

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

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 Merriam & Robert L. Bayless

3. ADDRESS OF OPERATOR
P.O. Box 1541, Farmington, NM 87401

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)
At surface 1850 FNL & 1850 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
2541

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
7350

20. ROTARY OR CABLE TOOLS
Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)
7177' GL

22. APPROX. DATE WORK WILL START*
As soon as approved

PROPOSED CASING AND CEMENTING PROGRAM				
SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
11"	8-5/8"	28#	200'	150 sacks
7-7/8"	4-1/2"	10.5#	7350'	600 sacks circulated to cover exposed Ojo Alamo

This action is subject to administrative appeal pursuant to 30 CFR 290.

Will drill 11" hole to 200 ft. and set 200 ft. of 8-5/8", 28#, J-55 used casing with 150 sacks Class H cement. Will drill 7-7/8" hole to 7350 ft. and run open hole logs. If appears productive will run 7350 ft. of 4-1/2", 10.5#, J-55 new casing, set stage collar at 4900 ft. and cement as follows: 1st stage: 150 sacks Class H w/.6% fluid loss additive; 2nd stage: 350 sacks Class H with 2% D-79 extender followed by 100 sacks Class H. Will perforate and stimulate as required. Minimum specifications for pressure control equipment which is to be used: 10", 900 series double ram blowout preventer; schematic attached. The gas from this formation is dedicated.

ESTIMATED TOPS

Tertiary - Surface
Kirtland - 2500'
Pictured Cliffs - 2750'
Mesa Verde - 4230'

Gallup - 5925'
Mancos - 6125'
Graneros - 6850'
Dakota - 7100'

DRILLING OPERATIONS AUTHORIZED ARE
SUBJECT TO COMPLIANCE WITH ATTACHED
"GENERAL REQUIREMENTS"

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 prevention program, if any.

24. SIGNED Robert L. Bayless TITLE COPIES OF DATE 11-10-80

(This space for Federal or State official use)

APPROVED
AS AMENDED

APPROVED BY DEC 15 1980 TITLE COPIES OF DATE 11-10-80

CONDITIONS OF APPROVAL, IF ANY
Dr. JAMES F. SIMS
DISTRICT ENGINEER

*See Instructions On Reverse Side

OIL CONSERVATION DIVISION

P. O. BOX 2048

Form C-107
Revised 10-1-78STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT

SANTA FE, NEW MEXICO 87501

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

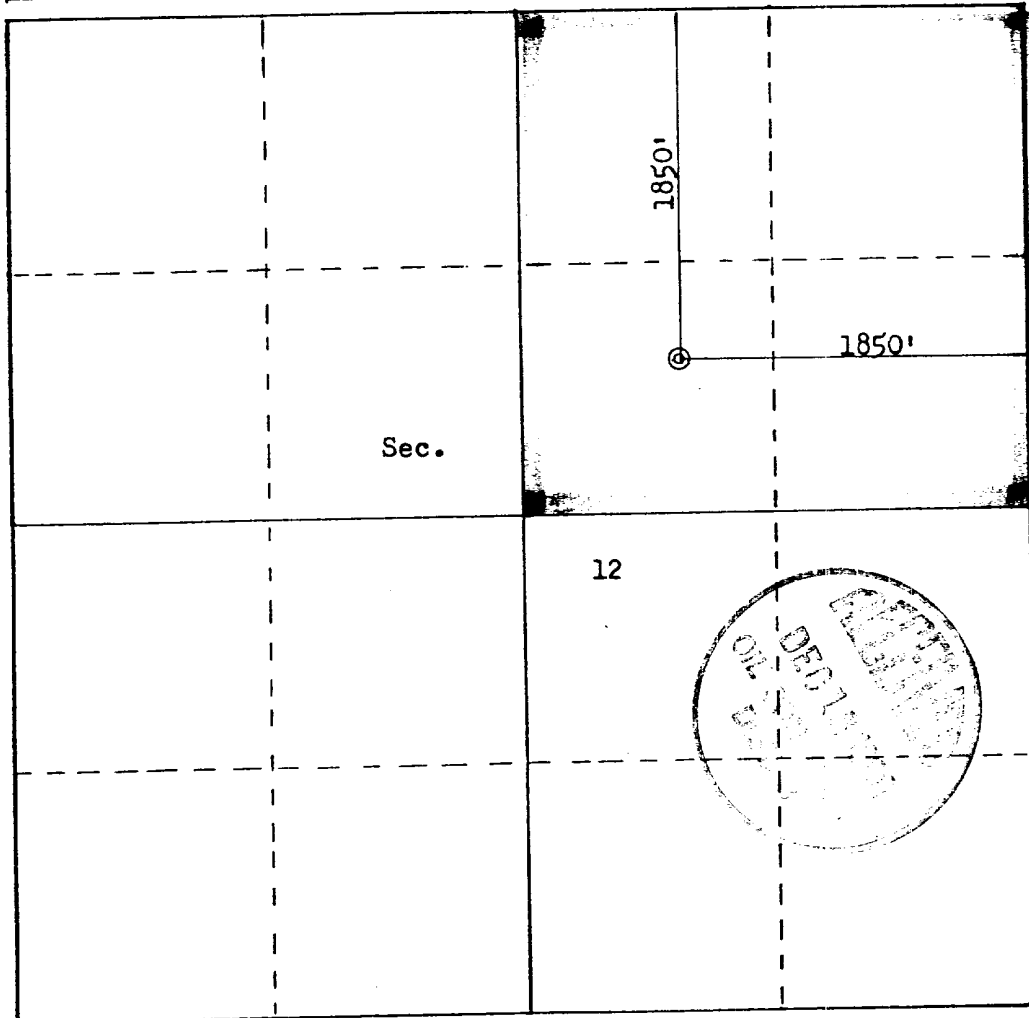
Operator MERRION & BAYLESS			Lease BONANZA		Well No. 5
Unit Letter G	Section 12	Township 22N	Range 3W	County Sandoval	
Actual Footage Location of Well:					
1850 feet from the North line and		1850 feet from the East line			
Ground Level Elev: 7177	Producing Formation Dakota	Pool Chacon Dakota Associated	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.



Scale: 1"=1000'

