

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

RECEIVED

FORM APPROVED
OMB No. 1004-0137
Expires: July 31, 2010

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.

JUN 15 2015

Farmington Field Office
Bureau of Land Management

5. Lease Serial No.
SF-078213

6. If Indian, Allottee or Tribe Name
Field Office
Bureau of Land Management

SUBMIT IN TRIPLICATE - Other instructions on page 2.

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

1. Type of Well
 Oil Well Gas Well Other

8. Well Name and No.
Panther #2

2. Name of Operator
Merrion Oil & Gas Corporation

9. API Well No.
30-045-29574

3a. Address
610 Reilly Ave
Farmington, NM 87401

3b. Phone No. (include area code)
505-324-5336

10. Field and Pool or Exploratory Area
Fulcher Kutz PC/Basin FC

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
832 FSL & 1835 FEL S25, T30N, R13W
36.7792756013, -108.15451209

11. Country or Parish, State
San Juan

12. CHECK THE 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 Notice	<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 and 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 recomplete 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 must 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 3160-4 must be filed once testing has been completed. Final Abandonment Notices must 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 & Gas Corporation proposes to P&A the above mentioned well as outlined in the attached procedure. Because the location is co-located with the Piedra Vista #1E 30-045-23864 S25, T30N, R13W, the well pad will not be reclaimed at this time. A dry hole marker will be placed with all required well information permanently imprinted onto the marker for future reference.

**SEE ATTACHED FOR
CONDITIONS OF APPROVAL**

OIL CONS. DIV DIST. 3

JUN 19 2015

BLM'S APPROVAL OR ACCEPTANCE OF THIS ACTION DOES NOT RELIEVE THE LESSEE AND OPERATOR FROM OBTAINING ANY OTHER AUTHORIZATION REQUIRED FOR OPERATIONS ON FEDERAL AND INDIAN LANDS

Notify NMOCD 24 hrs prior to beginning operations



H₂S POTENTIAL EXIST

14. I hereby certify that the foregoing is true and correct.
Name (Printed/Typed)
Philana Thompson Title Regulatory Compliance Specialist

Signature *Philana Thompson*

Date 06/11/2015

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by *Troy Salyers* Title PE Date 6/17/2015

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 FFO

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. 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.

(Instructions on page 2)

NMOCD

Handwritten marks: 'K' and '5'

PLUG AND ABANDONMENT PROCEDURE

April 8, 2015

Panther #2

Fulcher Kutz Pictured Cliffs / Basin Fruitland Coal
832' FSL, 1835' FEL, Section 25, T30N, R13W, San Juan County, NM
API 30-045-29574 / Long: 36.779275601 / Lat: -108.154515209

1. This project will use an A-Plus steel tank to handle waste fluids circulated from the well and cement wash up.
2. Install and test location rig anchors. Comply with all NMOCD, BLM, and Operator safety regulations. MOL and RU daylight pulling unit. Conduct safety meeting for all personnel on location. Record casing, tubing and bradenhead pressures. NU relief line and blow down well. Kill well with water as necessary and at least pump tubing capacity of water down the tubing. ND wellhead and NU BOP. Function test BOP.
3. Rods: Yes , No , Unknown .
Tubing: Yes , No , Unknown , Size 2-3/8", Length 1747'.
Packer: Yes , No , Unknown , Type .
If this well has rods or a packer, then modify the work sequence in step #2 as appropriate.
4. **Plug #1 (Pictured Cliffs and Fruitland Coal interval, Fruitland top, 1714' – 1277')**: Round trip 4.5" gauge ring to 1714' or as deep as possible. TIH and set 4.5" CR at 1714'. Pressure test tubing to 1000#. Mix 45 sxs Class B cement (excess due to open perforations) and spot plug above CR to isolate the PC interval, fill the Fruitland Coal perforations and cover the Fruitland top. PUH and WOC. TIH and tag cement 50' above top of Fruitland. If necessary top off cement and go to Plug #2. Pressure test casing to 800#. If casing does not test, then spot or tag subsequent plug as appropriate. PUH.
5. **Plug #2 (Kirtland and Ojo Alamo tops, 7" Surface casing shoe, 367' – Surface)**: Attempt to pressure test the bradenhead annulus to 300 PSI; note the volume to load. If the BH annulus holds pressure, then establish circulation out casing valve with water. Mix approximately 35 sxs cement and spot a balanced plug from 367' to surface, circulate good cement out casing valve. TOH and LD tubing. Shut well in and WOC. If the BH annulus does not test, then perforate at the appropriate depth and attempt to circulate cement to surface filling the casing from 367' and the annulus from the squeeze holes to surface. Shut in well and WOC.
6. ND BOP and cut off wellhead below surface casing flange. Fill annuli with cement as necessary. Install P&A marker to comply with regulations. Record GPS coordinate for P&A marker on tower report. Photograph P&A marker in place. RD, MOL and cut off anchors. Restore location per BLM stipulations

