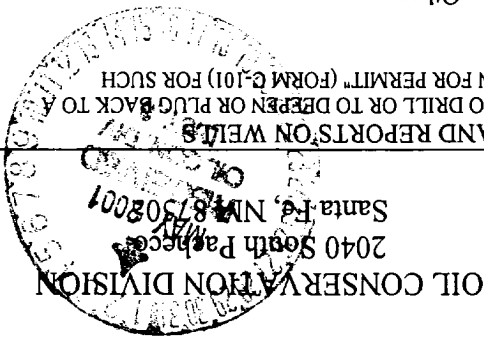


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- 4/24/01 RU American Energy Services. Pressure test pumps & lines to 5000#. Spearhead frac with 250 gal of 15% HCl acid. Pump 7,250 gal pad of 25# cross-linked gel. Frac lower Dakota with 45,000# of 20/40 Super LC sand in 25# cross-linked gel. Pumped sand in 1, 2, 3 & 4 ppg stages. Job complete at 1145 hrs 4/24/01. ISIP: 3,750#, 5 min: 2,067#, 10 min: 1,821#, 15 min: 1,720#. ATP: 2,700#, MTP: 4,200#, AIR: 21 bpm, MIR: 21 bpm. Total fluid pumped 744 bbls. SD for 1 hr. to let sand settle. RIH with TIW 4-1/2" RBP. Set RBP at 6275'. RIH with dump bailer & dump approx. 30 gals of 15% HCl. RIH with 3-1/8" csg gun & perforate 6206'-6211', 6217'-6241' & 6246'-6259'. RD Blue Jet. RU AES. Pressure test pumps & lines to 5000#. Spearhead frac with 250 gal of 15% HCl acid. Pump 18,125 gal pad of 25# cross-linked gel. Frac Main Dakota with 131,660# of 20/40 Super LC sand in 25# cross-linked gel. Pumped sand in 1, 2, 3 & 4 ppg stages. Job complete at 1915 hrs 4/24/01. ISIP: 1,510#, 5 min: 1,150#, 10 min: 939#, 15 min: 720#. ATP: 1,700#, MTP: 3,120#, AIR: 32 bpm, MIR: 32 bpm. Total fluid pumped 1,803 bbls. SWI, SDON.
- 4/25/01 RIH with TIW 4-1/2" RBP. Set RBP at 6180'. RIH with dump bailer & dump approx. 30 gals of 15% HCl. RIH with 3-1/8" csg gun and perforate 6146'-6160'. RD Blue Jet. RU AES. Pressure test pump and lines to 5000#. Spearhead frac with 250 gal of 15% HCl acid. Pump 7,250 gal pad of 25# cross-linked gel. Frac Graneros with 50,900# of 20/40 Super LC sand in 25# cross-linked gel. Pumped sand in 1, 2, 3 & 4 ppg stages. Job complete at 11:00 hrs 4/25/01. ISIP: 1,461#, 5 min: 730#, 10 min: 578#, 15 min: 332#. ATP: 2,500#, MTP: 3,100#, AIR: 30 bpm, MIR: 31 bpm. Total fluid pumped 725. SWI, SDON.
- 4/26/01 MIRU Professional Well Service and equipment onto location. Spot rig pit and fill with city water. Spot tubing trailer. Tally tbg. PU retrieving head and TIH on 2-3/8" tbg to 1120'. Secure location and SDON.
- 4/27/01 Continue PU tubing and TIH. Tag up on sand/fill at 5948' KB. RU pump and lines. Break circulation (reverse) and clean out frac sand to RBP at 6180'. Circulate hole clean. Latch onto RBP and open unloader. Let well equalize (well went on vacuum). TOH with RBP. Lay down RBP. PU new retrieving head and TIH to 5540'. Secure location and SDON.
- 4/28/01 Found well with 400# on casing. Bleed pressure off to atmosphere. Continue TIH. Tag up on sand/fill at 6250'. RU pump and lines. Break circulation (reverse) and clean out frac sand to RBP at 6275'. Note: lost approx. 300 bbls of water trying to clean out to RBP. Latch onto RPB and open unloader. Let well equalize (went on vacuum). TOH with RBP. Lay down RBP. PU bailer and TIH to 6452'. Clean out with bailer to PBDT at 6527' KB. Pull up to 5250'. SD for weekend.
- 4/29/01 Shut down for Sunday.
- 4/30/01 Found well with 0# on casing. TIH and check for fill, found 12'. CO with bailer. TOH. CO bailer and tubing. TIH with 189 joints (6196.73') of 2-3/8", 4.7#, J-55, EUE tubing. Ran mule shoe on bottom and seating nipple on top of bottom joint. Bottom of tubing landed at 6211.23' KB. ND BOP and NU WH. RUTS. Made a total of 5 runs. Recovered approx. 20 bbls of fluid. Casing pressure built to 150#, then well kicked off flowing and unloading water on its own. Left well flow for approx. 30 mins. Casing pressure was 200# and building before shutting in. RDMOL. WO surface equipment.
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WELL API NO. 30-045-30425		5. Indicate Type of Lease STATE ☒ FEE ☐	
6. State Oil & Gas Lease No.		7. Lease Name or Unit Agreement Name: PINON HILLS COM (26820)	
8. Well No. 001E		9. Pool name or Wildcat Basin Dakota (71599)	
3. Address of Operator 610 Reilly Avenue, Farmington, New Mexico 87401-2634		4. Well Location Unit Letter A : 456 feet from the North line and 677 feet from the East line Section 36 Township 30N Range 13W NMPM San Juan County	
2. Name of Operator MERION OIL & GAS CORPORATION (014634)		10. Elevation (Show whether DR, RKB, RT, GR, etc.) 5601'	
1. Type of Well: ☐ Oil Well ☒ Gas Well ☐ Other		11. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data SUBSEQUENT REPORT OF: REMEDIAL WORK ☐ ALTERING CASING ☐ COMMENCE DRILLING OPS. ☐ PLUG AND ABANDONMENT ☐ CASING TEST AND CEMENT JOB ☐ OTHER: Perfs, Frac and tubing report ☒	

