

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 Merrion and 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 FSL & 790' 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)

1850'

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

7100'

20. ROTARY OR CABLE TOOLS

Rotary

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

7187' GL

22. APPROX. DATE WORK WILL START*

Early Summer, 1981

23.

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	
12-1/4"	8-5/8"	28	200	150 sacks
7-7/8"	4-1/2"	10.5	7100	820 sacks circulated to cover exposed Ojo Alamo

Will drill 12-1/4" hole to 200 ft. and set 200 ft. of 8-5/8", 28 lb., J-55, used casing with 150 sacks Class B w/2% CACL₂. Will drill 7-7/8" hole to 7100 ft. and run open hole logs. If appears productive will run 7100 ft. of 4-1/2", 10.5#, K-55, new casing, set stage collars at 2680 ft. and 4880 ft. and cement as follows: 1st stage - 500 sacks Class H w/2% gel; 2nd stage - 150 sacks Class B w/2% gel, 3 sacks perlite/ft., followed by 50 sacks Class B neat; 3rd stage - 70 sacks Class B w/2% gel, 3 sacks perlite/ft., followed by 50 sacks Class B neat. 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	Cliffhouse	4065'
Ojo Alamo - 2245'	Gallup	5670'
Kirtland - 2330'	Greenhorn	6680'
Fruitland - 2495'	Dakota	6870'

Pictured Cliffs - 2565'

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

TITLE

Operator

April 22, 1981

(This space for Federal or State office use)

PERMIT NO.

APPROVAL DATE

APPROVED BY

TITLE

CONDITIONS OF APPROVAL, IF ANY:

NMOCC

APPROVED
AS AMENDED

JUN 02 1981

James F. Sims
DISTRICT ENGINEER

OIL CONSERVATION DIVISION

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENTP. O. BOX 2044
SANTA FE, NEW MEXICO 87501Form C-107
Revised 10-1-78

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

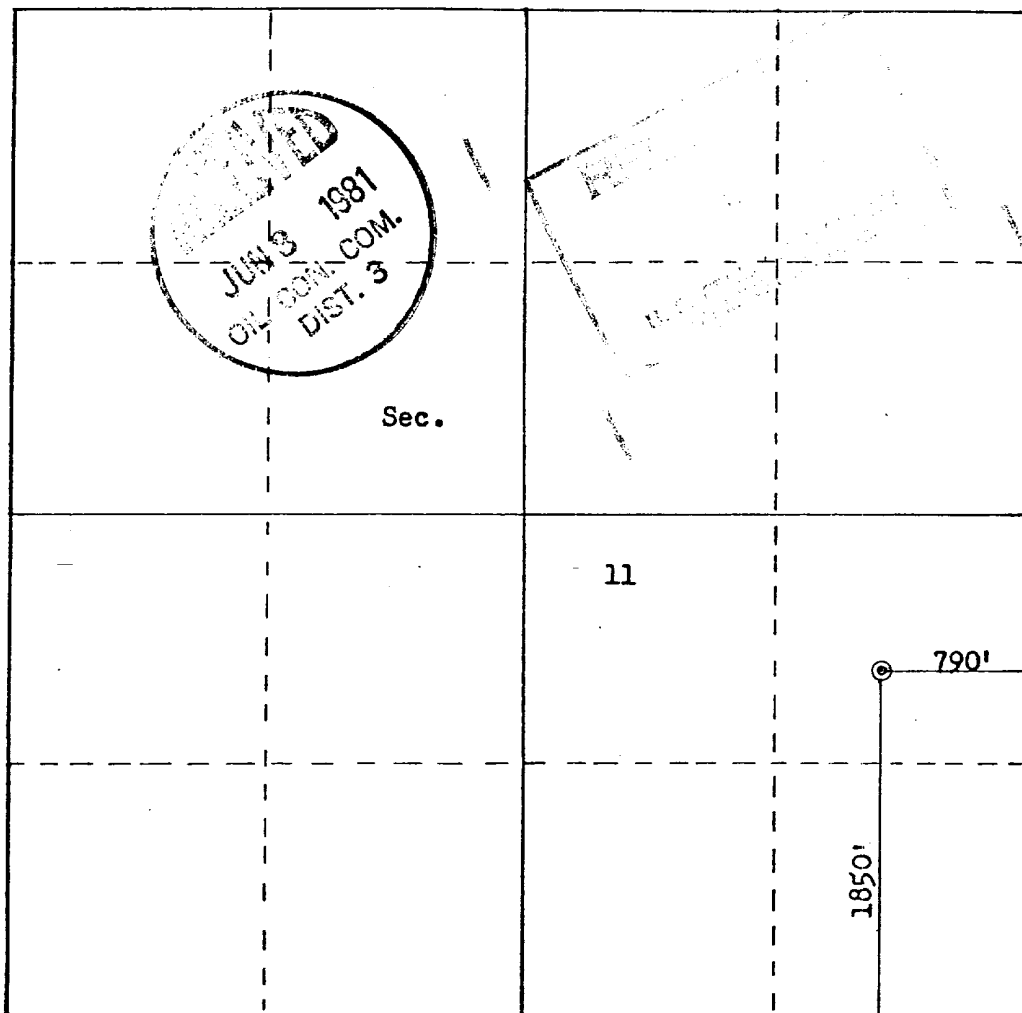
Operator MERRION & BAYLESS			Lease BONANZA		Well No. 7
Unit Letter I	Section 11	Township 22N	Range 3W	County Sandoval	
Actual Footage Location of Well:					
1850		feet from the South		line and 790	
				feet from the East	
Ground Level Elev. 7187		Producing Formation Dakota		Pool Chacon Dakota Assoc.	Dedicated Acreage 160 Acres

1. Outline the acreage dedicated to the subject well by colored pencil or hatchure 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.

