

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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.

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

SUBMIT IN TRIPLICATE- Other instructions on reverse side.

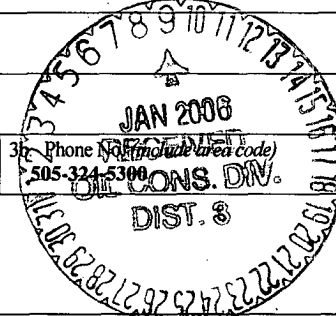
1. Type of Well
☐ Oil Well ☒ Gas Well ☐ Other

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

3a Address
610 REILLY AVENUE, FARMINGTON, NM 87401

3b Phone (Include area code)
505-324-5300

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
**780' FNL & 795' FWL (NWNW)
SECTION 14, T26N, R13W**



5. Lease Serial No.
NM-31059

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.
YAHTZEE No. 2

9. API Well No.
30-045-31380

10. Field and Pool, or Exploratory Area
BASIN FRUITLAND

11. County or Parish, State
SAN JUAN, NM

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 COMPLETION
	<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.)

12/19/05 Remove wellhead and install 5K frac valve. Pressure test valve and casing to 3500 psi - held OK. Spot frac tanks and fill w/ 2% KCl water. Water is Bloomfield city water. RU Black Warrior Wireline Services. RIH and perforate Fruitland Coal formation 3 spf from 1207' - 1224', total of 51 holes, EHD: 0.34". RD BWWC. SWI, secure location & SDON.

12/20/05 RU KEY Pressure Pumping Services and hold safety meeting. Pressure tested pumps and lines to 4800#. Pumped 12,180 gals pad (including pre-pad with sand slug) of 20# x-link "Aqua-Safe" gel. Note: pumped first 8400 gal at 15 BPM before slowly increasing rate up to 30 BPM. Pumped a 0.25 - 0.5 ppg "sand slug" during Pre-pad. Frac well with 8000# of 20/40 Brady in 20# x-link "Aqua-Safe" gel. Well screened out while pumping 1 ppg stage at 30 BPM. Attempted to increase sand to 2.0 ppg stage because of high treating pressures but well still screened out. Made several attempts to "roll back" into formation but well pressured up each time. SWI with 863 psi at 10:30 hrs 12/20/05. AIR: 18 BPM, MIR: 31 BPM, ATP: 2235 psi, MTP: 4000 psi. Total fluid pumped: 494 bbls. RD KPPS. Open well thru 1/4" choke at 11:30 hrs 12/20/05. Well was dead. Left well shut in.

12/21/05 MIRU JC Well Service rig and air package. Spot tubing trailer. Well had 0 psi. Remove frac valve. Install tubing head and NU BOP. PU 2-3/8" tubing with notched collar on bottom and TIH. Tagsand at 1240'. Lay down 5 joints. Will start cleaning out in the morning. SWI, secure location & SDON.

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

STEVEN S. DUNN

Title **DRLG & PRODUCTION MANAGER**

Signature

Date

12/22/2005

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

Office

DEC 29 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)

NMOCD