

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

Sundry Notices and Reports on Wells

RECEIVED

APR 19 2011

1. Type of Well:

Oil Well Gas Well Other:

2. Name of Operator:

Merrion Oil & Gas Corp

Farmington Field Office
Bureau of Land Management

3. Address & Phone No. of Operator:

610 Reilly Ave Farmington, NM 87401 505-324-5300

4. Location of Well, Footage, Sec., T, R, M:

Unit H (SENE) 1930' FNL & 660' FEL, Sec. 17, T26N, R11W, NMPM

5. Lease Number:

SF-079679

6. If Indian, All. Or Tribe Name:

NA

7. Unit Agreement Name:

NA

8. Well Name & Number:

Delhi Taylor A #4

9. API Well No.:

30-045-05851

10. Field and Pool:

Gallegos Gallup

11. County and State:

San Juan County

12. CHECK APPROPRIATE BOX TO INDICATE NATURE OF NOTICE, REPORT, OTHER DATA

Type of Submission:

Notice of Intent
 Subsequent Report
 Final Abandonment

Type of Action:

Acidize
 Alter Casing
 Casing Repair
 Change of Plans
 Convert to Injection
 Deepen
 Fracture Treat
 New Construction
 Plug & Abandon
 Plug Back
 Production (Start/Resume)
 Reclamation

Recomplete
 Temp Abandon
 Water Disposal
 Water Shut-off
 Well Integrity
 Other:

13. Describe Proposed or Completed Operation:

Merrion Oil & Gas Corporation intends to P&A the above mentioned well. Please see the attached procedure.

BP

Notify NMOCD 24 hrs
prior to beginning
operations
Notify NMOCD 24 hrs
prior to beginning
operations



14. I hereby certify that the foregoing is true and correct.

Signed Philana Thompson Philana Thompson Title Regulatory Compliance Spec. Date 4-18-11

(This space for Federal or State Office use)
APPROVED BY Original Signed: Stephen Mason Title _____ Date APR 20 2011

CONDITION OF APPROVAL, if any:
Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make any department or agency of the United States any false, fictitious or fraudulent statements of representations as to any matter within its jurisdiction.

NMOCD *AV*

PLUG AND ABANDONMENT PROCEDURE

April 1, 2011

Delhi Taylor A #4

Gallegos Gallup
1930' FNL and 660' FEL, Section 17, T26N, R11W
San Juan County, New Mexico / API 30-045-05851
Lat: _____ / Lat: _____

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. This project requires a NMOCD C-144 CLEZ Closed-Loop System Permit for the use of an A-Plus steel tank to handle waste fluids circulated from the well and cement wash up.
2. 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.
3. Rods: Yes _____, No X, Unknown _____.
Tubing: Yes X, No _____, Unknown _____, Size 1.5", Length 5242'.
Packer: Yes _____, No X, Unknown _____, Type _____.
If this well has rods or a packer, then modify the work sequence in step #2 as appropriate.
4. **Plug #1 (Gallup perforations and top, 5229' – 4974')**: PU and TIH with 3.5" cement retainer, set at 5229'. Pressure test tubing to 1000 PSI. *Pressure test casing to 800 PSI. If casing does not test, then spot or tag subsequent plug as appropriate.* Mix and pump $\frac{1}{2}$ sxs Class B cement above CR to isolate the Gallup interval. TOH with tubing.
5. **Plug #2 (LaVentana top, 2408' – 2308')**: Perforate 3 squeeze holes at 2408'. Establish rate into squeeze holes if casing tested. Set 3.5" cement retainer at 2358'. Establish rate into squeeze holes. Mix 50 sxs Class B cement, squeeze 43 sxs outside casing and leave 7 sxs inside to cover the LaVentana top. TOH with tubing.
6. **Plug #3 (Pictured Cliffs and Fruitland tops, 1533' – 1196')**: Perforate 3 squeeze holes at 1533'. Establish rate into squeeze holes if casing tested. Set 3.5" cement retainer at 1483'. Establish rate into squeeze holes. Mix 160 sxs Class B cement, squeeze 144sxs outside casing and leave 16 sxs inside to cover the Pictured Cliffs and Fruitland tops. TOH with tubing.
7. **Plug #4 (Kirtland, Ojo Alamo and 10.75" Surface casing shoe, 602' to Surface)**: Perforate 3 squeeze holes at 602'. Establish circulation out bradenhead with water and circulate the BH annulus clean. Mix approximately 160 sxs Class B cement and pump down 3.5" casing, circulate good cement out 3.5" casing and 5.5" x 8.75" annulus. Shut in well and WOC.
8. ND BOP and cut off wellhead below surface casing flange. Install P&A marker with cement to comply with regulations. RD, MOL and cut off anchors. Restore location per BLM stipulations.