Name
ROBERT L. BAYLESS

Position
Co-Owner

Company
Merrion & Bayless

Date
April 22, 1981

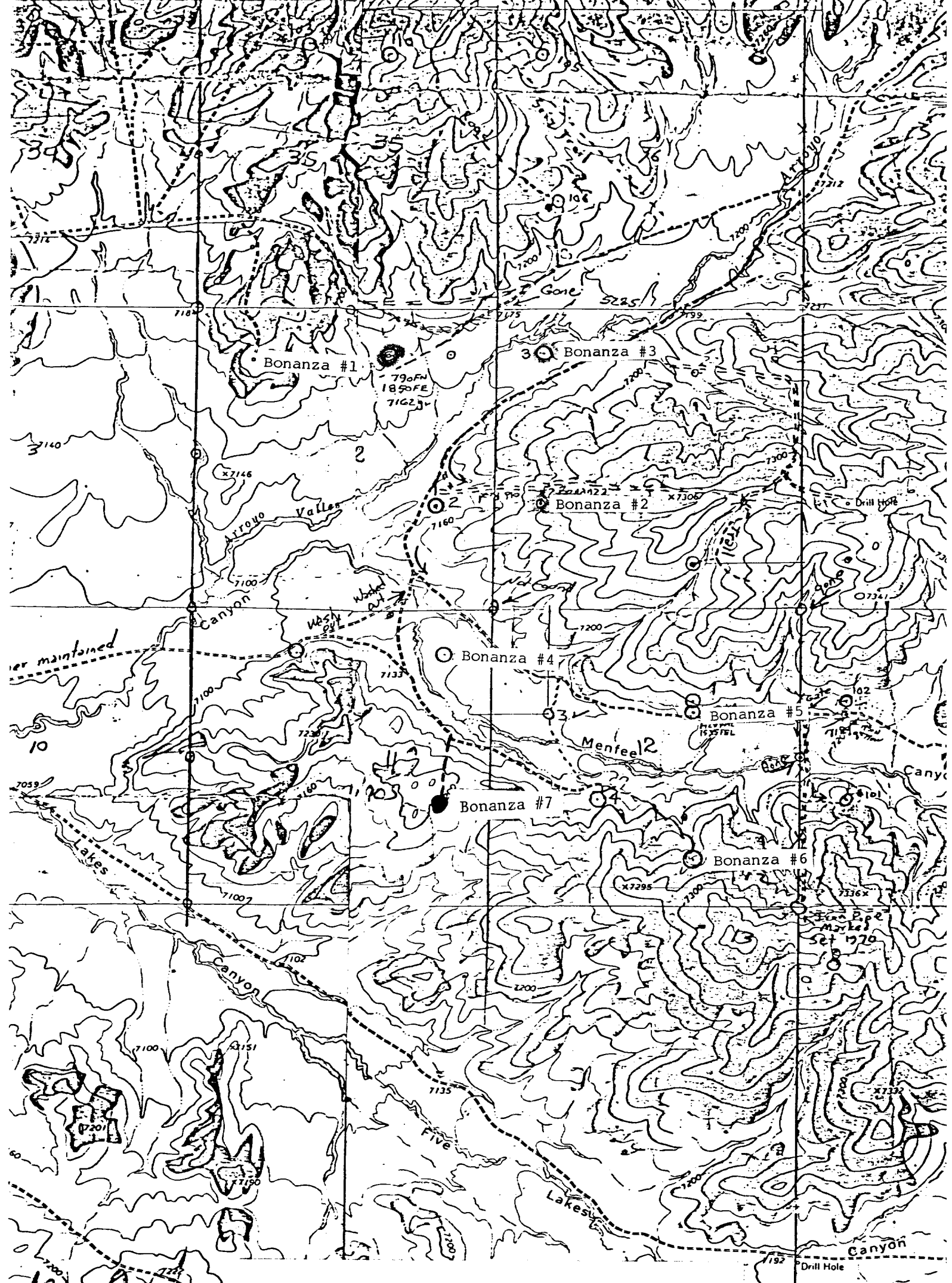
I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.

Date Surveyed
April 22, 1981

Registered Professional Engineer
and Land Surveyor

Fred B. Kerr, Jr.

Certificate No.
3958 KERR, JR.



● ● INTERIOR-GEOLOGICAL SURVEY WASHINGTON

MERRION & BAYLESS
Bonanza #7
1850' FSL & 790' FEL
Section 11, T22N, R3W
Sandoval County, New Mexico

Proposed Access Route: - - - - -
Existing Access Route: - - - - -
Tank Battery: - - - - -

ROAD CLASSIFICATION
avy-duty ——— Light-d ———
Unimproved dirt - - - - -
○ State Route

FIVE LAKES CANYON N
N3607 5 - W10707 5/

V. 250 000 FEET R. 2 W.

192
Drill Hole

GN
113
23 MILS
13
240

UTM GRID AND 1963 MAGN DECLINATION AT CENTER