State of New Mexico Submit 3 Copies To Appropriate District Form C-103 Office Energy, Minerals and Natural Re Revised March 25, 1999 District I WELL API NO. 1625 N. French Dr., Hobbs, NM 87240 **DEC 2001** District II OIL CONSERVATION THE ENDED 30-045-30858 811 South First, Artesia, NM 87210 Indicate Type of Lease 2040 South Pachagocon. DIV District III STATE X 1000 Rio Brazos Rd., Aztec, NM 87410 FEE Santa Fe, NM 8750 DET. 3 District IV State Oil & Gas Lease No. 2040 South Pacheco, Santa Fe, NM 87505 SUNDRY NOTICES AND REPORTS ON WELLS (2) 27 (1) (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO 7. Lease Name or Unit Agreement Name: DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH HOODOO (28928)PROPOSALS.) 1. Type of Well: Oil Well Gas Well Other 8. Well No. 2. Name of Operator MERRION OIL & GAS CORPORATION (014634)001 9. Pool name or Wildcat 3. Address of Operator 610 Reilly Avenue, Farmington, New Mexico 87401-2634 BASIN FRUITLAND (71629) 4. Well Location feet from the **North** line and 660 660 feet from the **East** line Unit Letter A: Township 25N Range 13W NMPM San Juan, Section County 10. Elevation (Show whether DR, RKB, RT, GR, etc.) 6322' GL 11. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data SUBSEQUENT REPORT OF: NOTICE OF INTENTION TO: 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 CASING TEST AND **CEMENT JOB** COMPLETION X OTHER: OTHER: Spud & Casing Reports 12. 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 recompilation. MIRU L&B Speed Drill on 11/29/01. Spudded 8-3/4" surface at 1500 hrs 11/29/01. TD surface hole at 140'. Circulate 11/29/01 hole clean and TOH. Ran 4 joints of 7" casing (129.45') land @ 134' KB. RU AES. Precede cement with 5 bbls of water. Mix and pump 60 sxs (71 cu.ft.) of Class 'B' with 2% CaCl2 and 1/4#/sx celloflake. Displaced cement with 4 bbls of water. Circulated out 4 bbls of cement to surface. PD at 1815 hrs 11/29/01. Secure location. SDON. NU BOPs, PT to 300 psig for 15 min, OK. Drill out w/ 6-1" bit to 550' KB. Circulated clean. SDON. 11/30/01 Drill ahead to 1205' KB. SD for weekend. 12/1-2/01 TIH, found 40' of fill. Circulate hole clean (making lots of shale). Added extra starch to control water loss. Pulled up to 12/03/01 1015' shut down for 1 hr. TIH found approx. 3' of fill. Cancelled coring operations due to hole instability, continue drilling ahead. TD well at 1500'at 1630 hrs 12/3/01. Mix mud to bring viscosity up, circulate and condition hole. Pull up to 1100' and SDON. Will check for fill then continue mud up. *** CONTINUED OTHER SIDE *** on above is true and complete to the best of my knowledge and belief. at the informat I hereby certif Drig & Prod Manager 12/05/01 DATE SIGNATURE (505) 327-9801 Telephone No. Type or print name STEVEN S. DUNN (This space for State use) **DEC** - 6 2001 GREENAL SIGNED BY CHAPLE T. PERMIN MPTOTY ME & SAS INSTRUCTION, BIBL. 499 TITLE APPPROVED BY Conditions of approval, if any:

12/04/01

TIH, no fill. Circulate and condition hole. Mix additional mud to bring viscosity up. Pull short trip, no fill. Circulate and condition hole. TOH, LDDP & DC's. RU Halliburton Logging and run IND/DEN/NEUT/GR logs. Loggers TD 1523'. RD Halliburton. RU casing crew and run 36 jts (1517.12') of 4-1/2", 11.6#, J-55, LT&C casing, land @ 1522' KB. Insert float collar @ 1479' KB. Wash casing down and circulate for 2.5 hrs. RU AES. Precede cement with 10 bbls of water. Mix and pump 135 sx. (278 cu.ft.) of Class 'B' with 2% SMS, 3#/sx of gilsonite and displaced cement with 23 bbls of water. PD @ 19:00 hrs 12/4/OI. Good circulation throughout job, circulated out displaced cement to surface. (Bumped plug to 1500# - float held OK). RD AES and pull trucks off location. ND BOP and set slips. Rigged down. WOCT.

Mote: adjusted TD to loggers TD.

make the second of the second