

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 31120
⁴ Property Code 25177	⁵ Property Name Chucky	⁶ Well No. 3

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
A	23	30N	12W	nene	1020	North	1140	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 1 Basin Fruitland					¹⁰ Proposed Pool 2				

¹¹ Work Type Code N	¹² Well Type Code G	¹³ Cable/Rotary Rotary	¹⁴ Lease Type Code F ee	¹⁵ Ground Level Elevation 5512'
¹⁶ Multiple No	¹⁷ Proposed Depth 1885' KB	¹⁸ Formation Fruitland Coal	¹⁹ Contractor L&B Speed Drill	²⁰ Spud Date As Soon As Permitted

²¹ Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
8-3/4"	7" J55	20 ppf or heavier	~120' KB	~30 sx (35 cuft)	Surface
6-1/4"	4-1/2" J55	10.5 ppf or heavier	~1885'KB	~139 sx (238 cuft)	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 Oil & Gas proposes to drill 8 3/4" hole with native mud to approx. 120' KB and set 7" 20# (or heavier) J55 surface casing, cement to surface with ~30 sx 'B' w/ 2% CaCl₂ (35 ft³). Will drill 6 1/4" hole to TD @ approx. 1885' KB with low solids non-dispersed gel mud system. Run open hole surveys. If appears productive, will set 4 1/2" 10.5 ppf (or heavier) J55 production casing from TD to surface. Will cement with 84 sx 'B' w/ 2% SMS (174 ft³) and tail in with 55 sx 'B' (64 ft³) cement to fill from total depth to surface. Top of cement should circulate 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 determine top of cement.

Will test Fruitland Coal 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.

Surface ownership is fee. Merrion Oil & Gas is surface owner.

Formation tops: Nacimiento - Surface, Ojo Alamo - 300', Kirtland - 425', Fruitland - 1308', Fruitland Coal - 1735', Pictured Cliffs - 1770'.

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

Signature:

Printed name:

Connie S. Dinning

Title:

Production Engineer

Date:

May 29, 2002

Phone: 505-327-9801

OIL CONSERVATION DIVISION

Approved by:

Title:

Approval Date:

Expiration Date:

Conditions of Approval:

Attached ☐

State of New Mexico
Energy, Minerals & Mining Resources Department
OIL CONSERVATION DIVISION
2040 South Pacheco
Santa Fe, NM 87505

Form C - 102

☐ AMENDED REPORT

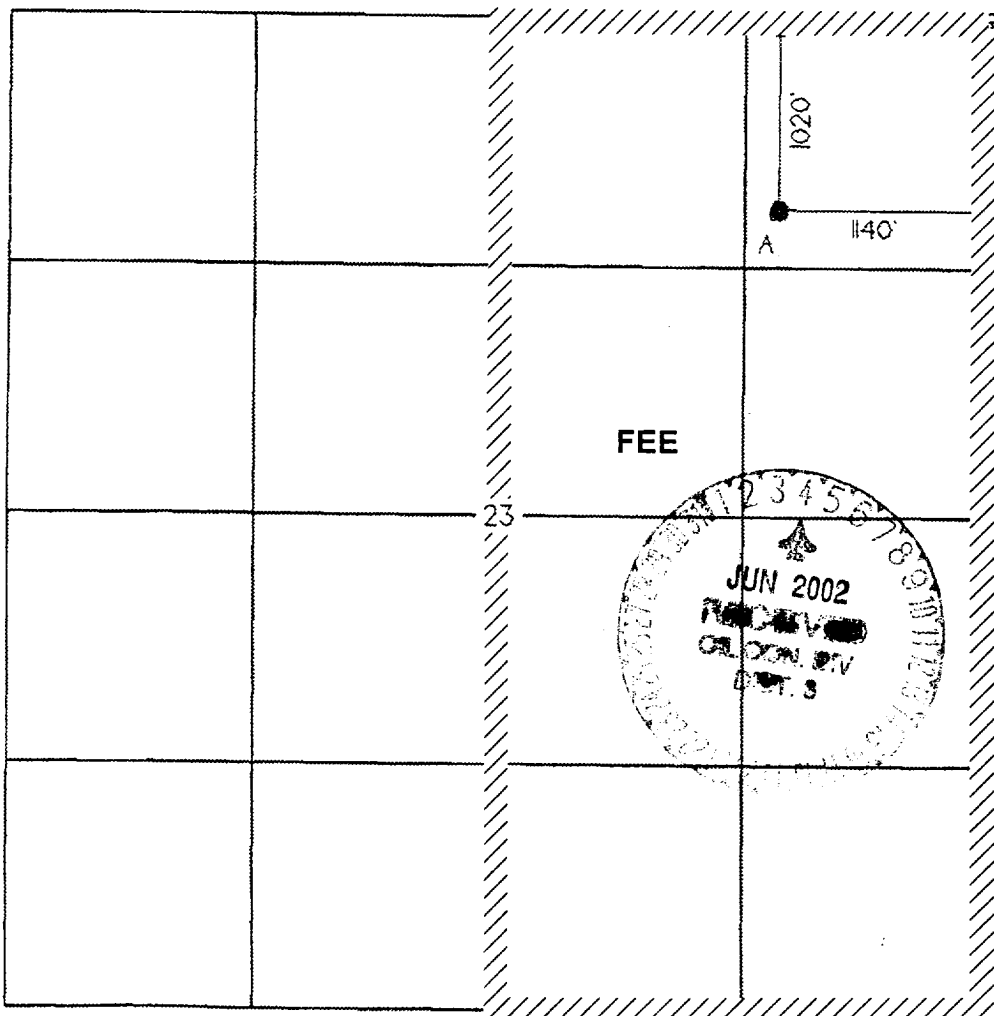
WELL LOCATION AND ACREAGE DEDICATION PLAT

APA Number 30-045-31120	Pool Code 71629	Pool Name Basin Fruitland Coal
Property Code 25177	Property Name CHUCKY	Well Number 3
OGRD No. 014634	Operator Name MERRION OIL & GAS	Elevation 5512'

Surface Location									
UL or Lot A	Sec. 23	Twp. 30 N.	Rge. 12 W.	Lot km. NENE	Feet from 1020'	North/South NORTH	Feet from 1140'	East/West EAST	County SAN JUAN

Bottom Hole Location If Different From Surface									
UL or Lot	Sec.	Twp.	Rge.	Lot km.	Feet from	North/South	Feet from	East/West	County
Dedication	Joint ?	Consolidation			Order No.				

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	
Printed Name	Connie S. Dinning
Title	Production Engineer
Date	May 29, 2002
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	
Signature and Seal of Professional Surveyor	