

Form 3160-5  
(September 2001)UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENTFORM APPROVED  
OMB No. 1004-0135  
Expires: January 31, 2004

## SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to re-enter an  
abandoned well. Use Form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE- Other instructions on reverse side.

1. Type of Well  
☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator MERRION OIL &amp; GAS CORPORATION

3a. Address  
610 REILLY AVE, FARMINGTON, NM 874013b. Phone No. (include area code)  
505-327-98014. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
990' FNL & 990' FEL  
SECTION 20, T26N, R11W

5. Lease Serial No.

SF-078899-A

6. Indian, Allottee or Tribe Name

070 Farmington, NM

7. IF Unit or CA/Agreement, Name and/or No.

TO BE COMMUNITIZED

8. Well Name and No.

WESTERN C No. 1

9. API Well No.

30-045-05777

10. Field and Pool, or Exploratory Area

GALLEGOS GALLUP

11. County or Parish, State

SAN JUAN, NEW MEXICO

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

TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other COMMINGLE
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	WORK TO DATE
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

1/27/04 MIRU Professional Well Service #2 on 1/27/04. Spot pump/pit and flow back tank. RU flow lines and fill rig pit with produced water. ND WH & NU BOP. Found well with 280 psi on tubing, 0 psi on casing. Open well to atmosphere and let flow. After 1 hr still flowing strong. SWI and RU Tefteller Slickline. RIH with 1.5" gauge ring. Tag up at ~5940'. TOH and PU retrieving tool. Recover tubing stop. RIH with gauge ring and tag sand/fill at 6011'. Pump 20 gals of 20/40 sand down tubing. Check sand top with gauge ring, sand at 6006'. Call for more sand. ND WH and NU BOP. Pump another 20 gals of 20/40 sand down tubing. SWI, secure location and SDON.

1/28/04 Found well with 0 psi on tubing. RU slickline unit and RIH with gauge ring. Tag sand at 5993' KB. RD slickline. Pull seal assembly out of Model "D" packer. TOH with tubing. Pulled 190 joints of 2-3/8" tubing, 3 each tubing subs, seating nipple and seal assembly with cut off tail joint. Fill casing with produced water. RU Black Warrior Wireline Company. RIH with 5-1/2" RBP set at 5899'. Run GR/CBL from 5896' to 1000'. Good cement across Gallup formation, no definite cement top. RD BWWC. RIH with 181 joints of tubing with seating nipple on top of bottom joint. Bottom of tubing at 5272' KB. RUTS. Made 2 swab runs and recovered ~12 bbls of water before running out of daylight. SWI, secure location and SDON.

DHC 1270AZ

\*\*CONTINUED OTHER SIDE \*\*

14. I hereby certify that the foregoing is true and correct  
Name (Printed/Typed)

STEVEN S. DUNN

Title DRILLING &amp; PRODUCTION MANAGER

Signature

Date

3/21/04

ACCEPTED FOR RECORD

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

APR 22 2004

Approved by

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Title

Office

FARMINGTON FIELD OFFICE

BY

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make 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.

(Instructions on page 2)

