

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

WELL API NO.

30-039-23486

5. Indicate Type of Lease

STATE ☐

FEE ☒

6. State Oil & Gas Lease No.

7. Lease Name or Unit Agreement Name:

EDNA

8. Well No.

3R

9. Pool name or Wildcat

Ballard Pictured Cliffs

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.)

1. Type of Well:

Oil Well ☒ Gas Well ☐ Other ☐

2. Name of Operator

MERRION OIL & GAS CORPORATION

3. Address of Operator

610 Reilly Avenue, Farmington, NM 87401

4. Well Location

Unit Letter **D** : **790** feet from the **North** line and **790** feet from the **West** line

Section **07** Township **24N** Range **06W** NMPM **Rio Arriba** County

10. Elevation (Show whether DR, RKB, RT, GR, etc.)

6815' KB

11. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐

TEMPORARILY ABANDON ☐ CHANGE PLANS ☐

PULL OR ALTER CASING ☐ MULTIPLE COMPLETION ☐

OTHER: ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐

COMMENCE DRILLING OPNS. ☐ PLUG AND ABANDONMENT ☐

CASING TEST AND CEMENT JOB ☐

OTHER: **Add Pictured Cliffs zone** ☒

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.

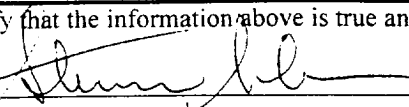
9/7/02 MIRU Professional Well Service 9/7/02. Spot surface equipment. Ready rig to pull rods. ND horse head and bridle. Latch onto polish rod and unseat pump.

9/8/02 RU hot oiler, hot oiled rods and tubing with 70 bbls of oil. Re-seat pump and pressure test tubing to 1000# - held OK. RD hot oiler, TOH with rods and pump. ND WH and NU BOP.

9/9/02 TOH with 2-3/8" tubing, seating nipple, perf sub and tail joint. PU casing scraper, RIH to ~2700'. TOH, RU Black Warrior Wireline Services. RIH with GR/CCL, run log from 2600' to 2200'. RIH with RBP set at 2480' KB. Discovered that setting sleeve "broke off" setting tool. TIH with tubing and load hole with 2% KCl. Pumped 60 bbls of 2% KCl but hole would not hold fluid (39.4 bbls capacity). TOH, PU short/cutoff tapered spear, change over, RIH on 2-3/8" tubing. Tag up on fish at 2480', attempted to rotate and set down onto fish, TOH but did not recover fish. TIH and attempt to rotate, set down onto fish but still unsuccessful.

*** CONTINUED OTHER SIDE ***

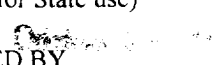
I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE  TITLE Dir. & Prod Manager DATE Oct. 1, 2002

Type or print name **Steven S. Dunn**

Telephone No. **(505) 327-9801**

(This space for State use)

APPROVED BY  TITLE DEPUTY OIL & GAS INSPECTOR, DISTRICT DATE 001-01-2002

Conditions of approval, if any:

9/10/02 TIH with new cutoff/tapered spear. Rotate and set down onto fish. TOH recovered fish/setting sleeve. PU retrieving head, casing packer and RIH on 2-3/8" tubing. Set packer at ~2400'. RU pump and lines, pumped approx. 20 bbls of water down tubing but RBP would not hold. Release packer, TIH to RBP. Latch onto RBP and TOH. Unloader was open on RBP. PU tubing set RBP and TIH. RU Black Warrior Wireline Company. RIH with dump bailer, dump sand on top of RBP. RIH with 3-1/8" casing gun, perforate Cliffs from 2380' to 2398' (total of 54 holes - 0.34" EHD). TIH with tubing to 2398' (for acid spot). Heavy rains have made roads impassable. WO frac - SWI.

9/17/02 RU American Energy Services (AES) 9/17/02. Spot 100 gal of 15% HCl acid across perfs. TOH, ND BOP, remove wellhead and install frac valve. RU AES frac crew. Hold safety meeting and pressure test pumps and lines to 4500#. Pumped 6700 gal 20#, 70Q foam pad. Frac well with 50,000# of 20/40 Brady sand in 20#, 70Q foam. Pumped sand in 1, 2, 3 and 4 pp (BH concentration) stages. AIR: 30.0 bpm, MIR: 31 bpm, ATP: 1758#, MTP: 1960#. Job complete @ 15:00 hrs 9/17/02. ISIP: 1403#, 5 min: 1380#, 10 min: 1365#, 15 min: 1314#. Total fluid pumped: 201 bbls. Total nitrogen pumped: 268,378 scf. RD AES. Opened well thru 1/4" choke to flow back tank at 1630 hrs 9/17/02. Well was flowing sand/foam at 800 psi. Secure location and left well open to flow back tank overnight.

9/18/02 Found well flowing 340 psi thru 3/4" choke to flow back tank. Flow back tank was full, shut well in and remove choke. Manifold flowline over to frac tank. Opened well thru 2" to frac tank. Well continued to flow, started making heavy sand and water. Made approx. 20 bbls of fluid in 1 hr. Shut well in and install 3/4" choke. Position flow line over old reserve pit and light returns good-sized flare. Shut in after letting flow for approx. 15 min. Re-manifold flow line to frac tank and open thru 3/4" choke. After 2 hrs, well flowing steadily at 105#, making light sand and some water. Secure location and left well flowing to frac tank.

9/19/02 Found well flowing 80 psi thru 3/4" choke to flow back tank. Made ~20 bbls of fluid overnight. Well still making medium to heavy sand. Shut well in and change choke to 3/8". After 2 hrs flow stabilized at 65#, still making medium sand. Secure location & let well flow overnight.

9/20-22/02 SD for weekend.

9/23/02 Found well flowing at 5 psi thru 3/4" choke to flow back tank. Made ~40 bbls of fluid over the weekend. Open 2" casing valves and let well blow down. Remove frac valve and install casing head, NU BOP, PU bailer, RIH on 2-3/8" tubing. Tag up on sand at 2393'. Started bailing but made very little progress. Only cleaned out 3' after working bailer for 1 hr. Call for nitrogen, TOH and LD bailer. PU retrieving head, TIH on 2-3/8" tubing. RU American Energy Services break circulation with nitrogen. CO to RBP at 2470', well making heavy sand (30' in ~5 min. while making connection). Latch onto RBP and continue to blow well with nitrogen. Well continued to make heavy sand. Blow well for ~1.5 hrs and well continued to make both frac sand and formation sand. Release RBP and pull up ~180'. Cut nitrogen, SD for 15 min. TIH to check for fill, had less than 1' but well was flowing heavy sand on its own while being SD. RD AES. Start laying down 2-3/8" tubing. Plan to leave RBP in well and run tubing to just above top perf. Install 3/4" choke on casing and let well flow overnight (still making sand).

9/24/02 Found well flowing thru 3/4" choke, made lots of sand overnight and very little fluid. Finish laying down excess tubing (110 joints on the ground). TIH with 75 joints of 2-3/8" tubing with notched collar on bottom and seating nipple on top of bottom joint. Bottom of tubing landed at 2473' KB. ND BOP and NU well head. Lay down 3/4" rods (in doubles). RDMOL.