5. LEASE

UNITED STATES DEPARTMENT OF THE INTERIOR

DEPARTMENT OF THE INTERIOR GEOLOGICAL SURVEY	Contract 163 6. IF INDIAN, ALLOTTEE OR TRIBE NAME
GLOLOGICAL SURVEY	Jicarilla
SUNDRY NOTICES AND REPORTS ON WELLS (Do not use this form for proposals to drill or to deepen or plug back to a different reservoir. Use Form 9–331–C for such proposals.)	7. UNIT AGREEMENT NAME 8. FARM OR LEASE NAME
1 all gan	Badland Flats
1. Oil gas well other 2. NAME OF OPERATOR	9. WELL NO. 1
J. Gregory Merrion & Robert L. Bayless 3. ADDRESS OF OPERATOR P. O. Box 507, Farmington, NM 87401	10. FIELD OR WILDCAT NAME So. Blanco Pic. Cliffs 11. SEC., T., R., M., OR BLK. AND SURVEY OR
4. LOCATION OF WELL (REPORT LOCATION CLEARLY. See space 17 below.) AT SURFACE: 1650 FSL & 990 FWL AT TOP PROD. INTERVAL:	AREA Section 24, T23N, R2W 12. COUNTY OR PARISH 13. STATE Sandoval New Mexico
AT TOTAL DEPTH: 16. CHECK APPROPRIATE BOX TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA	14. API NO.
REPORT, OR OTHER DATA	15. ELEVATIONS (SHOW DF, KDB, AND WD) 7336 GL
REQUEST FOR APPROVAL TO: SUBSEQUENT REPORT OF: TEST WATER SHUT-OFF FRACTURE TREAT SHOOT OR ACIDIZE REPAIR WELL PULL OR ALTER CASING MULTIPLE COMPLETE CHANGE ZONES ABANDON* (other) Drilling X 17. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state including estimated date of starting any proposed work. If well is comeasured and true vertical depths for all markers and zones pertinent.	lirectionally drilled, give subsurface locations and
See attached report.	OIL COLLEGE OF THE PARTY OF THE
Subsurface Safety Valve: Manu. and Type	Set @ Ft
18. I hereby certify that the foregoing is true and correct SIGNED	DATE November 17, 1980
(This space for Federal or State of	
APPROVED BY TITLE CONDITIONS OF APPROVAL, IF ANY:	DATE

NMOCC

MERRION & BAYLESS BADLAND FLATS #1 1650 FSL & 990 FWL Section 24, T23N, R2W Sandoval County, N.M.

DAILY REPORT

- 11-7-80 Moved in, rigged up James Drilling Co. Spudded 9-3/4" hole and set 96 ft. of 7", 23 lbs/ft, J-55 surface casing with 50 sacks. WOC.
- 11-8-80 Drilling at 1250. Water loss 8.0; weight 8.7; viscosity 32.
- 11-9-80 Drilling at 2325.
- 11-10-80 Lost cone and fished out; going back in @ 2725.
- 11-11-80 Reached TD at 3125 ft. Now running logs.
- 11-12-80 Rig up Birdwell. Ran Induction log TD to surface casing. Ran Density log TD to 1700 ft. Ran in hole. Circulated 30 minutes and laid down drill pipe. Prepared to run casing. Ran 3103' 2-7/8", blue band, J-55 used casing. Baffle @ 3071'. Set @ 3107 K.B. Cemented w/ 225 sx Class B 2% D-79 and 50 sx Class H 2% gel. Displaced w/ 250 gal. acetic acid and 12 bbls sugar water. Circulated cement back to surface. Plug latched in @ 5:30 p.m. (JCA)