			FORM APPROVED Budget Bureau No. 1004-0135 Expires: March 31, 1993
Do not use this form for pr	RY NOTICES AND REPORTS Of roposals to drill or to deepen or rocation FOR PERMIT" for a	eentry to a different reservoir.	5. Lease Designation and Serial No. SF-078309 6. If Indian, Allottee or Tribe Name
	SUBMIT IN TRIPLICATE	10 63°	7: If Unit or CA, Agreement Designation
Type of Well Well Well Other		(n) 2004 (n) 2004 (n) 2004	
Name of Operator		D101.0	8. Well Name and No. Federal 29 No. 2E
Merrion Oil & Gas Co	rporation (14634)		9. API Well No.
Address and Telephone No. 610 Reilly Avenue, Farming	oton, NM 87401-2634	(505) 327-980197 9	30-045-26205 10. Field and Pool, or Exploratory Area
Location of Well (Footage, Sec., T., R., M		(303) 327-9001.18, 10.1	White Wash Mancos/Dakos
1490' fnl & 790' fwl (nw	sw)		11. County or Parish, State
Section 29, T25N, R9W		San Juan County, New Mexico	
	<u> </u>	TE NATURE OF NOTICE, REPO	ORT, OR OTHER DATA
TYPE OF SUBMISSION	TYPE OF ACTION	N	
X Notice of Intent		Abandonment	Change of Plans
		Recompletion	New Construction
Subsequent Report		Plugging Back	Non-Routine Fracturing
		Casing Repair	Water Shut-Off
Final Abandonment N	Notice	Altering Casing	Conversion to Injection
	<u>X</u>	Other Add Perforations	Dispose Water
		pertinent dates, including estimated date of starting	(Note: Report results of multiple completion on Completion or Recompletion Report and Log for
give subsurface locations and measur	red and true vertical depths for all markers and		
attached procedure. Produ	action will be commingled dov	wnhole with the Basin Dakota Po	ol.
a seek w			
, such to the			g ver a state.
e describ			
I hereby certify that the toregoing is true a	nd correct		
I hereby certify that the loregoing is true an Signed Connie S. Dinning		e Production Engineer	Date <u>2/6/2004</u>
Signed	Title		Date 2/6/2004

r 3.

Merrion Oil & Gas Corporation

Workover Procedure January 23, 2004

Well:

Federal 29 No. 2E

Field:

Whitewash Mancos/Dk

Location:

1820' fsl & 1490' fwl

Elevation:

6,752' GR

Sec. 29, T25N, R9W, NMPM

6,764' KB

San Juan County, New Mexico

By:

Connie Dinning

Procedure:

Note: All Fluids to be 2% KCl based.

Prior to Move In

1. Check wellsite for anchors.

2. Dig pit if necessary.

- 3. Open tubing and casing to production line to equalize. **Note:** Plunger lift equipment is in tubing.
- 4. Haul pumping unit, engine and rods to Federal 29 No. 2E. Prepare material transfers for all equipment moved to well.
- 5. Haul in 10 jts. 2 3/4" tubing.
- 6. Order in frac/test tank(s) w/ riser, working external gauges & two good 4" valves. Fill w/ 2% KCl city water or filtered water. Refer to frac job design for exact volume and number of tanks.

Pull Tubing, Log, and Isolate Dakota

- 1. MIRU workover rig, PU additional tbg and check for fill before TOH w/ tbg. (clean out any fill w/ air package at end of job prior to landing tubing & running pump/rods).
- 2. RIH w/ 4 $\frac{1}{2}$ " casing scraper to PBTD at \pm 6531' KB.
- 3. TOH w/ scraper & tubing.
- 4. MIRU wireline company. Run Gamma Ray Correlation Log from PBTD @ \pm 6531' to 5300' KB or minimum run interval.
- 5. RIH w/ drillable BP, set @ ±6000' KB.
- 6. Load hole with 2% KCl water and pressure test to 3500 psi.
- 7. If well does not pressure test, PU packer, isolate holes and squeeze as necessary.

Perf & Ball off Gallup

1. Perforate Gallup with 3 1/2" casing gun, w/ one select fire shot per foot per Federal 29 No. 2E Induction Log dated 1/10/86 as follows:

5330', 5386', 5402', 5404', 5412', 5422', 5435', 5453', 5468', 5474', 5493', 5495', 5516', 5538, 5540', 5545', 5558', 5571', 5573', 5582', 5592', 5601', 5616', 5917', 5919'; **25 total holes**.

2. TIH w/ tubing and packer.

- 3. Set packer @ ± 5300' KB.
- 4. Pump 300 gallons 15% HCl and 37 RCN ball sealers down tubing.
- 5. Attempt to ball off to 3500 psi.
- 6. Release packer and TIH to 6000' to knock off balls.
- 7. Swab well down to 5300'.
- 8. TOH & lay down packer.

Fracture Stimulation

- 1. Install wellhead isolation tool.
- 2. RU frac crew. Fracture stimulate the Gallup formation with 70 Quality foam with 20# X-Linked base gel and a total of 100,000 lbs. of 20/40 mesh Brady sand (detail design to be provided).
- 3. Shut well in. RU flowback manifold to test tank. SI well for \pm 4 hrs to allow gel to break.
- 4. Blow back on 1/2" positive flow choke, and flow well to clean up.

Drill Out BP and Run Production String

- RU air package. TIH w/ bit (or mill) and drill collars on 2-3/8" tbg, clean out sand using air to BP.
- 2. Drill out BP and continue cleaning out well down to PBTD (6531').
- 3. TOH and lay down collars and bit.
- 4. Run production tubing string with 20' mud anchor (open ended) w/ small hole near top and seating nipple. Land production tubing with top of MA at or below bottom of Dakota perfs at approximately 6443' KB (Bottom perf @ 6443' KB).
- 5. Nipple down BOPs. Pick up 11/4" pump and run in hole on rods as follows:

40 ea. ¾" plain 130 ea. ¾" plain 16 ea. ¾" plain 72 ea. ¾" scrapered

- 5. Load tbg w/ water and check pump action before RD.
- 6. RD & MOL. Report production for two weeks.

Merrion Oil & Gas Corporation Wellbore Schematic

Federal 29 No. 2E