(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM G-101) FOR SUCH PROPOSALS.)

SUNDRY NOTICES AND REPORTS ON WELLS
District I
1625 N. French Dr., Hobbs, NM 87240
District II
811 South First, Artesia, NM 87210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
2040 South Pacheco, Santa Fe, NM 87505



12. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

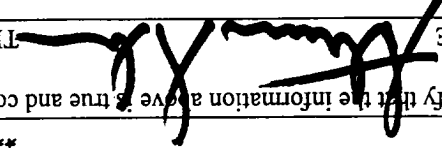
4/09/01 MIRV Professional Well Service on 4/9/01, NU BOP, make up mill and casing scraper. PU 2-3/8" tubing, tag D.V. tool @ 4332', drill D.V. tool and continue picking up tubing. Tagged float collar @ 6527'. Circulate hole clean and shut down @ 1700 hours 4/9/01.

4/10/01 Displace casing with 2% KCl, trip out laying down 2-3/8" tubing, rig down & nipple down BOP. RDMOL @ 1400 hours 4/10/01.

4/23/01 Set frac tanks & install 4-1/2" frac valve. RV Blue Jet & RIH with GR/CCL log. Ran log from PBD (6527) to 6000'. RIH with dump bailer & dump 15% HCl acid at 6300' (approx. 20 gal). RIH with 3-1/8" casing gun & perforate 6297' - 6319' & 6322' - 6324', 2spt for a total of 48 holes. Shut in well - WO Frac.

CONTINUED OTHER SIDE

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE  TITLE Drig & Prod Manager DATE 5/01/01
Type or print name STEVEN S. DUNN Telephone No. (505) 327-9801

(This space for State use)

APPROVED BY

Conditions of approval, if any:

TITLE SECURITY OIL & GAS INSPECTION DATE MAY - 2 2001