### SUBMIT IN TRIPLICATE®

(Other instructions on reverse side)

Form approved. Budget Bureau No. 42-R1425.

| UNITE      | ED S | STATE | ES       |
|------------|------|-------|----------|
| DEPARTMENT | OF   | THE   | INTERIOR |

30-039-22//3 5. LEASE DESIGNATION AND SERIAL NO. SF-079177

| APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK  1. IT THE OF WORK  DRILL DEEPEN DEEPEN PLUG BACK THE CARRY OF LARGE WALL  TOTAL DEEPEN PLUG BACK THE CARRY OF LARGE WALL  TOTAL DEEPEN DEEPEN PLUG BACK THE CARRY OF LARGE WALL  TOTAL DEEPEN DEEPEN PLUG BACK THE CARRY OF LARGE WALL  TOTAL DEEPEN DEE |
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| D. TITES O WALL  OTHER  OTHER  OTHER  OTHER  OTHER  OTHER  S. PARM OR LEASE NAME  S. ADDRAGO OT OFRATOR  P.O. BOX 1541, Farmington, NM 87401  AL DOCKTING WALL (Report location clearly and in accordance with any State requirements*)  At proposed prod. zone  Same  Same  Sec. 9, T25N, R6  14. DISTANCE IN MILE AND DIRECTION FROM NEAREST TOWN OR PORT OFFICE*  13. 5 miles NE of Lybrook  13. 5 miles NE of Lybrook  15. DIATANCE FROM FROM MEDIATORY  16. DIATANCE ROW FROM FROM FROM SOUTH OFFI  PROPOSED CASING AND CEMENT IN LEASE  TO NEAREST WELL ONLINE, COMPLETED,  TO NEAREST WELL WORLD WELL ONLINE, COMPLETED,  TO NEAREST WELL WELL ONLINE,  TO NEAREST WELL ONLINE,  TO NEAREST WELL ONLINE,  TO NEAREST WELL ONLINE,  TO NEAREST WELL NO.  SILE OF HOLE  SIZE OF ROLE  SIZE OF ROLE |
| WILL WELL NO.  J. Gregory Merrion and Robert L. Bayless  3. Address of OPERATOR  P.O. Box 1541, Farmington, NM 87401  4. Location of wells (Report location clearly and in accordance with any State requirements*)  At proposed prod. some Same  At proposed prod. some Same  3. Address of OPERATOR  At proposed prod. some Same  4. Location of Wills (Report location room Measeer Town on Post Office*)  12. Country on Passes;  13. Som Ilan NE of Lybrook  13. Dotted the Proposed Location*  13. Dotted the Proposed Location*  14. DISTANCE IN MILES AND DIRECTION FROM MEASEER TOWN OR POST OFFICE*  15. DOTTED TO MEASEER  16. NO. OF ACRES IN LEASE PROPOSED LOCATION*  17. DO. OF ACRES ASSEMBLE TOWN OR POST OFFICE*  18. DOTTED TOWN OR THE WELL SHELLING, COMPLETED, OR APPLIES PROPOSED LOCATION*  OF ACRES WELL DELIGH, COMPLETED, OR APPLIES PROPOSED LOCATION*  19. PROPOSED DEPTH 20. ROTARY OR CABLE TOWN OR FORD TOWN OR POST OFFICE*  20. APPLIES WELL DELIGH, COMPLETED, OR APPLIES PROPOSED DEPTH 20. ROTARY OR CABLE TOWN OR THE WELL TOWN OR |
| 3. ADDRESS OF OPERATOR P.O. BOX 1541, Farmington, NM 87401 10. DRIVER SPORT SEATING THE AND PRODUCTION AND PROSECUTION FOR AREA TO FILE AND PRODUCTION OF AREA SAME 14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR PORT OFFICE* 13. 5 miles NE of Lybrook 10. DRIVER FROM PROPOSED STATE DIRECTION FROM NEAREST TOWN OR PORT OFFICE* 13. FROM ARTÍDA 16. DRIVER FROM PROPOSED STATE DRIVER SEATING THE AREA SEATING TOWN OR PORT OFFICE* 16. DRIVER FROM PROPOSED STATE DRIVER SEATING TOWN OR PORT OFFICE* 17. NO. OF ACREE ARSICAND TOWN OR PORT OFFICE* 18. DRIVER FROM PROPOSED DEATH OF THE AREA SEATING TOWN OR PORT OFFICE* 19. PROPOSED DEFTN SEATING TOWN OR PORT OFFICE* 19. PROPOSED DEFTN SEATING TOWN OR PORT OFFICE AREA SEATING TO THIS WELL. 10. DRIVER FROM PROPOSED DEATH OF THE AREA SEATING TO THIS WELL. 10. DRIVER FROM PROPOSED DEATH OF THE AREA SEATING TOWN OR PORT OFFICE AREA SEATING TO THIS WELL. 10. DRIVER FROM PROPOSED DEATH OF THE AREA SEATING TOWN OR PORT OFFICE AREA SEATING TOWN OR PORT OFFICE AREA SEATING TOWN OR PORT OF THE WELL. 10. DRIVER FROM PROPOSED DEATH OF THE AREA SEATING TOWN OR PORT OFFICE AREA SEATING TOWN OR PORT OFFICE AREA SEATING TOWN OR PORT OF THE AREA SEATING TOWN OF ACRES IN LEASE TOWN OR PORT OFFICE AREA SEATING TOWN OR PORT OF THE AREA SEATING TOWN OF ACRES IN LEASE TOWN OR PORT OF THE AREA SEATING TOWN OF ACRES IN LEASE SEATING TOWN OF ACRES  |
| 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.) 4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.) At proposed prod. zone Same  Same  Sec. 9, T25N, R6  12. COUNTY OR PARKER   12. COUNTY OR PARKER   13. Set. R. M., OR REK.   14. Set. R. M., OR REK.   15. Set. R.  |
| 4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)  At proposed prod. zone Same  At proposed prod. zone Same  14. DISTANCE IN MILES AND DIRECTION FROM MARKENT TOWN OR PORT OFFICE*  13. 5 miles No. of Lybrook  15. DISTANCE IN MILES AND DIRECTION FROM MARKENT TOWN OR PORT OFFICE*  16. No. of Access in Least  17. No. of Access Assicined Programs of Least Living Translations of Label Living Translations of Lab |
| At proposed prod. 2006  At proposed prod. 2006 Same  Sec. 9, T25N, R6  14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*  13.5 miles NE of Lybrook  10. DISTANCE FROM PROPOSED PROPERTY TOWN OR POST OFFICE*  11. Sec. 9, T25N, R6  R1. ARTIS NE OF Lybrook  10. DISTANCE FROM PROPOSED PROPERTY TO NEAREST TOWN OR POST OFFICE*  12. COUNTY OR PARKER IS. 87.  (Alse to nearest diff. Built like, if any)  790 ft. 160  18. DISTANCE FROM PROPOSED LOCATION*  TO NEAREST WELL, DISTANCE, COMPLETED, TO NEAREST WELL, DISTANCE, CASE OF THE WORK WILL.  18. DISTANCE FROM PROPOSED TO NEAREST TOWN OR POST OFFICE TO NEAR WELL, DISTANCE, CASE OF THE WORK WILL.  19. PROPOSED LOCATION OF THE LOCATION OF THE WORK WILL.  19. PROPOSED LOCATION OF THE LOCATION OF THE WORK WILL.  19. PROPOSED LOCATION OF THE WORK WILL.  19. PROPOSED LOCATION OF THE WORK WILL.  19. PROPOSED LOCATION OF THE WORK WILL.  19. PRO |
| At proposed prod. Zone  Same  Sec. 9, 725N, R6  14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*  13.5 miles NE of Lybrook  10. DISTANCE FROM SERVEY  FROM STATEM TO LIKE LINE, THE STATEM TOWN OR POST OFFICE*  10. DISTANCE FROM STREET  FROM STATEM TO LIKE LINE, THE STATEM TOWN OR POST OFFICE*  10. DISTANCE FROM STREET  FROM STATEM TO LIKE LINE, THE STATEM TOWN OR POST OFFICE*  10. DISTANCE FROM STREET  FROM STATEM TOWN THE STATEM TOWN OR POST OFFICE*  10. NO ACREE TO LIKE THE STATEM THE STATEM TOWN OR POST OFFICE*  10. DISTANCE FROM STREET  FROM STATEM TOWN THE STATEM TOWN OR POST OFFICE*  10. NO OF ACREE ASSISTED  |
