

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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APR 25 2008

FORM APPROVED
OMB NO. 1004-0137
Expires: July 31, 2010

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

Bureau of Land Management
Farmington Field Office

Lease Serial No.
NMSF-078899

1a. Type of Well ☐ Oil Well ☒ Gas Well ☐ Dry ☐ Other
b. Type of Completion: ☒ New Well ☐ Work Over ☐ Deepen ☐ Plug Back ☐ Diff. Resrv.,
Other: _____

6. If Indian, Allottee or Tribe Name

7. Unit or CA Agreement Name and No.
NMM-73583

2. Name of Operator
MERRION OIL & GAS CORPORATION

8. Lease Name and Well No.
BLACKROCK C No. 1E

3. Address 610 Reilly Avenue
Farmington, NM 87401

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

9. AFI Well No.
30-045-34306-0001

4. Location of Well (Report location clearly and in accordance with Federal requirements)*

10. Field and Pool or Exploratory
BASIN DAKOTA

760' FSL & 1618' FWL
At surface

11. Sec., T., R., M., on Block and
Survey or Area SEC 21, T26N, R11W

At top prod. interval reported below same

12. County or Parish 13. State

SAN JUAN

NM

At total depth same

14. Date Spudded
01/16/2008

15. Date T.D. Reached
01/25/2008

16. Date Completed 04/16/2008
☐ D & A ☒ Ready to Prod.

17. Elevations (DF, RKB, RT, GL)*
6208' GL

18. Total Depth: MD 6300'
TVD

19. Plug Back T.D.: MD 6210' KB
TVD

20. Depth Bridge Plug Set: MD
TVD

21. Type Electric & Other Mechanical Logs Run (Submit copy of each)
IND/GR/DEN/NEUTRON; GR/CCL

22. Was well cored? ☒ No ☐ Yes (Submit analysis)
Was DST run? ☒ No ☐ Yes (Submit report)
Directional Survey? ☒ No ☐ Yes (Submit copy)

23. Casing and Liner Record (Report all strings set in well)

| Hole Size | Size/Grade | Wt. (#/ft.) | Top (MD) | Bottom (MD) | Stage Cementer Depth | No. of Sk. & Type of Cement | Slurry Vol. (BBL) | Cement Top* | Amount Pulled |
|-----------|------------|-------------|----------|-------------|----------------------|-----------------------------|-------------------|-------------|---------------|
| 12-1/4" | 8-5/8" | 24# | | 353' | | 350 sxs | | | |
| 7-7/8" | 4-1/2" | 11.6# | | 6294' KB | | 1279 sxs | | | |
| | | | | | | | | | |
| | | | | | | | | | |
| | | | | | | | | | |
| | | | | | | | | | |
| | | | | | | | | | |

24. Tubing Record

| Size | Depth Set (MD) | Packer Depth (MD) | Size | Depth Set (MD) | Packer Depth (MD) | Size | Depth Set (MD) | Packer Depth (MD) |
|--------|----------------|-------------------|------|----------------|-------------------|------|----------------|-------------------|
| 2-3/8" | 5954' KB | | | | | | | |

25. Producing Intervals

| Formation | Top | Bottom | Perforated Interval | Size | No. Holes | Perf. Status |
|-----------------|-------|--------|---------------------------|-------|-----------|--------------|
| A) Burro Canyon | 6122' | 6136' | 6122'-6136' | 0.26" | 28 | |
| B) Lower Dakota | 6092' | 6085' | 6092'-6098' & 6074'-85' | 0.39" | 51 | |
| C) Upper Dakota | 5957' | 6026' | 5957'-5961' & 6000'-6026' | 0.39" | 60 | |
| D) | | | | | | |

26. Perforation Record

27. Acid, Fracture, Treatment, Cement Squeeze, etc.

| Depth Interval | Amount and Type of Material |
|----------------|---|
| 5957'-6136' | Pumped 9,900 gal pad of 20# x-link 'Dyna-Frac' gel in 50Q foam. Frac well with 150,000# of 20/40 Super LC (resin coated) sand in 20# x-link 'Dyna-Frac' gel. Total fluid pumped 939 bbls. |
| | |
| | |

