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

WELL API NO. **30-045-29573**

5. Indicate Type of Lease **FEDERAL**
STATE ☐ FEE ☐

6. State Oil & Gas Lease No. **DHC 1278A2**

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.)

7. Lease Name or Unit Agreement Name **PANTHER**

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

8. Well Number **1**

2. Name of Operator **MERRION OIL & GAS CORPORATION**

9. OGRID Number **014634**

3. Address of Operator **610 Reilly Avenue, Farmington, New Mexico 87401**

10. Pool name or Wildcat **BASIN FRUITLAND COAL**

4. Well Location

Unit Letter **M** : **990** feet from the **South** line and **1255** feet from the **West** line

Section **25** Township **30N** Range **13W** NMPM **San Juan** County

11. Elevation *(Show whether DR, RKB, RT, GR, etc.)* **5660' GR**

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:				SUBSEQUENT REPORT OF:			
PERFORM REMEDIAL WORK	☐	PLUG AND ABANDON	☐	REMEDIAL WORK	☐	ALTERING CASING	☐
TEMPORARILY ABANDON	☐	CHANGE PLANS	☐	COMMENCE DRILLING OPNS.	☐	PLUG AND ABANDONMENT	☐
PULL OR ALTER CASING	☐	MULTIPLE COMPLETION	☐	CASING TEST AND CEMENT JOB	☐		
OTHER:	☐			OTHER: **Commingled**	☒		

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.

10/8/03 RU Dyna Coil and pull 5/8" injection string. RD Dyna Coil. MIRU Jimmy's Swabbing Service rig. Spot pump & pit. Spot frac tanks and start filling with 2% KCl water (city water). Will pull tubing, set plug and perforate on 10/9/03. Frac scheduled on 10/11/03.

10/9/03 MIRU Jimmy's Well Service rig 10/9/03. Killed well with 10 bbls 2% KCl water. Removed wellhead. NU BOP. TOOH with 52 joints and 2' sub 2-3/8" 4.7# J-55 EUE tbg. Down 1 hr, air control on slips failed. RU Blue Jet Wireline. RIH with wireline set RBP, stopped @ 1669.5', set RBP @ 1668'. RIH with dump bailer and spotted 2' sand on top of RBP. RD Blue Jet, RIH with 5 joints tbg. Loaded hole and tested RBP and casing to 1000 psi -held OK. ND BOP and removed tubing head. Installed FMC Service 4-1/2" frac valve. RU Blue Jet, RIH and perforated 1636-1659' with 3 x 0.34" hole per ft. RD Blue Jet. Secured well and SIFN.

***** 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 **October 16, 2003**

Type or print name **Steven S. Dunn** E-mail address: Telephone No. **505.327.9801**

(This space for State use)

APPPROVED BY _____ TITLE DEPUTY OIL & GAS INSPECTOR, DIST. #3 DATE OCT 17 2003

Conditions of approval, if any:

DHC 1278 A2

10/11/03 RU Halliburton Energy Services. Held safety meeting. Pressure test pumps and lines to 4500#. Pumped 250 gal of 15% HCl at 4 BPM saw break at 662 psi. Pumped 15,000 gal 20# x-link gel pad. Frac well with approx. 80,000# of 20/40 Brady sand in 20# x-link gel (Delta 140 Fluid). Pumped sand in 1, 2, 3 & 4 ppg stages with sand wedge additive. AIR: 26.6 BPM, MIR: 33.3 BPM, ATP: 1514#, MTP: 1810#. Job complete @ 08:25 hrs 10/11/03. RD Halliburton Energy Services. Total fluid pumped 1033 bbls. Opened well thru 1/4" choke to flow back tank at 10:00 hrs 10/11/03. Well blew down immediately. Secure location and left well open to flow back tank. Note: Well start clean out on Monday morning. Will have night watch on location.

10/13/03 Found well dead. Remove frac valve and install wellhead. NU BOP. PU retrieving head, RIH on 2-3/8" tubing. Tag up on sand/fill at 1560'. RU pump and lines. Break circulation with produced water. Circulate out frac sand down to 1640' and hit hard spot. Attempted to rotate down with tongs very little progress. Install tubing swivel and rotate down thru hard spot. Continued cleaning out hard sand down to RBP (well continued to circulate good thru perforated interval). Latch onto RPB and open unloader. Let well equalize, pull RBP free and TOH. Lay down RBP. Shut well in, secure location and SDON. Note: Noticed tight spot in casing from 1640' – 1645'. Had to rotate thru to get down and pulled 15K over to get back up.

10/14/03 Found well with ~50 psi, bleed pressure down. TIH with pump bailer. Tag fill at 1676'. Clean out down to 1711' before bailer quit. TOH and clean out tubing/bailer. TIH finished cleaning out to PBTD (1771'). TOH and clean out bailer/tubing. Note: hydraulic pump quit, unable to use tongs (used pipe wrench, very slow going). SWI, secure location & SDON.

10/15/03 Found well with ~10 psi. Bleed pressure down. TIH with cut off tail joint, seating nipple and 54 joints of 2-3/8", J-55, 4.7# tubing, landed bottom of tubing at 1742' KB, seating nipple at 1721' KB. Land tubing with donut in well head. ND BOP and NU WH. RUTS. Made 8 swab runs. Initial fluid level was ~1500'. Well swabbed down after 8 runs. Recovered approx. 2 to 3 bbls of fluid. RD swabbing equipment. PU 2" x 1-1/4" x 12' RHAC insert pump and RIH on 67 each ¾" plain rods and 1 each 8', 1 each 6' and 1 each 4' pony subs. Install polish rod and stuffing box. Seat and space out pump. NU horsehead and bridle and hang off rods. Load tubing with produced water and pressure test tubing to 500 psi – held OK. Had Roustabouts realign pumping unit and re-manifold tubing/casing valves to flowlines. RDMOL.