NMOC

- 1/29/04 Continue swabbing. Initial fluid level was 750'. Made 29 runs and recovered approximately 120 bbls of fluid. Fluid level dropping with each run. After 29<sup>th</sup> run fluid level was down to approximately 4700'. SWI, secure location & SDON.
- 1/30/04 Found well with 15 psi on tubing. RIH with swab and found fluid level at 2000'. Made 6 swab runs and got fluid level down to 3200'. SD for ½ hr, RIH and hit fluid level at 3100' (fluid level came up 100' in ½ hr). Estimate in flow rate at 18.5 bbls/day. Recovered at total of 170 bbls (in 2 days of swabbing). Capacity is 116 bbls. RD swab equipment. Dump 5 gals of sand down tubing. TOH, PU with 5-1/2" tension packer and TIH. Isolate hole(s) in casing between 3965'-3950'. Unable to pump into but would lose ~80 psi/min. Start TOH with packer. Ran out of daylight. Secure location, SWI and SDON.
- 1/31/04 Continue TOH, LD packer. TIH open ended with 128 joints to 3994'. Will pump squeeze job on Monday morning. SWI, secure location & SD for weekend.
- 2/2/04 American Energy Services was late to location. Once on location, throttle on pump truck broke. Wait on new pump truck. RU cement manifold and lines. At 1200 hrs finally started job. Mix and pump 25 sxs (29.5 cu.ft.) of Class "B" cement across bad casing (3950' – 3965'). Pull up to 3300' and reverse tubing clean. Shut pipe rams and squeeze 2 bbls of cement away. Pressure up to 500 psi immediately but would slowly bleed off. Hesitated the 2 bbls in over 1-1/2 hr. Would lose ~50 psi in 2 mins. Shut in tubing with 500 psi and WOC. RD AES. Secure location & SDON. Will drill out cement in morning.
- 2/3/04 Tubing and cement valve on top of tubing was frozen. Thawed out valve and tubing. TOH with 2-3/8" tubing. PU 4-3/4" bit, 6 each 3-1/8" DCs, RIH on 2-3/8" tubing, tag up on cement at 3868'. PU power swivel. RU pump and lines and break circulation with produced water. Drill out cement down to 4018'. Expected to out of cement by ~3990'. Ran out of daylight. Will continue drilling cement in morning. Circulated hole clean. Pulled up to 3800'. SWI, drained pumps and lines. Secure location & SDON.
- 2/04/04 TIH, continue drilling cement, drilled thru cement at 4025'. TIH to ~4200' and circulated hole clean. RUTS made 19 runs and recovered 79 bbls of water. Fluid level down to 3700'. SD for 30 mins tagged fluid level at 3650' (fluid level rose 150' in 30 mins). Marked line will check fluid level in morning. SWI drained pumps and lines. Secure location & SDON.
- 2/05/04 RIH with swab and hit fluid level at 1500' (fluid level came up 2050' overnight). RD swabbing equipment. TOH stand back DCs. PU RBP and RIH on 2-3/8" tubing set RBP at 4055' KB. Dump 5 gals of sand down tubing. TOH, PU packer TIH on 2-3/8" tubing to 3799'. Load hole with produced water. Set packer at 3799'. RU AES. Load backside with 500 psi. Establish rate down tubing 1500 psi at 1 BPM. Mix and pump 50 sxs (59 cu.ft.) of Class "B" cement. Displace cement with 15.5 bbls of water. SD holding 900 psi for 15 mins. Slowly opened tubing and flowed back 3 bbls. Release packer and pull 1 stand. Reverse out tubing clean (reversed out 2.5 bbls of cement). Pull 1 more stand, re-set packer at 3675. Pressure back up on cement and squeeze into formation. Calculated TOC to be at 3900', should have ~9 bbls of cement into casing/formation. Shut tubing in holding 1000 psi, left 500 psi on backside. RD cementers. Secure location & SDON.
