

Submit 3 Copies To Appropriate District
Office
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
2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources

OIL CONSERVATION DIVISION
2040 South Pacheco
Santa Fe, NM 87505

Form C-103
Revised March 25, 1999

SUNDRY NOTICES AND REPORTS ON WELLS (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)		WELL API NO. 30-045-29519
1. Type of Well: Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other <input type="checkbox"/>		5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>
2. Name of Operator Merrion Oil & Gas		6. State Oil & Gas Lease No.
3. Address of Operator 610 Reilly Ave, Farmington, NM 87401		7. Lease Name or Unit Agreement Name: Vine Com
4. Well Location Unit Letter D : 670 feet from the North line and 1290 feet from the West line. Section 15 Township 29N Range 13W San Juan County		8. Well No. 1
10. Elevation (Show whether DR, RKB, RT, GR, etc.) 5335' GR		9. Pool name or Wildcat Basin Fruitland Coal

11. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data	
NOTICE OF INTENTION TO: PERFORM REMEDIAL WORK <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> TEMPORARILY ABANDON <input type="checkbox"/> CHANGE PLANS <input type="checkbox"/> PULL OR ALTER CASING <input type="checkbox"/> MULTIPLE COMPLETION <input type="checkbox"/> OTHER: To Commingle <input checked="" type="checkbox"/>	SUBSEQUENT REPORT OF: REMEDIAL WORK <input type="checkbox"/> ALTERING CASING <input type="checkbox"/> COMMENCE DRILLING OPNS. <input type="checkbox"/> PLUG AND ABANDONMENT <input type="checkbox"/> CASING TEST AND CEMENT JOB <input type="checkbox"/> OTHER: <input type="checkbox"/>

12. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompilation.

Merrion Oil & Gas proposes to complete the Basin Fruitland Coal and to commingle the Basin Fruitland Coal and West Kutz Pictured Cliffs according to the attached procedure.

See attached supporting data.

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE [Signature] TITLE Production Engineer DATE 7/28/03

Type or print name Connie S. Dinning Telephone No. 327-9801

(This space for State use)

APPROVED BY [Signature] TITLE DEPUTY OIL & GAS INSPECTOR, DIST. 4 DATE AUG -5 2003
Conditions of approval, if any:

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State of New Mexico
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION
2040 South Pacheco
Santa Fe, NM 87505

Form C-102
Revised August 15, 2000

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

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-045-29519	² Pool Code 71629	³ Pool Name Basin Fruitland Coal
⁴ Property Code 23126	⁵ Property Name Vine Com	⁶ Well Number 1
⁷ OGRID No. 014634	⁸ Operator Name Merrion Oil & Gas	⁹ Elevation 5335' GR

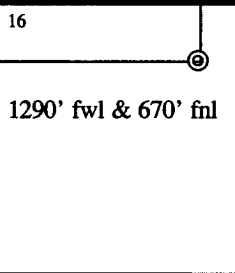
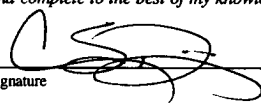
¹⁰ Surface Location

UL or lot no. D	Section 15	Township 29N	Range 13 W	Lot Idn NW NW	Feet from the 670	North/South line North	Feet from the 1290	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 Idn	Feet from the	North/South line	Feet from the	East/West line	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

¹⁶ 				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 28, 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

**SUPPORTING DATA FOR C-103
VINE COM NO. 1 COMMINGLE
BASIN FRUITLAND COAL (71629) AND
WEST KUTZ PICTURED CLIFFS (79680)**

This supplemental information is attached to the C-103 to commingle the subject well in the Basin Fruitland Coal and West Kutz Pictured Cliffs pools.

