Distribution: C+4 (BLM); 1-Accounting; 1-Crystal; 1-File Form 3160-5 UNITED STATES FORM APPROVED (June 1990) DEPARTMENT OF THE INTERIOR Budget Bureau No. 1004-0135 **BUREAU OF LAND MANAGEMENT** Expires: March 31, 1993 Lease Designation and Serial No. SUNDRY NOTICES AND REPORTS ON WELLS SF-078877 Do not use this form for proposals to drill or to deepen or reentry to a different reservoir, If Indian, Allottee or Tribe Name Use "APPLICATION FOR PERMIT--" for such proposals SUBMIT IN TRIPLICATE 7. If Unit or CA, Agreement Designation Type of Well Gas Well X Well Other 8. Well Name and No. Name of Operator Canyon Largo Unit 126 Merrion Oil & Gas Corporation (14634)API Well No. Address and Telephone No. 30-039-05537 610 Reilly Avenue, Farmington, NM 87401-2634 (505) 327-9801 10. Field and Pool, or Exploratory Area Location of Well (Footage, Sec., T., R., M., or Survey Description) **Devils Fork Gallup** 790' fsl & 1850' fel 11. County or Parish, State O Section 9, T24N, R6W Rio Arriba County, New Mexico CHECK APPROPRIATE-BOX (s) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA 12. TYPE OF SUBMISSION TYPE OF ACTION Notice of Intent Abandonment Change of Plans Recompletion New Construction Plugging Back Non-Routine Fracturing Casing Repair Water Shut-Off Final Abandonment Notice Altering Casing Conversion to Injection OIL CON. Other Temporarily Abandoned Dispose Water (Note: Report results of multiple completion on Completion or Recompletion Report and Log form.] 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.)\* 9/12/97 RU, blow down line and fence pit. Blow down casing 300#, blow down tubing 200#, blow down flowline, unable to blow down. SD. NU valve on flowline, check not holding. Blow down well, tbg 100 psi, csg 200 psi. Flowline 60 psi. ND WH. PU on tbg, NU BOP. POH with tbg, 178 jts, 9/15/97 1 tail joint and tally 5605'. RIH with 177 jts to 5556' with packer and set packer. Hook up pump truck and lines. Pump 52 bbls dwn casing 2% KCl. Pressure tested casing to 500# - held good for 15 mins, shut well in. Blow down well, tbg 100 psi. RU WL, run TDT and GR log at 5628'. Wait on Cementers Inc., testing well. Run 9/16/97 TDT and GR log from 5628' up to 5556'. RD loggers. Open by pass on packer and release. POH with 176 jts, LD 1 jt, 177 total and packer. TIH with 178 jts, 1 tail joint and 3' perforated sub and seating nipple. SI well. \*\*\* Continued Other Side\*\*\*
THIS APPROVAL EXPIRES I hereby certify that the foregoing is true and correct Connie Dinning Signed Title Contract Engineer 9/22/97 (This space for Federal or State office use) /S/ Duane W. Spenc Approved By Date SEP 25 1997 Title Conditions of approval, if any:

L6/L1/6

Open well, thg 20 psi, casing 10 psi. Blow down. Land tubing at 5586' KB - top of SM, 178 jts in hole, SM, 4' perfd sub and tail joint at 5624' KB. ND BOP, NU WH. RU to swab, tag top fluid at 3500'. Swab to flat tank with casing open. Made 4 runs from 4500', swab 16 bbls to tank fluid at 3500'. Made 5 runs from 4500', FL at 3500', 20 BPH, , total of 2 hrs - 36 bbls (18" in tank, 2 bbls/inch). Made 4 runs from 5000', FL at 3700', 12 BPH, total for total fluid swabbed 60 bbls, getting some oil with each run. Made 4 runs from SM @ 5586'. FL @ 4000'-4700', gas cut fluid, some oil. Made 16 bbls - total 17 bbls. Drain flat tank down to 2" oil = 4 bbls. Swabbing, made 4 runs, FL @ 5200'. Pulling from SM @ 5586'. Made 10 bbls, total fluid recovered 86 bbls, gas cut fluid and some oil. Made 3 runs, FL @ 53-5400' pulling from SM at 4:59 pM - Temporarily Abandoned. Casing integrity at 10:00 AM.

L6/8I/6

Blow down well, casing 125 psi, tubing 25 psi. ND WH, NU BOP. POOH with tubing, 89 stands, SN, 4" perforated sub and tail joint. RU A-Plus WL, run 4-1/2" CIBP to 5550' and set. TIH with 87 stands, I single, seating nipple and blow joint to 5525'. Circulate 80 bbls KCl water with 24 gals packer fluid. Pressure up to 640# - held good for 45 mins. Release pressure, pressure test again to 500# - held good. Land tubing, remove BOP. NU WH and shut in well. RD pump truck. RDMOL.