

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM APPROVED
Budget Bureau No. 1004-0135
Expires: March 31, 1993

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir.
Use "APPLICATION FOR PERMIT--" for such proposals

SUBMIT IN TRIPLICATE

1. Type of Well

☐ Well ☒ Well ☐ Other

2. Name of Operator

Merrion Oil & Gas Corporation (14634)

3. Address and Telephone No.

610 Reilly Avenue, Farmington, NM 87401-2634

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

990' fml & 1780' fwl (ne nw)
Section 29, T25N, R9W

5. Lease Designation and Serial No.

SF-078309

6. If Indian, Allottee or Tribe Name

7. If Unit or CA, Agreement Designation

8. Well Name and No.

Federal 29 No. 1

9. API Well No.

30-045-25052

10. Field and Pool, or Exploratory Area

White Wash Mancos/Dakota

11. County or Parish, State

San Juan County,
New Mexico

12. CHECK APPROPRIATE BOX (s) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

☒ Notice of Intent☐ Subsequent Report☐ Final Abandonment Notice

TYPE OF ACTION

☐ Abandonment☐ Recompletion☐ Plugging Back☐ Casing Repair☐ Altering Casing☒ Other Add Perforations☐ Change of Plans☐ New Construction☐ Non-Routine Fracturing☐ Water Shut-Off☐ Conversion to Injection☐ Dispose Water(Note: Report results of multiple completion on
Completion or Recompletion Report and Log form.)

13. Describe Proposed or completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)

Merrion Oil & Gas proposes to complete the White Wash Mancos-Gallup Pool in the subject well as detailed in the attached procedure. Production will be commingled downhole with the Basin Dakota Pool.

C102 well be required for the Mancos-Gallup completion based on 40 acre oil spacing.

CONDITIONS OF APPROVAL
Adhere to previously issued stipulations.

14. I hereby certify that the foregoing is true and correct

Signed

Connie S. Dinning

Title Production Engineer

Date 2/6/2004

(This space for Federal or State office use)

Approved By

Conditions of approval, if any:

Title

Petr. Eng.

Date

2/25/04

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statement or representations as to any matter within its jurisdiction.

NMOCD

Merrion Oil & Gas Corporation

Workover Procedure

January 22, 2004

Well:	Federal 29 No. 1	Field:	Whitewash Mancos/Dk
Location:	990' fml & 1780' fel	Elevation:	6,664' GR
	Sec. 29, T25N, R9W, NMPM		6,678' KB
	San Juan County, New Mexico	By:	Connie Dinning

Procedure:

Note: All Fluids to be 2% KCl based.

Prior to Move In

1. Check wellsite for anchors.
2. Dig pit if necessary.
3. Open tubing and casing to production line to equalize. *Note: Plunger lift equipment is in tubing.*
4. Haul pumping unit, engine and rods to Federal 28 No. 2. Prepare material transfers for all equipment moved to well.
5. Haul in 10 jts. 2 3/8" tubing.
6. Order in frac/test tank(s) w/ riser, working external gauges & two good 4" valves. Fill w/ 2% KCl city water or filtered water. Refer to frac job design for exact volume and number of tanks.

Pull Tubing, Log, and Isolate Dakota

1. MIRU workover rig, PU additional tbg and check for fill before TOH w/ tbg. (clean out any fill w/ air package at end of job prior to landing tubing & running pump/rods).
2. RIH w/ 4 1/2" casing scraper to PBTD at $\pm 6458'$ KB.
3. TOH w/ scraper & tubing.
4. MIRU wireline company. Run Gamma Ray Correlation Log from PBTD @ $\pm 6458'$ to 5300' KB or minimum run interval.
5. RIH w/ drillable BP, set @ $\pm 6000'$ KB.
6. Load hole with 2% KCl water and pressure test to 3500 psi.
7. If well does not pressure test, PU packer, isolate holes and squeeze as necessary.

Perf & Ball off Gallup

1. Perforate Gallup with 3 1/8" casing gun, w/ one select fire shot per foot per Federal 28 No. 2 Induction Log dated 8/4/82 as follows:

5336', 5338', 5340', 5352', 5354', 5362', 5388', 5421', 5443', 5445', 5458', 5490', 5492',
5503, 5522', 5524', 5531', 5537', 5540', 5581', 5626', 5857', 5859'; **23 total holes.**

2. TIH w/ tubing and packer.
3. Set packer @ $\pm 5300'$ KB.

4. Pump 300 gallons 15% HCl and 37 RCN ball sealers down tubing.
5. Attempt to ball off to 3500 psi.
6. Release packer and TIH to 6000' to knock off balls.
7. Swab well down to 5300'.
8. TOH & lay down packer.

Fracture Stimulation

1. Install wellhead isolation tool.
2. RU frac crew. Fracture stimulate the Gallup formation with 70 Quality foam with 20# X-Linked base gel and a total of 100,000 lbs. of 20/40 mesh Brady sand (detail design to be provided).
3. Shut well in. RU flowback manifold to test tank. SI well for \pm 4 hrs to allow gel to break.
4. Blow back on $\frac{1}{4}$ " positive flow choke, and flow well to clean up.

