

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM 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 ☐ Gas ☐
☒ Well ☐ Well ☐ Other

2. Name of Operator

Merrion Oil & Gas Corporation

3. Address and Telephone No.

610 Reilly Avenue, Farmington, NM 87401-2634

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

812' FNL & 818' FWL (NWNW)

SECTION 24, T26N, R02W

5. Lease Designation and Serial No.

NM-105830

6. If Indian, Allottee or Tribe Name

7. If Unit or CA, Agreement Designation

COMMUNITIZED

8. Well Name and No.

GUINEA PIG COM No. 1

9. API Well No.

30-039-27247

10. Field and Pool, or Exploratory Area

GAVILAN MANCOS

11. County or Parish, State

RIO ARRIBA,
New Mexico

12. CHECK APPROPRIATE BOX (s) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

- ☐ Notice of Intent
- ☒ Subsequent Report
- ☐ Final Abandonment Notice

TYPE OF ACTION

- ☐ Abandonment
- ☐ Recompletion
- ☐ Plugging Back
- ☐ Casing Repair
- ☐ Altering Casing
- ☒ Other Spud, Csg, TD Reports

- ☐ Change of Plans
- ☐ New Construction
- ☐ Non-Routine Fracturing
- ☐ Water Shut-Off
- ☐ Conversion to Injection
- ☐ 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.)*

11/15/02 MIRU Aztec Well Service Rig No. 124 at 1:00 PM.

11/16/02 Spudded well at 3:00 PM. Drilled 14-3/4" hole to 330' KB. TOH. Ran 7 joints of 10-3/4", J-55, 40.5# casing to 325' KB. Pumped 300 sxs (354 cu.ft.) of Class 'B' cement with 2% CaCl. Circulated 9 bbls to pit. WOC.

11/17/02 WOC. PU, RIH with 9-7/8" bit. Tagged cement at 285'. Drilled 40' of cement than drilled open hole to 1060' KB.

11/18 to 12/2/02 Drilling ahead.

12/3/02 Drilled to 6948'. Condition mud, short trip. POH. RU Schlumberger, run Platform Express Induction, Density and Neutron Logs. TIH with 4-1/2" drill pipe and drill collars.

*** CONTINUED OTHER SIDE ***

14. I hereby certify that the foregoing is true and correct

Signed

Steven S. Dunn

Title Drig & Prod Manager

Date 12/12/02

(This space for Federal or State office use)

Approved By

/s/ Brian W. Davis

Division of Multi-Resources

Date JAN 31 2003

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 statements or representations as to any matter within its jurisdiction.

* Verify TC on 1st Stage Cement; Line Com NMOCD

12/4/02 Circulate and thin mud on bottom. TOH, LDDP. RIH w/ 7 1/2" intermediate casing string as follows:

No.	Description	Depth
1 jt.	7 1/2" 29.7ppf J55 LTC 8R	
94 jts.	7 1/2" 26.4ppf J55 LTC 8R	
1 ea.	7 1/2" DV Tool	4002' KB
23 jts.	7 1/2" 26.4ppf J55 LTC 8R	
52 jt.	7 1/2" 29.7ppf J55 LTC 8R	
1 ea.	7 1/2" Float Collar	6922' KB
1 jt.	7 1/2" 29.7ppf J55 LTC 8R	
1 ea.	7 1/2" Guide Shoe	6960' KB

Lost circulation at ~5000' while running casing. Pumped slug of LCM and regained full circulation. Lost total of 290 bbls of mud. Finish running in hole. Established full circulation on bottom. RU-BJ Cementers. Pumped 1st stage; 10-bbls mudclean, 2-bbls water, 140 sx Premium Lite FM w/ 5 pps LCM, 0.25 pps Celloflake (54.4 bbls; 305 cf), followed by 179 sx Premium Lite HS w/ 5 pps LCM, 0.25 pps Celloflake (64.38 bbls; 361 cf), followed by 161 sx Type III w/ 5 pps LCM, 0.25 pps Celloflake (42.26 bbls; 237 cf). Dropped wiper plug and displaced w/ 140 bbls water, 182.9 bbls of drilling mud. Bumped plug, released pressure, held okay. Good circulation throughout 1st stage job. Dropped opening plug, opened DV Tool. Circulating between stages at report time.

