Form 3160-5 (June 1990)

UNITED STATES DEPARTMENT OF THE INTERIOR **BUREAU OF LAND MANAGEMENT**

FORM APPROVED						
Budget Bureau No. 1004-0135						
Expires: March 31, 1993						

Leas	¢	Des	ignation	and	Serial	No.
4	2	20	A7			

AREA MANAGER

5. NM 33047 SUNDRY NOTICES AND REPORTS ON WELLS 6. If Indian, Allottee or Tribe Name 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 7. If Unit or CA, Agreement Designation SUBMIT IN TRIPLICATE 1. Type of Well 8. Well Name and No. Oil Well X Gas Well Hi Roll #3 2. Name of Operator 9. API Well No. Merrion Oil & Gas Corporation 3. Address and Telephone No. 10. Field and Pool, or Exploratory Area 505-327-9801 P. O Box 840, Farmington, NM 87499 WAW Fruitland Lie 4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 11. County or Parish, State 1350' FNL & 1850' FEL San Juan, NM Sec 35, T27N, R13W CHECK APPROPRIATE BOX(s) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA 12. TYPE OF ACTION TYPE OF SUBMISSION Change of Plans X Notice of Intent New Construction Non-Routine Fracturing Subsequent Report Water Shut-Off Conversion to Injection Final Abandonment Notice Dispose Water (Note: Report results of m n or Recompletion Report and Log form.) 13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)* We propose to plug and abandon the subject well as it is uneconomic using the following procedure. RU Cement Co. Fill hole w/ 28 sx class 'G' 50/50 poz. 1.) RD. Install P&A marker. 2.) MAR 2 5 1992 SEE ATTACHED FIRE Oil Com. DIV. CONDITIONS OF APPROVA DIST. 3 APPROVED 14. I hereby certify the Petroleum Engineer Signed MAR 24 1992 (This space for Federal or State office use Title

Title 18 U.S.C. Section 1001, makes 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

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

Re: Permanent Abandonment

Intention to Abandon

Well: 3 Hi Roll

CONDITIONS OF APPROVAL

- 1. Plugging operations authorized are subject to the attached "General Requirements for Permanent Abandonment of Wells on Federal Leases."
- 2. Mark Kellse 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):

You are nequired to notify this office when the well is is to be removed so the cement locurion can be witnessed.

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 A or B neat cement or when CaCl_2 is used. Advanced approval is required for extended cements.
- 5. Any cement plugs placed when a well is not full of fluid, or when the well may be taking fluid, (i.e. any cement plugs across or above perforations or leaky casing, unless a bridge plug or cement retainer is positioned above the interval) will be tagged (or tested) after the cement has set, to verify proper location.
 - 5a. <u>Testing</u> 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. A mud slurry is required between all cement plugs. The slurry is to be made up with a minimum of 25 pounds of sodium bentonite per barrel of water, with a minimum viscosity of 40 sec./qt. and a minimum water loss of 14 c.c./30 minutes. Slurry density (1bs./gal.) must be sufficient to stabilize the hole, and to prevent any back flow. Fresh water (less than 5,000 ppm. chlorides) is to be utilized for mixing the mud. Calcium hardness is to be treated with soda ash or caustic soda, if needed to promote proper hydration of the bentonite. If a polymer is used, it must be of a non fermenting type. In the event that a weighting agent is needed, barite is preferred. If a salt water slurry is used, the bentonite must be prehydrated in fresh water.
 - 6a. Mud viscosity and water loss measurement equipment must be on hand during mud mixing and plugging operations.

- 6b. The requirement to keep mud measurement equipment available at the rig is waived when the mud slurry is prepared, according to our specifications, at another location and certified, as such; by the organization doing the preparation.
- 6c. Drilling mud may be used to plug a well, provided; that well is plugged without first being cased.
- 7. Following the placement of a cement plug, the withdrawal 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.
- 8. Within 30 days after plugging work is completed, file a Sundry Notice (Subsequent Report of Abandonment, Form 3160-5), in quintuplicate with Area Manager, Bureau of Land Management, 1235 La Plata Highway, Farmington, NM 87401. The report should give in detail the manner in which the plugging work was carried out, the extent (by depths) of cement plugs placed, and the size and location (by depths) of casing left in the well. Show date well was plugged.
- 9. All permanently abandoned wells are to be marked with a regulation marker (4" pipe extending approximately 4' above the ground line) containing the information as specified in 43 CFR 3162.6(d). Unless otherwise approved.
- 10. After plugging work is completed the surface is to be rehabilitated in accord with instructions from the Environmental Compliance Staff of the Farmington Resource Area Office.
- 11. These requirements become applicable to a specific well when attached to the Notice of Intent to Abandon, for that well, at the time approval is granted.
- All the above are minimum requirements. The period of liability under the bond of record will not be terminated until the lease is inspected and surface work approved.

Please advise this office when the well location is ready for final inspection.

Failure to comply with the above conditions of approval may result in an assessment for noncompliance and/or a Shut-in Order being issued pursuant to $43\ CFR\ 3163.1.$

You are further advised that any instructions, orders or decisions issued by the Bureau of Land Management are subject to administrative review pursuant to 43 CFR 3165.3 and appeal pursuant to 43 CFR 3165.4 and 43 CFR 4.400 et. seq.