APPROVED BY ....

CONDITIONS OF APPROVAL, IF ANT:

ok Frak

## SUBMIT IN TRIPLICATE\*

Form approved. Budget Bureau No. 42 R1425.

UNITED STATES (Other Instructions on reverse side)

30-039-22021

|   | 5, LEASE DESIGNATION AND SERIAL NO.                                      |   |                       |   |                   |   |  |  |
|---|--|---|-----------------------|---|-------------------|---|--|--|
| _   | NM 03992 6. IF INMAN, ALLOTTEE OF TRIBE NAME                             |   |                       |   |                   |   |  |  |
| APPLICATION   | I FOR PERMIT   | TO DRILL, D   | EEPEI                 | N, OR PLUG B.   | ACK               | O. IF INDIAN, ALLOTTEL OR TRIEL NAME  |  |  |
|   | LL 🖪   | DEEPEN [  |                       | PLUG BAC  | к 🗆               | 7. UNIT AGREEMENT NAME  |  |  |
| b. TYPE OF WELL   | AS OTHER   |   | SIN                   |   | * 🗆               | S. FARM OR LEASE NAME   |  |  |
| WELL W<br>2. NAME OF OPERATOR   | ELL LES OTHER  |   |                       |   |                   | East Lindrith   |  |  |
| J. Gregory Me   | rrion & Robert   | L. Bayless  |                       |   |                   | 9. WELL NO.   |  |  |
| 3. ADDRESS OF OPERATOR  |  | 1   |                       |   |                   |   |  |  |
| P.O. Box 1541   | , Farmington, N  | M 87401   |                       |   |                   | 10. FIELD AND POOL, OR WILDCAT  |  |  |
| 1. LOCATION OF WELL (R At surface 1120  |  | Blanco South F. S. S. M. OR BLE. AND SURVEY OR AREA |                       |   |                   |   |  |  |
| At proposed prod. zon   | e  |   |                       |   | _                 | Coa 22 T2/N D2U   |  |  |
| same  | AND DIRECTION FROM NEA   | EEST TOWN OR POST                                   | OFFICE                |   |                   | Sec. 22, T24N, R2W 12. COUNTY OR PARISH   13. STATE                                 |  |  |
| 1 mile east o   |  |   |                       |   |                   | Rio Arriba N.M.   |  |  |
| 1 mile east o   |  |   | 16. NO.               | OF ACRES IN LEASE                                     |                   | F ACRES ASSIGNED  |  |  |
| LOCATION TO NEAREST<br>PROPERTY OR LEASE I                                    | r<br>Line, ft.   | 79 <b>0 ft.</b>                                     |                       | 1000 acre <b>s</b>                                    | TO TE             | 160   |  |  |
| (Also to nearest drlg<br>18. DISTANCE FROM PROF                               | OSED LOCATION*   |   | 19. Pro               | POSED DEPTH   | 20. ROTAL         | RT OR CARLE TOOLS   |  |  |
| TO NEAREST WELL, DO OR APPLIED FOR, ON TH                                     | RILLING, COMPLETED,  | 3,900 ft.   |                       | 3400 ft.  | R                 | otar <b>y</b>   |  |  |
| 21. ELEVATIONS (Show wh   |  |   |                       |   | ·                 | 22. APPROX. DATE WORK WILL START*   |  |  |
| 7240  |  |   |                       |   |                   | May, 1979   |  |  |
| 23.   |  | PROPOSED CASIN                                      | NG AND                | CEMENTING PROGRA                                      | M                 |   |  |  |
| SIZE OF HOLE  | SIZE OF CASING   | WEIGHT PER FO                                       | por                   | SETTING DEPTH   | <u> </u>          | QUANTITY OF CEMENT  |  |  |
| 9-3/4"  | 7"   | 23 lb./ft   |                       | 80 ft.  | 30                | 30 sx   |  |  |
| 5"  | 3-1/2"   | 9.3 lb./  |                       | 3400 ft.  | 150               | 150 sx  |  |  |
|   |  |   |                       |   |                   |   |  |  |
|   | ļ  | 1   | i                     |   | ı                 |   |  |  |
| with 30 sa<br>appears pr<br>cement wit  | 9-3/4" hole to cks cement. Would will to h 150 sacks. We is not dedicate | ill drill 5' run 3400 ft. Vill perfora              | hole<br>of 3          | e to 3400 ft. a<br>3-1/2", 9.3 lb.                    | nd run /ft.,      | logs. If<br>K-55 casing and   |  |  |
| MOIE, Gas   | TS HOL dedica  |   |                       |   |                   |   |  |  |
|   |  |   |                       |   | OIL               | APR 19 1979<br>CON CON  |  |  |
| IN ABOVE SPACE DESCRIB<br>zone. If proposal is to<br>preventer program, if ar | E PROPOSED PROGRAM: If<br>drill or deepen direction<br>ny.               | proposal is to declar, give pertinen                | pen or pl<br>t data o | ng back, give data on pi<br>n subsurface locations ar | resent production | did of zone and proposed new productive<br>d and true vertical depths. Give blowout |  |  |
| 24. Origina   | l Bigner   |   |                       |   |                   |   |  |  |
| signed  | gory Merrion   | тт  | T1.K                  | Co-Owner  |                   | DATE 04-18-79   |  |  |
| (This space for Fed.  | eral or State office use)  | <del>idana</del> (interpretable of the              |                       |   |                   |   |  |  |
|   |  |   | <del></del>           | APPROVAL DATE   |                   |   |  |  |
|   |  |   |                       |   |                   |   |  |  |

