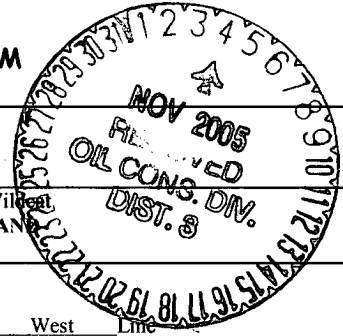
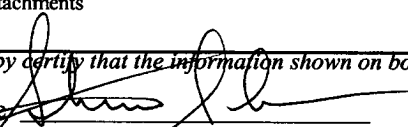
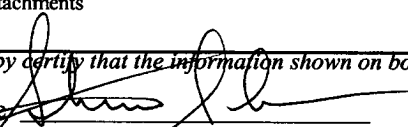
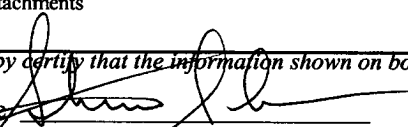


Submit To Appropriate District Office State Lease - 6 copies Fee Lease - 5 copies <b>District I</b> 1625 N. French Dr., Hobbs, NM 88240 <b>District II</b> 1301 W. Grand Avenue, Artesia, NM 88210 <b>District III</b> 1000 Rio Brazos Rd., Aztec, NM 87410 <b>District IV</b> 1220 S. St. Francis Dr., Santa Fe, NM 87505	<b>State of New Mexico</b> <b>Energy, Minerals and Natural Resources</b>  <b>Oil Conservation Division</b> <b>1220 South St. Francis Dr.</b> <b>Santa Fe, NM 87505</b>	<b>Form C-105</b> Revised June 10, 2003  <b>WELL API NO.</b> 30-045-30238  <b>5. Indicate Type of Lease</b> STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/> <b>State Oil &amp; Gas Lease No.</b>
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WELL COMPLETION OR RECOMPLETION REPORT AND LOG													
<b>1a. Type of Well:</b> OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> DRY <input type="checkbox"/> OTHER _____  <b>b. Type of Completion:</b> NEW <input type="checkbox"/> WORK <input type="checkbox"/> DEEPEN <input type="checkbox"/> PLUG <input type="checkbox"/> DIFF. WELL OVER BACK RESVR. <input checked="" type="checkbox"/> OTHER ADD PAY ZONE			<b>7. Lease Name or Unit Agreement Name</b>  <div style="text-align: center;">  </div>										
<b>2. Name of Operator</b> MERRION OIL & GAS CORPORATION			<b>8. Well No.</b> 002										
<b>3. Address of Operator</b> 610 REILLY AVENUE, FARMINGTON, NEW MEXICO 87401			<b>9. Pool name or Willingness</b> BASIN FRUITLAND										
<b>4. Well Location</b>  Unit Letter <u>  M  </u> : <u>  865  </u> Feet From The <u>  South  </u> Line and <u>  810  </u> Feet From The <u>  West  </u> Line  Section <u>  2  </u> Township <u>  26N  </u> Range <u>  13W  </u> NMPM San Juan County													
<b>10. Date Spudded</b> 7/31/00	<b>11. Date T.D. Reached</b> 8/2/2000	<b>12. Date Compl. (Ready to Prod.)</b> 10/25/2005	<b>13. Elevations (DF&amp; RKB, RT, GR, etc.)</b> 6064'	<b>14. Elev. Casinghead</b>									
<b>15. Total Depth</b> 1420' KB	<b>16. Plug Back T.D.</b> 1374'	<b>17. If Multiple Compl. How Many Zones?</b> 2	<b>18. Intervals Drilled By</b> O-TD	<b>Rotary Tools</b>	<b>Cable Tools</b>								
<b>19. Producing Interval(s), of this completion - Top, Bottom, Name</b> 1214'-1232'					<b>20. Was Directional Survey Made</b> no								
<b>21. Type Electric and Other Logs Run</b> IND/DENSITY NEUTRON/GR AND GR/CCL					<b>22. Was Well Cored</b> NO								
23. CASING RECORD (Report all strings set in well)													
CASING SIZE	WEIGHT LB./FT.	DEPTH SET	HOLE SIZE	CEMENTING RECORD	AMOUNT PULLED								
7"	23#	128' KB	8-3/4"	50 sxs (59 cu.ft.)									
4-1/2"	10.5#	1415' KB	6-1/4"	160 sxs (277 cuft)									
24. LINER RECORD			25. TUBING RECORD										
SIZE	TOP	BOTTOM	SACKS CEMENT	SCREEN	PACKER SET								
<b>26. Perforation record (interval, size, and number)</b> 1214'-1232' (4 spf - 0.34" - total 72 holes)			<b>27. ACID, SHOT, FRACTURE, CEMENT, SQUEEZE, ETC.</b> <table border="1" style="width:100%; border-collapse: collapse;"> <tr> <th style="text-align: center;">DEPTH INTERVAL</th> <th style="text-align: center;">AMOUNT AND KIND MATERIAL USED</th> </tr> <tr> <td style="text-align: center;">1214'-1232'</td> <td>Fracd with 60,000# of 20/40 Brady sand in 20# X-link gel (Delta 140 fluid). Total fluid pumped 833 bbls.</td> </tr> <tr><td> </td><td> </td></tr> <tr><td> </td><td> </td></tr> </table>			DEPTH INTERVAL	AMOUNT AND KIND MATERIAL USED	1214'-1232'	Fracd with 60,000# of 20/40 Brady sand in 20# X-link gel (Delta 140 fluid). Total fluid pumped 833 bbls.				
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1214'-1232'	Fracd with 60,000# of 20/40 Brady sand in 20# X-link gel (Delta 140 fluid). Total fluid pumped 833 bbls.												
28. PRODUCTION													
<b>Date First Production</b> 10/28/2005		<b>Production Method (Flowing, gas lift, pumping - Size and type pump)</b> PUMPING		<b>Well Status (Prod. or Shut-in)</b> PRODUCING									
<b>Date of Test</b> 11/01/2005	<b>Hours Tested</b> 24	<b>Choke Size</b> ----	<b>Prod'n For Test Period</b>	<b>Oil - Bbl</b> 0	<b>Gas - MCF</b> 48								
<b>Water - Bbl.</b> 12		<b>Gas - Oil Ratio</b>											
<b>Flow Tubing Press.</b> ----	<b>Casing Pressure</b> 4	<b>Calculated 24-Hour Rate</b>	<b>Oil - Bbl.</b> 0	<b>Gas - MCF</b> 48	<b>Water - Bbl.</b> 12								
<b>Oil Gravity - API - (Corr.)</b> ---													
<b>29. Disposition of Gas (Sold, used for fuel, vented, etc.)</b> SOLD					<b>Test Witnessed By</b> Tim Merilatt								
<b>30. List Attachments</b>													
<b>31. I hereby certify that the information shown on both sides of this form as true and complete to the best of my knowledge and belief</b>  <table style="width:100%;"> <tr> <td style="width:30%;">Signature </td> <td style="width:20%;">Printed Name <u>Steven S. Dunn</u></td> <td style="width:20%;">Title <u>Drilg &amp; Prod Manager</u></td> <td style="width:20%;">Date <u>11/3/2005</u></td> <td style="width:10%;"></td> </tr> </table>						Signature 	Printed Name <u>Steven S. Dunn</u>	Title <u>Drilg &amp; Prod Manager</u>	Date <u>11/3/2005</u>				
Signature 	Printed Name <u>Steven S. Dunn</u>	Title <u>Drilg &amp; Prod Manager</u>	Date <u>11/3/2005</u>										
<b>E-mail Address</b> <u>sdunn@merrion.bz</u>													

