UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

Sundry Notices and Reports on Wells

1. Type of Well
GAS

5. Lease Number
NM-020496

6. If Indian, All.or
Tribe Name

7. Unit Agreement Name

2. Name of Operator
Meridian Oil Inc.

8. Well Name & Number
Angel Peak #3

3. Address & Phone No. of Operator
Box 4289, Farmington,NM 87499 (505)326-9700

9. API Well No.

4. Location of Well, Footage,Sec,T,R,M.
1450'N, 1450'E Sec.20, T-27-N, R-11-W, NMPM

10. Field and Pool
Basin Dakota

11. County and State
San Juan County, NM

12. CHECK APPROPRIATE BOX TO INDICATE NATURE OF NOTICE, REPORT, OTHER DATA

Type of Submission	Type of Action	
X Notice of Intent	__ Abandonment	X Change of Plans
__ Subsequent Report	__ Recompletion	__ New Construction
__ Final Abandonment	__ Plugging Back	__ Non-Routine Fracturing
	__ Casing Repair	__ Water Shut Off
	__ Altering Casing	__ Conversion to Injection
	__ Other	

RECEIVED
JAN 22 1991
OIL CON. DIV.
DIST. 3

13. Describe Proposed or Completed Operations

Verbal approval for the following change of plans was received from Steve Mason at the BLM at 8:50 am 1-15-91:

TIH w/2 3/8" tbg, csg scraper, and 3 7/8" bit to 2815' and clean out.

TIH w/2 3/8" tbg open ended to top of fish @ 3685'. Circ and clean out.

Spot 50 sx Class "B" neat cmt on top or near top of fish @ 3685' (59 cu.ft. = 659')

After cmt has had 4 hrs to set, tag top w/~~wireline~~ tubing. TOC should be @ 3026'.

After the above, continue w/step #8 of the attached, and plug & abandon as planned.

14. I hereby certify that the foregoing is true and correct
Signed [signature] (MP) Title Regulatory Affairs Date 1-16-91

APPROVED
JAN 16 1991
DISTRICT MANAGER
FARMINGTON RESOURCE AREA

(This space for Federal or State office use)

APPROVED BY _____ TITLE _____ DATE _____
CONDITION OF APPROVAL, IF ANY:

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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12.CHECK APPROPRIATE BOX TO INDICATE NATURE OF NOTICE, REPORT, OTHER DATA

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	__ Other	

RECEIVED
JAN 22 1991
OIL CON. DIV.
DIST. 3

13. Describe Proposed or Completed Operations

Attached is the plug and abandonment procedure to be used for this location.

SEE ATTACHED FOR
CONDITIONS OF APPROVAL

14. I hereby certify that the foregoing is true and correct
Signed [signature] (ROS Title Regulatory Affairs Date 05-09-90

APPROVED
MAY 8 1990
AREA MANAGER
FARMINGTON RESOURCE AREA

(This space for Federal or State office use)

APPROVED BY _____ TITLE _____ DATE _____
CONDITION OF APPROVAL, IF ANY:

OPERATOR

Plug and Abandonment Procedure
Angel Peak #3

1. Prepare location for workover. Install / replace anchors as necessary.

2. MOL with workover rig, hold safety meeting, install safety signs and proper fire equipment at strategic points. Comply with all BLM, NMOCD, and MOI regulations.

3. Rig up blow lines, record tubing and casing pressures and blow well down. Kill well as necessary with water. ND tree and NU 6" 3000 psi BOP and stripping head.

4. TOOH with 210 joints of 2 3/8" 4.7# J-55 EUE tubing set @ 6397'. A 4 1/2" Baker Model A-2 Lok-Set packer, with on/off tool, is set @ 6298'(3 jts of tailpipe). To release packer, pick up 4000 lbs over string weight and rotate 8 turns to the right.

5. TIH with 2 3/8" tubing and clean out to PBTD @ 6521'.

6. Establish a rate into Dakota perforations with water. Spot a cement plug from PBTD-5385' with 168 sx of class B neat cement (198 cf, 100% excess to cover 50' above the top of the Gallup). Pull up to 5385' and circulate casing with 85 bbl of 9.0 PPG mud with a minimum funnel viscosity of 50 sec/qt. TOOH. Tag cement top with wireline after 4 hours.

