

District I - (575) 393-6161  
1625 N. French Dr., Hobbs, NM 88240  
District II - (575) 748-1283  
811 S. First St., Artesia, NM 88210  
District III - (505) 334-6178  
1000 Rio Brazos Rd., Aztec, NM 87410  
District IV - (505) 476-3460  
1220 S. St. Francis Dr., Santa Fe, NM 87505

OIL CONSERVATION DIVISION  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

WELL API NO. <del>30-039-08089</del> <u>30-045-09171</u>
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name Paul Palmer
8. Well Number #1
9. OGRID Number 14634
10. Pool name or Wildcat Flora Vista MV

**SUNDRY NOTICES AND REPORTS ON WELLS**  
(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)

1. Type of Well: Oil Well ☐ Gas Well ☒ Other

2. Name of Operator  
Merrion Oil & Gas Corporation

3. Address of Operator  
610 Reilly Ave, Farmington NM 87401

4. Well Location  
Unit Letter L: 2360 feet from the South line and 830 feet from the West line  
Section 26 Township 30N Range 12W NMPM San Juan County

11. Elevation (Show whether DR, RKB, RT, GR, etc.)  
5630

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☒  
TEMPORARILY ABANDON ☐ CHANGE PLANS ☐  
PULL OR ALTER CASING ☐ MULTIPLE COMPL ☐  
DOWNHOLE COMMINGLE ☐  
CLOSED-LOOP SYSTEM ☐  
OTHER: ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐  
COMMENCE DRILLING OPNS. ☐ P AND A ☐  
CASING/CEMENT JOB ☐  
OTHER: ☐

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 19.15.7.14 NMAC. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

Merrion Oil & Gas Corporation proposes to P&A the above named well as outlined in the attached procedure.

OIL CONS. DIV DIST. 3

JUN 15 2015

*Adjust Chacra top to 2890 - 2990*

Spud Date: 9/13/1961

Rig Release Date:

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

SIGNATURE Philana Thompson TITLE Regulatory Compliance Specialist DATE 6/12/2015

Type or print name Philana Thompson E-mail address: pthompson@merrion.bz PHONE: 505-324-5336

For State Use Only

APPROVED BY: Bob Bell TITLE DEPUTY OIL & GAS INSPECTOR DATE 6/30/15  
Conditions of Approval (if any):

XC  
4

## PLUG AND ABANDONMENT PROCEDURE

June 9, 2015

### Palmer #1

Undesignated Mesaverde  
2360' FSL and 830' FWL, Section 26, T30N, R12W  
San Juan County, New Mexico / API 30-045-09177

Note: All cement volumes use 100% excess outside pipe and 50' excess inside. The stabilizing wellbore fluid will be 8.3 ppg, sufficient to balance all exposed formation pressures. All cement will be Class B, mixed at 15.6 ppg with a 1.18 cf/sx yield.

1. Install and test location rig anchors. Comply with all NMOCD, BLM, and Operator safety regulations. MOL and RU daylight pulling unit. Conduct safety meeting for all personnel on location. Record casing, tubing and bradenhead pressures. NU relief line and blow down well. Kill well with water as necessary and at least pump tubing capacity of water down the tubing. ND wellhead and NU BOP. Function test BOP.
2. Rods: Yes X , No        , Unknown        .  
Tubing: Yes X , No        , Unknown        , Size 2-3/8 , Length unknown depth .  
Packer: Yes        , No X , Unknown        , Type        .  
If this well has rods or a packer, then modify the work sequence in step #2 as appropriate.
3. **Plug #1 (Mesaverde perforations and top, 3422' – 3322')**: Round trip gauge ring or casing scraper to 3422' or as deep as possible. TIH and set 4.5" cement retainer at 3422'. Pressure test tubing to 1000 PSI. Circulate well clean. Pressure test casing to 800 PSI. If casing does not test then spot or tag subsequent plugs as appropriate. Mix 12 sxs Class B cement inside casing to cover the Dakota perforations and top. POOH and LD cement retainer setting tool.
4. **Plug #2 (Chacra top, 2970' – 2870')**: Perforate 3 squeeze holes at 2970'. Establish rate through perforations. TIH and set cement retainer at 2920'. Mix and pump 51 sxs Class B cement (21 sxs inside and 39 sxs outside 4.5" casing) to cover the Chacra top. PUH.
5. **Plug #3 (Pictured Cliffs and Fruitland tops, 1864' – 1245')**: Mix and pump 51 sxs Class B cement and spot a balanced plug inside casing to cover the Pictured Cliff and Fruitland tops. TOH and LD tubing.
6. **Plug #4 (Kirtland top, Ojo Alamo top, 9.625" casing shoe, and Surface, 530' – surface)**: Perforate 3 squeeze holes at 530'. Mix approximately 210 sxs Class B cement down 4.5" casing and out bradenhead. SI well and WOC. Top off casing if necessary.
7. ND BOP and cut off wellhead below surface casing flange. Install P&A marker with cement to comply with regulations. Photograph marker and record GPS. RD, MOL and cut off anchors. Restore location per BLM stipulations.

