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NEW MEXICO OIL CONSERVATION COMMISSION

Form C-103
Supersedes Old
C-102 and C-103
Effective 1-1-65

5a. Indicate Type of Lease State <input checked="" type="checkbox"/> Fee <input type="checkbox"/>
5. State Oil & Gas Lease No. E 29137
7. Unit Agreement Name
8. Farm or Lease Name Canyon Largo Unit
9. Well No. 321
10. Field and Pool, or Wildcat Devils Fork Gallup Ass.
12. County Rio Arriba

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. OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER- <input type="checkbox"/>
2. Name of Operator Merrion Oil & Gas Corporation
3. Address of Operator P. O. Box 1017, Farmington, New Mexico 87499
4. Location of Well UNIT LETTER <u>A</u> <u>790</u> FEET FROM THE <u>North</u> LINE AND <u>790</u> FEET FROM THE <u>East</u> LINE, SECTION <u>32</u> TOWNSHIP <u>25N</u> RANGE <u>6W</u> NMPM.
15. Elevation (Show whether DF, RT, GR, etc.) 6788' GL

16.

Check Appropriate Box To Indicate Nature of Notice, Report or Other Data NOTICE OF INTENTION TO:

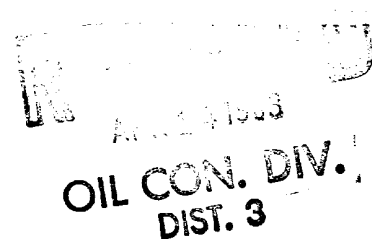
PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	OTHER <input type="checkbox"/>

SUBSEQUENT REPORT OF:

REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
COMMENCE DRILLING OPNS. <input type="checkbox"/>	PLUG AND ABANDONMENT <input type="checkbox"/>
CASING TEST AND CEMENT JOBS <input checked="" type="checkbox"/>	OTHER <input type="checkbox"/>

17. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work) SEE RULE 1703.

TD 6430' KB. 4/10/83.
Set 4.5" 11.6 #/ft casing @ 6425' KB with 225 sx Class H with 2% D-20.
700 sx Class B with 2% D-79. Tail in with 100 sx Class H 2% D-20. Circulated
1.5 Bbls cement to surface.



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

SIGNED [Signature] TITLE Operations Manager DATE 4/12/83

APPROVED BY Original Signed by FRANK T. CHAVEZ TITLE SUPERVISOR DISTRICT # 3 DATE APR 14 1983

CONDITIONS OF APPROVAL, IF ANY:

MERRION OIL & GAS CORPORATION

Canyon Largo Unit 321
Sec. 32, T25N, R6W
Rio Arriba County, New Mexico

- 3/31/83 Move in, rig up Bayless Rig 5. TD 220'. Current operations - tripping out of hole to run surface casing. Set 210' of 8-5/8" casing @ 224' KB with 175 sx of Class B 2% CACL.
- 4/1/83 TD 1900'. Current operation drilling. Mud wt. 8.8, Vis 35, Water loss 6.
- 4/2/83 TD 3210'. Current operations circulating. Surveys: 2013 - 1-1/2°, 2507 - 1-1/2°. Mud wt. 8.8, Vis. 40, Water Loss 6.4.
- 4/3/83 TD 3664. Current operations drilling. Mud wt. 8.9, Vis. 39, Water loss 5.4.
- 4/4/83 TD 4294'. Current operation drilling. Surveys: 4224 - 2°, 3706 - 2°. Mud wt. 8.9, Vis. 39. Water Loss 5.4.
- 4/5/83 TD 4837'. Current operation drilling. Mud wt. 9.1, Vis. 38, Water Loss 6. Survey: 4800' - 2°.
- 4/6/83 TD 4837. Current operation fishing. Mud wt. 9.1, Vis. 38, Water loss 6. Survey: 4800' - 2°.
- 4/7/83 TD 5272. Current operation drilling. Mud wt. 9.1, Vis. 38, Water Loss 6.8. Survey: 4944' - 1/4°.
- 4/8/83 TD 5736. Current operation drilling. Mud wt. 9.1, Vis. 45, Water Loss 6.5. Survey: 5567' - 1°.
- 4/9/83 TD 6197. Current operation drilling. Mud wt. 9.1, Vis. 55, Water Loss 6.8. Survey: 1° @ 6057.
- 4/10/83 TD 6420. Current operations logging. Mud wt. 9.1, Vis. 250. Water Loss 7.0. Survey 6420' - 1-1/2°.
- 4/10/83 Trip out of hole to 2995' KB and circulate to condition. Raise viscosity to 250 sec. viscosity. Trip out of hole with drill pipe and collars. Rig up Welex to log. Ran Induction log from 6432' KB to 212' KB. Ran Compensated Density log from 6434' KB to 4100' KB, from 3600' KB to 3050' KB and from 2700' to 2200' KB. Rig down logger and trip in hole. No fill or bridges. Trip out of hole laying down drill pipe and collars. Prepare to run casing.
- 4/11/83 Drillers TD 6424' KB. Loggers TD 6430' KB.

ITEM	LENGTH	DEPTH ' KB
Bakerline Guideshoe	1'	6425'
1 jt. 4.5" 11.6 #/ft shoe joint	41.21'	
Bakerline Diff. fill float collar	1.68'	6381.11'
27 jts. 4.5" 11.6 #/ft. csg.	1138.34'	
Bakerline Stage Tool	1.68'	5241.09'
129 jts. 4.5" 11.6 #/ft. csg.	5244.26	3.17' above KB.

157 joints 4.5" 11.6 #/ft total casing 6428.17'. Found TD with casing @ 6430' KB. Set casing 5' off bottom @ 6425' KB. Circulate with casing on bottom for 2 hours to lower mud viscosity to 55 - 65 sec. viscosity and cement 1st stage as follows:

Pumped 20 Bbls water ahead. Mix and pump 225 sx Class H with 2% D-20 yield 1.22 cu. ft./sk., density 15.4, 48 Bbls of slurry. Shut down wash up pump and lines. Drop plug. Displace with 16 Bbls water and 83 Bbls of drilling mud. Total displacement of 99 Bbls. Bump plug to 1500 PSI, bled off. Float holding good. Drop opening bomb - wait 20 minutes. Pumped to open stage tool. Rig circulate 3 hours and 45 minutes.

2nd Stage:

Pump 20 Bbls water ahead. Mix and pump 700 sx Class B cement with 2% D-79. Yield 2.06 cu. ft./sk. Density 12.5, 197 Bbls. Also mix and pump 100 sx Class H 2% D-20, yield 1.22 cu. ft./sk. Density of 15.4 cu. ft./sk. Shut down. Wash up pump and lines. Drop plug, displace with 81.3 Bbls of water. Bump plug to 2500 PSI, bled pressure off. Tool holding. Good circulation throughout the job. Circulated approximately 1.5 Bbls of good cement. Rig down cementers. Set slips as cemented. Cur-off casing. Rig down Bayless Rig No. 5.

TOTAL 1839cf