

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

20-093-20291

5. LEASE DESIGNATION AND SERIAL NO.
Contract 429

6. IF INDIAN, ALLOTTEE OR TRIBE NAME
Jicarilla

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME
Jicarilla 429

9. WELL NO.
3

10. FIELD AND POOL, OR WILDCAT
Ballard Pic. Cliff

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA
Sec. 24, T23N, R5W

12. COUNTY OR PARISH
Sandoval

13. STATE
N.M.

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK
DRILL DEEPEN PLUG BACK

b. TYPE OF WELL
OIL WELL GAS WELL OTHER
SINGLE ZONE MULTIPLE ZONE

2. NAME OF OPERATOR
J. Gregory Merrion and Robert L. Bayless

3. ADDRESS OF OPERATOR
P.O. Box 507, Farmington, New Mexico 87401

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)*
At surface
990 FNL and 990 FEL
At proposed prod. zone
Same

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*

15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any)
16. NO. OF ACRES IN LEASE
17. NO. OF ACRES ASSIGNED TO THIS WELL
160

18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.
19. PROPOSED DEPTH
2400 ft.
20. ROTARY OR CABLE TOOLS
Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)
6844 ft. G.L.
22. APPROX. DATE WORK WILL START*
As soon as Possible

23. PROPOSED CASING AND CEMENTING PROGRAM

| SIZE OF HOLE | SIZE OF CASING | WEIGHT PER FOOT | SETTING DEPTH | QUANTITY OF CEMENT |
|--------------|----------------|-----------------|---------------|--------------------|
| 9-5/8" | 7" | 23 lb./ft. | 60' | 20 sax |
| 4-3/4" | 2-7/8" | 6.5 lb./ft. | 2400' | 150 sax |

Will drill 9-5/8" hole to 60 ft. and set 60 ft. of 7", 23 lb./ft. casing with 20 sax cement. Will drill 4-3/4" hole to 2400 ft. and run logs. If appears productive will run 2400 ft. of 2-7/8", 6.5 lb./ft., J-55 casing and cement with 150 sax. Will perforate and stimulate as required. A 6"-900 double ram blowout preventer will be used.

Note: Gas under development agreement to Northwest Pipeline.

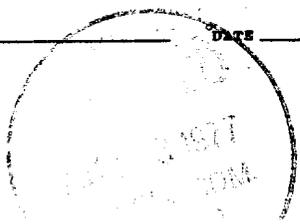
IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen or plug back, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24. SIGNED Robert L. Bayless TITLE Co-Owner DATE July 29, 1977

(This space for Federal or State office use)
PERMIT NO. _____ APPROVAL DATE _____

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

*See Instructions On Reverse Side



NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT

Form C-102
Supersedes C-128
Effective 1-1-65

All distances must be from the outer boundaries of the Section.

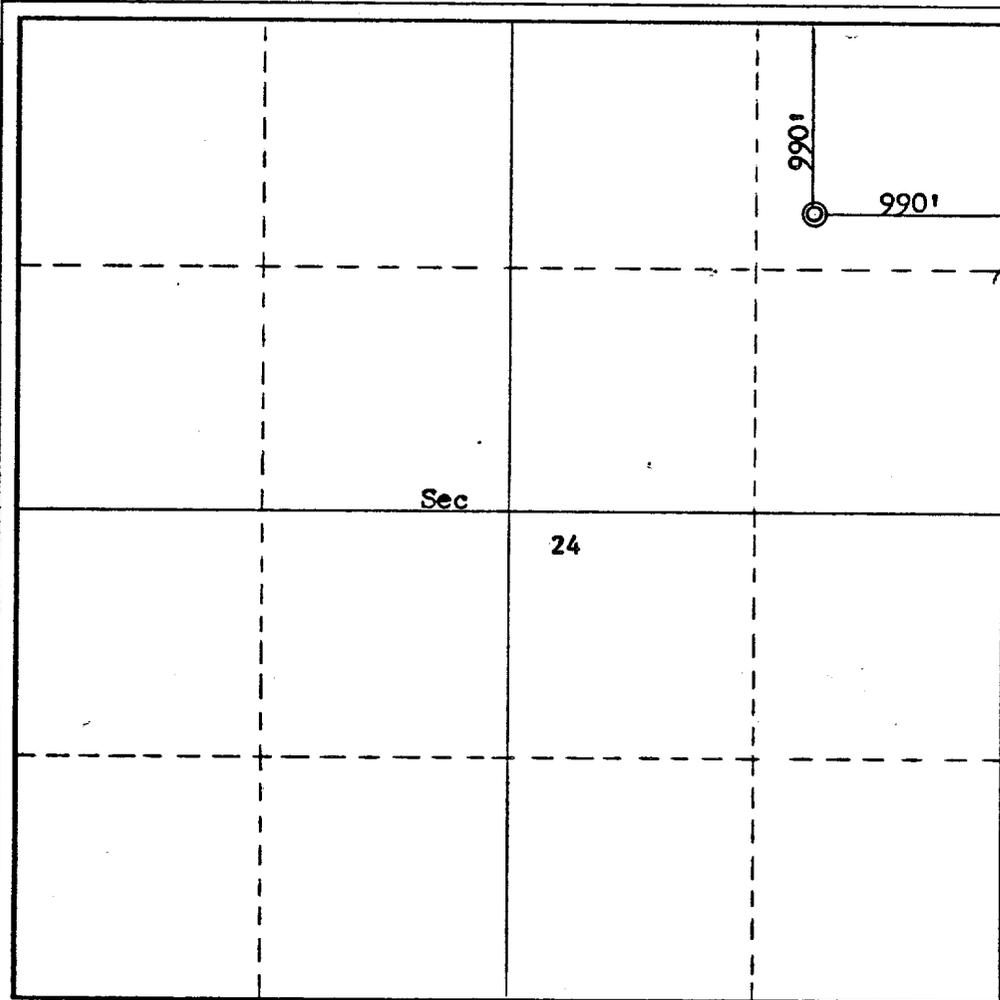
| | | | | | |
|--|---|--------------------------------------|--|---------------------------|----------------------|
| Operator Merrion & Bayless | | | Lease Jicarilla Contract 429 | | Well No. 3 |
| Unit Letter A | Section 24 | Township 23N | Range 5W | County Sandoval | |
| Actual Footage Location of Well: 990 feet from the North line and 990 feet from the East line | | | | | |
| Ground Level Elev. 6844 | Producing Formation Pictured Cliffs | Pool Ballard Picture Cliff | Dedicated Acreage: 160 Acres | | |