7. Perforate four squeeze holes at 3470'. Establish a rate into perforations with water. Set a 4 1/2" cement retainer @ 3370'. TIH with 2 3/8" tubing and sting into test position in retainer. Pressure test tubing to 1000 psi. Establish a rate into perforations with water. Squeeze cement with 50 sx of class B neat cement (59 cf, 100% excess to cover 50' above the top of the Cliff House). Sting out of retainer and spot 6 sx class B neat on top of retainer (7 cf, 81' in 4 1/2" casing). TOOH.

8. Perforate four squeeze holes at 2815'. Establish a rate into perforations with water. Set a 4 1/2" cement retainer @ 2715'. TIH with 2 3/8" tubing and sting into test position in retainer. Pressure test tubing to 1000 psi. Establish a rate into perforations with water. Squeeze cement with 50 sx of class B neat cement (59 cf, 100% excess to cover 50' above the top of the Chacra). Sting out of retainer and spot 6 sx class B neat on top of retainer (7 cf, 81' in 4 1/2" casing).

9. Pull up hole to 1946' and spot 28 sx of class B neat cement from 50' below the top of the Pictured Cliffs to 50' above the top of the Fruitland (33 cf, plug @ 1600'-1946', 10% excess). TOOH.

10. Perforate four squeeze holes at 904'. Establish a rate into perforations with water. Set a 4 1/2" cement retainer @ 697'. TIH with 2 3/8" tubing and sting into test position in retainer. Pressure test tubing to 1000 psi. Establish a rate into

perforations with water. Squeeze cement with 103 sx of class B neat cement (121.5 cf, 100% excess to cover 50' below the top of the Kirtland to 50' above the top of the Ojo Alamo). Sting out of retainer and spot 6 sx class B neat on top of retainer (7 cf, 81' in 4 1/2" casing). TOOH.

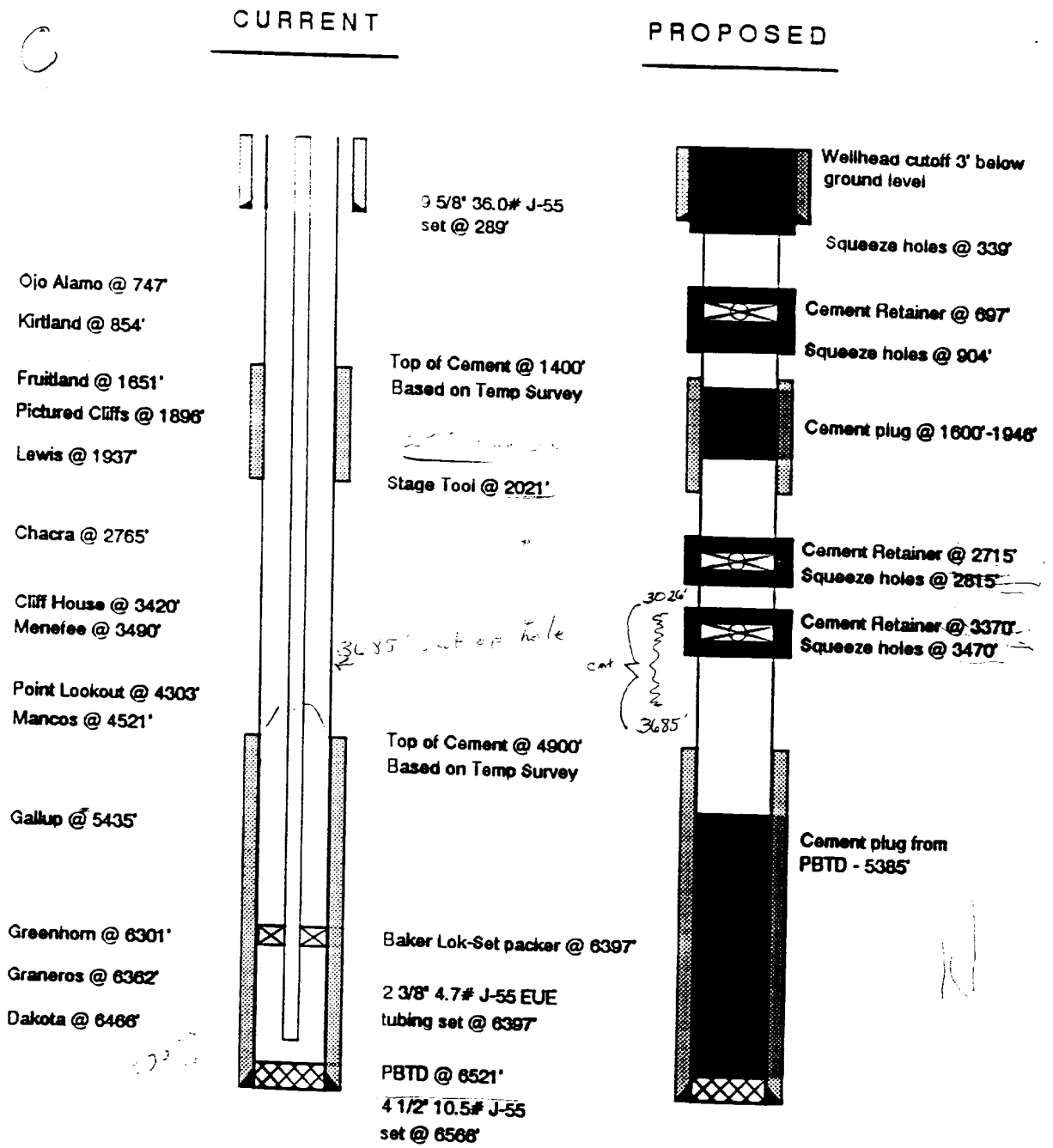
11. Perforate two squeeze holes at 339'. Establish a rate into perforations with water. Cement down 4 1/2" casing and circulate to surface with 225 sx of class B neat cement (265.5 cf, 100% excess to circulate to surface).

