Distribution: O+4 (BLM); 1-Crystal; 1-Earleen FORM APPROVED UNITED STATES Form 3160-5 Budget Bureau No. 1004-0135 (June 1990) DEPARTMENT OF THE INTERIOR Expires: March 31, 1993 5. Lease Dissignation and Serial No. **BUREAU OF LAND MANAGEMENT** SF-080238A SUNDRY NOTICES AND REPORTS ON WELLS 6. If Indian Allonee or Tribe Name 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 7. If Unit or CA, Agreement Designation SUBMIT IN TRIPLICATE 1. Type of Well Oil Well Gas Well 8. Well Name and No. CHACO No. 3 2. Name of Operator 9. API Well No. Merrion Oil & Gas Corporation 30-045-22343 3. Address and Telephone No. P. O. Box 840, Farmington, New Mexico 87499 (505) 327-9801 10. Field and Pool, or Exploratory Area **Basin Fruitland Coal** 4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 1850' FNL & 790' FEL 11. County or Parish, State San Juan, New Mexico Section 12, T26N, R13W CHECK APPROPRIATE BOX(s) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA TYPE OF ACTION TYPE OF SUBMISSION Notice of Intent Change of Plans Abandonment New Construction Recompletion Non-komme Fracturing Subsequent Report Plugging Back Water Shut-Off Casing Repair Conversion to Injection Final Abandonment Notice Dispuse Water ee: Researchessits of 100 etion 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 Corporation requests approval to plug and abandon this subject well per the attached procedure. A wellbore schematic is also provided. NOV 8 1993 OIL CON. DIV. SEE ATTACHED FOR CONDITIONS OF APPROVAL Operations Manager 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

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moons as to any matter within its surisdiction.

Chaco #3 (Ft Coal)
NE, Sec. 12, T26N, R13W
San Juan, New Mexico

WELL INFORMATION:

5-1/2" Surface casing set at 41', cemented to surface.

2-7/8" Casing set at 1300', cemented with 100 sxs Class G; Cement circulated to surface.

FT Coal perforations 924-1133'.

Bridge plug at 1192'.

1-1/2" NU Tubing at 1161'.

PLUG AND ABANDONMENT PROCEDURE:

- 1. MOL and RUSU. Comply to all NMOCD and BLM safety rules and regulations. Kill well with water if necessary; a 8.3 ppg wellbore fluid exceeds the exposed reservoir's pressure.
- 2. ND wellhead and NU BOP and stripping head; test BOP.
- 3. POH and tally tubing.
- 4. Plug #1 from 1192' to surface with 66 sxs Class B cement (100% excess, Ft perfs and all tops). Shut in well and WOC. Check cement top and fill as necessary.
- 5. ND BOP and cut off wellhead below ground level and install dry hole marker with 10 sxs cement. RD and move off location.
- 6. Restore location per BLM stipulations.

wierrion Oil & Gas Corporation Wellbore Schematic

Chaco No. 3

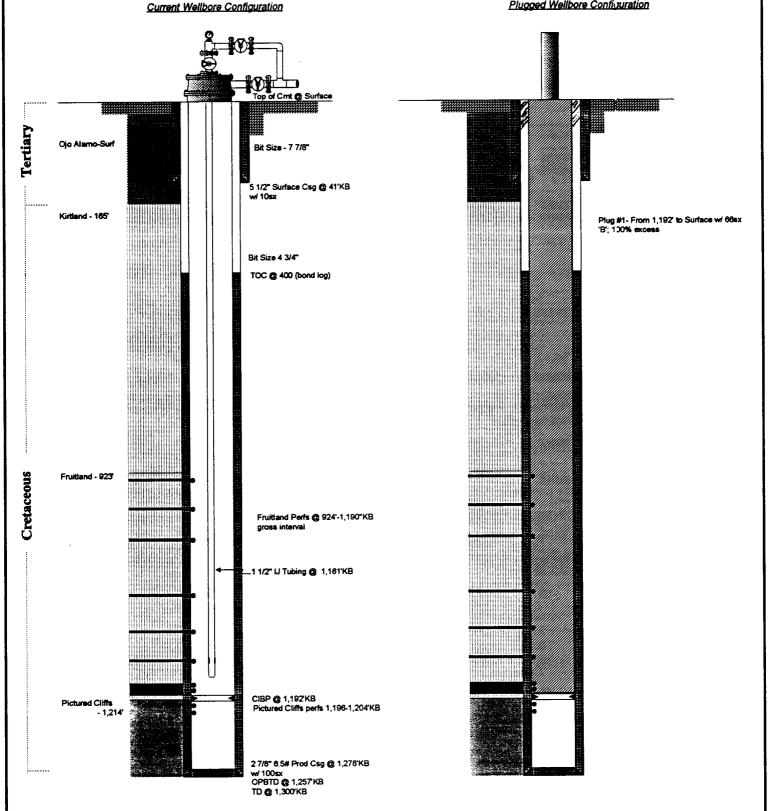
Location: 1850' fnl & 790'fel (se ne) Sec 12, T26N, R13W San Juan Co, New Mexico 10/05/93

Elevation: 6004' GL

6009' KB

By: Steve Dunn

Plugged Wellbore Configuration



UNITED STATES DEPARTMENT OF THE INTERIOR

BUREAU OF LAND MANAGEMENT FARMINGTON DISTRICT OFFICE

1235 La Plata Highway Farmington, New Mexico 87401

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Attachment	to	Notice	Ωt
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Re: Permanent Abandonment

Intention to Abandon

Well: 3 Chaco

CONDITIONS OF APPROVAL

- 1. Plugging operations authorized are subject to the attached "General Requirements for Permanent Abandonment of Wells on Federal and Indian Leases."
- 2. Mike Flaniken with the 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 (when applicable):

Spot cement plug from 1192 to 250 ±.

Tag Toc. Perforte D 212' and circulate

cement to the surface. (030 Alano 162'- 474')

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