

Distribution: 1-Well File; 1-Accounting; 1-Crystal 1-Jim Johnson (PEDCO)

Submit 3 Copies
to Appropriate
District Office

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-103
Revised 1-1-89

DISTRICT I
P.O. Box 1980, Hobbs, NM 88240

DISTRICT II
P.O. Drawer DD, Artesia, NM 88210

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

OIL CONSERVATION DIVISION
P.O. Box 2088
Santa Fe, New Mexico 87504-2088

WELL API NO.
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name Hakuna Matata (19652)
8. Well No. 1
9. Pool name or Wildcat (96634) Wildcat 24N4W16D;Entrada(0)

SUNDRY NOTICES AND REPORTS ON WELLS (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)	
1. Type of Well: OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER	
2. Name of Operator Merrion Oil & Gas Corporation (014634)	
3. Address of Operator 610 Reilly Avenue, Farmington, NM 87401-2634	
4. Well Location Unit Letter D : 990 Feet From The north Line and 330 Feet From The west Line Section 16 Township 20N Range 4W NMPM Sandoval County	
10. Elevation (Show whether DF, RKB, RT, GR, etc.) 6862'	

11. Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data	
NOTICE OF INTENTION TO:	SUBSEQUENT REPORT OF:
PERFORM REMEDIAL WORK <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>
OTHER: <input type="checkbox"/>	PLUG AND ABANDONMENT <input checked="" type="checkbox"/>
	CASING TEST AND CEMENT JOB <input type="checkbox"/>
	OTHER: Spud, Csg & TD Reports <input checked="" type="checkbox"/>

12. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work) SEE RULE 1103.

1/19/97 MIRU Four Corners Rig #3. Drilled mouse hole and rat hole. Spudded 12-1/4" surface hole to 353' KB. Circulated and conditioned hole.

1/20/97 PU & RIH with 8 joints (338.04' TL) of 9-5/8", 36#, K-55, LT&C surface casing, landed at 353.04' RKB. 1 centralizer on bottom joint, locked first collar. RU and cemented with 200 sxs Class 'G' cement (230' cu.ft.) with 2% CaCl2, 1/4# celloflake, yield 1.15 cu.ft./sx. Displaced with water. Circulated 4 bbls good cement back to surface. SI with 150 psig. WOCT. Release pressure, PU 8-3/4" bit. RIH, tag and drill 40' of cement. Press tested BOPS. Drilling ahead.

1/31/97 Drilled to TD @ 6487'. Condition hole for logs. POH. RU Schlumberger. RIH, logging tool stopped at 4322'.

**** CONTINUED OTHER SIDE ****

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE Steven S. Dunn TITLE Drig & Oper Manager DATE 2/4/97

TYPE OR PRINT NAME _____ TELEPHONE NO. _____

(This space for State Use)

APPROVED BY Original Signed by FRANK T. CHAVEZ TITLE _____ DATE FEB - 6 1997

CONDITIONS OF APPROVAL, IF ANY: