

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 790 FNL and 1050 FEL
A At proposed prod. zone same
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE* 13.5 miles NE of Lybrook
15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any) 790 ft.
16. NO. OF ACRES IN LEASE 160
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. 180 ft.
19. PROPOSED DEPTH 2800 ft.
20. ROTARY OR CABLE TOOLS Rotary
21. ELEVATIONS (Show whether DF, RT, GR, etc.) 6494 ft. GL
22. APPROX. DATE WORK WILL START* July 15, 1979

23. PROPOSED CASING AND CEMENTING PROGRAM				
SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
9-3/4" 8 1/4"	7"	23 lb./ft.	100 ft.	50 sacks
6-3/4"	2-7/8"	6.5 lb./ft.	2800 ft.	150 sacks

Will drill 9-3/4" hole to 100 ft. and set 100 ft. of 7", 23 lb./ft. casing with 50 sacks cement. Will drill 6-3/4" hole to 2800 ft. and run logs. If appears productive will run 2800 ft. of 2-7/8", 6.5 lb./ft. casing and cement with 150 sacks. Will perforate and stimulate as required.

NOTE: Gas is dedicated.

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 Robert L. Bayless TITLE Co-Owner DATE June 28, 1979
(This space for Federal or State office use)
PERMIT NO. _____ APPROVAL DATE _____
APPROVED BY _____ TITLE _____ DATE _____
CONDITIONS OF APPROVAL, IF ANY: ok Frank

*See Instructions On Reverse Side

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

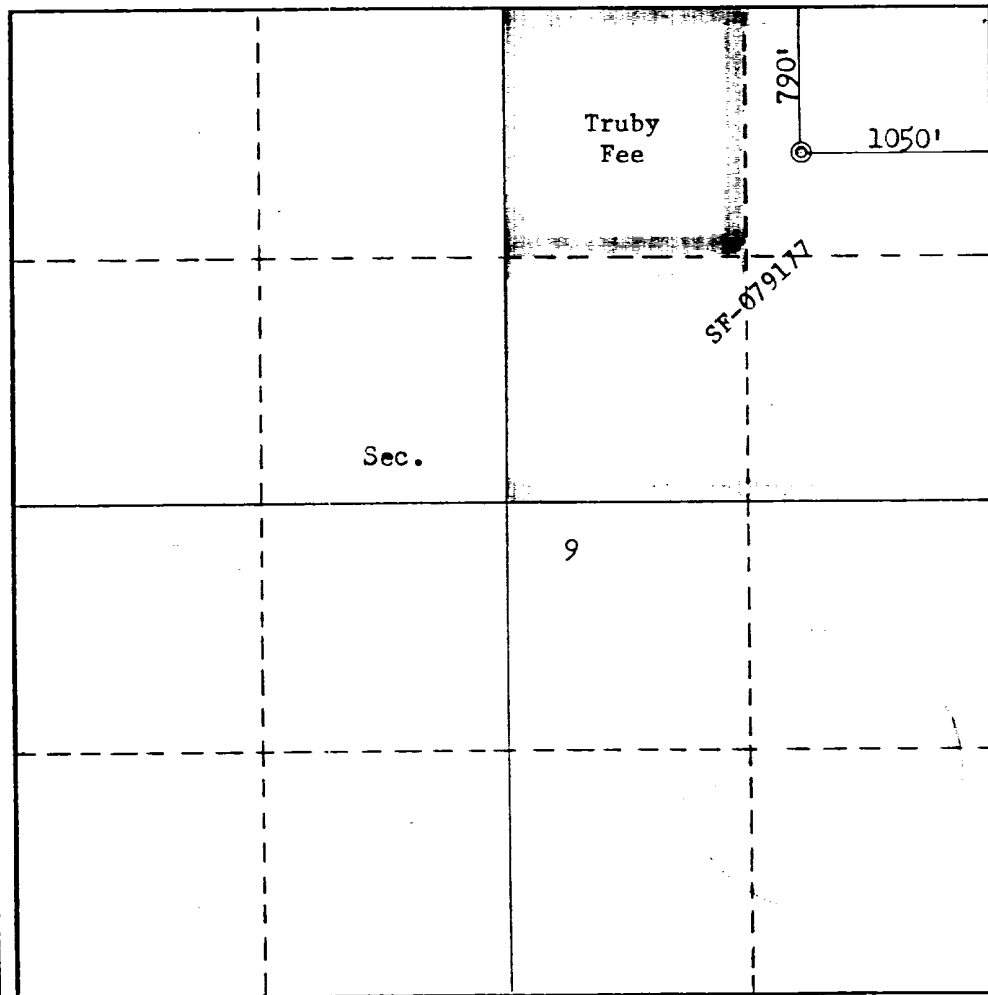
Operator MERRION & BAYLESS			Lease CANYON LARGO UNIT		Well No. 293
Unit Letter A	Section 9	Township 25N	Range 6W	County Rio Arriba	
Actual Footage Location of Well: 790 feet from the North line and 1050 feet from the East line					
Ground Level Elev. 6494	Producing Formation Pictured Cliffs		Pool South Blanco	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 Unitization