\*See Instructions On Reverse Side

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DATE \_

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

| Actual Frostogy Constitute of Well:  120 tree from the North tone and 790 test from the Eggt. The Content of State of the Policy of the from the Fight of South Blanco of Content of State of Tolon Actual Front South Blanco of Content of State of South Blanco of Content of South Blanco of South Blanco of Content of South Blanco of  | Operator  |                          | All materies must be | Lease       | it's or the section. |  | Well No.  |  |  |  |  |  |  |
|--|---|--------------------------|----------------------|-------------|----------------------|--|---|--|--|--|--|--|--|
| Actual Frostogy Constitute of Well:  120 tree from the North tone and 790 test from the Eggt. The Content of State of the Policy of the from the Fight of South Blanco of Content of State of Tolon Actual Front South Blanco of Content of State of South Blanco of Content of South Blanco of South Blanco of Content of South Blanco of  | MERRION &   | BAYLESS                  |                      | East L:     | indrith              |  | 1 -   |  |  |  |  |  |  |
| Actual Postage Lecation of Wells  1120 feet touch the North Itre and 1790 test from the East time  221 Producing Possibles  Producing Possibles  Possibles  Possibles  Possibles  Possibles  South Blanco  | Unit Letter   | 1                        | Township             | Range       | County               |  |   |  |  |  |  |  |  |
| The time the North   Inc. and   790   Cost from the   Fagt   Inc.  |   |                          | 24N                  | 2W          | RIO ARRI             | IBA .  |   |  |  |  |  |  |  |
| Producting Formation Production Formation Production Formation Production Formation Production Production Formation Production Formation Production Produc |   |                          |                      |             |                      |  |   |  |  |  |  |  |  |
| 7240 Pictured Cliffs South Blanco 160 Acres 1. Outline the nerenge dedicated to the subject well by colored pencil or backure 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 "ves," type of consolidation  If answer is "ves," is 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, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Commission.  NM-03992  NM-03992  ON ON ON OTHER OF THE PROPERS OF TH |   |                          |                      |             | ieet from the F.     | <del> </del>   |   |  |  |  |  |  |  |
| 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.  NM-03992  I hereby certify that the information contained herein is two and complete to the best of my knowledge and belief.  Geograpy Merrion  Fostion  Co-Owner  Company  Merrion & Bayless  Date  April 18, 1979  I hereby certify that the well location assoun on this plot was platted from field notes of octual surveys made by see or under my supervision, and that the same is true and cornect to the best of my knowledge and belief.  On One of the proposition of the best of my knowledge and belief.  Date Surveys and the field states of my knowledge and belief.  Date Surveys and the field states of my knowledge and belief.  Post of the cornect to the best of my knowledge and belief.  Date Surveys and the field states of my knowledge and belief.  Date Surveys and the field states of my knowledge and belief.  Date Surveys and the field states of my knowledge and belief.  Date Surveys and the field states of my knowledge and belief.  Date Surveys and the field states of my knowledge and belief.  Date Surveys and the field states of my knowledge and belief.  | • .   | Picture                  | ed Cliffs            | South B     | lanco oxt            |  | 160 Acres   |  |  |  |  |  |  |
| 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  |   |                          |                      |             |                      |  |   |  |  |  |  |  |  |
| Yes  | · · · · · · · · · · · · · · · · · · ·   |                          |                      |             |                      |  |   |  |  |  |  |  |  |
| 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, untitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Commission.  CERTIFICATION  I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.  Company Merrion & Bayless  Date  April 18, 1979  I hereby certify that the well location shown on this plot was plotted from field notes of actual surveys mode by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.  Date Surveys (1978)  September 1978  S | ·   |                          |                      |             |                      |  |   |  |  |  |  |  |  |
| 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.  CERTIFICATION  I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.  J. Gregory Merrion  Position  Co-Owner  Company  Merrion & Bayless  Date  April 18, 1979  I hereby certify that the well location at hown on this plat was platted from field notes of actual surveys made by me or under my supervision, and that the same is found an unity and the same is true and correct to the best of my knowledge and belief.  Date Surveys field to the best of my knowledge and belief.  Position  One Owner  Company  April 18, 1979  Date Surveys field to the best of my knowledge and belief.  Date Surveys field to the best of my knowledge and belief.  Position  Company  April 18, 1979  Date Surveys field to the best of my knowledge and belief.  Position of citing field 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.  Position of the plate of the best of my knowledge and belief.  Position of the plate of the best of my knowledge and belief.  Position of the plate of the best of my knowledge and belief.  Position of the plate of the best of my knowledge and belief.  Position of the plate of the best of my knowledge and belief.  Position of the plate of the best of my knowledge and belief.  Position of the plate of the best of my knowledge and belief.  Position of the plate of the best of my knowledge and belief.  Position of the plate of the best of my knowledge and belief.  Position of the plate of the best of my knowledge and belief.  Position of the plate of the best of my knowledge and belief.  Position of the plate of the best of my knowledge and belief.  Position of the plate of the plate of the plate | Yes No If answer is "yes," type of consolidation  |                          |                      |             |                      |  |   |  |  |  |  |  |  |
