

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0137
Expires March 31, 2007

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to 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 <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other _____		5. Lease Serial No. NM-16476
2. Name of Operator Merrion Oil & Gas Corporation		6. If Indian, Allottee or Tribe Name
3a. Address 610 Reilly Avenue, Farmington, NM 87401	3b. Phone No. (include area code) 505.324.5300	7. If Unit or CA/Agreement, Name and/or No.
4b. Location of Well (Footage, Sec. T., R., M., or Survey Description) 1450' fml & 1850' fwl Sec 36, T27N, R12W		8. Well Name and No. Hanson No. 33
		9. API Well No. 30-045-29837
		10. Field and Pool, or Exploratory Area WAW Fruitland Sand/PC
		11. County or Parish, State San Juan

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

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" 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 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 Report	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input checked="" type="checkbox"/> Recomplete	<input type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug & Abandon	<input type="checkbox"/> Temporarily Abandon	
	<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 recomplete 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 recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

Merrion Oil and Gas proposes to plug and abandon the WAW Fruitland sand/PC in the subject well and to recomplete the well in the Fruitland Coal as per the attached procedure.

CONDITIONS OF APPROVAL
Adhere to previously issued stipulations.

RECEIVED
APR 5 PM 2 42
070 FARMINGTON NM

14. I hereby certify that the foregoing is true and correct Name (Printed/Typed) Connie S. Dinning	Title Production Engineer
Signature 	Date March 29, 2005

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by 	Title Acting Team Lead	Date 4-14-05
Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.	Office FDO	

Title 18 USC Section 1001 and Title 43 USC 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.

NMOCD

Merrion Oil & Gas Corporation
Completion Procedure
Fruitland Coal Formation

March 29, 2005

Well:	Hanson No. 33	Field:	Basin Fruitland
Location:	1450' fnl & 1850' fwl (se nw) Sec. 36, T 27N, R 12W, NMPM San Juan County, New Mexico	Elevation:	5971' GL 5976' KB
		By:	Connie Dinning

Procedure: *(Note: This procedure will be adjusted on site based upon actual conditions)*

Prior to Move In

1. Haul in flowback tank.

Pull Tubing and Squeeze WAW Fruitland Sand and PC

1. MIRU.
2. POH with rods and pump.
3. ND wellhead, NU BOPs.
4. Tag up and if no fill above perms (1105' – 1239'), land tbg @ 1239' and proceed w/ squeeze. CO to bottom perf if fill above perms.
5. Load hole w/ produced water.
6. Pump in to existing perms to establish injection.
7. Mix 30 sx (35 cf) cement and squeeze into perms (1105' – 1239').
8. Pull up to ±800' and reverse clean. WOC

Drill Out, Perf & Frac Main Fruitland Coal

1. TIH and tag cement.
2. TIH w/ bit and scraper and drill out cement to PBTD @ 1371'.
3. Order in frac/test tanks with risers, working external gauges and two good 4" valves on each. Fill w/ 2% KCl water (refer to fracture stimulation design for required volume).
4. RIH w/ dump bailer and spot 10 gals. 15% HCL across perms from ±1213' – 1228' KB.
5. Perforate Fruitland Coal with 3 1/8" casing gun per Density Neutron log dated 8/8/00 as follows:

1214-1228 14 ft. 43 holes 3 jspf 0.34" diameter

6. Install frac valve on top of frac string.
7. RU Frac crew. Fracture stimulate the Fruitland Coal formation with 20# Cross linked gel system at 30 BPM with 60,000 lbs of 20/40 mesh Brady sand with sand flowback control or resin coated sand (spearhead 250 gals. 7.5% HCL ahead of frac) as per detailed design schedule) **Note: Do not pump in and shut down. When pumping begins, stay on it until the job is complete. Do not exceed 3500 psi.**
8. RD frac company and flow well to flowback tank.

