

Submit to Appropriate District Office
 State Lease - 6 copies
 Fee Lease - 5 copies

State of New Mexico
 Energy, Minerals and Natural Resources Department

Form C-101
 Revised 1-1-89

OIL CONSERVATION DIVISION
 P.O. Box 2088
 Santa Fe, New Mexico 87504-2088

DISTRICT I
 P.O. Box 1980, Hobbs, NM 88240

DISTRICT II
 P.O. Drawer DD, Artesia, NM 88210

DISTRICT III
 1000 Rio Brazos Rd., Aztec, NM 87410

API NO. (assigned by OCD on New Wells)
30-031-205.22

5. Indicate Type of Lease
 V 1621 STATE FEE

6. State Oil & Gas Lease No.
 V-1621

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. Type of Work:
 DRILL RE-ENTER DEEPEN PLUG BACK
 b. Type of Well:
 OIL WELL GAS WELL OTHER
 SINGLE ZONE MULTIPLE ZONE

7. Lease Name or Unit Agreement Name
 State 2-16-19-5

2. Name of Operator
 Merrion Oil & Gas Corporation

8. Well No.
 2

3. Address of Operator
 P. O. Box 840, Farmington, N.M. 87499

9. Pool name or Wildcat
 Papers Wash Entrada

4. Well Location
 Unit Letter H : 2,310 Feet From The North Line and 330 Feet From The FEL Line
 Section 15/6 Township 19N Range 5W NMPM McKinley County

10. Proposed Depth 5,383'
 11. Formation Entrada
 12. Rotary or C.T. rotary

13. Elevations (Show whether DF, RT, GR, etc.) 5,690' KB
 14. Kind & Status Plug. Bond
 15. Drilling Contractor
 16. Approx. Date Work will start

17. **PROPOSED CASING AND CEMENT PROGRAM**

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	SACKS OF CEMENT	EST. TOP
8-3/4"	7"	20 & 23 #/ft	5,373'		

We would like to re-enter the State 16-2 and return it to production in the Entrada formation. Attached is a procedure for your review.

After initially testing the Entrada at small amounts of oil and water, the well was plugged and abandoned in the late 1970's. The logs indicate that the well should have performed better, and we feel perhaps it was not properly tested. Therefore, we request your approval to re-enter the well and test the Entrada formation.

APPROVAL EXPIRES 10-06-90
 UNLESS DRILLING COMMENCED.
 SPUD NOTICE MUST BE SUBMITTED
 WITHIN 10 DAYS.

RECEIVED

APR 02 1990

OIL CON. DIV.
DIST. 3

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: IF PROPOSAL IS TO DEEPEN OR PLUG BACK, GIVE DATA ON PRESENT PRODUCTIVE ZONE AND PROPOSED NEW PRODUCTIVE ZONE. GIVE BLOWOUT PREVENTER PROGRAM, IF ANY.

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

SIGNATURE George F. Sharpe TITLE Reservoir Engineer DATE 3/28/90

TYPE OR PRINT NAME TELEPHONE NO. 505-327-9801

(This space for State Use)

APPROVED BY Emile Busch DEPUTY OIL & GAS INSPECTOR, DIST. 3 DATE APR 06 1990

CONDITIONS OF APPROVAL, IF ANY:

Submit a survey stating what was actually encountered re. cement plug depth etc.

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ARRION OIL & GAS CORPORATIC

RE-ENTRY PROCEDURE

WELL: STATE 16 NO. 2
2,310' FNL & 330' FEL
Sec. 16, T19N, R5W
McKinley Co., New Mexico

FIELD: Papers Wash BY: G. F. Sharpe/C. Merilatt

PROCEDURE:

1. Prepare location for workover rig.
 - a. Dig out production casing and install companion flange.
 - b. Level location, install guy line anchors and dig small reserve pit.
2. MIRU well service rig w/ drilling and reserve equipment. Nipple up BOPs. Make up 6-1/8" tri-cone bit and bit sub on 4-3/4" OD drill collars and 2-7/8" 6.5#/ft EUE tbg.
3. Drill out cement plugs as follows, tripping for bit if necessary:

Surface - 150' KB
1,400' - 1,450' KB
2,850' - 2,900' KB
3,110' - 3,210' KB
4,100' - 4,250' KB
5,050' - 5,225' KB

