

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

RECEIVED

FORM APPROVED
Budget Bureau No. 1004-0135
Expires: March 31, 1993

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir.

Use "APPLICATION FOR PERMIT--" for such proposals.

SUBMIT IN TRIPLICATE

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

2. Name of Operator

Merrion Oil & Gas Corporation (14634)

3. Address and Telephone No.

610 Reilly Avenue, Farmington, NM 87401-2634

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

1850' FSL & 1555' FEL
Section 29, T 25N, R 9W

5. Lease Designation and Serial No.

SF-078309 /

6. If Indian, Allottee or Tribe Name

7. If Unit or CA, Agreement Designation

8. Well Name and No.

FEDERAL 29 1 E /

9. API Well No.

30-045-26999 /

10. Field and Pool, or Exploratory Area

White Wash Mancos - Dakota /

11. County or Parish, State

San Juan County,
New Mexico /

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

TYPE OF SUBMISSION

☒ Notice of Intent☐ Subsequent Report☐ Final Abandonment Notice

TYPE OF ACTION

☐ Abandonment (Temporary)☐ Recompletion☐ Plugging Back☐ Casing Repair☐ Altering Casing☒ Other Add Zone☐ Change of Plans☐ New Construction☐ Non-Routine Fracturing☐ Water Shut-Off☐ Conversion to Injection☐ Dispose Water(Note: Report results of multiple completion on
Completion or Recompletion Report and Log form.)

13. Describe Proposed or completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

Merrion Oil & Gas proposes to recomplete the Federal 29 1E and to commingle the Basin-Dakota (prorated gas-71599) and the White Wash Mancos-Dakota (oil-64290) pools. The commingling has been approved by administrative order DHC-3170. The recompletion will take place according to the attached procedure.

CONDITIONS OF APPROVAL
Adhere to previously issued stipulations.

14. I hereby certify that the foregoing is true and correct

Signed

Title Production Engineer

Date 8/11/03

Connie S. Dinning

(This space for Federal or State office use)

CHIP HARRADEN

Approved By

Title

NMOCD Acting Team Lead

Date

9/4/03

Conditions of approval, if any:

District I

1625 N. French Dr., Hobbs, NM 88240

District II

811 South First, Artesia, NM 88210

District III

1000 Rio Brazos Rd., Aztec, NM 87410

District IV

2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION
2040 South Pacheco
Santa Fe, NM 87505

Form C-102

Revised August 15, 2000

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

☐ AMENDED REPORT**WELL LOCATION AND ACREAGE DEDICATION PLAT**

¹ API Number 30-045-26999	² Pool Code 64290	³ Pool Name White Wash Mancos-Dakota
⁴ Property Code 007789	⁵ Property Name Federal 29	⁶ Well Number 1E
⁷ OGRID No. 014634	⁸ Operator Name Merrion Oil & Gas	⁹ Elevation 6711' GR

¹⁰ Surface Location

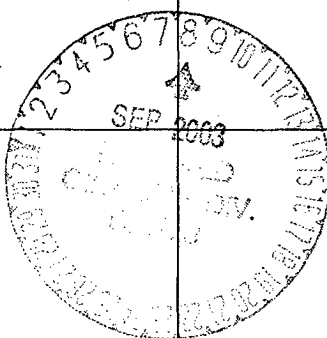
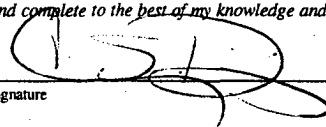
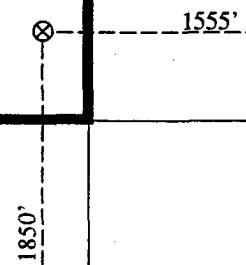
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
J	29	25N	9 W	NW SE	1850	South	1555	East	San Juan

¹¹ Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

¹² Dedicated Acres 40	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
-------------------------------------	-------------------------------	----------------------------------	-------------------------

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A
 NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

<div style="writing-mode: vertical-rl; transform: rotate(180deg);"> RECEIVED 2003 AUG 12 AM 10:58 070 Farmington, NM </div>	<div style="text-align: center;">  </div>		¹⁷ OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.  Signature Connie S. Dinning Printed Name Production Engineer Title August 7, 2003 Date
	<div style="text-align: center;"> Federal 29 No. 1E SF-078309 </div> <div style="text-align: center;">  </div>		¹⁸ SURVEYOR CERTIFICATION I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief. Date of Survey Signature and Seal of Professional Surveyor: Certificate Number

Merrion Oil & Gas Corporation

Workover Procedure

July 30, 2003

Well:	Federal 29 No. 1E	Field:	Basin Dakota
Location:	1850' fsl & 1555' fel Sec. 29, T25N, R9W, NMPM San Juan County, New Mexico	Elevation:	6,711' GR 6,724' KB
		By:	Catlain Nee

Procedure:

Note: All Fluids to be 4% KCl based.