| Same    Distance in Miles and Dissection FROM Nearest TOWN OR FORT OFFICE*   12. COUNTY OR PARKET 18. Ro. Arriba   13. 5 miles NE of Lybrook   16. No. of Acres in Leade   17. No. of Acres Assessment   16. No. of Acres in Leade   17. No. of Acres Assessment   16. No. of Acres In Leade   17. No. of Acres Assessment   16. No. of Acres In Leade   17. No. of Acres Assessment   16. No. of Acres In Leade   17. No. of Acres Assessment   16. No. of Acres In Leade   17. No. of Acres Assessment   16. No. of Acres In Leade   17. No. of Acres Assessment   16. No. of Acres In Leade   17. No. of Acres Assessment   16. No. of Acres In Leade   17. No. of Acres Assessment   16. No. of Acres In Leade   17. No. of Acres Assessment   16. No. of Acres In Leade   17. No. |
| 13.5 miles NE of Lybrook  10. Dutance from reduce from reduced to the following from the  |
| 15. DETAINCS FROM PROPOSED: PROPOSED TO LIABSE LINK, FT. (Also to nearest drig, until line, H any) 15. DETAINCS FROM PROPOSED TO LIABSE LINK, FT. (Also to nearest drig, until line, H any) 16. No. OF ACRES IN LEASE 17. TO THIS WELL. 160 20. ROTARY OR CABLE TOOLS 20. ROTARY OR CABLE TOOLS 21. RELEVATIONS (Show whether DF, RT, GR, etc.) 6494 ft. GL 22. APPROX. DATE WORK WILL 6494 ft. GL 23. DROPOSED CASING AND CEMENTING PROGRAM  SIZE OF ROLE 3-3/4" 2-7/8" 23. Ib./ft. 23. 1b./ft. 2800 ft. 30. STITING DEPTH 30. QUANTITY OF CEMENT 30. SACKS 4-10. |
| DICATION TO NAMESS PROPERTY OR LARGE LINE, FT.  18. DISTANCE PROM PROPOSED LOCATION ON AFFLED FOR THE WALL 160 (Also to nearest drig unit line, if any) 790 ft.  19. PROPOSED DEPTH 20. ROTARY OR CABLE COOLS ON AFFLED FOR ON THIS LEASE, FT.  18. DISTANCE PROM PROPOSED LOCATION ON AFFLED FOR ON THIS LEASE, FT.  18. DISTANCE PROM PROPOSED LOCATION ON THIS LEASE, FT.  18. DISTANCE PROM PROPOSED LOCATION ON THIS LEASE, FT.  18. DISTANCE PROPOSED CASING AND CEMENTING PROGRAM  22. AFFROX. DATE WORK WILL 54, 1979  23. PROPOSED CASING AND CEMENTING PROGRAM  SIZE OF HOLE SIZE OF CASING WEIGHT PER FOOT SETTING DEPTH OLD FTH OL |
| (Also to nearest drig, unit line, if any)  19. PROPOSED DEPTH  20. ROTARY OR CABLE COOLS  TO NEAREST WELL, DRILLING, COMPLETED, OR AFFLEE DESC. PR. (COMPLETED), OR A |
| 18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR AFFLED FOR, ON HIS LEASE, FT.  18.0 ft.  28.00 ft.  28.00 ft.  ROTATY  20. ROTARY OR CABLE FOOLS  ROTARY OR CHAPTY  ROTARY OF CABLE FOOLS  ROTARY OR CA |
| OR AFFILED FOR, ON THIS LEASE, FT. 180 ft. 2800 ft. 121 ROTATY  21. ELEVATIONS (Show whether DF, RT, GR, etc.) 6494 ft. GL  32. PROOPOSED CASING AND CEMENTING PROGRAM  SIZE OF HOLE SIZE OF CASING WEIGHT PER POOT SETTING DEPTH QUANTITY OF CEMENT  9-3/4" 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 sone and proposed new sone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical datas. On presenter program, if any  24. DATE June 28, SIGNED DATE JUNE 28, June 28, SIGNED DATE JUNE 28, SIGN |
