

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
GEOLOGICAL SURVEY

30-043-20653

5. LEASE DESIGNATION AND SERIAL NO.

Contract 360

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

Jicarilla

7. UNIT AGREEMENT NAME

FARM OR LEASE NAME

Bonanza

9. WELL NO.

8

10. FIELD AND POOL, OR WILDCAT

Chacon Dakota

11. SEC., T., R., M., OR BLK.  
AND SURVEY OR AREA

K Sec. 2, T22N, R3W

12. COUNTY OR PARISH

Sandoval

13. STATE

New Mexico

## 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

Merrion Oil &amp; Gas Corporation

3. ADDRESS OF OPERATOR

P. O. Box 1017, Farmington, New Mexico 87401

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)\*

At surface

1850 FSL &amp; 1850 FWL

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

7050'

20. ROTARY OR CABLE TOOLS

Rotary

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

7117 GL

22. APPROX. DATE WORK WILL START\*

Fall, 1982

23.

## PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12-1/4"	8-5/8"	28	200	150 sacks
7-7/8"	4-1/2"	10.5	7050	820 Sacks circulated to cover

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% CACL<sub>2</sub>. Will drill 7-7/8" hole to 7050 ft. and run open hole logs. If appears productive will run 7050 ft. of 4-1/2", 10.5#, K-55, new casing, set stage collars at 2700 ft. and 4700 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.

## ESTIMATES TOPS

Tertiary	Surface	Cliffhouse	4075'
Ojo Alamo	2240'	Gallup	5690'
Kirtland	2345'	Greenhorn	6700'
Fruitland	2510'	Dakota	6788'
Pictured Cliffs	2580'		

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

Operations Manager

DATE

7/07/82

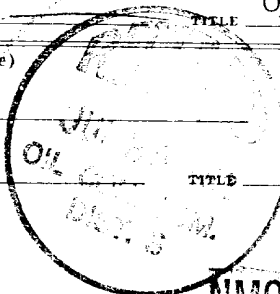
(This space for Federal or State office use)

PERMIT NO.

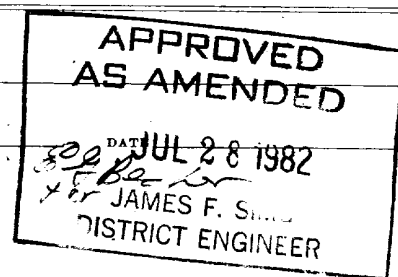
APPROVAL DATE

APPROVED BY

CONDITIONS OF APPROVAL, IF ANY:



NMOC



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

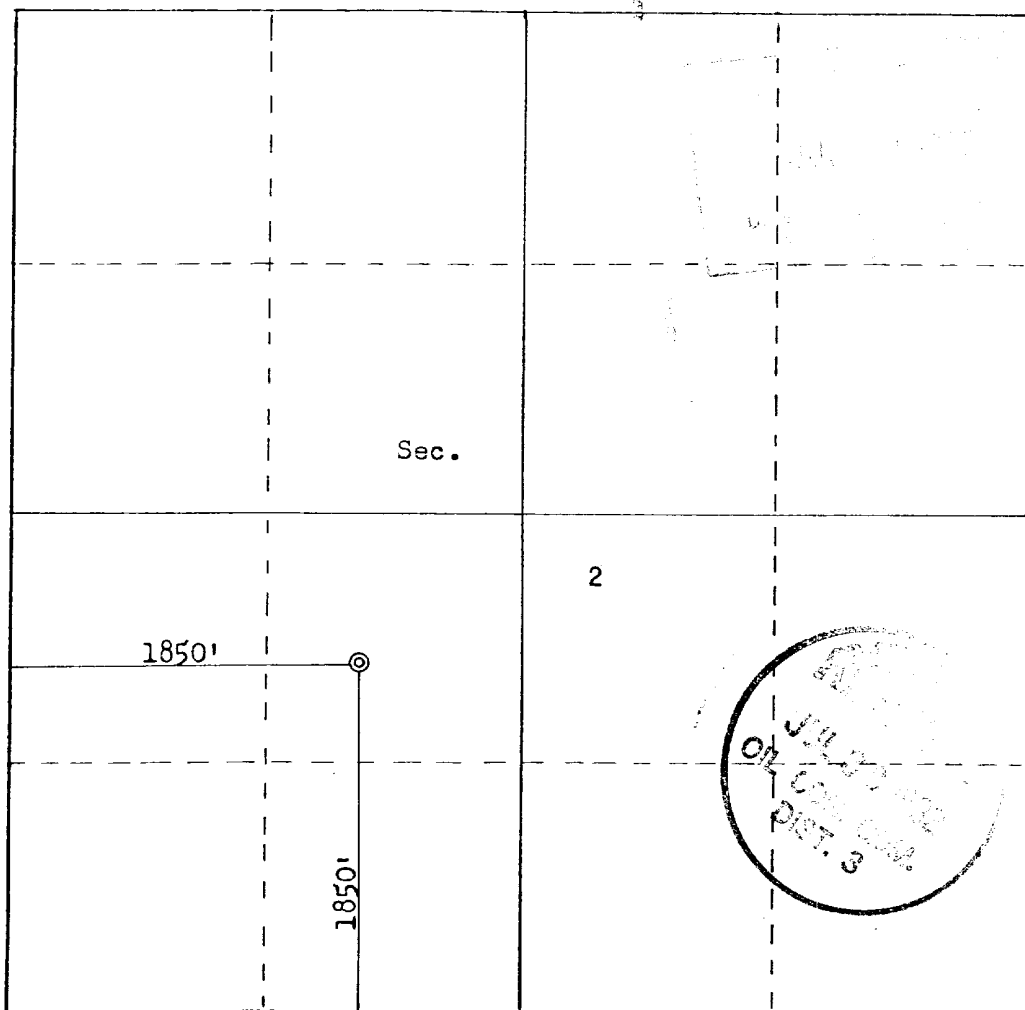
Operator <b>MERRION &amp; BAYLESS</b>		Lease <b>BONANZA</b>		Well No. <b>8</b>
Unit Letter <b>K</b>	Section <b>2</b>	Township <b>22N</b>	Range <b>3W</b>	County <b>Sandoval</b>
Actual Footage Location of Well: <b>1850</b> feet from the <b>South</b> line and <b>1850</b> feet from the <b>West</b> line				
Ground Level Elev. <b>7117</b>	Producing Formation <b>Dakota</b>	Pool <b>Chacon Dakota</b>	Dedicated Acreage: <b>160</b> 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 \_\_\_\_\_

