

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM APPROVED
Budget Bureau No. 1004-0135
Expires: March 31, 1993

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir.
Use "APPLICATION FOR PERMIT--" for such proposals

SUBMIT IN TRIPLICATE

1. Type of Well <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other	5. Lease Designation and Serial No. NM-28737
2. Name of Operator Merrion Oil & Gas Corporation (14634)	6. If Indian, Allottee or Tribe Name
3. Address and Telephone No. 610 Reilly Avenue, Farmington, NM 87401-2634 (505) 327-9801	7. If Unit or CA, Agreement Designation
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 2160' fml & 1940' fel (sw ne) Section 10, T23N, R6W	8. Well Name and No. Annie No. 3
	9. API Well No. 30-039-23170
	10. Field and Pool, or Exploratory Area Counselors Gallup
	11. County or Parish, State Rio Arriba County, New Mexico

12. CHECK APPROPRIATE BOX (s) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA		
TYPE OF SUBMISSION	TYPE OF ACTION	
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Abandonment (Temporary)	<input type="checkbox"/> Change of Plans
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Recompletion	<input type="checkbox"/> New Construction
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Plugging Back	<input type="checkbox"/> Non-Routine Fracturing
	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> Water Shut-Off
	<input type="checkbox"/> Altering Casing	<input type="checkbox"/> Conversion to Injection
	<input checked="" type="checkbox"/> Other Plug & Abandon	<input type="checkbox"/> Dispose Water

(Note: Report results of multiple completion on Completion or Recompletion Report and Log form.)

13. 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.)*

Merrion Oil & Gas proposes to plug and abandon the subject well according to the attached procedure.

14. I hereby certify that the foregoing is true and correct		
Signed <u>Connie S. Dinning</u>	Title <u>Production Engineer</u>	Date <u>1/16/02</u>
(This space for Federal or State office use)		
Approved By _____	Title _____	Date <u>1/22/02</u>
Conditions of approval, if any:		

Merrion Oil & Gas Corporation
Plug & Abandon Procedure
January 15, 2002

Well:	Annie No. 3	Field:	Counselors Gallup
Location:	2160' fnl & 1940' fel (sw ne) Sec. 10, T23N, R6W, NMPM Rio Arriba County, New Mexico	Elevation:	6848' GR 6861' KB
		By:	Connie Dinning

Note: All cement volumes use 100% excess outside pipe and 50' excess inside pipe. The stabilizing wellbore fluid will be 8.33 ppg, sufficient to balance all exposed formation pressures.

1. Comply with all NMOCD, BLM and Merrion safety regulations.
2. Load casing w/ water. Unset Baker Lok-set packer and tally out of hole w/ tubing. LD packer. Round trip 4 ½" gauge ring to 5350'KB.
3. **Plug #1 (Gallup perforations and top, 5110' – 5322')**: RIH w/ 4 ½" wireline CIBP and set @ 5322'. RIH w/ open ended tbg and tag CIBP. Load csg w/ water and circulate clean. Pressure test csg to 500#. Mix 20sx (24 cu. ft) Class B cement and pump a balanced plug inside casing above the CIBP to isolate Gallup top and perforations. If casing does not test, then spot or tag subsequent plug as appropriate. POH to 3675'.
4. **Plug #2 (Mesaverde top, 3575' - 3675')**: Mix 11 sx (13 cu. ft) Class B cement and spot a balanced plug inside casing to cover Mesaverde top. POH to ±2180'.
5. **Plug #3 (Pictured Cliffs top 2080' - 2180')**: Mix 11 sx (13 cu. ft.) Class B cement and pump an inside plug to cover Pictured Cliffs top. POH to ±1940'.
6. **Plug #4 (Fruitland top 1840' - 1940')**: Mix 11 sx (13 cu. ft) Class B cement and pump an inside plug to cover Fruitland top. POH to ±1590.
7. **Plug #5 (Ojo Alamo top 1490' - 1590')**: Mix 11 sx (13 cu. ft) Class B cement and pump an inside plug to cover Ojo Alamo top. POH w/ tubing.
8. **Plug #6 (Surface – 264')** **Note: Casing hole plugged @ 525'KB, cement circulated to surface 12/14/94.** Mix 20 sx (24 cu. ft) and pump an inside plug from 264' to surface to cover surface shoe. Shut in well and WOC.
9. ND BOP and cut off casing below surface. Install P&A marker with cement to comply with regulations. RDMOL, cut off anchors and restore location.
10. Restore location per BLM stipulations.

