BUREAU OF LAND MANAGEMENT SUNDRY NOTICES AND REPORTS ON WELLS 27 AH (0)-79 Do not use this form for proposals to drill or to deepen or reentry to a different reservoir. SUBMIT IN TRIPLICATE Type of Well Well Other Supplication SUBMIT IN TRIPLICATE Type of Well Other Supplication Submit George Supplication Supplication Supplication Supplication Supplication Supplication Supplication Supplication Supplied Supp	Distribution: Orig+4 (BLM)	; 1-Crystal; 1-Accounting; 1-Well File	
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SUBMIT IN TRIPLICATE Submit Submit	SUNDRY NOTICES	AND REPORTS ON WELL 27	NM-47168
SUBMIT IN TRIPLICATE Type of Well Web Other	Do not use this form for proposals to d Use "APPLICATION FO	irill or to deepen or reentry to a different r	5/28 6. If Indian, Allottee or Tribe Name
Section 5, T25N, R8W Congress and Telephore No. 1	SUBMI		7. If Unit or CA, Agreement Designation
2. Name of Operator Mecrino Oil & Gas Corporation 7. Address and Telephone No. P. O. Box 840, Farmington, New Mexico 87499 8. Locusion of Well (Floories, Sec., T., R., M., or Survey Description) 7. P. O. Box 840, Farmington, New Mexico 87499 1. Locusion of Well (Floories, Sec., T., R., M., or Survey Description) 7. P. O. Box 840, Farmington, New Mexico 87499 1. Locusion of Well (Floories, Sec., T., R., M., or Survey Description) 7. Print, State 7. Survey Prints, State 7. Survey Prin	X Oil Gas		
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Subsequent Report Recompletion New Construction Non-Routine Fracturing Non-Routine Frac	X Notice of Intent	Abandonment	Change of Plans
Casing Repair Water Shar-Off Altering Casing Conversion to Injection Dispose Water Water Shar-Off Other See below Dispose Water Dispose Water Water Shar-Off Other See below Dispose Dispose Dispose Dispose Dispose Dispose Dispo	Subsequent Report		New Construction
Altering Casing Other See below Conversion to Injection Dispose Water Dispose Water Note: Report resists of multiple competition on well Competed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled give substitutes (consona and measured and true vertical depths for all markers and zones pertinent to this work.)* Merrion OII & Gas Corp. requests approval to provide the BLM proof of commerciality for the Custer Federal No. 1 through the conduct of the attached workover. We are now working on the offset well and plan to move the rig on location in the next two weeks to commence work. Merrion asks for a test completion deadline of August 31, 1994 to allow us time to install a pumping unit and generate a good stable production test. If further is required, please advise. Dispose Dis	Subsequent Report		
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Title Operations Manager Operations Manager Date 6/27/94 Approved by Conditions of approval, if any: Date D			PISIC 3
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*See instruction on Reverse Side

MMOCD

DISTRICT MANAGER

MERRION OIL & GAS CORPORATION

Workover Procedure

26 June, 1994

Well: Location: **CUSTER FEDERAL NO. 1** 790'fs! & 790'fwl (sw sw)

Sec 5, T25N, R08W

San Juan County, New Mexico

Field: Dufers Pt Glp/Dkta Elevation: 6.414' RKB

6.401' GR

By:

Steve Dunn

Procedure:

Prepare Pumping Unit & Rod String

- 1. Prepare pumping unit and rod string for installation on well, prior to move-in.
- 2. Empty stock tank on location and use for Frac tank.

Isolate Graneros Perfs & Swab

- 1. Move in, rig up. Blow down tubing and casing. Install BOPs.
- 2. Unset tubing, run in hole and tag fill.
- 3. Pull out of hole with 176 joints of 2 3/8" production tubing. (Tally out of hole)
- 4. Pick up 4 1/2" retrievable casing packer. Run in hole and isolate Graneros perfs: 6,342' - 6,360'RKB.
- 5. Swab test and measure stabilized fluid inflow and gas rate.
- 6. Unset 4 1/2" bridge plug, pull out of hole and lay down. Run in hole with retrievable casing packer, isolate Graneros perfs: 6,342'-6.360'.
- 7. Swab Graneros down and test for inflow.

Pump Nitrified Acid (Acid Job is Optional)

- 1. If general inflow is unacceptable, pump nitrified acid system to clean up as follows:
 - Pump 1,000 gallons 15% HCL with 500 SCF/BBL Nitrogen and 2 gal/Mgal Corrosion Inhibitor, 3 gal/Mgal Foaming Agent. 3 gal/Mgal Surfactant/Suspender, 5 gal/Mgal Iron Control, 5 gal/Mgal Concentrated Acetic Acid, 1 gal/Mgal Aqua flow Surfactant.
 - Flush to bottom perforation with 38.5 quality Nitrified 2%KCL water.
- 2. Flow back, and test for inflow.

Pump X-Link Gel Foam Frac

- 1. Pull out of hole with casing packer.
- 2. Pick up 4 1/2" casing packer and 2 7/8" Buttress N80 frac string and run in hole. Set packer above Graneros Perfs: 6,342'-6,360'.

- 3. Rig up Frac Company and pump X-Link Gel Foam frac job to be provided later. Monitor backside during frac for evidence of communication.
- 4. Flow back immediately following frac on a positive flow choke. Put to Tank overnight.

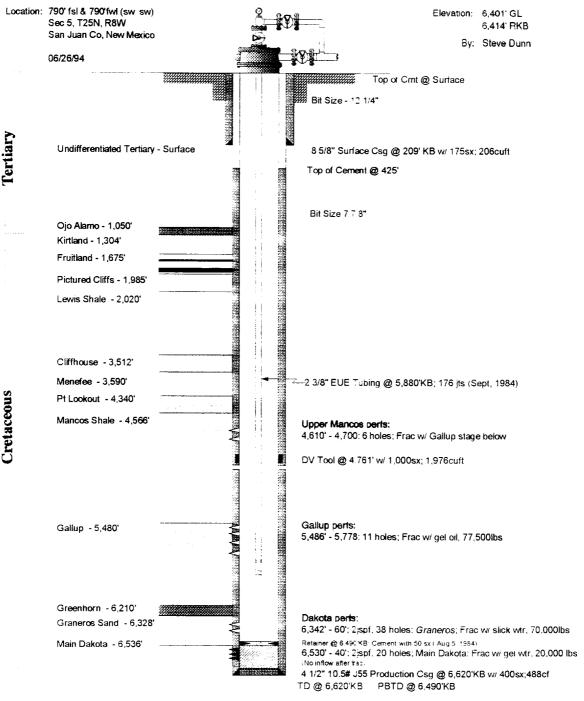
Clean Up and Return to Production

- 1. Test well and flow to clean up stimulation.
- 2. Unset packer. Pull out of hole with frac string and lay down.
- 3. Re-run production tubing string and install downhole pump on sucker rods to clean up well and provide lift for future production. Set production tubing below Graneros perfs.
- 4. Put well on to pump and closely track production to evaluate and provide BLM with proof of commerciality.

Merrion Oil & Gas Corporation Wellbore Schematic

Custer Federal No. 1

Current Wellbore Configuration



WELL DATA:

CUM GAS: CUM OIL: SPUD: COMPLETED:

May 29, 1884 Sep 6, 1984 CURRENT SICP 330 psig
CURRENT SITP 0 psig
LITE FRESSURE 60 - 100 psia
GAS TRANSPORTER: Memon NOPT System