

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

RECEIVED

FORM APPROVED
OMB No. 1004-0135
Expires January 31, 2004**SUNDRY NOTICES AND REPORTS ON WELLS**

Do not use this form for proposals to drill or to deepen or 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

☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator

MERRION OIL & GAS CORPORATION

3a. Address

610 Reilly Ave., Farmington, NM 87401

3b. Phone No. (include area code)

(505) 327-9801

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

1654' FSL & 815' FWL (NW SW)

Section 3, T26N, R11W

5. Lease Serial No.

I-149-IND-9108

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.

NAVAJO No. 1R

9. API Well No.

30-045-31373

10. Field and Pool, or Exploratory Area

WEST KUTZ PICTURED CLIFFS

11. County or Parish, State

SAN JUAN COUNTY, NM

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

TYPE OF SUBMISSION

TYPE OF ACTION

☐ Notice of Intent☐ Acidize☐ Deepen☐ Production (Start/Resume)☐ Water Shut-Off☒ Subsequent Report☐ Alter Casing☐ Fracture Treat☐ Reclamation☐ Well Integrity☐ Final Abandonment Notice☐ Casing repair☐ New Construction☐ Recomplete☒ Other☐ Change Plans☐ Plug and Abandon☐ Temporarily Abandon

Spud & Casing Reports

☐ Convert to Injection☐ Plug Back☐ 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 recomplate 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 recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final insection.]

9/30/03 MIRU L&B Speed Drill on 9/30/03. Spud surface hole at 1030 hrs 9/30/03 with bit #1 (8-3/4", STC, F2-RR). Drilled 135' with spud mud. Circulated hole clean and TOH. Ran 6 jts (123.75') of 7", 20#, J-55, ST&C casing and set at 130' KB. Rigged up American Energy and cemented with 50 sxs (59 cu.ft.) of Class 'B' with 3% CaCl₂ and ¼ #/sx celloflake. Displaced cement with 4.0 bbls of water. Job completed at 1615 hrs 9/30/03. Circulated 4.0 bbls of good cement to surface. Hole was staying full. SDON. WOC.

CONTINUED OTHER SIDE

14. I hereby certify that the foregoing is true and correct

Name (Printed/Typed)

Steven S. Dunn

Title Drilling and Production Manager

Signature

Date October 7, 2003

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 application holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Title

Office

ACCEPTED FOR RECORD

OCT 20 2003

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 reverse)

NMOCD

10/1/03 Drilled out and drilled to 500'.

10/2/03 Drilled to 1100'.

10/3/03 Drilled to 1550'.

10/4/03 Drilled to 1850'.

10/5/03 SD for weekend. Total Depth @ 1850'.

10/6/03 TD well at 1950' at 1600 hrs 10/5/03. Added gel and starch to mud system. Circulated and condition hole. Pull 7 joint short trip. TIH, no fill. Circulate and TOH. RU casing crew. Ran 46 jts (1940.20') of 4-1/2", 11.6#, J-55, LT&C casing landed at 1945' KB. Insert float at 1902' KB. Circulate casing to bottom. RU American Energy Services. Precede cement with 10 bbls of water. Mix and pump 170 sxs (350 cu.ft) of Class "B" with 2% SMS, 3#/sx of gilsonite and 1/4#/sx of celloflake. Tail with 70 sxs (83 cu.ft.) of Class "B" with 1/4#/sx of celloflake. Displace with 29.6 bbls of water. Did not circulate any cement to surface (saw some gilsonite and celloflake just before bumping plug). PD at 15:00 hrs 10/06/03. Bump plug to 1500 psi. Release pressure, float held OK. Set slips. Will RDMOL in morning.

10/7/03 Rigged up Tefteller Slickline. RIH with temperature survey. Found cement top at 383'. RD Tefteller. Left well SI. WO Completion.