Form 3160-5 (Note ober 1983) (Formerly 9-331)	UNITED STATES DEPARTMENT OF THE INT BUREAU OF LAND MANAGEM		Expires August 31, 1985 5. LEASE DESIGNATION AND SERIAL NM-10434
SUN	DRY NOTICES AND REPORT form for proposals to drill or to deepen or I Use "APPLICATION FOR PERMIT" for s	6 IF INDIAN, ALLOTTEE OR TRIBE DAME	
OIL GAS TO			7. UNIT AGREEMENT NAME
OTHER GAS WELL NAME OF OPERATOR Merrion Oil & Gas Corporation BUREAU OF LAND MANAGEMENT P. O. Box 840, Farmington, New Mexico 87499 LOCATION OF WELL (Report location clearly and in accordance with any State requirements.*			8. FARM OR LEASE NAME Dome Federal 21-27-13
3. ADDRESS OF OPERATOR		9. WBLL NO.	
P. U. BOX 840 4. LOCATION OF WELL (R See also space 17 belo At Burface), Farmington, New Mexico eport location clearly and in accordance with w.)	1 10. FIELD AND POOL OR WILDCAT WAW Fruitland-Pic. Cliffs	
1460' FI	NL & 950' FWL	11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA	
			Sec. 21, T27N, R13W
14. PERMIT NO.	15 ELEVATIONS (Show wheth	ner DF, RT, GR. etc.)	12. COUNTY OR PARISH 13. STATE
	6027 GR		San Juan New Mexico
16. Check Appropriate Box To Indicate Nature of Notice, Report, or Other Data			
,	TOTICE OF INTENTION TO:	SUBSEQUE	NT REPORT OF:
TEST WATER SHUT-OF	PULL OR ALTER CASING '	WATER SHUT-OFF FRACTURE TREATMENT	REPAIRING WELL ALTERING CASING
FRACTURE TREAT SHOOT OR ACIDIZE	ABANDON® X	SHOOTING OR ACIDIZING	ABANDON MENT*
REPAIR WELL	CHANGE PLANS	(Other)	of multiple completion on Well
(Other) 17. BESCRIBE PROPOSED OR proposed work. If nent to this work.)*	completes operations (Clearly state all petwell is directionally drilled, give subsurface	Completion or Recomple-	ncluding estimated date of starting any
lack of commo	ests permission to plug ercial quantities of natura or plug the well as follows:	al gas.	ral 21-27-13 No. 1 for
2 - Tie onto away 5 s	ling Unit. Lay down rods a 2-7/8" casing and fill the x into perfs 1304'-20'. To ellhead, install dry hole n	e wellbore with 42 sx (50 pp of cement at surface.	cu.ft.) cement, squeeze
	quipment & restore location		irements.
both product	doing this work July, 19 ion and surface casing.	39. Top of cement in op	pen hole at surface for DECEIVEN
Formation	n TOPS		
Farmingt			JUN2 8 1989
Fruitlan		SEE ATTACHED FOR	OIL CON. DIV.
Pictured	•	CONDITIONS OF APPROVAL	APPROVED
18. I hereby certify that	the foregoing is true and correct	Operations Manager	DATE 6-08-89
(This pace for Federal or State office use)			JUN 22 1989
APPROVED BY TITLE CONDITIONS OF APPROVAL, IF ANY:			DATE TOWNSOND
	*See Instruc	tions on Reverse Side	FOR AREA MANAGER FARMINGTON RESOLUTOE AREA

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.

BUREAU OF LAND MANAGEMENT 1235 La Plata Highway Farmington, New Mexico 87401 Phone (505) 327-5344

Attachment to Notice of

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Re: Permanent Abandonment

Intention to Abandon

Well: 1 Dome Federal 21-27-13

CONDITIONS OF APPROVAL

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

- 2. Bill Blackers with the Farmington Office is to be notified at least 24 hours before the plugging operations commence (505) 327-5344.
- 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

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- 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 CaCl₂ 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.
 - Sa. 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.

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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 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 Fluids Surface Management Section of the Farmington Resource Area Office.

All 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 4.700.