

Submit 3 Copies To Appropriate District  
Office  
District I  
1625 N. French Dr., Hobbs, NM 87240  
District II  
811 South First, Artesia, NM 87210  
District III  
1000 Rio Brazos Rd., Aztec, NM 87410  
District IV  
2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico  
Energy, Minerals and Natural Resources  
  
OIL CONSERVATION DIVISION  
2040 South Pacheco  
Santa Fe, NM 87505

Form C-103  
Revised March 25, 1999

|                                                                                                                                                                                                                                     |  |                                                                                                     |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--|-----------------------------------------------------------------------------------------------------|
| <b>SUNDRY NOTICES AND REPORTS ON WELLS</b><br>(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.)                       |  | WELL API NO.<br><b>30-045-31120</b>                                                                 |
| 1. Type of Well:<br>Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other                                                                                                                            |  | 5. Indicate Type of Lease<br>STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/> |
| 2. Name of Operator<br><b>MERRION OIL &amp; GAS CORPORATION (014634)</b>                                                                                                                                                            |  | 6. State Oil & Gas Lease No.                                                                        |
| 3. Address of Operator<br><b>610 Reilly Avenue, Farmington, New Mexico 87401-2634</b>                                                                                                                                               |  | 7. Lease Name or Unit Agreement Name:<br><b>CHUCKY (25177)</b>                                      |
| 4. Well Location<br><br>Unit Letter <b>A</b> : <b>1020</b> feet from the <b>North</b> line and <b>1140</b> feet from the <b>East</b> line<br><br>Section <b>23</b> Township <b>30N</b> Range <b>12W</b> NMPM <b>San Juan</b> County |  | 8. Well No.<br><b>003</b>                                                                           |
| 10. Elevation (Show whether DR, RKB, RT, GR, etc.)<br><b>5512' GL</b>                                                                                                                                                               |  | 9. Pool name or Wildcat<br><b>BASIN FRUITLAND (71629)</b>                                           |

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

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐  
TEMPORARILY ABANDON ☐ CHANGE PLANS ☐  
PULL OR ALTER CASING ☐ MULTIPLE COMPLETION ☐  
OTHER: ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐  
COMMENCE DRILLING OPNS. ☐ PLUG AND ABANDONMENT ☐  
CASING TEST AND CEMENT JOB ☐  
OTHER: Spud, Csg & TD Reports ☒

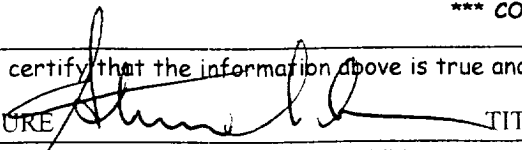
12. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

7/9/02 MIRU L&B Speed Drill. Spud 8-3/4" surface at 1000 hrs 7/9/02. TD surface hole at 140'. Circulate hole clean and TOH. Ran 3 joints of 7" (128.50'), 23# casing, land @ 134' KB. RU AES. Precede cement with 15 bbls of water. Mix and pump 50 sxs (59 cu.ft.) Class "B" with 3% CaCl<sub>2</sub>. Displaced cement with 4 bbls of water. Circulated out 4 bbls of cement to surface. PD at 1315 hrs 7/9/02. WOC and work on rig. Note: Had 9-5/8" conductor pipe set at 50' GL before L&B Speed. Drill moved onto location. Encountered boulders from 21' to approx. 44'.

7/10/02 NU BOPE. PU 6 1/2" MT bit. TIH, pressure tested casing to 300 psi for 30 minutes - OK. Drill out surface shoe. Drill ahead with water to 790' KB. Mix mud, circulate clean. Pull off bottom. SDON.

\*\*\* CONTINUED OTHER SIDE \*\*\*

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

SIGNATURE  TITLE **Drig & Prod Manager** DATE **7/15/02**  
Type or print name **STEVEN S. DUNN** Telephone No. **(505) 327-9801**

(This space for SIGNATURE OF APPROVER)

APPROVED BY \_\_\_\_\_ TITLE \_\_\_\_\_ DATE **JUL 17 2002**  
Conditions of approval, if any:

|         |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
|---------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 7/11/02 | Drill ahead to 1450'. SDON.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| 7/12/02 | Drill ahead to 1450'. Trip for bit. Drill ahead to TD at 1950'. SDON. Prep to run casing.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| 7/13/02 | <p>TD well at 1950' on 7/13/02. Circulate and condition hole. Mixed "starch" at ~1300' to get water loss down to 10.0. TOH, LDOP and DC's. Pulled tight thru Pictured Cliffs, went back to bottom and circulated hole clean. TOH with no problems. RU casing crew and run 45 joints (1941.27') of 4-1/2", 11.6#, J-55, LT&amp;C casing land at 1946' KB. Insert float collar at 1901' KB. Wash casing down and circulate for 0.5 hrs. RU AES. Precede cement with 10 bbls of water. Mix and pump 185 sxs (381 cu.ft.) of class "B" with 2% SMS, 3#/sx of Gilsonite and 1/4#/#/sx celloflake. Tail in with 65 sxs (77 cu.ft.) of class "B" with 1/4#/#/sx celloflake. Dropped plug and displaced cement with 29.5 bbls of water. PD @ 16:45 hrs. 7/14/02. Had trouble getting returns while pumping first 5-6 bbls of displacement. Got circulation back by reciprocating pipe. Good circulation throughout remainder of job. Circulated out 5 bbls of light cement with celloflake and 1/2 bbl of good cement to surface. (Bumped plug to 1500# - float held OK). RD AES. ND BOP and set slips. Will rig down and move on Monday. RDMOL. WOCT.</p> |