

Submit 1 Copy To Appropriate District Office
 District I – (575) 393-6161
 1625 N. French Dr., Hobbs, NM 88240
 District II – (575) 748-1283
 811 S. First St., Artesia, NM 88210
 District III – (505) 334-6178
 1000 Rio Brazos Rd., Aztec, NM 87410
 District IV – (505) 476-3460
 1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
 Energy, Minerals and Natural Resources

Form C-103
 Revised July 18, 2013

OIL CONSERVATION DIVISION
 1220 South St. Francis Dr.
 Santa Fe, NM 87505

WELL API NO. 30-039-08089
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. E-291-5
7. Lease Name or Unit Agreement Name Atlantic
8. Well Number #1
9. OGRID Number 14634
10. Pool name or Wildcat Otero Chacra/S. Blanco PC
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 6221

SUNDRY NOTICES AND REPORTS ON WELLS
 (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)

1. Type of Well: Oil Well Gas Well Other

2. Name of Operator
Merrion Oil & Gas Corporation

3. Address of Operator
610 Reilly Ave Farmington, NM 87401

4. Well Location
 Unit Letter O : 790 feet from the South line and 1470 feet from the East line
 Section 32 Township 26N Range 6W NMPM San Juan County

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:

SUBSEQUENT REPORT OF:

- PERFORM REMEDIAL WORK
- TEMPORARILY ABANDON
- PULL OR ALTER CASING
- DOWNHOLE COMMINGLE
- CLOSED-LOOP SYSTEM
- OTHER:

- PLUG AND ABANDON
- CHANGE PLANS
- MULTIPLE COMPL
- REMEDIAL WORK
- COMMENCE DRILLING OPNS.
- CASING/CEMENT JOB
- ALTERING CASING
- P AND A
- OTHER:

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 19.15.7.14 NMAC. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

Merrion Oil & Gas proposes to P&A the above name well as outlined in the attached procedure

OIL CONS. DIV DIST. 3

JUN 15 2015

Spud Date:

Rig Release Date:

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE Philana Thompson TITLE Regulatory Compliance Specialist DATE 6/12/2015

Type or print name Philana Thompson E-mail address: pthompson@merrion.bz PHONE: 505-324-5336

For State Use Only

APPROVED BY: Red Bell TITLE DEPUTY OIL & GAS INSPECTOR DISTRICT #3 DATE 6-30-15

Conditions of Approval (if any):

Handwritten initials and number: RC
4

PLUG AND ABANDONMENT PROCEDURE

June 5, 2015

Atlantic #1

Otero Chacra / S. Blanco Pictured Cliffs
790' FSL, 1470' FEL, Section 32, T26N, R6W, Rio Arriba County, NM
API 30-039-08089 / Long: 36.437 / Lat: -107.486

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 2377'.
Packer: Yes , No , Unknown , Type Production Packer @ 3138'.
If this well has rods or a packer, then modify the work sequence in step #2 as appropriate. Round trip 4.5" mill to 2278' or as deep as possible.
4. **Plug #1 (Chacra interval and packer, 3138' - 3038')**: PU additional tubing workstring and RIH. Establish circulation. Spot 15 sxs (excess due to open perms above Plug #1) above packer and isolate the Chacra interval. PUH and WOC. TIH and tag plug. If necessary top off cement. TOH.
5. **Plug #2 (Pictured Cliffs and Fruitland tops, 2278' – 2098')**: RIH and set CR at 2278'. Pressure test tubing to 800#. Sting out of CR. Attempt to pressure test casing. If casing does not test then spot or tag subsequent plugs as appropriate. Mix and pump 18 sxs Class B cement and spot a balanced plug inside casing above CR to cover the Pictured Cliffs and Fruitland tops. TOH.
6. **Plug #3 (Kirtland and Ojo Alamo tops, 1904' – 1580')**: Perforate HSC squeeze holes at 1904'. Establish injection rate. RIH and set CR at 1854'. TIH with tubing and sting into CR. Establish rate. Mix 96 sxs Class B cement, squeeze 57 sxs outside casing and leave 39 sxs inside casing. TOH.
7. **Plug #4 (Nacimiento top, 667' – 567')**: Perforate HSC squeeze holes at 667'. Establish injection rate. RIH and set CR at 617'. TIH with tubing and sting into CR. Establish rate. Mix 30 sxs Class B cement, squeeze 18 sxs outside casing and leave 12 sxs inside casing. TOH and LD tubing.
8. **Plug #5 (8.625" Surface casing shoe, 170' – 0')**: Perforate 3 squeeze holes at 170'. Establish circulation out bradenhead with water and circulate the BH annulus clean. Mix approximately 55sxs Class B cement and pump down the 4.5" casing to circulate good cement to surface. Shut in well and WOC.
9. 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

