

Submit 3 Copies To Appropriate District
Office
District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Ave., Artesia, NM 88210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM
87505

State of New Mexico
Energy, Minerals and Natural Resources

Form C-103
May 27, 2004

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

WELL API NO.

30-045-32213

5. Indicate Type of Lease

STATE ☒ FEE ☐

6. State Oil & Gas Lease No.

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

7. Lease Name or Unit Agreement Name

MONCRIEF

8. Well Number

1R

9. OGRID Number

014634

10. Pool name or Wildcat

BASIN DAKOTA/GALLEGOS GALLUP

4. Well Location

Unit Letter O : 880 feet from the South line and 1900 feet from the East line
Section 16 Township 26N Range 11W NMPM San Juan County

11. Elevation (Show whether DR, RKB, RT, GR, etc.)
6270'

Pit or Below-grade Tank Application ☐ or Closure ☐

Pit type Depth to Groundwater Distance from nearest fresh water well Distance from nearest surface water

Pit Liner Thickness: mil Below-Grade Tank: Volume bbls; Construction Material

12. 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 COMPL ☐

OTHER: ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING OPNS. ☐ P AND A ☐
CASING/CEMENT JOB ☐

OTHER: Completion ☒

13. 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 recompletion.

1/17/05 ND horsehead and bridle. LD polish rod and stuffing box. LD 74 each 3/4" plain rods, replace with 74 each 3/4" rods with scrapers. Install polish rod and stuffing box. NU horsehead and bridle. Seat and space out pump. Hang off rods. WO roustabouts to manifold wellhead together and re-align pumping unit. Start pumping unit and check pump action. Pumping OK. Venting gas thru separator. Left well pumping.

1/29/05 Tried to move rig on Friday but rig could not get thru mud. Parked on State Pat 1A, had M&R assist rig back to Hwy (by Navajo City) while roads were frozen. Road rig to location. MIRU Hurricane Well Service Rig #6 on 1/29/05. Found well venting thru separator at 60 psi. Move in and spot flow back tank. RU flow lines to flow back tank and blow well down. ND horse head and bridle. Lay down polish rod and stuffing box. TOH with rods and pump. Secure location and SD until Monday.

*** CONTINUED OTHER SIDE ***

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines ☐, a general permit ☐ or an (attached) alternative OCD-approved plan ☐.

SIGNATURE [Signature] TITLE Production Engineer DATE 3/18/2005

Type or print name Conning S. Dunning E-mail address: cdinning@merrion.bz Telephone No. (505) 324-5326

APPROVED BY: [Signature] TITLE SUPERVISOR DISTRICT # 3 DATE MAR 25 2005

Conditions of Approval (if any):

1/31/05 Found well with 120 psi on tubing and 50 psi on casing. Blow well down to flow back tank. ND WH & NU BOP.. Unseat donut, TOH with tbg. Lay down perforated sub and tail joint. PU 3-7/8" bit, bit sub and TIH on 2-3/8" tbg, tag up on fill at 5395'. PU power swivel and break circulation with air and mist (1400 scfm and 10 BW/h). Clean out down to CIBP at 5410', drilled to 5415' (note: set 2 plugs). Running out of daylight, pump soap sweep to clean up well. Cut air/mist and pull up hole to ~5000'.

2/1/05 Found well with 120 psi. Blow well down to flow back tank. TIH and continue drilling on bridge plug with air and mist. Drilled down to 5419' (~4') in 3-1/2 hrs. Drilling became very slow. Drilled additional hour with no progress. Shut down air/mist. Lay down power swivel. TOH. All three cones missing from bit and shanks badly worn. Plan on running junk mill in morning. Secure location and SDON.

2/2/05 TIH w/ 3-7/8" junk mill on 2-3/8" tubing. PU power swivel and bring air on line. Tubing pressured up to 2000 psi. Made multiple attempts to break circulation but tubing kept pressuring up. Lay down power swivel and TOH. Pulled up to string float. Tubing below string float still had 1800 psi. SD and wait on pressure relief valve. Install valve and release pressure off tubing. Continue TOH. Found jt #120 plugged w/ paraffin. Lay down jt 120 & 121. Started air/mist, tubing clear and well started circulating. TIH and PU power swivel. Continue drilling on bridge plug(s) 5419'. Made ~1 ft but tubing string started "sticking". Worked tubing free. Suspect rubber from bridge plug sticking pipe. Pump soap sweeps to clean up well. Pull back up to string float. Pump 15 gal of diesel down tubing. Secure location and SDON.

2/3/05 TIH, PU power swivel and bring air on line. Continue drilling out bridge plug(s). Drilled off top of plug, pull up ~30' and let well flow for 2-1/2 hrs. Pressure went from 1000 psi down to 600 psi. Continue drilling plug and chase to 6252' (PBTD). Pump soap sweeps to clean up well. Lay down power swivel and TOH. After pulling 13 stds, tubing started pulling tight. While working pipe the well started unloading sand. TIH to PBTD. PU power swivel and bring air back on line. Well continued to make sand. Pump sweeps and let well flow. Running out of daylight. Let well flow as long as possible. Lay down power swivel and TOH to string float (~5100'). Secure location and SDON. Will check for sand fill in morning.

2/4/05 Found well w/ 380 psi. TIH & tag up at 6211' (41' of fill). Clean out to PBTD w/ air/mist. Blow well for ~3 hrs. Well still making sand. Pump soap sweeps in 10 - 15 min intervals for 1 hr. Continue to blow well for additional hr. SD & pull up above perfs for 1 hr. TIH & check for sand - found 60' of sand. C/O to PBTD and blow hole while pumping sweeps. Pull up above liner top. Secure location & SDON.

2/5/05 Found well w/ 260 psi. TOH and lay down junk mill. TIH w/ cut off mud anchor (w/ 1/2" hole in upset), seating nipple and 2-3/8" tubing. TIH & tag up at 6188' (64' of fill). Clean out to PBTD w/ air/mist. Pump soap sweeps in 10 - 15 min intervals for 1 hr. Continue to blow well for additional hr. Pull 10 stds and SD for 1 hr. TIH and tag 19' of sand. C/O to PBTD and continue to blow well and pump sweeps. Pull up above perfs, secure location & SD until Monday.

2/7/05 Found well with 280 psi. TIH tag 33' of fill/sand. Clean out to PBTD and blow well for 1 hr. SD air/mist, pull up 10 stands, SD for 1 hr. TIH tag 6' of fill. Pull up and land tubing. Production string as follows: cut off mud anchor, seating nipple and 192 joints of 2-3/8", 4.7#, EUE tubing, bottom of tubing landed at 6209' KB and seating nipple at 6193' KB. ND BOP and NU WH. PU 2" x 1-1/4" x 12' RHAC pump and RIH on the following rod string: 40 ea. 3/4" plain rods, 118 ea. 5/8" plain rods, 11 ea. 3/4" plain rods, 77 ea. 3/4" scraped rods, 1 ea. 8', 2 ea. 4' and 1 ea. 2' pony rods. Install polish rod and stuffing box. Load tubing with produced water, pressure test to 500 psi - held OK. Check pump action with rig - looked OK. NU horse head and bridle. Space out pump and hang off rods. Start pumping unit and check pump action - looked OK. Left well pumping.

2/24/05 Installed compressor