

Form 3160-3,  
(April 2004)UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENTFORM APPROVED  
OMB No. 1004-0137  
Expires March 31, 2007

## SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to re-enter an  
abandoned well. Use Form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE - Other Instructions on reverse side.

## 1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other \_\_\_\_\_

## 2. Name of Operator

Merrion Oil &amp; Gas Corporation

## 3a. Address

610 Reilly Avenue, Farmington, NM 87401

## 3b. Phone No. (include area code)

505.324.5300

## 4b. Location of Well (Postage, Sec. T, R., M., or Survey Description)

790' E1 &amp; 790' SW

Sec 5, T25N, R8W

## 5. Lease Serial No.

NM-47168

## 6. If Indian, Allottee or Tribe Name

## 7. If Unit or CA/Agreement, Name and/or No.

## 8. Well Name and No.

Custer Federal No. 1

## 9. API Well No.

30-045-25974

10. Field and Pool, or Exploratory Area  
Basin Fruitland

## 11. County or Parish, State

San Juan County, NM

## 12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Report	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input type="checkbox"/> Other _____
	<input type="checkbox"/> Change Plans	<input checked="" type="checkbox"/> Plug & Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplet horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-3 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

Merrion Oil and Gas proposes to plug and abandon the subject wellbore, according to the attached procedure.

14. I hereby certify that the foregoing is true and correct  
Name (Printed/Typed)

Connie S. Dinning

Title Production Engineer

Signature

Date July 28, 2005

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Original Signed: Stephen Mason

Title

Date

JUL 29, 2005

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

Title 18 USC Section 1001 and Title 43 USC Section 1212, make 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.

NMOC

**PLUG AND ABANDONMENT PROCEDURE**

May 25, 2005

**Custer Federal #1**  
Basin Fruitland Coal  
790' FSL & 790' FWL Section 5, T25N, R8W  
San Juan County, New Mexico, API #30-045-25974

**Note:** All cement volumes use 100% excess outside pipe and 50' excess inside. The stabilizing wellbore fluid will be 8.3 ppg, sufficient to balance all exposed formation pressures. All cement is ASTM Type III, mixed at 14.8 ppg with a yield of 1.32 cf/sx.

1. Prepare blow pit. Comply with all NMOC, BLM, and Merrion safety regulations. Conduct safety meeting for all personnel on location. NU relief line. Blow down well and kill with water as necessary. ND wellhead and install cementing valve.
2. PUH on tubing and release pump. TOH and LD rods with pump. TOH and tally 2.375" tubing. Visually inspect, if necessary, LD tubing and PU workstring.
3. **Plug #1 (Pictured Cliffs top and Fruitland perforations and top, 2008' – 1625'):** TIH with open ended tubing to 2008'. Pump 40 bbls waster down the tubing to attempt to establish circulation to surface. Mix 40 sxs Type III cement (50% excess, long plug) and set a balanced plug to cover Pictured Cliffs top, fill the Fruitland Coal perforations and to cover its top. PUH and WOC. TIH and tag cement. PUH to 1354'. Load the casing and circulate the well clean. Pressure test the casing to 500#. *If the casing does not test, then spot or tag subsequent plugs as appropriate.*
4. **Plug #2 (Kirtland and Ojo Alamo Tops, 1354'-1000'):** Mix 28 sxs Type III cement and spot a balanced plug to cover Kirtland and Ojo Alamo tops. TOH and LD tubing.
5. **Plug #3 (8.625" Surface casing, 259' – Surface):** Perforate 3 squeeze holes at 259'. Establish circulation out the bradenhead valve with water. Mix and pump approximately 76 sxs cement down the 4.5" casing to circulate good cement out bradenhead valve. Shut well in and WOC.
6. ND BOP and cut off casing below surface. Install P&A marker with cement to comply with regulations. RD, move off location, cut off anchors and restore location.

# Custer Federal #1

## Current

### Basin Fruitland Coal

790' FSL & 790' FWL, Section 5, T-25-N, R-8-W  
San Juan County, NM / API #30-045-25974

Today's Date: 5/25/05

Spud: 5/29/84

Comp: GL / DK -9/6/84

Fruitland - 12/18/98

Elevation: 6401' GL

6414' KB

12.25" Hole

8.625", 24#, Casing set @ 209'  
175 sxs (361 cf) , cement circulated to surface

Top of Cmt @ 425' (T.S.)

### WELL HISTORY

Dec '98: Abandon Gallup / Dakota and Mesaverde Zones to 3470'. Re-Complete well in Basin Fruitland Coal. Land tubing 2005' and return to production.

May '99: Treat Fruitland Coal perforations.

Feb '00: Change out stuffing box.

Ojo Alamo @ 1050'

Kirtland @ 1304'

Fruitland @ 1675'

Pictured Cliffs @ 1958'

2.375" Tubing set @ 2005'  
(66 joints, SN @ 1976' w/rods and pump)

Fruitland Coal Perforations:  
1859' - 1954'

Mesaverde @ 3512'

Mancos @ 4565'

Upper Mancos Perforations:  
4610' - 4700'

Top of Cmt @ DV Tool

DV Tool @ 4761'  
Cemented with 1000 sxs (1976 cf)

Gallup @ 5480'

Gallup Perforations:  
5486' - 5778'

Dakota @ 6328'

Dakota Perforations:  
6342' - 6360'

Dakota Perforations:  
6530' - 6540'

7.875" Hole

Note: Well was P&A'd from  
Dakota zone MV zone (1998)

4.5" 10.5# K-55 Casing @ 6620'  
Cemented with 400 sxs (488 cf)

TD 6620'  
PBTD @ 3470'

# Custer Federal #1

## Proposed P&A

Basin Fruitland Coal

790' FSL & 790' FWL, Section 5, T-25-N, R-8-W  
San Juan County, NM / API #30-045-25974

Today's Date: 5/25/05

Spud: 5/29/84

Comp: GL / DK -9/6/84

Fruitland - 12/18/98

Elevation: 6401' GL  
6414' KB

12.25" Hole

Ojo Alamo @ 1050'

Kirtland @ 1304'

Fruitland @ 1675'

Pictured Cliffs @ 1958'

Mesaverde @ 3512'

Mancos @ 4586'

Gallup @ 5480'

Dakota @ 6328'

Note: Well was P&A'd from  
Dakota zone MV zone (1998)

7.875" Hole

TD 6620'  
PBTD @ 3470'

8.625", 24#, Casing set @ 209'  
175 sxs (361 cf), cement circulated to  
surface

Perforate @ 259'

Plug #3 259' - Surface  
Type III cement, 76 sxs

Top of Cmt @ 425' (T.S.)

Plug #2 1354' - 1000'  
Type III cement, 28 sxs

Plug #1 2008' - 1625'  
Type III cement, 40 sxs  
(50% excess, long plug)

Fruitland Coal Perforations:  
1859' - 1954'

Upper Mancos Perforations:  
4610' - 4700'

Top of Cmt @ DV Tool

DV Tool @ 4761'  
Cemented with 1000 sxs (1976 cf)

Gallup Perforations:  
5486' - 5778'

Dakota Perforations:  
6342' - 6360'

Dakota Perforations:  
6530' - 6540'

4.5" 10.5# K-55 Casing @ 6620'  
Cemented with 400 sxs (488 cf)