Distribution: O+4 (BLM); 1-Accounting; 1- Crystal; 1-File	
Form 3160-5 UNITED STATES (June 1990) DEPARTMENT OF THE INTERIOR	FORM APPROVED Budget Bureau No. 1004-0135 Expires: March 31, 1993
BUREAU OF LAND MANAGEMENT SUNDRY NOTICES AND REPORTS ON WELLS	5. Lease Designation and Serial No. NOOC-14-20-5377
Do not use this form for proposals to drill or to deepen or reentry to a different reservoir. Use "APPLICATION FOR PERMIT" for such proposals	6. If Indian, Allottee or Tribe Name Navajo Alloted
SUBMIT IN TRIPLICATE	7. If Unit or CA, Agreement Designation
1. Type of Well Oil Gas Well Well X Other Saltwater Disposal Well	8. Well Name and No.
2. Name of Operator Merrion Oil & Gas Corporation	PWU No. 3 9. API Well No.
 Address and Telephone No. 610 Reilly Avenue, Farmington, NM 87401-2634 (505) 327-9801 Location of Well (Footage, Sec., T., R., M., or Survey Description) 	30-031-20502 10. Field and Pool, or Exploratory Area Papers Wash Entrada
2310' fsl & 2000' fwl (ne sw) K Section 15, T19N, R5W	11. County or Parish, State McKinley County, New Mexico
12. CHECK APPROPRIATE BOX (s) TO INDICATE NATURE OF NOTICE, REPO	RT, OR OTHER DATA
TYPE OF SUBMISSION TYPE OF ACTION	
X Notice of Intent Abandonment Recompletion Plugging Back Casing Repair	Change of Plans New Construction Non-Routine Fracturing Water Shut-Off
Final Abandonment Notice Altering Casing Altering Casing Other Failed MIT. Repair	Conversion to Injection Dispose Water (Note: Report results of multiple completion on Completion or Recompletion Report and Log form.)
13. Describe Proposed or completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*	
The PWU #3 is currently shut in due to failure of the MIT in October, 1995.	
Merrion Oil & Gas plans to drill an additional horizontal producing well in this field. If the well produces in commercial quantities, the PWU #3 will be needed for water disposal.	
Immediately after completion and testing of the producing well, we propose to diagnose and repair the problem in the PWU #3.	
SEE ATTACHED FOR CONDITIONS OF APPROVAL	97 <i>1</i> 070
THIS APPROVAL EXPIRES DEC 3.1-49	97 RECEIVE
14. I hereby certify that the foregoing is true and correct Signed Connie S. Dinning Title Contract Engineer	Date 3/6/97
(This space for Federal or State office use) Approved By Title	MAR 1 2 1997
Conditions of approval, if any:	



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Farmington District Office 1235 La Plata Highway Farmington, New Mexico 87401

IN REPLY REFER TO:

CONDITIONS OF APPROVAL

1.) The well is to be repaired and pass a mechanical integrity test or a plan to plug and abandon must be submitted by the expiration date of December 31, 1997.