Prior to Move In

1. Check wellsite for anchors.
2. Open tubing and casing to production line to equalize. *Note: Plunger lift equipment is in tubing.*
3. Haul pumping unit, engine and rods to Federal 29 No. 1E. Prepare material transfers for all equipment moved to well.
4. Haul in 10 jts. 2 3/8" tubing.
5. Order in frac/test tank w/ riser, working external gauges & two good 4" valves. Fill w/ 4% KCl city water or filtered water (refer to fracture stimulation design for required useable volume).

Pull Tubing, Log, and Isolate Dakota

1. MIRU workover rig, POH w/ tbgr.
2. RIH w/ 4 1/2" casing scraper to PBTD at $\pm 6473'$ KB.
3. POH and LD tbgr.
4. MIRU wireline company. Run Gamma Ray Correlation Log from PBTD @ $\pm 6473'$ to 5330' KB, from 4550' to 3525' KB, and from 2070' to 1870' KB.
5. RIH w/ RBP, set @ $\pm 5870'$ KB. Dump 5' sand on top of RBP.
6. Load hole with 4% KCl water and pressure test to 3500 psi.

Perf & Ball off Gallup

1. Run dump bailer and spot 15 gallons of 15% HCl over bottom perms: 5626-5614' KB.
2. Perforate Gallup with 3 1/8" casing gun, w/ one select fire shot per foot per Federal 29 No. 1E Density/ Compensated Neutron Log dated 10/3/88 as follows:

5348', 5352', 5360', 5364', 5368', 5372', 5376', 5380', 5402', 5456', 5458', 5502', 5504', 5506', 5518', 5536', 5538', 5542', 5564', 5566', 5624'. **21 total holes.**

3. TIH w/ tubing and packer. Spot 200 gallons of 15% HCl across perms.
4. Pull up and set packer @ $\pm 5345'$ KB.
5. Pump 300 gallons 15% HCl and 32 RCN ball sealers down tubing.

6. Attempt to ball off to 3500 psi.
7. Release packer and knock off balls.
8. Re-set packer @ $\pm 5345'$ KB and swab well down.
9. Release packer and POH.
10. RIH w/ junk basket and recover ball sealers.

Fracture Stimulation

1. RU frac crew. Fracture stimulate the Gallup formation with 70 Quality foam with 20# X-Linked base gel and a total of 100,000 lbs. of 20/40 mesh Brady sand (detail design to be provided).
2. Shut well in. RU flowback manifold to test tank. SI well for ± 4 hrs to allow gel to break.
3. Blow back on $\frac{1}{4}"$ positive flow choke, and flow well to clean up.

Pull RBP and Run Production String

1. RIH w/ 2 $\frac{3}{8}"$ tbg w/ retrieving head and retrieve RBP @ $\pm 5870'$ KB. CO w/ air package or hydrostatic bailer pending presence of fluid.
2. If fill in rathole, round trip and bail out fill.
3. Run production tubing string with mud anchor (open ended), perf sub and seating nipple. Land production tubing with top of perf sub at or below bottom of Dakota perfs at approximately 6,406' KB (Bottom perf @ 6,406' KB).
4. Nipple down BOPs. Pick up 1 $\frac{1}{4}"$ pump and run in hole on rods as follows:

40 ea. $\frac{3}{4}"$ plain
 129 ea. $\frac{5}{8}"$ plain
 56 ea. $\frac{3}{4}"$ plain
 72 ea. $\frac{3}{4}"$ scraped

5. Seat pump, space out and clamp off.
6. RDMO.
7. Hang polished rod on and start pumping.
8. Check for pump action. If none or weak, load tubing and check for pump action.
9. Monitor production and carry on morning report for two weeks minimum.

