

Submit 3 Copies To Appropriate District Office

District I

1625 N. French Dr., Hobbs, NM 87240

District II

811 South First, Artesia, NM 87210

District III

1000 Rio Brazos Rd., Aztec, NM 87410

District IV

2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources

OIL CONSERVATION DIVISION

2040 South Pacheco

Santa Fe, NM 87505

Form C-103

Revised March 25, 1999

WELL API NO.

30-039-26160

5. Indicate Type of Lease

STATE ☒ FEE ☐

6. State Oil & Gas Lease No.

7. Lease Name or Unit Agreement Name:

Red State

8. Well No.

9. Pool name or Wildcat

Blanco Mesavade (72319)

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. Type of Well:

Oil Well ☐ Gas Well ☒ Other

2. Name of Operator

Merrion Oil & Gas Corporation (0142)

3. Address of Operator

610 Reilly Ave., Farmington, NM 87401

4. Well Location

Unit Letter L : 1995 feet from the south line and 1945 feet from the west line

Section

32

Township

30N

Range

7W

NMPM

County Rio Arriba

10. Elevation (Show whether DR, RKB, RT, GR, etc.)

6210'

11. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐

TEMPORARILY ABANDON ☐ CHANGE PLANS ☐

PULL OR ALTER CASING ☐ MULTIPLE COMPLETION ☐

OTHER: ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐

COMMENCE DRILLING OPNS. ☐ PLUG AND ABANDONMENT ☐

CASING TEST AND CEMENT JOB ☒

OTHER: Perforations & Tbg reports ☒

12. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompilation.

7/7/99 MIRU Aztec Rig #107. Spot pump, pit and power swivel. ND WH & NU BOP. Received 187 joints of 2-3/8", 4.7#, EUE yellow band tubing from M&R yard (Merrion stock). PU 3-7/8" bit, casing scraper and crossover. RIH on 2-3/8" tbg (tally and rabbit tubing on way in). Tag up at 5640' KB. CO to 5650' PBTD. RU BJ Services and roll hole with 2% KCl. Pull up to 5420' and spot 250 gals of 15% HCl with inhibitor, surfactant and iron sequestering agent across PLO interval 5408'-5239'. RU Black Warrior WL and run GR/CBL/CCL from 5640' to liner top at 3168' KB. Cement top at 3310' KB. Good to marginal cement in 7" up to 300' KB. LD CBL/GR/CCL. ND BOP and change out casing valves (replaced 2000# with 5000# gate valves). NU BOP and top off hole with 2% KCl. Close blind rams and pressure test casing to 2800# - held OK for 15 mins. Release pressure and RIH with 3-1/8" casing guns (select fire). Perforate the following depths with 1 SPF (EHD 0.32") at 5228', 5221', 5223', 5227', 5229', 5235', 5239', 5244', 5247', 5250', 5254', 5257', 5261', 5272', 5274', 5276', 5278', 5280', 5282', 5284', 5286', 5288', 5290', 5292', 5294', 5296', 5298', 5300', 5302', 5304', 5306', 5308', 5310', 5312', 5314', 5316', 5318', 5320', 5322', 5324', 5326', 5328', 5330', 5332', 5336', 5364', 5370', 5395', 5398', 5408' (total of 50 holes). Shut well in. Ready to frac.

*** CONTINUED OTHER SIDE ***

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

SIGNATURE

TITLE Drig & Prod Manager

DATE 7/21/99

Type or print name Steven S. Dunn

Telephone No. 505-327-9801

(This space for State use)

APPROVED BY ORIGINAL SIGNED BY ERNIE BUSCH

TITLE

DEPUTY OIL & GAS INSPECTOR, DIST. #3

JUL 22 1999

Conditions of approval, if any:

SEE ATTACHEMENT

7/8/99 RU BJ Services. Pressure test pumps and lines. Load hole and establish injection rate of 40 BPM, pressures increased to 2200#, never saw good break. Spearhead 1000 gals 15% HCl in front of pad. Frac Point Lookout with 124,000# of 20/40 Brady sand in 2% KCl slick water. ATP 1050#, MTP 2200#, AIR 75 BPM, MIR 77 BPM, ISIP 0. Total fluid 2370 bbls. Job complete at 9:48 am 7/8/99. RIH and set RBP at 5180'. Dump 2 sx of sand on top of RBP. Pressure tested RBP to 3000# - held OK for 15 mins. RIH with 3-1/8" casing gun (select fire) and perforate the following depths with 1 SPF (EHD 0.32") at 4786', 95', 4803', 07', 09', 11', 15', 17', 25', 33', 41', 43', 59', 61', 63', 65', 67', 69', 71', 73', 75', 77', 79', 83', 86', 4131', 58', 91', 4210', 27', 61', 93', 4303', 15', 52', 74', 88', 4403', 20', 47', 62', 85', 3939', 66', 4002', 18', 46', 72', 75', 79', 83', 86', 4131', 58', 91', 4210', 27', 61', 93', 4303', 15', 52', 74', 88', 4403', 20', 47', 62', 85', 4512', 42', 62', 89', 92', 4611', 24', 48', and 77' (total of 41 holes). PU Arrow 4-1/2" tension packer and RIH on 2-3/8" tbg to 3609' and set packer. RU BJ and establish rate into Lewis, saw multiple breaks between 2700 psig and 2900 psig. Pump 500 gal of 10% acetic acid with 60 each 1.3 SG ball sealers. Initially, saw good ball action up to 1000 psig but did not get complete ball off. Release packer and TOH. RIH with junk basket and recovered 60 balls with 8 hits. Frac Lewis with 201,328# of 20/40 Brady sand in 25" linear gel, x-link on the fly in 70Q foam. Pumped sand in 1, 2, 3, 4 & 5 ppg stages. ATP 1800 psig, MTP 2100 psig, AIR 60 BPM, MIR 60 BPM, ISIP 1400 psig, 5 min 900 psig, 10 min 900 psig, 15 min 878 psig. Total fluid pumped: 596 bbls total nitrogen 1,019,600 scf. Job complete at 15:52 hrs 7/9/99. Start flow back at 16:25 7/9/99. Well flowing back foam at 1000 psig out 1/4" choke. RD BJ.

