

Form 3160-5
(June 2019)UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM APPROVED
OMB No. 1004-0137
Expires: October 31, 2021**SUNDRY NOTICES AND REPORTS ON WELLS**
Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.5. Lease Serial No. **NMSF079086**

6. If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE - Other instructions on page 2

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other2. Name of Operator **MERRION OIL & GAS CORPORATION**3a. Address **610 Reilly Ave, Farmington, NM 87401**3b. Phone No. (include area code)
(505) 324-53004. Location of Well (Footage, Sec., T., R., M., or Survey Description)
SEC 24/T24N/R6W/NMP

7. If Unit of CA/Agreement, Name and/or No.

8. Well Name and No. **CANADA MESA/1E**9. API Well No. **3003922118**10. Field and Pool or Exploratory Area
DEVILS FORK GALLUP/DEVILS FORK GALLUP11. Country or Parish, State
RIO ARRIBA/NM**12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT OR OTHER DATA**

TYPE OF SUBMISSION	TYPE OF ACTION				
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off	
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Hydraulic Fracturing	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity	
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other	
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon		
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal		

13. Describe Proposed or Completed Operation: Clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has detennined that the site is ready for final inspection.)

Merrion Oil & Gas proposes to run a 3-1/2" Liner to remedy the casing integrity issue per the attached procedure.

14. I hereby certify that the foregoing is true and correct. Name (Printed/Typed)
PHILANA THOMPSON / Ph: (505) 324-5336

Title **Regulatory Analyst**

Signature

Date

01/24/2023

THE SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

KENNETH G RENNICK / Ph: (505) 564-7742 / ApprovedTitle **Petroleum Engineer**

Date

01/24/2023

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office **FARMINGTON**

Title 18 U.S.C Section 1001 and Title 43 U.S.C Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on page 2)

GENERAL INSTRUCTIONS

This form is designed for submitting proposals to perform certain well operations and reports of such operations when completed as indicated on Federal and Indian lands pursuant to applicable Federal law and regulations. Any necessary special instructions concerning the use of this form and the number of copies to be submitted, particularly with regard to local area or regional procedures and practices, are either shown below, will be issued by or may be obtained from the local Federal office.

SPECIFIC INSTRUCTIONS

Item 4 - Locations on Federal or Indian land should be described in accordance with Federal requirements. Consult the local Federal office for specific instructions.

Item 13: Proposals to abandon a well and subsequent reports of abandonment should include such special information as is required by the local Federal office. In addition, such proposals and reports should include reasons for the abandonment; data on any former or present productive zones or other zones with present significant fluid contents not sealed off by cement or otherwise; depths (top and bottom) and method of placement of cement plugs; mud or other material placed below, between and above plugs; amount, size, method of parting of any casing, liner or tubing pulled and the depth to the top of any tubing left in the hole; method of closing top of well and date well site conditioned for final inspection looking for approval of the abandonment. If the proposal will involve **hydraulic fracturing operations**, you must comply with 43 CFR 3162.3-3, including providing information about the protection of usable water. Operators should provide the best available information about all formations containing water and their depths. This information could include data and interpretation of resistivity logs run on nearby wells. Information may also be obtained from state or tribal regulatory agencies and from local BLM offices.

NOTICES

The privacy Act of 1974 and the regulation in 43 CFR 2.48(d) provide that you be furnished the following information in connection with information required by this application.

AUTHORITY: 30 U.S.C. 181 et seq., 351 et seq., 25 U.S.C. 396; 43 CFR 3160.

PRINCIPAL PURPOSE: The information is used to: (1) Evaluate, when appropriate, approve applications, and report completion of subsequent well operations, on a Federal or Indian lease; and (2) document for administrative use, information for the management, disposal and use of National Resource lands and resources, such as: (a) evaluating the equipment and procedures to be used during a proposed subsequent well operation and reviewing the completed well operations for compliance with the approved plan; (b) requesting and granting approval to perform those actions covered by 43 CFR 3162.3-2, 3162.3-3, and 3162.3-4; (c) reporting the beginning or resumption of production, as required by 43 CFR 3162.4-1(c) and (d) analyzing future applications to drill or modify operations in light of data obtained and methods used.

ROUTINE USES: Information from the record and/or the record will be transferred to appropriate Federal, State, local or foreign agencies, when relevant to civil, criminal or regulatory investigations or prosecutions in connection with congressional inquiries or to consumer reporting agencies to facilitate collection of debts owed the Government.

EFFECT OF NOT PROVIDING THE INFORMATION: Filing of this notice and report and disclosure of the information is mandatory for those subsequent well operations specified in 43 CFR 3162.3-2, 3162.3-3, 3162.3-4.

The Paperwork Reduction Act of 1995 requires us to inform you that:

The BLM collects this information to evaluate proposed and/or completed subsequent well operations on Federal or Indian oil and gas leases.