Delhi Taylor A #4

Current
Gallegos Gallup

1930' FNL, 660' FEL, Section 17, T-26-N, R-11-W,

San Juan County, NM / API #30-045-05851

Lat _____ / Long _____

Today's Date: 4/1/11

Spud: 1/9/58

Completed: 3/19/58

Elevation: 6192' GI
6203' KB

Ojo Alamo @ 410'

Kirtland @ 552'

Fruitland @ 1115'

Pictured Cliffs @ 1483'

LaVentana @ 2358'

Gallup @ 5024'

12.25" hole

10.75" 32.75#, Casing set @ 173'
Cement with 150 sxs (Circulated to Surface)

1.5" tubing at 5242'
(2.73#, NUE (note: well files indicate both
NUE and EUE in well) J-55, 158 joints)

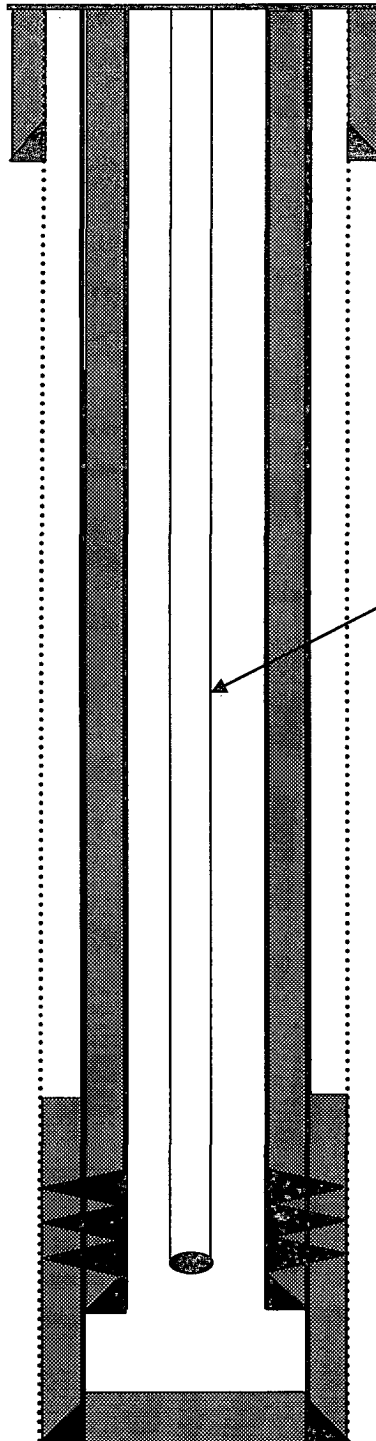
TOC @ 4160' (1958 T.S.)

Gallup Perforations:
5279' - 5309'

5.5" Casing bad from 1700' to 4160'
3.5", 9.3# J-55 Casing set @ 5385' due to 5.5"
casing holes
Cement with 250 sxs

5.5", 15.5# J-55 Casing set @ 5385'
Cement with 250 sxs

8.75" hole



COTD 5221'
TD 5385'

Delhi Taylor A #4

Proposed P&A

Gallegos Gallup

1930' FNL, 660' FEL, Section 17, T-26-N, R-11-W,

San Juan County, NM / API #30-045-05851

Lat _____ Long _____

Today's Date: 4/1/11

Spud: 1/9/58

Completed: 3/19/58

Elevation: 6192' GI
6203' KB

Ojo Alamo @ 410'