Drill Out BP and Run Production String

1. RU air package. TIH w/ bit (or mill) and drill collars on 2-3/8" tbg, clean out sand using air to BP.
2. Drill out BP and continue cleaning out well down to PBTD (6458').
3. TOH and lay down collars and bit.
4. Run production tubing string with 20' mud anchor (open ended) w/ small hole near top and seating nipple. Land production tubing with top of MA at or below bottom of Dakota perms at approximately 6385' KB (Bottom perf @ 6385' KB).
5. Nipple down BOPs. Pick up $1\frac{1}{4}$ " pump and run in hole on rods as follows:

40 ea. $\frac{3}{4}$ " plain
128 ea. $\frac{5}{8}$ " plain
15 ea. $\frac{3}{4}$ " plain
72 ea. $\frac{3}{4}$ " scraped

5. Load tbg w/ water and check pump action before RD.
6. RD & MOL. Report production for two weeks.

Merrion Oil & Gas Corporation

Wellbore Schematic

Federal 29 No. 1

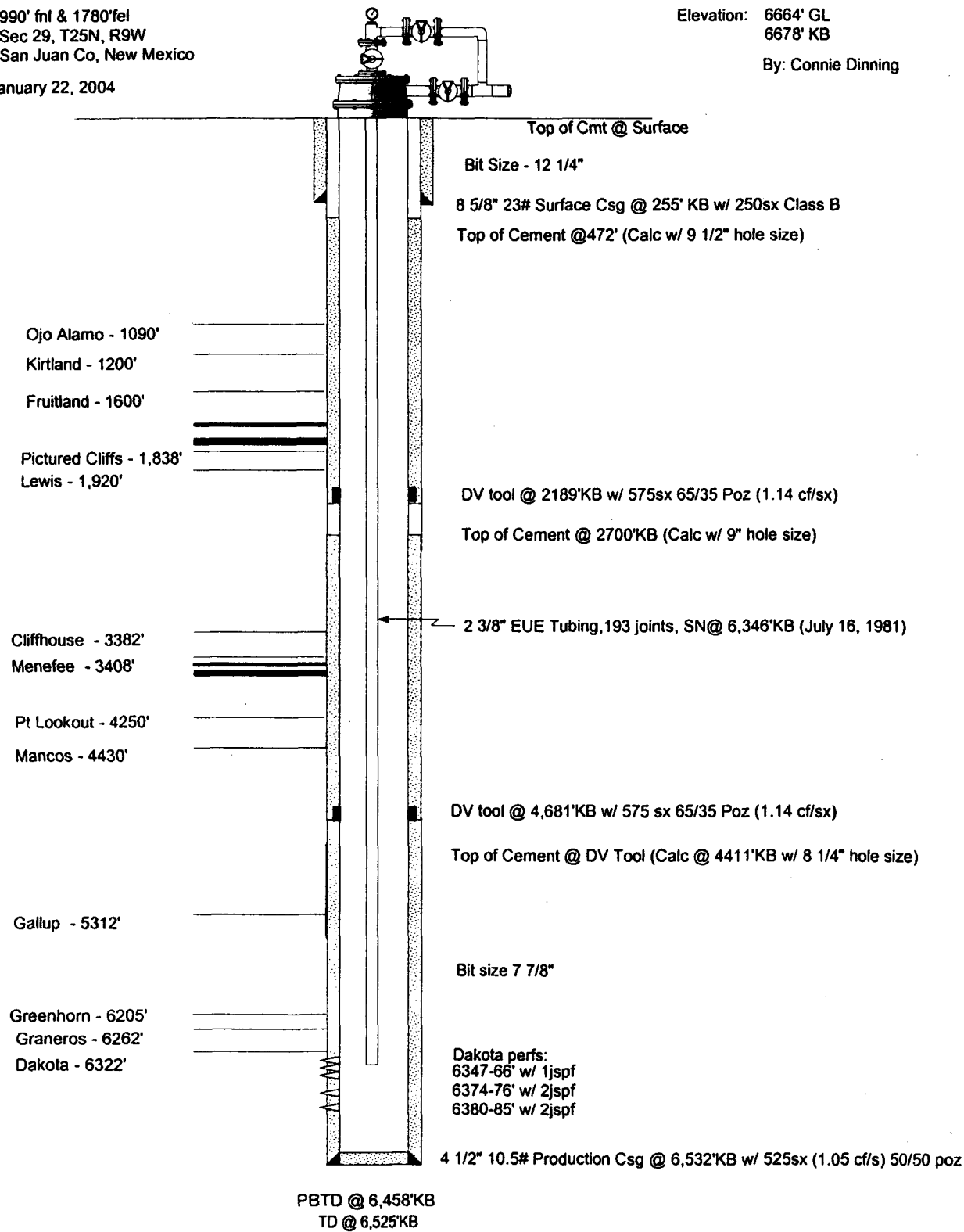
Current Wellbore Configuration

Location: 990' fnl & 1780' fel
 Sec 29, T25N, R9W
 San Juan Co, New Mexico

Date: January 22, 2004

Elevation: 6664' GL
 6678' KB

By: Connie Dinning



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