Submit 3 Copies to Appropriate District Office

State of New Mexico Energy, Minerals and Natural Resources Department

Form C-103 Revised 1-1-89

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

OIL CONSERVATION DIVISION P.O. Box 2088

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

Santa Fe, New Mexico 87504-2088

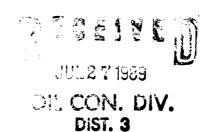
WELL API NO. /	
30-045-2 1 342	
5. Indicate Type of Lease	

	STATE	r
State Oil & Gas Lea	se No	

DISTRICT III 1000 Rio Brazos Rd., Aziec, NM 87410	6. State Oil & Gas Lease No.	
SUNDRY NOTICES AND REPORTS ON WELLS (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)	7. Lease Name or Unit Agreement Name Santa Fe 20	
1. Type of Well: OIL GAS WELL WELL X OTHER		
2. Name of Operator Merrion Oil & Gas Corp.	8. Well No.	
3. Address of Operator	9. Pool name or Wildcat	
P. O. Box 840, Farmington, N.M. 87499	Snake Eyes Dakota	
4. Well Location	7 54524	
Unit Letter I : 2310 Feet From The South Line and Section 20 Township 21N Range 8W 10. Elevation (Show whether DF, RKB, RT, GR,	NMPM San Juan County	
//////// 6,576' GL		
11. Check Appropriate Box to Indicate Nature of Not	tice, Report, or Other Data	
NOTICE OF INTENTION TO:	SUBSEQUENT REPORT OF	
PERFORM REMEDIAL WORK PLUG AND ABANDON REMEDIAL WO	DRK ALTERING CASING	
TEMPORARILY ABANDON CHANGE PLANS COMMENCE D	PRILLING OPNS. PLUG AND ABANDONMENT	
PULL OR ALTER CASING CASING TEST	CASING TEST AND CEMENT JOB	
OTHER: OTHER:	OTHER: Spud Notice X	
12. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent date	ites, including estimated date of starting any proposed	

work) SEE RULE 1103.

Spudded the Santa Fe 20 No. 4 on 7/15, 1989. Drilling history attached.



I hereby certify that the information above is true and complete to the best Signature Steven S. Dunn	of my knowledge and belief. The Operations Manager	DATE 7/26/89
TYPE ON PRINT NAME		TELEPHONE NO.
(This space for State Use)	SURERVISOR DISTRICT	1111 0 5 400
Original Signed by FRANK T. CHAVEZ	TITLE	PATE

SANTA FE 20 NO. 4

July 15, 1989 - Day No. 1

TD: 312' KB

Current operation: drilling

MIRU Four Corners Rig No. 6. Drilled rat hole and mouse hole, spud 12-1/4" surface hole to 226' K.B. Ran 211' of 9-5/8" 36#/ft buttress thread casing. Top jt w/ 8 rd slip collar welded on for Huber csg head. Rigged up Dowell and water truck. Mixed and pumped 110 sx Class "G" cement w/ 2% CaCl. displaced w/ 15 Bbls. No cement to surface. Ran 1" tbg in annulus and tagged cement @ 40'. Mixed and pumped 50 sx cement and got good cement to surface. SWI. Plug down @ 4:45 p.m. WOC 10 hrs. (CCM) 12-1/4" bit #1. 8-3/4" bit #2. Mud weight 8.5, viscosity 32, water loss 10. Surveys run as follows: 95' - 1/2°; 214' - 1-1/4°

water loss 10. Surveys run as follows: $95' - 1/2^{\circ}$; $214' - 1-1/2^{\circ}$ (Four Corners Drilling)

July 16, 1989 - Day No. 2

TD: 2300'

Current operation: drilling

Mud weight 9.1, viscosity 34, water loss 8. Surveys run as follows: 464' - 3/4°; 866' - 1°; 1179' - 1°; 1794' - 1-3/4°; 2,042' - 1°. (Four Corners Drilling)

July 17 - Day No. 3

TD: 3,345'

Current operation: drilling

Mud weight 8.9, viscosity 32, water loss 10. Surveys run as follows: $2,542' - 1^{\circ}$; $3,042 - 2-1/2^{\circ}$; $3,074' - 2-1/2^{\circ}$; $3,230' - 1-1/4^{\circ}$