Atlantic #1 Current

Otero Chacra / S. Blanco Pictured Cliffs

790' FSL & 1470' FEL, Section 32, T-26-N, R-6-W, Rio Arriba County, NM

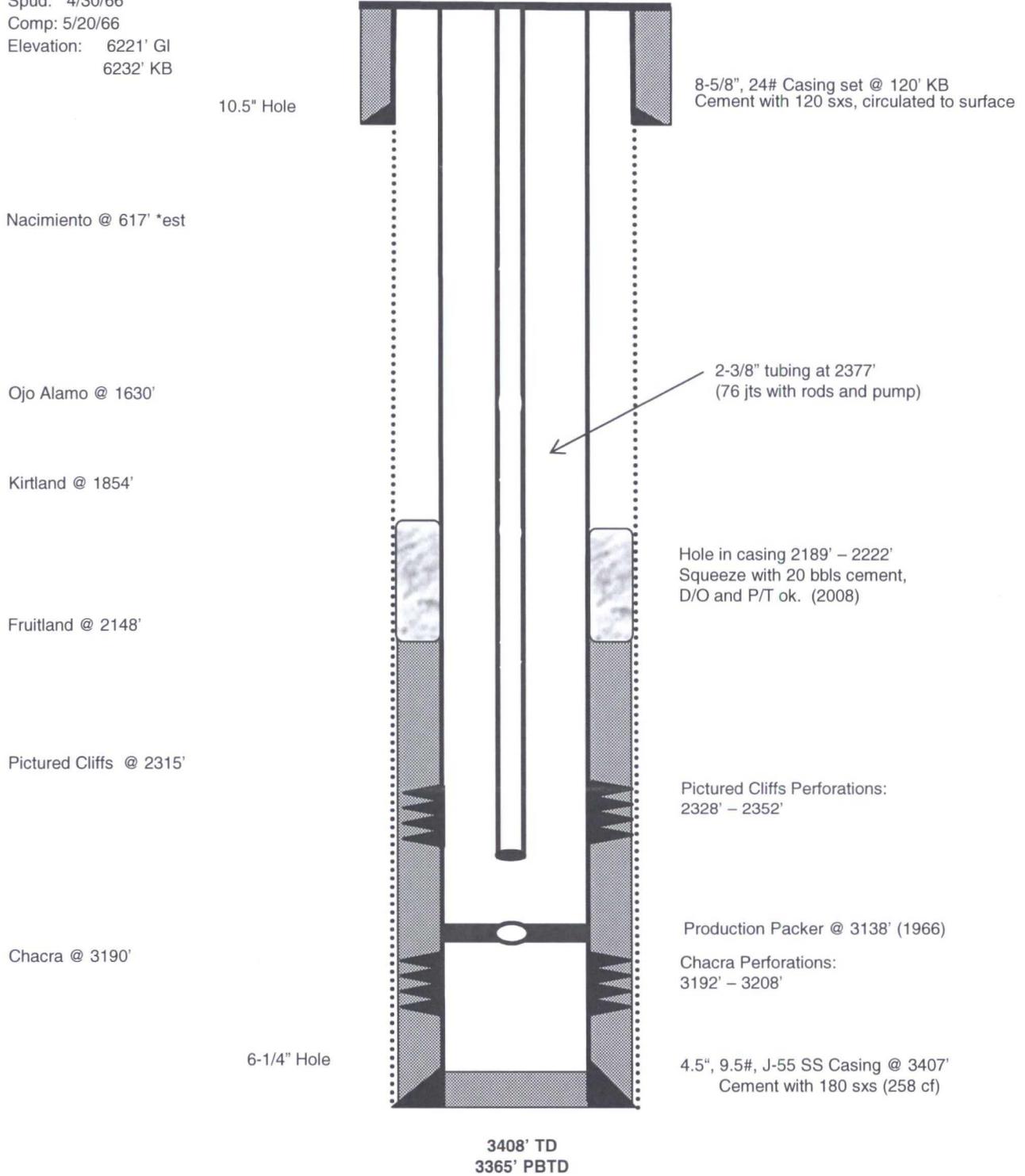
Long: 36.437 / Lat: -107.486 / API 30-039-08089

