Distribution: O+4 (BLM); 1-Accounting; 1- Land; 1-File		/			
UNITED STATES June 1990) DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT		FORM APPROVED Budget Burean No. 1004-0135 Expires March 31, 1993			
SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill or to deepen or reentry to a different reservoir. Use "APPLICATION FOR PERMIT" for such proposals SUBMIT IN TRIPLICATE		 5. Lease Designation and Serial No. SF-079086 6. If Indian, Allottee or Tribe Name 7. If Unit or CA, Agreement Designation 			
			1. Type of Well Oil Well X Well Other		
			2. Name of Operator		8. Well Name and No. Canada Mesa No. 1
Merrion Oil & Gas Corporation (14634)		9. API Well No.			
 Address and Telephone No. 610 Reilly Avenue, Farmington, NM 87401-2634 (505) 327-9801 		30-039-20515 10. Field and Pool, or Exploratory Area			
4. Location of Well (Footage, Sec., T., R., M., or Survey Description)		Basin Dakota			
1000' fnl & 790' fel (ne ne)		11. County or Parish, State			
Section 24, T24N, R6W		Rio Arriba County,			
12. CHECK APPROPRIATE BOX (s	s) TO INDICATE NATURE OF NOTICE, REP	New Mexico			
TYPE OF SUBMISSION	TYPE OF ACTION	ORT, OR OTHER DATA			
X Notice of Intent		Change of Plans			
	Recompletion	New Construction			
Subsequent Report	Plugging Back	Non-Routine Fracturing			
	Casing Repair	Water Shut-Off			
Final Abandonment Notice	Altering Casing	Conversion to Injection			
	Other	Dispose Water			
		(Note: Report results of multiple completion on Completion or Recompletion Report and Log form.)			
give subsurface locations and measured and true vertical dept	nent details, and give pertinent dates, including estimated date of starting the for all markers and zones pertinent to this work.)* Dandon the subject well according to the attact	<u> </u>			
Memon Oil & Gas proposes to plug and ac	bandon the subject well according to the attac	ned procedure.			
	Sound of the Control	25 11 5 33 11 5 12 15 15 15 15 15 15 15 15 15 15 15 15 15			
14. I hereby fertify that the foregoing is true and correct Signed Connie S. Dinning	Title Engineer	Date 5/4/00			
(This space for Federal or State office use)	Title	Date 7/10/60			
Approved By Conditions of approval, if any:	Title	Date			
Title 18 U.S.C. Section 1001, makes it a crime for any person knowing or representations as to any matter within its jurisdiction.	ngly and willfully to make to any department or agency of the Unite	ad States any false, fictitious or fraudulent statement			

Merrion Oil & Gas Corporation

Plug & Abandon Procedure
May 2, 2000

Well:

Canada Mesa No. 1

Location:

1000' fnl & 790' fel (ne ne)

Sec. 24, T24N, R6W, NMPM

Rìo Arriba County, New Mexico

Field:

Elevation:

Basin Dakota

6585' GR

6597' KB

By:

Connie Dinning

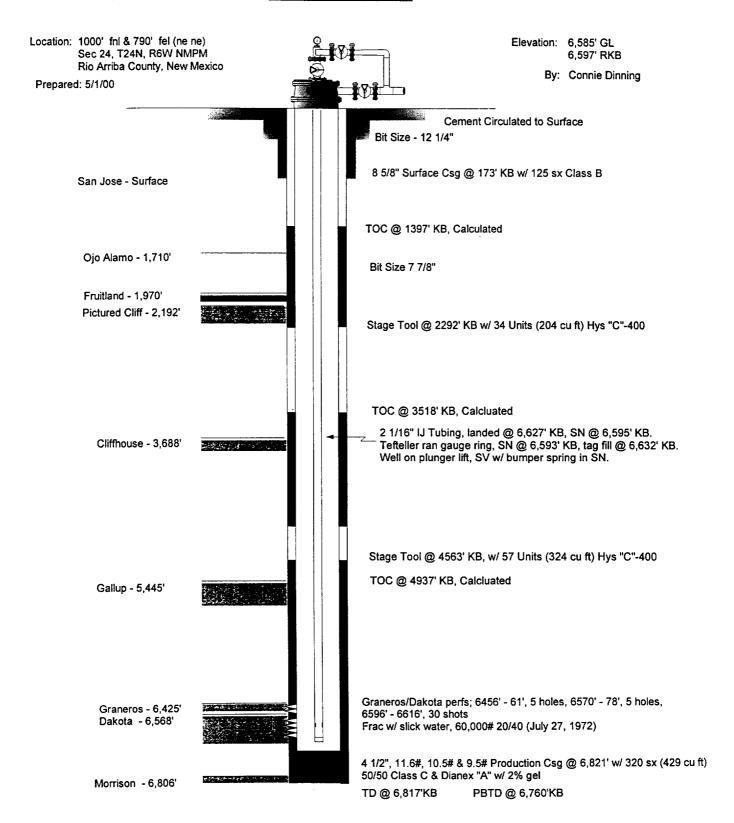
Note: All cement volumes use 100% excess outside pipe and 50' excess inside pipe. The stabilizing wellbore fluid will be 8.33 ppg, sufficient to balance all exposed formation pressures.

