

Distribution: O-4 (BLM); 1-Accounting; 1-Land; 1-File

Form 3160-5
(June 1990)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
Budget Bureau No. 1004-0133
Expires: March 31, 1993

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir.
Use "APPLICATION FOR PERMIT—" for such proposals

SUBMIT IN TRIPLICATE

5. Lease Designation and Serial No.

SF-080238A

6. If Indian, Allottee or Tribe Name

7. If Unit or CA, Agreement Designation

8. Morgan No. 7

9. API Well No.
30-045-29972

10. Field and Pool, or Exploratory Area
WAW Fruitland Sand P.C.

11. County or Parish, State
San Juan County,
New Mexico

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator

Merrion Oil & Gas Corporation (14634)

3. Address and Telephone No.

610 Reilly Avenue, Farmington, NM 87401-2634 (505) 327-9801

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

1585' FSL & 1670' FEL (NW SE)
Section 31, T27N, R12W

12. CHECK APPROPRIATE BOX (s) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

TYPE OF ACTION

☐ Notice of Intent

☒ Subsequent Report

☐ Final Abandonment Notice

☐ Abandonment

☐ Recompletion

☐ Plugging Back

☐ Casing Repair

☐ Altering Casing

☒ Other Spud & Csg Rpts

☐ Change of Plans

☐ New Construction

☐ Non-Routine Fracturing

☐ Water Shut-Off

☐ Conversion to Injection

☐ Dispose Water

(Note: Report results of multiple completion on Completion or Recompletion Report and Log form.)

13. Describe Proposed or completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)

2/14/00

MIRU L&B Speed Drill. Spudded 8-3/4" hole at 0930 hrs 2/14/00 with bit #1. Drilled surface hole to 130' at 1300 hrs. TOH, PU and RIH with 3 joints of 7", 23#, ST&C casing land at 127' KB. RU American Energy Services, mix and pump 60 sxs (70.80 cu.ft.) of Class 'B' cement with 2% CaCl₂. Good returns throughout job. Displace cement with 4 bbls of water. Circulated 5 bbls of cement to surface. PD at 1430 hrs 2/14/00. WOC.

2/15 to 2/17/00 Drilled 6-1/4" to TD at 1370'. Circulate hole from TD 1370', well taking fluid. TOH, LDDP & DCs. Ran IND/Den Neutron/GR logs, logs reached 1325'. Ran 30 joints of 4-1/2", 10.5#, J55, ST&C casing (1331.56'). Attempted to wash casing to TD but kept losing circulation. Landed casing at 1337' KB, insert float @ 1292' GL. RU American Energy. Precede cement with 10 bbls of water. Mix and pump 70 sxs (144 cu.ft.) of Class 'B' with 2% sodium metasilicate and 1/4#/sx of celloflake. Tail in with 61 sxs (72 cu.ft.) of Class 'B' with 1/4#/sx of celloflake. Kept losing circulation during job but able to re-establish circulation by reciprocating pipe. Dropped plug and displaced cement with 21 bbls of water (good circulation while displacing cement). Plug down at 1600 hrs 2/17/00. Float held OK. Circulated out 5 bbls of cement to surface. RD American Energy. Set slips. NU WH and release rig.

14. I hereby certify that the foregoing is true and correct

Signed

George F. Sharpe

Title Engineer

ACCEPTED FOR RECORD

(This space for Federal or State office use)

Approved By

Title

Date

FEB 18 2000

Conditions of approval, if any:

FARMINGTON FIELD OFFICE

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

5.	<u>LOCATION AND TYPE OF WATER SUPPLY.</u>
C.	ALL LOADING LINES WILL BE PLACED INSIDE THE BERM SURROUNDING THE TANK BATTERY.
D.	GAS MEASUREMENT DEVICES WILL BE LOCATED IN ACCORDANCES WITH THE REGULATORY BODY.
E.	ALL METER MEASUREMENT FACILITIES WILL CONFIRM WITH ONSHORE OIL AND GAS ORDER NO. 4 FOR LIQUID HYDROCARBONS AND ONSHORE OIL AND GAS ORDER NO. 5 FOR NATURAL GAS MEASUREMENT.
F.	ANY NECESSARY PITS WILL BE FENCED TO PREVENT ANY WILDLIFE ENTRY.
G.	ALL SITE SECURITY GUIDELINES IDENTIFIED IN 43 CFR 3162.7 REGULATIONS WILL BE ADHERED TO.
H.	ALL OFF-LEASE STORAGE, OFF-LEASE MEASUREMENT, OR COMMINGLING ON-LEASE OR OFF-LEASE WILL HAVE PRIOR WRITTEN APPROVAL FROM THE AUTHORIZED OFFICER.
I.	ALL ACCESS ROADS WILL BE MAINTAINED AS NECESSARY TO PREVENT EROSION AND ACCOMMODATE YEAR-ROUND TRAFFIC.
J.	THE ROAD WILL BE MAINTAINED IN A SAFE USEABLE CONDITION.
K.	WATER PRODUCED DURING THE LAST PHASE OF THIS WELL WILL BE STORED IN STORAGE TANKS ON LOCATION AND HAULED TO AN APPROVED DISPOSAL SITE.
6.	<u>SOURCE OF CONSTRUCTION MATERIALS.</u>
A.	SURFACE AND SUBSOIL MATERIALS IN THE IMMEDIATE AREA WILL BE UTILIZED.
B.	WATER WILL BE HAULED TO THE LOCATION OVER THE ROADS MARKED ON MAPS ATTACHED.
7.	<u>METHODS OF HANDLING WASTE DISPOSAL.</u>
A.	THE RESERVE PIT WILL BE CONSTRUCTED SO AS NOT TO LEAK, BREAK, OR ALLOW DISCHARGE. THE RESERVE PIT WILL BE LINED IF DETERMINED NECESSARY AT THE TIME OF CONSTRUCTION.
B.	IF THE PIT IS LINED, A PLASTIC NYLON REINFORCED LINER WILL BE USED. IT WILL BE A MINIMUM OF 12 MIL THICKNESS WITH SUFFICIENT BEDDING (EITHER STRAW OR DIRT) TO COVER ANY ROCKS. THE LINER WILL OVERLAP THE PIT WALLS AND BE COVERED WITH DIRT AND/OR ROCKS TO HOLD IT IN PLACE. NO TRASH, SCRAP PIPE, ECT., THAT COULD PUNCTURE THE LINER WILL BE DISPOSED OF IN THE PIT.

