Form 3160-5 (April 2004) UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT SUNDRY NOTICES AND REPORTS ON WELLS 3 40 SF-081101	
SUBMIT IN TRIPLICATE - Other instructions on reverse side. 7. If Unit or CA/Agreement, Name and/or No.	
1. Type of Well Gas Well Other	8. Well Name and No.
2. Name of Operator MERRION OIL & GAS CORPORATION	CHARTIER No.1
3a Address 3b. Phone 610 REILLY AVENUE, FARMINGTON, NM 87401 505-324	No. (include area code) 30-045-06019 -5300 10. Field and Pool, or Exploratory Area
4. Location of Well (Footage, Sec., T., R., M., or Survey Description)	GALLEGOS GALLUP
790' FSL & 790' FWL (SW SW) SECTION 4, T26N, R12W	11. County or Parish, State SAN JUAN, NM
12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA	
TYPE OF SUBMISSION	TYPE OF ACTION
Acidize Deepen	Production (Start/Resume) Water Shut-Off
Notice of Intent Alter Casing Fracture Casing Repair New Co	
Change Plans	Abandon Temporarily Abandon
Final Abandonment Notice	
13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)	
8/16/04 RU Phoenix Services on 8/16/04, cycle piston to surface. RIH recover bumper spring and cap assembly. RIH with 1.906 gauge ring to seating nipple (wire line depth: 5015'). RIH and set blanking plug in seating nipple. RIH set 3 slip stop above plug. Blow tubing down from 140 psi to 0 psi. RD Phoenix. RU Black Warrior Wireline Services. RIH and perforate tubing at 4682' (total of 2 holes) with tubing "punch". RD Black Warrior. SWI. Wait on rig.	
9/21/04 MIRU Hurricane Well Service Rig #3 on 9/21/04. Spot flow back tank and RU flow lines. RUTS. Initial fluid level was 1200'. Made 29 runs and recovered ~95 bbls of fluid. Final fluid level for the day was ~4300'. Secure location and SDON. Will check fluid level in morning, if OK will try to pull packer.	
9/22/04 RIH with swab. Found fluid level at ~4300' – no change overnight. RD swabbing equipment. ND WH & NU BOP. Release Model G packer. Well started unloading out casing as soon as packer was released. Let well flow for 30 mins, pump 15 bbls of produced water down tubing. TOH with the following: 151 joints of 2-3/8", model G packer, 7 joints of 2-3/8", seating nipple, 1 joint of 2-3/8" and notched collar on bottom (Total of 159 joints 5033.88'). Secure location and SDON.	
*** CONTINUED OTHER SIDE ***	
14. I hereby certify that the foregoing is true and correct Name (Printed/Typed) CONNIE S. DINNING	
	Title PRODUCTION ENGINEER
Signature THIS SPACE FOR FEDERA	Date 09/27/2004 ACCEPTED FOR RECORD
Approved by Conditions of approval, if any, are attached. Approval of this notice does not wan certify that the applicant holds legal or equitable title to those rights in the subject	rant or FARMINGTON FIELD OFFICE
which would entitle the applicant to conduct operations thereon. Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make 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.	

(Instructions on page 2)

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9/23/04 TIH with 4-3/4" bit, bit sub, 6 x 3-1/8" drill collars and 2-3/8" tubing. Tag up on fill at 5060'. RU Omni Air package. Break circulation with air/mist. Pumping ~1800 sfcm. Pressure

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increased to 1000 psi then fell back to 750 psi. Clean out fill down to PBTD at 5087'. Drill out float collar and continue drilling out cement shoe down to 5127'. Cut mist and dry up hole. Started TOH, tubing became stuck at 5044', work pipe but unable to work free. Brought air back online but circulation was very poor. Continued to work pipe but unable to go up/down or rotate. Running out of daylight. Shut down air, noticed that well started to unload out backside. Tubing started to pull free, pull up to string float. Pumped 10 bbls down tubing and remove string float. Continue TOH. Pull up to \sim 4700'. Secure location and SDON.

9/24/04 Continue TOH. Lay down 3-1/8" drill collars, bit and bit sub. TIH with cut off tail joint, perforated sub, seating nipple and 159 joints of 2-3/8", 4.7#, EUE tubing. Bottom of tubing landed at 5072.18' KB, seating nipple at 5053' KB. ND BOP & NU WH. Change out master valve and nipple up new B-1 adapter flange with pumping tee. Swap out tubing trailers. RUTS. Made 4 swab runs to make sure tubing was clear, fluid level at 4300'. RD swab equipment. RIH with 2" x 1¼" x 12' RHAC pump, 40 x ¾" plain rods, 93 x 5/8" plain rods, 68 x ¾" scrapered rods and 1 x 2' pony sub. Install polish rod and stuffing box. Space out pump. Load tubing and pressure test tubing to 500 psi, check pump action – looked good: Clamp off rod. Note: left rod string 4" above "tag". Final report. Rig crew will work/paint rig on Saturday.

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