

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0137
Expires: March 31, 2007

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or abandon a well. Use Form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE- Other instructions on reverse side

1. Type of Well
☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator **MERRION OIL & GAS CORPORATION**

3a. Address
610 REILLY AVENUE, FARMINGTON, NM 87401

3b. Phone No. (include area code)
505-324-530

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

**905' FNL & 1640' FWL
SECTION 20, T26N, R11W**

5. Lease Serial No
SF-078899A

Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No
NM

8. Well Name and No
ALTERNATIVE ROCK No. 1

9. API Well No.
30-045-30250

10. Field and Pool, or Exploratory Area
So. Gallegos Frt Sd Pic Cliffs

11. County or Parish, State
San Juan, New Mexico

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input checked="" type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. 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 recompleat 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.)

7/18/07 MIRU JC Well Service on 7/18/07. POOH w/ rods. MIRU KPPS. Tie onto tubing and establish injection rate 4 BPM @ 200 psi for 10 bbl. Install BOP and POOH w/ tubing. Close blinds and tie into casing with cement pump. Pump 6.5 bbl cement. Shut down and drop 44 frac balls. Continue with .25#/sk celloflake for next 5 bbl. Pump total of 20 bbl @ 3BPM and 150 psig before catching pressure. Bump in additional 6 bbl as pressure allowed (1600 psig max). Total of 26 bbl (125 sacks) 15.5# type 5 cement w/ 2% CaCl2 into well (casing capacity + 3.5 bbl). Shut down and let sit for 10 minutes. Bleed off pressure and open blind rams. Cement at surface. Pull BOP and rinse cement off. RDMOL KPPS. RDMOL JC well service. Will install dry hole marker tomorrow. and remove surface equipment and abandon lines next week. Location reclamation to follow.

7/20/07 Break down wellhead and install dry hole marker. Surface equipment removal and location reclamation to follow.

**RCVD AUG2'07
OIL CONS. DIV.
DIST. 3**

14. I hereby certify that the foregoing is true and correct
Name (Printed/Typed)

STEVEN S. DUNN

Title **DRILLING & PRODUCTION MANAGER**

Signature

Date

07/29/2007

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Title

Date

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction

(Instructions on page 2)

JUL 31 2007

NMOC

FARMINGTON FIELD OFFICE