SUBMIT IN TRIPLICATE*

(Other instructions on reverse side)

Form approved. Budget Bureau No. 42-R1425.

UNITED STATES
DEPARTMENT OF THE INTERIOR

	5. LEASE DESIGNATION AND SERIAL NO.								
	Contract #360								
APPLICATION	6. IF INDIAN, ALLOTTEE OR TRIBE NAME								
1a. TYPE OF WORK							Jicarilla		
	LL 🛚	DEEPEN		PLU	JG BAC	K 🗌	7. UNIT AGREEMENT NAME		
b. TYPE OF WELL									
WELL X	ELL OTHER		81 Z(NGLE X	MULTIPI ZONE		S. FARM OR LEASE NAME		
2. NAME OF OPERATOR							Bonanza		
J. Gregory M	errion & Robert	L. Bayles	S				9. WELL NO.		
3. ADDRESS OF OPERATOR							6		
P.O. Box 154	l, Farmington,	NM 87401	/ F			-	10. FIELD AND POOL, OR WIL	DCAT O	
4. LOCATION OF WELL (R	eport location clearly and	in accordance wi	h any S	tate requireme	nte/	1	Chacon Dakota Assoc 47		
At surface 790 FS.	L & 1850 FEL	1	No.			9	11. SEC., T., R., M., OR BLK.		
At proposed prod. zon	ρ.	- 1		MOV	100,7		AND SURVEY OR AREA		
same	•	<i>!</i>	U. s	0:5.	••)	1	Sec. 12, T22N, R	3W	
14. DISTANCE IN MILES	ND DIRECTION FROM NEA	REST TOWN OR POS			Styren	, 	12. COUNTY OR PARISH 13.	STATE	
		- e	trans trans.	200	A		Sandoval	N.M.	
15. DISTANCE FROM PROPULOCATION TO NEAREST			16. NO	OF ACRES IN	LEASE		OF ACRES ASSIGNED		
PROPERTY OR LEASE L	INE, FT.			254]	L	TOT	HIS WELL 160		
(Also to nearest drlg. unit line, if any) 18. DISTANCE FROM PROPOSED LOCATION*		19. PR	19. PROPOSED DEPTH		20. ROTARY OR CABLE TOOLS				
TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.		Ì	7350) •	Rotary				
21. ELEVATIONS (Show whe	22. APPROX. DATE WORK WILL START*								
7247' GL							As soon as appr	oved	
23.									
SIZE OF HOLE	SIZE OF CASING	WEIGHT PER F	00Т	SETTING D	ЕРТН		QUANTITY OF CEMENT		
11"	8-5/8"	28#	28# 200 ft.			150 sacks			
7-7/8"	4-1/2"	10.5#		7350 ft.	•	600 s	sacks circulated to cover		
							exposed Ojo A		
!			i						
Will drill 11"	hole to 200 ft	. and set 2	200 f	t. of 8-5	5/8 ", J	√-55 us	ed casing with 15	0	
							open hole logs.		
							new casing, set s		
							Class H w/.6% flu		
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							m blowout prevent		
schematic attac							ninge provenc	/	
				TOPS					
	Tertiar	y - Surface		_ 	Sallup	- 5925			
Kirtland - 2500' Mancos - 6125									
ATTICIANO ZOU MANCOS - 6125.								L	

Pictured Cliffs - 2750' Graneros - 6850' Mesa Verde - 4230' Dakota - 7100 IN ALOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen or plug back, give data on present productive zon oductive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured a preventer program, if any, 24. Operator 11-10-80 SIGNED . DATE . (This shak hat hand A fail office ase) MANUEL AMENDED APPROVAL DATE _ TITLE DATE TO JAMES F. SIMS

