

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

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

5. Lease Designation and Serial No.  
SF-080136

6. If Indian, Allottee or Tribe Name

7. If Unit or CA, Agreement Designation

8. Well Name and No.  
Salazar G Com 26 #1

9. API Well No.  
30-039-05792

10. Field and Pool, or Exploratory Area

Devil's Fork Gallup

11. County or Parish, State

Rio Arriba Co.,  
New Mexico

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

3. Address and Telephone No.

610 Reilly Avenue, Farmington, New Mexico 87401-2634

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

825' FSL & 810' FWL  
Section 26-T25N-R6W

12. CHECK APPROPRIATE BOX(s) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

- ☒ Notice of Intent  
☐ Subsequent Report  
☐ Final Abandonment Notice

TYPE OF ACTION

- ☐ Abandonment  
☒ Recompletion  
☐ Plugging Back  
☐ Casing Repair  
☐ Altering Casing  
☒ Other Change Of Operator  
☐ Change of Plans  
☐ New Construction  
☐ Non-Routine Fracturing  
☐ Water Shut-Off  
☐ Conversion to Injection  
☐ Dispose Water

(Note: Report results of multiple completion on Well 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.)

See Attachments "A" & "B"

RECEIVED  
DEC - 5 1997

OIL CON. DIV.  
DIST. 3

RECEIVED  
BLM  
97 DEC - 1 PM 12:47  
070 FARMINGTON, NM

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

Signed

Title

Date

(This space for Federal or State office use)

Approved by  
Conditions of approval, if any:

Title

Date

/s/ Duane W. Spencer

DEC - 3 1997

18 U.S.C. Section 1001, makes 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.

\*See Instruction on Reverse Side

NMOC

**Attachment "A" To Notice of Intent to Change Operator of Well and Recomplete to Test  
Mesaverde and Pictured Cliffs Formations for:**

**Salazar G Com 26 #1 Well  
825' FSL & 810' FWL  
Section 26-T25N-R6W  
Rio Arriba County, New Mexico**

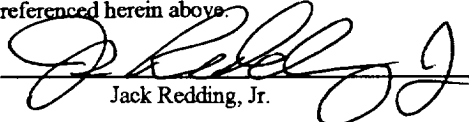
November 25, 1997

This well was originally drilled, completed and produced from the Dakota formation by Kay Kimbell Company predecessor to Kimbell Oil Company of Texas starting in December of 1959. Upon depletion of the Dakota formation, the Gallup formation lease rights and wellbore operating rights to same formation were farmed out to Merrion Oil & Gas Company who proceeded to perforate, complete and produce the Gallup formation oil and gas reserves. Subsequent to the depletion of the Gallup formation reserves, a recommendation has been made to recomplete and test the Mesaverde and Pictured Cliffs formations in this wellbore. Because of a significant change in ownership rights to these two new formations, it has been negotiated and agreed that Merrion Oil & Gas Company will turn over operating rights of this wellbore to Kimbell Oil Company of Texas in exchange for Kimbell agreeing to become fully responsible for the ultimate plugging, abandonment and site reclamation for this well. Kimbell has agreed to do so. (\*\*See attached copy of executed letter agreement between parties dated November 1, 1997.

It is Kimbell Oil Company's intent to initiate logistical planning and site preparation to commence recompletion and testing operations in the Mesaverde and P.C. formations as soon as possible. In coordinating with the service company sector, it appears that the earliest we can commence our work is immediately following the Christmas and New Years Holidays. Since the well is in a "temporarily abandoned" status, Kimbell herein requests an extension of 60 days from this date to commence operations on this wellbore.

A proposed operational procedure for this work is also attached herein for your information and any necessary approvals. Should you have any questions in regard to this filing, please contact us at (817) 335-2591 at your earliest convenience.

I hereby certify that the foregoing is true and correct and is submitted as an attachment to BLM form 3160-5 "SUNDRY NOTICES AND REPORTS ON WELLS" for the Change in Operators on this referenced well and for the recompletion operations of this same well as referenced herein above.

Signed  Title U.P. Date 11-26-97  
Jack Redding, Jr.

# KIMBELL OIL COMPANY OF TEXAS

FAX: 817-338-1355

500 THROCKMORTON STREET SUITE 3000  
FORT WORTH, TEXAS 76102

PHONE: 817-335-2591

November 1, 1997

Merrion Oil and Gas Corporation  
610 Reilly Avenue  
Farmington, New Mexico 87401Robert L. Bayless  
610 Reilly Avenue  
Farmington, NM 87401Steve S. Dunn  
610 Reilly Avenue  
Farmington, NM 87401

Gentlemen:

Upon execution of this agreement, and effective November 1, 1997, you agree to assign to Kimbell Oil Company of Texas et al all of your right, title and interest in the following:

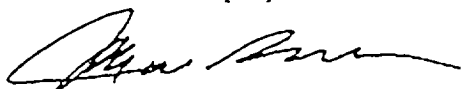
1. All of your interest in oil and gas leases covering the 160 acre proration unit around the Salazar G26-1 well located in Section 26, T25N-R6W, Rio Arriba County, New Mexico.
2. All of your interest in any equipment, machinery or personal property used in connection with the Salazar G26-1 well.
3. All of your interest in the Operating Rights in the Salazar G26-1.
4. All of your interest in any right-of-ways, easements, surface leases, permits, licenses or contracts which may be used in the production or marketing of oil, gas, or other minerals from the Salazar G26-1 well.

You also agree to execute and deliver any necessary paperwork or forms which may be required to facilitate the transfer of the above described interest to Kimbell Oil Company of Texas et al.

