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Jul-14-04

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From-Merrion Oil & Gas Corp.

Merrion Oil & Gas Corporation

Casing Repair Procedure

July 14, 2004

Well:

N. Lindrith A No. 1

Field:

Bianco Mesaverde

Location:

990' fnl & 990' fwl (nw nw) Sec 20, T26N, R2W, NMPM Elevation:

7313' RKB 7326' GL

Rio Arriba County, New Mexico

API No:

30-039-21850

By:

Connie Dinning

Lease No:

NM-014733

Project:

Repair casing leak, put back on production.

Procedure:

Isolate & Repair Casing

- 1. Check for anchors, haul in 10 jts 2 3/8" tubing.
- 2. MIRU Well Service rig, TOH w/ rods and pump.
- 3. ND wellhead, NU BOP's.
- 4. POH w/ 2 %" production tbg.
- 5. PU casing scraper. RiH on the to ±6530'.
- 6. PU 4-1/2" RCP & RBP, RIH and set RBP above Mesaverde perfs (5542' 5964' KB) @ ~5520. Note: Casing failure between 302' - 381' repaired 9/22/01.
- 7. Load hole with water and circulate out contaminants.
- 8. Pressure test RBP and casing to 1000 psig.
- 9. If casing fails to hold pressure, isolate leak w/ RCP.
- 10. Squeeze off casing leak (cement volume to be selected based upon situation). WOCT.

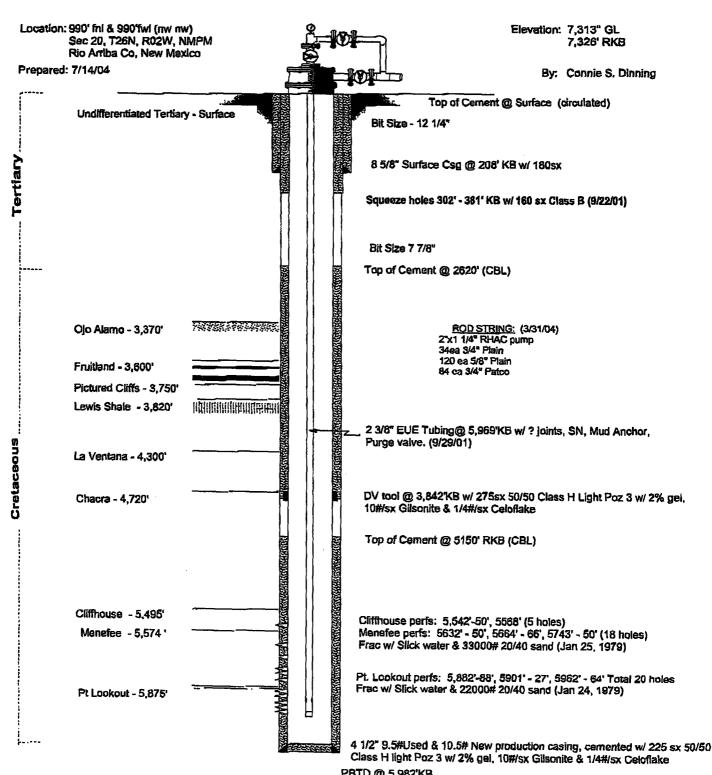
Drill Out & Test

- 1. POH w/ RCP. PU 3-7/8" bit, casing scraper. RIH, tag cement.
- 2. Drill out.
- 3. Pressure test to 500 psig.
- 4. If squeeze holds pressure, TOH, PU retrieving head. RIH to RBP.
- 5. Dry test by swabbing down.6. If dry test okay, RIH, unset RBP and TOH.
- 7. Clean out fill in rathole if necessary.
- 8. RIH w/ tbg, swab casing down and test for Mesaverde inflow.
- 9. If inflow unsatisfactory, pump nitrified stimulation treatment to clean up, displace with KCL water. Flow back load.
- 10. Re-run production equipment.
- 11. Put on to production and report production daily.

Merrion Oil & Gas Corporation Wellbore Schematic

N. Lindrith A Com No. 1

Current Wellbora Configuration



WELL DATA:

CAPACITIES
4 1/2* 10.5# Casing 0.0150 bbl/ft.
2 3/8* 4.7# Tubing 0.00987 bbl/ft.
4 1/2* X 2 3/8* Annulus; 0.0105 bbl/ft.

PBTD @ 5,982'KB TD @ 6,045'KB