Distribution: O+4 (BLM); 1-Accounting; 1-Crystal; 1-File **UNITED STATES** FORM APPROVED Form 3160-5 Budget Bureau No. 1004-0135 (June 1990) DEPARTMENT OF THE INTERIOR Expires: March 31, 1993 **BUREAU OF LAND MANAGEMENT** Lease Designation and Serial No. NM-24964 SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill or to deepen or reentry to a different reservoir. If Indian, Allottee or Tribe Name Use "APPLICATION FOR PERMIT--" for such proposals 7. If Unit or CA, Agreement Designation SUBMIT IN TRIPLICATE Type of Well Gas 8. Well Name and No. Well X Well Name of Operator Pot Mesa #1 API Well No. Merrion Oil & Gas Corporation 30-031-20882 Address and Telephone No. (505) 327-9801 10. Field and Pool, or Exploratory Area 610 Reilly Avenue, Farmington, NM 87401-2634 Location of Well (Footage, Sec., T., R., M., or Survey Description) Pot Mesa Mesaverde 600' fnl & 1980' fel (nw ne) 11. County or Parish, State McKinley County, Section 10, T20N, R6W **New Mexico** CHECK APPROPRIATE BOX (s) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA 12. TYPE OF SUBMISSION TYPE OF ACTION Change of Plans Abandonment Notice of Intent New Construction Recompletion Non-Routine Fracturing Plugging Back Subsequent Report Water Shut-Off Casing Repair Conversion to Injection Altering Casing Final Abandonment Notice Dispose Water (Note: Report results of multiple completion on Completion or Recompletion Report and Log form.) Describe Proposed or completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)\* Merrion Oil & Gas proposes to return the subject well to production by May 1, 1997. Economic feasibility of compression and compressor design for the subject well were dependent upon the added production from the McCollum #1, which we expected to recomplete in a lower portion of the Mesaverde. The newly opened zone in the McCollum #1 proved to be nonproductive. Facility redesign without the McCollum production is ongoing, however the weather may cause difficulty in installation of surface equipment. We therefore requestadditional time to return the well to production. I hereby certify that the foregoing is true and correct Contract Engineer 2/5/97 Connie S. Dinning Title Date Signed (This space for Federal or State office use) /S/ Duane W. Spencer Approved By Conditions of approval, if any:

Title 18 U.S.C. Section 1001, makes 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.