

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM 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
☐ Oil Well ☒ Gas Well ☐ Other

NOV 07 2007

2. Name of Operator MERRION OIL & GAS CORPORATION

3a. Address
610 REILLY AVENUE, FARMINGTON, NM 874013b. Phone No. (include area code)
505-324-5300

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

SECTION 5, T29N, R11W
1858' FNL & 904' FEL (SENE)

5. Lease Serial No.

NM-03877

6. If Indian, Allottee or Tribe Name

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

NMNM073860

8. Well Name and No.

FIFIELD COM No. 1Z

9. API Well No.

30-045-33975

10. Field and Pool, or Exploratory Area

BASIN DAKOTA

11. County or Parish, State

SAN JUAN, NEW MEXICO

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 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.)

7-24-07 MIRU Mesa Well Service Rig #207 on 7/24/07. PU bit, scraper and seating nipple, RIH with 201 joints of 2.375", 4.7#, J-55 tubing. Tag cement @ 6526' KB. Drill out cement to 6672' (approximate shoe). Took 15' kelly drop and returned LCM @ 6687' KB TD. Well began flowing violently. Pump water and break out swivel. Pull one joint and stab full open safety valve. Shut well in and rig up to flow through tubing. SICP 1250 psi 1 hr after shut in rose to 1430 psi within 40 minutes; SITP 500 psi. Bit @ 6654' KB, crack 3/4" adjustable choke. FTP 400 psig, SICP 1400 psig. Strong flow of gas with major water, flow stabilized @ 450 psig through full open 3/4" choke. SICP stable at 1450 psig, shut in for half hour. SITP 850 psig, SICP 1500 psig. Open well through choke 3/4" choke fully open for remainder of evening. Well stabilized at 450 psig within 3 hour of opening after shut in. SICP stabilized at 1400 psig.

CONTINUED OTHER SIDE

ACCEPTED FOR RECORD

NOV 08 2007

FARMINGTON FIELD OFFICE
BY TL Salves14. I hereby certify that the foregoing is true and correct
Name (Printed/Typed)

TYSON FOUTZ

Title PETROLEUM ENGINEER

Signature

Date

10/31/2007

RCVD NOV 13 '07

OIL CONS. DIV.

DIST. 3

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Title

Date

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

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

7-25-07 Install test meter and attempt to test. Test results as follows 7/25/2007:

Time	Water Gauge	Water Prod	Tbg	Csg	Gas MCFI	Gas Vol	Remarks
6:30 PM	0-0	0	1600	2100	0		Begin test, well pinched back due to high pressure dump valve capability.
7:00 PM	1-0	20	1500	2100	108	5	
8:00 PM	1-6	10	1450	2100	437	18	
9:00 PM			1450	2100	7263	30	No tank gauge, raining
10:00 PM	4-3	55	1300	2100	647	27	
11:00 PM	5-7	25	1200	2100	528	22	
12:00 AM	5-8	2	1100	2100	505	21	
1:00 AM			1000	2100	765	32	No tank gauge, raining
2:00 AM	7-11	45	1000	2100	592	25	
3:00 AM	8-4	8	850	2100	300	12	
4:00 AM	9-4	20	850	2100	465	19	
5:00 AM	9-8	7	800	2100	174	7	Well pinched back more at 5:30, fluid carrying over to gas meter.
6:00 AM	5-11	5	800	2100	128	5	M&R hauled 80 bbls water
6:30 AM	6-7	13	900	2100	0	0	
Totals		212				223	12 hrs test concluded, left well flowing

Test Information: Orifice Plate Size 1.000; Static Range Spring 500# - 23 hr chart rotation.
Separator insufficient to obtain adequate flow test, plan to land tubing and RDMOL in morning.

7-26-07 SICIP 2100 psig, FTP 600 psig. Shut in well and rig down flowline. MIRU slickline, RIH with 1.906" gauge ring to 6628' (W/L measurements). POOH and pick up nipple tattletale, confirm 1.78" standard API seating nipple. RIH with plug and set in seat nipple, RIH with tubing stop, set above seat nipple. Blow down tubing, strip on 3' spool and double ram BOP dressed with double pipe rams. Rig up equalizing loop. Install TIW valve on top of hanger and close. Strip hanger into spool and close top pipe ram. Equalize pressure and open bottom pipe ram. Land hanger and lock in. Pick up on hanger to ensure lock in. Bleed off pressure and check for leakage. Hanger secure and sealed. RDMOL rig and rental equipment.

