

ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION

Engineering Bureau -
1220 South St. Francis Drive, Santa Fe, NM 87505

2010 AUG 16 A 9:28



Merrion
14634
Glade Park #2

ADMINISTRATIVE APPLICATION CHECKLIST

30-045-34748

THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

Application Acronyms:

- [NSL-Non-Standard Location] [NSP-Non-Standard Proration Unit] [SD-Simultaneous Dedication]
- [DHC-Downhole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling]
- [PC-Pool Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measurement]
- [WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion]
- [SWD-Salt Water Disposal] [IPI-Injection Pressure Increase]
- [EOR-Qualified Enhanced Oil Recovery Certification] [PPR-Positive Production Response]

6254

[1] **TYPE OF APPLICATION - Check Those Which Apply for [A]**

- [A] Location - Spacing Unit - Simultaneous Dedication
 NSL NSP SD

Check One Only for [B] or [C]

- [B] Commingling - Storage - Measurement
 DHC CTB PLC PC OLS OLM

- [C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery
 WFX PMX SWD IPI EOR PPR

- [D] Other: Specify _____

[2] **NOTIFICATION REQUIRED TO: - Check Those Which Apply, or Does Not Apply**

- [A] Working, Royalty or Overriding Royalty Interest Owners
- [B] Offset Operators, Leaseholders or Surface Owner
- [C] Application is One Which Requires Published Legal Notice
- [D] Notification and/or Concurrent Approval by BLM or SLO
U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office
- [E] For all of the above, Proof of Notification or Publication is Attached, and/or,
- [F] Waivers are Attached

[3] **SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED ABOVE.**

[4] **CERTIFICATION:** I hereby certify that the information submitted with this application for administrative approval is **accurate** and **complete** to the best of my knowledge. I also understand that **no action** will be taken on this application until the required information and notifications are submitted to the Division.

Note: Statement must be completed by an individual with managerial and/or supervisory capacity.

Philana Thompson
Print or Type Name

Philana Thompson
Signature

Regulatory Compliance Spec
Title

8-9-10
Date

pthompson@merrion.bz
e-mail Address

Glade Park 2



August 9, 2010

Mr. David Brooks
New Mexico Oil Conservation Division
1220 S. St. Frances Dr
Santa Fe, NM 87504

Reference:

Application for Administrative Approval of Unorthodox Location
Merrion Oil & Gas Corporation
Glade Park #2
30-045-34748 UL K, S9, T29N, R13W 1561 FSL & 2012 FWL
San Juan County, NM
Basin Fruitland Coal/ Kutz West Pictured Cliffs

Dear Mr. Brooks,

Merrion Oil & Gas hereby requests administrative approval for an unorthodox location for the above referenced well for the Kutz West Pictured Cliffs and Basin Fruitland Coal formation. Attached for your reference are the following exhibits:

1. Well location plat (NMOCD Form C-102)
2. Topographic Map
3. Ownership Map

The above mentioned well is being drilled within the city limits of Farmington, New Mexico. Merrion Oil & Gas was unable to find a surface site at an orthodox location that meets the city set-back rules and is acceptable to surface owners. The proposed unorthodox location is the best location that meets those guidelines.

Richardson Operating is the offset operator of the target formations located in the above mentioned section and were notified via certified mail #7009 0960 0000 0185 0843 on 8/10/2010.

If you should have any questions or concerns, please do not hesitate to contact me.

Sincerely,

A handwritten signature in black ink, appearing to read "Philana Thompson". The signature is fluid and cursive, written over a white background.

Philana Thompson
Regulatory Compliance Specialist
Merrion Oil & Gas Corporation
505-324-5336 office

District I
1625 N. French Dr., Hobbs, NM 88240
Phone:(505) 393-6161 Fax:(505) 393-0720

District II
1301 W. Grand Ave., Artesia, NM 88210
Phone:(505) 748-1283 Fax:(505) 748-9720

District III
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Phone:(505) 334-6178 Fax:(505) 334-6170

District IV
1220 S. St Francis Dr., Santa Fe, NM 87505
Phone:(505) 476-3470 Fax:(505) 476-3462

State of New Mexico
Energy, Minerals and Natural Resources
Oil Conservation Division
1220 S. St Francis Dr.
Santa Fe, NM 87505

WELL LOCATION AND ACREAGE DEDICATION PLAT

1. API Number 30-045-34748	2. Pool Code 71629	3. Pool Name BASIN FRUITLAND COAL (GAS)
4. Property Code 37222	5. Property Name GLADE PARK	6. Well No. 002
7. OGRID No. 14634	8. Operator Name MERRION OIL & GAS CORP	9. Elevation 5326

10. Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
K	9	29N	13W		1561	S	2012	W	SAN JUAN

11. Bottom Hole Location If Different From Surface

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
12. Dedicated Acres 320.00		13. Joint or Infill		14. Consolidation Code Forced Pooling			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

	OPERATOR CERTIFICATION	
	<p><i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location(s) or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</i></p>	
	<p>E-Signed By: <i>Richard Thompson</i> Title: <i>Regulatory Compliance Spec</i> Date: <i>8/5/10</i></p>	
	SURVEYOR CERTIFICATION	
<p><i>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.</i></p>		
<p>Surveyed By: Gerald Huddleston Date of Survey: 9/1/2008 Certificate Number: 6844</p>		

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1220 S. St Francis Dr.
Santa Fe, NM 87505

WELL LOCATION AND ACREAGE DEDICATION PLAT

1. API Number	2. Pool Code 79680	3. Pool Name KUTZ PICTURED CLIFFS, WEST (GAS)
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Glade Park

San Juan Co, New Mexico

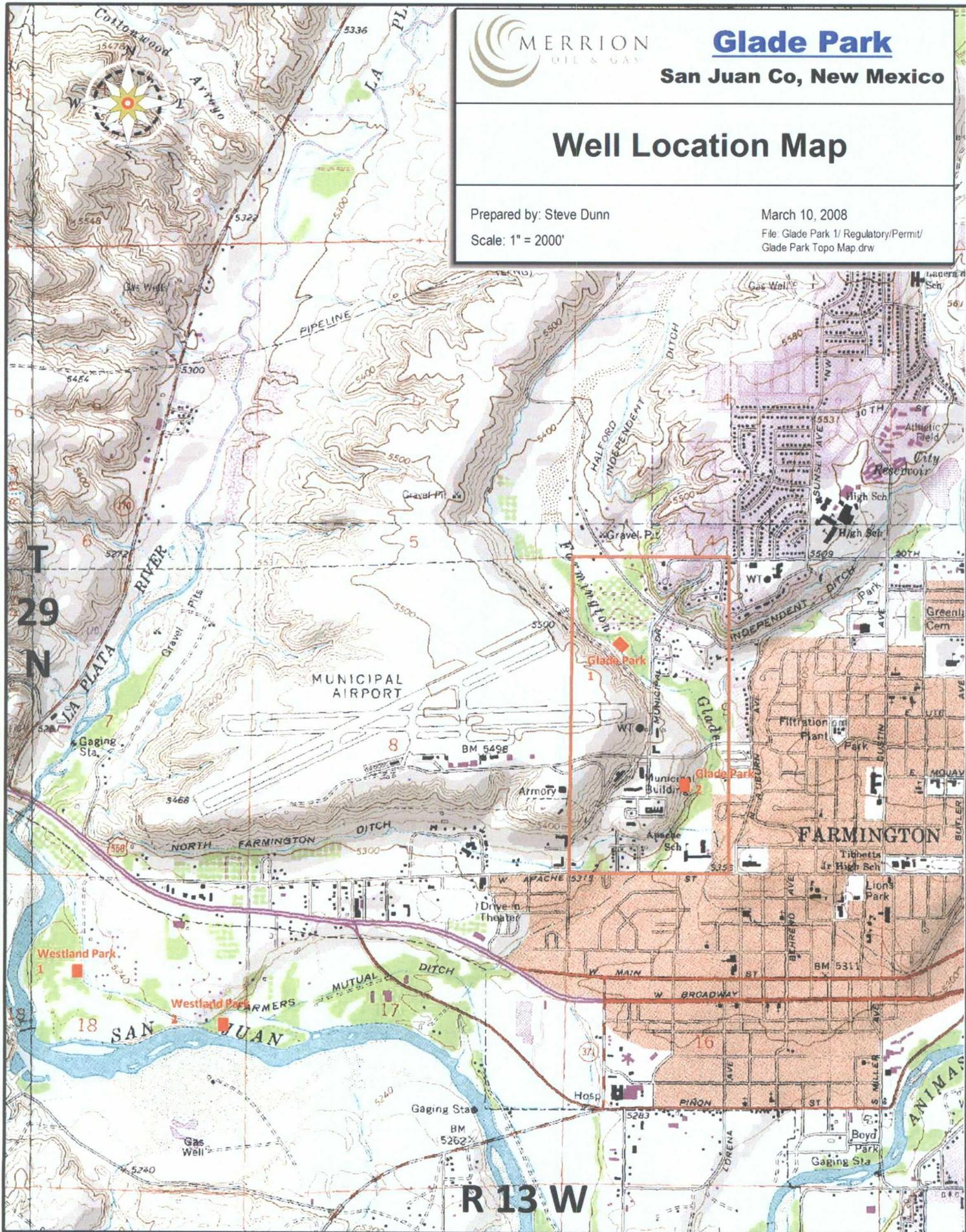
Well Location Map

Prepared by: Steve Dunn

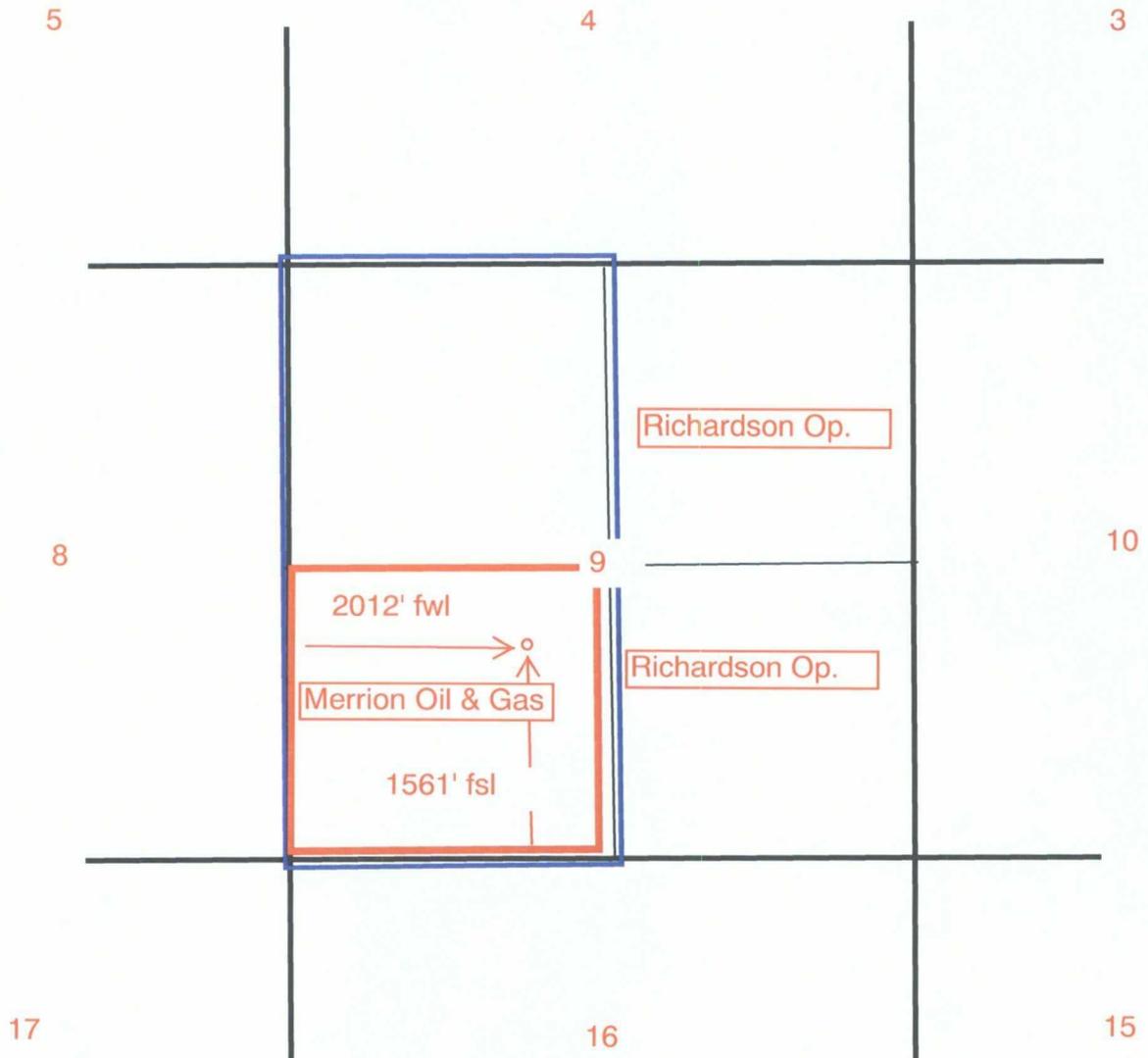
March 10, 2008

Scale: 1" = 2000'

