

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

Form C-103
May 27, 2004

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

WELL API NO. 30-045-34405
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name HEIGHTS COM
8. Well Number 1Z
9. OGRID Number 014634
10. Pool name or Wildcat BASIN DAKOTA

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.)

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

2. Name of Operator
MERRION OIL & GAS CORPORATION

3. Address of Operator
610 REILLY AVENUE, FARMINGTON, NM 87401

4. Well Location
Unit Letter **A** : **637** feet from the **North** line and **753** feet from the **East** line
Section **35** Township **30N** Range **13W** NMPM San Juan County

11. Elevation (Show whether DR, RKB, RT, GR, etc.)
5696

Pit or Below-grade Tank Application ☐ or Closure ☐

Pit type _____ Depth to Groundwater _____ Distance from nearest fresh water well _____ Distance from nearest surface water _____

Pit Liner Thickness: _____ mil Below-Grade Tank: Volume _____ bbls; Construction Material _____

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 COMPL ☐

OTHER: ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING OPNS. ☐ P AND A ☐
CASING/CEMENT JOB ☐

OTHER: Completion ☒

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.

1/16/08 MOL & RU Hurricane Well Service Rig #6 on 1/16/08. Nipple up BOP, RIH with 3.875" bit, sub, seat nipple and 51 joints. SDON.

1/17/08 RIH with 144 joints and tag up on cement @ 4775' KB. Begin reversing out cement with swivel, bit became plugged. POOH, bit clogged with metal from DV tool. Clear bit and RIH and finish drilling DV tool and RIH to 4970'. Pull 10 stands and SDON.

1/18/08 TOH. PU casing scrapper and TIH. Tag up at 7084'. PU power swivel and drill out/ clean out down to float collar at 7104'. Drill out float collar and shoe joint down to 7125' KB (Bottom of casing at 7126' KB, PBTD: 7135' KB). Circulate hole clean w/ 2% KCL. Lay down power swivel and start laying down tubing. Laid down 99 jts of tubing. Running out of daylight. Drain pump and lines. SWI, secure location & SDON.

1/19/08 Finish laying down tubing. ND BOP and NU WH. RD and ready rig to move. Note: Unable to heat frac water until Jan 29/30th. Re-schedule frac for Jan 31st

CONTINUED NEXT PAGE

RCVD FEB 1 '08
OIL CONS. DIV.
DIST. 3

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines ☐, a general permit ☐ or an (attached) alternative OCD-approved plan ☐.

SIGNATURE [Signature] TITLE Drilling & Production Manager DATE 1/31/2008

Type or print name STEVEN S. DUNN E-mail address: sdunn@merrion.bz Telephone No. 505-324-5300
For State Use Only Deputy Oil & Gas Inspector,
District #3

APPROVED BY: [Signature] TITLE _____ DATE FEB 04 2008
Conditions of Approval (if any):

PAGE TWO
ATTACHMENT TO FORM C103
HEIGHTS COM No. 1Z

1/23/08

Had WSI ND WH and install 5K frac valve. RU Weatherford Wireline and RIH w/ GR/CCL from 7118' KB to 6000'. RIH w/ CIBP and set at 7115' KB. RU Pace and pressure test casing and frac valve to 4000 psi – held OK. RIH w/ 3-1/8" casing gun and perforate the Dakota formation as follows: 7075' – 7084' (3 spf, 27 holes, EHD: 0.43"), 7010' – 7064' (2 spf, 108 holes, EHD: 0.34") & 6996' – 7002' (3 spf, 18 holes, EHD: 0.43"). 153 total holes. RD Weatherford. Note: 18 tanks on location, should be full w/ 2% KCL by 1/24/08. Will start heating tanks on Tuesday 1/29/08. Frac scheduled 1/31/08.

1/29/08

Found well with 0 psi. RU Weatherford acid pump and wireline crew. Hold safety meeting. Pressure test pump and lines to 4800 psi. Load and break Dakota formation with 15 bbls of 2% KCl. Formation broke at 2217 psi while pumping 5 BPM. Pump 1500 gals of 15% HCl acid with 230 x 1.3 SG bio ball sealers. Displace acid with 108 bbls of 2% KCl. Pump rate was ~12 BPM. Saw good ball action from 1110 psi up to 1700 psi but did not get complete ball off. Displace acid into formation with additional 20 bbls of 2% KCl. ISDP: 315 psi, 5 mins: well was on vacuum. RD acid line/truck. RIH with junk basket to PBTD, did not recover any balls. SWI. Frac scheduled for 08:00 hrs 1/30/08. MoTe finished heating tanks/frac water. Well ready to frac. Secure location & SDON.