| July 15, 1979  23. PROPOSED CASING AND CEMENTING PROGRAM  SIZE OF CASING WEIGHT PER FOOT SETTING DEPTH QUANTITY OF CEMENT  9-3/4" 8 //, 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 norw sone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical degrin. Over preventer program, if any  24. Like Title Co-Owner Date June 28, signed   |
| SIZE OF BOLE  SIZE OF CASING  T''  23 1b./ft.  100 ft.  50 sacks  2-7/8"  6.5 1b./ft.  2800 ft.  150 sacks  Will drill 9 3/4" hole to 100 ft. and set 100 ft. of 7", 23 1b./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 1b./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 norm sone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical definis. On preventer program, if any  24.  SIGNED  DATE June 28.   |
| SIZE OF HOLE  9-3/4" 8 / 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 nearly groups and cement with 150 sacks. If proposal is to deepen or plug back, give data on present productive zone and proposed nearly proposed is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical deficits. On preventer program. If any  24   |
| 9-3/4" 8 / 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.  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 nearly sone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical decries. Only preventer program, if any  24.  SIGNED  DATE  June 28,   |
| 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.  NOTE: Gas is dedicated.  IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen or plug back, give data on present productive sone and proposed new gone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical digits. Give preventer program, if any  24.  SIGNED  DATE June 28,  |
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| IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen or plug back, give data on present productive zone and proposed new zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give preventer program, if any  24.  SIGNED  June 28.   |
| IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen or plug back, give data on present productive zone and proposed new proposed is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical digits. Give preventer program, if any  24.  SIGNED  DATE  DATE  June 28,  |
| IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen or plug back, give data on present productive zone and proposed new proposed is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical digits. Give preventer program, if any  24.  SIGNED  DATE  DATE  June 28,  |
| IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen or plug back, give data on present productive zone and proposed new proposed is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical digits. Give preventer program, if any  24.  SIGNED  DATE  DATE  June 28,  |
| zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical data.  24.  SIGNED  DATE  DATE  June 28,   |
| signed Gold Me Title Co-Owner DATE June 28,  |
| BIGNED TITLE CITY ON THE   |
| (This space for Federal or State office use)   |
|  |
| PERMIT NO APPROVAL DATE  |
|  |
| APPROVED BY  |
| conditions of approval, if any:  |
|  |
| ok Frank   |
|  |

