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. 30-045-09297

5. Indicate Type of Lease STATE ☐ FEE ☒

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 TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)

7. Lease Name or Unit Agreement Name: OSBORN

1. Type of Well: Oil Well ☐ Gas Well ☒ Other

2. Name of Operator: MERRION OIL & GAS CORPORATION (014634)

8. Well No. 001

3. Address of Operator: 610 Reilly Avenue, Farmington, New Mexico 87401-2634

9. Pool name or Wildcat: BASIN FRUITLAND (71629)

4. Well Location

Unit Letter M : 790 feet from the South line and 900 feet from the West line

Section 22 Township 30N Range 12W NMPM San Juan, County

10. Elevation *(Show whether DR, RKB, RT, GR, etc.)* 5491' GR

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

NOTICE OF INTENTION TO:				SUBSEQUENT REPORT OF:			
PERFORM REMEDIAL WORK	☐	PLUG AND ABANDON	☐	REMEDIAL WORK	☐	ALTERING CASING	☐
TEMPORARILY ABANDON	☐	CHANGE PLANS	☐	COMMENCE DRILLING OPNS.	☐	PLUG AND ABANDONMENT	☐
PULL OR ALTER CASING	☐	MULTIPLE COMPLETION	☐	CASING TEST AND CEMENT JOB	☐		
OTHER:	☐			OTHER: Add Fruitland Coal Zone	☒		

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.

8/27/02 MIRU JC Well Service. Opened tubing and casing to tank to blow down. Well blew to strong vent after 2.5 hours. ND WH and NU BOP. Install valve on tubing. SDON. Set frac tanks and start filling with 2% KCl water.

8/28/02 Kill well with 2% KCl water. TOH with 2-3/8" tubing (1313.77'). RU Black Warrior Wireline, RIH with 4" casing guns. Perforate Fruitland Coal formation from 1614' to 1634' (3 spf - total of 60 holes). PU 7" casing scraper, RIH to 1750'. TOH laying down tubing and casing scraper. RIH with 7" RBP set at 1700'. Hauled tubing to yard for storage until frac job is over. Secure location and shut well in. SDON.

CONTINUED OTHER SIDE

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

SIGNATURE [signature] TITLE Production Engineer DATE 9/18/02

Type or print name CONNIE S. DINNING Telephone No. (505) 327-9801

(This space for State use)

APPPROVED BY _____ TITLE _____ DATE _____

Conditions of approval, if any:

8/29/02 RU San Juan Casing crew. Unload 4-1/2" casing. RIH with 4-1/2" x 7" (Arrowset 1X) casing packer on 36 joints of 4-1/2", J-55, 11.6#, casing. Set packer at 1558' KB. Dump sand down casing onto top of CIBP. Shut pipe rams and shut in backside. RD rig and MOL. Install 3-1/2" frac valve. Fill frac tanks with 2% KCl water and biocide. Spot Halliburton Mountain Mover and unload sand. Frac scheduled for 8/30/02. Secure location and SDON.

8/30/02 RU Halliburton Energy Services (very difficult - due to small location). Held safety meeting. Pressure test pumps and lines to 4500#. Pumped 500 gal of 15% HCl at 4 bpm, never saw break. Pumped 14,000 gal 25# x-link gel pad. Frac well w/ approx. 75,912# of 20/40 Brady sand in 25# x-link gel (Delta 140 Fluid). Pumped sand in 1, 2 , 3 & 4 ppg stages w/ Sand Wedge additive. HES had trouble with pre-gel blender which caused fluid to quit x-linking, screened out just before flush. Attempted to pump back into formation but well pressured up immediately. AIR: 31 bpm, MIR: 31.5 bpm, ATP: 1,443#, MTP: 4,793#. Job complete @ 16:15 hrs. 8/3/02. RD Halliburton Energy Services. Total fluid pumped: 1,052 bbls. Opened well thru 1/4" choke to pit at 18:30 hrs. 8/3/02. Well blew down immediately. Secure location & SWI overnight. Note: Had Cobra Slickline check for fill - set down at 1319' KB.

8/31-9/2/02 Shut down for weekend & Holiday.

9/03/02 MIRU JC Well Service 9/3/02. Remove frac valve and install casing head on top of 4-1/2" frac string. PU 2-3/8" tubing, TIH (difficult to do because rig floor is ~10' higher than normal). TIH, tag up on bridge at 375'. RU pump truck and lines. Break circulation with produced water, CO approx. 60' before falling thru bridge. Continue TIH to 1314'. Break circulation and CO frac sand to RCP at 1558'. Circulate hole clean and TOH. Left ~120' of tubing inside 4-1/2" frac string. Install valve on top of tubing and SWI.
Note: Backside (Fruitland Sand perfs) had 250#, opened to tank and let flow all day while cleaning out. Will pick up 5 joints of 1-1/4" IJ tubing and RIH on 2-3/8" tubing, attempt to circulate out sand between RCP and RBP.

9/04/02 TOH with 2-3/8" tubing (120'). PU 5 joints of 1-1/4", IJ tubing, RIH on 2-3/8" tubing. Tag up on sand at 1558' (inside packer). RU pump truck and lines. Break circulation with produced water and clean out sand to RBP at 1700' (slow going thru 1-1/4"). Pull up to ~1500 and SD for ½ hr. RIH to RBP (had ~6" of sand). Circulate hole clean and TOH. ND wellhead and ready rig to pull 4-1/2" casing. RU casing crew. Unseat packer and TOH. Lay down casing and packer. RD casing crew. SWI, secure location and SDON.

9/05/02 Blow well down (245 psi). TIH with retrieving head, had ~1.5' of sand on top of RBP. RU pump truck, lines and clean sand off RBP. Latch on RBP, start out of hole. RBP became stuck after coming up hole ~35'. Pumped water down tubing and worked RBP free. TOH lay down RBP. TIH with tail joint, seating nipple and 52 joints of 2-3/8", 4.7#, EUE tubing. ND BOP and land bottom of tubing at 1690'KB, seating nipple at 1658' KB. RIH with 2" x 1-1/4" x 12' RHAC pump on 65 each ¾" rods, 4', 6' & 8' pony sub. Install polish rod and stuffing box. NU horse head and bridle. Load tubing with water and check pump action with rig - looked OK. Space pump out and hang off rods. Wait on welder to make door for bridle and electrician to check wiring, help Tim/Mike manifold flow lines together. Start pumping unit, well pumping OK. Tim M. requested rig to stay rigged up overnight.