

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0137
Expires: March 31, 2007

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 & GAS CORPORATION**

3a. Address **610 REILLY AVENUE, FARMINGTON, NM 87401**
 3b. Phone No. (include area code) **505-324-5300**

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
**990' FNL & 1780' FWL (NE NW)
 SECTION 29, T25N, R9W**

5. Lease Serial No.
SF-078309
 6. If Indian Allottee or Tribe Name
 7. If Unit or CA/Agreement, Name and/or No.
 8. Well Name and No.
FEDERAL 29 No. 1
 9. API Well No.
30-045-25052
 10. Field and Pool, or Exploratory Area
WHITE WASH MANCOS/DK
 11. County or Parish, State
SAN JUAN, NM

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 checked="" 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	COMPLETION
	<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 recomplete 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 recompletion 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.)

4/16/04 At 06:00 hrs pressure was down 280 psi. Well was flowing gas/oil, water and some sand. Well made water from 23:00 - 03:00 then tapered off. Had to shut well in at 04:30 hrs 05:30 hrs to repair washed out / sand cut flow line. Continue flowing well thru 1/4" choke. Flowing good gas with some oil. At 09:00 hrs changed choke to 3/4" and continue to flow well back. At 12:30 hrs open well thru 2" and let pressure bleed down. TIH with 3-7/8" bit and 2-3/8" tubing. Tag up on sand/fill at 5850'. PU power swivel and air package lines. Break circulation with air/mist (1800 scfm and 10 BWPH with 1/2 gal of soap/hr). Clean out frac sand down to composite plug at 6010'. Blow hole clean. Pull up to ~5300' and shut well in. Secure location and SDON.

4/17/04 Found well with 640 psi. Bleed off pressure and TIH. Found ~81' of sand on top of composite BP. PU power swivel and air package lines. Break circulation with air/mist (1500 scfm and 10 BWPH with 1/2 gal of soap/hr). Clean out frac sand down to composite plug at 6010'. Drill out composite plug. Continue in hole and clean out to PBTD at 6458' KB. Blow hole clean. Pull up to ~5300' and shut well in. Secure location and SD for weekend.

****CONTINUED OTHER SIDE****

**ACCEPTED FOR RECORD
 MAY 06 2004**

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

STEVEN S. DUNN

Title **DRILLING & PRODUCTION MANAGER**

Signature

Date

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Title

Date

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.

Office

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)

NMOCD

- 4/19/04 Found well with 400 psi. Bleed off pressure and TIH. Had ~99' of sand/fill. Break circulation with air/mist (1300 scfm and 10 BWPH with ½ gal of soap/hr). Clean out frac sand down to PBTD at 6458' KB. Blow hole clean for 1.5 hrs. SD air and pull up to ~5300'. Let well flow on its own for 2 hrs. TIH checked for fill, tagged sand bridges approx. 45' off bottom. Circulate out sand with air/mist. Blow hole for 1 hour no sand in returns. SD air/mist, TOH with 20 stands left decided to shut down operations due to high winds. Secure location and SDON.
- 4/20/04 Found well with 400 psi, bleed off pressure and TIH. Finished TOH LD bit. TIH with cut off tail joint, perforated sub, seating nipple and 194 joints (6383.93') of 2-3/8", 4.7#, EUE tubing. Check for fill before landing tubing, found 22' of fill. Break circulation with air and clean out sand to PBTD (6458' KB). Blow hole clean, pull up and land tubing in wellhead with donut. Bottom of tubing at 6398' KB, seating nipple at 6377' KB. ND BOP and NU WH. Ready rig to run rods. PU and RIH with 2" x 1-1/4" x 12' RHAC pump. Rod string as follows: pump, 40 each ¾" plain, 128 each 5/8" plain, 15 each ¾" plain and 60 each ¾" scraped rods. Still need to run ~12 more rods but ran out of ¾" rod boxes. Install polish rod and stuffing box. Will finish in the AM. Secure location and SDON.
- 4/21/04 Finish TIH with rods -rod string as follows: 2" x 1-1/4" x 12' RHAC pump, 40 each ¾" plain, 128 each 5/8" plain, 16 each ¾" plain, 71 each ¾" scraped rods and 1 each 2' pony sub. Install polish rod and stuffing box. Seat and space out pump. Check pump action with rig looked OK. Clamp off rods. RDMOL.