

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
June 19, 2008

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

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 <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other	WELL API NO. 30-039-08089
	5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
2. Name of Operator Merrion Oil & Gas Corp	6. State Oil & Gas Lease No. E-291-5 RCVD OCT 1 '08
3. Address of Operator 610 Reilly Ave, Farmington, NM 87401	7. Lease Name or Unit Agreement Name OIL CONS. DIV.
4. Well Location Unit Letter <u>O</u> : <u>790</u> feet from the <u>South</u> line and <u>1470</u> feet from the <u>East</u> line Section <u>32</u> Township <u>26N</u> Range <u>6W</u> NMPM County <u>Rio Arriba</u>	8. Well Number <u>DIST. 3</u> #1
	9. OGRID Number 14634
	10. Pool name or Wildcat Otero Chacra/ S. Blanco PC
	11. Elevation (Show whether DR, RKB, RT, GR, etc.) 6221'

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

NOTICE OF INTENTION TO: PERFORM REMEDIAL WORK <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> TEMPORARILY ABANDON <input type="checkbox"/> CHANGE PLANS <input type="checkbox"/> PULL OR ALTER CASING <input type="checkbox"/> MULTIPLE COMPL <input type="checkbox"/> DOWNHOLE COMMINGLE <input type="checkbox"/> OTHER: <input type="checkbox"/>	SUBSEQUENT REPORT OF: REMEDIAL WORK <input checked="" type="checkbox"/> ALTERING CASING <input type="checkbox"/> COMMENCE DRILLING OPNS. <input type="checkbox"/> P AND A <input type="checkbox"/> CASING/CEMENT JOB <input type="checkbox"/> OTHER: <input type="checkbox"/>
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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.

9/17/08 MIRU Mesa Rig #203. ND WH, NU BOP. TOOHH w/ 2-3/8" tbg. RIH w/ csg scraper, run scraper. TIH w/ 35 jts, ran into tight spot @ 2727'. Rotated and worked up and dn. TOOHH w/ 14 jts and made 14 swab runs, swabbed approx 40 bbls. CSG cam up to 40# while swabbing. Blew dn csg and fluid level remaind @ 1600. TOOHH w/ tbg. And csg scraper. TIH w/ tbg & CBP to 2280'. TOOHH picked up pkr and TIH to 2251'. Set pkr a jt off of CBP and PT. Whole isolated at 2189' to 2222' (at TOC). 9/19/08 notified Kelly Roberts with NMOCD of the csg. leak. Dumped sand and pulled pkr up to 1970'. MIRU cementers, est inj rate of 1 bpm @ 800#. Pumped 20 bbls of class G cmnt w/ 2% CACL2 mixed @ 14.25 ppg, 1.4 yield, displaced with 6.25 bbls. Cmnt was circ up backside of the csg. Pump truck lost prime 20 bbls in and could not get cmnt to move after it had equalized. Reversed 12 bbls and washed out. New TOC at 1800'. TIH w/ bit, tagged light cmnt @ 1650', hard cmnt @ 1930'. D/O 310' of good cmnt to 2238'. C/O hole and PT tp 600 PSI, held. 9/23/08 Loaded hole and PT tp 500 PSI for 1 hour, held. Made round trip w/ csg scraper to RBP. TIH and C/O tp RBP w/ 2% KCL. Performed successful dry test. Release RBP & TOOHH. TIH W/ 76 JTS 2-3/8" 4.70# J-55 TBG & LANDED AT 2377' W/ SN @ 2315.46'. Made 10 2.5 bbl runs, fluid stabilize @ 2000'. TIH w/ 10 jts of tbg to increase run vol. Made 40 total swab runs making a total of 72 bbls over a 6.5 hr period. TOOHH w/ 10 jts of tbg. 9/25/08 ND BOP, NU WH. RIH w/ 2"x1-1/4"x12' RHAC pump & rods. Hung rods off @ WH. RD & RELEASED RIG.

Spud Date:

Rig Release Date:

9/25/2008

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

SIGNATURE Philana Thompson TITLE Regulatory Compliance Specialist DATE 9/30/2008

Type or print name Philana Thompson

E-mail address: pthompson@merrion.bz

PHONE: 505-324-5336

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APPROVED BY: Felix G. Rios

TITLE

Deputy Oil & Gas Inspector,
District #3

DATE OCT 08 2008

Conditions of Approval (if any):