5. LEASE

UNITED STATES DEPARTMENT OF THE INTERIOR GEOLOGICAL SURVEY

DEPARTMENT OF THE INTERIOR	Contract 45
GEOLOGICAL SURVEY	6. IF INDIAN, ALLOTTEE OR TRIBE NAME
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 Form 9–331–C for such proposals.)	Jicarilla 7. UNIT AGREEMENT NAME 8. FARM OR LEASE NAME
1. oil gas X other	Ponca
well well other 2. NAME OF OPERATOR	9. WELL NO.
J. Gregory Merrion & Robert L. Bayless	10. FIELD OR WILDCAT NAME
3. ADDRESS OF OPERATOR	Ballard Pic. Cliffs
P.O. Box 1541, Farmington, NM 87401 4. LOCATION OF WELL (REPORT LOCATION CLEARLY. See space 17	11. SEC., T., R., M., OR BLK. AND SURVEY OF AREA
below.)	Sec. 20, T23N, R4W
AT SURFACE: 790' FSL & 1850' FEL AT TOP PROD. INTERVAL: same	12. COUNTY OR PARISH 13. STATE NM
AT TOTAL DEPTH: same	14. API NO.
 CHECK APPROPRIATE BOX TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA 	
	6946' GL
TEST WATER SHUT-OFF	(NOTE: Report esults demultiple completion or zone
See attached summary.	
Subsurface Safety Valve: Manu. and Type	Set @ Ft.
18. Thereby certify that the foregoing is true and correct	
SIGNED TITLE Operator	DATE Jan. 23, 1981
(This space for Federal or State offi	•
CONDITIONS OF APPROVAL, IF ANY:	DATE

JAN 27 1981

•See Instructions on Reverse Side

FARMINGTON DIGITALOT

MERRION & BAYLESS
PONCA #1
790 FSL & 1850 FEL
Section 20, T23N, R4W
Sandoval County, New Mexico
Jicarilla Contract #45

DAILY REPORT

- 11-20-80 Moved in, rigged up James Drilling Co. Spud 9-3/4" hole and set 98 ft. of 7", 23 lbs/ft., J-55 surface casing with 65 sx cement with 2% CACL₂. Plug down @ 5:00 p.m.
- 11-21-80 Drilling out from under surface at 1475 ft. Water loss 5.6; weight 8.7; viscosity 32.
- 11-22-80 Drilling at 2300 ft. (SSD)
- 11-23-80 T.D. @ 2500 ft. 2:10 p.m. 11-22-80. Conditioned hole, tripped out. Rigged up Birdwell. Unable to get logging tools to bottom. Tripped in with drill pipe. Mixed mud and circulated. Tripped out. Log went to bottom. Logged from 11:15 p.m. 11-22-80 to 3:30 a.m. 11-23-80. Trip in drill pipe. Layed down. Running 2-7/8" casing. (SSD)
- Ran 81 joints of 2-7/8" EUE, 6.5 lb/ft, J-55, Blue band casing and landed @ 2494 ft. K.B. PBTD @ 2427 ft. K.B. Moved drilling rig off of well.

 Rigged up Dowell. Cemented casing w/ 150 sx Class 'B' w/ 2% D-79 followed by 50 sx Class 'H' w/ 2% Bentonite. Displaced plug w/ 250 gal. 7-1/2% acetic acid and 8.5 bbls of sugar water. Bumped plug w/ 1000 PSIG over circulating pressure. Good circulation throughout job. Returned scavenger water to surface, therefore nearly circulated cement. Released pressure. Shut in well. WOCT. Released equipment. (SSD)
- 11-26-80 Rig up C & C Oilfield Services. Ran sinker bar to 2427'. Released rig. (SSD)
- Rig up Blue Jet, Cementers Inc. Ran Gamma Ray-Correlation log from 2438' to 2000'. Perforated 2361, 2360, 2359 w/2-1/8" glass jets. Broke down and spotted 250 gal. 15% acid. Perforated 2357, 2355, 2353, 2348, 2347, 2346 w/2-1/8" glass jets. Pumped acid away and shut in. Waiting to frac. (SSD)
- 12-06-80 Rig up Western Co. Sanded out frac w/ 5,000 lbs 10-20 sand away. Lost pump and all equipment shut down causing sand out. Additionally, slick water was not mixed evenly, concentrated in top 1 foot of each tank. Flowed back estimated 500 lbs sand. Unable to pump in. Concluded well-bore contains sand fill. Waiting on rig for clean out. Released Western. (SSD)
- 12-31-80 Rig up Western Co. SIP 450 PSIG. Fraced well w/ 908 bbls slick water w/ bactericide, clay stabilizer, foaming agent. 42,000 lbs. 10/20 sand. Avg. rate 22 BPM, avg. pressure 2300 PSIG. ISDP 700 PSIG. Down to 450 PSIG in 10 minutes. Shut in 1-1/2 hrs. Opened up flowing back frac fluid. (SSD)
- 01-08-81 Ran sinker bar; found no sand fillup. Well commenced flowing after 4 hrs. Averaging 350 MCF/day with heavy spray of water and sand. Left well blowing. (RLB)

Ponca #1
Daily Report
Page 2

01-12-81 Shut-in pressure after 5 days - 595 PSIG. (JCA)

01-14-81 Initial flow test: 3/4" plate after 1 hr: 62 PSIG, 895 MCF;

after 2 hr: 50 PSIG, 756 MCF;

after 3 hr: 37 PSIG, 605 MCF.

(JCA)