CONS. DIG

RCVD DEC29706

Expires: March 31, 2007	CARACTE .	
se Serial No.	DIST.	,

SUNDRY Do not use th		INTERIOR AGEMENT	FORM APPROVED OM B No. 1004-0137 Expires: March 31, 2007 5. Lease Serial No. NM-31059 6. If Indian, Allottee or Tribe Name
SUBMIT IN TRI	PLICATE- Other instr	ructions on reverse side.	7. If Unit or CA/Agreement, Name and/or No.
2. Name of Operator MERRION (Gas Well Other OIL & GAS CORPORATION	070 540 110	8. Well Name and No. YAHTZEE No. 2 9. API Well No.
3a Address 610 REILLY AVENUE, FARM 4. Location of Well (Footage, Sec.,		3b. Phone No. (include area code) 505-324-5300	30-045-31380 10. Field and Pool, or Exploratory Area BASIN FRUITLAND
4. Location of Weil (<i>Poolage</i> , Sec., 780' FNL & 795' FWL (NW N SECTION 14, T26N, R13W	• • •		11. County or Parish, State SAN JUAN, NM
	PPROPRIATE BOX(ES) TO	INDICATE NATURE OF NOTICE, R	EPORT, OR OTHER DATA
TYPE OF SUBMISSION Notice of Intent Subsequent Report Final Abandonment Notice 13. Describe Proposed or Complet	Acidize Alter Casing Casing Repair Change Plans Convert to Injection	TYPE OF ACTION Deepen Production (Statement Action) New Construction Recomplete Plug and Abandon Temporarity Al Plug Back Water Disposal ment details, including estimated starting date of a	Well Integrity Other RE-COMPLETION bandon

Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

1/16/06 MIRU A Plus Well Service on 1/16/06. TOH with rods and pump. ND tubing head, PU 3 tag joints and tagged fill 96' below the bottom of the tubing, LD tag joints, landed tubing. TIH with new 11/4" x 12' RHAC pump from CDI, spaced put pump, hung rods off. Started pumping unit and found that the clutch pads were sheaved of their teeth. Left unit down, shut well in. RDMOL.

9/17/06 MIRU JC Well Service. POH with rods and pump. POH with tubing.

9/18/06 RU BWWC and RIH with Gamma Ray-CCL to correlate depth. POH and PU 17' perforating gun (3 spf - 120° phasing, 10g charges) and RIH. Fire guns at 1207.1224 KB. Zone now has 6 spf of 0.34" EHD. PU extend-a-perf propellant charge and RIH to 1212 KB. Load with 30 bbls produced water at 3.7 BPM. Catch pressure and roll 1.5 BPM into well at 25 psi. Shot propelland and saw 300 psi peak surface pressure. Shut down pump and POH with Wireline. RIH with tubing and begin swabbing.

9/19/06 Well has brought back minimal water via swabbing (10 bbls). Casing built to 10 psi overnight. RIH with rebuilt 2" x 1-1/4" x 12' RHAC pump on 49 each - 3/2" rods, 2 each 8' and 1' each 4' pony rods.

CONTINUED OTHER SIDE

14. Thereby certify that the foregoing is true and correct Name (Printed/Typed)	`						
STEVEN S. DUNN	Title	DRLG & PRODUCTION MANA	GER				
Signature	Date	10/26/2006	ACCEPTED FOR RECORD				
THIS SPACE FOR FEDERAL OR STATE OFFICE USE							
Approved by		Title	DEC 2 7 2006				
Conditions of approval, if any, are attached. Approval of this notice does not warrar certify that the applicant holds legal or equitable title to those rights in the subject less which would entitle the applicant to conduct operations thereon.		Office	FARMINGTON PELLIUTIVE BY				
Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any States any false, fictitious or fraudulent statements or representations as to any matter	person r within	knowingly and willfully to make to a its jurisdiction.	ny department or agency of the United				

(Instructions on page 2)