- 1. Comply with all NMOCD, BLM and Merrion safety regulations.
- 2. Load casing w/ water. Tally out of hole w/ tubing and TIH w/ CICR on tubing to $\pm 6375^{\circ}$ KB.
- 3. Plug #1 (Graneros/Dakota perforations and Graneros top, 6375' 6616', 50% excess, long plug): Mix 28 sx (33 cu. ft) Class B cement and pump into Graneros/Dakota perfs if possible, w/ 50' over Graneros top. POH to ±5395'.
- 4. Plug #2 (Gallup top, 5395' 5495'): Mix 12 sx (14 cu. ft) Class B cement and pump an inside plug to cover Gallup top. POH to ±3638'.
- 5. Plug #3 (Mesaverde top, 3638' 3738'): Mix 12 sx (14 cu. ft) Class B cement and pump an inside plug to cover Mesaverde top. POH to ±2152'.
- 6. Plug #4 (Pictured Cliffs top 2152' 2252'): Mix 12 sx (14 cu. ft.) Class B cement and pump an inside plug to cover Pictured Cliffs top. POH to ±1920'.
- 7. Plug #5 (Fruitland top 1920' 2020'): Mix 12 sx (14 cu. ft) Class B cement and pump an inside plug to cover Fruitland top. POH to ±1660.
- 8. Plug #6 (Ojo Alamo top 1660' 1760'): Mix 12 sx (14 cu. ft) Class B cement and pump an inside plug to cover Ojo Alamo top. POH to ±173.
- 9. Plug #7 (Surface): Perforate 2 holes @ ±175'. Establish circulation out bradenhead valve. Mix 70 sx (83 cu. ft) Class B cement and pump down 4 1/2" casing, circulate good cement out bradenhead valve. Shut in well and WOC.
- 10. ND BOP and cut off casing below surface. Install P&A marker with cement to comply with regulations. RDMOL, cut off anchors and restore location.
- 11. Restore location per BLM stipulations.

Merrion Oil & Gas Corporation Wellbore Schematic

Canada Mesa No. 1

Current Wellbore Configuration



Merrion Oil & Gas Corporation Wellbore Schematic

Canada Mesa No. 1

Proposed Plugged Wellbore Configuration

Location: 1000' fnl & 790' fel (ne ne) Elevation: 6,585' GL Sec 24, T24N, R6W NMPM 6,597' RKB Rio Arriba County, New Mexico By: Connie Dinning Dry Hole Marker Prepared: 5/1/00 Cement Circulated to Surface Bit Size - 12 1/4" 8 5/8" Surface Csg @ 173' KB w/ 125 sx Class B San Jose - Surface Plug No. 7: Surface Csg Shoe (Surface - 175'), 70 sx (83 cu ft) TOC @ 1397' KB, Calculated Plug No. 6: Ojo Alamo Top (1660' - 1760'), 12 sx (14 cu ft) Ojo Alamo - 1,710' Fruitland - 1,970' **Plug No. 5:** Fruitland Top (1920' - 2020'), 12 sx (14 cu ft) Plug No. 4: Pictued Cliffs Top (2152' - 2252'), 12 sx (14 cu ft) Pictured Cliff - 2,192' Stage Tool @ 2292' KB w/ 34 Units (204 cu ft) Hys "C"-400 Bit Size 7 7/8" TOC @ 3518' KB, Calcluated Cliffhouse - 3,688' Plug No. 3: Mesaverde Top (3638' - 3738'), 12 sx (14 cu ft) Stage Tool @ 4563' KB, w/ 57 Units (324 cu ft) Hys "C"-400 TOC @ 4937' KB, Calcluated Plug No. 2: Gallup Top (5395' - 5495'), 12 sx (14 cu ft) e-124-0-4 Gallup - 5,445' A STATE OF THE STA Plug No. 1: Graneros/Dakota Perfs & Tops (6375' - 6616'), Graneros - 6,425' 28 sx (33 cu ft) CICR @ 6375' Dakota - 6,568' Graneros/Dakota perfs; 6456' - 61', 5 holes, 6570' - 78', 5 holes, 6596' - 6616', 30 shots Frac w/ slick water, 60,000# 20/40 (July 27, 1972) 4 1/2", 11.6#, 10.5# & 9.5# Production Csg @ 6,821' w/ 320 sx (429 cu ft) Morrison - 6,806' 50/50 Class C & Dianex "A" w/ 2% gel

TD @ 6,817'KB PBTD @ 6,760'KB