Orig+4 (BLM); 1-Crystal; 1-Accounting; 1-Well File Distribution: FORM APPROVED UNITED STATES Form 3160-5 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. NM-12012 SUNDRY NOTICES AND REPORTS ON WEL 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. Use "APPLICATION FOR PERMIT—" for such proposals 7. If Unit or CA, Agreement Designation SUBMIT IN TRIPLICATE Media Entrada Unit 1. Type of Well X Oil Well 8. Well Name and No. MEU No. 2 2. Name of Operator Merrion Oil & Gas Corporation 9. API Well No. 30-043-20-087 3. Address and Telephone No. 10. Field and Pool, or Exploratory Area P. O. Box 840, Farmington, New Mexico 87499 (505) 327-9801 4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Media Entrada 11. County or Parish, State 1650' fsl & 330' fel (NESE) Sandoval, Section 15, T19N, R3W 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 Notice of Intent **New Construction** X Subsequent Report Non-Routine Fracturing Water Shut-Off Conversion to Injection Final Abandonment Dispose Water (Note: Report results of multiple comp 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 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.)* 9/12/95 Build workover pit, set catwalk and pipe racks. Set anchors. Unloaded 120 jts 2-7/8" EUE tubing. Prep to move in rig. MIRU Big 'A' Rig No. 17 on 9/13/95. NU WH, BOPs. Set reverse equipment. Pu 6-1/8" 9/13/95 MT bit, 3-1/8" drill collars. Drill cement from surface to 90'. Circulate clean. 9/14/95 Drilled cement from 90' to 422' KB. Ran 90' tubing after falling through plug. TOH with bit and collars. Removed bit sub. Ran 7" casing scraper with same bit. Clean out to 4093' KB with bit and scraper.

14. I hereby certify that the foregoing is true and correct

Signed Steven S. Dunn Title Operations Manager

Operations Manage

*** CONTINUED OTHER SIDE ***

- 9/16/95 Finished drilling cement plugs. Tagged bottom plug at 5068' KB. TOH, laying down 2-7/8" EUE tubing, 6 3-1/8" drill collars, casing scraper and 6-1/4" bit.
- 9/18/95 Rig down Big 'A' Rig No. 17 on 9/18/95. WO drilling rig.