12. Cut off wellhead and casing 3' below ground level. Weld a plate to the top of the casing containing required information. Rig down and release rig.

13. Strip and clean up location.

Angel Peak #3
NE/4 Section 20, T-27-N, R-11-W
San Juan County, New Mexico

Wellbore Schematic



IN REPLY REFER TO
(019)

UNITED STATES DEPARTMENT OF THE INTERIOR

BUREAU OF LAND MANAGEMENT
FARMINGTON RESOURCE AREA
1235 LA PLATA HIGHWAY
FARMINGTON, NEW MEXICO 87401

Attachment to Notice of

Intention to Abandon

Re: Permanent Abandonment

Well: 3 Angel Peak

CONDITIONS OF APPROVAL

1. Plugging operations authorized are subject to the attached "General Requirements for Permanent Abandonment of Wells on Federal Leases."

2. Mark Kelly with the Farmington Office is to be notified at least 24 hours before the plugging operations commence (505) 326-6201.

3. Blowout prevention equipment is required.

4. The following modifications to your plugging program are to be made (when applicable):

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

GENERAL REQUIREMENTS FOR PERMANENT ABANDONMENT OF WELLS ON FEDERAL AND INDIAN LEASES FARMINGTON RESOURCE AREA

1. Secure prior approval either on a Sundry Notice (Form 3160-5) or verbally from the Fluids Drilling & Production Section at this office before changing the approved plugging program.

2. Plugging equipment used shall have separate mixing and displacement pumps and a calibrated tank to assure proper displacement of plugs. The Operator is responsible for providing all measuring devices needed to assure proper measurement of materials being used.

3. A proper tank or pit will be used to contain all fluids pumped from the well during plugging operations. Unattended pits are to be fenced.

4. All cement plugs are to be placed through tubing (or drillpipe) and shall be a minimum of 100 feet in length with 50% excess inside casing or 100% excess when plug is set in open hole or squeezed into perforations. 15.6#/gal slurry weight is to be used when using class B neat cement or when $CaCl_2$ is used. Use the recommended slurry weight of other type cements when they are used (Class C, Pozzolan etc.).

5. Any cement plugs placed when well is not full of fluid, or when well may be taking fluid, (i.e. across perfs-unless bridge plug or retainer is used, across bad csg., or fresh water formations) will be tagged (touched) after cement has set to verify proper location.

5a. Testing The first plug below the surface plug shall generally be tested by either tagging the plug with the working pipe string, or pressuring to a minimum pump (surface) pressure of 1000 psig, with no more than a 10 percent drop during a 15-minute period (cased hole only). If the integrity of any other plug is questioned, it must be tested in the same manner. Also, any cement plug which is the only isolating medium for a fresh water interval or a zone containing a valuable mineral deposit should be tested by tagging with the drill string.

6. Mud must be placed between plugs. Plugging mud is to be made up with a minimum of 15 lbs/bbl of sodium bentonite, and a nonfermenting polymer. Minimum consistency of plugging mud must be 9 lbs/gal and with a minimum viscosity of 50 sec/qt. Fresh water is to be utilized for mixing mud.

7. Following the placement of a cement plug, the withdrawl rate for at least the length of the cement plug shall not exceed 30 ft/min, in order to minimize the contamination of the plug.