State of New Mexico Energy, Minerals and Natural Resources Department,

Form C-103

OIL CONCEDUATION DIVISION

Revised 1-1-89

DISTRICT I P.O. Box 1980, Hobbs, NM 88240 DISTRICT II Santa Fe, New Mexico 87504-2088			WELL API NO. 30-031-20879		
			a to the state of Lance		
P.O. Drawer DD, Artesia, NM 88210			STATE X FEE		
DISTRICT III 1000 Rio Brazos Rd., Azzec, NM 87410			V 82-3		
SUNDRY NOTICES AND RE (DO NOT USE THIS FORM FOR PROPOSALS TO DR DIFFERENT RESERVOIR. USE "API (FORM C-101) FOR SUCH	PLICATION FOR PERA	11 1 500 50 1011 1011	7. Lease Name or Unit Agreeme	ent Name	
1. Type of Well: OIL GAS WELL	OTHER	_	ZIA (7860)		
2 Name of Operator			8. Well No.		
Merrion Oil & Gas Corporation (014634)			9. Pool mame or Wildcat Pot Mesa Mesaverde (50384)		
 Address of Operator 610 Reilly Avenue, Farmington, 	NM 87401-263	4	Pot Mesa Mesave	rde (30304)	
4. Well Location			80 Feet From The ea	st. Line	
Unit Letter : 990 Feet From T					
Section 2 Township	20N Residence (Show whether L	er 6W ∉ OF, RKB, RT, GR, etc.)	NMPM MCKITTEY		
X/////////////////////////////////////	6935' KB				
11. Check Appropriate	Box to Indicate N	Nature of Notice, I	Report, or Other Data BSEQUENT REPORT	OF.	
NOTICE OF INTENTION T	TO :	SUI	BSEQUENT REPORT	L-J	
PERFORM REMEDIAL WORK PLUG AN	ID ABANDON	REMEDIAL WORK	ALTERING		
TEMPORARILY ABANDON CHANGE	PLANS	COMMENCE DRILLIN	NG OPNS. PLUG AN	D ABANDONMENT	
		CASING TEST AND	CEMENT JOB		
PULL OR ALTER CASING		OTHER:			
OTHER:	The sine decide of	ad ains pertinent dates, in	cluding estimated date of starting at	ry proposed	
unel SFF RULE 1103.					
Merrion Oil & Gas Corporation	proposes to	Plug & Abandon	the above reference	ed well	
as per the attached procedure	≥•				
as per end detail.		OEGEINEV			
			FEB 2 5 1998	127	
	OIL CON. DIV.				
			DIST. 3	V _o	
		~	the control of the state of the		
I hereby certify that the information above is true and complete to	o the best of my knowledge a	od belid. Contract E	ngineer	2/25/98	
SIGNATURE		mus Contract 2	DAT	B	
Connie Dinning TYPE OR PRINT NAME			Tell	EPHONE NO.	
(This space for State Use)	212 185 ₃	DEPUTY OIL & G	GAS INSPECTOR, DIST. #3	FEB 2 5 199	
APPROVED BY JAMMY COULSE	2000	TITLE —————			
CONDITIONS OF VETROVAL, IF ANY:	(1. g+, + 1)		NOTIFY AZTEC OCD IN TIME TO WITNESS	174 H	

PLUG & ABANDONMENT PROCEDURE

11-12-97

Zia #1

Pot Mesa Mesaverde 990' FSL and 1980' FEL / SE, Section 2, T-20-N, R-6-W McKinley Co., New Mexico

Note: All cement volumes use 100% excess outside pipe and 50' excess inside pipe. The stabilizing wellbore fluid will be 8.3 ppg, sufficient to balance all exposed formation pressures.