Panther #2 Current

Fulcher Kutz Pictured Cliffs / Basin Fruitland Coal

832' FSL & 1835' FEL, Section 25, T-30-N, R-13-W, San Juan County, NM

Long: 36.7792756013/ Lat: -108.154515209/ API 30-045-29574

Today's Date: 4/8/15

Spud: 4/15/98

Comp: 7/30/98

Elevation: 5681' GI
5686' KB

Ojo Alamo @ 170'

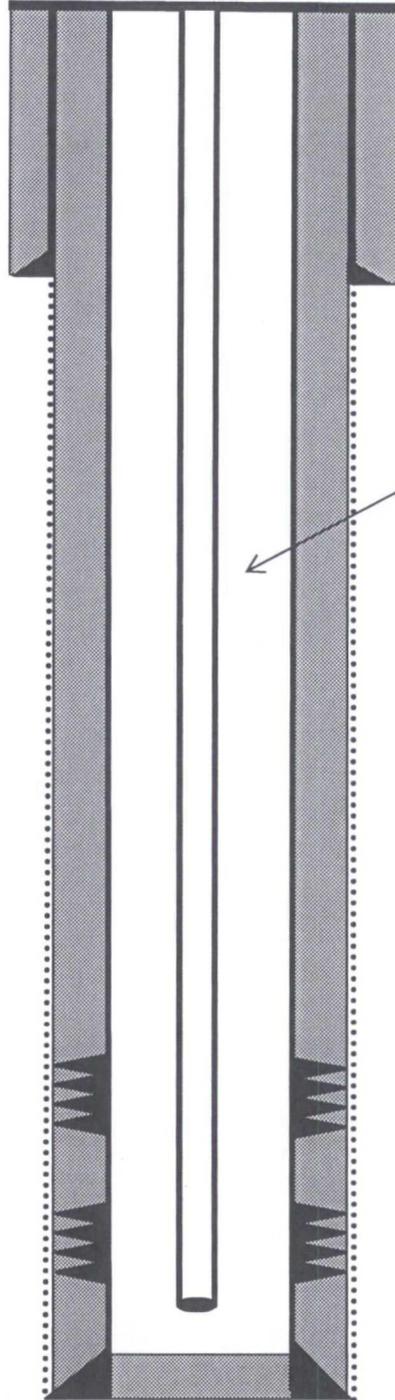
Kirtland @ 290'

Fruitland @ 1327'

Pictured Cliffs @ 1714'

8-3/4" Hole

6-1/4" Hole



Circulated 4 bbls to surface

7", 23# Casing set @ 317' KB
Cement with 100 sxs, circulated to surface

2-3/8" tubing at 1747' plus tail joint.
(54 joints, 10' sub and 16' tail joint)

Fruitland Coal Perforations:
1680' - 1704'

Pictured Cliffs Perforations:
1720' - 1736'