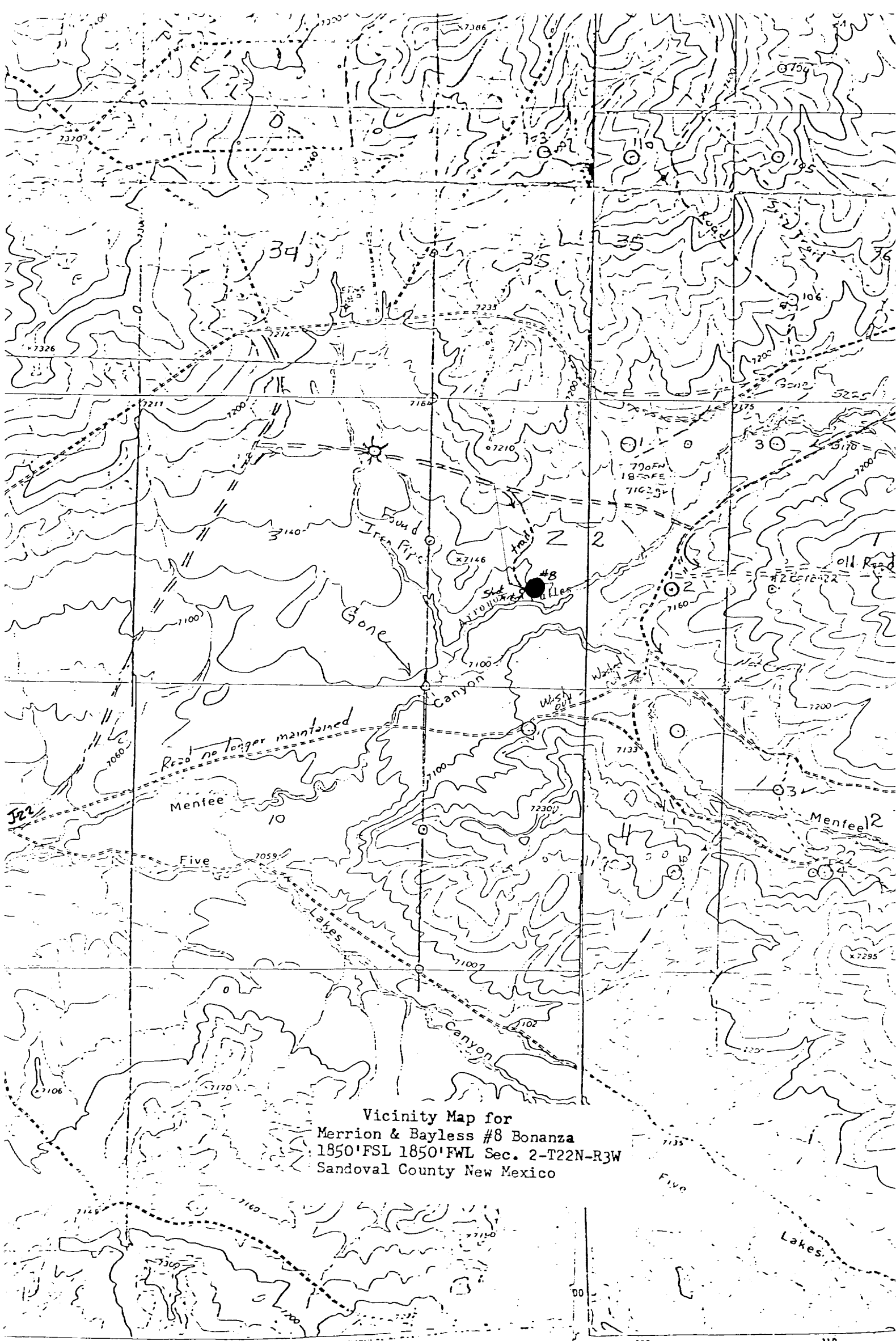
If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) \_\_\_\_\_

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'

<b>CERTIFICATION</b>	
I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.	
Name	<b>Steve S. Dunn</b>
Position	<b>Operations Manager</b>
Company	<b>Merrion Oil &amp; Gas Corporation</b>
Date	<b>2/19/82</b>
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	<b>August 1, 1981</b>
Registered Professional Engineer and Land Surveyor	<b>Fred S. Kerr, Jr.</b>
Certificate No.	<b>3950</b>



Vicinity Map for  
Merrion & Bayless #8 Bonanza  
1850' FSL 1850' FWL Sec. 2-T22N-R3W  
Sandoval County New Mexico

Mapped, edited, and published by the Geolo,

Proposed Access Route:\_\_\_\_\_