

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM 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 874013b. Phone No. (include area code)
505-324-5300

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

1850' FNL & 790' FWL (SW NW)
SECTION 28, 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 28 No. 2

9. API Well No.

30-045-25420

10. Field and Pool, or Exploratory Area

WHITE WASH MANCOS

11. County or Parish, State

SAN JUAN COUNTY, 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 COMMINGLING
	<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 recomple 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 recomple 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.)

5/3/04 MIRU Professional Well Service on 5/3/04. Spot pump/pit. Spot flow back tank and choke manifold. Open well to atmosphere to bleed off pressure. Wait on water for rig pit. Pumped ~25 bbls of water to kill well. ND WH & NU BOP. Unable to unseat donut. After 40 mins. finally worked donut out of well head. TOH with 2-3/8" tubing (total of 205 joints with notched collar on bottom and seating nipple on top of bottom joint). PU casing scraper and start TIH. Secure location and SDON.

5/4/04 Finish running scraper. RU Blue Jet and RIH w/ GR/CCL. Run log from 6550'-5300'. RIH with composite bridge plug, set plug at 6007'. TIH with 2-3/8" tubing. Load hole with produced water. RU pump and lines and pressure test casing to 1500 psi - held OK. RU air package, unload hole w/ air. TOH, RU Blue Jet and RIH with 3-1/8" casing gun. Perforated the Gallup formation at the following depths: 5880', 68', 66', 5716', 5592', 90', 70', 57', 36', 30', 23', 19', 10', 5500', 5498', 96', 86', 74', 65', 56' (total of 20 holes, EHD: 0.34"). Note: gun misfired at the first setting (5880') then shorted thru gun skipping 15 shots. There was no indication at the surface that this had happened. Inadvertently shot the next 19 shots out of zone. Procedure called for a total of 35 holes. Discovered problem once the gun was back at surface. SWI, secure location and SDON. Held meeting at MOG and concluded that while perms were off depth, they are still within the Gallup zone. Plan to finish perforating with additional 15 shots in the AM.

CONTINUED OTHER SIDE

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

STEVEN S. DUNN

Title DRILLING & PRODUCTION MANAGER

Signature

Date

5-20-04

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

ACCEPTED FOR RECORD

Approved by

Title

Date

JUN 28 2004

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.

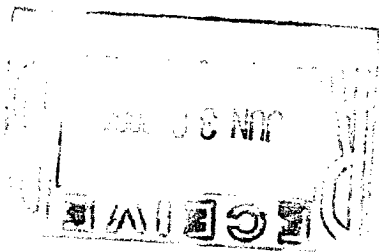
Office

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)

OPERATOR



- 5/5/04 RU Blue Jet and RIH with 3-1/8" casing gun. Finish perforating the Gallup formation (with 15 additional shots) at the following depths: 5602', 5544', 12', 5440', 30', 26', 07', 04', 5380', 74', 72', 5360', 5358', 56', & 5354' (total perforations (5/4 & 5/504) in the Gallup is 35 holes - EHD: 0.34"). RD Blue Jet, TIH with 4-1/2" packer set packer at 5138'. RU Key Pressure Pumping Services. Pump 300 gals of 15% HCl and 47 each 1.3 SG RCN ball sealers. Good ball action and complete ball off to 3800 psi. Surge balls off perms. Open well to pit and bleed off pressure. Release packer. TIH to ~5900' (to knock balls off perms). TOH, LD packer. Secure location and SDON. Frac scheduled for 5/6/04. (
- 5/6/04 American/KEY Pumping Services and hold safety meeting. Pressure test pumps and lines to 6000#. Frac well with 100,000# of 20/40 Brady in 70 Quality nitrogen foam. Pumped sand in 1, 2, 3 and 4 ppg stages. ISIP: 3150 psi. Shut well in with 2600 psi and RD American/Key Energy Services. AIR: 33.9 BPM, MIR: 36 BPM, ATP: 3300 psi, MTP: 3800 psi. Job complete at 12:25 hrs. 5/6/04. Total fluid pumped 386 bbls. Total Nitrogen pumped 847,003 scf. RU flow back manifold. Open well thru 1/4" choke at 14:30 hrs 5/6/04. Initial pressure was 2650 psi. Well flowing back foam/water & nitrogen. Turn over to nightwatch.
- 5/7/04 Well flowed heavy sand from 16:00 - 18:00 hrs. Washed out choke and 2 lines. Repaired lines, changed out choke and continued flowing well. Well continued making moderate to light sand with gas/nitrogen and fluid. At 04:00 hrs, pressure was down to 50 psi. Opened well thru 2" and let pressure blow down to a vent. Recovered ~208 bbls of fluid since starting flow back. At 07:30 hrs, TIH with 3-7/8" bit on 2-3/8" tubing. Tag up at 5892'. RU air package. Break circulation with air/mist (1800 scfm and 10 BW/hr with 1/2 gal of soap/hr). Clean out frac sand down to composite plug at 6007'. Blow hole and pump soap sweeps to clean up well. Drill out composite plug and push down to 6024'. Pull up to 5300'. Secure location and SDON.
- 5/8/04 Found well with 210 psi. TIH and continue pushing plug. Tag up on bridge at 6380'. RU air package and work thru bridge. Continue TIH to 6430'. Clean out down to PBTD at 6511' KB. Blow hole and pump soap sweeps from 6511' for 3 hrs. Cut mist and dry up hole. Pull up to 5300'. Secure location and SDON. (JT)
- 5/9/04 Shut down for weekend.
- 5/10/04 Professional Well Service changed out rigs, no work done on this well.
- 5/11/04 Found well with 150 psi. TIH and tag up on fill at 6481' (30' of fill). Break circulation with air package and clean out to PBTD (6511'). Blow hole and pump soap sweeps to clean up well. Pull up to 5300'. Wind blowing too hard to safely trip pipe. SWI, secure location and SDON.
- 5/12/04 Rig did not work in AM due to theft of bails and elevators. SD and waited for police/sheriff to investigate. Did not work in the afternoon due to high winds.
- 5/13/04 Found well with 400 psi. Finish TOH with tubing. TIH with production string and land as follows: cut off tail joint, perforated sub, seating nipple and 202 joints of 2-3/8", 4.7#, EUE, yellow band tubing, bottom of tubing at 6437' KB, seating nipple at 6416' KB. Land tubing in well head with donut. ND BOP and NU WH. Ready rig to run rods. Wind not blowing as hard as previous days but still getting big gusts of wind making it difficult to run rods. Will attempt in the AM. RD flow lines and choke manifold. SWI, secure location and SDON. Note: Have security company watching rig and equipment overnight.
- 5/14/04 Finish TIH w/ pump and rod string. Ran 2"x1-1/2"x12' RWAC pump on the following rod string: 40 ea. 3/4" plain, 129 ea. 5/8" plain, 16 ea. 1/2" plain, 71 ea. 3/4" scraped, 1 ea. 8' & 1 ea. 4' pony subs. Install polish rod and stuffing box. Seat and space out pump. Load tubing w/ produced water and pressure test to 500 psi - held OK. Release pressure and pump back up by stroking pump w/ rig. Pump action looked OK. Clamp off rods. RD rig and equipment. Move rig to Federal 20-1E. **Final Report.**
- 5/18/04 Loaded pumping unit Continental Emsco 114 (serial #3092) from Piedra with E15 oil well engine from Rotation (serial #E15635). Hauled to location, built pad, set concrete block and gearbox. Manifold well head. SDON.
- 5/19/04 Went to location, mounted motor, assembled pumping unit, mounted belt guard, and tied-in fuel gas. SDON.