Distribution: O+4 (BLM); 1-Accounting; 1-Land; 1-File **UNITED STATES** FORM APPROVED June 1990) DEPARTMENT OF THE INTERIOR udget Bureau No. 1004-0135 **BUREAU OF LAND MANAGEMENT** Expires: March 31, 1993 Lease Designation and Serial No. SUNDRY NOTICES AND REPORTS ON WELLS SF-080136 Do not use this form for proposals to drill or to deepen or reentry to a different reservoir. If Indian, Allottee or Tribe Name Use "APPLICATION FOR PERMIT--" for such proposals 7. If Unit or CA, Agreement Designation SUBMIT IN TRIPLICATE Type of Well Gas X well Well Well Name and No. Salazar G27 No. 1 Merrion Oil & Gas Corporation API Well No. (14634)30-039-23081 Address and Telephone No. 610 Reilly Avenue, Farmington, NM 87401-2634 10. Field and Pool, or Exploratory Area (505) 327-9801 Location of Well (Footage, Sec., T., R., M., or Survey Description) **Devils Fork Gallup** 1650' fsl & 1840' fel (nw se) 11. County or Parish, State Section 27, T25N, R6W 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 Notice of Intent Abandonment Change of Plans Recompletion New Construction Subsequent Report Plugging Back Non-Routine Fracturing Casing Repair Water Shut-Off Final Abandonment Notice Altering Casing Conversion to Injection Other Dispose Water (Note: Report results of multiple completion on Completion or Recompletion Report and Log form.) 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. I hereby certify that the foregoing is true and correct 5/4/00 Title Engineer Date Signed Connie S. Dinning (This space for Federal or State office use) Approved By Conditions of approval, if any: Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

Merrion Oil & Gas Corporation

Plug & Abandon Procedure

May 3, 2000

Well: Location: Salazar 27 No. 1

1650' fsl & 1840' fel (nw se)

Sec. 27, T25N, R6W, NMPM

Rio Arriba County, New Mexico

Field:

Devils Fork Gallup

Elevation: 6,368' GR

6,381' KB

By: Connie Dinnina

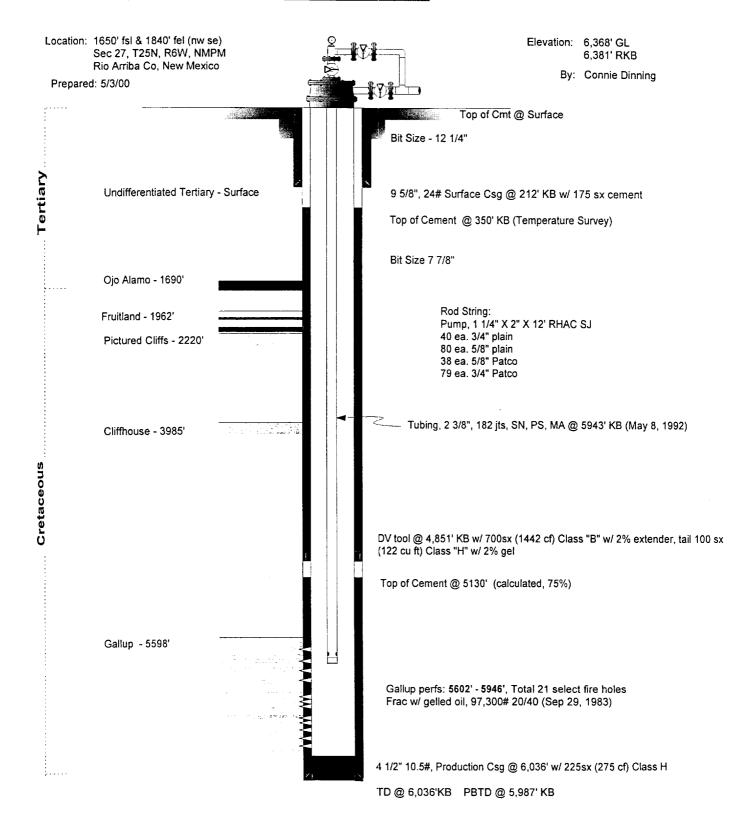
Note: All cement volumes use 100% excess outside pipe and 50' excess inside pipe. The stabilizing wellbore fluid will be 8.33 ppg, sufficient to balance all exposed formation pressures.

- 1. Comply with all NMOCD, BLM and Merrion safety regulations.
- 2. Load casing w/ water. Tally out of hole w/ tubing and TIH w/ CICR on wireline, set @ \pm 5548'.
- Plug #1 (Gallup top and perfs, 5548' 5946'): Mix 45 sx (53 cu. ft) Class B cement. Sting into retainer and pump a balanced plug inside and outside pipe to cover 50' above Gallup top and perfs. POH to ±3735'.
- 4. Plug #2 (Mesaverde top, 3735' 3835'): Mix 11 sx (13 cu. ft) Class B cement and pump an inside plug to cover Mesaverde top. POH to ±2170'.
- 5. Plug #3 (Pictured Cliffs top 2170' 2270'): Mix 11 sx (13 cu. ft.) Class B cement and pump an inside plug to cover Pictured Cliffs top. POH to ±1912'.
- 6. Plug #4 (Fruitland top 1912' 2012'): Mix 11 sx (13 cu. ft.) Class B cement and pump an inside plug to cover Fruitland top. POH to \pm 1640'.
- 7. Plug #5 (Ojo Alamo top 1640' 1740'): Mix 11 sx (13 cu. ft.) Class B cement and pump an inside plug to cover Fruitland top. POH to ±212'.
- 8. Plug #6 (Surface 212'): Perforate 2 holes @ ±212'. Establish circulation out bradenhead valve. Mix 102 sx (120 cu. ft) Class B cement and pump down 4 1/2" casing, circulate good cement out bradenhead valve. 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

Salazar 27 #1

Current Wellbore Configuration



Merrion Oil & Gas Corporation Wellbore Schematic

Salazar 27 #1

Prpposed Plugged Wellbore Configuration

