

Submit 3 Copies  
to Appropriate  
District Office

State of New Mexico  
Energy, Minerals and Natural Resources Department

Form C-103  
Revised 1-1-89

OIL CONSERVATION DIVISION

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

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

|  |  |
|--|--|
| WELL API NO.                                       | 30-031-20522   |
| 5. Indicate Type of Lease                          | STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/> |
| 6. State Oil & Gas Lease No.                       | V-1621   |
| 7. Lease Name or Unit Agreement Name               |  |
| State 2-16-19-5                                    |  |
| 8. Well No.  | #2   |
| 9. Pool name or Wildcat                            | Papers Wash Entrada  |
| 10. Elevation (Show whether DF, RKB, RT, GR, etc.) |  |
| 5690' KB   |  |

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:<br>OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input type="checkbox"/>                          | 2. Name of Operator<br>Merrion Oil & Gas Corporation           | 3. Address of Operator<br>P. O. Box 840, Farmington, NM 87499 |
| 4. Well Location<br>Unit Letter H : 2310 Feet From The North Line and 330 Feet From The East Line<br>Section 16 Township 19N Range 5W NMPM McKinley County | 10. Elevation (Show whether DF, RKB, RT, GR, etc.)<br>5690' KB |   |

|   |   |
|---|---|
| 11. Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data   |   |
| NOTICE OF INTENTION TO:<br>PERFORM REMEDIAL WORK <input type="checkbox"/><br>TEMPORARILY ABANDON <input type="checkbox"/><br>PULL OR ALTER CASING <input type="checkbox"/><br>OTHER: <input type="checkbox"/> | SUBSEQUENT REPORT OF:<br>REMEDIAL WORK <input type="checkbox"/><br>COMMENCE DRILLING OPNS. <input type="checkbox"/><br>CASING TEST AND CEMENT JOB <input type="checkbox"/><br>OTHER: <input type="checkbox"/> |
| PLUG AND ABANDON <input type="checkbox"/><br>CHANGE PLANS <input type="checkbox"/><br>OIL CON. DIV. DIST. 3   | ALTERING CASING <input type="checkbox"/><br>PLUG AND ABANDONMENT <input type="checkbox"/><br>Return to production <input checked="" type="checkbox"/>   |

12. 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.

We have re-entered the State 16-2 and returned the well to production from the Entrada Formation. Attached is a well history for your review.

Also, the APD incorrectly listed this well in Section 15. Please note this well is actually in Section 16, T19N, R5W.

If you have any questions, please contact George Sharpe at 505-327-9801.

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

SIGNATURE George F. Sharpe TITLE Engineer DATE 12-21-90  
TYPE OR PRINT NAME \_\_\_\_\_ TELEPHONE NO. \_\_\_\_\_

(This space for State Use)

APPROVED BY George F. Sharpe TITLE DEPUTY OIL & GAS INSPECTOR, DIST. #3 DATE JAN 17 1991  
CONDITIONS OF APPROVAL, IF ANY: \_\_\_\_\_

CC: 3 OCD, Aztec  
1 Well File  
1 BLM

PAPERS WASH STATE 16 NO. 2      On Report

November 28, 1990      Day No. 1

Detail:      Started dirt work on location.      (CCM)

|             |         |                   |           |
|-------------|---------|-------------------|-----------|
| Daily Cost: | \$1,400 | AFE Number 90072: | \$101,900 |
|             |         | Cumulative Costs: | \$ 1,400  |

November 29, 1990      Day No. 2

Summary:      Surface and wellhead construction complete.

Detail:      Finished building reserve pit and installed tbq and csq heads.      Moved in drilling equipment.      (CCM)

|             |         |                   |           |
|-------------|---------|-------------------|-----------|
| Daily Cost: | \$3,060 | AFE Number 90072: | \$101,900 |
|             |         | Cumulative Costs: | \$ 4,460  |

November 30, 1990      Day No. 3

Summary:      RU, preparing to drill cement.

Detail:      MIRU Ram.      Ran 6-1/8" bit on 4-3/4" collar.      Tagged 20' below GL.      SDON.      (CCM)

|             |         |                   |           |
|-------------|---------|-------------------|-----------|
| Daily Cost: | \$2,250 | AFE Number 90072: | \$101,900 |
|             |         | Cumulative Costs: | \$ 6,710  |

December 1, 1990      Day No. 4

Summary:      Drilled cement.

