

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

RECEIVED

FORM APPROVED
OMB No. 1004-0135
Expires January 31, 2004**SUNDRY NOTICES AND REPORTS ON WELLS**

Do not use this form for proposals to drill or to deepen or re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE - Other instructions on reverse side

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator

MERRION OIL & GAS CORPORATION

3a. Address

610 Reilly Ave, Farmington, NM 87401

3b. Phone No. (include area code)

(505) 327-9801

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

691' fsl & 1268' fwl (swsw)**Section 26, T26N, R13W**

5. Lease Serial No.

SF-081028-A

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.

SERENDIPITY No. 3R

API Well No.

30-045-30811

10. Field and Pool, or Exploratory Area

Basin Fruitland Coal

County or Parish, State

San Juan County, NM**12. CHECK APPROPRIATE BOX (ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA**

TYPE OF SUBMISSION	TYPE OF ACTION			
<input 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 checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<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 <u>Perfd, Fract</u>
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	and Tubing Reports
	<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 shall 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 shall be filed once testing has been completed. Final Abandonment shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final insection.)

2/27/03 Set frac tanks and fill with 2% KCl city water. Install 4-1/2" frac valve. RU BWWC and run GR/CCL from PBTD (1422') to 900'. RIH with 3-1/8" casing gun, perforate the Fruitland Coal formation: 1280'-1289', 1268'-1272', 1242'-1260' (2 SPF - Total of 62 holes EHD 0.34").

3/3/03 RU Halliburton Energy Services. Pressure test pumps and lines to 6000#. Spearhead 250 gal of 7-1/2% HCl acid followed by a 17,000 gal of 20# x-link gel pad. Frac well with 95,000# of 20/40 Brady sand in 20# x-link gel (Delta 140 Fluid). Pumped sand in 1,2,3 and 4 ppg stages with sand wedge additive. AIR 31 BPM, MIR 31 BPM, ATP 888#, MTP 968#. Job complete at 10:00 hrs 3/3/03. Total fluid pumped: 1153 bbls. Opened well thru 1/4" choke to pit at 12:00 hrs 3/3/03. Well was on vacuum. Left well open to pit.

*** CONTINUED OTHER SIDE ***

14. I hereby certify that the foregoing is true and correct
Name (Printed/Typed)**STEVEN S. DUNN**Title **DRILLING AND PRODUCTION MANAGER**

Signature

Date **3/13/03****THIS SPACE FOR FEDERAL OR STATE OFFICE USE****ACCEPTED FOR RECORD**

Approved by

Title

Date **MAR 17 2003**

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

Office

FARMINGTON FIELD OFFICE

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.

- 3/10/03 MIRU JC Well Service 3/10/03. Found well dead. ND frac valve and change out tubing head (bell nipple on casing was too long). Tally, TIH with 2-3/8" tubing. Tag up on sand/fill at 1305'. RU pump truck and lines, attempt to break circulation. SD after pumping ~60 bbls of 2% KCl – never established circulation. TOH, PU bailer, TIH and clean out to ~1325' before bailer quit working. TOH and clean out bailer and tubing. Secure location & SDON. Will take bailer to town for repairs.
- 3/11/03 TIH with bailer and clean out frac sand/fill to 1340'. TOH, clean out bailer and tubing. TIH with bailer and clean out frac sand/fill to 1371'. TOH, clean out bailer and tubing. TIH with bailer and clean out to 1400'. TOH, clean out bailer and tubing. TIH with bailer and clean out to PBTD (1422'). TOH, clean out bailer and tubing. Made a total of 4 bailer runs for the day and cleaned out a total of 97'. TIH, land tubing, bottom of tubing at 1324' KB. RUTS. Made 12 swab runs and recovered approx. 18 bbls of fluid. Secure location and SDON.
- 3/12/03 TIH to PBTD, no fill. Pull up and land tubing as follows: tail joint, seating nipple and 39 joints (1319.60) of 2-3/8", 4.7#, J-55, EUE tubing. Bottom of tubing landed at 1324' KB, seating nipple at 1290' KB. ND stripping head and NU well head. Ready rig to run rods. RIH with 2"x 1-1/4" x 12' RHAC pump (CDI/Axelson) on 50 each 3/4" plain rods and 1 each 8' pony sub. Install polished rod with liner and stuffing box. NU horse head and bridle. Seat and space out pump. Hang off rods and start pumping unit. Loaded tubing, pump action looked OK. RD MOL. Left well pumping – turned over to production.