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.



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
June 28, 1979

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
June 22, 1979
Registered Professional Engineer and/or Land Surveyor
FRANK B. KERR JR.
Certification No. **2050**

SURFACE USE OPERATIONS PLAN

Merrion & Bayless
Canyon Largo Unit #293

- 1 & 2. A topographical map is attached showing location of drillsite and access roads to location; new roads are color coded on the location map. The terrain is relatively flat and no improvements are planned on existing roads. 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 surface material will be used.
3. Wells within one mile radius are shown on the topographical map.
4. A. Existing facilities owned or controlled by the Operator and shown on the attached map are as follows: wellheads.

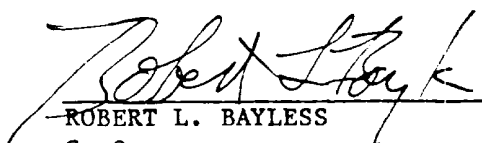
B. No new facilities are contemplated.

C. Disturbed areas will be reseeded per BLM specifications.
5. Water will be hauled from the Canyon Largo water hole by truck on proposed access route shown.
6. No construction materials will be used.
7. Methods of disposal of waste materials:
 - A. Cuttings will be buried in drilling pit.
 - B. Drilling fluids will be buried in drilling pit.
 - C. No produced fluids are anticipated.
 - D. Sewage will be buried.
 - E. Garbage and other waste material will be buried.
 - F. Operator will clean up, fill, and level pits and reseed location per BLM specifications.
8. No ancillary facilities.
9. Wellsite layout attached.
10. Restoration of drillsite -- pits will be filled and leveled and reseeded per BLM specifications immediately after completion.
11. Other information: The drillsite is fairly level, grass and brush covered semi-arid land. The drill pad will primarily utilize a drill pad previously used for the Canyon Largo Unit #140 well. An archeological survey statement will be furnished.
12. Operator representative: Robert L. Bayless (505) 325-5093
P.O. Box 1541
Farmington, NM 87401
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 presently 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 and Bayless and its contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved.