GEOLOGICAL REPORT

July 17, 1989

TD: 3,380'

Current operation: drilling

Progress: 1020' in the last 24 hours @ rate of 37'/hr. Continuing to drill with bit #2. Mud log tops: Point Lookout - 2,440'; Mancos - 2,645'; Gallup - 3,334'. No mudlog shows reported. (MKM)

July 18, 1989 - Day No. 4

TD: 3,875'

Current Operation: drilling

Drilled 530' in last 24 hours

Mud weight 8.9, viscosity 38, water loss 9. (Four Corners Drilling)

July 19, 1989

TD: 4,424'

Current operation: drilling

Drilled 549' in last 24 hours. 8-3/4" bit #3. 8-3/4" bit #4. Mud weight 8.9, viscosity 37, water loss 9. Survey run as follows: 4,079' - 1°. (Four Corners

Drilling)

Santa Fe 20 No. 4 Page 2

July 20, 1989 - Day No. 6

TD: 4,595'

Current Operation: Drill Stem Test

Mud weight 9.0, viscosity 65, water loss 8. (Four Corners Drilling)

Detail: RIH with DST tools to test main Dakota ... top @ 4,585' KB ... Set OH packer and open tools. 15 min. initial flow, 30 min ISIP, 60 min Final flow, 120 min FSIP. Gas to surf FF in 17 min. Flowing dry gas through 1/4" choke nipple @ 600 PSI end of final flow. Est. rate 882 MCFD. Pressure building throughout flow @ 20 - 30 PSI/5 min interval. Final shut-in period in progress @ report time.

July 21, 1989

TD: 4858'

Current Operations: Drilling

Mud Weight: 8.9, viscosity 40, water loss 9.0. Survey: 1 deg @ 4620'.

DST results 7-20-89: TIH with DST tools, tested top 10' DETAIL: of the Dakota from 4597' KB to 4587' KB. Initial open 15 min, csg built to 27 psi through 1/4" choke, closed tools for 30 min. Drill pipe kept blowing for 20 mins after closing tools. Got gas to surface after 17 mins total. Flared gas at reserve pit. Re-opened tools after 30 mins. SI flow for 65 mins. Press still building after 65 mins, press at 720 psi at surface through 1/4" choke flaring gas at the surface, closed tools for 2 hrs for press buildup. Unset pkrs and TOOH with DST tools. Had 423' of fluid in the DCs, 2.07 bbls fluid total. Fluid description: Top 141' 0.69 bbls 50% wtr, 50% mud, Rw 0.4 @ 68 F, Chl 1600 ppm. Middle sample 0.69 bbs 75% water, 25% mud, Rw 0.4 @ 68 F, Chl 1600 ppm. Bottom 141' 0.69 bbls 85% water, 15% water, Rw 0.62 @ 68 F, Chl Sample chamber fluid description press 800 psik, 4 1000 ppm. cu.ft. of gas 20 cc oil, 580 cc water, Chl 1000 ppm. Instrument Data: IHP 2173 psig, IFP 254 psig, ISIP 1912 psig, FFP 879 psig, FSIP 1912 psiq @ 4588' KB. Final hydrostatic 2148 psi.

July 22, 1989 - Day No. 8

TD: 5,290'

Current Operations: Drilling

Mud Weight: 8.8, viscosity 38, water loss 9.2. Survey 5,095'- 1° (Four Corners Drilling)

July 23, 1989 - Day No. 9

TD: 5,670'

Current Operations: Drilling

Mud Weight: 9.0, viscosity 42, water loss 7.6. (Four Corners Drilling).

Santa Fe 20 No. 4 Page 3

July 24, 1989 - Day No. 10

TD: 5,699'

Current Operations: Picking up drill pipe - going in to spot

cement plug.

Mud Weight: 9.0, viscosity 42, water loss 7.6. (Four Corners Drilling).

DETAIL: Condition hole for logging. POH w/ drill string. RU Welex. Ran Induction - Density - Neutron - Sonic logs. Rig down loggers. Lay down drill collars. RIH w/ drill pipe open ended. Preparing to plug back from Entrada.

<u>July 26, 1989 - Day No. 12</u> Waiting on cement. Final Drilling Report.