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
November 10, 1980

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
November 8, 1980

Registered Professional Engineer
and Land Surveyor

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

Certificate No.
3950

SURFACE WELL CONTROL EQUIPMENT

MERRION & BAYLESS
Bonanza #5
Section 12, T22N, R3W
Sandoval County, New Mexico

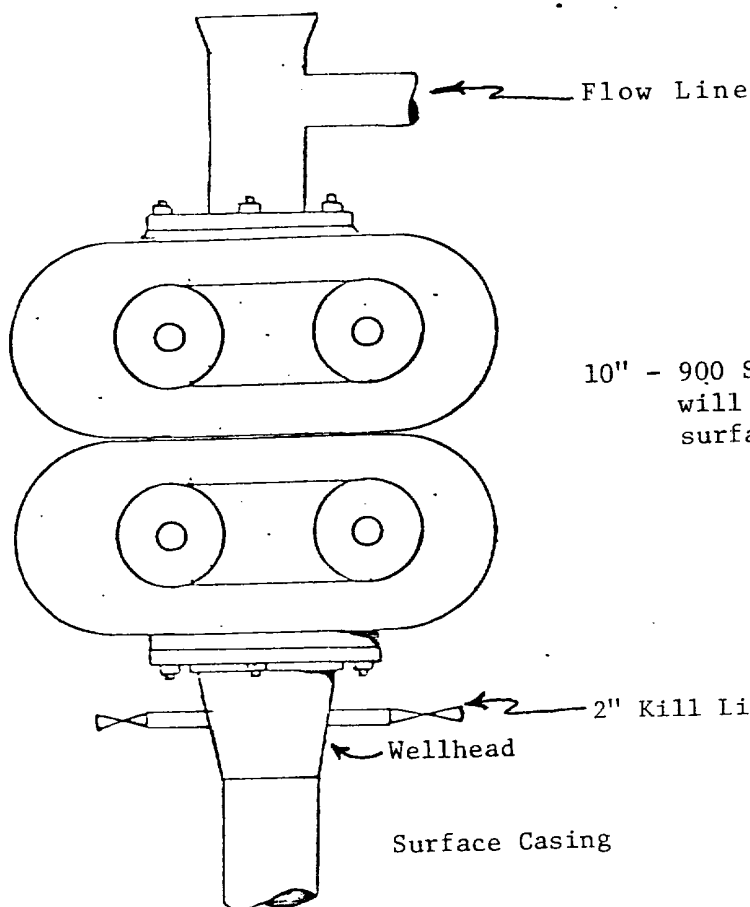
MERRION~BAYLESS

APPROVED BY:

SCALE:

DATE:

SCHEMATIC



10" - 900 Series Hydraulic Double Ram BOP which
will be tested to 500 PSIG after setting of
surface casing