File: Glade Park 1/ Regulatory/Permit/
Glade Park Topo Map.dwg



Offset Operator Plat
Non-Standard Location Application
Glade Park #2 Well
West Kutz Pictured Cliffs Pool
SW/4 Section 9, T29N, R13W
Basin Fruitland Coal Pool
W/2 Section 9, T29N, R13W
San Juan County, NM



Statistical Study Area

Proposed Glade Park No. 1

Proposed Westland Park No. 1

29N 13W

FC - PC Ultimate Map
FC on left
PC on right

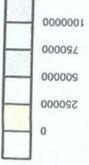
FC + PC ULTIMATES

POSTED WELL DATA

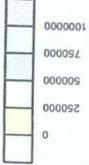
FRUITLAND_COAL_GAS_RATE
FRUITLAND_COAL_PC_EUR (MCF)
FRUITLAND_COAL_TOTAL_COAL_THICKNESS
FRUITLAND_COAL_GAS_RATE
FRUITLAND_COAL_PC_EUR (MCF)
FRUITLAND_COAL_TOTAL_COAL_THICKNESS

BUBBLE MAP
PICTURED CLIFFS - CUM GAS

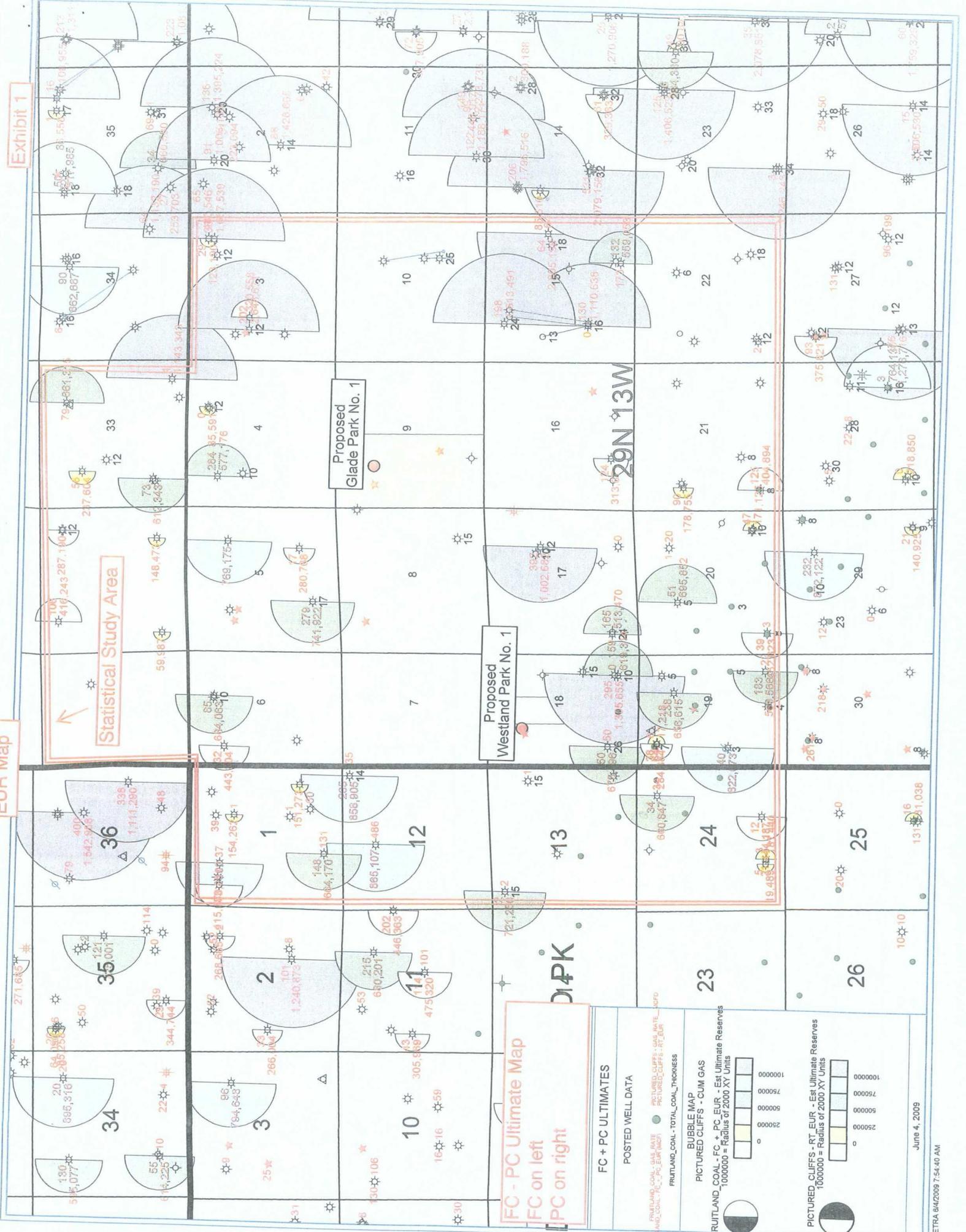
FRUITLAND_COAL - FC + PC EUR - Est Ultimate Reserves
1000000 = Radius of 2000 XY Units