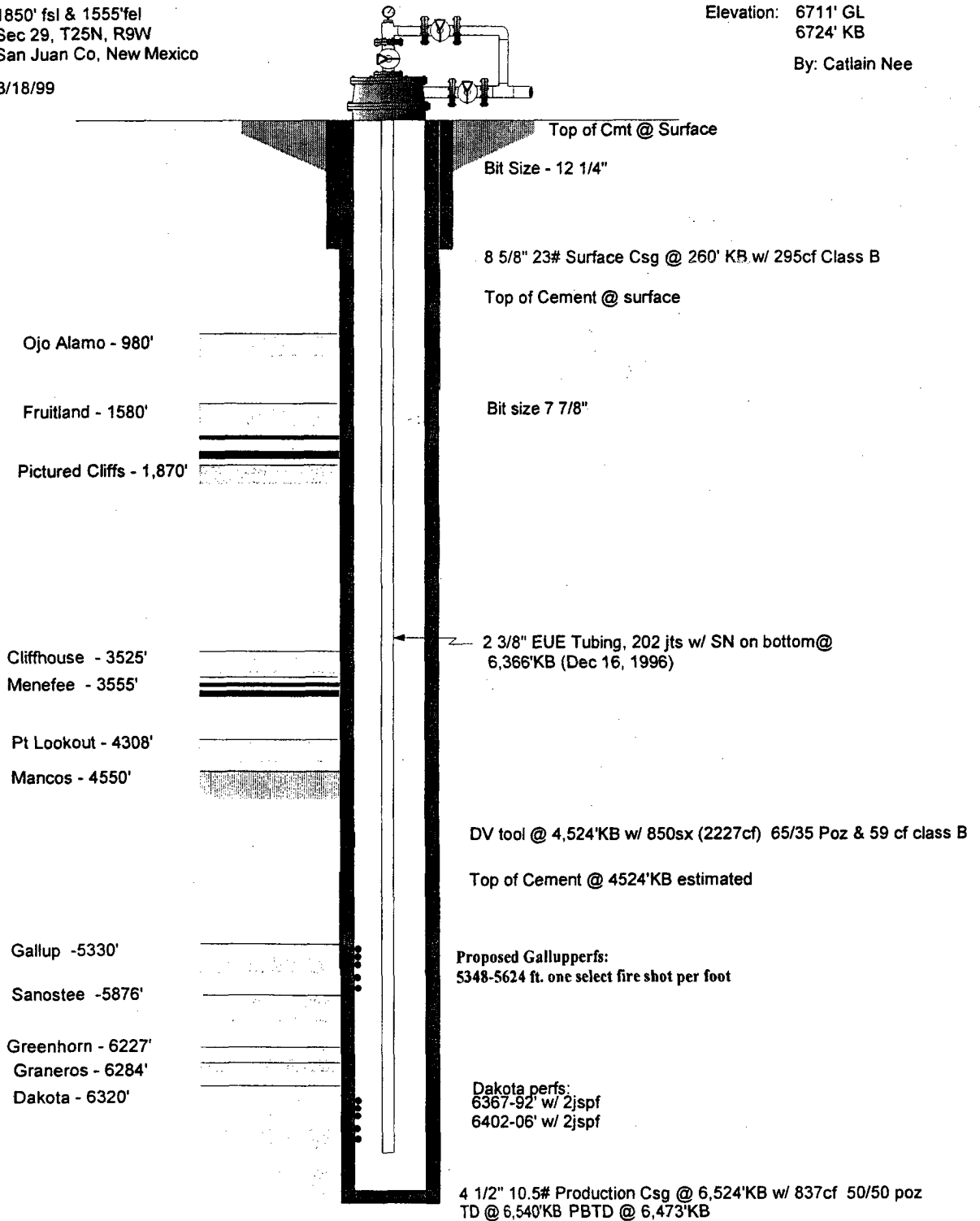
Merrion Oil & Gas Corporation Wellbore Schematic Federal 29 No. 1E

Location: 1850' fsl & 1555'fel
Sec 29, T25N, R9W
San Juan Co, New Mexico

Date: 3/18/99

Elevation: 6711' GL
6724' KB

By: Catlain Nee





NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON

Governor

Joanna Prukop

Cabinet Secretary

Lori Wrotenberg

Director

Oil Conservation Division

ADMINISTRATIVE ORDER DHC-3170

Merrion Oil and Gas Corporation
610 Reilly Avenue
Farmington, New Mexico 87401

A handwritten signature in black ink, appearing to read "Lori Wrotenberg".

2) Well File

Attention: Mr. George F. Sharpe

Federal "29" Well No. 1E

API No. 30-045-26999

Unit J, Section 29, Township 25 North, Range 9 West, NMPM,

San Juan County, New Mexico

Basin-Dakota (Prorated Gas - 71599), and

White Wash Mancos-Dakota (Oil - 64290) Pools

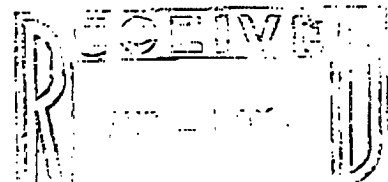
Dear Mr. Sharpe:

Reference is made to your recent application for an exception to Rule 303.A. of the Division Rules and Regulations to permit the above described well to commingle production from the subject pools in the wellbore.

It appearing that the subject well qualifies for approval for such exception pursuant to the provisions of Rule 303.C., and that reservoir damage or waste will not result from such downhole commingling, and correlative rights will not be violated thereby, you are hereby authorized to commingle the production as described above and any Division Order which authorized the dual completion and required separation of the zones is hereby placed in abeyance.

The maximum amount of oil and gas that may be produced daily from the well shall be determined by Division Rules and Regulations.

The applicant shall consult with the supervisor of the Aztec District Office of the Division upon completion and testing of the well in order to determine a fixed allocation of production from each of the commingled zones. Upon approval by the Division's Aztec District Office, the applicant shall submit the allocation formula to the Santa Fe Office of the Division.



Administrative Order DHC-3170

Merrion Oil & Gas Corporation

July 28, 2003

Page 2

REMARKS: The operator shall notify the Aztec District Office of the Division upon implementation of commingling operations.

Pursuant to Rule 303.C.(2), the commingling authority granted herein may be rescinded by the Division Director if conservation is not being best served by such commingling.

Approved at Santa Fe, New Mexico on this 28th day of July, 2003.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION

Lori Wrotenbery by DRC
LORI WROTENBERY
Director

LW/DRC

cc: Oil Conservation Division – Aztec
Bureau of Land Management-Farmington