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NEW MEXICO OIL CONSERVATION COMMISSION

Form C-103
Supersedes Old
C-102 and C-103
Effective 1-1-85

5a. Indicate Type of Lease	
State <input checked="" type="checkbox"/>	Fee <input type="checkbox"/>
5. State Oil & Gas Lease No. E-29137	

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. OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER- <input type="checkbox"/>		7. Unit Agreement Name	
2. Name of Operator Merrion Oil & Gas Corporation		8. Farm or Lease Name Canyon Largo Unit	
3. Address of Operator P. O. Box 1017, Farmington, New Mexico 87499		9. Well No. 321	
4. Location of Well UNIT LETTER <u>A</u> <u>790</u> FEET FROM THE <u>North</u> LINE AND <u>790</u> FEET FROM THE <u>East</u> LINE, SECTION <u>32</u> TOWNSHIP <u>25N</u> RANGE <u>6W</u> NMPM.		10. Field and Pool, or Wildcat Devils Fork Gallup Assoc	
15. Elevation (Show whether DF, RT, GR, etc.) 6801 KB, 6788 GL		12. County Rio Arriba	

Check Appropriate Box To Indicate Nature of Notice, Report or Other Data NOTICE OF INTENTION TO: SUBSEQUENT REPORT OF:

PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>	PLUG AND ABANDONMENT <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	OTHER <u>Well History</u> <input type="checkbox"/>	CASING TEST AND CEMENT JOBS <input type="checkbox"/>	OTHER <input type="checkbox"/>

17. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work) SEE RULE 1703.

Well history attached.

RECEIVED
MAY 3-1983
OIL CON. DIV.
DIST. 3

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

SIGNED [Signature] TITLE Operations Manager DATE 5/3/83

APPROVED BY Original Signed by FRANK T CHAVEZ TITLE SUPERVISOR DISTRICT # 3 DATE MAY 4 1983

CONDITIONS OF APPROVAL, IF ANY:

MERRION OIL & GAS CORPORATION

Canyon Largo Unit 321
Sec. 32, T25N, R6W
Rio Arriba County, New Mexico

- 3/31/83 Move in, rig up Bayless Rig 5. TD 220'. Current operations - tripping out of hole to run surface casing. Set 210' of 8-5/8" casing @ 224' KB with 175 sx of Class B 2% CACL.
- 4/1/83 TD 1900'. Current operation drilling. Mud wt. 8.8, Vis 35, Water loss 6.
- 4/2/83 TD 3210'. Current operations circulating. Surveys: 2013 - 1-1/2°, 2507 - 1-1/2°. Mud wt. 8.8, Vis. 40, Water Loss 6.4.
- 4/3/83 TD 3664. Current operations drilling. Mud wt. 8.9, Vis. 39, Water loss 5.4.
- 4/4/83 TD 4294'. Current operation drilling. Surveys: 4224 - 2°, 3706 - 2°. Mud wt. 8.9, Vis. 39. Water Loss 5.4.
- 4/5/83 TD 4837'. Current operation drilling. Mud wt. 9.1, Vis. 38, Water Loss 6. Survey: 4800' - 2°.
- 4/6/83 TD 4837. Current operation fishing. Mud wt. 9.1, Vis. 38, Water loss 6. Survey: 4800' - 2°.
- 4/7/83 TD 5272. Current operation drilling. Mud wt. 9.1, Vis. 38, Water Loss 6.8. Survey: 4944' - 1/4°.
- 4/8/83 TD 5736. Current operation drilling. Mud wt. 9.1, Vis. 45, Water Loss 6.5. Survey: 5567' - 1°.
- 4/9/83 TD 6197. Current operation drilling. Mud wt. 9.1, Vis. 55, Water Loss 6.8. Survey: 1° @ 6057.
- 4/10/83 TD 6420. Current operations logging. Mud wt. 9.1, Vis. 250. Water Loss 7.0. Survey 6420' - 1-1/2°.
- 4/10/83 Trip out of hole to 2995' KB and circulate to condition. Raise viscosity to 250 sec. viscosity. Trip out of hole with drill pipe and collars. Rig up Welex to log. Ran Induction log from 6432' KB to 212' KB. Ran Compensated Density log from 6434' KB to 4100' KB, from 3600' KB to 3050' KB and from 2700' to 2200' KB. Rig down logger and trip in hole. No fill or bridges. Trip out of hole laying down drill pipe and collars. Prepare to run casing.
- 4/11/83 Drillers TD 6424' KB. Loggers TD 6430' KB.