- 2/06/04 BOP, casing valves and tubing all froze overnight, thawed out. Released packer and TOH. PU bit and bit sub TIH on 6 each 3-1/8" drill collars and 2-3/8" tubing. Tag up on cement at 3988' KB (88' past calculated TOC). Drill out cement down to 4025' cement was very soft. Continue cleaning down to RBP at 4055' KB. Circulated hole clean with produced water. Pull up to 3963' and RUTS. Made 17 runs and recovered ~65 bbls. Fluid level down to 2900'. SWI, secure location and SDON. Note: Had rig crew check fluid level on Sat. morning. Fluid level had risen back up to 1500' overnight. SD until Monday.
- 2/09/04 TOH with bit, bit sub and drill collars. PU tension packer TIH to 3922' (could not get any deeper). Set packer at 3922' and pump into casing at ¼ BPM @ 500 psi. Release packer and dump 5 gals of sand down tubing. Pull up to 3861' and set packer. Test casing to 500 psi – held OK. Pull up to 3674' and set packer. Pressure up backside to 500 psi. RU American Energy Services and establish rate down tubing 1 BPM @ 1200 psi. Mix and pump 50 sxs (59 cu.ft.) of Class "B" cement. Displace cement down to 3884'. Hesitate last 3 bbls in 30 minutes intervals. Max squeeze pressure was 1100 psi. Shut well in with 650 psi, never able to get cement to "lock up". Secure location and SDON.
- 2/10/04 Thaw out casing, tubing and BOPs. Release packer and lay down 1 joint. Re-set packer and pressure test casing to 500 psi - lost 30 psi in 15 mins. Release packer and TOH. PU bit, bit sub and cross over. TIH on 6 each 3-1/8" drill collars and 2-3/8" tubing. Tag up on cement at 3858'. PU power swivel. RU pump, lines and drill out cement. Drilled thru cement at 3972'. Continue cleaning out down to RBP at 4045'. Circulate hole clean. Lay down 2 joints. RUTS. Made 9 runs and recovered approx. 45 bbls of fluid, fluid level down to 1800'. SWI, secure location and SDON.
- 2/11/04 Continue swabbing. Made 19 more runs and swabbed well down to ~3700. Recovered ~45 more bbls of fluid. SD for 30 min. RIH and found fluid level still at 3700'. SD for 30 min. RIH and found fluid level still at 3700'. No apparent inflow. Load hole w/ produced water. TOH and stand back DC's. PU retrieving head and TIH on 60 stds. SWI, secure location and SDON.
- 2/12/04 RU pumps, lines and break circulation. Clean out down to RBP, circulate hole clean. Latch onto RBP open unloader and let well equalize. TOH with RBP, LD RBP and CO retrieving head. TIH to get RBP at 5899' hit fill at 5860'. Break circulation and clean out fill down to 5875'. Retrieving head/tbg became plugged. TOH cleaned cement out of retrieving head/tubing. TIH and continue cleaning out down to RBP. Circulate hole until tubing became plugged again. TOH with RBP (and wet string). Lay down RBP. SWI, secure location and SDON.
- 2/13/04 Thaw out and warm up rig. PU Baker "packer plucker". RIH on 6 each 3-1/8" drill collars and 2-3/8" tubing. RU pump, lines and break circulation with produced water. Drill out model "D" packer at 5940' KB. Total time to drill out packer was 3 hr. Circulate hole clean and TOH. Lay down packer and fishing tools. SWI, secure location and SDON.