- Install and test location rig anchors. Prepare blow pit. Comply with all NMOCD, BLM, and Merrion safety regulations.
- MOL and RU daylight pulling unit. NU relief line. Blow down well and kill with water as necessary.
- POH and LD 97 3/4" rods and pump. ND wellhead and NU BOP. Test BOP. POH, tally and visually inspect 80 joints 2-3/8" tubing (2457"). If necessary LD 2-3/8" tubing and PU workstring.
- 4. Plug #1 (Mesaverde perforations, 2522' 2241'): TIH with open ended tubing workstring and tag cement retainer at 2522', or as deep as possible. Load casing with water. Mix 42 sacks Class B cement and spot a balanced plug inside casing from 2522' to 2241' to cover Mesaverde perforations. TOH above cement and WOC. RIH and tag cement. Pressure test casing to 500#. TOH to 2030'.
- 5. Plug #2 (Mesaverde top, 2030' 1930'): Mix 12 sxs Class B cement and spot a balanced plug inside casing to cover Mesaverde top. TOH to 812'.
- Plug #3 (Pictured Cliffs tops, 812' 712'): Mix 12 sxs Class B cement and spot a balanced plug inside casing to cover Pictured Cliffs top. TOH and LD tubing.
- 7. Plug #4 (Kirtland, Ojo Alamo tops and 8-5/8" casing shoe): Perforate 3 HSC squeeze holes at 417'. Establish circulation out bradenhead valve. Mix and pump approximately 120 sxs Class B cement down 4-1/2" casing, circulate good cement out bradenhead valve. Shut in well and WOC.
- 8. 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.

Zia #1

Current

Pot Mesa Mesaverde

SE Section 2, T-20-N, R-6-W, McKinley County, NM

Today's Date: 11-12-97 Spud: 5-5-85 Completed: 6-18-85 8-5/8" 23#, J-55 Casing set @ 93' Cmted with 94 cf (Circulated to Surface) Elevation: 6922' GL 12-1/4" hole 6935' KB Logs: IES-GR, CBL Well History Oct '85: Swab test initial Menefee perfintervals with RBP and packer; set CR at 2215', sqz 75 sxs below; perf and frac 2291' - 96', 2468' - 72', 2482' -89'; clean out Ojo Alamo @ 273' with bailer, land tubing with rods. Kirtland @ 367' May '90: Hot oil rods, pull tubing; sqz 60 sxs cmt into perfs from 2515' to 1800'; drill out to 3026'; perf and frac coal zones at 2944' - 46' and 3003' - 3062'; land tbg. Oct '90: Pull rods and tubing; set CR at 2522'; sqz below with 60 sxs cement; perf Pictured Cliffs @ 762' and frac upper coal zones at 2482' - 2489'; swab and then land tubing and rods. TOC @ 600' (CBL) 80 joints 2-3/8" tubing @ 2457' with rods and pump Mesaverde 1980' Mesaverde Perforations: 2291' - 2296' 2468' - 2472' 2482' - 2489' Cement Retainer @ 2522' (10/90) 2742' - 2748' sqz'd (10/90) 2944' - 2946' sqz'd (10/90) 3003' - 3062' sqz'd (10/90) Point Lookout @ 3080' PBTD 3116' 4-1/2" 10.5#, J-55 Casing set @ 3159' 6-3/4" hole Cmt with 300 sxs (532 cf)

TD 3167

Zia #1

Proposed P&A

Pot Mesa Mesaverde

SE Section 2, T-20-N, R-6-W, McKinley County, NM

Today's Date: 11-12-97

Spud: 5-5-85

Completed: 6-18-85

Elevation: 6922' GL

6935' KB

Logs: IES-GR, CBL

Ojo Alamo @ 273'

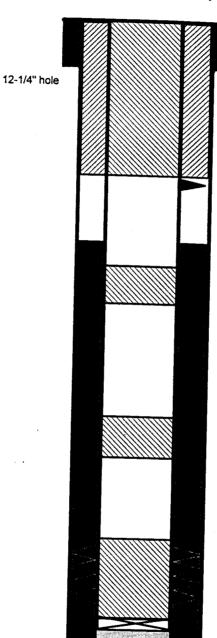
Kirtland @ 367

Pictured Cliffs @ 762'

Mesaverde 1980'

Point Lookout @ 3080'

6-3/4" hole



PBTD 3116'

TD 3167'

8-5/8" 23#, J-55 Casing set @ 93' Cmted with 94 cf (Circulated to Surface)

> Plug #4 417' - Surface Cmt with 120 sxs Class B

Perforate @ 417'

TOC @ 600' (CBL)

Plug #3 812' - 712' Cmt with 12 sxs Class B

Plug #2 2030' - 1930' Cmt with 12 sxs Class B

Plug #1 2522' - 2241' Cmt with 42 sxs Class B

Mesaverde Perforations:

2291' - 2296' 2468' - 2472'

2482' - 2489'

Cement Retainer @ 2522' (10/90)

2742' - 2748' sqz'd (10/90)

2944' - 2946' sqz'd (10/90)

3003' - 3062' sqz'd (10/90)

4-1/2" 10.5#, J-55 Casing set @ 3159' Cmt with 300 sxs (532 cf)