ITEM	LENGTH	DEPTH ' KB
Bakerline Guideshoe	1'	6425'
1 jt. 4.5" 11.6 #/ft shoe joint	41.21'	
Bakerline Diff. fill float collar	1.68'	6381.11'
27 jts. 4.5" 11.6 #/ft. csg.	1138.34'	
Bakerline Stage Tool	1.68'	5241.09'
129 jts. 4.5" 11.6 #/ft. csg.	5244.26	3.17' above KB.

157 joints 4.5" 11.6 #/ft total casing 6428.17'.
Found TD with casing @ 6430' KB. Set casing 5' off bottom @ 6425' KB. Circulate with casing on bottom for 2 hours to lower mud viscosity to 55 - 65 sec. viscosity and cement 1st stage as follows:

Pumped 20 Bbls water ahead. Mix and pump 225 sx Class H with 2% D-20 yield 1.22 cu. ft./sk., density 15.4, 48 Bbls of slurry. Shut down wash up pump and lines. Drop plug. Displace with 16 Bbls water and 83 Bbls of drilling mud. Total displacement of 99 Bbls. Bump plug to 1500 PSI, bled off. Float holding good. Drop opening bomb - wait 20 minutes. Pumped to open stage tool. Rig circulate 3 hours and 45 minutes.

2nd Stage:

Pump 20 Bbls water ahead. Mix and pump 700 sx Class B cement with 2% D-79. Yield 2.06 cu. ft./sk. Density 12.5, 197 Bbls. Also mix and pump 100 sx Class H 2% D-20, yield 1.22 cu. ft./sk. Density of 15.4 cu. ft./sk. Shut down. Wash up pump and lines. Drop plug, displace with 81.3 Bbls of water. Bump plug to 2500 PSI, bled pressure off. Tool holding. Good circulation throughout the job. Circulated approximately 1.5 Bbls of good cement. Rig down cementers. Set slips as cemented. Cut-off casing. Rig down Bayless Rig No. 5.

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Rio Arriba County, New Mexico