## ATTACHMENT TO 3160-5

- 2/14/04 TIH with 3-1/8" drill collars. TOH laying down on trailer. PU CIBP. TIH on 2-3/8" tubing. Set CIBP at 5357' KB. Pull up to 5305' KB and RUTS. Made 19 runs and recovered 88 bbls. After 16 runs fluid level was down to 4500'. SD to change out cups. Went back in and fluid level had come up to 3500'. On runs 18 and 19 the fluid level had risen up to 2500'. Suspect that squeeze has failed. SWI, secure location and SD for weekend.
- 2/16/04 RIH with swab and hit fluid level at 1000'. RD swab equipment. TOH, PU packer and TIH isolate holes from 3950' - 3965' (same spot). TOH, PU RBP and TIH set RBP at 4045'. Dump 10 gals of sand on top of RBP. TOH, PU packer and TIH. Set packer at 3674'. RU American Energy Services. Pressure up backside to 500 psi. Establish injection rate down tubing: 1-1/2 bpm @ 1400 psi. Mix and pump 50 sxs (59 cu.ft.) of Class "B" cement. Displace cement with 18.5 bbls of water. Shut tubing in holding 1000 psi. Secure location and SDON.
- 2/17/04 Found tubing and BOP frozen. Thawed out and warmed up rig. Released packer, TOH PU 4-3/4" bit and TIH on 6 each 3-1/8" drill collars and 2-3/8" tubing. Tag up on cement at 3810'. RU pump, lines and break circulation with produced water. Drill out cement down to 4020' (top 60' of cement was very soft). Continue TIH to sand on top of RBP, circulate hole clean. Shut pipe rams and pressure test casing to 500 psi - held OK. Pull up to 3900'. SWI, secure location and SDON.
- 2/18/04 TOH, LD drill collars, TIH with retrieving head. Circulate cement and sand off of RBP, latch onto and release RBP. TIH to 5299', RUTS made a total of 15 runs and recovered ~ 87 bbls of fluid. Fluid level down to 2500' after 8 runs, fluid level remained between 2400'-2500' on the next 7 runs. Getting fluid entry from casing again. Secure location & SDON.
- 2/19/04 RIH with swab and hit fluid level at 1000'. RD swab equipment. Pull up tubing set RBP at 4045'. Dump 8 gals of sand on top of RBP. Pull up and test casing from 3737'-4045' held 1200 psi OK. Above 3737' found that casing would leak off 60 psi in 5 mins. Released cement crew. TIH to 3894' (left packer unset). RUTS. Made 8 runs and got fluid level down to 1800'. Made 3 more runs and noticed that fluid level stayed at 1800'. SD for 30 mins. RIH and hit fluid level at 1500'. SWI, secure location & SDON.
- 2/20/04 Tested casing above and below packer @ 3309', 2687', 2261' and 1752' to 500 psi. There appeared to be a slow leak between 2261' and 1752'. TOOH and LD casing packer. PU retrieving head and TIH. Reverse circulated sand off RBP @ 4054'. Latched onto RBP and pulled up hole. Set RBP @ 1998'. RUTS. Made 14 swab runs lowering fluid level to 1300'. Waited 30 min and found fluid level @ 1000' - 300' fluid entry. RD swab. TOOH w/ retrieving head and TIH w/ packer. Isolated casing leak @ ±1906' testing from 500 to 1000 psi. Leak now bleeds down from 500 psi to 150 psi almost immediately. TOOH w/ casing packer. Dumped 10 gals sand down casing. Secured well and SIFN.
- 2/21/04 TIH with 31 stands of 2-3/8" open-ended tubing to 1937'. RU Halliburton. Mixed and pumped 25 sxs (6.5 bbls) Micro Matrix cement and equalized 1670-1937'. TOOH with tbg. Staged cement to 700 psi for 2 hrs. Estimate 2 bbls cement thru hole @ 1906'. Top of cement @ 1750'. Secured well and SI until Monday.
- 2/23/04 SICP 80 psi. TIH with 4-3/4" bit, bit sub and 6 each 3-1/8" drill collars on 2-3/8" tbg. Tagged top of cement @ 1753'. RU pump and lines. PU power swivel and broke circulation with produced water. Drilled out cement with first joint tubing. Rig pit full of cement. SI and cleaned out pit with vac truck. Refilled tank with produced water and continued drilling out cement to 1937'. Circulated hole clean. Tested casing to 500 psi - no loss. TIH cleaned out sand on top of RBP. TOOH and LD drill collars, bit sub and bit. PU retrieving tool, TIH to RBP. Circulated hole. LD one joint tubing. RUTS. Swabbed fluid level down to 1500' in 7 runs. Secured well and SIFN.
- 2/24/04 RIH with swab, found fluid level @ 700'. TOOH with tubing and retrieving tool. LD retrieving tool, PU casing packer and TIH with 30 stands tubing. Set packer @ 1870'. RU pump and lines. Tested hole @ 1906' to 500 psi - bled off immediately. Tested to 1000 psi - hole took 2 BPM @ 800 psi. Filled backside and tested above packer. Had returns up tubing. Set packer @ 1937'. Casing/tubing tested good. Pulled uphole and tested above and below with packer set @ 1749' and 1814'. Casing good above 1814'. Second hole between 1814' and 1870'. Holes appeared to have broken down when testing @ 1870' - 1-1/2 BPM @ 800 psi. Wait on orders. Released packer and TOOH. Secured well and SIFN.
- 2/25/04 PU retrieving tool, TIH on 2-3/8" tbg to RBP @ 1998'. Released plug and started out of hole, RBP dragging (due to trash from casing leaks) reset RBP. RU pump and lines. Circulated fill off RBP, released RBP. TOOH, dragging all the way. LD RBP, PU 4-3/4" bit sub and 6 each 3-1/8" drill collars. TIH with 83 stands to top of fill @ 5337'. PU power swivel, CO 20' fill and drilled out CIBP @ 5257'. Circulated hole clean. Chased plug to top of sand @ 6018', TOOH with 50 stands. Secured well and SIFN.
- 2/26/04 Finished TOH with tubing, drill collars and mill, LD drill collars and mill. SD 2 hrs to work on right angle drive. PU 4-3/4" bit and 5-1/2" casing scraper, TIH stopped @ 6008'. TOH with 2-3/8" tubing, casing scraper and bit. LD bit and scraper. RU Black Warrior Wireline, RIH and set Weatherford composite BP @ 5930'. POOH and RD. TIH with 94 stands (5869') of 2-3/8", 4.7#, J-55 8rd, EUE tubing with seating nipple 1 joint up. Landed tubing on donut @ 5878'. ND BOP, NU WH. Began rigging down. Will clean rig pit and lower derrick in AM. SDON.
- 2/27/04 RDMOL. WO liner pipe.