

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
BASIN DAKOTA

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.

12/29/04 RD and road rig from Featherstone Fed #2. Had two flat tires! SD and wait on tire repair service. Moved rig onto location, too late to rig up. Spotted air package, pump and pit. Laid out blooie. Had WSI pressure test wellhead and casing to 3850 psi - held OK for 15 min. Frac tanks already spotted and filled w/ 2% KCl water. Water from the city of Bloomfield. Secure location and SDON.

12/30/04 Spot tubing trailer. SD and repair hydraulics on rig jacks. TIH w/ 3-7/8" bit, bit sub and 2-3/8" tubing (remove thread protectors and tally tubing on way in). Run tubing to PBTD (6252'). RU pumps and lines. Roll hole w/ 2% KCL. Pull up to 6220'. Secure location and SD until Monday (1/3/05).

1/3/05 RU Key Pressure Pumping Services. Spot 100 gals of 15% HCl acid across Dakota formation. TOH with tubing to liner top, RU air package and unload the hole with air, continue TOH. RU Black Warrior Wireline Company. RIH with GR/CCL, run log from PBTD to 4900'. RIH with 3-1/8" perforating gun, perforate the Dakota formation @ the following depths: 6115'-6125' (1 spf), 6139'-6143' (1 spf), 6207'-6213' (1 sp 2 ft) - total of 20 holes - 0.34" EHD. RD BWWC. TIH with packer to 5858' and set packer. RU KPSS, pressure test lines to 4500 psi. Ball off Dakota with 30 each (1.3 SG) ball sealers and 500 gals of 15% HCl. Good ball action and complete to 4000 psi. Surge balls off and finish displacing acid. Release packer and TIH to knock balls off perfs. TOH with packer. ND stripping head and NU frac valve and frac "Y". RU frac crew. Ran out of daylight. Will frac at 0800 hrs in morning.

*** 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 1/05/2005

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 R. [Signature] TITLE Acting SUPERVISOR DISTRICT #5 DATE JAN 10 2005
Conditions of Approval (if any):

1/4/05 RU Key Pressure Pumping Services (KPPS) and hold safety meeting. Pressure test pumps and lines to 6000#. Frac well with 91,517# of 20/40 Super LC (resin coated) in 60 Quality nitrogen x-link foam. Pumped 16,200 gals of x-link 60 Quality foam pad. Pumped sand in 1, 2 & 3 ppg stages (unable to pump 4.0 ppg stage because of high treating pressures). ISIP: 4,000 psi. Shut well in with 3900 psi. AIR: 30 BPM; MIR: 35 BPM; ATP: 3550 psi; MTP: 4000 psi. Job complete at 09:00 hrs 1/4/05. Total fluid pumped: 603 bbls. Total Nitrogen pumped: 941,212 scf. Well appeared to be headed toward a screen out while out while pumping 3.3 ppg (7.5 ppg surface) with ~91,000# of sand gone, cut screws and started displacement. Well screened out 14.7 bbls into displacement. RD KPPS. RU flow-back manifold. Open well thru 1/4" choke at 10:30 hrs 1/4/05. Initial pressure was 3,500 psi. At 13:30 hrs pressure was down to 500 psi. Removed choke and open well thru 2". By 14:30 hrs well was dead. ND frac "Y" and frac valve. TIH with 3-7/8" bit, bit sub, string float and 2-3/8" tubing. Tag up on sand at 3810'. Pull up to 3485'. SWI, secure location & SDON.