UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

	lls
1. Type of Well GAS	5. Lease Number NM-015150 6. If Indian, All. or Tribe Name
	7. Unit Agreement Name
2. Name of Operator Meridian Oil Inc.	
3. Address & Phone No. of Operator	8. Well Name & Number Blanco #18
PO Box 4289, Farmington, NM 87499 (505) 326-9700	
4. Location of Well, Footage, Sec., T, R, M	10. Field and Pool
1550'FSL, 850'FEL, Sec.36, T-28-N, R-8-W, NMPM	S.Blanco Pic.Cliff 11. County and State San Juan County, NM
12. CHECK APPROPRIATE BOX TO INDICATE NATURE OF NOTICE	
Type of Submission Type of Ac _X_ Notice of Intent _X_ Abandonment	Change of Plans New Construction
Recompletion Subsequent Report Casing Repair	Non-Routine Fracturing Water Shut off
Final Abandonment Altering Casing	Conversion to Injection
Other -	
13. Describe Proposed or Completed Operations	
	ed procedure. Verbal ad to proceed with pluggir
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Blanco #18 Pictured Cliffs SE/4 Sec.36, T28N, R08W

Plug and Abandon Procedure

Contact Mark Kelly, BLM @ 326-6201 prior to proceeding with P & A.

P & A Cement Requirements:

- 160 sx / 190 ft³ Class "B" neat, 15.6 ppg, 1.18 ft³/sk, 5.2 gal/sk.

Perforating Requirements:

- 2 squeeze holes @ 189'.

A casing leak has been verified from 2051' to 1318'. In this interval the casing would not hold pressure when tested between a bridge plug and packer. After testing to 1318', the casing could not be reentered below 1600' with the bridge plug (2.218" ID). Due to the poor condition of the casing and risk involved with any attempt to repair, the well will be plugged and abandoned as follows.

Procedure:

1. TIH open-ended with 1 1/4" 2.33# IJ Tubing to 2830'. Spot cement plug and pull DP to top of plug. Four plugs in +/-600' increments as follows:

Interval	Length	Volume	Cement	Excess	
2830' - 2200'*	630'	25.6 ft^3	22 sx	25%	
2230' - 1630'	600'	24.4 ft^3	21 sx	25%	
1630' - 1000'	600'	24.4 ft^3	21 sx	25%	
1000' - 240'**	760'	24.7 ft^3	21 sx	0%	

^{*}After first plug, pull a minimum of 1000' above top of plug. Wait on cement a minimum of six hours. Trip in hole and tag top of plug to verify plug depth. Proceed with spotting additional plugs from top of first plug.

Adjust cement volumes as needed for depth and volume requirements.

- 2. TOH with 1 1/4" tubing. RU wireline and perforate two squeeze holes at 190'. RD wireline.
- 3. Establish rate through squeeze holes. Cement thru 2 7/8" casing to circulate bradenhead with 57 sx (67.4 ft^3 for 189' inside/out plug to surface, est. 30% excess). Circulate until cement returns thru open bradenhead.
- 4. Release rig. Cut-off wellhead and install permanent dry-hole marker.

^{**}After fourth plug, pull one stand (60') and reverse out. TIH and tag cement top to verify plug depth.

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:	Perman	nent A	band	onment
Intention to Abandon	Well:	18 /	Blane	رى	-

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 CaCl₂ 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 perfs-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.
 - Sa. 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 withdrawl 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.