEC 26 2000 Expiration Date: DEC 26 2001

Conditions of Approval :
Attached ☐

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State Lease - 4 Copies

Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

1 API Number 30.045-30458		2 Pool Code 71599		3 Pool Name BASIN DAKOTA	
4 Property Code 23186		5 Property Name CHARLES HUTTON			6 Well Number 1 E
7 OGRID No. 014634		8 Operator Name MERRION OIL AND GAS			9 Elevation 5517

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
I	23	30	12W		1645	SOUTH	1285	EAST	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 320	13 Joint or Infill Y	14 Consolidation Code U	15 Order No. PRIVATE UNITIZATION
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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

	17 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: DRUG & PROD. MANAGER Date: 12-21-00	
	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: OCTOBER 16, 2000 Signature and Seal of Professional Surveyor: <i>[Signature]</i> Certificate Number: 9672	

New Mexico Oil Conservation Division
C-102 Instructions

IF THIS IS AN AMENDED REPORT, CHECK THE BOX LABELED "AMENDED REPORT" AT THE TOP OF THIS DOCUMENT.

Surveyors shall use the latest United States government survey or dependent resurvey. Well locations will be in reference to the New Mexico Principal Meridian. If the land is not surveyed contact the appropriate OCD district office. Independent subdivision surveys will not be acceptable.

1. The OCD assigned API number for this well
2. The pool code for this (proposed) completion
3. The pool name for this (proposed) completion
4. The property code for this (proposed) completion
5. The property name (well name) for this (proposed) completion
6. The well number for this (proposed) completion
7. Operator's OGRID number
8. The operator's name
9. The ground level elevation of this well
10. The surveyed surface location of this well measured from the section lines NOTE: If the United States government survey designates a Lot Number for this location use that number in the 'UL or lot no.' box. Otherwise use the OCD unit letter.
11. Proposed bottom hole location. If this is a horizontal hole indicate the location of the end of the hole.
12. The calculated acreage dedicated to this completion to the nearest hundredth of an acre
13. Put a Y if more than one completion will be sharing this same acreage or N if this is the only completion on this acreage
14. If more than one lease of different ownership has been dedicated to the well show the consolidation code from the following table:

C	Communitization
U	Unitization
F	Forced pooling
O	Other
P	Consolidation pending

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15. Write in the OCD order(s) approving a non-standard location, non-standard spacing, or directional or horizontal drilling
16. This grid represents a standard section. You may superimpose a non-standard section over this grid. Outline the dedicated acreage and the separate leases within that dedicated acreage. Show the well surface location and bottom hole location, if it is directionally drilled, with the dimensions from the section lines in the cardinal directions. (Note: A legal location is determined from the perpendicular

open within this pool.

Show all lots, lot numbers, and their respective acreage.

If more than one lease has been dedicated to this completion, outline each one and identify the ownership as to both working interest and royalty.

17. The signature, printed name, and title of the person authorized to make this report, and the date this document was signed.
18. The registered surveyors certification. This section does not have to be completed if this form has been previously accepted by the OCD and is being filed for a change of pool or dedicated acreage.