12/5/02 Circulate between stages for 3.5 hours. Started 2nd stage cement. Pumped 10-bbls mudclean, 5-bbls water, 528 sx Premium Lite FM w/ 3% CaCl₂, 5 pps LCM, 0.25 pps Celloflake (205 bbls; 1151 cf), followed by 97 sx Type III w/ 1% CaCl₂, 5 pps LCM, 0.25 pps Celloflake (24 bbls; 135 cf). Dropped landing plug and displaced w/ 188 bbls water. Bumped DV Tool and closed sliding sleeve, released pressure, held okay. Good circulation throughout 2nd stage job, circulated 38-bbls of good cement back to surface. Set casing with 140,000# on slips. ND BOPE. Cut off casing. Set flowback tank, gas buster and separator. Change out to run 3-1/2" drill pipe. Picked up 6-3/4" bit, 5" drill collars and 3-1/2" drill pipe. Trip in hole to drill DV tool.

12/6/02 TIH with 3-1/2". Cross-over kelly, unload hole at 2000'. TIH with 3-1/2". Unload and drill DV tool. Circulate, PU strap drill pipe. TIH with 3-1/2". Unload hole at 5532'. TIH with 3-1/2". Unload at 6900' compressor down. WO mechanic and parts.

12/7/02 WO booster. Unload hole at 6900'. Repair blooie line. Drilling 60' cement and float shoe. Blow dry. Drilling. Air compressor low fuel. Drilling. Drill ahead to 7565' KB encountered fracture, blowing oil out blooie line. Circulating. TOH with 9 stands drill pipe. RU to mist drill. Circulating with air mist.

12/8/02 TIH. Circulate with mist. Drill to Total Depth at 7967' KB. Lost circulation with air last 7' drilling. Regained circulation. Circulating. TOH. RU Schlumberger ran Induction, Density, and Neutron Logs. TIH, WO gas tester. Found ~200' fluid column above fracture at 7565' KB in 14 hrs. Ran drill pipe to 7572' KB. Unloaded hole with ~3 MMCFD airflow. Started production test with air. 3-hour test pumping 3 MMCFD air, 290-psig standpipe pressure. Recovered ~1.75 bbls/hour oil, well gassing while unloading with air. Dies off without air. Tag fill 15' from bottom. TOH. WO Orders.

12/9/02 Wait on orders. Weatherford unable to deliver ECP (external casing packer). Lay down drill collars. Unload and strap 5-1/2" casing. TIH with 3-1/2" drill pipe (open ended). TIH to 7318' KB. RU American Energy Services. Lead in with 10 bbls of produced water then pump ~4000# - 5000# of 20/40 sand to fill up bottom portion of open hole. Tail in with 5 more bbls of water. Pull up 10 stands and wait for sand to fall. TIH and tag sand at 7333' KB (bridge). SD to repair compressors. Break circulation with air/mist and clean out sand. Cleaning out at 7452' at report time.

12/10/02 Clean out to 7514'. Pump soap sweep and blow well for 1/2 hour. TIH to check sand plug - went all the way to 7588'. Pull up to 7381'. RU American Energy Services and pump 2nd sand plug (~20 sx of 20/40 sand). SD and let sand fall for 1/2 hour. TIH and tag sand at 7456'. Instructed to C/O sand to 7510'. Clean out sand bridges to 7510'. Blow well for 1/2 hour. TIH to check sand plug, tagged up at ~7516'. Set down 12K TOH. RU casing crew and run 16 joints (657.73') of 5-1/2", 15.5#, N-80 casing. Make up liner hanger, RIH on 3-1/2" drill pipe. Liner set down at 7467' KB (unable to pick up - liner stuck). RU air lines and attempted to clean out with air. Had partial returns (950# - 800#) and able to move pipe ~15' - 18'. Blew well for 0.75 hrs, returns diminished and stand pipe pressured, up to 1350#. Bleed off pressure and attempt to move pipe - no movement, no circulation. Pulled up to 7449' and LD 1 joint of drill pipe and PU kelly. Brought air back on line but string pressured to 1350#. Attempted to work pipe free. Unable to circulate or move pipe. Set slips on liner hanger and rotated off liner hanger. LDDP. RD & Release rig. Bottom of liner at 7449' KB, float collar at 7406' KB, top of liner hanger at 6763', 193' of overlap into 7-5/8". SDON. WOCT.