oh 3 ml

DISTRICT ENGINEER

*See Instructions On Reverse Side

OIL CONSERVATION DIVISION

"STATE OF NEW MEXICO ENERGY NO MINERALS DEPARTMENT

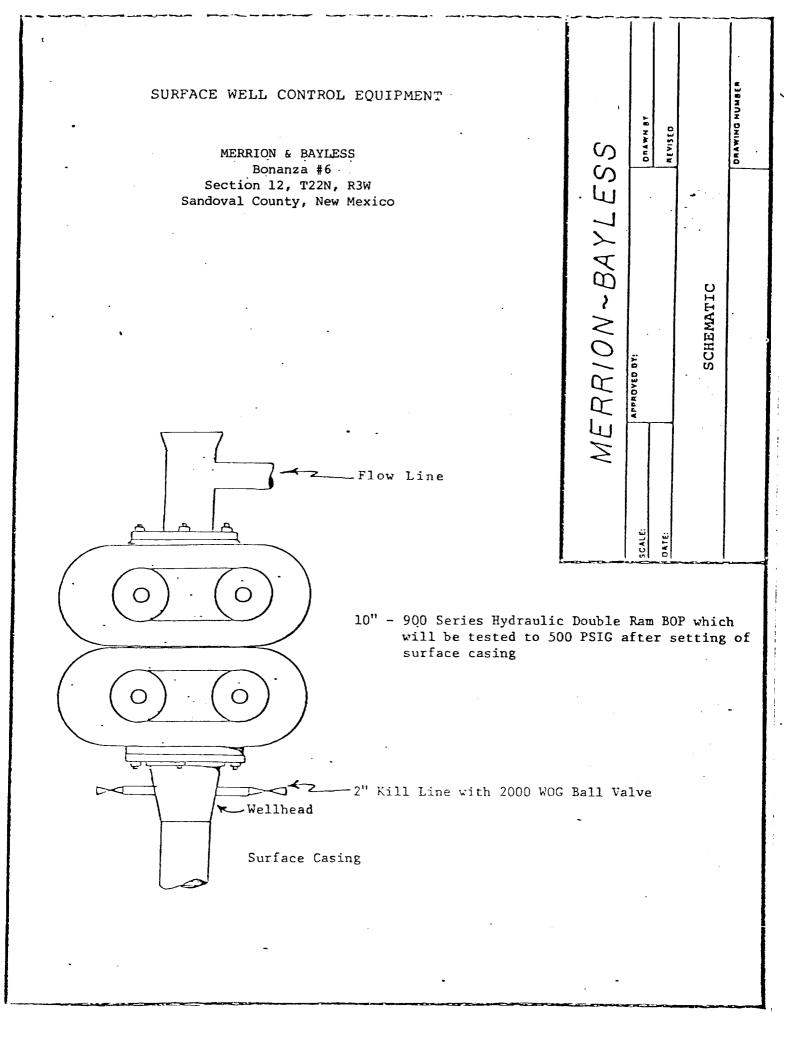
P. O. DOX 2088

SANTA FE, NEW MEXICO 87501

form C-107 kevised 10-1-7

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

MERRION & BAYIDSS Low terms to South the mode and the subject well by colored pencil or hackure marks on the plat below. 1. Outline the acreage dedicated to the subject well by colored pencil or hackure 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? — Yee — 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, force-pooling, etc?) 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. Sec. 12 13 14 15 15 16 16 16 16 16 17 16 17 17 18 18 18 18 18 18 18 18	Operator			Lease	4		<u> </u>	Well No.			
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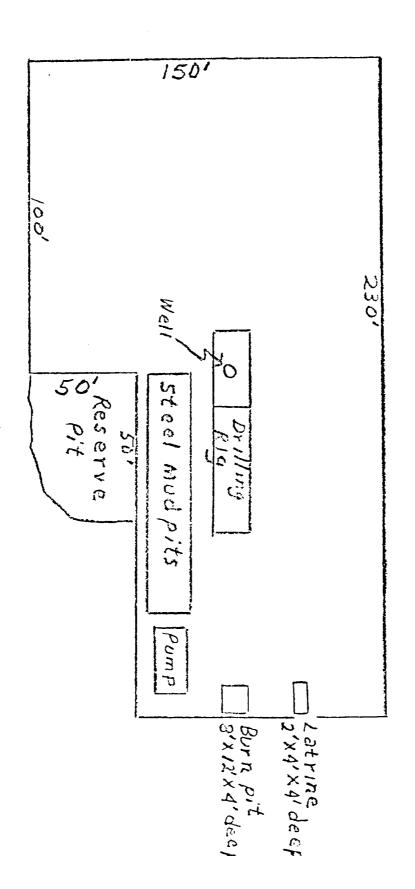


MERRION & BAYLESS

Bonanza #6

Section 12, T22N, R3W

Sandoval County, New Mexico



SURFACE USE AND OPERATIONS PLAN

MERRION & BAYLESS Bonanza #6 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 2200 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.

 - 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 curface camer as soon as feasible upon completion of drilling operations.

11. Cther 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 surface inspections.

Bonanza #6
Surface Use & Operations Plan
Merrion & Bayless
Page 2

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

Jan A Stranger