PICTURED CLIFFS - RT EUR - Est Ultimate Reserves
1000000 = Radius of 2000 XY Units



June 4, 2009





August 9, 2010

Richardson Operating Company
6400 South Fiddlers Green Circle
Greenwood Vlg., CO 80111-4995

Re:

Application for Administrative Approval of Unorthodox Location
Merrion Oil & Gas Corporation
Glade Park #2
30-045-34748 UL K, S9, T29N, R13W 1561 FSL & 2012 FWL
San Juan County, NM
Basin Fruitland Coal/ Kutz West Pictured Cliffs

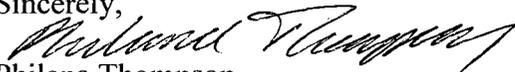
To who it may concern,

Enclosed is a copy of an Application for Administrative Approval of Unorthodox Location for the Glad Park #2 well that has been sent to the New Mexico Oil Conservation Division for the administrative approval. If Richardson Operating Company objects, you must file your objection with the New Mexico Oil Conservation Division within 20 days, as required by the OCD rule 15.13.D (19.15.15.13D NMAC). If you have no objection to the proposed non-standard location, please so indicate by signing and returning one copy of the litter to me at the address shown on the bottom of this letter.

The above mentioned well is being drilled within the city limits of Farmington, New Mexico. Merrion Oil & Gas was unable to find a surface site at an orthodox location that meets the city set-back rules and is acceptable to surface owners. The proposed unorthodox location is the best location that meets those guidelines.

If you should have any questions or concerns, please do not hesitate to contact me. Your prompt attention to this matter will be very much appreciated.

Sincerely,


Philana Thompson
Regulatory Compliance Specialist
Merrion Oil & Gas Corporation
505-324-5336 office

_____ hereby waives notice of hearing and objection to the application by Merrion Oil & Gas Corporation for the non-standard location for the Glade Park #2 well as depicted on the enclosed plat.

By: _____ Date: _____

Printed Name: _____

DATE IN	SUSPENSE	ENGINEER	LOGGED IN	TYPE	APP NO.
---------	----------	----------	-----------	------	---------

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Philana Thompson _____ Regulatory Compliance Spec
 Print or Type Name Signature Title Date 8-9-10

_____ pthompson@merrion.bz
 e-mail Address



August 9, 2010

Mr. David Brooks
New Mexico Oil Conservation Division
1220 S. St. Frances Dr
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Reference:

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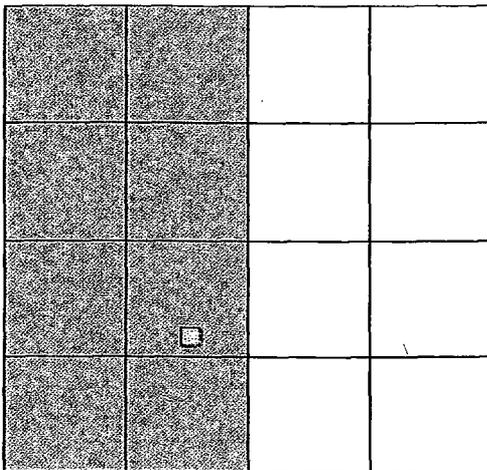
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OPERATOR CERTIFICATION

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E-Signed By: *Richard Thompson*
Title: *Regulatory Compliance Spec*
Date: *8/5/10*

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.