Today's Date: 6/5/15

Spud: 4/30/66

Comp: 5/20/66

Elevation: 6221' GI
6232' KB



Atlantic #1 Proposed P&A

Otero Chacra / S. Blanco Pictured Cliffs

790' FSL & 1470' FEL, Section 32, T-26-N, R-6-W, Rio Arriba County, NM

Long: 36.437 / Lat: -107.486 / API 30-039-08089

Today's Date: 6/5/15

Spud: 4/30/66

Comp: 5/20/66

Elevation: 6221' GI
6232' KB

Nacimiento @ 617' *est

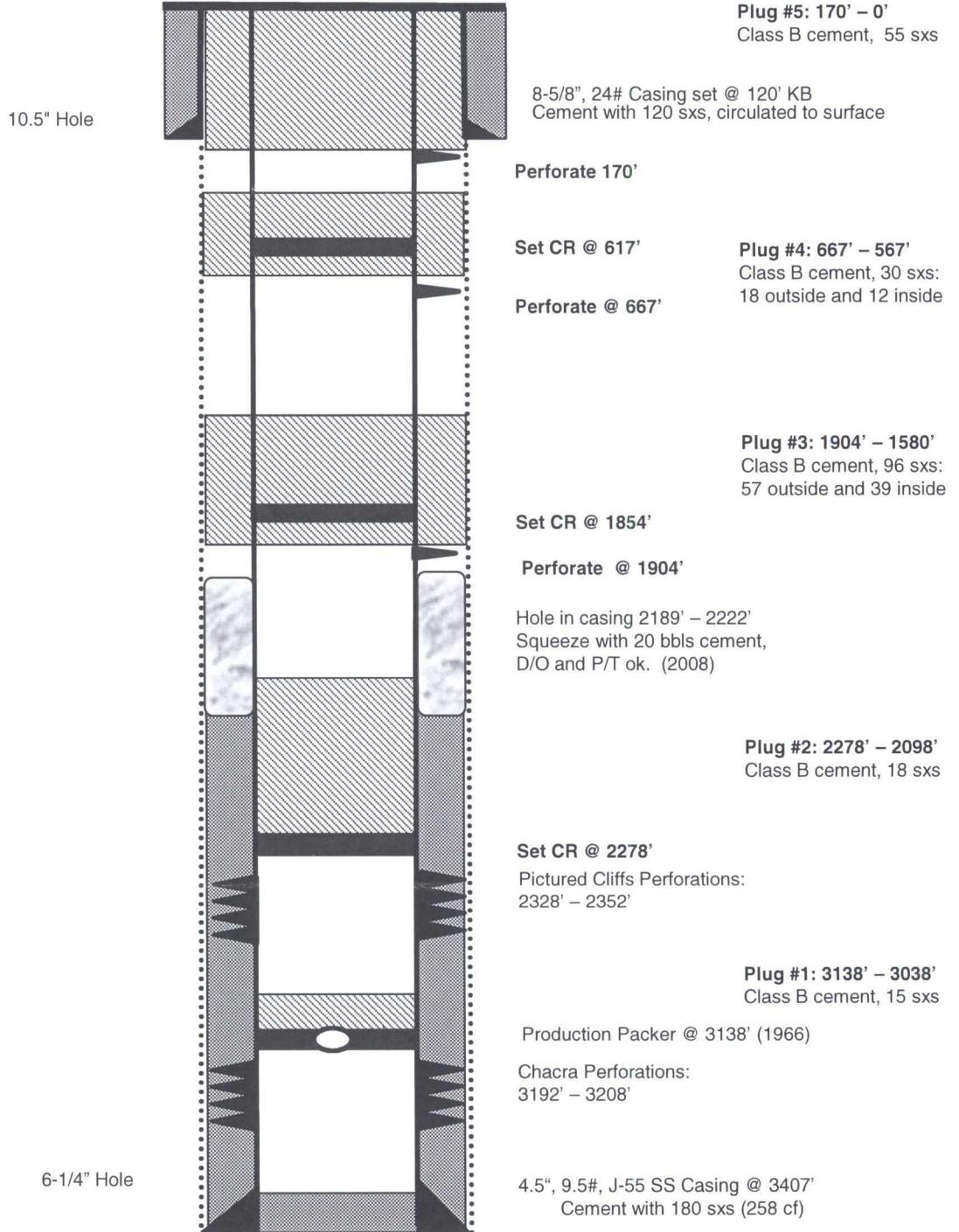
Ojo Alamo @ 1630'

Kirtland @ 1854'

Fruitland @ 2148'

Pictured Cliffs @ 2315'

Chacra @ 3190'



3408' TD
3365' PBTB