As consideration for this assignment, Kimbell Oil Company of Texas et al agrees to assume all plugging and surface remedial obligations for the said well and will do so in accordance with any governmental regulations.

If you are in agreement with the terms set out herein, please execute and return one copy of this letter to the undersigned within ten (10) days of receipt. This agreement may be signed in counterparts.

Kimbell Oil Company of Texas



Jack W. Redding, President

Agreed to and accepted this 11<sup>th</sup> day of November, 1997.

Merrion Oil and Gas Corporation,

By: T. Gress merrion

Robert L. Bayless

By: [Signature]

Steven S. Dunn

By: [Signature]

## **Attachment "B" : Recompletion Procedure**

### **Salazar G Com 26 #1 Well Devils Fork Gallup Field Completion (Current) 825' FSL & 810' FWL Section 26, T-25-N, R-6-W Rio Arriba Co., New Mexico**

**\*\*Note:** This procedure is for testing, completing, and producing either the Mesaverde or Pictured Cliffs Formations in this wellbore. All operations proposed herein will be conducted by the newly designated operator: Kimbell Oil Company of Texas who will also be responsible for final plugging, abandonment and site cleanup for this wellbore

1. Install and test location rig anchors. Prepare blow pit. Comply to all NMOCD, BLM, and Kimbell Oil Company safety regulations. MOL and RU daylight pulling unit. Conduct safety meeting for all personnel on location. NU relief line. Blow down well and kill with water as necessary. ND wellhead and NU BOP. Test BOP.
2. Pull rods, pump then circulate wellbore full of 2% KCL water. Pick up and run 5-1/2" wireline set cement retainer at 5875' (10' above top of Gallup formation). Pick up 2-3/8" tubing and TIH. Sting into retainer and test annulus to 500 psig. Mix and pump 75 sacks Class "C" w/ 1% CaCl<sub>2</sub> to squeeze Gallup perforations below retainer. Unsting from retainer and reverse circulate until clean with 2% KCL water.
3. TOOH with tubing. Rig up wireline company with 5-1/2" cast iron bridge plug and TIH with same and set at 4275'. Pick up 3-1/8" casing gun loaded 1 JSPF and perforate at following depths ( reference depths from open hole log Schlumberger Sonic log dated 12-8-59):

4185'	4170'	4152'	4140'	4125'	4115'	4103'	4094'	4084'	4072'
4182'	4167'	4149'	4137'	4123'	4113'	4101'	4091'	4082'	4067'
4179'	4164'	4146'	4134'	4120'	4109'	4099'	4089'	4079'	4063'
4174'	4157'	4143'	4130'	4117'	4105'	4097'	4086'	4076'	4061'

**TOTAL: 40 Holes.**

4. Pick up 2-3/8" tubing and 2-3/8" X 5-1/2" treating packer to 4200'. Circulate to spot 150 gallons 15 % NEFE HCL acid above bottom of tubing. Pick up packer to 4000' and set packer. Open packer bypass and pump 5 bbls 2% KCL water down annulus. Close packer bypass and pressure up on annulus to 500 psig and hold during acid breakdown. Pump remaining 1350 gals. 15% NEFE HCL acid at from 1.0 to 8.0 BPM down tubing dropping 60-7/8" RCNB sealers ( hi-density 1.30 balls) in remaining treatment. Ball out to maximum 2500 psig-hold for 15 minutes and release pressure to surge balls off perforations. Displace remainder of acid and overflush with 10 Bbls. 2% KCL water. Swab and/or flow load back.
5. Release rig after recovering load. Shut in well for 7- Day pressure buildup. After buildup, rig up wireline company and run static bottom hole pressure bomb. Evaluate pressure data. Open well to flow if it will and record rates.
6. MIRU workover rig and unseat packer and TOOH with same and tubing. Lay down both

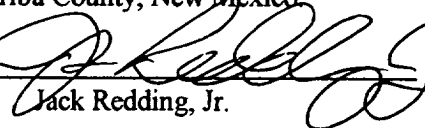
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Salazar G Com 26 #1  
Recompletion Procedure  
11/25/97

packer and 2-3/8 " tubing. Pick up full bore fracing packer and rental 3-1/2" tubing with turn down collars (N-80 tubing). TIH and set packer at 3975'. Pressure test annulus to 500 psig and hold during fracturing treatment. Fracture treat Mesaverde perforations down 3-1/2" tubing as designed.

7. Rig down Frac Company and rig up flow back manifold with three choke sizes to flow through on manifold : 12/64", 14/64", and 20/64" choke sizes. Open well for frac flow back on 12/64" choke. If choke for some reason freezes of plugs off with sand, keep well flowing at all times by changing over to 14/64" choke, clean out 12/64" and then return to 12/64" during first 48 hours of flow back. (\*\* NOTE: this will be a 24 hour operation requiring light plant etc. )

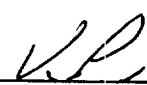
I hereby certify that the foregoing is true and correct and is submitted as an Attachment To BLM form 3160-5 "SUNDRY NOTICES AND REPORTS ON WELLS" for the proposed abandonment of the Kimbell Oil Company of Texas Coral #2 well; 790' FSL & 790' FWL / SW Section 27, T-25-N, R-6-W, Rio Arriba County, New Mexico.

Signed



Jack Redding, Jr.

Title



Vice-President

Date

11-26-97

**Salazar G Com 26 #1**  
**Wellbore Condition prior to perforating to Test**  
**Mesaverde Section From 4075'-4200'.**