Surveyed By: Gerald Huddleston
Date of Survey: 9/1/2008
Certificate Number: 6844

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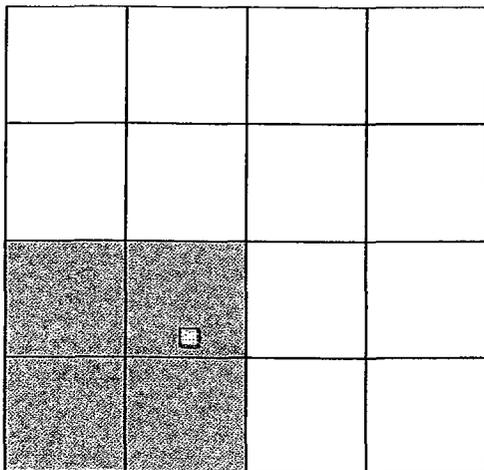
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E-Signed By: *Melanie Thompson*
Title: *Regulatory Compl. Spec.*
Date: *8/5/10*

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Glade Park
San Juan Co, New Mexico

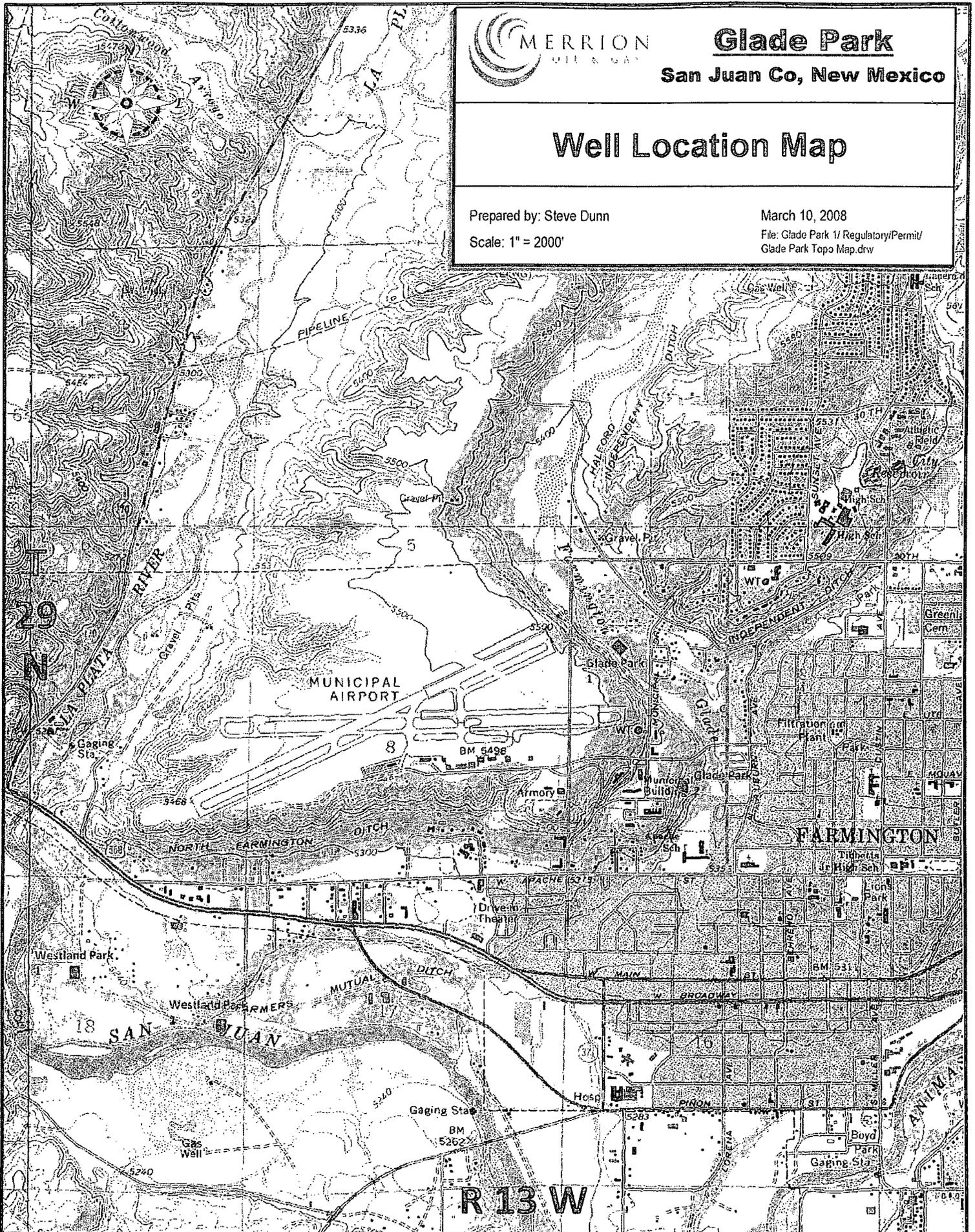
Well Location Map

Prepared by: Steve Dunn