Clean out and Return Well to Production

1. RIH w/ bailer on 2 3/8" production tubing and CO sand to PBTD. TOH.
2. RIH with 2 3/8" production string, SN, PS, and MA set @ ± 1239' KB.
3. Run rods and pump, and return to production.
4. RDMOL.

Attachments:

1. Wellbore Schematic after completion.
2. Hanson 33 open hole survey strip from Density/Neutron log dated 8/8/00 and correlation log dated 10/4/00.
3. Fracture stimulation design.

Merrion Oil & Gas Corporation Wellbore Schematic

Hanson No. 33

Current Wellbore Configuration

Location: 1450' fnl & 1850' fwl (se nw)
Sec 36, T27N, R12W, NMPM
San Juan County, New Mexico

Date: April 28, 2004

Elevation: 5971' GL
5976' RKB

Prepared by: Connie Dinning

Cretaceous

Undif. Tertiary - Surface

Kirtland - 105'

Fruitland - 930'

Main Coal - 1203'

Pictured Cliffs - 1230'

Top of Cmt @ Surface

Surface Bit Size - 8-3/4"

7" 23# Surface @ 125' KB w/ 50 sx (59 cf) Class B Cement,
Circ to Surface

Bit Size 6-1/4"

2-3/8" EU 4.7# J55 Prod Tubing, 38 jts w/ SN, 20' tail jt @ 1239' KB

Pictured Cliffs Perfs: 1105', 1117', 1130', 1136', 1145', 1162',
1173', 1180', 1187', 1197', 1208', 1210', 1233' - 1239', 1 spf, Total 19 holes
Frac PC w/ 70Q foam & 70,000# 20/40 sand (10/6/00)

4-1/2" 10.5# J55 LTC Production Csg @ 1416' w/ 110 sx (226 cf) Cl. B
w/ extender followed by 50 sx (59 cf) Cl. B. Circ to Surface.