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Feb. 18, 2000 RU Black Warrior. Tag PBTD @ 1287'. Perforated 1210'-1230' at 4 spf. RD Black Warrior.

Feb. 25, 2000 RU American Energy Service 2/25/00. Pressure test pumps and lines to 4500#. Pumped 500 gals of 15% HCl, saw break at 1250# while pumping 1.0 BPM. Increased fluid rate and brought nitrogen on line and start pad. Pumped 12,000 gal 70Q foam pad. Frac well with 80,780# of 20/40 Brady sand in 20# liner gel and 70Q foam. Pumped sand in 1,2,3 and 4 ppg (BH conc.) stages. AIR 30 bpm, MIR 30 bpm, ATP 1000#, MTP 1250#. Job complete at 1830 hrs 2/25/00. ISIP 920#. Total fluid pumped 300 bbls. Total nitrogen pumped 194,490 scf. RD American Energy Services. Opened well thru 1/4" choke to pit at 1930 hrs 2/25/00. Well making foam and sand. Secure location and let well flow back overnight. No Rig.

March 3, 2000 MIRU JC Well Service on 3/3/00. PU and TIH (tally) with 2-3/8" tbg. Tag on sand at 780' KB. PU pumps, lines and circulate out sand/fill to PBTD (1292'). Pull up to 1200' and shut down for 30 mins. TIH, no fill. Pull up and sand tubing at 1212' KB. RUTS. Made 17 runs and recovered approx. 25 bbls of fluid. Fluid level stabilized at 900#. Made last 10 runs with casing open to atmosphere. Tubing starting to vent lightly after 16th and 17th run. Shut casing in and left tubing open to pit.

*** CONTINUED OTHER SIDE ***

14. I hereby certify that the foregoing is true and correct

Signed

Steven S. Dunn

Title **Drlg & Prod Manager**

Date

APR - 3

(This space for Federal or State office use)

Approved By

Title

Date

MAR 28 2000

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ID: 5053255900

FROM: MERRION OIL & GAS

THIRTEEN POINT SURFACE USE PLAN

OPERATOR: GREYSTONE ENERGY, INC.
LEASE & WELL NAME: STAGE COACH #1
LEASE NUMBER: USA SF 078243 / USA NM 021123
LOCATION: 1287' FSL- 1200' FWL, SECTION 7, T31N/R12W NMPM, SAN JUAN CO., NEW MEXICO

1. EXISTING ROADS.

- A. THE PROPOSED WELL SITE IS LOCATED APPROXIMATELY 3.5 MILES EAST OF LA PLATA, NM POST OFFICE
- B. DIRECTIONS TO THE LOCATION FROM LAPLATA, NM ARE AS FOLLOWS:
FROM LAPLATA NM TAKE NM170 (LA PLATA HWY) NORTH APPROX. 1 MI TO NM574
TURN EAST ON NM574, PROCEED EAST APPROX. 3.5 MI. TO YELLOW CATTLEGUARD.
TURN SOUTH, (THROUGH CATTLEGUARD) ON TO LEASE ROAD, TRAVEL APPROX 1 ¼
MI, TURN RIGHT (WEST) ON LEASE ROAD, TRAVEL 150 YDS. TO LOCATION.
- C. THIS WELL WILL NOT REQUIRE A NEW ACCESS ROAD.
- D. MINOR IMPROVEMENTS WILL NOT BE REQUIRED ON EXISTING ACCESS ROAD.
- E. THE EXISTING AND NEW ACCESS ROAD SHALL BE MAINTAINED IN ACCORDANCE WITH THE STANDARDS OF THE S.M.A.

