Form approved.

Form 3#60-5 (November 1983)	UNITED STATES	SUBMIT IN TRIPLICATE* (Other instructions on re-	Expires August 31, 1985			
Formerly 9-331)	DEPARTMENT OF THE INT	ERIOR verse side)	5. LEASE DESIGNATION AND SERIAL NO.			
	BUREAU OF LAND MANAGE	MENT	NM 53926			
SUN (Do not use thi	NDRY NOTICES AND REPOR s form for proposals to drill or to deepen or Use "APPLICATION FOR PERMIT—" for	TS ON WELLS plug back to a different reservoir. such proposals.)	6. IF INDIAN, ALLOTTEE OR TRIBE NAME			
OIL X GAS WELL	OTHER		7. UNIT AGREEMENT NAME			
2. NAME OF OPERATOR	8. FARM OR LEASE NAME					
Merrion Oil &	Corrales					
3. ADDRESS OF OPERATO	9. WELL NO.					
P. O. Box 840	, Farmington, New Mexico 8	7499	1			
l. LOCATION OF WELL (See also space 17 be At surface	Report location clearly and in accordance wit low.)	RECEIVED	10. FIELD AND POOL, OR WILDCAT WC Mesaverde			
465'	FSL and 1785' FEL	DEC 0 3 1985	11. SHC., T., R., M., OR BLK. AND SURVEY OR AREA			
14. PERMIT NO.	15 PLEVATIONS (Show what	homen av .ce etc.)	Sec. 3, T20N, R6W			
IT. PERMIT NO.	6912' GL	BUREAU OF LAND MANAGEMENT FARMINGTON RESOURCE AREA	McKinlev New Mexic			
6.	Check Appropriate Box To Indica	ate Nature of Notice, Report, or O	ther Data			
NOTICE OF INTENTION TO:			UBNT REPORT OF:			
TEST WATER SHUT-	OFF PULL OR ALTER CASING	WATER SHUT-OFF	REPAIRING WELL			
FRACTURE TREAT	MULTIPLE COMPLETE	FRACTURE TREATMENT	ALTERING CASING			
SHOOT OR ACIDIZE	ABANDON*	SHOOTING OR ACIDIZING	ABANDONMENT*			
REPAIR WELL	CHANGE PLANS	(Other) Spud, Surfac	(Other) Spud, Surface Casing (Note: Report results of multiple completion on Well			
(Other)		Completion or Recomple	etion Report and Log form.)			

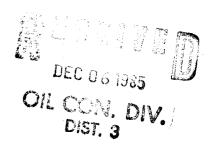
17. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

Spud well 11/29/85.

Ran 8-5/8", 23 #/ft, J-55 surface casing. Set casing at 108' KB with 80 sx Class B (94.4 cu. ft.) 2% CaCl2.

Circulated 3 Bbls to surface.

Pressure tested casing to 600 PSI for 30 minutes. Held.



8. I hereby certify that the foregoing is true and correct SIGNED	TITLE	Opoerations Manager	DATE	12/2/85
(This space for Federal or State office use) APPROVED BY CONDITIONS OF APPROVAL, IF ANY:	TITLE _		DATE	- (e

*See Instructions on Reverse Side