

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUBMIT IN TRIPLICATE*
(Other instructions on re-
verse side)

Budget Bureau No. 1004-0135
Expires August 31, 1985

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—" for such proposals.)

| | |
|--|--|
| 1. OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER | 5. LEASE DESIGNATION AND SERIAL NO. NM 25453 |
| 2. NAME OF OPERATOR Merrion Oil & Gas Corporation | 6. IF INDIAN, ALLOTTEE OR TRIBE NAME |
| 3. ADDRESS OF OPERATOR P. O. Box 840, Farmington, NM 87499 | 7. UNIT AGREEMENT NAME |
| 4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.* See also space 17 below.) At surface 1840' FSL & 1850' FSL | 8. FARM OR LEASE NAME Susco Federal |
| | 9. WELL NO. 1 |
| | 10. FIELD AND POOL, OR WILDCAT Basin Fruitland Coal |
| | 11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA Sec 9, T. 26 N., R. 12 E., M. 36 S. |
| 14. PERMIT NO. | 15. ELEVATIONS (Show whether DF, RT, GR, etc.) 6029' GR |
| | 12. COUNTY OR PARISH San Juan |
| | 13. STATE New Mexico |

16. Check Appropriate Box To Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:

TEST WATER SHUT-OFF

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PULL OR ALTER CASING

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FRACTURE TREAT

MULTIPLE COMPLETE

SHOOT OR ACIDIZE

ABANDON*

REPAIR WELL

CHANGE PLANS

(Other)

SUBSEQUENT REPORT OF:

WATER SHUT-OFF

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REPAIRING WELL

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FRACTURE TREATMENT

ALTERING CASING

SHOOTING OR ACIDIZING

ABANDONMENT*

(Other)

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

17. 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.)*

Request approval to plug and abandon as follows: (schematic attached)

1. RIH w/ 1-1/4" tbg to 966' (approximate top of fish) spot 27 sx class "B" (32 ft) to fill casing to surface.

2. POH. Fill casing to surface w/ cement.

3. Install dry hole marker.

4. Clean location and restore surface per SMA instructions.

(Verbal approval received from Steve Mason on 8-8-90.)

RECEIVED
AUG 21 1990

SEE ATTACHED FOR
CONDITIONS OF APPROVAL

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

SIGNED

Steven S. Dunn

TITLE

Operations Manager

DATE 8-8-90

(This space for Federal or State office use)

APPROVED BY

TITLE

DATE

CONDITIONS OF APPROVAL, IF ANY:

NMOCD

*See Instructions on Reverse Side

Copies: BLM - 6

Well File - 1

LOCATION: 1840 FSL 1850 FEL
SEC. 9 T26N R12W

ELEVATION: 6029' GR

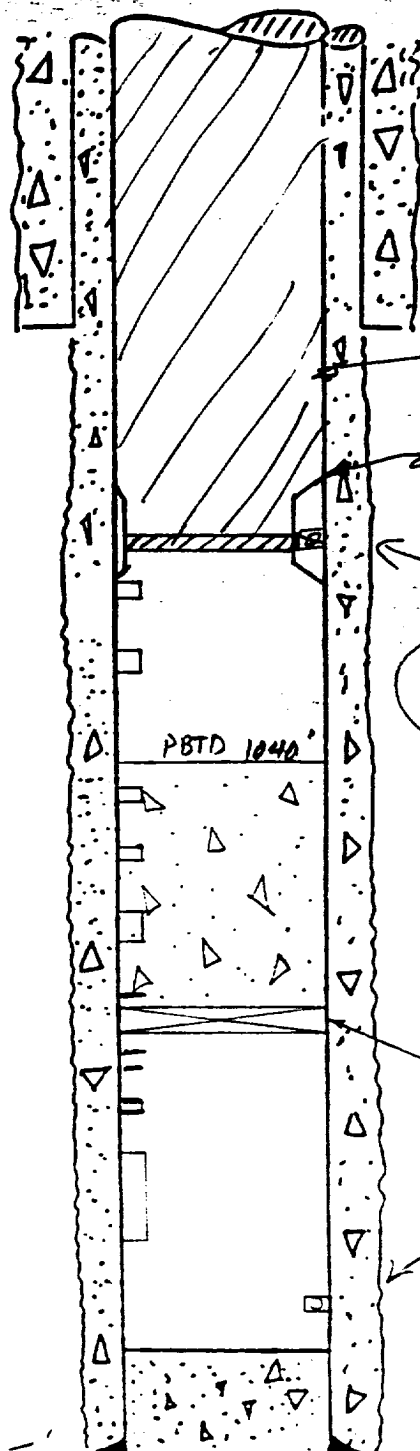
Tops:
Kirtland 310'
Fruitland 910'
Pic Cliffs 1250'

PROPOSED PERFS

PERF FRUITLAND COAL:
984' 86', 1054' 57',
1068-70, 1084-70,
1136', 1153', 1157',
1160-62',
1228'-1250'

#1 SUSCO. FEDERAL WELLBORE SCHEMATIC P2A

MEM
6/21/90



8 3/4" HOLE
7" 23' CSG @ 93'
CMT W/ 50 SY B
DIR TO SURF

P2A W/ 27 SX

15FT CASING PATCH @ 966 FT,
SET TOOL @ 975 FT

CURRENT PERFS
(SQUEEZED)

PERF FARMINGTON SS
970'-80' W/ 2 SFF
FRAC W/ 70 QUANTITY FORM, 80,000' 22 SX
116 BW.
SQUEEZED W/ 22 SX

[TUEING PLUG @ 1140' W/ 100' INT ON TOP

PERF FRUITLAND COAL: 1252'-50' W/ 22 SX
116 BW. 22 SX

5" HOLE
5 7/8" 6.5" N80 CSG @ 1365'
CMT W/ 170 SY RFB INT
DIR TO SURF

TC. 1365'

5" DIA. 100579 ELS / FT
10335 FT/FT

UNITED STATES DEPARTMENT OF THE INTERIOR

BUREAU OF LAND MANAGEMENT
FARMINGTON RESOURCE AREA
1235 LA PLATA HIGHWAY
FARMINGTON, NEW MEXICO 87401

Attachment to Notice of

Re: Permanent Abandonment

Intention to Abandon

Well: 1 Susco Federal

CONDITIONS OF APPROVAL

1. Plugging operations authorized are subject to the attached "General Requirements for Permanent Abandonment of Wells on Federal Leases."
2. Mark Kelly with the Farmington Office is to be notified at least 24 hours before the plugging operations commence (505) 326-6201.
3. Blowout prevention equipment is required.
4. The following modifications to your plugging program are to be made (when applicable):

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

GENERAL REQUIREMENTS FOR
PERMANENT ABANDONMENT OF WELLS ON FEDERAL AND INDIAN LEASES
FARMINGTON RESOURCE AREA

1. Secure prior approval either on a Sundry Notice (Form 3160-5) or verbally from the Fluids Drilling & Production Section at this office before changing the approved plugging program.
2. Plugging equipment used shall have separate mixing and displacement pumps and a calibrated tank to assure proper displacement of plugs. The Operator is responsible for providing all measuring devices needed to assure proper measurement of materials being used.
3. A proper tank or pit will be used to contain all fluids pumped from the well during plugging operations. Unattended pits are to be fenced.
4. All cement plugs are to be placed through tubing (or drillpipe) and shall be a minimum of 100 feet in length with 50% excess inside casing or 100% excess when plug is set in open hole or squeezed into perforations. 15.6#/gal slurry weight is to be used when using class B neat cement or when CaCl_2 is used. Use the recommended slurry weight of other type cements when they are used (Class C, Pozzolan etc.).
5. Any cement plugs placed when well is not full of fluid, or when well may be taking fluid, (i.e. across perms-unless bridge plug or retainer is used, across bad csg., or fresh water formations) will be tagged (touched) after cement has set to verify proper location.
 - 5a. Testing The first plug below the surface plug shall generally be tested by either tagging the plug with the working pipe string, or pressuring to a minimum pump (surface) pressure of 1000 psig, with no more than a 10 percent drop during a 15-minute period (cased hole only). If the integrity of any other plug is questioned, it must be tested in the same manner. Also, any cement plug which is the only isolating medium for a fresh water interval or a zone containing a valuable mineral deposit should be tested by tagging with the drill string.
6. Mud must be placed between plugs. Plugging mud is to be made up with a minimum of 15 lbs/bbl of sodium bentonite, and a nonfermenting polymer. Minimum consistency of plugging mud must be 9 lbs/gal and with a minimum viscosity of 50 sec/qt. Fresh water is to be utilized for mixing mud.
7. Following the placement of a cement plug, the withdrawal rate for at least the length of the cement plug shall not exceed 30 ft/min, in order to minimize the contamination of the plug.

8. Within 30 days after plugging work is completed, file a Sundry Notice (Subsequent Report of Abandonment, Form 3160-5), in quintuplicate with Area Manager, Bureau of Land Management, 1235 La Plata Highway, Farmington, NM 87401. The report should give in detail the manner in which the plugging work was carried out, the extent (by depths) of cement plugs placed, and the size and location (by depths) of casing left in the well. Show date well was plugged.

9. All permanently abandoned wells are to be marked with a regulation marker (4" pipe extending 4' above the ground line) containing the information as specified in 43 CFR 3162.6(d). Unless otherwise approved.

10. After plugging work is completed the surface is to be rehabilitated in accord with instructions from the Fluids Surface Management Section of the Farmington Resource Area Office.

All above are minimum requirements. The period of liability under the bond of record will not be terminated until the lease is inspected and surface work approved.

Please advise this office when the well location is ready for final inspection.

Failure to comply with the above conditions of approval may result in an assessment for noncompliance and/or a Shut-in Order being issued pursuant to 43 CFR 3163.1.

You are further advised that any instructions, orders or decisions issued by the Bureau of Land Management are subject to administrative review pursuant to 43 CFR 3165.3 and appeal pursuant to 43 CFR 3165.4 and 43 CFR 4.700.