- 4/26/83 Complete surface installation cost for labor \$4,500.00.
Move in, rig up Star W. Well Service. Start trip in hole with bit, casing scraper and 2-3/8" tubing. Shut down overnight.
- 4/27/83 Trip in hole with bit, casing scraper and 2-3/8" tubing. Drilled out the stage tool @ 5241' KB. Pressure test to 4500 PSI with Western Company. Held good. Trip in hole to 6375' KB and reverse circulated the hole clean. Pulled up to 6350' KB and pressure tested to 4500 PSI with Western Company. Rolled the hole with a 10 Bbl gel plug. Loaded the hole with lease crude and spotted 300 Gal. 15% HCL, 1 gal/1000 Aquaflow. Trip out of hole with tubing, bit and scraper. Rig up Geosource and ran Gamma-Ray Correlation Log from 6375' KB, PBTD, to 4400' KB. Perforated Gallup with select fire guns per Induction Log as follows:
5984, 5994, 6003, 6011, 6039, 6055, 6083, 6085, 6087, 6203, 6214, 6226, 6240, 6274, 6294, 6313, 6316, 6320, 6345' KB. Total of 19 holes. Rig down perforators. Shut down overnight.
- 4/28/83 Trip in hole with straddle tools on 2-3/8" tubing to breakdown perfs as follows:
1 hole, 6345' KB, broke @ 2500 PSI, pump @ 2800 PSI, 2 BPM. ISIP 1700 PSI.
3 holes, 6313, 6316, and 6320' KB, broke @ 2300 PSI, pump in @ 2700 PSI, 2 BPM. ISIP 1850 PSI.
1 hole, 6294' KB, broke @ 4000 PSI, pump in @ 4500 PSI, 1/2 BPM, ISIP 2000 PSI.
1 hole, 6274' KB, broke @ 2600 PSI, pump in @ 3100 PSI, 2 BPM, ISIP 2000 PSI.
1 hole, 6240' KB, broke @ 2200 PSI, pump in @ 2750 PSI, 2 BPM, ISIP 1850 PSI.
1 hole, 6226' KB, broke @ 3200 PSI, pump in @ 3050 PSI, 2 BPM, ISIP 1600 PSI.
1 hole, 6214' KB, broke @ 2200 PSI, pump in @ 2800 PSI, 2.8 BPM, ISIP 0 PSI - communicated up.
1 hole @ 6203' KB, broke @ 1000 PSI, pump in @ 2800 PSI, 2.1 BPM, ISIP 1700 PSI.
3 holes, 6083, 6085, and 6087' KB, broke @ 1800 PSI, pump in @ 1600 PSI, 3 BPM, ISIP 600 PSI.
1 hole @ 6055' KB, broke @ 1000 PSI, pump in @ 2400 PSI, 2.3 BPM, ISIP 400 PSI.
1 hole @ 6039' KB, broke @ 500 PSI, pump in @ 2400 PSI, 2.8 BPM, ISIP 400 PSI.
2 holes @ 6003 and 6011' KB, broke @ 2800 PSI, pump in @ 2600 PSI, 2.3 BPM. ISIP 1150 PSI.
2 holes, 5984 and 5994' KB, broke @ 2300 PSI, pump in @ 2600 PSI, 2 BPM, ISIP 1500 PSI.
Breakdown complete. Trip out of hole with tubing and straddle tools, rig up Western Company to frac with Maxi-0-74 gelled oil, 1 gal/1000 gal. Aquaflow, 25#/1000 Aquaseal as follows:
- | | |
|-------------|-------------------------|
| 13,000 Gal. | Gelled oil pad |
| 5,000 Gal. | 1/2 #/gal. 20/40 sand |
| 5,000 Gal. | 1 #/gal. 20/40 sand |
| 10,000 Gal. | 2 #/gal. 20/40 sand |
| 10,000 Gal. | 3 #/gal. 20/40 sand |
| 15,000 Gal. | 3-1/2 #/gal. 20/40 sand |
| 15,000 Gal. | 4 #/gal. 20/40 sand |
| 3,906 Gal. | Lease oil. |
- Avg. rate 33 BPM. Avg. pressure 2500 PSI.
ISIP 1500 PSI.
Final Pressure - 1200 PSI after 15 minutes.
Total Sand - 170,000 lbs. 20/40 sand.
Total treating fluid - 1959.7 Bbls.
Shut well in 3 hours. Started flowing well back @ 6:00 PM. Flowing back to frac tanks through a positive flow choke set on 32/64".
Daily est. cost: \$58,402.00. Cum. est. cost: \$69,796.00. (CCM)

MERRION OIL & GAS CORPORATION

Canyon Largo Unit 321

Sec. 32, T25N, R6W

Rio Arriba County, New Mexico

- 4/29/83 Well made 518 Bbls overnight. Well dead this morning. Ran wireline depthometer to tag @ 6380' KB, PBTD. Trip in hole with 2-3/8" tubing. Ran saw tooth collar on bottom, seating nipple 1 joint off bottom. Tagged bottom with tubing. Pulled up to 5966' KB and hung off with 189 joints tubing, 5953'.
Swabbed 30 Bbls in 4 runs. Well flowing to frac tanks overnight.
- 4/30/83 Tubing 50 PSI. Casing 50 PSIG. Well made 448 Bbbls overnight in 19 hours. At 11:00 AM, put flow to production tanks bypassing the separator through a 3/4" choke, set on 32/64. Well made 55 Bbls in 2 hours. Tubing 100 PSI. Casing 100 PSI. Shut down overnight. (CCM)
- 5/1/83 Total est. cost: \$206,665.00.
601 Bbls oil. Venting gas. Tubing 150 PSIG. Casing 450 PSIG. Shut in - tanks too full.
Total of 2060 Bbls load oil purchased. 1870 recovered. 190 Bbls load left to recover.
- 5/2/83 Shut in - tanks too full. Turn well on. Set on 12/64. Tubing 1400 PSIG. Casing 1400 PSIG.