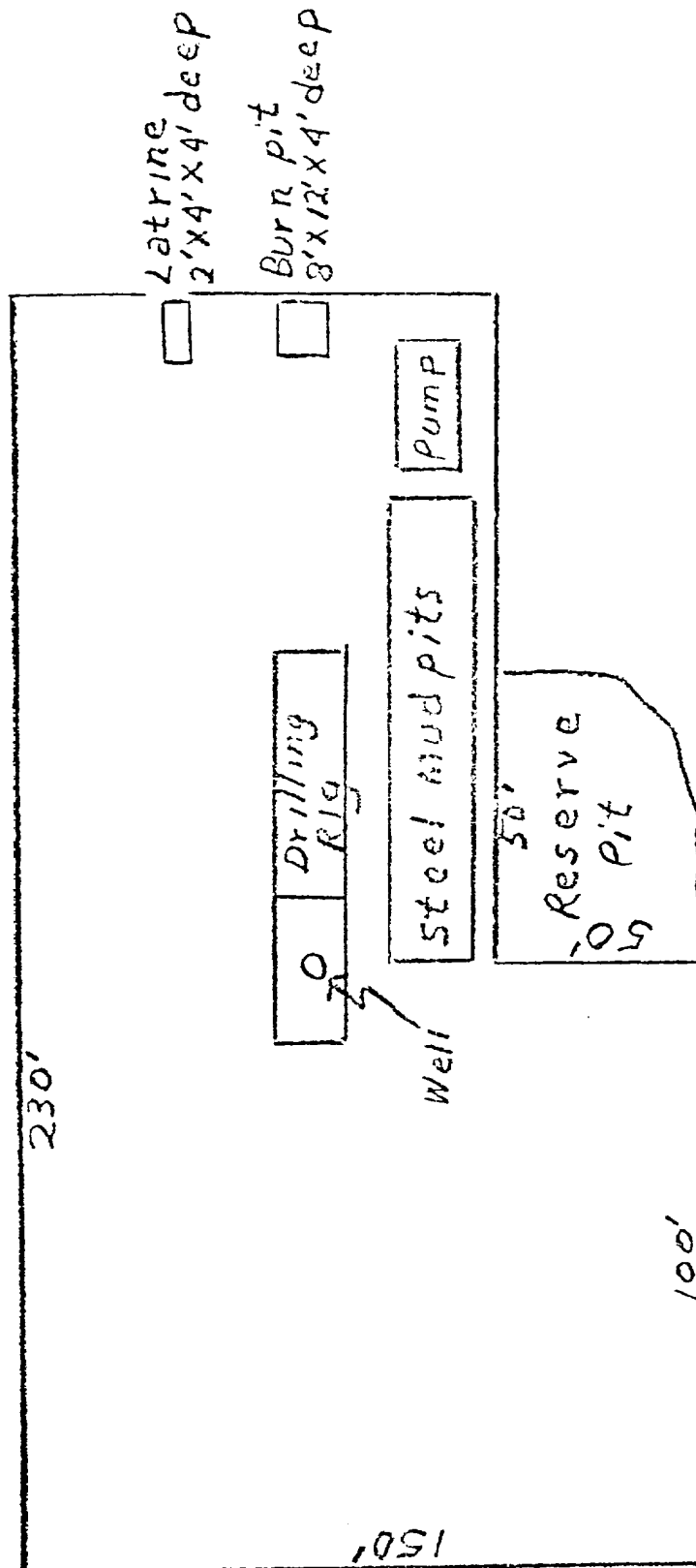
DRAWN BY

REVISED

DRAWING NUM

LOCATION AND EQUIPMENT LAY-OUT

MERRION & BAYLESS
Bonanza #5
Section 12, T22N, R3W
Sandoval County, New Mexico



SURFACE USE AND OPERATIONS PLAN

MERRION & BAYLESS
Bonanza #5
Section 12, T22N, R3W
Sandoval County, New Mexico

- 1 & 2. A topographical map is attached showing location of drillsite and access roads to location; approximately 25 ft. of new road is anticipated and is color coded accordingly on the map. A drive in truck mounted drilling rig will be used and will be driven in to the location with our road work. Our planned access road will be twelve feet in width, and will follow the existing terrain. No turnouts, culverts or cuts and fills are anticipated on the proposed access. In addition, natural drainage and surfacing material will be used.
3. Wells within one mile radius are shown on the topo map.
4. A. Existing facilities located within a one mile radius of the proposed location owned or controlled by the Operator and shown on the attached map:
Tank Battery and wellheads.
- B. Anticipated new facilities shown on the attached map:
wellhead, tank battery.
- C. Rehabilitation plans for the disturbed areas no longer needed for operations and maintenance:
will follow specifications set forth by the Jicarilla Tribe.
5. A. Location & type of water supply: SW/4 Sec. 13, T23N, R2W; Mobil water well.
- B. Water located on ☐ Federal, ☒ Indian, or ☐ private surface.
State, ☐
- C. Method of transporting water: water truck.
- D. Water will be hauled on proposed access route noted in item 1 & 2.
6. Source of construction materials: none required
7. Methods of Disposal of water materials: Cuttings resulting from drilling, garbage, and sewage will be buried in drilling pit; salts and chemicals are not anticipated; eventual disposal of drilling fluids and any produced oil or water recovered during testing operations will be in drilling pit and buried.
8. No ancillary facilities are anticipated.
9. Wellsite layout is attached.
10. Plans for restoration of the surface:
Will be seeded according to agreement with surface owner as soon as feasible upon completion of drilling operations.
11. Other Information:
 - A. Surface ownership at well location and access route: Jicarilla Apache Tribe
 - B. General description: rolling topography, sandy/shaley soil with sagebrush and grass;
 - C. General surface use activities: grazing use and wildlife habitat;
 - D. Environmental statement will be furnished by archeologist upon completion of

