

Submit To Appropriate District Office State Lease - 6 copies Fee Lease - 5 copies District I 1625 N. French Dr., Hobbs, NM 88240 District II 1301 W. Grand Avenue, Artesia, NM 88210 District III 1000 Rio Brazos Rd., Aztec, NM 87410 District IV 1220 S. St. Francis Dr., Santa Fe, NM 87505	State of New Mexico Energy, Minerals and Natural Resources Oil Conservation Division 1220 South St. Francis Dr. Santa Fe, NM 87505	Form C-105 Revised June 10, 2003 WELL API NO. 30-045-34372 5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/> State Oil & Gas Lease No.						
WELL COMPLETION OR RECOMPLETION REPORT AND LOG								
1a. Type of Well: OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> DRY <input type="checkbox"/> OTHER _____ b. Type of Completion: NEW <input checked="" type="checkbox"/> WORK <input type="checkbox"/> DEEPEN <input type="checkbox"/> PLUG <input type="checkbox"/> DIFF. WELL OVER BACK RESVR. <input type="checkbox"/> OTHER		7. Lease Name or Unit Agreement Name <div style="text-align: center;"> RCVD DEC 24 '07 FARMINGTON C COM. OIL CONS. DIV. DIST. 3 </div>						
2. Name of Operator MERRION OIL & GAS CORPORATION		8. Well No. 1Z						
3. Address of Operator 610 REILLY AVENUE, FARMINGTON, NM 87401		9. Pool name or Wildcat BASIN DAKOTA						
4. Well Location Unit Letter <u>K</u> : <u>1610</u> Feet From The <u>South</u> Line and <u>1452</u> Feet From The <u>West</u> Line Section <u>15</u> Township <u>29N</u> Range <u>13W</u> NMPM San Juan County								
10. Date Spudded 10/2/07	11. Date T.D. Reached 10/14/07	12. Date Compl. (Ready to Prod.) 12/17/07						
13. Elevations (DF& RKB, RT, GR, etc.) 5286'		14. Elev. Casinghead						
15. Total Depth 6950'	16. Plug Back T.D. 6944' KB MD	17. If Multiple Compl. How Many Zones?						
18. Intervals Drilled By All		Rotary Tools All						
19. Producing Interval(s), of this completion - Top, Bottom, Name Dakota: 6676'-6738'; Graneros: 6553'-6564'		20. Was Directional Survey Made Yes						
21. Type Electric and Other Logs Run RST/GR/CCL & True Vertical Depth RST Pseudo OH		22. Was Well Cored No						
23. CASING RECORD (Report all strings set in well)								
CASING SIZE	WEIGHT LB./FT.	DEPTH SET						
8-5/8"	24#	338' KB						
4-1/2"	11.6#	6940 06' KB						
24. LINER RECORD								
SIZE	TOP	BOTTOM						
25. TUBING RECORD								
SIZE	DEPTH SET	PACKER SET						
2-3/8"	6680.12' KBMD							
26. Perforation record (interval, size, and number) Dakota: 6676-6738' (2 spf - 124 holes) Graneros: 6553'-6564' (3 spf - 33 holes)								
27. ACID, SHOT, FRACTURE, CEMENT, SQUEEZE, ETC. <table border="1" style="width:100%; border-collapse: collapse;"> <tr> <th style="text-align: left;">DEPTH INTERVAL</th> <th style="text-align: left;">AMOUNT AND KIND MATERIAL USED</th> </tr> <tr> <td>6676'-6738'</td> <td>Fracd w/260,000# 20/40 Super LC (resin coated) sand in 20# x-link gel Total fluid pumped 3415 bbls</td> </tr> <tr> <td>6553'-6564'</td> <td>Fracd w/55,000# of 20/40 Super LC (resin coated) sand in 20# x-link gel Total fluid pumped 812 bbls</td> </tr> </table>			DEPTH INTERVAL	AMOUNT AND KIND MATERIAL USED	6676'-6738'	Fracd w/260,000# 20/40 Super LC (resin coated) sand in 20# x-link gel Total fluid pumped 3415 bbls	6553'-6564'	Fracd w/55,000# of 20/40 Super LC (resin coated) sand in 20# x-link gel Total fluid pumped 812 bbls
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28. PRODUCTION								
Date First Production 12/12/07	Production Method (Flowing, gas lift, pumping - Size and type pump) Flowing	Well Status (Prod. or Shut-in) Shut-in						
Date of Test 12/12/2007	Hours Tested 13	Choke Size 16/64"						
Flow Tubing Press. 550	Calculated 24-Hour Rate 428	Oil - Bbl. 428						
Casing Pressure 800	Gas - MCF 923	Water - Bbl. 87						
29. Disposition of Gas (Sold, used for fuel, vented, etc.) vented		Test Witnessed By Tim Merilatt						
30. List Attachments Directional survey								
31. I hereby certify that the information shown on both sides of this form as true and complete to the best of my knowledge and belief								
Signature	Printed Name Tyson Foutz Title Petroleum Engineer	Date 12/21/07						
E-mail Address tfoutz@merrion.bz								

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INSTRUCTIONS

This form is to be filed with the appropriate District Office of the Division not later than 20 days after the completion of any newly-drilled or deepened well. It shall be accompanied by one copy of all electrical and radio-activity logs run on the well and a summary of all special tests conducted, including drill stem tests. All depths reported shall be measured depths. In the case of directionally drilled wells, true vertical depths shall also be reported. For multiple completions, items 25 through 29 shall be reported for each zone. The form is to be filed in quintuplicate except on state land, where six copies are required. See Rule 1105.

INDICATE FORMATION TOPS IN CONFORMANCE WITH GEOGRAPHICAL SECTION OF STATE

Southeastern New Mexico		Northwestern New Mexico	
T. Anhy	T. Canyon	T. Ojo Alamo	T. Penn. "B"
T. Salt	T. Strawn	T. Kirtland-Fruitland: Surf/828'	T. Penn. "C"
B. Salt	T. Atoka	T. Pictured Cliffs 1119'	T. Penn. "D"
T. Yates	T. Miss	T. Cliff House 2680'	T. Leadville
T. 7 Rivers	T. Devonian	T. Menefee 2795'	T. Madison
T. Queen	T. Silurian	T. Point Lookout 3564'	T. Elbert
T. Grayburg	T. Montoya	T. Mancos Shale 3898'	T. McCracken
T. San Andres	T. Simpson	T. Gallup 4821'	T. Ignacio Otzte
T. Glorieta	T. McKee	Base Greenhorn 5591'	T. Granite
T. Paddock	T. Ellenburger	T. Dakota 5685'	T. Graneros: 5643'
T. Blinebry	T. Gr. Wash	T. Morrison	T.
T. Tubb	T. Delaware Sand	T. Todilto	T.
T. Drinkard	T. Bone Springs	T. Entrada	T.
T. Abo	T.	T. Wingate	T.
T. Wolfcamp	T.	T. Chinle	T.
T. Penn	T.	T. Permian	T.
T. Cisco (Bough C)	T.	T. Penn "A"	T.

OIL OR GAS SANDS OR ZONES

No. 1, from.....to.....
No. 2, from.....to.....
No. 3, from.....to.....
No. 4, from.....to.....

IMPORTANT WATER SANDS

Include data on rate of water inflow and elevation to which water rose in hole.

No. 1, from.....to.....feet.....
 No. 2, from.....to.....feet.....
 No. 3, from.....to.....feet.....

LITHOLOGY RECORD (Attach additional sheet if necessary)

From	To	Thickness In Feet	Lithology