6-29-79

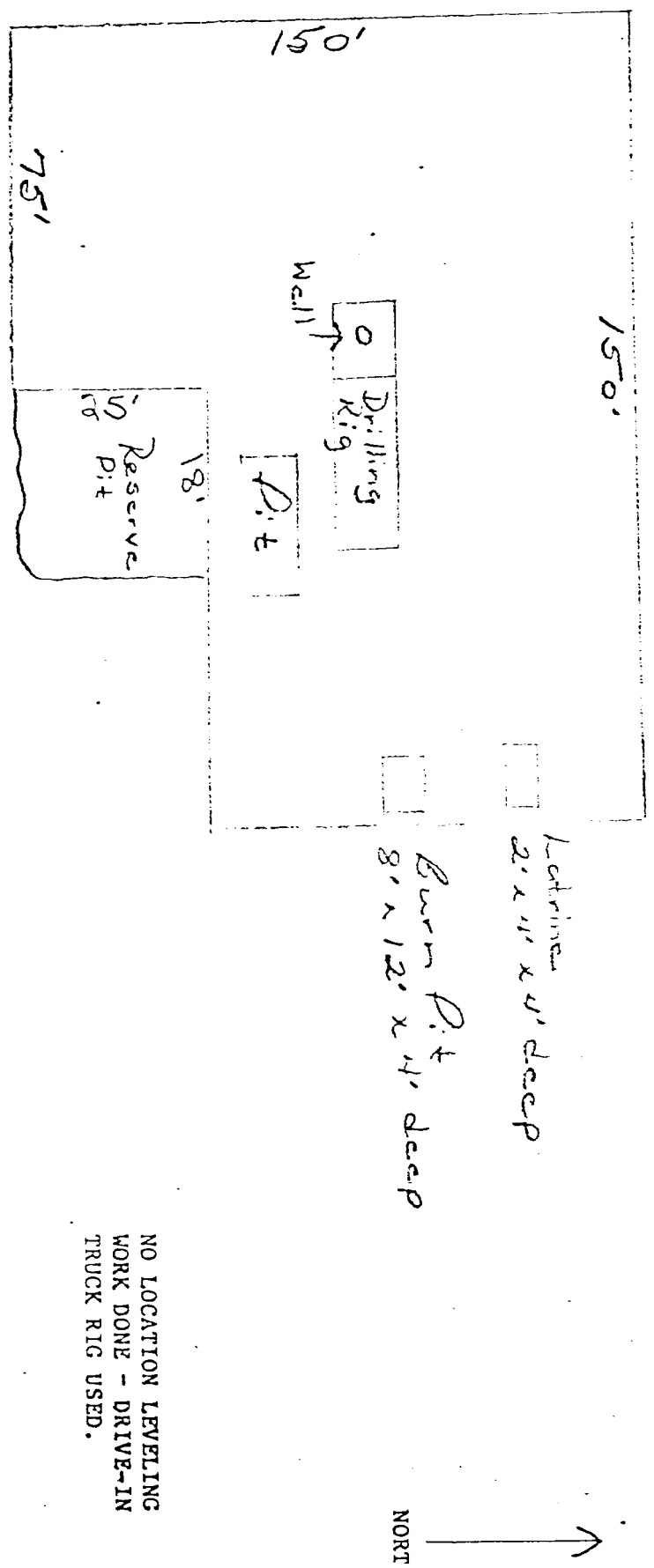
DATE



ROBERT L. BAYLESS
Co-Owner
Merrion & Bayless

LOCATION AND ROUTE MAP

MERRION & BAYLESS
Canyon Largo Unit #293
790 FNL & 1050 FEL
Section 9, T25N, R6W
Rio Arriba County, New Mexico



NO LOCATION LEVELING
WORK DONE - DRIVE-IN
TRUCK RIG USED.

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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

790 FNL and 1050 FEL

At proposed prod. zone
same

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*

13.5 miles NE of Lybrook

15. DISTANCE FROM PROPOSED*
LOCATION TO NEAREST
PROPERTY OR LEASE LINE, FT.
(Also to nearest drilg. unit line, if any)

790 ft.

18. DISTANCE FROM PROPOSED LOCATION*
TO NEAREST WELL, DRILLING, COMPLETED,
OR APPLIED FOR, ON THIS LEASE, FT.

180 ft.

16. NO. OF ACRES IN LEASE

160

19. PROPOSED DEPTH

2800 ft.

17. NO. OF ACRES ASSIGNED
TO THIS WELL

160

20. ROTARY OR CABLE TOOLS

Rotary

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

6494 ft. GL

22. APPROX. DATE WORK WILL START*

July 15, 1979

23.

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
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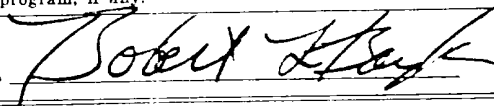
ESTIMATED TOPS

FORMATION	DEPTH	CONTENT
Ojo Alamo	1450 ft.	water
Pic. Cliffs	2570 ft.	gas

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24.

SIGNED



TITLE

Co-Owner

DATE

July 5, 1979

(This space for Federal or State office use)

PERMIT NO.

APPROVAL DATE

APPROVED BY

TITLE

DATE

CONDITIONS OF APPROVAL, IF ANY:

*See Instructions On Reverse Side