

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM 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 to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE- Other instructions on reverse side

1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. SF-078899A
2. Name of Operator MERRION OIL & GAS CORPORATION		6. If Indian, Allottee or Tribe Name
3a. Address 610 REILLY AVENUE, FARMINGTON, NM 87401	3b. Phone No. (include area code) 505-324-5300	7. Unit of C/A Agreement, Name and/or No.
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 1115' FNL & 900' FEL (NENE) SECTION 20, T26N, R11W		8. Well Name and No. BRIDLE COM No. 1
		9. API Well No. 30-045-32146
		10. Field and Pool, or Exploratory Area BASIN FRUITLAND
		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 checked="" type="checkbox"/> Other SPD, CSG & TD REPORTS
	<input type="checkbox"/> Change Plans	<input 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.)

9/15/05 MIRU Scorpion Drilling Rig #1. Spud 8-3/4" surface at 1000 hrs 9/15/05. TD surface hole at 145'. Circulate hole clean and TOH. Ran 3 jts of 7" (127.2'), 23# casing & land @ 132' KB. RU AES. Precede cement with 10 bbls of water. Mix & pump 60 sxs (71 cu.ft.) of Class "B" with 2% CaCl₂ and 1/4#/sx of celloflake. Displaced cement with 4 bbls of water. Circulated out 4 bbls of cement to surface. PD at 1600 hrs 9/15/05. SDON. Will pressure test in morning.

9/16/05 Conducted BLM mandated BOP and Choke & Kill Manifold testing. TIH to drill out w/ 6-1/4" bit. Unable to circulate, pumping Kelly out of hole. POH w/ drill string. Discovered Kelly connection on bottom is 6-1/4" OD; too big to use. SDON.

9/17/05 Changed out Kelly. TIH with 6-1/4" bit and drill out cement. Drill ahead to 301' KB. Cleaned up hole. SDON.

*** CONTINUED OTHER SIDE ***

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

STEVEN S. DUNN

Title DRLG & PRODUCTION MANAGER

Signature

Date

09/22/2005

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

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.

Title

Date

Office

ACCEPTED FOR RECORD

SEP 26 2005

FARMINGTON FIELD 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)

NMOC

9/18/05 Drill ahead to 1013' KB. Cleaned up hole. SDON.

9/19/05 Drill ahead to TD @ 1550' KB. Cleaned up hole. SDON.

9/20/05 TD well at 1555' on 9/19/05. Circulate & condition hole. Mix "starch" to get water loss down to 8.2. TOH & LDDP & DC's. SDON. RU casing crew & run 40 jts (1545.36') of 4-1/2", 11.6#, J-55, LT&C casing & land @ 1551' KB. Insert float collar @ 1528' KB. Wash casing down & circulate for 0.5 hrs. RU AES. Precede cement w/ 10 bbls of water. Mix & pump 145 sxs. (299 cu.ft.) of Class "B" w/ 2% SMS, 3#/sx of Gilsonite & 1/4#/sx celloflake. Tail in w/ 55 sxs. (65 cu.ft.) of Class "B" with 1/4#/sx celloflake. Dropped plug & displaced cement w/ 23.75 bbls of water. PD @ 12:15 hrs. 9/20/05. Good circulation throughout cement job. Circulated out 20 bbls of cement to surface. (Bumped plug to 1500# - float held OK). RD AES. ND BOP & set slips. Rig down. Final report - rig released from location. WOCT.