

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

OIL CONSERVATION DIVISION

1220 South St. Francis Dr.

Santa Fe, NM 87505

Form C-103

Revised June 10, 2003

WELL API NO.

30-045-05777

5. Indicate Type of Lease **FEDERAL**
STATE ☐ FEE ☐

6. State Oil & Gas Lease No.

7. Lease Name or Unit Agreement Name

WESTERN C

8. Well Number

001

9. OGRID Number

014634

10. Pool name or Wildcat

GALLEGOS GALLUP

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 A : 990 feet from the North line and 990 feet from the East line

Section 20

Township 26N Range 11W NMPM

County San Juan

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

6191' RKB

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 COMPLETION ☐

OTHER: ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐

COMMENCE DRILLING OPNS. ☐ PLUG AND ABANDONMENT ☐

CASING TEST AND CEMENT JOB ☐

OTHER: Commingle work to date ☒

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.

3/15/04 MIRU Professional Well Service #4. Spot pump and pit. Very 1st job for this rig, things going very slowly. Cancelled casing job until tomorrow. ND WH & NU BOP. TOH with 94 stands of 2-3/8" tbg. Lay flow line from casing to earth pit. Continue to work on rig. SWI, secure location & SDON.

3/16/04 RU San Juan Casing, ran 135 joints (5575.11') of 4", 9.5#, J-55, Ultra-FJ casing. Land bottom of casing at 5575' KB with casing mandrel. Float shoe at 5574' KB. RD casing crew. RU BJ Services and hold safety meeting. Pressure test pumps and lines. Loaded casing with produced water and established circulation. Pump 10 bbls of 5% CaCl2 spacer, 2 bbl fresh water spacer, 10 bbls FlowGuard spacer, 2 bbls fresh water spacer, followed by 20 sxs (81.2 cu.ft.) of Premium Lite HS with additives (for scavenger) then pumped 145 sxs (307 cu.ft.) of Premium Lite HS with additives (for tail slurry). Displaced cement with 68 bbls of water. PD at 19:50 hrs 3/16/04. Plug held - OK. Did not get any cement returns. Final pressure while bumping the plug was 2900 psi. Had constant circulation throughout job but did not appear to be getting full returns. RD BJ Services. SWI, secure location & SDON.

3/17/04 RU Blue Jet Wireline Services. RIH w/ CBL and run bond log from 5540' to surface. Good bond from 5540' to 1010'. Cement top at 1010', "spotty" cement from 1010' to surface. TIH w/ 2-3/8" tubing to ~5300'. RU Hurricane Air package. Unload hole with air and blow hole dry. TOH. RIH with 2" perforating gun and perforate the following depths at 1 spf: 4969', 80', 93', 5008', 76', 86', 88', 90', 92', 94', 5106', 08', 44', 54', 5206', 08', 10', 12', 19', 22', 24', 26', 28', 30' & 5244'. Total 25 holes, EHD: 0.28". SWI, secure location & SDON.

0146 1270 AZ

CONTINUED OTHER SIDE

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

SIGNATURE Steven S. Dunn TITLE DRILLING & PRODUCTION MANAGER DATE March 30, 2004

Type or print name STEVEN S. DUNN E-mail address: _____ Telephone No. (505) 324-5312

(This space for State use)

APPROVED BY Deputy Oil & Gas Inspector TITLE DEPUTY OIL & GAS INSPECTOR, DIST. 00 DATE MAR 31 2004

Conditions of approval, if any:

- 3/18/04** Found well with 245 psi. Open to flowback tank and bleed off pressure. After 40 mins well had bled down to a strong vent. ND BOP and remove well head. Install 10K frac valve. RU American/Key Energy Services. Ball off Gallup formation with 300 gals of 15% HCl and 37 each 1.3 SG ball sealers. Good ball action and complete ball off to 4000 psi. Surge off balls and displace remaining acid thru perfs. Open well to pit and bleed of pressure. Remove frac valve and install WH and NU BOP. TIH with 3-1/4" blade bit on 2-3/8" tbg. TIH to 5360' and knock balls off perfs. Unload hole with air package. TOH, ND BOP and remove wellhead. Install 10K frac valve and RU flowback manifold. Spot and fill sand trailer, frac tanks ready. Will frac 3/19/04. SWI, secure location & SDON.
- 3/19/04** RU American/Key Energy Services and hold safety meeting. Pressure test pumps and lines to 6000#. Frac well with 110,000# of 20/40 Brady in 70 Quality nitrogen foam. Pumped sand in 1, 2, 3 and 4 ppg stages. ISIP 2180 psi. Shut well in with 1880 psi, RD American/Key Energy Services. AIR 34.9 BPM, MIR 35.7 BPM, ATP 3825 psi, MTP 4150 psi. Job complete at 17:10 hrs 3/19/04. Total fluid pumped 398 bbls. Total Nitrogen pumped 776,080 scf. RU flow back manifold. Open well at 19:00 hrs 3/19/04. Initial pressure was 1200 psi. Lost approximately 100 psi every hr. At 06:00 hrs on 3/20/04 pressure was down to 100 psi. At 09:00 hrs, opened well thru 2" and pressure went to 0 psi. SWI, secure location and SD for rest of weekend.
- 3/22/04** Found well with 300 psi. Open well to flowback tank and bleed off pressure slowly. Well blew down in approx. 20 mins. Remove frac valve. Install well head and NU BOP. RU flowlines and manifold into flowback tank. TIH with 3-1/4" bit, bit sub and 2-3/8" tubing to 4950'. Unload hole with air. Continue TIH tag up on sand/fill at 5346'. Break circulation with air/mist (14 BW/hr and 1/2 gal of soap/hr). Clean out sand down to 5489' well making light to medium sand. Pump soap sweeps and blow hole to clean up. Cut mist and dry up hole. Pull up to 4925'. SWI, secure location & SDON.
- 3/23/04** Found well with 100 psi. Open well to flowback tank and bleed off pressure slowly. Well blew down in approx. 10 mins. Change out stripping head. TIH with 3-1/4" bit, bit sub and 2-3/8" tubing tag up on sand/fill at 5324' (~160' of sand came in overnight). Establish circulation with air/mist (8 BWPH and 1/2 gal of soap/hr). Clean out sand down to 5550', well making heavy sand. Blew well from 5550'. After 2.5 hrs sand returns diminished. PU power swivel to drill out cement shoe at 5573'. Unable to get power swivel to work properly (leak in hydraulics). Lay down power swivel and blow well. Dry up hole and pull up to 4925'. SD to repair power swivel. SWI, secure location & SDON.
- 3/24/04** Found well with 250 psi. Open well to flowback tank and bleed off pressure slowly. Well blew down in approx. 20 mins. TIH and tag up on sand/fill at 5459' (~91' of sand came in overnight). Establish circulation with air/mist (8 BWPH and 1/2 gal of soap/hr). Clean out sand down to 5550'. PU power swivel and drill out cement shoe at 5573' continue TIH. Tag up solid at 5595'. Continue drilling. Made ~3' in 2 hrs. Good circulation with air/mist but not getting any other returns (no metal, cement and sand, etc.). Pump soap sweep and dry up hole. TOH. Bit looked OK. TIH with 1 stand (for slickline/after frac gamma ray in the morning). SWI, secure location & SDON.
- 3/25/04** Found well with 50 psi. Open well to flowback tank and bleed off pressure. RU Tefteller Slickline and Protechnics, RIH and run after frac tracer scan log. RD slickline. TIH with 3-1/4" mill, crossover and 2-3/8" tubing. Tag up at 5595' (no fill overnight). Trouble with power swivel (rig up separate hydraulic system to power swivel). Drill out obstruction at 5595'. Hard time working pipe thru 5595' down to 5620'. Circulated out chunks of rubber (ball sealers?). Pumped soap sweeps and cleaned up well. Worked pipe from 5595' - 5620' until there was no drag or torque. Hang back swivel and continue TIH to 5921' (just above composite plug at 5930'). Running out of daylight, will drill out plug in AM. Pull up to 4970'. SWI, secure location & SDON.
- 3/26/04** Found well with 190 psi. Open well to flowback tank and slowly bleed off pressure. TIH to 5920' - no fill overnight. PU power swivel and break circulation with air/mist (8 BWPH and 1 gal of soap/hr). Drill out composite bridge plug at 5930'. Continue cleaning out to PBTD at 6108' KB. Blow hole clean. Cut mist and dry up hole. SD air and lay down power swivel. TOH. Hung up on tight spot at ~5610' KB. Work pipe but unable to pull free. PU power swivel and break circulation with air/mist. Finally work pipe free. Lay down power swivel and continue TOH. Pull up to ~4950' (above top perf). SWI, secure location & SD over weekend.