

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUBMIT IN TRIPLICATE*
(Other instructions on re-
verse side)

Budget Bureau No. 1004-0135
Expires August 31, 1985

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—" for such proposals.)

| | | |
|--|--|--|
| 1. OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER | | 5. LEASE DESIGNATION AND SERIAL NO. NM 22046 |
| 2. NAME OF OPERATOR Merrion Oil & Gas Corporation | | 6. IF INDIAN, ALLOTTEE OR TRIBE NAME |
| 3. ADDRESS OF OPERATOR P. O. Box 840, Farmington, New Mexico 87499 | | 7. UNIT AGREEMENT NAME |
| 4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.* See also space 17 below.) At surface 900' FSL and 1,820' FWL | | 8. FARM OR LEASE NAME Chaco |
| 14. PERMIT NO. | | 9. WELL NO. 2 |
| 15. ELEVATIONS (Show whether DF, RT, GR, etc.) 5,958' GL | | 10. FIELD AND POOL, OR WILDCAT Basin Fruitland |
| | | 11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA Sec. 7, T26N, R12W |
| | | 12. COUNTY OR PARISH San Juan |
| | | 13. STATE NM |

16. Check Appropriate Box To Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:

| | |
|--|---|
| TEST WATER SHUT-OFF <input type="checkbox"/> | PULL OR ALTER CASING <input type="checkbox"/> |
| FRACTURE TREAT <input type="checkbox"/> | MULTIPLE COMPLETE <input type="checkbox"/> |
| SHOOT OR ACIDIZE <input type="checkbox"/> | ABANDON* <input type="checkbox"/> |
| REPAIR WELL <input type="checkbox"/> | CHANGE PLANS <input type="checkbox"/> |
| (Other) <input type="checkbox"/> | |

SUBSEQUENT REPORT OF:

| | |
|---|--|
| WATER SHUT-OFF <input type="checkbox"/> | REPAIRING WELL <input type="checkbox"/> |
| FRACTURE TREATMENT <input type="checkbox"/> | ALTERING CASING <input type="checkbox"/> |
| SHOOTING OR ACIDIZING <input type="checkbox"/> | ABANDONMENT* <input type="checkbox"/> |
| (Other) Plug back <input checked="" type="checkbox"/> | |

(NOTE: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

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 well history.

RECEIVED
JUN 29 1990
OIL CON. DIV.
DIST. 3

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

SIGNED Steven S. Dunn

TITLE Operations Manager

DATE 5/30/90

(This space for Federal or State office use)

APPROVED BY _____
CONDITIONS OF APPROVAL, IF ANY:

TITLE _____

ACCEPTED FOR RECORD

DATE
JUN 26 1990

NMOCD

FARMINGTON RESOURCE AREA

*See Instructions on Reverse Side

BY ML

CHACO NO. 2

May 15, 1990

Swab unit. Lay down 1" tbg string. (CCM)

May 16, 1990

Rigged up Petro Wireline. Tagged fill @ 1,144' GL. Set drillable BP @ 1,129' GL. Mote pressure tested to 2,500 psi - held good. Perforated 1,100' - 1,120' per open hole Gamma-Ray Neutron Density log. Pump 5 Bbls w/ Mote @ 1.5 BPM., 200 psi. Well on vaccum. Rigged up swab unit and swabbed dry in 3 runs. Wait 30 min. - no fluid entry and no gas show. RDMO. (CCM)

May 18, 1990

Rigged up Western Company and fraced down 2-7/8" casing with 60/70 Quality Foam as follows:

| | |
|-------------------------------|---------------|
| 5,000 gal 70 Quality Foam Pad | 1700 psi |
| 500 gal .5#/gal 20/40 sand | 1700 psi |
| 1,000 gal 1.0#/gal 20/40 sand | 1740 psi |
| 1,000 gal 1.5#/gal 20/40 sand | 2000 psi |
| 6,720 gal 2.0#/gal 20/40 sand | 2400-3000 psi |

Shut down, sanded off. ISIP 2990 psi. Avg Rate: 20 BPM, Avg Press: 2100 psi. Total water 107 bbls 20# gel wtr. Total nitrogen 80,400 SCF. Total sand 13,400# 20/40. Open well after ISIP and flowed to close through 1/8" choke - 10 min, press at 600 psi. Shut well in 2.5 hrs. Opened to atmosphere through 1/4" choke overnight. (CCM)

May 26, 1990

MIRU Jimmy's Swabbing Service. Choke had been plugged w/ coal chunks - actual SI pressure 150 psi. Blew well down. Ran sinker bars to 1,125' K.B. leaving 5' open below bottom perf. Swabbed csg to 1,050' K.B. Fluid very foamy. Wait 20 min. - foamy fluid to surface. Ran 33 jts, 1,043' of 1" NUE 1J 10rd tbg and 32' landing jt of 1" NUE 10 rd w/ pin on both ends to change over to donut. Tbg @ 1,072' KB. Total of 1,075' of tbg. Left tbg open over night. SI csg. RDMO swabbing unit. (CCM)

May 27, 1990

Well flowing through 1" slugging foamy water. Installed orifice tester w/ 1/4" plate. CP: 140 psi, TP: 20 psi. 47 MCF/day. (CCM)

May 28, 1990

15 psi average on 1/4" plate. 40 MCF/day. Very heavy mist of water. (CCM)