1. The Basin Fruitland Coal and West Kutz Pictured Cliffs have been pre-approved for commingling by order no. R-11363.
2. This well is currently perforated in the Pictured Cliffs from 1178 to 1193'. We plan to add the Fruitland Coal intervals according to the attached procedure from 1144' to 1168'.
3. The Pictured Cliffs is making approximately 270 MCFD as shown on the attached production plot. Pictured Cliffs production just before the commingling will be subtracted from the commingled production rate to determine the contribution from the Fruitland Coal Zone. A constant percentage shall be used to allocate the production between the zones.
4. Ownership of the Fruitland Coal and Pictured Cliffs are not the same; however, all of the owners are being notified of the commingling.
5. A copy of this application will be sent to the Farmington BLM office.

Merrion Oil & Gas Corporation

Completion Procedure Fruitland Coal Formation

July 28, 2003

Well:	Vine Com No. 1	Field:	Basin Fruitland
Location:	670' fnl & 1290' fwl (nw nw) Sec. 15, T29N, R13W NMPM San Juan County, New Mexico	Elevation:	5335' GL 5340' KB
		By:	Catlain Nee

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)*

Prior to Move-In

1. Notify neighbors — Joe Wheelbarger, Casa Blanca, Hasset, and any others— of work schedule.
2. Cover and protect landscaping. **It is important not to damage the landscaping.**
3. Set pumping unit.

Pull Tubing & Prepare to Frac

1. MIRU workover rig. ND wellhead, NU BOPs. Tag up on fill; pull 2 3/8" production tubing.
2. MIRU wireline truck. RIH w/ RBP and set @ $\pm 1175'$ KB per correlation log.
3. Load hole w/ 2% KCl water and pressure test RBP to 3500 psi.

Perf, Frac, and Test Main Fruitland Coal

4. Order in frac/test tanks w/ risers, working external gauges & two good 4" valves on each. Fill w/ 2% KCl fresh water (refer to fracture stimulation design for required useable volume).
5. Install frac valve on top of 4 1/2" casing.
6. Perforate Fruitland Coal w/ 3 1/8" casing gun, shot density @ 3 jspf per Gamma Ray Correlation log as follows:

1144-1168 ft 24 total ft 72 holes 0.34" diameter

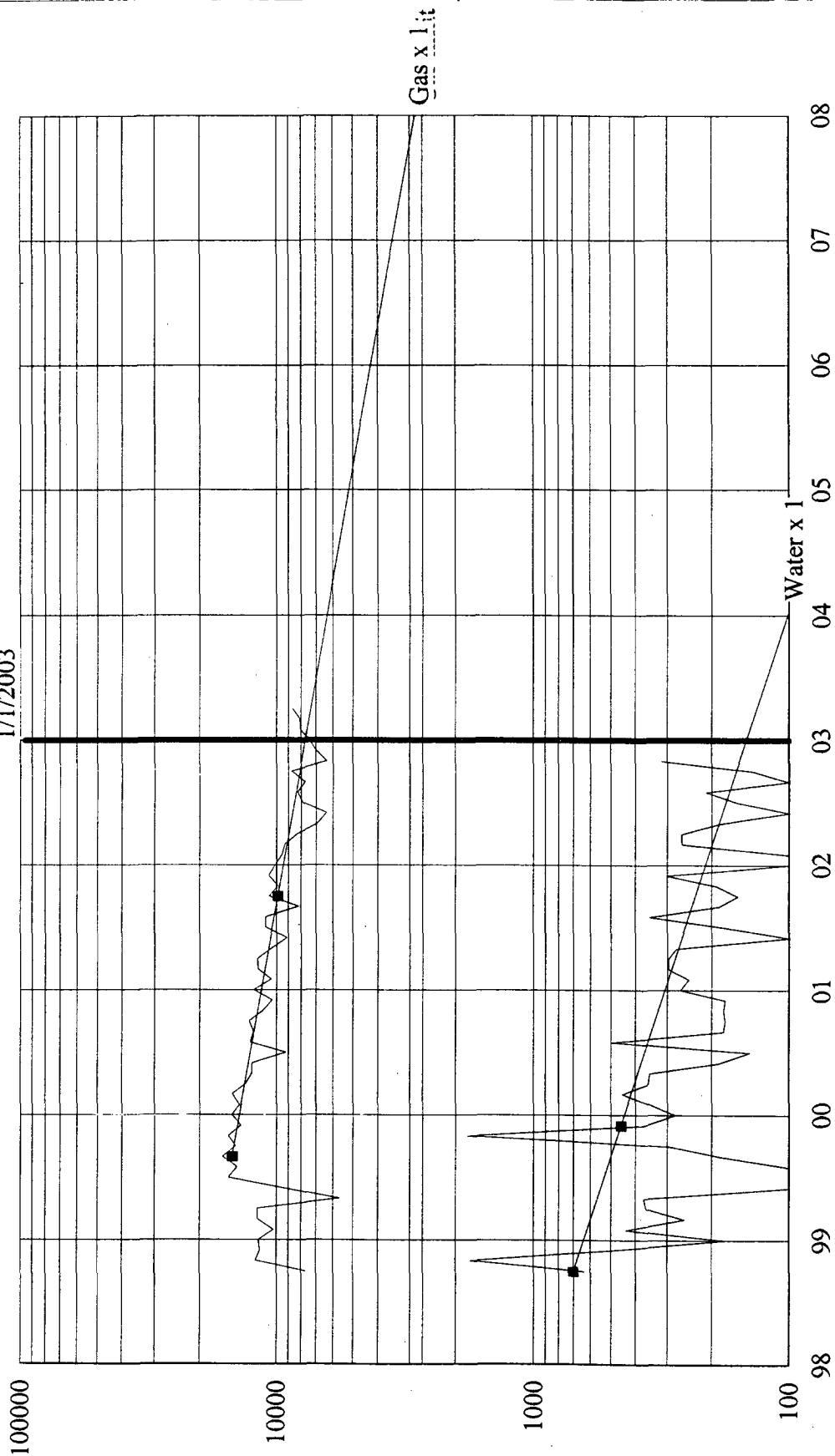
7. RU frac crew. Fracture stimulate the Fruitland Coal formation w/ Halliburton Delta system @ 30 BPM w/ 100,000 lbs. of 20/40 mesh Brady sand w/ Sandwedge flowback inhibitor (spearhead 250 gals. 7.5% HCl ahead of frac) as per detailed design schedule.
Note: Do not pump in and shut down. When pumping begins, stay on it until the job is complete. Do not exceed 3500 psi.
8. Shut well in for gel break time. Open to tank.

Install Production Tubing; Main Fruitland and PC to Production

9. RD frac valve. Reinstall tubing head, NU BOPs.
10. RIH w/ tubing and retrieving head and CO sand to RBP @ $\pm 1175'$ KB (use Merrion's bailer if circulation is lost of fill is in or near top of perforations).
11. Latch on to RBP & POH, clean out rat hole if necessary.
12. PU and tally 15' MA, SN, and 2 3/8" tubing in hole. Land tubing @ $\pm 1210'$ KB below bottom PC perms.
13. ND BOPs, NU wellhead. Run 1200' of 3/4" rods and begin pumping.

PRODUCTION GRAPH

Vine Com 1 (1 - 100%), Kutz West PC Effective Date 1/1/2003



VINECOM1
Vine Com 1 (1 - 100%)
JGM
Kutz West PC
OLD, NM

[0]
Kutz West PC
15 29N 13W

Cumulative:
Remaining:
Ultimate:

Oil (bbl)
0
0
0

Gas (mcf)
589,006
294,404
883,410

Water (bbl)
15,176
3,897
19,073

Merrion Oil & Gas Corporation Wellbore Schematic

Vine Com No. 1

Current Wellbore Configuration

Location: 670' fnl & 1290' fwl (nw nw)
Sec 15, T29N, R13W, NMPM
San Juan County, New Mexico

Date: July 28, 2003

Elevation: 5340' RKB
5335' GL

Prepared by: Catlain Nee