| Sec 22    NM-03992   CERTIFICATION   |   |                          |                      |             |                      |  |   |  |  |  |  |  |  |
| NM-03992  7901  I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.  Crigary  J. Gregory Merrion  Position  Co-Owner  Congray  Merrion & Bayless  Date  April 18, 1979  I hereby certify that the well location shown on this plat was platted 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 Surveysd. TRIP  September 20/11978  Resistance Professional Endineer and or logic Surveys (2)  Find B. Kept Ur  Certificational Endineer and or logic Surveys (2)  Find B. Kept Ur  Certificational Endineer and or logic Surveys (2)  Find B. Kept Ur  Certificational Endineer and or logic Surveys (2)  Find B. Kept Ur   | 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 Commis- |                          |                      |             |                      |  |   |  |  |  |  |  |  |
| NM-03992  7901  I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.  Crigary  J. Gregory Merrion  Position  Co-Owner  Congray  Merrion & Bayless  Date  April 18, 1979  I hereby certify that the well location shown on this plat was platted 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 Surveysd. TRIP  September 20/11978  Resistance Professional Endineer and or logic Surveys (2)  Find B. Kept Ur  Certificational Endineer and or logic Surveys (2)  Find B. Kept Ur  Certificational Endineer and or logic Surveys (2)  Find B. Kept Ur  Certificational Endineer and or logic Surveys (2)  Find B. Kept Ur   |   |                          |                      |             | 7                    | CERT   | LEICATION   |  |  |  |  |  |  |
| J. Gregory Merrion  Position Co-Owner Company Merrion & Bayless Date April 18, 1979  I hereby certify that the well location shown on this plat was platted 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 Likely September 20:1978 Registered Protestand for timeer and or land Surveys of the protection of the same of the same is true and correct to the best of my knowledge and belief.  |   | <br> <br> <br> <br> <br> |                      | 1 7         | 990'                 | best of my knowle<br>Original Ca<br>J. Gregory 1                                 | rue and complete to the degree and belief.  |  |  |  |  |  |  |
| Sec 22  I hereby certify that the well location shown on this plat was platted 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 in the same is true and correct to the best of my knowledge and belief.  Date Surveyed in the same is true and correct to the best of my knowledge and belief.  Date Surveyed in the same is true and correct to the best of my knowledge and belief.  Date Surveyed in the same is true and correct to the best of my knowledge and belief.  Date Surveyed in the same is true and correct to the best of my knowledge and belief.  Date Surveyed in the same is true and correct to the best of my knowledge and belief.  |   | +                        |                      | · —         | J                    | . Gregory M  | errion  |  |  |  |  |  |  |
| Sec  22  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.  DIST. COM.  Date Surveyed.  September 20:11978  Resistered Professional Engineer and or Landscarkers of the control of th |   | 1                        |                      | ,<br>[<br>1 | C                    | Co-Owner   |   |  |  |  |  |  |  |
| Sec  22  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.  Date Surveyed.  September 20/11978  Resistered Prices from Endineer and or Land Surveyer of the control o |   | 1                        |                      | 1           | M                    | lerrion & Ba   | yless   |  |  |  |  |  |  |
| I hereby certify that the well location shown on this plat was platted 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.  September 20/1.1978  Registered Professional Findineer and or Land Surveyor 0  Fred B. Kopt Jr.  Certification of R. 18.  |   |                          |                      | 1           |                      |  | 79  |  |  |  |  |  |  |
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| Fred B. Kopf Jr.  Certification Rh. 1R.  | -   |                          |                      | 700         |                      | shown on this pla<br>notes of actual s<br>under my supervis<br>is true and corre | t was plotted from field urveys made by me or sion, and that the same ect to the best of my |  |  |  |  |  |  |
| Fred B. Kept Jr.  Certification IR.  3050  |   | 1<br>1<br>1              |                      | O/L CO/N CO | 979<br>M.            | sate Surveyed ERED<br>COSTERED<br>September 20<br>egistered Protessin            | 7 . 2 11  |  |  |  |  |  |  |
|  |   | 1<br>1<br>1              |                      |             |                      | THE RESERVE  | ro En   |  |  |  |  |  |  |
|  | 1 ' '   | 20 1220 1550 105         | ' ' '                | • •         |                      | 3950 IR. IR.   |   |  |  |  |  |  |  |

