Form Approved. Form 9-331 Budget Bureau No. 42-R1424 Dec. 1973 **UNITED STATES** 5. LEASE DEPARTMENT OF THE INTERIOR NM 25842 6. IF INDIAN, ALLOTTEE OR TRIBE NAME **GEOLOGICAL SURVEY** 7. UNIT AGREEMENT NAME 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 Form 9–331–C for such proposals.) 8. FARM OR LEASE NAME Merry May 1. oil gas XXX well 9. WELL NO. #1 2. NAME OF OPERATOR 10. FIELD OR WILDCAT NAME Dugan Production Corp. Basin Dakota 3. ADDRESS OF OPERATOR 11. SEC., T., R., M., OR BLK. AND SURVEY OR P 0 Box 208, Farmington, NM 87401 **AREA** 4. LOCATION OF WELL (REPORT LOCATION CLEARLY. See space 17 Sec 24 T 24N R10W below.) AT SURFACE: 1850 FSL - 790 FEL AT TOP PROD. INTERVAL: 12. COUNTY OR PARISH 13. STATE NM San Juan AT TOTAL DEPTH: 14. API NO. 16. CHECK APPROPRIATE BOX TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA 15. ELEVATIONS (SHOW DF, KDB, AND WD) SUBSEQUENT REPORT OF: REQUEST FOR APPROVAL TO: ХX TEST WATER SHUT-OFF FRACTURE TREAT SHOOT OR ACIDIZE REPAIR WELL (NOTE: Report results of multiple completion or zone change on Form 9-330.) PULL OR ALTER CASING MULTIPLE COMPLETE CHANGE ZONES ABANDON* (other) 17. 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.)* See attached sheets for: $4\frac{1}{2}$ csg and cementing, 9-30-80 perfs, 11-28-80 frac, 12-1-80 2-3/8" tbg, 12-3-80 Subsurface Safety Valye: Manu. and Type _ Set @ _ the foregoing is true and correct 18. I hereby certify 12-9-80 Engineer DATE TITLE SIGNED] (This space for Federal or State office use) ____ DATE _ ___ TITLE APPROVED BY CONDITIONS OF APPROVAL, IF ANY:

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DUGAN PRODUCTION CORP.
Merry May #1
Page 2
                                                  1<sup>o</sup> @ 4768'; 1-3/4<sup>o</sup> @ 5298'
           5568' - drlg. wt. 8.7 Vis 30
9-25-80
              1/4 hr - trip
           22-1/4 hrs - drilling
              3/4 hr - rig service
              1/4 hr - survey
              1/2 hr - wash to btm.
           6094' - drlg. wt. 9.0 Vis 75 1-3/4<sup>0</sup> @ 5980'
9-26-80
           20-1/2 hrs - drilling
              1/2 hr - rig ser.
              1/4 hr - survey
            2-3/4 hrs - lost circ.
            6180' T.D. Cleaning out Bridge. Wt. 9.1 Vis 120 1<sup>0</sup> @ 6180'
9-27-80
           11-3/4 hrs - trip
            7-3/4 hrs - drlg.
              1/4 hr. - rig ser.
             2-1/4 hrs - circ.
                 2 hrs - attempt to log . Stopped @ 700'.
           TD 6180' - conditioning hole for logging - unable to get below 450'.
9-28-80
           TD 6180' - trip to btm w/ drill pipe. Attempt to log three times before
9-29-80
            getting to TD. and running I.E.S. and C.D.L. logs. Now going
            in hole with drill pipe.
            Finish T.I.H. w/ drill pipe. Laid down drill pipe and collars.
9-30-80
            Rigged up and ran 151 jts 4½" 0.D., 10.5#, K-55, 8 Rd, ST&C csg.
            T.E. 6216.07' set @ 6210' RKB. Cemented first stage w/ 10 bbls
            mud flush followed by 250 sx class "B" 40% gel and 1/4# celloflake
            per sx followed by 150 sx class "B" neat w/ 4# celloflake per sx.
            Reciprocated pipe OK and had good returns while cementing.
            (Total slurry 557 cu. ft.) Float failed to hold. Left shut in
            30 minutes and released - held OK. Dropped opening bomb and
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opened stage tool @ 4228' w/ 1400 psi. Circulated 3 hrs w/ rig pump. Cemented 2nd stage w/ 10 bbls mud flush followed by 400 sx 65-35 w/ 12% gel & $\frac{1}{4}$ # celloflake per sx followed by 50 sx class "B" w/ $\frac{1}{4}$ # celloflake per sx. Closed stage tool w/ 2500

psi.(Total slurry second stage 1203 cu. ft.)

