Distribution: 0+6 (BLM); 1 (Well File); 1 (Jamie Clark) Form 3160-5 FORM APPROVED UNITED STATES RECEIVED Budget Bureau No. 1004-0135 (June 1990) DEPARTMENT OF THE INTERIOR Expires: March 31, 1993 **BUREAU OF LAND MANAGEMENT** 5. Lease Designation and Serial No. SUNDRY NOTICES AND REPORTS ON WELL\$2 007 -0 PH 1: №0-G-9208-1236 6. If Indian, Allottee or Tribe Name Do not use this form for proposals to drill or to deepen or reentry to a different reservoir, Navajo Allotted Use "APPLICATION FOR PERMIT—" for such proposals 7. If Unit or CA, Agreement Designation SUBMIT IN TRIPLICATE 1. Type of Well V Oil Well 8. Well Name and No. Other Name of Operator Chaco Wash No. 1 Merrion Oil & Gas Corporation 9. API Well No. 3. Address and Telephone No. 30-031-20975 P. O. Box 840, Farmington, New Mexico 10. Field and Pool. or Exploratory Area 4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Undesignated Gallup 1850' FSL & 1850' FEL 11. County or Parish, State Section 13, T20N, R6W McKinley, New Mexico 12. CHECK APPROPRIATE BOX(s) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA TYPE OF SUBMISSION TYPE OF ACTION Notice of Intent Change of Plans New Construction Recompletion X Subsequent Report Plugging Back Non-Routine Fracturing Final Abandonment Notice Conversion to Injection (Note: Report results of multiple comp n or Recompletion Report and Log (orm.) 13. 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.)* 10/4/92 Drld to TD @ 6036'. Circ samples, short trip with 8 stands. Circ and cond hole. Ran openhole surveys with Great Guns. RD loggers. LD DCs and PU DP. RIH to 6036'. Circ and cond hole. RU Cementers. Spot plug #1 across Entrada with 76 sx Class "B" (90 cu.ft.); 6036'-5760' displace with 82.5 bbls 9#/gal drill mud. Cement - yield 1.18 cu.ft./sx, density15.6#/gal. PU to 5050'. Load hole with mud. Spot plug #2 across Morrison/Dakota tops with 229 sx Class "B" (270 cu.ft.); 5050'-4600', displace with 62 bbls 9# mud. Yield 1.18 cu.ft./sx; density 15.6# gal. PU to 4100'. Circ and cond hole. POOH. LDDP. Total depth at 4009'. 10/06/92 Ran 101 joints of 7", 23#, J-55 casing and set @ 4009' KB. DV tool @ 2770'. Condition hole. RU and cemented 1st Stage with 150 sxs Class "H with 2% gel + 1/4# celloflake + 3#/sack gilsonite, yield 1.26 cu.ft./sx, density 15.3#/gal. Cemented 2nd Stage with 130 sx Class "C" with 2% thrifty lite, yield 2.09 cu.ft./sx, density 12.2#/gal, tail in with 55 sx Class "H" with 2% gel, yield 1.22 cu.ft./sx, density 15.5#/gal. Good circulation throughout job. RD Cementers. ND BOP. Set slips, cut off casing. Rel rig. WOC. 14. I hereby that the foregoing is true and Operations Manager 10/08/92 oven S. Dunn ACCEPTED FOR RECORD Title 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 traudulent statements or representations as to any matter within its jurisdiction.