# INSTRUCTIONS

This form is to be filed with the appropriate District Office of the Division not later than 20 days after the completion of any newly-drilled or deepened well. It shall be accompanied by one copy of all electrical and radio-activity logs run on the well and a summary of all special tests conducted, including drill stem tests. All depths reported shall be measured depths. In the case of directionally drilled wells, true vertical depths shall also be reported. For multiple completions, items 25 through 29 shall be reported for each zone. The form is to be filed in quintuplicate except on state land, where six copies are required. See Rule 1105.

INDICATE FORMATION TOPS IN CONFORMANCE WITH GEOGRAPHICAL SECTION OF STATE

Southeastern New Mexico		Northwestern New Mexico	
T. Anhy	T. Canyon	T. Ojo Alamo <u>Surface</u>	T. Penn. "B"
T. Salt	T. Strawn	T. Kirtland-Fruitland <u>144'/820'</u>	T. Penn. "C"
B. Salt	T. Atoka	T. Pictured Cliffs <u>1249'</u>	T. Penn. "D"
T. Yates	T. Miss	T. Cliff House	T. Leadville
T. 7 Rivers	T. Devonian	T. Menefee	T. Madison
T. Queen	T. Silurian	T. Point Lookout	T. Elbert
T. Grayburg	T. Montoya	T. Mancos	T. McCracken
T. San Andres	T. Simpson	T. Gallup	T. Ignacio Otzte
T. Glorieta	T. McKee	Base Greenhorn	T. Granite
T. Paddock	T. Ellenburger	T. Dakota	T.
T. Blinebry	T. Gr. Wash	T. Morrison	T.
T. Tubb	T. Delaware Sand	T. Todilto	T.
T. Drinkard	T. Bone Springs	T. Entrada	T.
T. Abo	T.	T. Wingate	T.
T. Wolfcamp	T.	T. Chinle	T.
T. Penn	T.	T. Permian	T.
T. Cisco (Bough C)	T.	T. Penn "A"	T.

## OIL OR GAS SANDS OR ZONES

No. 1, from.....to.....  
No. 2, from.....to.....  
No. 3, from.....to.....  
No. 4, from.....to.....

## IMPORTANT WATER SANDS

**Include data on rate of water inflow and elevation to which water rose in hole.**

No. 1, from.....to.....feet.....  
 No. 2, from.....to.....feet.....  
 No. 3, from.....to.....feet.....

## LITHOLOGY RECORD (Attach additional sheet if necessary)

From	To	Thickness In Feet	Lithology

From	To	Thickness In Feet	Lithology