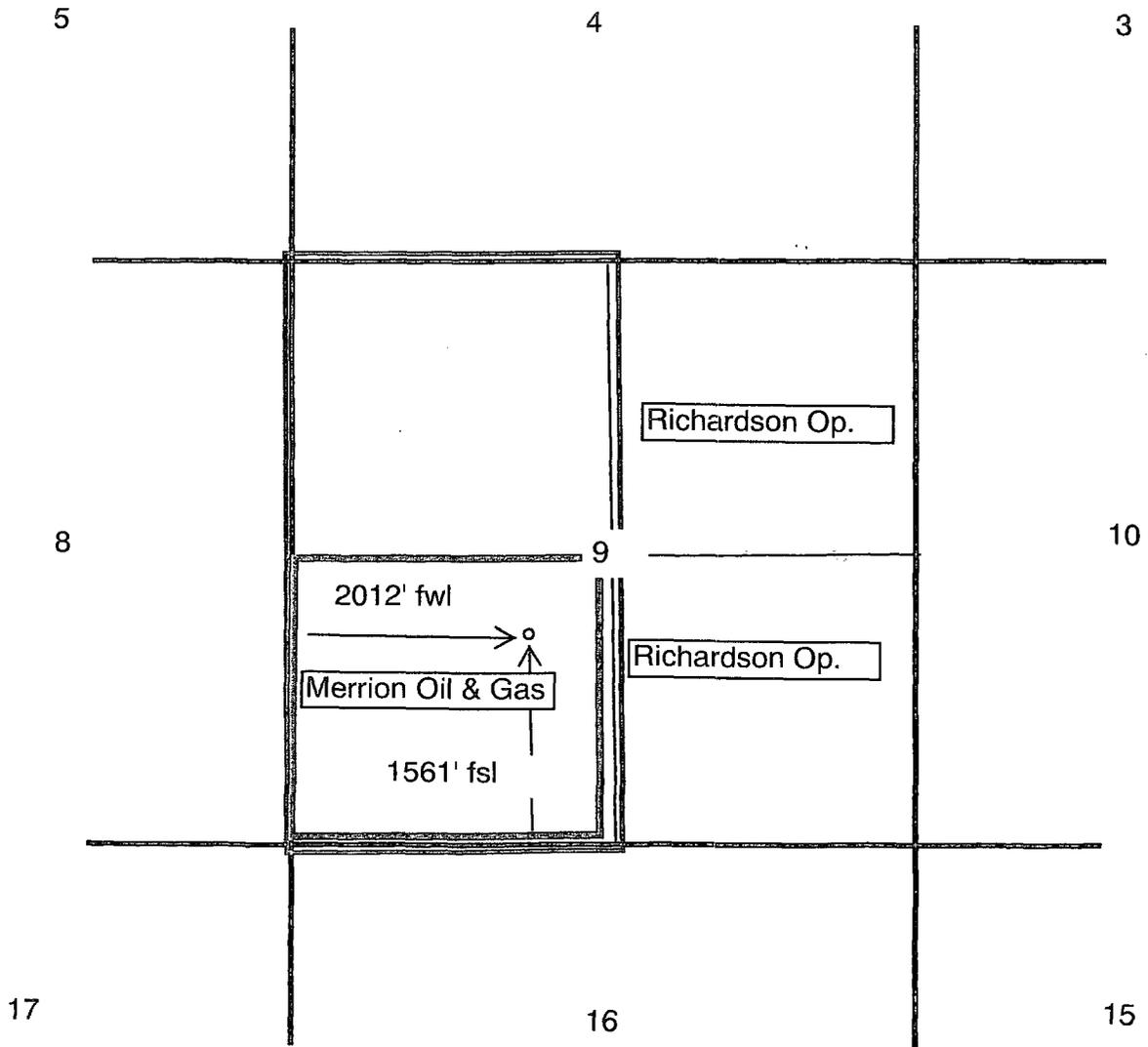
March 10, 2008

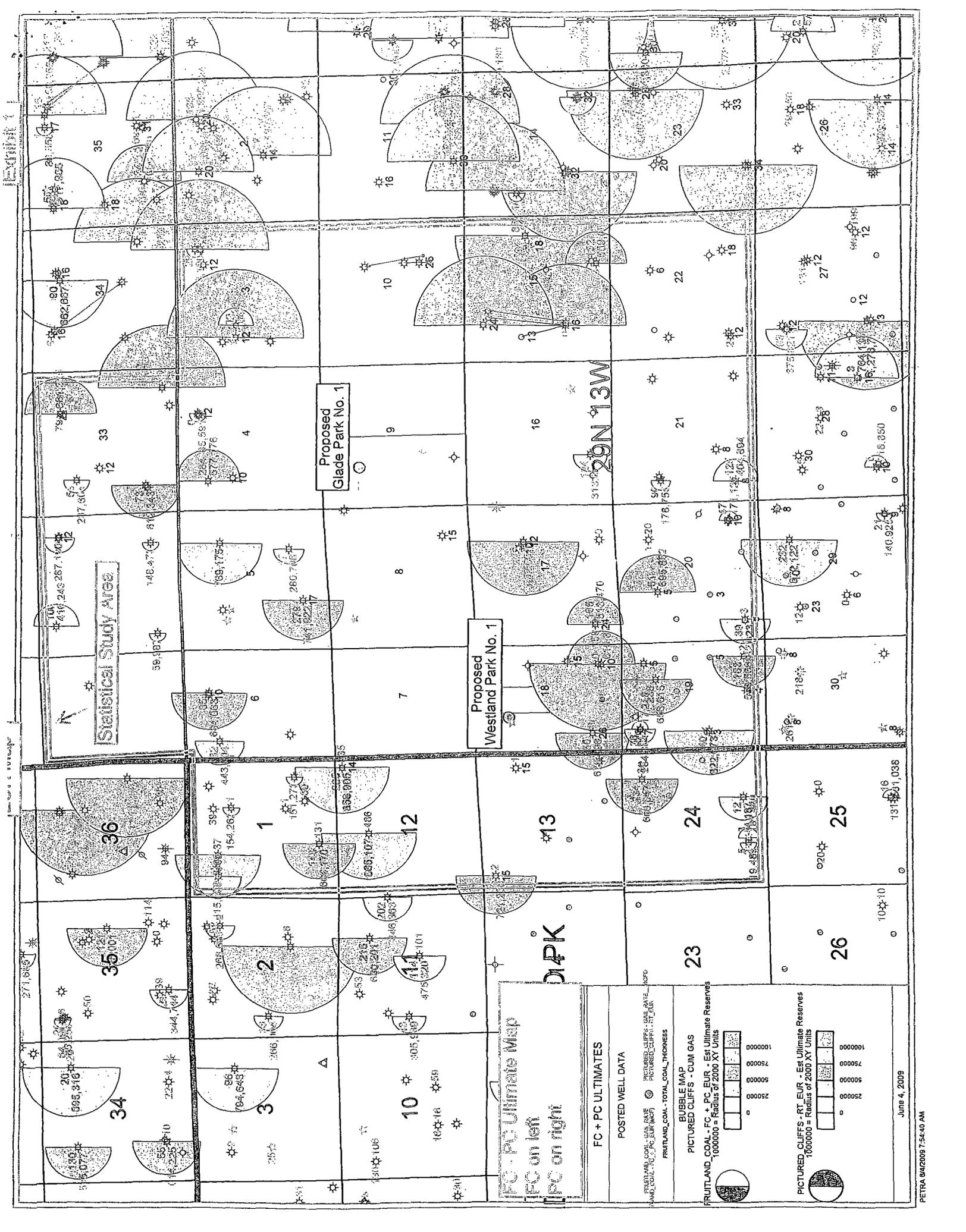
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File: Glade Park 1/Regulatory/Permit/
Glade Park Topo Map.drw



**Offset Operator Plat
Non-Standard Location Application
Glade Park #2 Well
West Kutz Pictured Cliffs Pool
SW/4 Section 9, T29N, R13W
Basin Fruitland Coal Pool
W/2 Section 9, T29N, R13W
San Juan County, NM**





Statistical Study Area

Proposed Glade Park No. 1

Proposed Westland Park No. 1

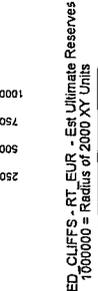
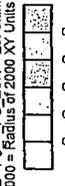
FC - PC Ultimate Map
 FC on left
 PC on right

FC + PC ULTIMATES

POSTED WELL DATA

FRUITLAND_COAL - TOTAL_COAL_THICKNESS
 PICTURED_CLIFFS - CUM GAS
 PICTURED_CLIFFS - RT. EUR

FRUITLAND_COAL - FC + PC EUR - Est Ultimate Reserves
 1000000 = Radius of 2000 XY Units



PICTURED_CLIFFS - RT. EUR - Est Ultimate Reserves
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June 4, 2009