

District II
1625 N. French Dr., Hobbs, NM 88240
District III
1301 W. Grand Ave., Artesia, NM 88210
District IV
1000 Rio Brazos Rd., Aztec, NM 87410
1220 S. St. Francis Dr., Santa Fe, NM 87505

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

WELL API NO.

30-039-29220

5. Indicate Type of Lease

STATE ☐ FEE ☒

6. State Oil & Gas Lease No.

7. Lease Name or Unit Agreement Name

CHUBBY HUBBY

8. Well Number

001

9. OGRID Number

014634

10. Pool name or Wildcat

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. Type of Well: Oil Well ☐ Gas Well ☒ Other

2. Name of Operator

MERRION OIL & GAS CORPORATION

3. Address of Operator

610 REILLY AVENUE, FARMINGTON, NM 87401

4. Well Location

Unit Letter C : 885 feet from the North line and 1640 feet from the West line
Section 2 Township 24N Range 02W NMPM Rio Arriba County

11. Elevation (Show whether DR, RKB, RT, GR, etc.)

7328' GR

Pit or Below-grade Tank Application ☐ or Closure ☐

Pit type Depth to Groundwater Distance from nearest fresh water well Distance from nearest surface water

Pit Liner Thickness: mil Below-Grade Tank: Volume bbls; Construction Material

12. 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 COMPL ☐

OTHER: ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING OPNS. ☐ P AND A ☐
CASING/CEMENT JOB ☐

OTHER: Spud & Csg Reports ☒

13. 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.

Dec 24, 2004 Move rig & equipment to location. Move onto location and rig up Key #44. Mixed spud mud. RU cellar jet hoses and changed out pop-off. Thawed out vib hose and mud motor. Thawed out lines. Mud motor would not work. W/O new mud motor @ report time.

Dec 25, 2004 W/O new mud motor. PU new mud motor and drilled mouse hole and rat hole. Spudded hole @ 1100 hrs 12/24/04. Drilled 12-1/4" hole to 266'. Circulated hole. Ran survey. TOOH with 8 drill collars, bit sub and bit. Run 5 joints (222.61') of 9-5/8", 36#, J-55, ST&C casing, land casing at 236' KB. RU Key Pressure Pumping Services & held safety meeting. Pumped 15 bbls of fresh water. Mixed and pumped 150 sxs (177 cu.ft.) of Class B cement with 1/4#/sx of celloflake and 2% CaCl2 @ 3 BPM, 150 psi. Displaced with 16.5 bbls water @ 3 BPM, 100 psi. Good circulation throughout cement job. Plug down at 22:38 hrs 12/24/04. Circulated 17 bbls of good cement to surface. RD cementers. Drained equipment. SD until Sunday.

*** CONTINUED OTHER SIDE ***

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines ☐, a general permit ☐ or an (attached) alternative OCD-approved plan ☐.

SIGNATURE Steven S. Dunn TITLE DRILLING & PRODUCTION MANAGER DATE 1/03/2005

Type or print name Steven S. Dunn E-mail address: sdunn@merrion.bz Telephone No. (505) 324-5300

For State Use Only

APPROVED BY: Charles H. ... TITLE SUPERVISOR DISTRICT #3 DATE JAN - 5 2005

Conditions of Approval (if any):

Dec. 27, 2004 Backed off landing joint. Installed casing head. NU BOP, choke valve and related surface equipment. Pressure tested blind rams, manifold and casing to 600 psi. Worked on pumps. TIH to TOC @ 191'. Drilled out cement to 266'. Drilled formation f/ 266' to 798'. Ran survey @ 758'. Drilling @ 1139' at report time.

Survey: 758' @ 1°

Dec. 28, 2004 Drilled f/ 1139' to 1264'. Circulated and surveyed. Drilled f/ 1264' to 1483'. Changed out pump. Drilled f/ 1483' to 1794'. Ran survey. Drilled f/ 1794' to 2292'. Circulated and surveyed. Drilled f/ 2292' to 2792'. Circulated and surveyed. Drilling @ 2949' at report time.

Surveys: 1256' @ 1°; 1752' @ 1-1/4°; 2252' @ 2°; 2752' @ 2-3/4°

Dec. 29, 2004 Drilled f/ 2792' to 3335'. Circulated hole. Made 43 std short trip. Washed 30' to bottom and circulated hole. Prep to LD string. TOOH laying down DP and DCs. RU to run casing. Ran 75 jts (3354.37 7" 23# J-55 LT&C casing to 3335', washing down last 50'. Circulating hole at report time.

Surveys: 3313' @ 2-3/4°

Dec. 30, 2004 Circulated hole. RU BJ Services. Held safety meeting. Tested surface lines to 3500 psi. Pumped 10 bbls fresh water, 10 bbls Mud Clean and 10 bbls fresh water. Mixed and pumped 300 sxs (114 bbls) Premium Lite cement containing 3% CaCl₂, 1/4lb/sx celloflake, 5lb/sx LMC-1, 0.4% FL-52, 7% Bentonite and 0.4% Sodium Metasilicate @ 4 BPM, 42 psi followed by 128 sxs (31.5 bbls) Type III cement containing 1% CaCl₂, 1/4lb/sx celloflake and 0.2% FL-52 @ 4 BPM, 0 psi. Displaced with 130 bbls fresh water @ 4 BPM, 10 psi to 680 psi. Bumped plug with 1040 psi. Checked plug - held OK. Had good circulation throughout job. Circulated 15 bbls good cement to surface. ND BOP. Set slips and cut off casing. RD rig and equipment. Released rig @ 1500 hrs 12/29/04.

Surveys: 3313' @ 2-3/4°

