

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0137
Expires: March 31, 2007

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE- Other instructions on reverse side.

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

2. Name of Operator **MERRION OIL & GAS CORPORATION**

3a. Address
610 REILLY AVE., FARMINGTON, NM 87401

3b. Phone No. (include area code)
505-324-5300

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
**2352' FSL & 673' FEL (N/2, S/2)
SECTION 19, T26N, R2W**

5. Lease Serial No.
NM-04764A

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.
RECEIVED

8. Well Name and No.
FEATHERSTONE FEDERAL No. 2

9. API Well No.
30-039-29235

10. Field and Pool, or Exploratory Area
BLANCO MESAVERDE

11. County or Parish, State
RIO ARRIBA, NM

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other COMPLETION
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

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 recompleat 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 recompleat 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.)

12/22/04 Found well with 870 psi. Blow well down slowly thru blooie line. Stand by white air compressor being repaired, lost ~2 hrs. Attempt to TIH but tubing appeared to be stuck in sand. Worked tubing free and pulled up to ~3300'. RU air lines and start pumping ~1800 scfm with 10 gals of water/hr. Well started unloading heavy sand and nitrogen. Well continued to unload and flow heavy sand and nitrogen for ~4.5 hrs. After 4.5 hrs sand returns started to diminish. Well also started making gas, continued to flow well and pump soap sweeps from 3300'. At 16:00 well still making light to moderate sand but also started making some oil. Cut mist after last sweep and let hole dry up. SD air and pull tubing up to ~2990. SWI, secure location & SDON.

12/23/04 Found well with 1180 psi. Blow well down thru 2". Well making lots of fluid (oil/water). Flowed well thru 2" for ~4 hrs. Pressure finally fell below 500 psi. Opened well thru blooie line. Well still unloading hard, mostly gas, water and oil. Very little to no sand. TIH with tubing. Bring air on line and clean out approx. 20' of sand/fill down to CIBP at 5690'. Pumped soap sweeps to clean up well. Still flowing hard, little to no sand. Concerned that oil is going to cause clean up problems. Schedule flow back tank to be hauled to location. Cut air and TOH. Pull up to 5630' (above liner top). SWI, secure location & SD for Christmas Holiday. Will resume work on Monday 12/27/04.

CONTINUED OTHER SIDE

14. I hereby certify that the foregoing is true and correct
Name (Printed/Typed)

STEVEN S. DUNN

Title **DRILLING & PRODUCTION MANAGER**

Signature

Date

01/03/2005

ACCEPTED FOR RECORD

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Title

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

JAN 20 2005
FARMINGTON FIELD OFFICE
BY **JB**

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)

NMOCD

Dec. 24-26, 2004

SWI, secure location & SD for Christmas Holiday. Will resume work on Monday 12/27/04.

Dec. 27, 2004

Found well with 1175 psi. Blow well down thru 2". Well making lots of fluid (oil/water). Flowed well thru 2" for ~2 hrs, after pressure fell below 300 psi opened well thru blooie line and TIH. PU power swivel and bring air/mist on line. Drilled out CIBP at 5690'. Chase plug down to 6050'. Clean out sand and continue to chase plug to PBTD at 6122'. Pump soap sweeps to clean up well. Cut mist and blow hole w/ air only. Cut air and TOH to liner top. Shut pipe rams and open well thru 2" line to flow back tank. Turn over to night watch. Will let well flow to tank overnight. Secure location & SDON.

Dec. 28, 2004

Well made ~ 150 bbl of fluid to flow back tank overnight. Still flowing hard at report time, mostly gas. Open well thru blooie line and TIH. Tag sand and BP parts at 6050'. PU power swivel and clean out to PBTD w/ air/mist. Blow hole and pump soap sweeps to clean up. TOH and lay down bit. TIH w/ tubing as follows: 189 jts of 2-3/8", 4.7#, EUE tubing w/ SN on top of bottom joint. Bottom of tubing landed at 5956.28' KN, Seating Nipple at 5923.51' KB. ND BOP and NU WH. Pump 10 bbls of water down tubing and chase w/ air. Blow tubing plug/check out of SN and blow well around. SWI. Ready equipment for move in morning. Secure location & SDON. **Final Report.** WO on tie-in. Will move rig, air package and equipment off location in morning.