

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

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

SUNDRY NOTICES AND REPORTS ON WELLS

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.

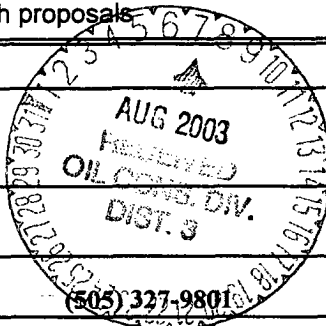
SUBMIT IN TRIPLICATE

1. Type of Well
☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator
Merrion Oil & Gas Corporation (14634)

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' fsl & 1255' fwl (sw sw)
Section 25, T30N, R13W**



5. Lease Designation and Serial No.
SF-078213

6. If Indian, Allottee or Tribe Name

7. If Unit or CA, Agreement Designation

8. Well Name and No.
Panther No. 1

9. API Well No.
30-045-29573

10. Field and Pool, or Exploratory Area
Basin Fruitland Coal

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	TYPE OF ACTION	
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Abandonment (Temporary)	<input type="checkbox"/> Change of Plans
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Recompletion	<input type="checkbox"/> New Construction
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Plugging Back	<input type="checkbox"/> Non-Routine Fracturing
	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> Water Shut-Off
	<input type="checkbox"/> Altering Casing	<input type="checkbox"/> Conversion to Injection
	<input checked="" type="checkbox"/> Other <u>Add Zone</u>	<input type="checkbox"/> 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 add the Fruitland Coal formation to this wellbore according to the attached procedure. The commingling of the Fulcher Kutz Pictured Cliffs and the Fruitland Coal was pre-approved by order R-11363.

DHC1278A2

CONDITIONS OF APPROVAL
Adhere to previously issued stipulations.

RECEIVED
200 JUL 25 AM 11:05
070 Farmington, NM

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

Signed Connie S. Dinning Title Production Engineer Date 7/21/03

(This space for Federal or State office use)

Approved By [Signature] Title Pet. Eng. Date 8/9/03

Conditions of approval, if any:

NRMOCD

Merrion Oil & Gas Corporation

Completion Procedure Fruitland Coal Formation

July 17, 2003

Well:	Panther No. 1	Field:	Basin Fruitland
Location:	990' fsl, 1255' fwl (SWSW) Sec. 25, T30N, R13W San Juan County, New Mexico	Elevation:	5660' GL 5665' KB
By:	Catlain Nee	Lease:	SF—078213

Project: *To perforate and frac the Fruitland Formation and to commingle with Pictured Cliffs.*

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

Phase I

Prior to Move-In

1. Set 57 pumping unit.

Pull Tubing & Prepare to Frac

1. Pull Stim Coil Injection System.
2. MIRU workover rig. ND WH, NU BOPs. Tag up on fill; pull 2 3/8" production tubing.
3. MIRU wireline truck. RIH w/ RBP and set at $\pm 1670'$ KB per correlation log. (Note: RBP setting is critical, reference GR/CBL dated 7/27/98).
4. Load hole w/ 2% KCl water and pressure test RBP to 3500 psi.

Perf, Frac, and Test Main Fruitland Coal

1. Order in frac/test tanks w/ risers, working external gages & two good 4" valves on each. Fill w/ 2% KCl fresh water (refer to fracture stimulation design for required useable volume).
2. Install frac valve on top of 4-1/2" casing.
3. Perforate Fruitland Coal with 3-1/8" casing gun, shot density at 3 jspf per Panther No. 1 correlation log run 7/27/98 as follows:

1636-1659 ft	23 ft	69 holes	0.34" diameter
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4. RU Frac crew. Fracture stimulate the Fruitland Coal formation with 20# Cross linked gel system at 30 BPM with 125,000 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.**
5. Shut well in for gel break time. Open to tank.

Install Production Tubing; Main Fruitland and PC to Production

1. RD frac valve. Reinstall tubing head, NU BOPs.
2. RIH w/ tubing, retrieving head and CO sand to RBP @ 1670' KB. (Use Merrion's bailer if circulation is lost or fill is in or near top of perforations).
3. Latch on to RBP & POH, clean out rat hole if necessary.
4. Pick up and tally 15' MA, SN, and 2³/₈" tubing in hole. Land tubing at ± 1710' KB below bottom of Pictured Cliffs perforations.
5. ND BOPs, NU wellhead. Run rods and pump.

Phase II

Pull Tubing and Prepare to Complete

1. MIRU workover rig. ND wellhead, NU BOPs. Tag up on fill; pull 2-3/8" production tubing.
2. MIRU wireline truck. RIH with RBP and set at ± 1600' KB per correlation log.

Perf and Stimulate Upper Fruitland

1. Perforate Upper Fruitland over the following intervals with 3 jspf per Piedra Vista A-1 Electrical Induction Log:

1440-1459 ft	19ft	57 holes	0.34" diameter
1483-1496 ft	13 ft	39 holes	0.34" diameter
1502-1512 ft	10 ft	30 holes	0.34" diameter
2. TIH with tubing and packer. Spot 50 gallons of 15% HCl acid across Upper Fruitland perforations. Set packer between 1460 and 1490 ft.
3. Displace acid using 2% KCl water for lower perforations via the tubing, and for upper perforations via the annulus.
4. Release packer and swab back.

Note: If there is not any production from the upper Fruitland perforations, a procedure will be written to fracture stimulate those perfs.

Install Production Tubing; Return all FC and PC Zones to Production

1. Reinstall tubing head. NU BOPs.
2. RIH with tubing, retrieving head and CO to RBP @ ± 1600' KB.
3. Latch on to RBP & POH; clean out rat hole if necessary.
4. PU 15' MA, SN, and 2 3/8" tubing in hole. Land tubing at ± 1710' KB — below bottom Pictured Cliffs perforations.
5. ND BOPs, NU wellhead. Run rods and pump.

District I
1625 N. French Dr., Hobbs, NM 88240
District II
811 South First, Artesia, NM 88210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
2000 South Pacheco, Santa Fe, NM 87505

State of New Mexico
Energy, Minerals & Natural Resources Department

Form C-102
Revised August 15, 2000

OIL CONSERVATION DIVISION
2040 South Pacheco
Santa Fe, NM 87505

Submit to Appropriate District Office
State Lease - 4 Copies
Fcc Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-045-29573		² Pool Code 71629		³ Pool Name Basin Fruitland Coal					
⁴ Property Code 23182		⁵ Property Name Panther						⁶ Well Number 1	
⁷ OGRID No. 014634		⁸ Operator Name Merrion Oil & Gas						⁹ Elevation 5660' GR	
¹⁰ Surface Location									
^{10a} or lot no. M	^{10b} Section 25	^{10c} Township 30N	^{10d} Range 3 W	^{10e} Lot Idn SWSW	^{10f} Feet from the 990	^{10g} North/South line South	^{10h} Feet from the 1255	¹⁰ⁱ East/West line West	^{10j} County San Juan
¹¹ Bottom Hole Location If Different From Surface									
^{11a} or lot no.	^{11b} Section	^{11c} Township	^{11d} Range	^{11e} Lot Idn	^{11f} Feet from the	^{11g} North/South line	^{11h} Feet from the	¹¹ⁱ East/West line	^{11j} County
¹² Dedicated Acres 320		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

				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 Title July 22, 2003 Date	
				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	
Lease No. SF-07821.3					
1255' FWL					
990' FSL					