Merrion Oil & Gas Corporation Wellbore Schematic

Annie No. 3

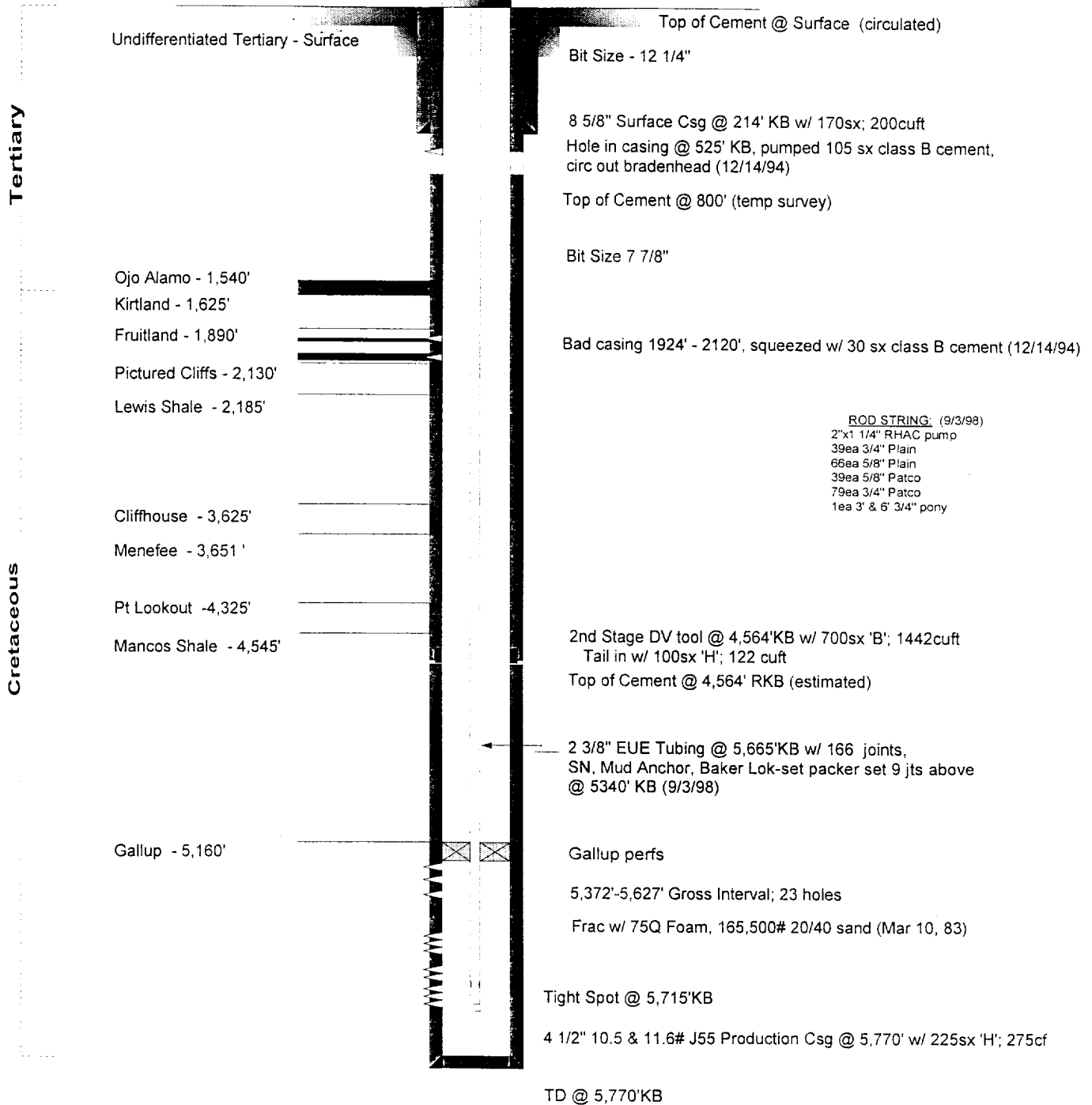
Current Wellbore Configuration

Location: 2,160' fnl & 1,940' fel (sw ne)
Sec 10, T23N, R06W, NMPM
Rio Arriba Co, New Mexico

Elevation: 6,848" GL
6,861' RKB

Prepared: 10/17/94 Updated: 6/8/00, CSD

By: Steven S. Dunn



WELL DATA:

CUM GAS: 148,154 mcf (12/93)
CUM OIL: 17,118 bbl (12/93)
SPUD: Feb 22, 1983
COMPLETED: Mar. 11, 1983

