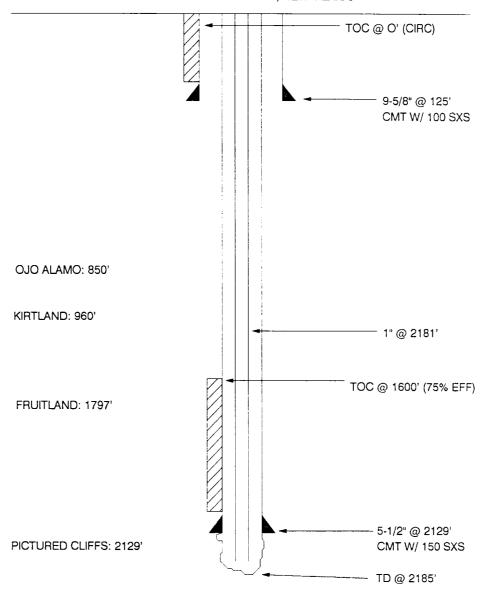
UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

Sundry Notices and Reports on	Wells
1. Type of Well GAS	5. Lease Number NM-03877 6. If Indian, All.or Tribe Name
2. Name of Operator Meridian Oil Inc. 3. Address & Phone No. of Operator Box 4289, Farmington, NM 87499 (505)326-9700 4. Location of Well, Footage, Sec, T, R, M. 1090'N, 890'E Sec.11, T-27-N, R-11-W, NMPM	 Unit Agreement Name Well Name & Number Lloyd C #1 API Well No. Field and Pool Aztec Pictured Cliffs County and State San Juan County, NM
X Notice of Intent X Abandonment Recompletion Subsequent Report Plugging Back Casing Repair	OTICE, REPORT, OTHER DATA Action Change of Plans New Construction Non-Routine Fracturing Water Shut Off Conversion to Injection
13. Describe Proposed or Completed Operations It is intended to plug and abandon the well accomprocedure and wellbore diagram. DECEIVED NOV2 01991. OIL CON. DIV. OIST. 3 SEE ATTACHED FOR CONDITIONS OF APPR	12 12 12 12 12 12 12 12 12 12 12 12 12 1
14. I hereby certify that the foregoing is true Signed Many Many (KAS) Title Regulatory	e and correct
(This space for Federal or State office use) APPROVED BY TITLE CONDITION OF APPROVAL, IF ANY:	NOV 1 S 1991 DATE

LLOYD C #1

UNIT A SECTION 11 T29N R11W SAN JUAN COUNTY , NEW MEXICO



LLOYD C #1 UNIT A SECTION 11 T29N R11W P&A PROCEDURE

- 1. Install and test rig anchors. MI blow tank. MOL and RU. Comply to all NMOCD, BLM and MOI rules and regulations. NU 6" BOP and stripping head. Test operation of rams. Install 2-3/8" relief line with 3000 psi gate valves on tubing head. Blow well down.
- 2. TOH w/ 106 jts 1" tbg.
- 3. MI wireline. Run gauge ring to 2129'. Set 5-1/2" cmt ret @ 1750' (50' above the Fruitland).
- 4. TIH w/ 2-3/8" workstring and sting into cmt ret @ 1750' & spot open hole P.C. w/ 87 sxs cmt (to fill open hole & 5-1/2" plus 100%)
- 5. Sting out of cmt ret and displace 10 sxs cmt on top of ret. Pressure test csg to 500 psi. Circ hole w/ mud: 15# sodium bentonite w/non-fermenting polymer, 9# gal weight, and 50 qs vis or greater. TOH.
- 6. Perf 2 sq holes @ 1010'. TIH w/ 2-3/8" workstring to 1010'. With pipe rams closed & bradenhead valve open, pump 80 sxs cmt into holes @ 1010'. This will fill backside from 1010' (50' below top Kirtland) to 800' (50' above top Ojo Alamo) w/ 100 % excess.
 - 6a. If returns are good out bradenhead valve, continue pumping cmt (220 total sxs to circ) & circ cmt out bradenhead valve. Then open pipe rams & close bradenhead valve and circ 42 sxs cmt in csg. This will fill csg from 1010' (50' below top Kirtland) to 800' (50' above top Ojo Alamo) with 75% excess. C.O. short way. TOH.
 - 6b. If no returns out bradenhead valve, open pipe rams & close bradenhead valve and circ 42 sxs cmt in csg. This will fill csg from 1010' (50' below top Kirtland) to 800' (50' above top Ojo Alamo) plus 75% excess. C.O. short way.
- 7. 7a. If at this point cmt has not circ out bradenhead valve, perf 2 sq holes @ 175' (50' below surface csg shoe). With pipe rams closed & bradenhead valve open, circ out bradenhead valve.
 - 7b. If cmt has circ out bradenhead valve, run tbg to 175' & circ cmt out csg.

UNIT F SECTION 2 T27N R12W P&A PROCEDURE page 2

- 8. Cut off wellhead below surface casing flange and install dry hole marker to State specs.
- 9. Restore location to State specs.

Approve:				
	R.	F.	Headrick	

VENDORS:

Wireline: Cement:

KAS

UNITED STATES DEPARTMENT OF THE INTERIOR

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

Attachment	to	Notice	οf
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Re: Permanent Abandonment

Intention to Abandon

Well: 1 Lloyd C

CONDITIONS OF APPROVAL

- 1. Plugging operations authorized are subject to the attached "General Requirements for Permanent Abandonment of Wells on Federal Leases."
- 2. Whikelly 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.
 - 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 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.

- 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.