2. PLANNED ACCESS ROAD.
- A. A NEW ACCESS ROAD IS NOT REQUIRED FOR THE SUBJECT WELL. WELLPAD CONSTRUCTION WILL NOT CHANGE EXISTING DRAINAGE
3. LOCATION
LOCATION OF EXISTING WELLS WITHIN A 1-MILE RADIUS OF THE PROPOSED

- A. WATER WELLS - NONE
B. INJECTION WELLS - NONE
C. PRODUCTION WELLS - NUMEROUS GAS WELLS WITHIN THE RADIUS.
D. DRILLING WELLS - NONE

4. LOCATION OF TANK BATTERIES AND PRODUCTION FACILITIES

- A. ALL PERMANENT STRUCTURES (ONSITE FOR SIX MONTHS OR LONGER) CONSTRUCTED OR INSTALLED (INCLUDING OIL WELL PUMP JACKS) WILL BE PAINTED A NEUTRAL COLOR TO BLEND WITH THE SURROUNDING ENVIRONMENT. FACILITIES REQUIRED TO COMPLY WITH THE OCCUPATIONAL SAFETY AND HEALTH ACT (OSHA) WILL BE EXCLUDED.

- B. IF STORAGE FACILITIES/TANK BATTERIES ARE CONSTRUCTED ON THIS LEASE, THE FACILITY/BATTERY OF THE WELLPAD SHALL BE SURROUNDED BY A CONTAINMENT DIKE OF SUFFICIENT CAPACITY TO CONTAIN AT A MINIMUM, THE ENTIRE CONTENT OF THE LARGEST TANK WITHIN THAT FACILITY/BATTERY, UNLESS MORE STRINGENT PROTECTIVE

March 4-5, 2000

Shut down for weekend.

March 6, 2000

Found casing with 15 psi and tubing 0 psi. Initial fluid level was approx. 700'. After 10 runs fluid level stabilized at 800'. Opened casing to atmosphere and made 5 more runs. Swab started sticking on sand. Shut casing in and switched to undersized cups. Continued swabbing. Made 68 more runs, fluid level stayed at 800'. Casing pressure built up to 105#. Fluid starting to clear up and become gas cut. Recovered approx. 140 bbls of fluid. Left tubing open and casing shut in.

March 7, 2000

Found casing with 110 psi and tubing 0 psi. ND WH and PU additional tubing to check for fill. Tagged up at 1227' KB. TOH. PU bailer and TIH. CO fill from 1227' to 1292' PBID. TOH and clean out bailer and tubing, recovered frac sand. TIH with tail joint, seating nipple and 36 joints of 2-3/8", EUE tubing. Landed bottom of tubing at 1215' KB. ND WH. TIH with 2" x 1-1/4" x 12' RHAC pump on 46 each 3/4" plain rods, 1 each 8' pony and 1 each 6' pony. Install polish rod and stuffing box. Space out pump and clamp off. RDMOL.

BLOWOUT PREVENTER SPECIFICATION EQUIPMENT DESCRIPTION

TYPE 2 3,000 AND 5,000 PSI WORKING PRESSURE

All equipment shall be at least minimum stack WP or higher unless otherwise specified.

1. Bell nipple or rotating head.
2. Hydril or Shafter and Cameron Annular bag type preventer.
3. Ram type pressure operated blowout preventer with blind rams.
4. Flanged spool with one 4-inch and one 2-inch (minimum) outlet.
5. 2-inch (minimum) flanged plug or gate valve.

6. 4-inch flanged gate or plug valve.
7. Ram type pressure operated blowout preventer with pipe rams.
8. Flanged type casing head with one side outlet (furnished by operator).

9. 4-inch flanged spacer spool.

10. 4-inch by 2-inch by 2-inch flanged cross.

11. 2-inch flanged plug or gate valve.

12. 2-inch flanged adjustable choke.

13. 2-inch threaded flange.

14. 2-inch XXH nipple.

15. 2-inch forged steel 90° E11.

16. Cameron (or equal) threaded pressure gage.

17. 2-1/2-inch pipe, 300' to pit, anchored.

18. 2-1/2-inch valve.

19. 2-1/2-inch line to steel pit or separator.

NOTES:

1. Items 3, 4, and 9 may be replaced with double ram type preventer with side outlets between the rams.

2. The two valves next to the stack on kill line to be closed unless drill string is being pulled.

3. Kill line is for emergency use only. This connection shall not be used for filling.

4. Replacement pipe rams and blind rams shall be on location at all times.

5. Only type U, LWS, and ORC ram type preventers with secondary seals are acceptable for 5000 psi WP and higher BOP stacks.

6. Type E ram-type BOP's with factory modified side outlets may be used on 3000 psi or lower WP BOP stacks.

7. Kelly will be equipped with upper kelly cock valve. Safety valve (stabbing) and handles for kelly cock and safety valve will be on rig floor. Handling subs for each type of pipe will be located on rig floor.