

Submit 3 Copies To Appropriate District
Office
District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Ave., Artesia, NM 88210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM
87505

State of New Mexico
Energy, Minerals and Natural Resources

Form C-103
May 27, 2004

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

WELL API NO.
30-045-32213

5. Indicate Type of Lease
STATE ☒ FEE ☐

6. State Oil & Gas Lease No.

7. Lease Name or Unit Agreement Name

MONCRIEF

8. Well Number

1R

9. OGRID Number

014634

10. Pool name or Wildcat
GALLEGOS GALLUP

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 O : 880 feet from the South line and 1900 feet from the East line
Section 16 Township 26N Range 11W NMPM San Juan County

11. Elevation (Show whether DR, RKB, RT, GR, etc.)
6270'

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: Completion ☒

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.

1/5/05 Found well with 25 psi. TIH to 3810' install string float. RU air package and break circulation with air/mist. Clean out sand down to 4250' (50' inside liner top). Well started to unload on its own, continue to blow hole and pump soap sweeps at 4250'. Sand and nitrogen slowly died off after ~1 hr. Continue to TIH tag up on sand at 5021', brought air/mist back on line and continue to clean out down to 5150'. Well started making sand and nitrogen again. blow well and pump soap sweeps at 5150'. Cut air and pull up to 3861', well quit flowing while TOH. SWI, secure location. SDON.

1/6/05 Found well with 16 psi. TIH to 5150' install string float. RU air package and break circulation with air/mist. Clean out sand down to 6215', hit hard spot at 6215'. Well making too much sand to SD and PU power swivel. Pumped soap sweeps and blow well from 6215'. Managed to work thru hard spot and continue cleaning out down to PBTD (6252'). Well making sand, water and some oil shows. Blow well and pump soap sweeps from 6252'. Well bringing up lots of sand with each sweep. Cut air and pull up to 3861'. SWI, secure location and SDON.

*** 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 [Signature] TITLE DRILLING & PRODUCTION MANAGER DATE January 13, 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: [Signature] TITLE SUPERVISOR DISTRICT # 3 DATE JAN 14 2005

Conditions of Approval (if any):

1/7/05 Found well with 500 psi, while bleeding down pressure noticed that casing valve had become washed out. Opened well up thru both valves to bleed off pressure, changed out casing valve and nipple. TIH and tagged sand at 6072'. RU air package and break circulation with air/mist. Clean out sand bridges down to PBTD (6252'). Blow well and pump soap sweeps from 6252' for 1-1/2 hrs. Cut air/mist and TOH. Remove string floats and lay down bit & bit sub. TIH open ended. Land bottom of tubing at 6058' KB. RU orifice tester down stream of separator. Left well shut in, Tim Merilatt will flow test well over the weekend. Secure location and SDON. Note: flow tested well out casing for ~ 3 hrs while tripping tubing. Estimated flow rate: 222 MCFD.

1/8/05 Flow test - 24 hours shut in pressures: Tubing 590 psi, Casing 305 psi. Began flowing tubing through production unit with 60 psi back pressure, 32 psi back pressure on orifice plate tester testing @ 243 MCF. After 1 hour - Tubing 60, Casing 305, opened tubing to oil tank, tubing blew down to light blow in 5 minutes, left tubing open to tank for 25 minutes, tubing pressure went to 0, shut well in, ended test.

1/10/05 Found well with tubing and casing at 380 psi. Blow down well. TOH with tubing. PU CIBP and TIH, set BP at 5420' KB, did appear to set correctly. TOH and found a portion of the plug still on setting tool. RU Black Warrior Wireline. RIH with CIBP and set at 5410'. RIH with 3-1/8" casing gun and perforate the Gallup formation 1 spf at the following depths: 5103', 07', 20', 25', 33', 61', 5214', 19', 23', 33', 71', 85', 89', 93', 5303', 20', 39', 43', 45', 51', 53', 55', 61', 65', 69' & 5371' - Total of 26 holes (EHD: 0.34"). RD BWWC. TIH with 4-1/2" packer on 2-3/8" tubing to 5385'. RU Key Pressure Pumping Services. Spot 100 gals of 15% HCl acid pull up to 4827' and set packer. Ball off Gallup formation with 500 gals of 15% HCl acid and 50 each (1.3 S.G.) ball sealers. Good ball action and complete to 4000 psi. Surge balls off perfs and finish displacing acid into formation. Release packer and TIH to 5400' to knock balls off perfs. Start TOH. Ran out of daylight. Will finish TOH in AM. Frac scheduled for 10:00 am 1/11/05. SWI, secure location and SDON.

1/11/05 RU Key Pressure Pumping Services (KPPS) and hold safety meeting. Pressure tested pumps and lines to 5000#. Frac'd well with 200,000# of 20/40 Brady in 70 Quality nitrogen x-link foam. Pumped 21,000 gals of x-link 60 Quality foam pad. Pumped sand in 1, 2, 3 & 4 ppg stages. ISIP: 2010 psi. Shut well in with 1900 psi. AIR: 40 BPM, MIR: 42 BPM, ATP: 2050 psi, MTP: 2330 psi. Job complete at 11:35 hrs 1/11/05. Total fluid pumped: 850 bbls. Total Nitrogen pumped: 499,930 scf. RD KPPS. RU flow back manifold. Open well thru 1/4" choke at 13:00 hrs 1/11/05. Initial pressure was 1750 psi. Let well flow back to reserve pit for 3 hrs. SWI to RU flow back tank. Open back to reserve pit. Well flowing mostly water and foam/nitrogen. At 18:00 hrs pressure was 1600 psi.