Kirtland @ 552'

Fruitland @ 1246'

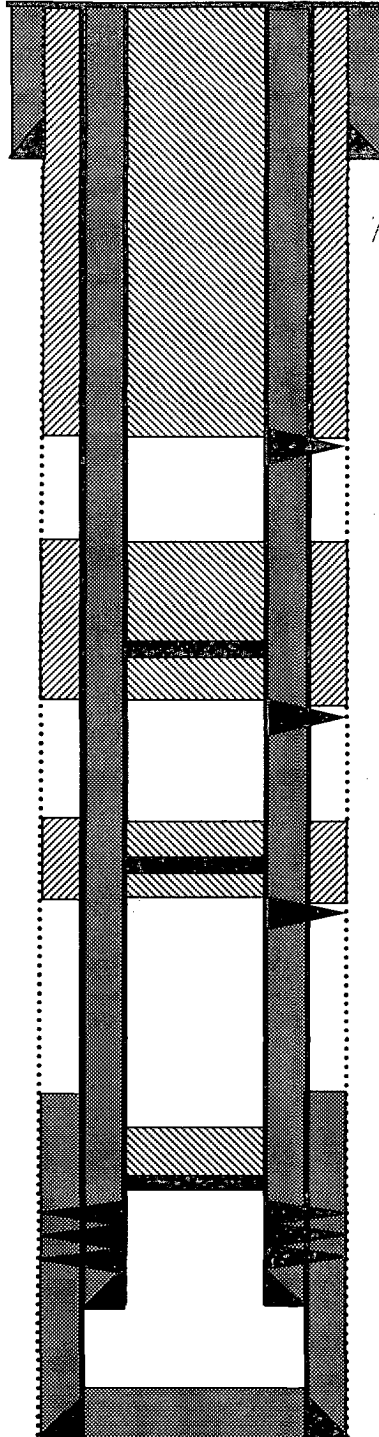
Pictured Cliffs @ 1483'

LaVentana @ 2358'

Gallup @ 5024'

12.25" hole

8.75" hole



10.75" 32.75# Casing set @ 173'
Cement with 150 sxs (Circulated to Surface)

Plug #4: 602' - 0'
Class B cement, 160 sxs

Perforate @ 602'

Cement Retainer @ 1483'

Plug #3: 1533' - 1196'
Class B cement, 160 sxs:
16 inside and 144 outside

Perforate @ 1533'

Cement Retainer @ 2358'

Perforate @ 2408'

Plug #2: 2408' - 2308'
Class B cement, 50 sxs:
7 inside and 43 outside

TOC @ 4160' (1958 T.S.)

Plug #1: 5229' - 4974'
Class B cement, 7 sxs

Set CR @ 5229'

Gallup Perforations:
5279' - 5309'

5.5" Casing bad from 1700' to 4160'
3.5", 9.3# J-55 Casing set @ 5385' due to 5.5"
casing holes
Cement with 250 sxs

5.5", 15.5# J-55 Casing set @ 5385'
Cement with 250 sxs

COTD 5221'
TD 5385'

UNITED STATES DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
FARMINGTON DISTRICT OFFICE
1235 LA PLATA HIGHWAY
FARMINGTON, NEW MEXICO 87401

Attachment to notice of
Intention to Abandon:

Re: Permanent Abandonment
Well: 4 Delhi Taylor

CONDITIONS OF APPROVAL

1. Plugging operations authorized are subject to the attached "General Requirements for Permanent Abandonment of Wells on Federal and Indian Lease."
2. Farmington Office is to be notified at least 24 hours before the plugging operations commence (505) 599-8907.
3. The following modifications to your plugging program are to be made:
 - a) Place the Pictured Cliffs/Fruitland plug from 1533' – 1116' inside the 3 ½" casing and outside the 5 ½" casing.

You are also required to place cement excesses per 4.2 and 4.4 of the attached General Requirements.

Office Hours: 7:45 a.m. to 4:30 p.m.