Detail:      Drilled cement from 20' - 160' KB      w/ 6-1/8" bit on 4-3/4" collars.      Fell through @ 160' KB.      (CCM)

|             |         |                   |           |
|-------------|---------|-------------------|-----------|
| Daily Cost: | \$3,310 | AFE Number 90072: | \$101,900 |
|             |         | Cumulative Costs: | \$ 10,020 |

December 2, 1990      Day No. 5

Summary:      Drilled 2nd, 3rd and 4th cement plugs.

Detail:      Drilled cement      1285'-1300' KB      and      1405'-1430' KB.  
Drilled cement      2801'-2820' KB      and      2864'-2954' KB.      4th plug from  
3113'-3209' KB.      Ran tbq to 4,000' KB.      SDOWE.      (CCM)

|             |         |                   |           |
|-------------|---------|-------------------|-----------|
| Daily Cost: | \$2,500 | AFE Number 90072: | \$101,900 |
|             |         | Cumulative Costs: | \$ 12,500 |

STATE 16 NO. 2

December 4, 1990      Day No. 6

Summary: Finished drilling cement plugs, cleaned out to desired TD.

Detail: Tagged 5th plug @ 4101' KB. Drilled out @ 4285' KB. Ran tbg to tag @ 5201' KB. Cleaned out to 5235' KB. Pressure test csg to 750 psi. Started POH. SDON. (CCM)

Daily Cost:      \$2,250

AFE Number 90072: \$101,900  
Cumulative Costs: \$ 14,750

December 5, 1990      Day No. 7

Summary: Trip for csg scraper. Swab.

Detail: POH w/ tbg and lay dn drill collars. TIH w/ 7" csg scraper to TD 5235'. Roll hole w/ clean produced Entrada water. RUTS. Swabbed 52 Bbls water to reserve pit. SDON. (ARM)

Daily Cost:      \$2,050

AFE Number 90072: \$101,900  
Cumulative Costs: \$ 16,800

December 6, 1990      Day No. 8

Summary: Perforate and swab Entrada.

Detail: Swabbed fl dn to 3000'. POH w/ csg scraper and bit. RU Petro Wireline. Ran Gamma-ray correlation collar log from 5238' KB to 5000' KB. Perforated 5184'-5190' KB per open hole CNL-FDC log. TIH w/7" Lok-set pkr and SN, set @ 5018' KB. Pressure tested csg to 750 psi, held good. Made 2 swab runs. Initial FL 900' KB, Pulled 10 Bbls fluid, 25% oil. Second run FL @ 1100' KB, pulled 10 Bbls fluid, 15% oil. SWI. SDON. (CCM)

Daily Cost:      \$4,400

AFE Number 90072: \$101,900  
Cumulative Costs: \$ 21,200 STATE 16 NO. 2

December 7, 1990      Day No. 9

Summary: Swab test.

Detail: Swab well. First run FL 700' from surface. Made continuous swab runs - average 5 runs per hr. FL staying 1,000' from surface. Swabbing an average of 70 Bbl fluid per hr. Recovered 285 Bbls fluid for day, 28 Bbls oil recovered, est oil cut 10%. RD swab. Try to release packer, could not. SDON. (ARM)

Daily Cost:      \$1,900

AFE Number 90072: \$101,900  
Cumulative Costs: \$ 23,100

STATE 16 NO. 2

December 8, 1990      Day No. 10

Summary: RD. Prepare to move.

Detail: Work packer free. POH laying dn 2-7/8" tbg. ND BOP.  
NU wellhead. Rig unit and equipment dn. SDON. (ARM)

Daily Cost: \$1,800

AFE Number 90072: \$101,900  
Cumulative Costs: \$ 24,900

STATE 16 No. 2      Off Report

December 9, 1990

WO surface equipment installation. (ARM)

AFE Number 90072: \$101,900  
Cumulative Costs: \$ 24,900

STATE 16 NO. 2      On Report

January 12, 1991      Day No. 11

Sterling Brothers repaired ROW route. (TLM)

Daily Cost: \$800 (est)

AFE Number 90072: \$101,900  
Cumulative Costs: \$ 25,700

January 15, 1991      Day No. 12

Opening ditch. (TLM)

Daily Cost: \$1,311

AFE Number 90072: \$101,900  
Cumulative Costs: \$ 27,011