10-08-07 RU Tefteller slickline unit. SITP: 2450 psi. RIH and set tubing plug in seating nipple at 6658' KB. Set 3-slip stop on top of plug. RD slickline unit. Bleed off pressure from tubing. Road rig to location from U-Da-Well #2. Spot pump/pit and related surface equipment. Spot rig ramp. MIRU Hurricane Rig #6 on 10/8/07. ND WH & NU BOP. Using 3rd party BOP (Knight Oil Tools). SICIP: 2500 psi. SWI, secure location and SDON.

10-09-07 Found well with SICIP: 2375 psi. Install 7-1/16" spacer spool and RU Great White Pressure Control snubbing unit. Bleed off casing pressure down to 1800 psi, then SI. PU 2-3/8" tubing sub and screw into donut, shut hydril and equalize above/below donut. Found leak in BOP (thru weep hole in blind ram bonnet). Pipe rams also leaking. Bleed off pressure and remove tubing sub. Remove both bonnets and send to Knight Oil Tools shop for repair. Re-install doors and screw tubing sub back into donut and shut hydril. Equalize above and below donut - BOP still leaking thru weep hole on blind ram bonnet. Remove tubing sub, ND spacer spool and lift snubbing stack off BOP. ND BOP and send to town. SD and wait on new BOP from Knight. RU light plant while waiting for BOP, NU "new" BOP from Knight. NU spacer spool and snubbing stack, screw tubing sub into donut, shut pipe rams, close hydril and close casing valves. Secure location and SDON.

10-10-07 Found well w/ SICIP: 2,300 psi. Hold safety meeting. Close hydril and equalize above and below donut. Check BOP for leaks - looked OK. Close pipe rams and open hydril - pipe rams holding good. Open relief valve and bleed off pressure below pipe rams - BOP looks OK. Open casing valve and bleed pressure down thru adjustable choke from 2300 psi to 1650 psi and shut in. Back off lock down pins on well head. Unseat donut and strip out of hole. TOH w/ tubing. Pulled ~ 72 stds before pipe started "getting light". Snubbed out remaining tubing. Ran weighted marker line inside tubing to confirm tubing plug/3 slip stop. Snubbed tubing until seating nipple (w/ plug), casing scraper and bit was above BOP. Shut blind rams, rams would not close entirely. Shut pipe rams and discovered additional joint of tubing (not reported on tally) to be below seating nipple. Open casing thru adjustable choke and let flow for 30 min. Pressure bled down to 1000 psi then fluid hit and pressure increased to 1400 psi. SI. Started snubbing tubing back in well. Ran 51 stds back in well before running out of daylight. Shut pipe rams, hydril and install TIW valve on tubing. Well SI. Secure location and SDON.

10-11-07 Found well w/ SICIP: 2,150 psi. Hold safety meeting. Bleed off casing pressure down to 1,450 psi and SI. TIH w/ additional 40 stds of tubing. PU donut and strip in hole. Land donut and bleed off pressure from snubbing stack. Close blind rams. ND and lay down snubbing stack. NU 7-1/16" 5K Cameron "U" double BOP (dressed w/ 2-3/8" pipe rams and 2-3/8" slip rams). Remove spacer spool. PU snubbing stack and NU. Equalize above and below donut - BOP's and snubbing stack holding OK. Strip donut out of well head and thru snubbing stack. TOH w/ 102 stds (had to snub out last 28 stds). Pull the joint above the seating nipple (w/ tubing plug) above top set of BOP's, confirmed plug and distance w/ weighted marker line inside tubing. Snub jt ~ 4' back in well and shut slip rams and pipe rams. Bleed off pressure above pipe rams and ND snubbing stack. Lift snubbing stack off spool exposing tubing. Cut off tubing and lay down cut off joint (cut off ~ 25 ft). Lay down snubbing stack. RU Weatherford Wireline lubricator and grease head. Thread cut off tubing jt (in pipe rams) and install collar. Install change over from tubing collar to rope socket and NU lubricator. Equalize pressure above and below pipe rams. Open slip rams and had wireline pull ~ 50' inside lubricator. Shut pipe rams and bleed off pressure from lubricator. Lift lubricator off spool and lay down remaining cutoff joint, seating nipple, 1 jt of tubing, casing scraper and bit. Ran out of daylight. Set lubricator back down on spool. Left well SI. Secure location and SDON.