Note: Previous PBTD - 5,325' KB

4. TOH w/ 2-7/8" EUE tbg, collars and bit. TIH w/ 7" csg scraper on tbg.
5. Rig up wireline and run gamma-ray correlation collar log. Perforate 5,184' - 90' KB, 2 JSPF, 12 holes, per open hole CNL-FDC log. Rig down wireline.
6. TIH w/ 7" pkr on 2-7/8" tbg w/ SN to 4,500' KB and swab test. Report hourly rate, oil-water percent cut, and fluid levels per run. TOH. Lay down 2-7/8" tbg.
7. Run submersible pump and cable on 3.5" EUE 3rd tbg to 4,000' KB. (Subpump to be sized at later date) Install tbg head. Test pump. RDMO.

Approved: 

Date: 3-15-90

2310' FNL & 330' FEL
Section 16, T19N, R5W
McKinley, New Mexico

ELEVATION: 5676' GL
5690' KB

Cement
Plug
Surface
to 150'
w/120 sx

-3/4" Hole

9-5/8", 36#, K-55 @ 205'
200 sx Class "B" with 2% CaCl

8-3/4" hole

7", K-55, 20# @ 3665', 23# @ 5373'
1st Stage: 385 sx 65/35 Poz, 6%
gel, 10#/sx gilsonite
(1.53 ft³/sx) w/100 sx
Class "B" w/10% salt
(1.23 ft³/sx)

DV Tool @ 2687'

Lynes Packer at 2729'

2nd Stage: 370 sx 65/35 Poz, 6%
gel, 10#/sk gilsonite
with 100 sx Class "B"
with 10% salt

Cmt plug
1400'-1450' with 10 sx

Cmt Plug
2250'-2900 with 10 sx

Cmt Plug
3110'-3210' with 20 sx

Cmt Plug
4100'-4250' with 35 sx

Cmt Plug
5050'-5315' with 55 sx

Entrada Peris:

5161'-63'

5170'-72'

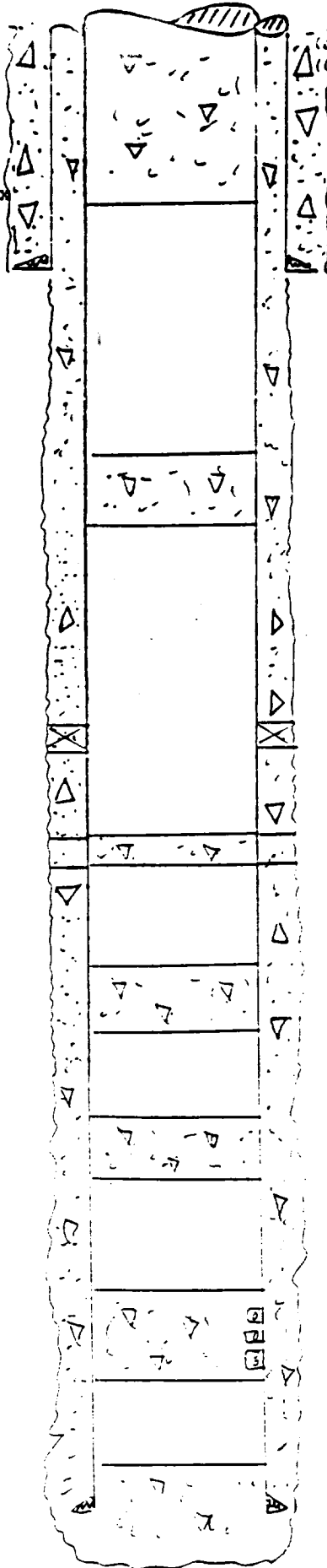
5179'-35

Squeezed with 75 sx

Reper: 5179'-81'

PBTD: 5325'

TD: 5383'



Submit to Appropriate
District Office
State Lease - 4 copies
Fee Lease - 3 copies

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102
Revised 1-1-89

OIL CONSERVATION DIVISION

P.O. Box 2088
Santa Fe, New Mexico 87504-2088

DISTRICT I
P.O. Box 1980, Hobbs, NM 88240

DISTRICT II
P.O. Drawer DD, Artesia, NM 88210

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

WELL LOCATION AND ACREAGE DEDICATION PLAT

All Distances must be from the outer boundaries of the section

Operator Merrion Oil & Gas Corporation			Lease V 1621 State 2-16-19-5		Well No. 2
Unit Letter H	Section 15	Township 19N	Range 5W	County McKinley NMPM	