Waiting on completion.

9-31-80

thru 11-20-80 Page 3

DAILY REPORT

- 11-21-80 M.I.R.U. MTK double pulling unit. Go in hole w/ tbg and bit. Ran 75 jts 2-7/8" tbg, Slips wouldn't hold. Shut down.
- 11-22-80 Shut down
- 11-23-80 Shut down Sunday
- 11-24-80 Finish going in hole tag D.V. tool @ 4268'. Drlg. D.V. tool. Go in hole, tag up @ 6117'.
- 11-25-80 Drlg. cement out to 6190'. Came out of hole. Tbg. count wrong 1 jt. off.
- 11-26-80 Strap pipe going in hole T.D. only 6098'. Drlg. cement out to 6190'. Circulate hole for 45 minues. Came out of hole. Shut in.
- 11-27-80 Shut down Thanksgiving day.
- Rig up Jetronics. Ran GR-CCL from PBTD 6191' to 5800' and 5350' to 4800'. Perforate Dakota formation 6169'-6175' w/ 2 shots per ft. Total 12 holes. Go in hole w/ Baker Model "R" packer and tbg. Set @ 6147'. Rig up Western Co. Load annulus w/ 1000 psi. Breakdown perfs w/ 300 gals 15% HCL as follows: Initial Breakdown 3600 psi, Ave. treating press 3200 psi, ISDP 1900 psi. 10 min shut in 1200 psi. Rig down Western Co. Start swabbing; well flowing back slightly. Swabbed down to about 500'. No gas show. Shut in.
- 11-29-80 TBG press 200 psi. Fluid level 2500° from top swabbed down small show of gas in front of fluid. Came out of hole w/ tbg and packer.
- 11-30-80 Sunday shut down.
- 12-1-80 Rig up Western Co. Fraced Dakota perfs 6169'-6175' as follows:

5000 gal pad - Mini Max III 40# gel 5000 gal - 1# per gal 20-40 sand Mini Max III - 40# gel 5000 gal - $1\frac{1}{2}$ # per gal 20-40 sand Mini Max III - 40# gel 5000 gal - 2# per gal 20-40 sand Mini Max III - 40# gel 4116 gal slick wtr flush Initial breakdown 3800 psi on pad; Ave. treating press 3000 psi @ 15 bbl/min; ISDP 2100 psi. 15 min - shut in - 1800 psi

Lost 1 pump - press drop from 3400 psi to 3000 psi and rate drop from 22 bb1/min. to 15 bb1/min. Rig up Jetronics. Perf Gallup formation as follows: 5024'-30'; 5038'-48'; 5066'-5076'; 5112'-5124'; 5130'-36', 5188'-5196'; 5226'-32'. I shot/ft. Total 56 holes. Has 375 psi on well after perforating Gallup formation.

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12-1-80 Fraced Gallup formation as follows: (Cont.)

Spearheaded 300 gal 15% HCL acid 5000 gal slick water pad 55000 gal slick water w/ 1# per gal 20-40 sand 3360 gal. slick water flush Initial breakdown 2800 psi Ave. treating press 2700 psi @ 40 bbl/min. ISDP 1000 psi 15 min shut in 800 psi

Left well shut in over night.

- 12-2-80 Opened well up small amount of pressure. Went in hole w/tbg (open end); tag solid sand about 6170'. Couldn't break circulation. Pick up on tbg. Dragging 10-12 points on weight ind. Pull 18 stands. Ran 10 stands in hole. Circulate bottom up. No sand. Ran 4 stands. Circulate. No sand. Ran 2 stands circulating out sand. Clean out to 6090'. Ran out of water. Shut down.
- 12-3-80 Finished cleaning out sand to PBTD 6191'. Pulled 32 jts tbg. Landing tbg @ 5242' RKB. Total of 172 jts 2-3/8" 0.D., 4.7#, J-55, 8 Rd, EUE tbg. Seating nipple top of bottom joint. Nipple up well head. Swab rest of day.
- 12-5-80 M.I.&R.U. Farmington Well Service swabbing unit. Csg. Pressure 350 p.s.i.. Made three swab runs; well kicked off to pit. Left flowing over night.
- 12-6-80 Checked well and rigged down swabbing unit. Left well open.
 Gauged well after flowing to pit for 22 hrs. Making 1400
 MCFGPD w/ spray of oil and frac wtr. Shut in for IP.