CAPACITIES
4 1/2" 10.5# Casing 0.0159 bbl/ft
2 3/8" 4.7# Tubing 0.00387 bbl/ft
4 1/2" X 2 3/8" Annulus 0.0105 bbl/ft

CURRENT SICP: not available
CURRENT SITP: not available
LINE PRESSURE: 100 - 200 psia
GAS TRANSPORTER: El Paso Natural Gas

Merrion Oil & Gas Corporation Wellbore Schematic

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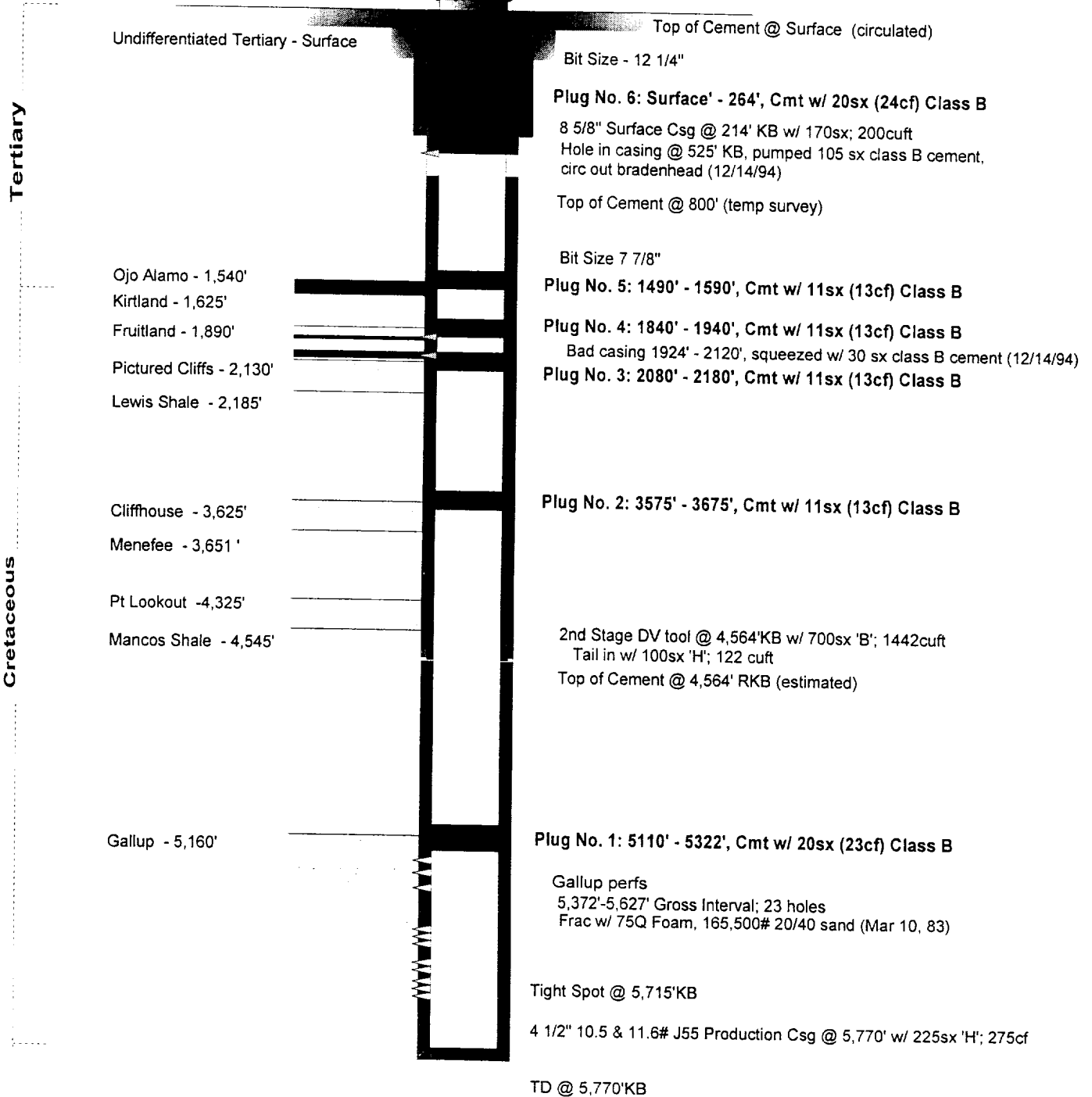
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