#### STATE OF NEW MEXICO ENERGY AND MINERALS DEPARTMENT

#### OIL CONSERVATION DIVISION P. O. BOX 2088

## SANTA FE, NEW MEXICO 87501

Form C-102 Revised 10-1-78

|   |                  |  | All distances | must be from | the cuter h   | ounderlee   | of the  | Section.      |                                    |   |
|---|------------------|--|---------------|--------------|---|-------------|---------|---------------|------------------------------------|---|
| Operator  |                  |  |               |              | Lease   |             |         |               |                                    | Well No.  |
| MERRION &   | BAYI             | ESS  |               |              | CANYO   | N LARG      | O UNI   | T             |                                    | 293   |
| Unit Letter   | Section          |  | Township      |              | Range   |             |         | County        |                                    |   |
| A   | 9                |  | 25N           |              |   | 6W          |         | Rio           | Arriba                             |   |
| Actual Footage Loc  |                  | Walle  | - 27.5        |              |   |             | L       | 11.10         | ATTION                             |   |
|   |                  | 3.7  | <b>4</b> 1-   |              | ז מלמ   |             |         |               | 77 4                               | <del></del>   |
| 790   | feet             |  | orth          | line and     | 1050  |             | feet    | from the      | East                               | line  |
| Ground Level Elev.  |                  | Producing For                                |               |              | Pool  |             |         |               |                                    | Dedicated Acreage:  |
| 6494  | ļ                | Pictu  | red Clif      | fs           | South   | n Blan      | со      |               |                                    | 1.60 - Acres  |
| <ul><li>2. If more the interest at</li><li>3. If more the</li></ul> | nan on<br>nd roy | e lease is alty).                            | dedicated     | to the wel   | l, outline<br>dedicated   | each an     | ıd iden | tify the o    | ownership                          | the plat below.  thereof (both as to working  of all owners been consoli-   |
| X Yes   |                  | No If a                                      | nswer is "    | yes;" type o | of consolic   | lation _    | Uni     | izatio        | on                                 |   |
| this form i<br>No allowa  | f nece<br>ble wi | esary.)<br>ll be assign                      | ed to the w   | ell until al | l interests   | have b      | een co  | onsolidat     | ed (by co                          | mmunitization, unitization, en approved by the Commis-  |
|   |                  |  |               |              |   |             |         |               | 1                                  |   |
|   | ·                | <br>   | ec.           | Trul<br>Fee  | Color in Figure 1 (1) and the second of the | 1062 @ 7301 | 109     |               | None Robert Position Co-Own Merric | certify that the information con- therein is true and complete to the my knowledge and belief.  L. Bayless  ner  by certify that the information con- therein is true and complete to the my knowledge and belief.  Bayless  28, 1979 |
|   |                  | <br> <br> <br> <br> <br> <br> <br> <br> <br> |               | 9            |   |             |         |               | shown notes of<br>under n          | by certify that the well location on this plat was plotted from field of actual surveys made by me or my supervision, and that the same and correct to the best of my dge and belief.   |
|   |                  | <br>   |               |              | · .   |             |         |               | Date Surv                          | 22000   |
|   | ·<br>            | i<br> <br>                                   |               |              |   |             |         |               | and/a L                            | A. Keri Vis   |
|   |                  |  |               |              |   |             |         | <del></del> [ | 20בר                               | TR. IR  |

