

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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.

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

5. Lease Serial No.
SF-080384-B

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.
HICCUP A No. 3

9. API Well No.
30-045-31844

10. Field and Pool, or Exploratory Area
BASIN FRUITLAND

11. County or Parish, State
SAN JUAN, NM

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 AVENUE, FARMINGTON, NM 87401

3b. Phone No. (include area code)
505-324-5300

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
**2595' FNL & 1951' FWL
SECTION 3, T26N, R12W (SE NW)**

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 COMPLETION	
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and 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 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 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.)

12/12/05 Remove wellhead and install 5K frac valve. Pressure test valve and casing to 3500 psi - held OK. Spot frac tanks and fill with 2% KCl water. Water is Bloomfield city water. RU Black Warrior Wireline Services. RIH with dump bailer and spot 15 gal of 15% HCl acid across Fruitland formation. RIH and perforate Fruitland Coal formation 3 spf from 1381'-1396', total of 45 holes, EHD: 0.34". Note: ran GR/CCL log 11/15/05. RD BWWC. SWI, secure location & SDON.

12/13/05 RU KEY Pressure Pumping Services and hold safety meeting. Pressure test pumps & lines to 4,800#. Pumped 10,800 gal pad of 20# x-link "Aqua-Safe" gel. Note: pumped first 8,400 gal at 15 bpm before slowly increasing rate up to 30 bpm. Also, pumped 2000# sand stage at 0.25 & 0.5 ppg during pad. Frac well w/ 48,000# of 20/40 Brady and 12,000# of 20/40 Super LC resin coated sand in 20# x-link "Aqua-Safe" gel. Pumped sand in 1, 2, 3 & 4 ppg stages at 30 bpm. ISIP: 510 psi, 5 min: 330 psi, 10 min: 253 psi, 15 min: 152 psi. AIR: 29 bpm, MIR: 30 bpm, ATP: 1,075 psi, MTP: 1,430 psi. Job complete at 14:35 hrs. 12/13/05. Total fluid pumped: 879 bbls. SWI & RD KPSS. Open well thru 1/4" choke at 11:30 hrs 12/13/05. Well was on a vacuum. SWI, secure location & SDON.

CONTINUED OTHER SIDE

14. I hereby certify that the foregoing is true and correct
Name (Printed/Typed)

STEVEN S. DUNN

Title **DRLG & PRODUCTION MANAGER**

Signature

Date

12/21/2005

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

ACCEPTED FOR RECORD

Approved by

Title

Date

DEC 29 2005

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

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.

(Instructions on page 2)

NMOCD

12/19/05 MIRU JC Well Service rig and air package 12/19/05. Spot tubing trailer. Well had 0 psi. Remove frac valve. Install tubing head and NU BOP. PU 2-3/8" tubing with notched collar on bottom and TIH. Tag sand at 1365'. RU lines to air package. Break circulation with air/mist. Circulating pressure after unloading hole was 600 psi. Clean out to 1511' (PBTD). Blow hole clean. Pull up to 1300'. SWI, secure location & SDON.

12/20/05 Found well with 25 psi. TIH to PBTD (1511') no fill. TOH. RIH with production string as follows: cut off tail joint (with hole(s) in top), seating nipple and 43 joints (1407.86') of 2-3/8", 4.7#, EUE tubing. Bottom of tubing landed at 1430' KB, seating nipple at 1413' KB. Land tubing in well head with donut. ND BOP and NU WH. RIH with 2" x 1 1/4" x 12' RHAC pump on 55 x 3/4" rods and 2 x 8' pony rods. Install polish rod with liner and stuffing box. NU horse head and bridle. Space out pump and hang off rods. Load tubing with water and pressure test tubing to 500 psi – held OK. Did not have enough casing gas to start unit. Will start pumping unit in morning and check pump action before rigging down.