4.5" 10.5#, J-55 LTC Casing @ 1841'
Cement with 324 cf

1842' TD
1786' PBSD

Panther #2 Proposed P&A

Fulcher Kutz Pictured Cliffs / Basin Fruitland Coal

832' FSL & 1835' FEL, Section 25, T-30-N, R-13-W, San Juan County, NM

Long: 36.77927560134/ Lat: -108.154515209/ API 30-045-29574

Today's Date: 4/8/15
Spud: 4/15/98
Comp: 7/30/98
Elevation: 5681' GI
5686' KB

Ojo Alamo @ 170'

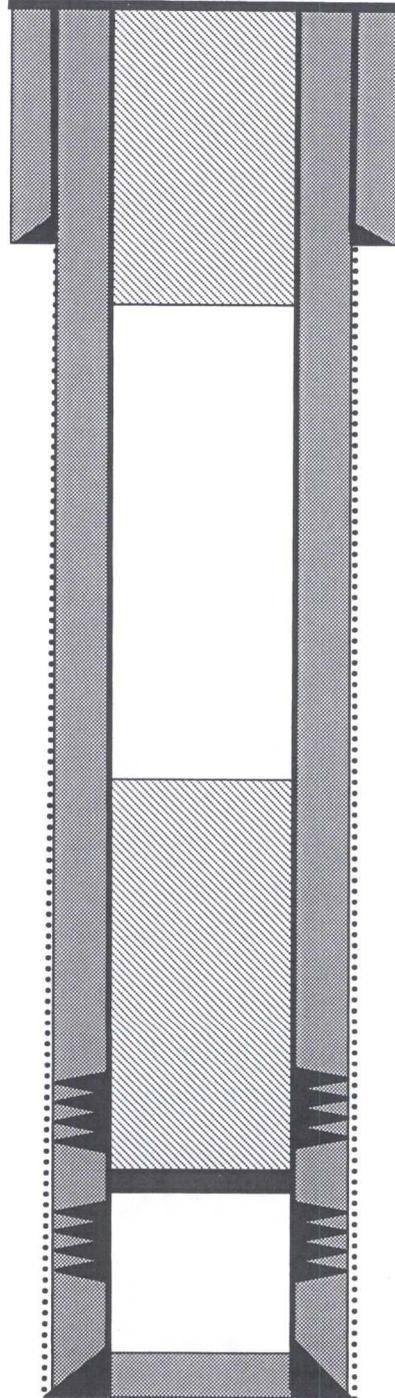
Kirtland @ 290'

8-3/4" Hole

Fruitland @ 1327'

Pictured Cliffs @ 1714'

6-1/4" Hole



Circulated 4 bbls to surface

Plug #2: 367' - 0'
Class B cement, 35 sxs

7", 23# Casing set @ 317' KB
Cement with 100 sxs, circulated to surface

Fruitland Coal Perforations:
1680' - 1704'

Set CR @ 1714'

Pictured Cliffs Perforations:
1720' - 1736'

Plug #1: 1714' - 1277'
Class B cement, 45 sxs
(excess due to open
perforations)

4.5" 10.5#, J-55 LTC Casing @ 1841'
Cement with 324 cf

1842' TD
1786' PBTB

UNITED STATES DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
FARMINGTON DISTRICT OFFICE
6251 COLLEGE BLVD.
FARMINGTON, NEW MEXICO 87402

Attachment to notice of
Intention to Abandon:

Re: Permanent Abandonment
Well: Panther #2

CONDITIONS OF APPROVAL

1. Plugging operations authorized are subject to the attached "General Requirements for Permanent Abandonment of Wells on Federal and Indian Lease."
2. Farmington Office is to be notified at least 24 hours before the plugging operations commence (505) 564-7750.

Note: H2S has not been reported at this location; however, low concentrations of H2S (20 ppm GSV) have been reported in the SE/NW of section 25, 30N, 13W.

You are also required to place cement excesses per 4.2 and 4.4 of the attached General Requirements.

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