

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

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. 30-045-05780
1. Type of Well: Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/>		5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input type="checkbox"/>
2. Name of Operator MERRION OIL & GAS CORPORATION		6. State Oil & Gas Lease No. TO BE COMMUNITIZED
3. Address of Operator 610 REILLY AVENUE, FARMINGTON, NEW MEXICO 87401		7. Lease Name or Unit Agreement Name BLACKROCK C
4. Well Location Unit Letter <u>C</u> : <u>990</u> feet from the <u>North</u> line and <u>1650</u> feet from the <u>West</u> line Section <u>21</u> Township <u>26N</u> Range <u>11W</u> NMPM <u>San Juan</u> County		8. Well Number 001
11. Elevation (Show whether DR, RKB, RT, GR, etc.)		9. OGRID Number 014634
		10. Pool name or Wildcat GALLEGOS GALLUP (26980)

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** ☒

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.

7/18/03 RU BJ Services and hold safety meeting. Pressure test pumps and lines to 6,000#. Spearhead 350 gal of 15% HCl with Iron control, Corrosion inhib., non-emulsifier and shale inhibitor. Saw break at 3620 psi while pumping 18 bpm. Cool down CO₂ pumps. Pumped 2394 gal of 20# gel pad in 70 Quality CO₂. Frac well with 93,780# of 20/40 Brady and 8240# of "Flex Sand" in 20# gel 70 Quality CO₂ foam. Pumped sand in 1,2 & 3 ppg stages. Note: Pumped "Flex Sand" to be 12% of volume in 3 ppg stage. Displace frac with 45 bbls of 20# gel. ISIP: 210 psi. SWI, RD BJ Services. AIR: 30 bpm, MIR: 33 bpm, ATP: 3978 psi, MTP: 4535 psi. Job completed at 11:40 hrs 7/18/03. Total fluid pumped: 572 bbls. Total CO₂ pumped: 160 tons. RU flow back manifold. Open well at 15:45 hrs 7/18/03. Initial pressure was ~200 psi. After 1.5 hours pressure was down to 0 psi. Monitored well for additional 2 hrs. Well stayed at 0 psi. SWI. SD over weekend.

7/21/03 RU "Flare 99" coiled tubing unit and American Energy Services nitrogen truck. Found well dead. RIH with 3/8" coiled tubing. Start nitrogen at ~500'. Hit sand/fill at ~4980'. CO sand down to bottom perf at 5278'. Blow well with nitrogen from 5278' and let well clean up. Well making sand with some water/oil. Continue cleaning out down to RBP at 5383'. Blow well clean with nitrogen. POOH with coiled tubing. Well flowing thru 1/4" choke at 25 psi. Well making mostly gas with some oil/water. RD coiled tubing unit and nitrogen truck. SDON with night watch. Left well flowing at 25 psi to flowback tank.

**** 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 Drlg & Prod Manager DATE August 4, 2003

Type or print name Steven S. Dunn E-mail address: sdunn@merrion.bz Telephone No. (505) 327-9801

(This space for State use)

APPROVED BY [Signature] TITLE DEPUTY OIL & GAS INSPECTOR, DIST. DATE AUG - 5 2003

Conditions of approval, if any:

7/30/03 Slowly bleed pressure off casing to flow back tank. TOH LD overshot. PU mud anchor, perforated sub and seating nipple. RIH on 180 joints of 2-3/8", 4.7#, EUE, J-55 tubing, bottom of tubing landed at 5719.48' KB, seating nipple at 5699.18' KB. (Note: Left 4 joints of 2-3/8" tubing, crossover, ret. head and RBP in well.) Top of fish at 5925' KB, bottom of fish at 6055' KB; land tubing with donut in well head. ND BOP and NU WH. Ready rig to run rods. Run 2" x 1 1/4" x 12' RHAC pump on 40 each 3/4" plain rods, 120 each 5/8" plain rods and 62 each 3/4" scraper rods. Install polish rod, polish rod liner and stuffing box, seat and space out pump. Load tubing with 22 bbls of produced water. Pressure test tubing/pump - held OK. Check pump action with rig - pumped OK. NU horsehead, bridle and hang off rods. Well ready to start pumping. Load left over tubing and rods. RD flow back tank/lines. Will rig down and MOL in morning. (Note: roustabouts will finish flow line to separator in morning as soon as rig is off location.) FINAL REPORT.