#### 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

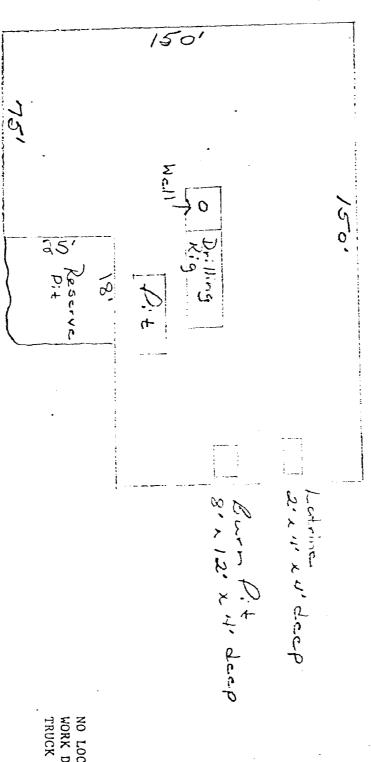
ROBERT L. BAYLESS

Co-Owner

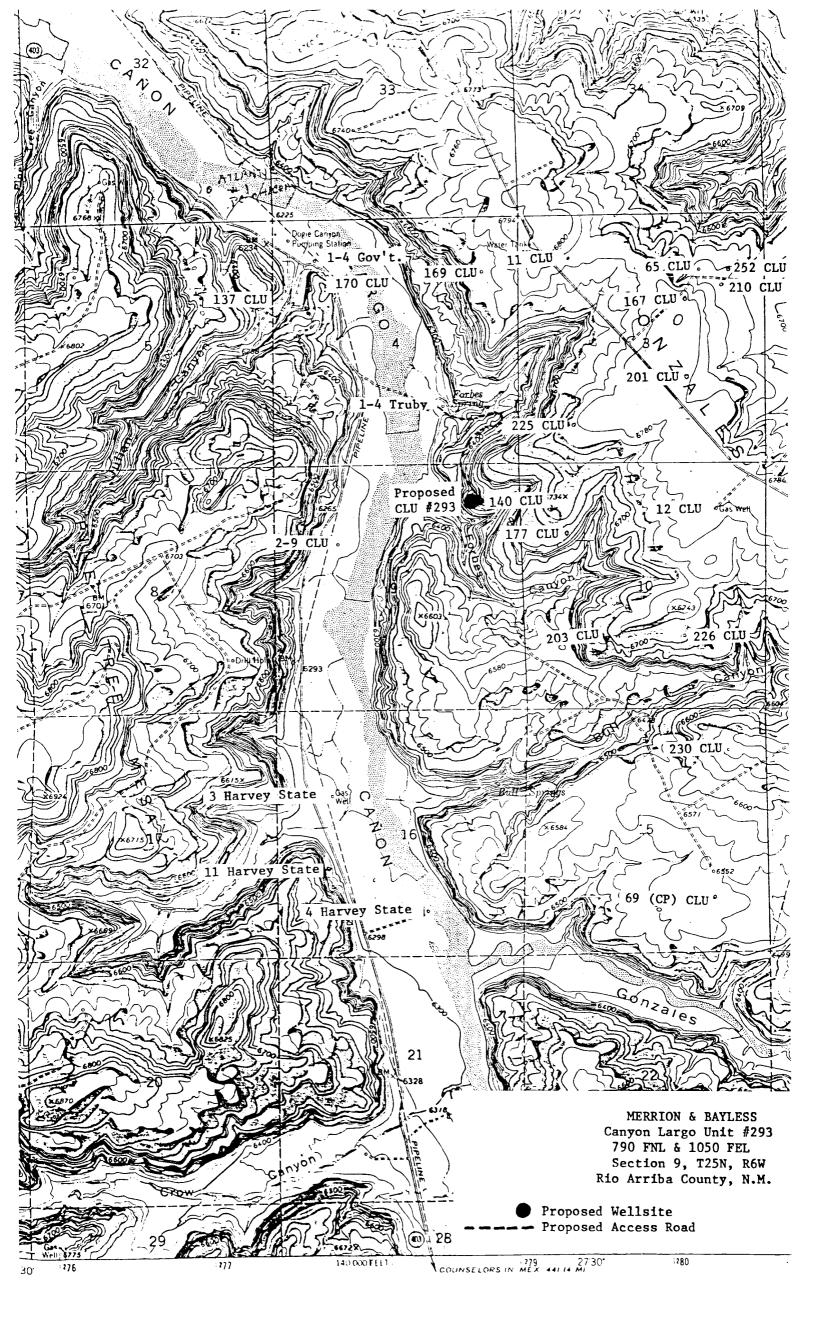
Merrion & Bayless

DATE

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.



## SUBMIT IN TRIPLICATE\*

Form approved. Budget Bureau No. 42-R1425.

# UNITED STATES DEPARTMENT OF THE INTERIOR

JNITED STATES (Other instructions on reverse side)