# Palmer #1

## Current

Undesignated Mesaverde

2360' FSL & 830' FWL, Section 26, T-30-N, R-12-W ,

San Juan County, NM      API 30-045-09177

Today's Date: 6/9/15  
Spud: 9/13/61  
Comp: 9/17/61

Ojo Alamo @ 340'

Kirtland @ 480'

Fruitland @ 1295'

Pictured Cliffs @ 1814'

Chacra @ 2920'

Mesaverde @ 3473'

12-1/4" Hole

7-7/8" Hole

9-5/8" 24#, Casing set @ 320'  
Cement with 200 sxs, circulated to surface

2-3/8" tubing @ unknown depth  
(SN, perf sub, mud anchor with rods and pump)

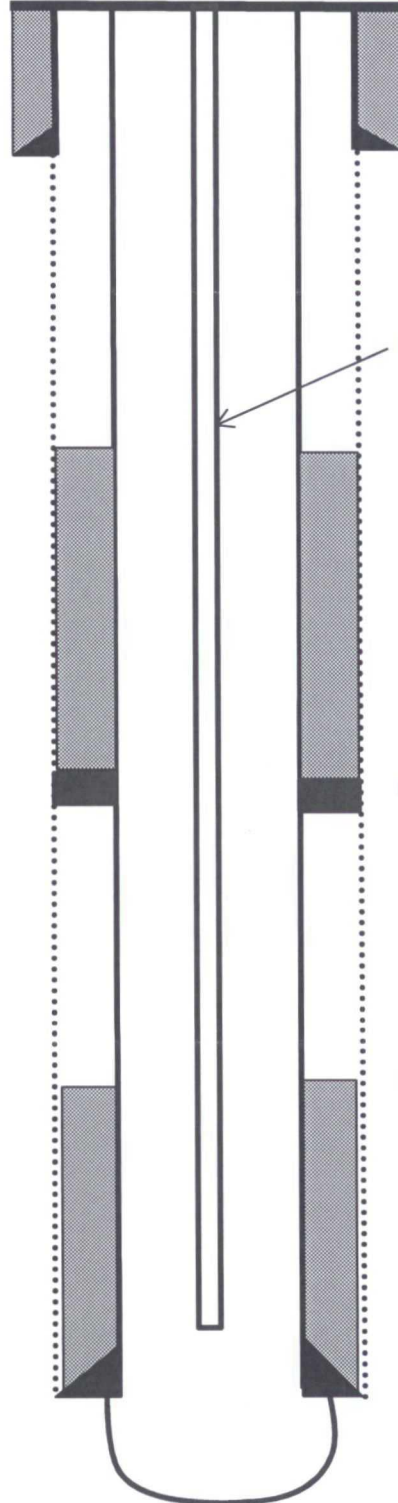
TOC unknown; did not circulate

DV tool @ 2010'  
Stage #2: Cement with 263 ct

TOC unknown; did not circulate

4.5" 10.5#, J-55 Casing @ 3472'  
Stage #1: Cement with 113 cf

3509' TD





2360' FSL & 830' FWL, Section 26, T-30-N, R-12-W ,  
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3509' TD