

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

Form C-103
 Revised March 25, 1999

OIL CONSERVATION DIVISION
 2040 South Pacheco
 Santa Fe, NM 87505

WELL API NO.
30-025-26198

5. Indicate Type of Lease
 STATE FEE

6. State Oil & Gas Lease No.

7. Lease Name or Unit Agreement Name:
STATE 23 COM

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 (014634)

8. Well No.
001

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

9. Pool name or Wildcat
 Antelope Ridge (Atoka/Morrow)

4. Well Location
 Unit Letter **N** : **660** feet from the **South** line and **1980** feet from the **West** line
 Section **23** Township **23S** Range **34E** NMPM **Lea**, County

10. Elevation (Show whether DR, RKB, RT, GR, etc.)
3393.6 GR

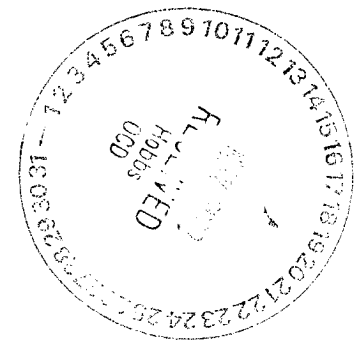
11. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

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: Fracture stimulate Atoka Interval

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.

See attached procedure



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

SIGNATURE George F. Sharpe TITLE **Engineer** DATE **5/13/03**

Type or print name **George F. Sharpe** Telephone No. **(505) 327-9801**

(This space for State use)
 APPROVED BY Larry W. Wink TITLE **OC FIELD REPRESENTATIVE II/STAFF MANAGER** DATE **MAY 21 2003**
 Conditions of approval, if any

STATE 23 NO. 1
Recompletion Procedure

Tubing: 2 7/8" 6.5# N-80 EUE KB 27'
Casing: 7 5/8" 29.7 & 33.7# S-95
Liner: 5" 23.2# N-80 11,637-13,709'
Packer: Otis BWB @ 13,164'
Morrow Perfs: 13,201-07' & 13,360-13,419'
Atoka Perfs: 12,903-09', 12,913-21', 12,933-35', 12,947-53'

- 1) Bleed tubing/casing as necessary. Kill w/2% KCl.
- 2) MIRU. ND wellhead. NU BOP. 7 1/16", 10,000 psi, flange.
- 3) Tally OOH w/2 7/8" tubing. Release pkr by setting down ¼ turn to right.
- 4) RU Schlumberger. Run GRJB to 13,164' (pkr). Set 5" CIBP @ 13,150'.
Dump 35' cmt on top. RD.
- 5) PU 5" RBP. GIH, set @ 12,800'. Pressure test csg to 1000 psi.
 - a) If test successful go to step 7.
 - b) If test unsuccessful go to step 6.
- 6) POOH. PU 7 5/8" pkr. GIH, set @ 11,550'. Test backside to 1000 psi.
Test down tubing to 1000 psi.
Depending on results, decision will be made to further isolate leak, remedial squeeze, or move ahead. After leak is repaired, go to step 7.
- 7) POOH w/pkr & RBP.
- 8) PU 1X pkr w/on-off tool and 1.81" F profile nipple
- 9) Pressure test tubing. GIH to 8000 psi. Set pkr @ 12,825'.
- 10) ND BOP. NU wellhead.
- 11) RU to frac w/BJ including wellhead saver. Frac as per BJ procedure.
- 12) Flow back. Swab as necessary.
- 13) Put well to production.