12. Operator representative:

Robert L. Bayless
Co-Owner
Merrion & Bayless
P.O. Box 1541
Farmington, NM 87401

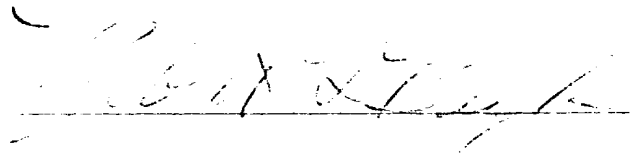
(505) 325-5093

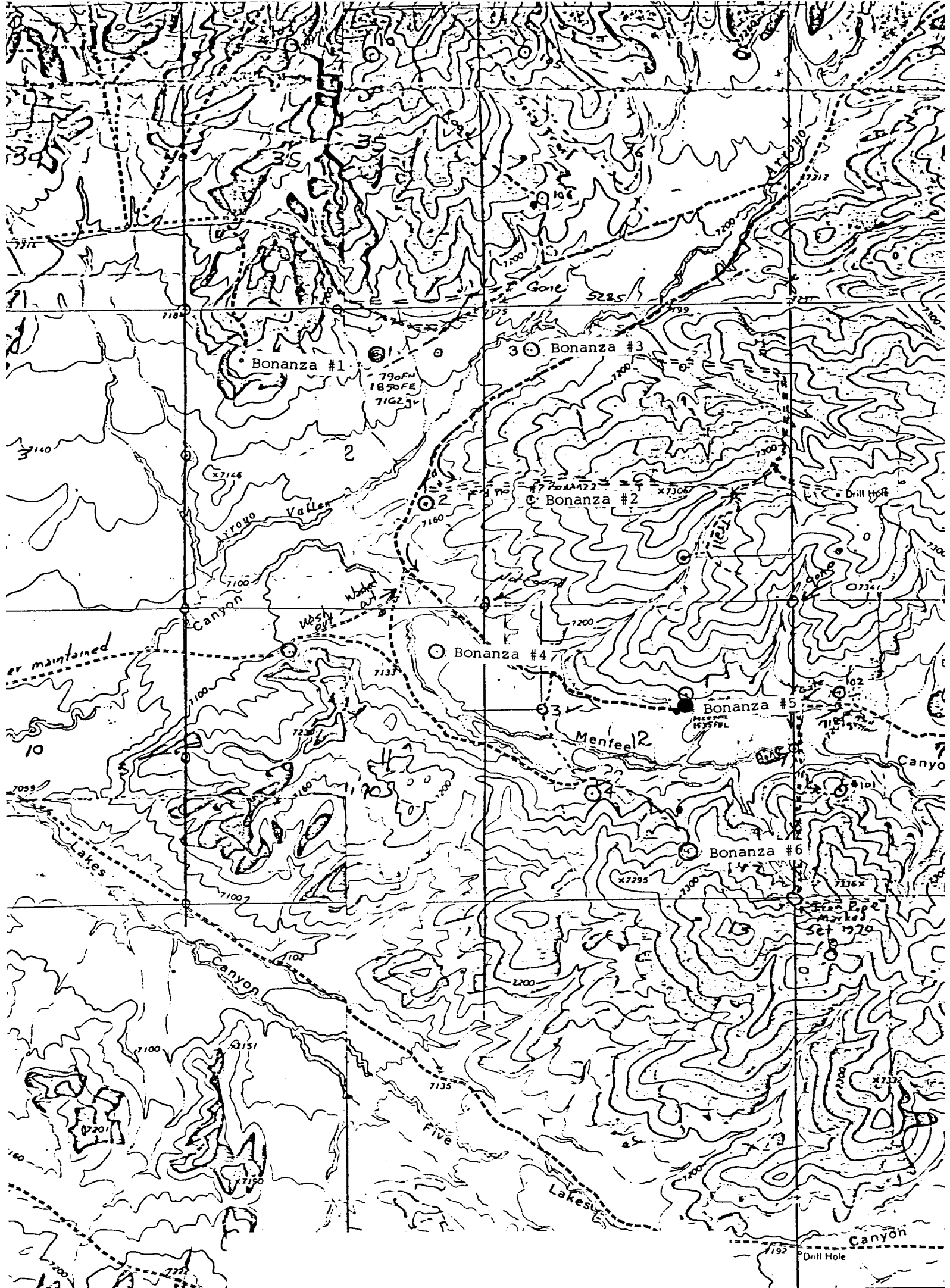
13. Certification:

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drillsite and access route; that I am familiar with the conditions which exist; that the statements made in this plan are, to the best of my knowledge, true and correct; and, that the work associated with the operations proposed herein will be performed by Merrion & Bayless and its contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved.

11-10-80

DATE





INTERIOR-GEOLOGICAL SURVEY WASH

ROAD CLASSIFICATION

heavy-duty ——— Light-duty ———

Unimproved dirt - - - - -

○ State Route

FIVE LAKES CANYON
N3607 5 - W10707

MERRION & BAYLESS
Bonanza #5
1850 FNL & 1850 FEL
Section 12, T22N, R3W
Sandoval County, New Mexico

Proposed Access: .
Existing Access:

