

Distribution: O+4 (BLM); 1-Accounting; 1-Land; 1-File

Form 3160-5
(June 1990)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

RECEIVED

FORM APPROVED
Budget Bureau No. 1004-0135
Expires: March 31, 1993

SUNDRY NOTICES AND REPORTS ON WELLS

2003 JUL 11 PM 12

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir.

Use "APPLICATION FOR PERMIT--" for such proposals. 070 Farmington, NM

SUBMIT IN TRIPLICATE

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator

Merrion Oil & Gas Corporation

3. Address and Telephone No.

610 Reilly Avenue, Farmington, NM 87401-2634

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

990' FNL & 990' FEL

Section 20, T26N, R11W

5. Lease Designation and Serial No.

58F-078899-A

6. If Indian, Allottee or Tribe Name

7. If Unit or CA, Agreement Designation

TO BE COMMUNITIZED

8. Well Name and No.

WESTERN C No. 1

9. API Well No.

30-045-05777

10. Field and Pool, or Exploratory Area

GALLEGOS GALLUP

11. County or Parish, State

SAN JUAN COUNTY,
New Mexico

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

TYPE OF SUBMISSION

☒ Notice of Intent
☐ Subsequent Report
☐ Final Abandonment Notice

TYPE OF ACTION

☐ Abandonment (Temporary)
☐ Recompletion
☐ Plugging Back
☐ Casing Repair
☐ Altering Casing
☒ Other COMMINGLE

☐ Change of Plans
☐ New Construction
☐ Non-Routine Fracturing
☐ Water Shut-Off
☐ Conversion to Injection
☐ Dispose Water

(Note: Report results of multiple completion on Completion or Recompletion Report and Log form.)

13. Describe Proposed or completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

Merrion Oil & Gas proposes to complete Gallup and to commingle the Gallegos Gallup and Basin Dakota following the attached procedure.

See attached supporting data.

DHC 270AZ

CONDITIONS OF APPROVAL
Adhere to previously issued stipulations.

14. I hereby certify that the foregoing is true and correct

Signed Connie S. Dinning

Title Production Engineer

Date 7/8/03

(This space for Federal or State office use)

Approved By MR. [Signature]

Title Pet. Eng.

Date 8/4/03

Conditions of approval, if any:

Title 18 U.S.C. Section 1001, makes 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

Workover Procedure

July 7, 2003

Well:	Western C-1	Field:	Basin Dk, Gallegos Glp
Location:	990' fnl, 990' fel (NE NE) Sec.20, T26N, R11W, NMPM San Juan County, New Mexico	Elevation:	6181' GL, 6191' KB
		By:	Catlain H. Nee

Project:

Recomplete Gallup formation and commingle with Dakota.

Procedure:

Prior to Move-in

1. Check location for anchors.
2. Haul-in flowback tank.
3. Dig flowback/blooeey pit.
4. Set 114 Pumping Unit.
5. At move in, rig up blooeey line.

Check State of Tubing and Casing

1. Note: Do not kill well.
2. MIRU
3. Check for PBTD w/ slickline.
4. RIH w/ gauge ring and check for obstructions in tubing.
5. Load backside w/ water & pressure test to 500 psi.

Remove Tubing from Hole

6. RIH w/ wireline. Set blanking plug in tubing at $\pm 5940'$.
7. Perforate 2 holes in tubing at $\pm 5910'$.
8. RU air package & blow hole clean.
9. Pull out of Baker Model "D" packer and tally out of hole w/ 2-3/8" tbgr.

Repair Casing Leaks (if casing did not hold pressure in step 5)

10. RIH w/ RBP on 2-3/8" workstring and set on top of packer @ $\pm 5940'$.
11. Dump 5' sand on top of RBP.
12. Run casing inspection log.
13. TIH w/ packer and isolate holes in casing. Squeeze as needed.
14. TIH w/ 4-3/4" bit and casing scraper and clean out to bridge plug.
15. Pressure test casing to 500 psi. If casing does not hold pressure, repeat steps 12-15.
16. RIH w/ 2-3/8" workstring and remove RBP.

