

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

RECEIVED

FORM APPROVED
Budget Bureau No. 1004-0135
Expires: March 31, 1993

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir.

Use "APPLICATION FOR PERMIT--" for such proposals.

SUBMIT IN TRIPLICATE

1. Type of Well Oil <input type="checkbox"/> Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/>	5. Lease Designation and Serial No. 58M-33047
2. Name of Operator Merrion Oil & Gas Corporation	6. If Indian, Allottee or Tribe Name 070 Farmington, NM
3. Address and Telephone No. 610 Reilly Avenue, Farmington, NM 87401-2634 (505) 327-9801	7. If Unit or CA, Agreement Designation
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 790' FNL & 990' FWL (NWNW) Section 35, T27N, R13W	8. Well Name and No. HI ROLL No. 4R
	9. API Well No. 30-045-29990
	10. Field and Pool, or Exploratory Area Basin Fruitland Coal
	11. County or Parish, State SAN JUAN COUNTY, New Mexico

12. CHECK APPROPRIATE BOX (s) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA		
TYPE OF SUBMISSION	TYPE OF ACTION	
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Abandonment	<input type="checkbox"/> Change of Plans
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Recompletion	<input type="checkbox"/> New Construction
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Plugging Back	<input type="checkbox"/> Non-Routine Fracturing
	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> Water Shut-Off
	<input type="checkbox"/> Altering Casing	<input type="checkbox"/> Conversion to Injection
	<input checked="" type="checkbox"/> Other Perfs, Frac & Tbg Rpts	<input type="checkbox"/> Dispose Water

(Note: Report results of multiple completion on Completion or Recompletion Report and Log form.)

13. Describe Proposed or completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*
- 1/15/03 Roustabouts finished gas sales tie-in, setting separator (Permian Fabrication thru MOG), Pumping Unit (Churchill 57 from Rotation thru MOG), C46 Arrow Engine (from Rotation), 500 bbl heated water tanks (from Jeff Davis thru MOG). Ready for completion.
- 2/18/03 Set frac tanks and fill with 2% KCl city water. Install 4-1/2" frac valve. RU BWWC and run GR/CCL from PBTD to 430'. RIH with 3-1/8" casing gun and perforate the Fruitland Coal formation: 1178'-184' (2 spf), 1190'-1198' (2 spf) and 1246'-1264' (2 spf) - Total of 64 holes, EHD: 0.34". Shut well in. WO frac.
- 2/19/03 MIRU Halliburton to frac 2/19/03. Hot oiler still on site to heat water to gel temp. Job delayed approx. two hrs. Complete bucket test on all add pumps and gel/breaker quality control tests. Pressure test lines to 6500 psi. Open wellhead, begin pumping in at 11:02 a.m. Spearhead 250 gal 7/5% HCl. Pumped 57,710 gal Delta frac fluid, 20# cross linked gel and 95,570# 20/40 brady sand with Sandwedge. MTP 2231 psi, ATP 1,427 psi, AIR 30.1 BPM. Sand concentration from 1 ppg to 4.5 ppg. Shut well in approximately 3 hrs. Pressure 440 psi. Opened well to pit through 1/2" choke. Well flowed about 15 minutes with flow decreasing entire time. Well died overnight. Will move in rig to clean out tomorrow. Note: Sandwedge pump was too large, readings were erratic. Sample from 4# sand did not look like it had much Sandwedge.

*** CONTINUED OTHER SIDE ***

14. I hereby certify that the foregoing is true and correct.	
Signed <u>Steven S. Dunn</u>	Title <u>Drlg & Prod Manager</u>
Date <u>2/27/03</u>	
ACCEPTED FOR RECORD	
MAR 03 2003	
FARMINGTON FIELD OFFICE	
Approved By _____	Title _____
Conditions of approval, if any: _____	

Title 18 U.S.C. Section 1001, makes 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 statement or representations as to any matter within its jurisdiction.

NMOCD

- 2/20/03 MIRU JC Well Service Rig No. 2 on 2/20/03. Found well blowing with light blow of gas and no water. Left well blowing. SDON.
- 2/21/03 Well had very light blow on casing when rig crew arrived. Installed Larkin tubing head, TIH with tubing to 1316.53' KB. RU pump truck, CO to PBTD @ 1377' KB using 80 bbls of water to clean out. TOH with tubing, TIH with 12' pump barrel, 40 joints of 2-3/8" tubing, 1 - 10' tubing sub landed tubing at 1275.94' KB with perforations at 1178'-1184' and 1246'-1264'. Dropped tubing pump standing valve. TIH with tubing pump plunger, 1 plain 3/4" rod, 6 - 3/4" guided rods, 43 - 3/4" rods, 1 - 8' x 3/4" pony rod, 1 - 4' x 3/4" pony rod and 12' polish rod and liner. Spaced out pump, loaded tubing with 3 bbls water, horse's head bridle too long to run pumping unit, brought bridle to town to have bridle shortened. Shut well in. SDON.
- 2/22/03 Installed shortened bridle, spaced pump out, started pumping unit. Well had good pump action. Tubing open to tank - tbg 0 psi, csg 150 psi. Opened well to sales with instantaneous rate of 100 MCF. Left well running at 13 SPM with 52" stroke. RDMOL.