DISTRIBUTION: Orig+4 (BLM); 1-Crystal; 1-Accounting; 1-Well File; 1-James Miles (BIA); and 1-Brian Wood (Permits West) Form 3160-5 UNITED STATES (June 1990) Budget Bureau No. 1004-0135 DEPARTMENT OF THE INTERIOR Expires: March 31, 1993 **BUREAU OF LAND MANAGEMENT** 5. Lease Designation and Serial No. NM-7787 SUNDRY NOTICES AND REPORTS ON WELLS 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 1. Type of Well Oil Well ▼ Gas Well Other 8. Well Name and No. Serendipity Com No. 1 Merrion Oil & Gas Corporation 9. API Well No. 3. Address and Telephone No. 30-045-25679 P. O. Box 840, Farmington, New Mexico 87499 10. Field and Pool, or Exploratory Area (505) 327-9801 4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Basin Fruitland Con 11. County or Parish, State 1650' FSL & 2310' FEL San Juan, Section 26, T26N, R13W **New Mexico** CHECK APPROPRIATE BOX(s) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA TYPE OF SUBMISSION TYPE OF ACTION X Notice of Intent Change of Plans Recompletion New Construction Subsequent Report Plugging Back Non-Routine Fracturing Casing Repair Water Shut-Off Final Abandonment Notice Altering Casing Conversion to Injection Install gas line Dispose Water Note: Report results of multiple complete 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.)* Merrion requests approval to install 1600 feet ± of buried gas sales line in the NW/4 of Section 25, T26N, R13W on Lease NM-7787. Merrion is the lease holder of Lease NM-7787. The proposed gas sales line will provide a gas sales outlet for the Serendipity Com #1 Fruitland gas well into the El Paso Natural Gas System. OIL COM. DIV. that the foregoing is true and correct 14 I hereby certify Signed Title Operations Manager This space for Fed Approved by 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 faise, fictitious or traudulent statements

or representations as to any matter within its jurisdiction

DISTRICT MANAGER