Remove Packer

17. PU & RIH w/ Packer Plucker on 2-3/8" workstring. Mill out packer w/ air. TOH.
18. TIH w/ 4-3/4" bit and casing scraper and clean out to PBTD @ $\pm 6108'$ w/ air.
19. Run Gamma Ray Correlation Log from PBTD @ $\pm 6108'$ to 100'.

Set RBP above Dakota Perfs

20. RIH w/ RBP on wireline and set @ $\pm 5940'$.

21. Dump 5' sand on top of RBP.

Gallup Completion

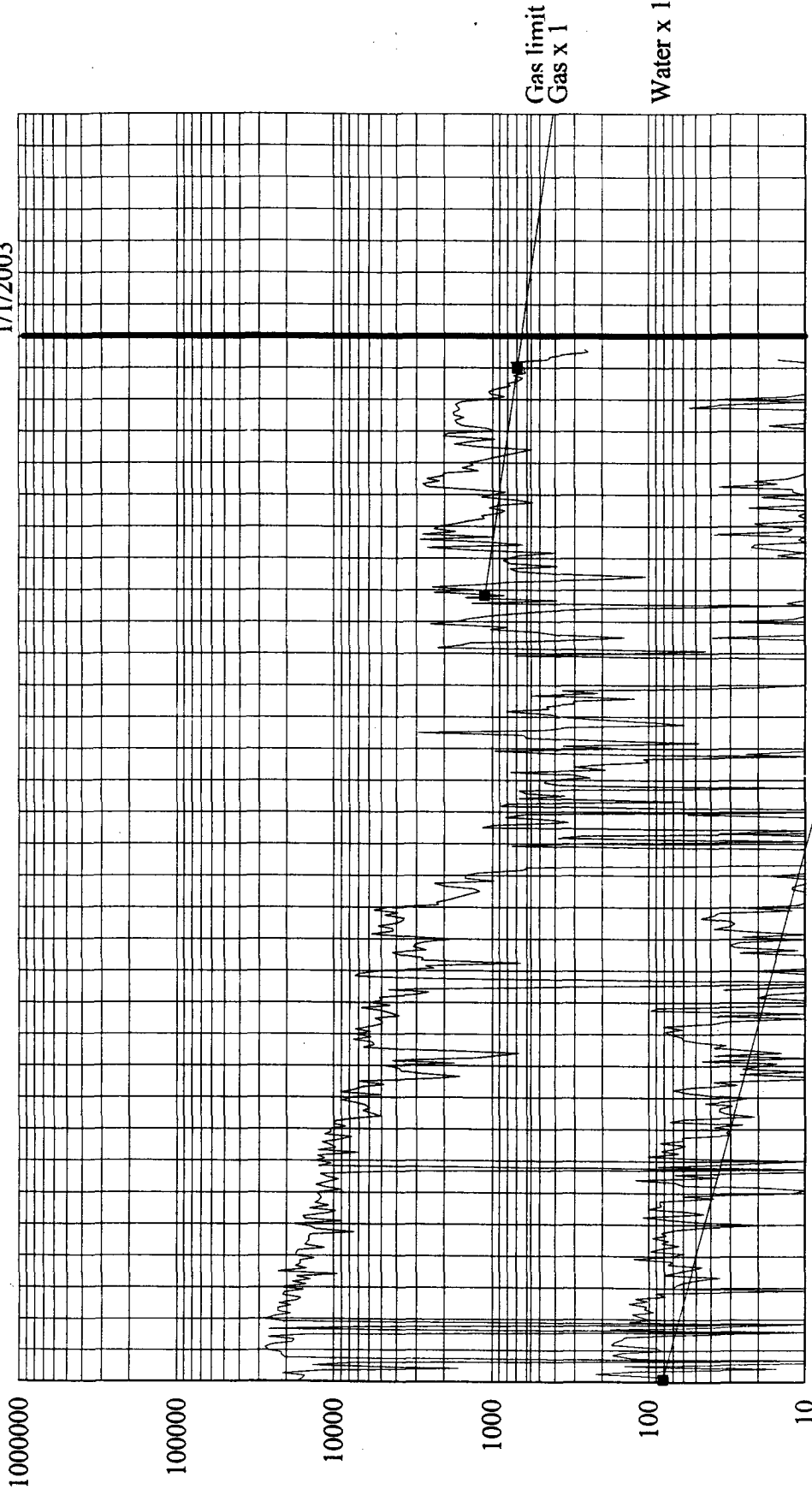
- 22. Perforate gross interval 4978'-5237' with .34" holes.
- 23. PU 5-1/2" packer on 3-1/2" upset fracstring and TIH to bottom Gallup perf.
- 24. Load hole w/ 2% KCl water.
- 25. Pump 350 gal 15% HCl w/ goodies and follow with 30 Bbls 2% KCl to balance acid across perms to $\pm 4903'$. Pull & set packer at $\pm 4853'$. Displace to bottom perf w/ 17 Bbls 2% KCl and establish injection rate. **Monitor backside for signs of communication.**
- 26. Frac well w/ $\pm 100,000\#$ 20-40 in 70Q CO₂ foam at 25 BPM. **Monitor backside for signs of communication.** SI well for 2 hrs to allow frac to close.
- 27. Flow back frac on choke.

Clean out hole, Run Tubing and Rods, and Return to Production

- 28. When well dies off, release packer and TOH and LD fracstring.
- 29. Circulate out sand using air to RBP.
- 30. TIH w/ workstring and remove RBP. TOH.
- 31. TIH w/ mud anchor & seating nipple on 2-3/8" tubing. Tag PBTD at $\pm 6108'$. If needed, clean out hole w/ air. Set tubing at $\pm 6080'$.
- 32. TIH w/ rods and pump.
- 33. ND BOPs and NU wellhead. RD, MOL. Return well to production.

Western C1 (1 - 100%), Basin

Effective Date
1/1/2003



70 71 72 73 74 75 76 77 78 79 80 81 82 83 84 85 86 87 88 89 90 91 92 93 94 95 96 97 98 99 00 01 02 03 04 05 06 07 08 09 10

230043045057771599

Western C1 (1 - 100%)

JGM

Basin

NEW, NM

Basin
20 26N 11W

Cumulative:
Remaining:
Ultimate:

Oil (bbl)
27,602
27
27,629

Gas (mcF)
4,170,382
14,556
4,184,938

Water (bbl)
145
26
171

**SUPPORTING DATA FOR C-103
WESTERN C-1 COMMINGLE
BASIN DAKOTA (71599) AND GALLEGOS GALLUP (26980)**

This supplemental information is attached to the C-103 to commingle the subject well in the Basin Dakota and Gallegos Gallup pools.

1. The Basin Dakota and Gallegos Gallup have been pre-approved for commingling by Order No. R-11363
2. The well is currently perfed in the Dakota from 6006' to 6042'. We plan to add the Gallup interval pursuant to the attached procedure from 4978' to 5237'.
3. The Dakota is making approximately 30 MCFD as shown on the attached production plot. Dakota production just before the commingling will be subtracted from the commingled production rate to determine the contribution from the Gallup zone. A constant percentage shall be used to allocate production between the zones.
4. The commingling will increase, not reduce, the value of the remaining production.
5. Ownership of the Dakota and Gallup are identical.
6. A copy of this application will be sent to the Farmington BLM office.

District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, Arterio, 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 30-045-05777		2 Pool Code 26980		3 Pool Name Gallegos Gallup	
4 Property Code 30964		5 Property Name Western C			6 Well Number 1
7 OGRID No. 014634		8 Operator Name Merrion Oil & Gas			9 Elevation 6191' KB

10 Surface Location

UT of lot no. A	Section 20	Township 26N	Range 11W	Lot Ida NENE	Feet from the 990	North/South line North	Feet from the 990	East/West line East	County San Juan
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11 Bottom Hole Location If Different From Surface

UT of lot no.	Section	Township	Range	Lot Ida	Feet from the	North/South line	Feet from the	East/West line	County
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12 Dedicated Acres 80	13 Joint or Infill	14 Consolidation Code	15 Order No.
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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

	17 OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief. Signature Connie Dinning Printed Name Engineer cddinning@merrion.bz Title and E-mail Address July 16, 2003 Date	
	18 SURVEYOR CERTIFICATION 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. Date of Survey Signature and Seal of Professional Surveyor: Certificate Number	