MOB 2-8-08

STATION 10/20/07

Page Three
Attached to Form 3160-5

10-12-07 Found well w/ SICP: 1,650 psi. Hold safety meeting. Lubricate CBL/GR logging tools in well. RIH to TD at 6694'. Run CBL from 6688' to 4800' (correlated to SWS open hole logs ran 7/5/07). Good to excellent bond from casing shoe (6683') to ~6210'. Appear to still have good bond above 6210' but assume that is transition from neat to foamed cement. Lubricate logging tools out of well. Shut blind rams and bleed off pressure. Change out bottom pipe ram door (that was leaking). PU CIBP and lubricate in hole. Set CIBP at 6675'. Pull out of hole w/ setting tool. Bleed off casing thru adjustable choke. Bled down to 0 psi in ~30 min. RD lubricator and release wireline truck. ND both rental BOP's. NU Hurricane's 5M BOP and shut well in. Secure location and SD for weekend

10-15-07 Found well w/ SICP: 0 psi. TIH w/ X-nipple (1.875" ID w/ collar on bottom) and 204 jts (6602.86') of 2-3/8" tubing. Install donut and land tubing in well head. Bottom of tubing (X-nipple) at 6612' KB. ND BOP and NU WH. RU pump and lines and load hole w/ 65 bbls of 2% KCl water. RU Weatherford Wireline Services and hold safety meeting. RIH w/ 1-11/16" strip guns. Perforate Burro Canyon 4 spf (0° phasing) from 6665' - 6671' (total of 24 holes). Note: 14 shots were 8.0 gm (EHD: 0.24" w/ 18" penetration) and 10 shots were 5.0 gm (EHD: 0.35" w/ 12" penetration). RD and release wireline truck. Slight vent on tubing. RUTS. Initial fluid level was at surface. Made 13 runs and recovered ~67 bbls of fluid. Final fluid level was ~3600'. Shut casing on last 4 runs. Still no pressure on gauge after 13th run. Tubing flowing/venting gas after last 4 runs. SWI, secure location and SDON.

10-16-07 Found well w/ SICP: 1100 psi, SITP: 1700 psi. Open tubing thru 1/4" choke. Bled down to 0 psi in 55 min (all gas, no water). Casing pressure down to 890 psi. RUTS. Initial fluid level was ~2300'. Made 8 runs before well started flowing. Last fluid level was 3600'. Casing pressure was 1200 psi on last run before started flowing. Open tubing thru 1/4" choke and continue to let well flow. Let well flow thru 1/4" choke for 3.5 hrs. Casing pressure increased to 2150 psi and flowing tubing pressure was 1300 psi. Had to clean out choke 4 different times (plugged w/ formation sand). SWI. Manifold well head to flowline (to separator). Open well thru adjustable choke (3/4") and set back pressure regulator to hold 150 psi. After 1 hour well was making 1,772 mcf/d and ~47 bwph. Continue to let well flow for additional hr. After 2nd hour flowing tubing pressure was down to 1100 psi, casing down to 1200 psi. Flow rate was down to 1,538 mcf/d. Made another 43 bbls of water. SWI, secure location and SDON. Will continue flow test in morning.

10-17-07 Found well w/ SICP: 1400 psi, SITP: 2000 psi. Open tubing to separator for flow test. Open well thru adjustable choke (3/4") and set back pressure regulator to hold 150 psi. After 1 hour well was making 1,355 mcf/d and ~55 bwph. Continue to let well flow until 5:30 pm. Final casing pressure was 950 psi and tubing pressure was 400 psi. See Flow Test for hourly breakdown. SWI, secure location and SDON. RDMOL. WO HU.