TD @ 1439' KB PBD @ 1371' KB

Merrion Oil & Gas Corporation
Wellbore Schematic

Hanson No. 33

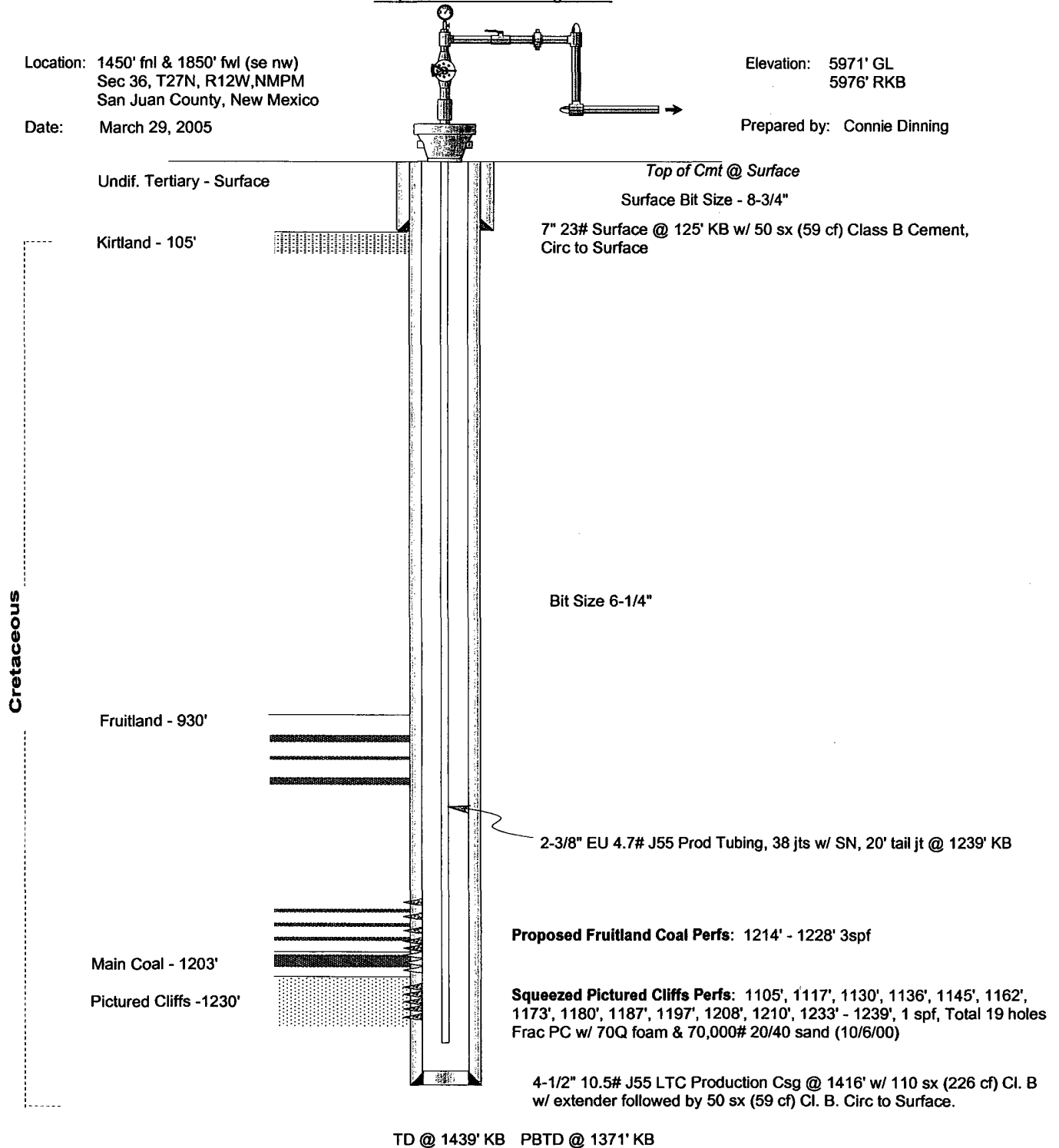
Proposed Wellbore Configuration

Location: 1450' fnl & 1850' fwl (se nw)
Sec 36, T27N, R12W, NMPM
San Juan County, New Mexico

Date: March 29, 2005

Elevation: 5971' GL
5976' RKB

Prepared by: Connie Dinning



District I

1625 N. French Dr., Hobbs, NM 88240

District II

1301 W. Grand Avenue, Artesia, NM 88210

District III

1000 Rio Brazos Rd., Aztec, NM 87410

District IV

1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-102

Revised June 10, 2003

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

☐ AMENDED REPORT**WELL LOCATION AND ACREAGE DEDICATION PLAT**

¹ API Number 30-045-16476		² Pool Code 71629	³ Pool Name Fruitland Coal
⁴ Property Code 25884	⁵ Property Name Hanson		⁶ Well Number 33
⁷ OGRID No. 14634	⁸ Operator Name Merrion Oil & Gas		⁹ Elevation 5971'

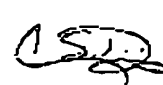
¹⁰ Surface Location

UL or lot no. F	Section 36	Township 27N	Range 13W	Lot Ida senw	Feet from the 1450	North/South line north	Feet from the 1850'	East/West line west	County San Juan
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¹¹ Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Ida	Feet from the	North/South line	Feet from the	East/West line	County
¹² Dedicated Acres 320 Ac	¹³ Joint or Infill	¹⁴ Consolidation Code		¹⁵ Order No.					

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

¹⁶ NM-16476		1450'			¹⁷ OPERATOR CERTIFICATION <i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</i> Signature  Connie S. Dinning Printed Name Production Engineer/cdinning@merrion.biz Title and E-mail Address April 14, 2003 Date
	1850'	Hanson No. 33 (Proposed Fruitland Coal)			
1980'	Hanson B No. 2 (Existing Fruitland Coal)			¹⁸ SURVEYOR CERTIFICATION <i>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.</i> Date of Survey Signature and Seal of Professional Surveyor: Certificate Number	
		1980'			