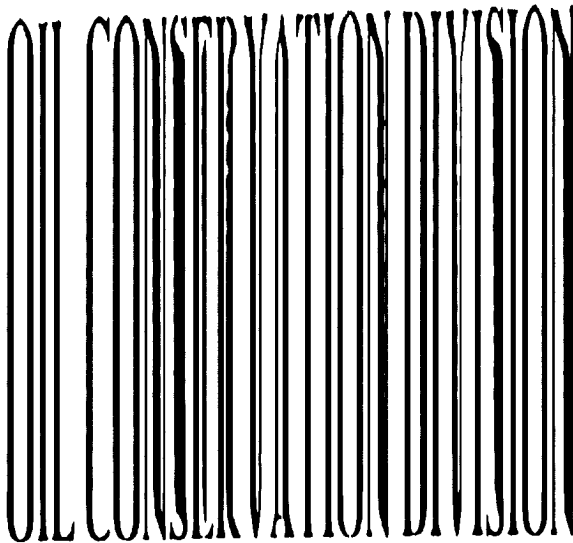


Submit 5 Copies
Appropriate District Office
DISTRICT I
P.O. Box 1980, Hobbs, NM 88240

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-104
Revised 1-1-89
See Instructions
at Bottom of Page



DISTRICT II
P.O. Drawer DD, Artesia, NM 88210

P.O. Box 2088
Santa Fe, New Mexico 87504-2088

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

REQUEST FOR ALLOWABLE AND AUTHORIZATION
TO TRANSPORT OIL AND NATURAL GAS

30-039-23693

Operator MERRION OIL & GAS CORPORATION		RECEIVED JAN 9 1994 OIL CON. DIV DIST. 3
Address P. O. Box 840, Farmington, New Mexico 87499		
Reason(s) for Filing (Check proper box) <input checked="" type="checkbox"/> Other (Please explain)		
New Well <input checked="" type="checkbox"/>	Change in Transporter of:	
Recompletion <input type="checkbox"/>	Oil <input type="checkbox"/> Dry Gas <input type="checkbox"/>	
Change in Operator <input type="checkbox"/>	Casinghead Gas <input type="checkbox"/> Condensate <input type="checkbox"/>	

If change of operator give name
and address of previous operator

II. DESCRIPTION OF WELL AND LEASE

Lease Name Cot	Well No. 1	Pool Name, Including Formation South Blanco Pictured Cliffs	Kind of Lease State, Federal & Lyle	Lease No. NM-40642
Location Unit Letter A : 990 Feet From The North Line and 900 Feet From The East Line Section 35 Township 24N Range 2W , NMPM , Rio Arriba County				

III. DESIGNATION OF TRANSPORTER OF OIL AND NATURAL GAS

Name of Authorized Transporter of Oil <input type="checkbox"/> or Condensate <input type="checkbox"/> Waterford # 2804764	Address (Give address to which approved copy of this form is to be sent)					
Name of Authorized Transporter of Casinghead Gas <input checked="" type="checkbox"/> or Dry Gas <input type="checkbox"/> El Paso Natural Gas Company 2804763	Address (Give address to which approved copy of this form is to be sent) P. O. Box 4990, Farmington, New Mexico					
If well produces oil or liquids, give location of tanks.	Unit A	Sec. 35	Twp. 24N	Rge. 2W	Is gas actually connected? Yes	When? 7/31/93

If this production is commingled with that from any other lease or pool, give commingling order number:

IV. COMPLETION DATA

Designate Type of Completion - (X)	Oil Well	Gas Well	New Well	Workover	Deepen	Plug Back	Same Res'v	Diff Res'v
Date Spudded 5/10/85	Date Compl. Ready to Prod. 6/2/85		Total Depth 3252' KB		P.B.T.D. 3195' KB			
Elevations (DF, RKB, RT, GR, etc.) 7292' KB	Name of Producing Formation Pictured Cliffs		Top Oil/Gas Pay 3096'		Tubing Depth 3069' KB			
Perforations 3096'-3166' (10 holes)					Depth Casing Shoe 3238'			
TUBING, CASING AND CEMENTING RECORD								
HOLE SIZE	CASING & TUBING SIZE		DEPTH SET		SACKS CEMENT			
12-1/4"	8-5/8"		92' KB		80 sacks			
6-3/4"	4-1/2"		3238' KB		100 sacks			
	1-1/2"		3069' KB					

V. TEST DATA AND REQUEST FOR ALLOWABLE

OIL WELL (Test must be after recovery of total volume of load oil and must be equal to or exceed top allowable for this depth or be for full 24 hours.)

Date First New Oil Run To Tank	Date of Test	Producing Method (Flow, pump, gas lift, etc.)	
Length of Test	Tubing Pressure	Casing Pressure	Choke Size
Actual Prod. During Test	Oil - Bbls.	Water - Bbls.	Gas - MCF

GAS WELL

Actual Prod. Test - MCF/D	Length of Test	Bbls. Condensate/MMCF	Gravity of Condensate
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