

Submit 3 Copies To Appropriate District
Office
District I
1625 N. French Dr., Hobbs, NM 87240
District II
811 South First, Artesia, NM 87210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources

OIL CONSERVATION DIVISION
2040 South Pacheco
Santa Fe, NM 87505

Form C-103
Revised March 25, 1999

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.)		WELL API NO. 30-045-31280
1. Type of Well: Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other		5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
2. Name of Operator MERRION OIL & GAS CORPORATION (014634)		6. State Oil & Gas Lease No.
3. Address of Operator 610 Reilly Avenue, Farmington, New Mexico 87401-2634		7. Lease Name or Unit Agreement Name: U-DA-WELL
4. Well Location Unit Letter B : 1055 feet from the North line and 2221 feet from the East line Section 2 Township 31N Range 8W NMPM San Juan , County		8. Well No. 002
10. Elevation (Show whether DR, RKB, RT, GR, etc.) 6710' GR		9. Pool name or Wildcat BASIN FRUITLAND (71629)

11. 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: **Completion progress report** ☒

12. 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 recompilation.

4/7/03 MIRU Professional Well Service Rig #3 on 4/7/03. Respot pony sub. RU NU BOP's and HCR valves.

4/8/03 Repair rig, lost all the oil in draw works motor from a crack in the oil pan. Repair oil pan; continue nipping up HCR valves and blooie line. Mechanic out to replace oil pan on draw works motor, wrong oil pan. Finish nipple up; prepare to pressure test BOP's.

4/9/03 Repaired rig, replace the oil pan on draw works motor. RU air manifold for stand pipe. Screw into donut with a joint of 3-1/2" tubing, pressure test BOP's and HCR valves @ 2000 psi-tested OK. Equalize casing and BOP's. Unseat tubing hanger and blow well down out blooie lines. TOH with 4 joints of 2-7/8" tubing. RU up tongs and change rams to pick up 4-3/4" drill collars. SDON.

4/10/03 Bleed well down. PU 4 3/4" drill collars and 2-7/8" drill pipe off pipe racks and TIH. RU power swivel and components. Unload hole with air at 3255' (approx. 20 bbls of water) at 550 psi. Close pipe rams and HCR valves. Put well on pipeline.

CONTINUED OTHER SIDE

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

SIGNATURE  TITLE **Drlg & Prod Manager** DATE **4/28/03**

Type or print name **Steven S. Dunn** Telephone No. **(505) 327-9801**

(This space for State use)

APPROVED BY  TITLE **DEPUTY OIL & GAS INSPECTOR, DIST. 4** DATE **APR 29 2003**

Conditions of approval, if any:

- 4/11/03** Bleed well down. Clean out from 3275' to 3640' with 2400-CFM air and 8 bbls/hour mist. Bridges at 3345'-3450' and 3490' with 40' of fill on bottom. Circulate hole clean with air and mist. LD drill pipe to 3255'. Close pipe rams and HCR valves. Put well on pipeline. SDON.
- 4/12/03** Valve on separator closed, well pressured up to 775 psi. Surge well and flowed clear water to reserve pit. Surge #2 at 670 psi. Surge #3 at 600 psi. Surge #4 at 620 psi. Surge #5 at 530 psi. Close HCR valves and put well on pipeline. SDON.
- 4/13/03** Flow well on production overnight. Surge well naturally @ 7-5/8" shoe. Surge #6 at 400 psi. Surge #7 at 660 psi. Surge #8 at 600 psi. Close HCR valves and put well on pipeline. SDON.
- 4/14/03** Pick up drill pipe with power swivel and go in the hole. Tag fill @ 3585'. Unload hole with air. Unloaded approximately 30 bbls of water, CO from 3585' to 3640' with 2400-CFM air and 8 bbls/hr mist. Heavy returns of coal fines with light returns of 1/4" to 1/2" coal. Minimal returns of water to surface 3-5 bbls/hr. Hole cleaned up with light returns of coal fines. LD pipe and put well on pipeline. SDON.
- 4/15/03** Close HCRs and surge naturally @ 3255'. Surge #9 at 670 psi, 2" stream of black water, heavy return of coal fines, moderate returns of larger coal. Surge #10 at 640 psi, medium coal dust, 1/2" stream of black water. Surge #11 at 650 psi, medium return of coal dust; light returns of larger coal, 1" stream of black water. Surge #12 at 640 psi; light returns of coal dust, 1" stream of black water. Surge #12 at 640 psi; light returns of coal dust, 1" stream of black water. Put well on pipeline. SDON.
- 4/16/03** Close HCRs and surge naturally @ 3255'. Surge #14 at 460 psi, 1" stream of black water, medium returns of coal fines, light returns of larger coal. Surge #15 at 640 psi, medium coal dust and 1" stream of black water. Surge #16 at 640 psi, medium return of coal dust, moderate returns of larger coal, 1/2" stream of black water. Surge #17 at 650 psi, medium returns of coal dust, light returns of larger coal, 1/2" stream of black water. Surge #18 at 640 psi, medium returns of coal dust, light returns of larger coal, 1/4" stream of black water. Put well on pipeline. SDON.
- 4/17/03** Open pipe rams and HCRs. PU drill pipe with power swivel, TIH. Unload hole @ 3348' with air. Unloaded approximately 30 bbls of water. TIH, tag bridge @ 3440'. CO bridge from 3440' to 3450' with 2400-CFM air and 8 bbls/hour mist. Medium returns of coal fines, and moderate returns of larger coal. TIH, tag fill @ 3580'. CO from 3580' to 3640'. Heavy returns of coal fines with moderate to heavy returns of larger coal. Water returns varying from 2-4 BPH. Hole cleaned up after 3 1/2 hours. Circulate with air and mist. LD drill pipe to 3255'. Close rams and HCRs, put well on pipeline. Shut down for the weekend. (Plan on resuming operations on Monday, April 21, 2003).
- 4/21/03** Found well flowing down pipeline. Shut well in - pressure 340 psi. Pressure built to 420 psi. Surge #19 @ 420 psi, 2" stream of black water, 15-20 bbls of water. Surge #20 @ 620 psi, good coal, 2" stream of black water, 1"-2" chunks of coal. Surge #21 @ 620 psi, heavy coal fines, moderate returns of larger coal, 1"-2". Surge #22 @ 620 psi, heavy coal fines, moderate returns of larger coal, 1"-2". Surge #23 @ 600 psi, heavy to medium returns of coal fines, light returns of larger coal, 1" stream of black water. Put well on pipeline. SDON. (Note: Fuel storage tank was broken into over weekend, lost ~ 600 gals of fuel - filed police report.) CQM installed Bristol electronic flow meter. Mike Shelby fabricated a riser for the radio antenna. Orifice plate changed from 1.000 to 1.500.
- 4/22/03** Found well flowing down pipeline at 120 psi. Shut well in - pressure up 540 psi. Surge #24 @ 540 psi, good surge, blew out 15-20 bbls of water, coal ran for ~ 45 mins. Surge #25 @ 620 psi, good surge, 1" stream of water, 1"-2" chunks of coal. Surge 326 @ 620 psi, heavy coal fines, moderate returns of larger coal 1/2". Surge 327 @ 620 psi, heavy fines 1/2" coal chunks. Surge #28 @ 600 psi, light returns of coal fines no water. Well appears to be logging off. Let well blow for 1 hour, put on pipeline. SDON. EPFS' field technician set meter to communicate by radio - Meter Code 13039.
- 4/23/03** Found well flowing down pipeline at 120 psi. Shut well in. Pressure built to 510 psi in 1 hour 15 mins. Surge #29 @ 510 psi, good surge, blew out 15-20 bbls of water, coal ran for ~30 mins, 1/4" - 1/2" coal chunks. TIH to CO open hole section. Hit bridges at 3434', 3492' and 3575', had 35' of fill on bottom. CO bridges by pumping air/mist @ 2400 scfm and pumping soap/water sweeps. Pumped a total of 5 sweeps. Blew well on bottom for ~2 hrs before returns diminished. Pulled into intermediate casing (by LDDP). Noticed that electric motor on power swivel stand and straight arm on tongs was missing (assume stolen over Easter weekend). Turn well down pipeline for the night. Secure location and SDON.
- 4/24/03** Found well flowing down pipeline at 120 psi (rate was 2.1 mmcf/d). Shut well in, pressure built to 610 psi in 1 hr 30 mins. Surge 330 @ 610 psi, good surge blew out 15-20 bbls of water, coal ran for ~30 mins, 1/4"-1/2" coal chunks with some fines. Surge #31 @ 580 psi, very little returns mostly fine with no water. Surge #32 @ 560 psi, very little returns mostly fine with no water. Let well flow for 1-1/2 hrs. Well appears to be logging off or bridging off. Shut well in for the night. Will try to blow out bridges with surge in morning before making clean out run. Secure location and SDON.

ATTACHMENT TO C-103 **U-DA-WELL No. 2**

- 4/25/03** Found well with 660 psi (SIP). Surge #33 @ 66 psi, very little returns (small amount of fines), no water or any coal of significant size. Gas rate appears to be greater than previous surges (larger flare than before). TIH (slight tag in several spots, but no bridges). Had 25' of fill on bottom. CO with 2400 scfm, 10 BWPH and 1 gal of soap. Pump soap sweeps every 15 mins, well cleaned up after 4th sweep. TOH with drill pipe only, leaving DCs in well. Turn well down pipeline, secure location and SDON.
- 4/26/03** Found well flowing down pipeline at 120 psi. Shut well in for surge. Well built up to 620 psi after 1.5 hrs. Surge #34 @ 620 psi, blew out 15-20 bbls of water with heavy fines then flowed 2" stream of solid black water. Surge #35 @ 620 psi, medium fines with some water and small chunks of coal. Surge #36 @ 600 psi, heavy dust with strong gas burst, 1" stream of fluid, good surge. Surge #37 - medium fines, small chunks of coal with 1" stream of water. Turn well down pipeline, secure location and SDON.
- 4/27/03** Found well flowing down pipeline at 120 psi. Shut well in for surge. Well built up to 570 psi after 1.5 hrs. Surge #38 @ 570 psi, blew out 10-15 bbls of water with heavy fines, small chunks of coal. Surge #39 @ 560 psi, heavy black fluid (1-2 bbls), medium coal chunks with 1" stream of water. Surge #40 @ 570 psi, heavy dust with 1-2 bbls of heavy black fluid. Medium coal chunks with 1" stream of water. Turn well down pipeline, secure location and SDON. Instantaneous flow rate 2182 MCFd.