Response to this request is mandatory.

The BLM would like you to know that you do not have to respond to this or any other Federal agency-sponsored information collection unless it displays a currently valid OMB control number.

BURDEN HOURS STATEMENT: Public reporting burden for this form is estimated to average 8 hours per response, including the time for reviewing instructions, gathering and maintaining data, and completing and reviewing the form. Direct comments regarding the burden estimate or any other aspect of this form to U.S. Department of the Interior, Bureau of Land Management (1004-0137), Bureau Information Collection Clearance Officer (WO-630), 1849 C St., N.W., Mail Stop 401 LS, Washington, D.C. 20240

Additional Information

Location of Well

0. SHL: NENW / 1060 FNL / 1840 FWL / TWSP: 24N / RANGE: 6W / SECTION: 24 / LAT: 36.302734 / LONG: -107.42218 (TVD: 0 feet, MD: 0 feet)

BHL: NENW / 1060 FNL / 1840 FWL / TWSP: 24N / SECTION: / LAT: 36.302734 / LONG: 107.42218 (TVD: 0 feet, MD: 0 feet)



WORKOVER PROCEDURE

Well Information			
Well:	Canada Mesa 1E	Field:	Basin DK/Devils Fork GL
Location:	1060' fnl & 1840' fwl Sec 24, T24N, R6W Rio Arriba Co, New Mexico	Elevations:	6,483' GL; 6,493' RKB
		Depths:	TOC Plug – 3,637' KB RBP – 5,279' KB PBSD – 6,664' KB TD – 6,700' KB
API:	30-039-22118	Date:	1/13/2023
Tubulars:	4 1/2" 10.5ppf J55 to 6698' KB 2 3/8" 4.7ppf J55 to 3625' KB	Engineer:	Shacie Murray (505-330-7605)
Perforations:	Gallup – 5,344' – 5,530' gross interval, 20 select fire shots Dakota – 6,474' – 6,529' gross interval, 20 select fire shots		
Csg Hole:	2,884' - 2,950' KB – Current hole w/ 30 psi/min leak off 3,591' KB (current TOC) – 3898' KB – squeezed hole not drilled out		

Version 1 – Procedure subject to change based on changing well conditions.

Prepare Well for Liner

1. MIRU, spot equipment
2. ND WH, NU BOP w/ 2-3/8" pipe rams
3. Drill out plug #1, 3591' – 3898' KB
4. Round trip csg scraper
5. Circulate sand off RBP w/ KCL and TOOH w/ RBP.
6. PU composite BP, TIH and set @ 5300' KB (within 50' of top perf)
7. Load and roll the hole w/ fresh water
8. Pull current tbh head and install 7-1/16" 3M X 7-1/16" 3M csg spool

Run 3-1/2" Liner

9. MIRU casing crew
10. Change pipe rams in BOP to 3-1/2"
11. PU float shoe, 1 jt of 3-1/2" 9.3# L-80 FL-4S csg, and float collar
12. RIH w/ 125 jts of 3-1/2" 9.3# L-80 FL-4S csg, landed @ ~5298' KB
13. Land 3-1/2" liner in csg spool

Cement Liner

14. NU cementing head and manifold
15. Pump 10 bbl fresh water spacer
16. Mix and pump 100 sxs (23.5 bbls) Type III cement
17. Drop plug and displace with 46 bbls to bump plug

Drill out and Put on Production

18. ND cement head and install tbh head w/ 3-1/8" 3M X 3-1/8" spool
19. Change pipe rams in BOP to 2-1/16"



WORKOVER PROCEDURE

20. PU 2-7/8" bit, bit sub
21. RIH on 2-1/16" IJ 3.25# tbg
22. Drill out float collar and float shoe
23. Confirm within 100' of perms and perform MIT.
24. Drill out composite BP w/ air.
25. TOOH
26. RIH w/ 2-1/16" IJ 3.25# production tbg w/ SN and notch collar on bottom
27. Land tbg, ND BOP and NU WH
28. Swab well if necessary and put to sales
29. RD and move equipment off location



WORKOVER PROCEDURE

Merrion Oil & Gas Corporation Wellbore Schematic

Canada Mesa #1E

Current Wellbore Configuration

Basin Dakota/ Devils Fork Gallup

Location: 1060' fnl & 1840' fwl (ne nw)
Sec 24, T24N, R6W, NMPM
Rio Arriba Co, New Mexico

Elevation: 6,483' GL
6,493' RKB

Date: 31-Jul-2008
Updated: 10-Jan-2023 (SCM)

