

Submit 3 Copies To Appropriate District Office  
District I  
1625 N. French Dr., Hobbs, NM 88240  
District II  
1301 W. Grand Ave., Artesia, NM 88210  
District III  
1000 Rio Brazos Rd., Aztec, NM 87410  
District IV  
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico  
Energy, Minerals and Natural Resources

Form C-103  
May 27, 2004

OIL CONSERVATION DIVISION  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

WELL API NO. <b>30-045-33758</b>
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name <b>REGGAE COM</b>
8. Well Number <b>002</b>
9. OGRID Number <b>014634</b>
10. Pool name or Wildcat <b>Basin Fruitland Coal/Kutz PC, West</b>

SUNDRY NOTICES AND REPORTS ON WELLS.  
(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)  
1. Type of Well: Oil Well ☐ Gas Well ☒ Other

2. Name of Operator  
**MERRION OIL & GAS CORPORATION**

3. Address of Operator  
**610 REILLY AVENUE, FARMINGTON, NM 87401**

4. Well Location  
Unit Letter P : 815 feet from the South line and 881 feet from the East line  
Section 16 Township 26N Range 11W NMPM San Juan County

11. Elevation (Show whether DR, RKB, RT, GR, etc.)  
**6270'**

Pit or Below-grade Tank Application ☐ or Closure ☐  
Pit type \_\_\_\_\_ Depth to Groundwater \_\_\_\_\_ Distance from nearest fresh water well \_\_\_\_\_ Distance from nearest surface water \_\_\_\_\_  
Pit Liner Thickness: \_\_\_\_\_ mil Below-Grade Tank: Volume \_\_\_\_\_ bbls; Construction Material \_\_\_\_\_

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input checked="" type="checkbox"/>	P AND A <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	MULTIPLE COMPL <input type="checkbox"/>	CASING/CEMENT JOB <input checked="" type="checkbox"/>	
OTHER: <input type="checkbox"/>		OTHER: <input type="checkbox"/>	

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

8/14/06 MIRU Scorpion Drilling Rig #1. Spud 8-3/4" surface hole at 09:00 hrs 8/14/06 w/ bit #1 (8-3/4", RT). Drill to 131', circulate hole clean & TOH. Ran 3 joints of 7" (121.50'), 20# casing land @ 127' KB. RU Key Pressure Pumping Services, precede cement with 10 bbls of water. Mix and pump 55 sxs (65 cu.ft.) of Type V with 3% CaCl<sub>2</sub> and 1/4#/sx of celloflake. Displaced cement with 4 bbls of water, circulated out 6 bbls of cement to surface. PD at 13:00 hrs 8/14/06. WOC. NU BOP, choke manifold and related surface equipment. SDON.

8/17/06 TD well at 1726' on 8/17/06. Circulate & condition hole. TOH to DC's. TIH to 1400' & SDON. (JT) *Report hole size*

8/18/06 TIH to 1726' and circulate hole clean. TOH, laying down DP & DC's. RU Schlumberger and run DEN/NEUT/IND/GR logs. Logs reached 1721'. RD SWS. RU casing crew & run 45 joints (1716.19') of 4-1/2", 11.6#, J-55, LT&C casing land @ 1721' KB. Insert float collar @ 1710' KB. Wash casing down and circulate for 0.5 hrs. RU Key Pressure Pumping Services (KPPS). Precede cement with 10 bbls of water. Mix and pump 130 sxs (268 cu.ft.) of Type "V" with 2% SMS, 3#/sx of gilsonite and 1/4#/sx celloflake. Tail in with 75 sxs (89 cu.ft.) of Type "V" with 3#/sx of gilsonite and 1/4#/sx celloflake. Dropped plug and displaced cement with 26.4 bbls of water. PD @ 15:00 hrs 8/19/06. Good circulation throughout cement job. Circulated out 14 bbls of cement to surface. Bumped plug to 1500# - held OK. Release pressure - float held OK. RD KPPS. ND BOP & set slips with 10K tension. Rig down rig and related surface equipment. WOCT.

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines ☐, a general permit ☐ or an (attached) alternative OCD-approved plan ☐.

SIGNATURE [Signature] TITLE Drlg & Prod Manager DATE 8/22/06

Type or print name Steven S. Dunn E-mail address: sdunn@merrion.bz Telephone No. (505) 324-5300

APPROVED BY: H. Villanueva TITLE DEPUTY OIL & GAS INSPECTOR, DIST IV DATE AUG 23 2006  
Conditions of Approval (if any): Show p+on 7" CSG + 4 1/2" CSG