7/10/99 Well flowing back nitrogen and small amount of sand and water. 210 psig out 1/4" choke. Move 15 frac tanks off location (left one to use for clean out). Spot Mountain Air equipment.

7/11/99 Well flowing back nitrogen with gas, very little water and no sand. 165 psig out 1/4" choke.

7/12/99 Found well flowing back thru 1/4" choke at 150 psig. Opened well thru 2", flowed back at 75 psig for 1 hour before dying down. Take pitot gauge after 2 hrs 7 psig out 2" - 1644 MCFD. RU blooey line. RIH with retrieving head and string float to liner top. RU Mountain Air and unload hole. Stage into hole. Tag up on sand at 4510' (240' of sand). CO sand to 4740' (RBP at 4750'). Ran 10 bbls soap sweeps after each stand. Well making lots of sand. Run sweep at 4740' and blow well with compressor. Well still making to much sand to latch onto RBP. Pull up to 3140' (above liner top) and let well flow out blooey line.

7/13/99 Found well flowing gas and light sand out blooey line. TIH with retrieving head and tubing to 4725' (15' of fill overnight). CO to RBP at 4750'. Run soap sweeps and blow well with compressor for 3 hrs. Well making heavy sand for 1st 2 hrs. Latch onto RBP and open unloader - let well equalizer. Pull up on RBP to shear pins - nearly stuck - pulled free. Lost 10 K of weight on tubing. Pull above liner top with RBP and well unloaded hard. Making lots of sand and water. Pull up to 1764' and let well flow on its own. After 4 hrs well still flowing hard making lots of sand and water (approx. 15 - 20 bbls/hr). Flowing too hard to pull RBP out of hole. Let well flow to pit overnight.

7/14/99 Found well flowing gas, light water and light sand on blooey line. TOH with RBP. Close BOP and open well thru 2", take pitot gauge: 11# out 2" = 2039 MCFD. TIH with retrieving head and tubing to Lewis top (3815'). Blow well with compressor. Continue in hole to 5125'. Blow well with compressor. CO to RBP at 5185'. Ran soap sweeps to clean up. Pull up and shut down compressor for 1 hour. TIH to RBP, no sand. Start compressor and workover RBP. Latch onto RBP and open unloader. TOH with RBP, pulled tight while pulling thru liner. Pulled up to 3084' (81' above liner top). Well unloaded very hard, making lots of water and sand. Let well flow to pit overnight.

7/15/99 Found well flowing hard out blooey line (light sand and water). Close BOP and open well thru 2" for pitot gauge: 44# out 2" - 5019 MCFD. Open back thru 7" and let well flow for 3 hrs. Pull up to 630' and pump 80 bbls of 2% KCl water down tubing/casing to kill well. TOH and LD RBP, string float and bottom joint. (Note: several holes in bottom joint - perforate wash). RIH with 2-3/8" tubing with expendable check on bottom and seating nipple on top of bottom joint. TIH to liner top (well unloaded hard half way in). Let well blow for 2 hrs still flowing hard, making some water and sand. Let well flow overnight.

ATTACHMENT TO FORM C-103

IREL STATE No. 1A

7/16/99 Found well flowing gas, very little water and light sand. Close pipe rams and open thru 2". Pitot gauge: 35 psi – 4205 MCFD. TIH with tubing. Tag up on sand/fill at 5430' (22' below bottom perf). CO with air and soap sweeps to 5650' PBTD. Had difficult time cleaning out, well started making heavy sand. Ran soap sweeps every ½ hour with tubing at 5650'. Blow well with compressor for 1 hour. SD compressor and pull up to 3800' and let well flow on it's own for 1 hour. TIH and tag up on sand at 5630' (20' of sand). CO to bottom and ran soap sweeps. Pull up to 3800'. SDON. Let well flow out blooey line to pit overnight.

7/17/99 Found well flowing gas, very little water and light sand. TIH and CO 10' of sand. Blow well for 1 hour. Well making light sand and very little water. Ran soap sweep and pull up to 3881'. Close pipe rams and take pitot gauge: 20 psi – 2863 MCFD. TIH and tag 2' of sand. No water and very little sand. Pull up and land 155 joints of 2-3/8", 4.7#, EUE yellow band tubing (expendable check on bottom and seating nipple on top of bottom joint). Bottom of tubing at 4861' KB. Note: had wrong donut on location – to WSI/Cameron four times to bring out the right donut. Pump off check with 5 bbls of water and 900 psi of air. Blow well out tubing for 30 mins. Shut in well. RDMOL. (JT)