API No: 30-039-22118
By: Steve Dunn

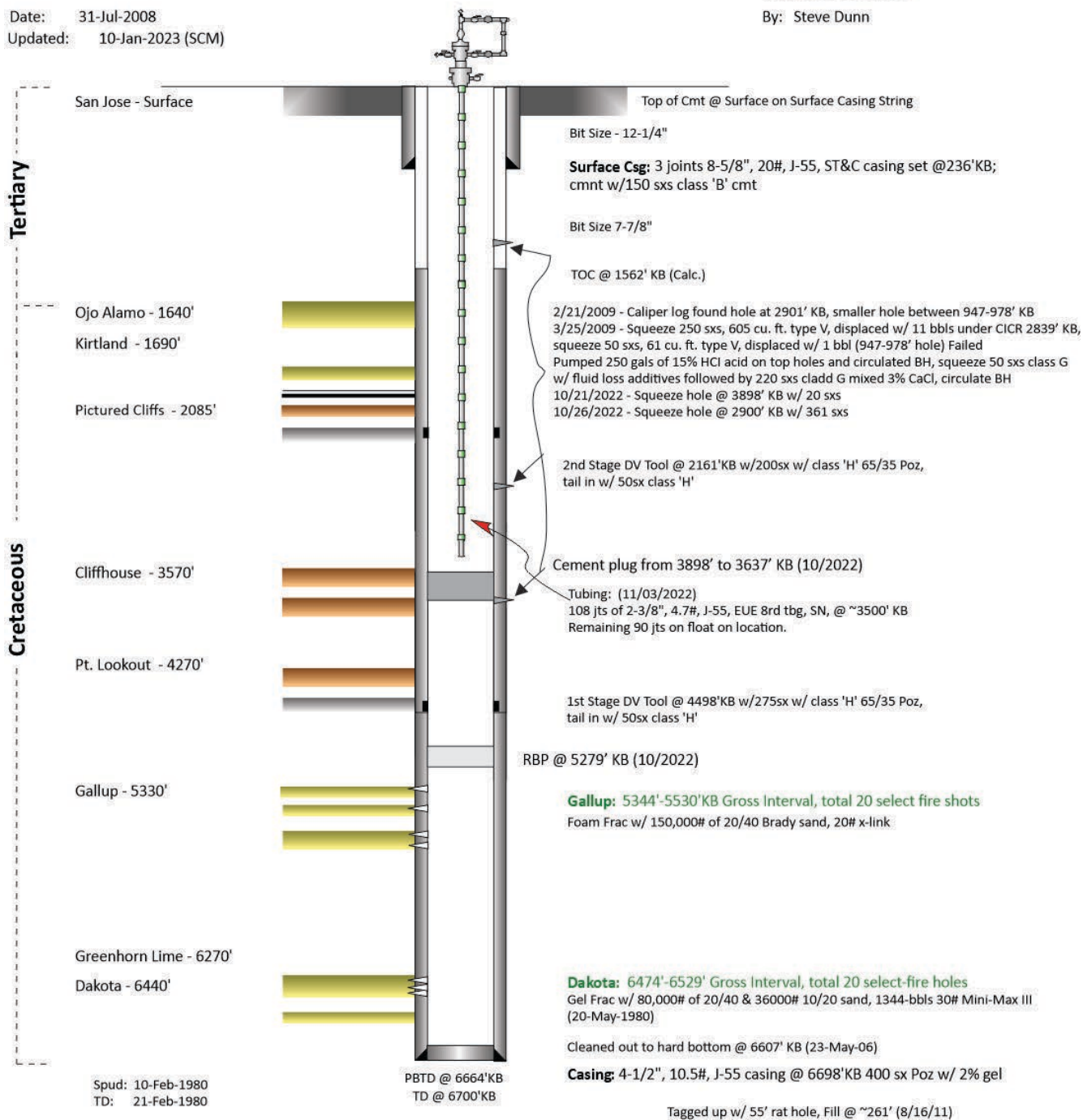


Figure 1: Current Wellbore Configuration



WORKOVER PROCEDURE

Merrion Oil & Gas Corporation Wellbore Schematic

Canada Mesa #1E

Proposed Wellbore Configuration

Basin Dakota/ Devils Fork Gallup

Location: 1060' fnl & 1840' fwl (ne nw)
Sec 24, T24N, R6W, NMPM
Rio Arriba Co, New Mexico