|   | DEPARTMENT  | OF THE I                                  | 14 1 F1/1       | IOIN                               |                          |                       | 5. LEASE DESIGNATION AND                                  | SERIAL NO.    |
|---|---|---|-----------------|------------------------------------|--------------------------|-----------------------|---|---------------|
|   | GEOLOG  | SICAL SURVI                               | ΕY              |                                    |                          |                       | SF 079177   |               |
| APPLICATION   | FOR PERMIT T  |   |                 | N, OR PL                           | UG BA                    | ACK_                  | 6. IF INDIAN, ALLOTTEE OR T                               | TRIBE NAME    |
| a. TYPE OF WORK                                     |   | _   |                 |                                    |                          |                       | 7. UNIT AGREEMENT NAME                                    |               |
| DRIL  | LX  | DEEPEN (                                  |                 | PLU                                | IG BACK                  |                       | Canyon Largo U  | Init          |
| b. TYPE OF WELL                                     |   |   | SIN             | CLE KX                             | MULTIPLE                 |                       | E. FARM OR LEASE NAME                                     |               |
| OIL GAS WEI   |   |   | ZON             | 1 <u>r</u> 123                     | ZONE                     |                       |   |               |
| . NAME OF OPERATOR                                  |   | v n1                                      |                 |                                    |                          |                       | 9. WELL NO.   |               |
| J. Gregory Mer                                      | rion and Robert   | L. Bayles                                 |                 |                                    |                          |                       | 293   | <b>:</b>      |
| . ADDRESS OF OPERATOR                               |   | 4 87401                                   |                 |                                    |                          |                       | 10. FIELD AND POOL, OR W.                                 | ILDCAT        |
| P.O. Box 1541,                                      | Farmington, N   |   | th one St       | ate requiremen                     | nts.*)                   |                       | So. Blanco Pic  |               |
|   | FNL and 1050  |   | ch any or       |                                    | ,                        |                       | 11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA          |               |
| At proposed prod. zone<br>Sam                       | e   |   |                 |                                    |                          |                       | Sec. 9, T25N,   |               |
| 4. DISTANCE IN MILES A                              | NO DIRECTION FROM NEAR  | EST TOWN OR POS                           | T OFFICE        | •                                  |                          |                       | 12. COUNTY OR PARISH 13                                   |               |
| 13.5 miles NE                                       | of Lybrook  |   |                 |                                    |                          |                       | Rio Arriba  | N.M.<br>      |
| 5. DISTANCE FROM PROPOS                             |   |   | 16. NO.         | OF ACRES IN                        | LEASE                    | 17. NO.<br>TO T       | OF ACRES ASSIGNED THIS WELL                               |               |
| LOCATION TO NEAREST<br>PROPERTY OF LEASE LI         | NE, FT.   | 790 ft.                                   | ļ               | 160                                |                          |                       | 160   |               |
| (Also to nearest drlg.<br>18. DISTANCE FROM PROPO   | SED LOCATION®   |   | 19. PR          | POSED DEPTH                        |                          | 20. кот               | ARY OR CABLE TOOLS  |               |
| TO NEAREST WELL, DR<br>OR APPLIED FOR, ON THIS      | ILLING, COMPLETED,  | 180 ft.                                   | 2               | 800 ft.                            |                          | ]                     | Rotary  |               |
| 21. ELEVATIONS (Show wheth                          |   |   |                 |                                    |                          |                       | 22. APPROX. DATE WORK                                     | WILL START*   |
| 6494 ft. GI   |   |   |                 |                                    |                          |                       | July 15, 1979   |               |
| 23.   |   | PROPOSED CASI                             | ING AND         | CEMENTING                          | PROGRA                   | M                     |   |               |
|   |   |   |                 | SETTING D                          |                          |                       | QUANTITY OF CEMENT  |               |
| SIZE OF HOLE  | SIZE OF CASING  | 23 1b.                                    |                 | 100                                |                          |                       | 50 sacks  |               |
| 8-3/4"  | 7"  | 6.5 lb./                                  |                 | 2800                               |                          |                       | 50 sacks  |               |
| 6-1/4"  | 2-7/8"  | 0.5 10.7                                  |                 |                                    |                          |                       |   |               |
| productive w  | ent. Will dri: ill run 2800 f perforate and Gas from this  FORMATIO Ojo Alam Pic. Cli | t. of 2-7/5 stimulate well is de ESTI N o | 8", 6.<br>as re | of 16./ft<br>equired.<br>TOPS<br>H | . casıı                  | use 6'                | d cement with 150 '900 lb. blowout                        | O             |
| zone. If proposal is to<br>preventer program, if an | drill or deepen direction   | proposal is to deally, give pertine       | eepen or ;      | plug back, give<br>on subsurface   | e data on polocations ar | resent pr<br>nd measu | oductive roug and proposed red and true verifical depths. | new productiv |
| SIGNED SIGNED                                       | beil L  | Sufe                                      | TIT1.E          | Co-Own                             | er                       |                       | DATE July   | 5, 1979       |
| (This space for Fede                                | eral or State office use)   |   |                 |                                    |                          |                       |   |               |
| PERMIT NO.  |   |   |                 | APPROVAL DAT                       | re                       |                       |   |               |
| APPROVED BYCONDITIONS OF APPROVED                   | VAL, IF ANY:  |   | TITLE           |                                    |                          |                       | DATE  |               |