5. LEASE

UNITED STATES DEPARTMENT OF THE INTERIOR

DEPARTMENT OF THE INTERIOR	SF-078877	
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.)	7. UNIT AGREEMENT NAME Canyon Largo Unit 8. FARM OR LEASE NAME	
1. oil gas well other	Canyon Largo Unit 9. WELL NO.	
2. NAME OF OPERATOR J. Gregory Merrion & Robert L. Bayless	305 10. FIELD OR WILDCAT NAME	
3. ADDRESS OF OPERATOR P.O. Box 507, Farmington, NM 87401	Devil's Fork Gallup 11. SEC., T., R., M., OR BLK. AND SURVEY OR	
4. LOCATION OF WELL (REPORT LOCATION CLEARLY. See space 17 below.) AT SURFACE: AT TOP PROD. INTERVAL: AT TOTAL DEPTH:	AREA Sec. 11, T24N, R6W 12. COUNTY OR PARISH 13. STATE Rio Arriba N.M. 14. API NO.	
16. CHECK APPROPRIATE BOX TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA REQUEST FOR APPROVAL TO: SUBSEQUENT REPORT OF:	15. ELEVATIONS (SHOW DF, KDB, AND WD) 6542' GL, 6555' KB	
TEST WATER SHUT-OFF	directionally drilled, give subsurface locations and	
Subsurface/Safety Valve: Manu. and Type	Set @ Ft	
18. I herefy certify that the folegoing is true and correct SIGNED TITLE Operator	DATE July 20, 1981	
(This space for Federal or State of		
APPROVED BY	DATE	
CONDITIONS OF APPROVAL, IF ANY:	JUL 2 4 1981	
*See Instructions on Reverse		

NMOCC,

8Y ...

MERRION & BAYLESS CANYON LARGO UNIT #305 990 FNL & 825 FEL Section 11, T24N, R6W Rio Arriba County, New Mexico SF-078877

DAILY REPORT

- 04-29-81 Moved in rigged up Bayless Drilling rig #5. Spudded 12-1/4" hole to 204 ft. Set 196 ft. of 8-5/8", K-55, 28# used casing @ 204 ft. with 170 sx cement 2% CACL2. Plugged down @ 7:00 p.m. 04-29-81. WOC.
- Drilling @ 2270 ft. Wieght 8.8, vis. 37, water loss 6.0. 05-01-81
- 05-02-81 Drilling @ 3063 ft. Weight 9.2, vis. 35, water loss 6.5.
- 05-03-81 Drilling @ 3595 ft. Weight 9.1, vis. 35, water loss 6.2.
- Drilling @ 4226 ft. Weight 9.1, vis. 36, water loss 6.4. 05-04-81
- Drilling @ 4780 ft. Weight 9.1, vis. 35, water loss 6.5. bit 05-05-81
- 05-06-81 Drilling @ 5293 ft. Weight 9.2, vis. 35, water loss 6.4.
- 05-07-81 Drilling @ 5344 ft. Weight 9.2, vis. 38, water loss 6.4.
- 05-08-81 Drilling @ 5755 ft. Weight 9.2, vis. 39, water loss 6.5.
- 05-09-81 T.D. @ 5835' K.B. Circulate to condition hole. Trip out for logs. Rig up Birdwell. Log stopped at 570'. Round trip drill pipe to bottom. Log stopped @ 1173'. Trip in drill pipe. (SSE)

OIL CON. COM.

DIST. 3

- 05-10-81 Circulated on bottom for 3 hrs., raise mud viscosity. Trip out. Log went to bottom. Ran IES Induction log. Unable to get down $\ensuremath{\text{w}}/\ensuremath{\text{density}}$ log . Rig down loggers. Trip in to lay down drill pipe. Laying down drill pipe. (SSD)
- Finished laying down drill pipe. Rig up to run casing. Ran 139 jts. 4-1/2" 05-11-81 10.5 lbs/ft. K-55 R-3 casing as follows:

	Length	Depth KB
111 jts 4-1/2" 10.5 lbs/ft.	$4672.\overline{55}$	4654.55
stage tool	1.70	4656.25
27 jts 4-1/2" 10.5 lbs/ft.	1135.34	5791.59
float collar	1.70	5793.29
1 shoe joint	42.10	5835.39
shoe	1.0	5836.39

Rig up Dowell, cemented 1st stage w/ 175 sx Class 'H' w/ 2% gel. Good circulation throughout. Top of cement @ 4940'. Opened stage tool and circulated 3 hrs. Cemented 2nd stage w/ 600 sx Class 'B' 2% D-79 followed by 100 sx Class 'H' 2% gel. Good circulation. Returned trace of cement back to surface. Plug down 6:15 p.m. WOCT. (SSD)

M.I.R.U. Install tubing head and BOP. Ran 2" EUE tubing w/ 2-7/8 bit and 06-06-81 casing scraper. Drilled out stage collar @ 4655' and pressure tested to 4000 PSI, held okay. Cleaned out to float collar @ 5792. Pressure tested to 4000 held okay. Picked up to 5750'. SDON (CCM)