28. Production - Interval A

| Date First Produced | Test Date | Hours Tested | Test Production | Oil BBL | Gas MCF | Water BBL | Oil Gravity Corr. API | Gas Gravity | Production Method |
|---------------------|----------------------|--------------|-----------------|---------|---------|-----------|-----------------------|-------------|-------------------|
| NA | 4/10/08 | 8 | → | 0 | 74 | 96 | --- | .6 | FLOWING |
| Choke Size | Tbg. Press. Flwg. SI | Csg. Press. | 24 Hr. Rate | Oil BBL | Gas MCF | Water BBL | Gas/Oil Ratio | Well Status | |
| 16/64" | 150 | N/A | → | 0 | 222 | 288 | --- | SHUT IN | |

RCVD MAY 2 '08

OIL CONS. DIV.
DIST. 3

28a. Production - Interval B

| Date First Produced | Test Date | Hours Tested | Test Production | Oil BBL | Gas MCF | Water BBL | Oil Gravity Corr. API | Gas Gravity | Production Method |
|---------------------|----------------------|--------------|-----------------|---------|---------|-----------|-----------------------|-------------|-------------------|
| | | | → | | | | | | |
| Choke Size | Tbg. Press. Flwg. SI | Csg. Press. | 24 Hr. Rate | Oil BBL | Gas MCF | Water BBL | Gas/Oil Ratio | Well Status | |
| | | | → | | | | | | |

ACCEPTED FOR RECORD

APR 30 2008

FARMINGTON FIELD OFFICE

*(See instructions and spaces for additional data on page 2)

BY TL Salyers

NMCCD

28b. Production - Interval C

| Date First Produced | Test Date | Hours Tested | Test Production → | Oil BBL | Gas MCF | Water BBL | Oil Gravity Corr. API | Gas Gravity | Production Method |
|---------------------|----------------------------|--------------|----------------------|---------|---------|-----------|--------------------------|-------------|-------------------|
| Choke Size | Tbg. Press. Flwg. SI | Csg. Press. | 24 Hr. Rate → | Oil BBL | Gas MCF | Water BBL | Gas/Oil Ratio | Well Status | |

28c. Production - Interval D

| Date First Produced | Test Date | Hours Tested | Test Production → | Oil BBL | Gas MCF | Water BBL | Oil Gravity Corr. API | Gas Gravity | Production Method |
|---------------------|----------------------------|--------------|----------------------|---------|---------|-----------|--------------------------|-------------|-------------------|
| Choke Size | Tbg. Press. Flwg. SI | Csg. Press. | 24 Hr. Rate → | Oil BBL | Gas MCF | Water BBL | Gas/Oil Ratio | Well Status | |

29. Disposition of Gas (Solid, used for fuel, vented, etc.)

SOLD

30. Summary of Porous Zones (Include Aquifers):

Show all important zones of porosity and contents thereof: Cored intervals and all drill-stem tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures and recoveries.

31. Formation (Log) Markers

| Formation | Top | Bottom | Descriptions, Contents, etc. | Name | Top |
|-----------|-----|--------|------------------------------|-----------------------------------|------------------------|
| | | | | | Meas. Depth |
| | | | | Ojo Alamo Kirtland | 377' 535' |
| | | | | Fruitland Main Fr Coal | 1132' 1387' |
| | | | | Pictured Cliffs Lewis | 1407' 1530' |
| | | | | LaVentana Menefee | 2317' 3097' |
| | | | | Point Lookout Mancos | 3909' 4132' |
| | | | | Gallup Greenhorn | 4960' 5820' |
| | | | | Graneros Dakota / Burro Canyon | 5948' 5985' / 6120' |

32. Additional remarks (include plugging procedure):

33. Indicate which items have been attached by placing a check in the appropriate boxes:

- ☐ Electrical/Mechanical Logs (1 full set req'd.)
 ☐ Geologic Report
 ☐ DST Report
 ☐ Directional Survey
☐ Sundry Notice for plugging and cement verification
 ☐ Core Analysis
 ☐ Other:

34. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records (see attached instructions)*

Name (please print) TYSON FOUTZ

Title PETROLEUM ENGINEER

Signature

Date 04/24/2008

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.

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