1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

Yes No If answer is "yes," type of consolidation _____

If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) _____

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Commission.



CERTIFICATION.

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

Robert L. Bayless

Name
Robert L. Bayless

Position
Co-Owner

Company
Merrion & Bayless

Date
July 29, 1977

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.

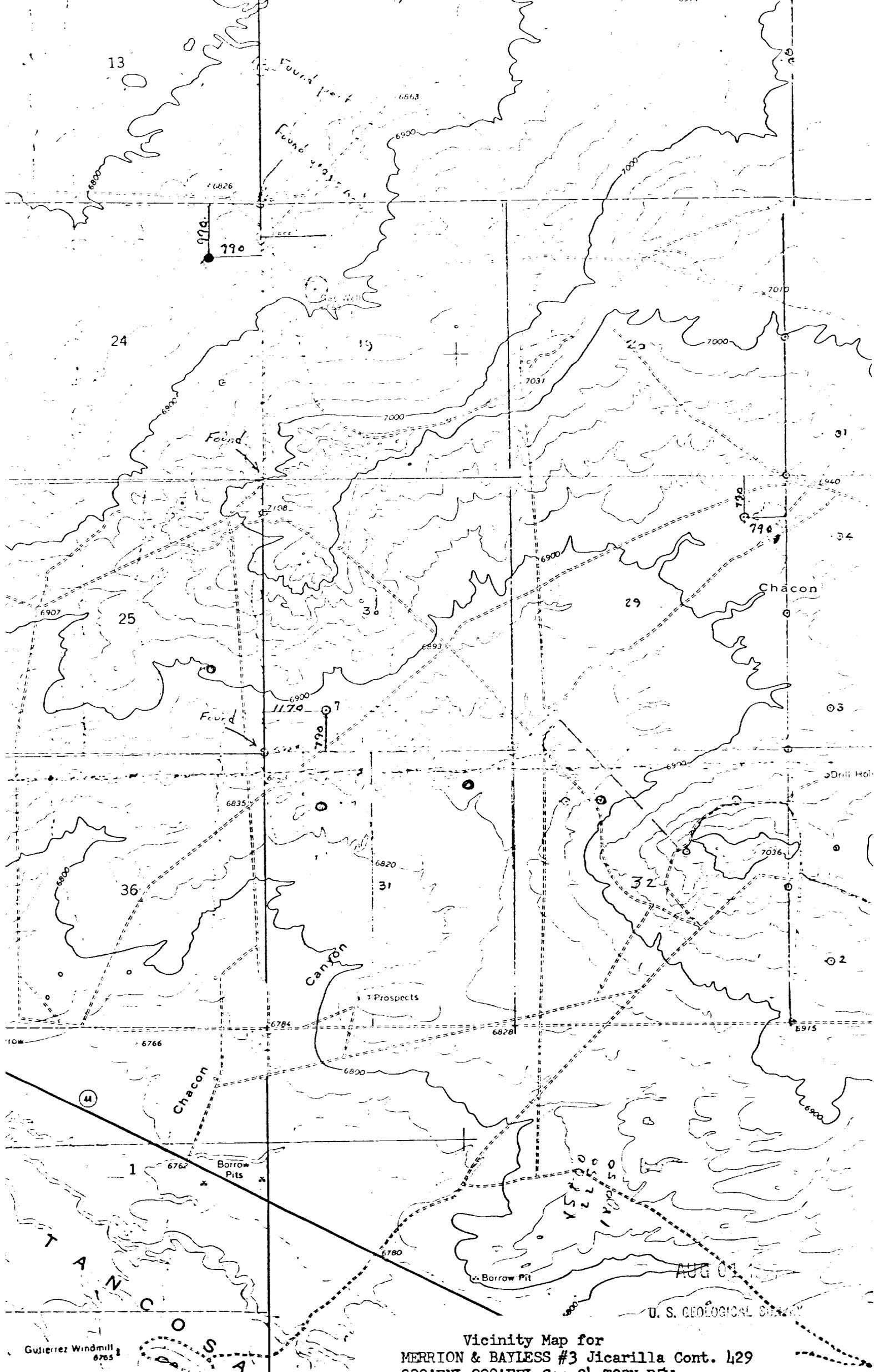
Date Surveyed
July 27, 1977

Registered Professional Engineer and/or Land Surveyor

Fred B. Kerr Jr.
Fred B. Kerr Jr.

Certificate No.
3950





Vicinity Map for
 MERRION & BAYLESS #3 Jicarilla Cont. 429
 990'FNL 990'FEL Sec 24-T23N-R5W

U. S. GEOLOGICAL SURVEY
 AUG 01

Gutierrez Windmill
 6765