Elevation: 6,483' GL
6,493' RKB

Date: 31-Jul-2008
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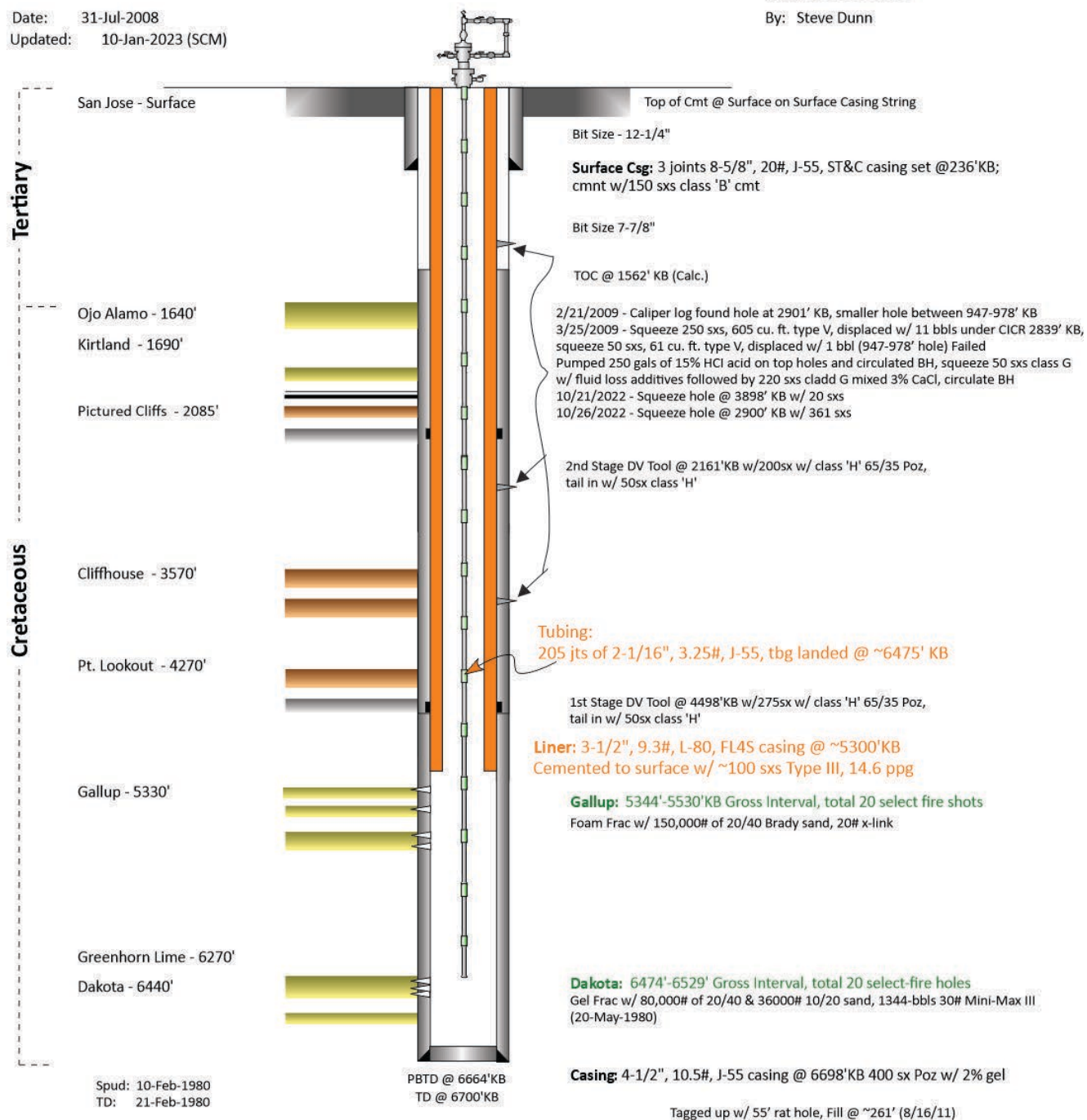


Figure 2: Proposed Wellbore Configuration (3-1/2" Liner)

District I
1625 N. French Dr., Hobbs, NM 88240
Phone:(575) 393-6161 Fax:(575) 393-0720
District II
811 S. First St., Artesia, NM 88210
Phone:(575) 748-1283 Fax:(575) 748-9720
District III
1000 Rio Brazos Rd., Aztec, NM 87410
Phone:(505) 334-6178 Fax:(505) 334-6170
District IV
1220 S. St Francis Dr., Santa Fe, NM 87505
Phone:(505) 476-3470 Fax:(505) 476-3462

State of New Mexico
Energy, Minerals and Natural Resources
Oil Conservation Division
1220 S. St Francis Dr.
Santa Fe, NM 87505

CONDITIONS

Action 179067

CONDITIONS

Operator: MERRION OIL & GAS CORP 610 Reilly Avenue Farmington, NM 87401	OGRID: 14634
	Action Number: 179067
	Action Type: [C-103] NOI Workover (C-103G)

CONDITIONS

Created By	Condition	Condition Date
mkuehling	CBL required on 41/2 prior to running 31/2 liner - If cement does not come to surface on 31/2 a CBL is required.- Notify NMOCD 24 hours prior to running cement - Future bradenhead tests will now have an intermediate. Bradenhead test required 30 days after rig move	1/25/2023
mkuehling	Notify NMOCD for witnessed bradenhead test	1/25/2023