Actual Footage Location of Well:
2,310' feet from the North line and 330' feet from the East line

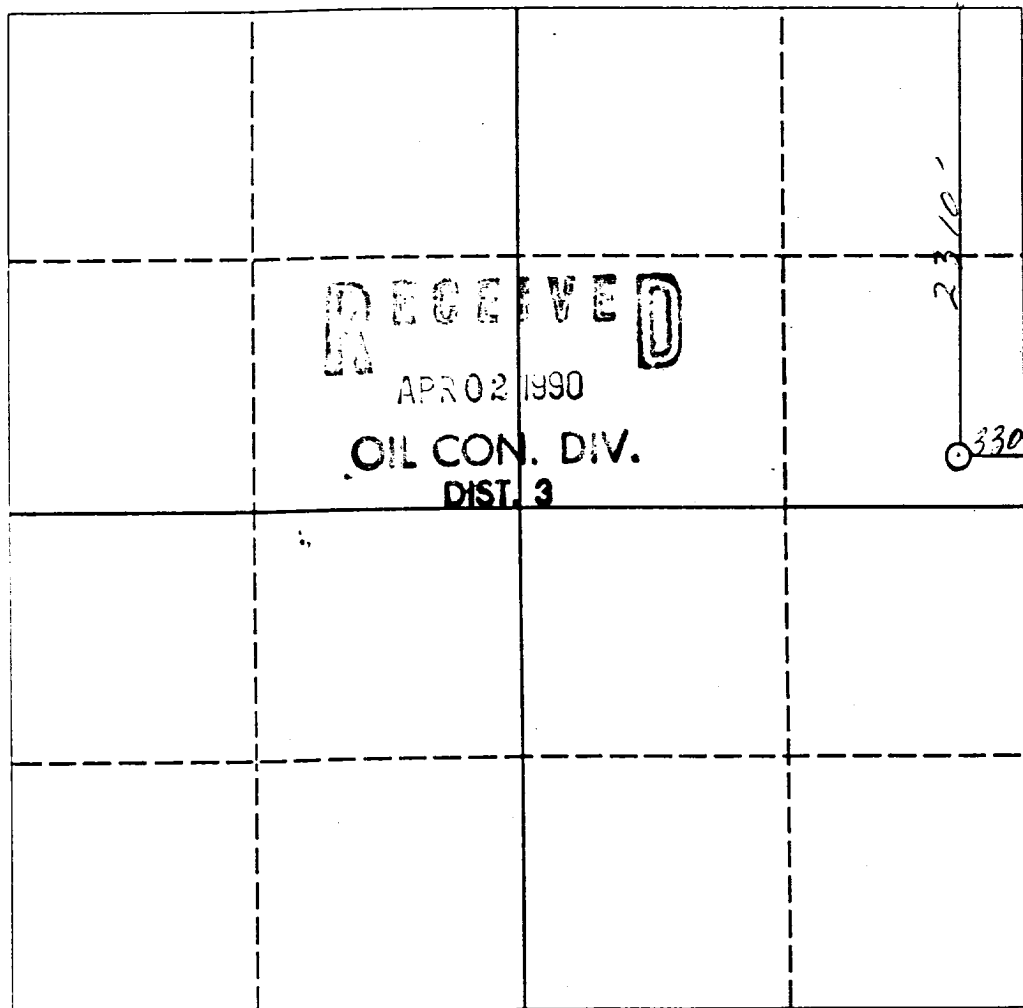
Ground level Elev.	Producing Formation Entrada	Pool Papers Wash	Dedicated Acreage: 40 Acres
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- Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.
- If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
- If more than one lease of different ownership is dedicated to the well, have the interest of all owners been consolidated by communitization, unitization, force-pooling, etc.?

Yes No If answer is "yes" type of consolidation _____

If answer is "no" list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) _____

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interest, 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: *George F. Sharpe*

Printed Name: George F. Sharpe

Position: Reservoir Engineer

Company: Merrion Oil & Gas Corp.

Date: 3/28/90

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 knowledge and belief.

Date Surveyed: _____

Signature & Seal of Professional Surveyor: _____

Certificate No.: _____

