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NEW MEXICO OIL CONSERVATION COMMISSION

039
30-049-22441

Form C-101
Revised 1-1-65

5A. Indicate Type of Lease	
STATE <input type="checkbox"/>	FEE <input checked="" type="checkbox"/>
5. State Oil & Gas Lease No.	

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. Type of Work		7. Unit Agreement Name	
b. Type of Well DRILL <input checked="" type="checkbox"/> DEEPEN <input type="checkbox"/> PLUG BACK <input type="checkbox"/> OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER <input type="checkbox"/> SINGLE ZONE <input type="checkbox"/> MULTIPLE ZONE <input type="checkbox"/>		8. Farm or Lease Name Federal	
2. Name of Operator J. Gregory Merrion		9. Well No. Com #4	
3. Address of Operator P. O. Box 507, Farmington, NM 87401		10. Field and Pool, or Wildcat Ballard PC	
4. Location of Well UNIT LETTER <u>I</u> LOCATED <u>1810</u> FEET FROM THE <u>South</u> LINE AND <u>970</u> FEET FROM THE <u>East</u> LINE OF SEC. <u>34</u> TWP. <u>25N</u> RGE. <u>6W</u> NMPM		12. County Rio Arriba	
19. Proposed Depth 2350		19A. Formation Pictured Cliff	
20. Rotary or C.T. Rotary		21. Elevations (Show whether DF, RT, etc.) 6373 GL	
21A. Kind & Status Plug. Bond Statewide		21B. Drilling Contractor James Drilling Co.	
22. Approx. Date Work will start August 1, 1980			

PROPOSED CASING AND CEMENT PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	SACKS OF CEMENT	EST. TOP
9-3/4"	7"	20#	60'	40	Surface
5"	2-7/8"	6.4#	2350'	235	Surface

Will drill 9-3/4" hole to 60' and set 7", 20# casing to 60' and cement to surface with 40 sx Class B cement w/ 3% CACL₂.

Will drill 5" hole to 2350' and set 2-7/8", 6.4# casing to 2350' and cement with 135 sx (322 cu. ft.) Class H cement with 2% D-79 extender followed by 100 sx (118 cu. ft.) Class H cement. (Total slurry volume of 440 cu. ft. is 200% of theoretical requirement to return cement to surface.)

Will perforate and sand water frack the Pictured Cliffs.

gas not exhibited

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: IF PROPOSAL IS TO DEEPEN OR PLUG BACK, GIVE DATE OF PRESENT PRODUCTIVE ZONE AND PROPOSED NEW PRODUCTIVE ZONE. GIVE BLOWOUT PREVENTER PROGRAM, IF ANY.

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

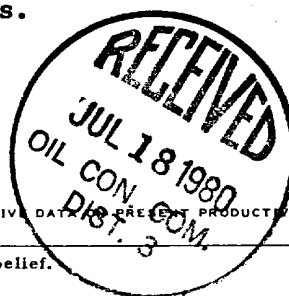
Signed J. Gregory Merrion Title Operator Date 7-17-80

(This space for State Use)

APPROVED BY Frank J. Cherry TITLE SUPERVISOR DISTRICT # 3 DATE JUL 18 1980

CONDITIONS OF APPROVAL, IF ANY:

Hold C-104 for communication



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

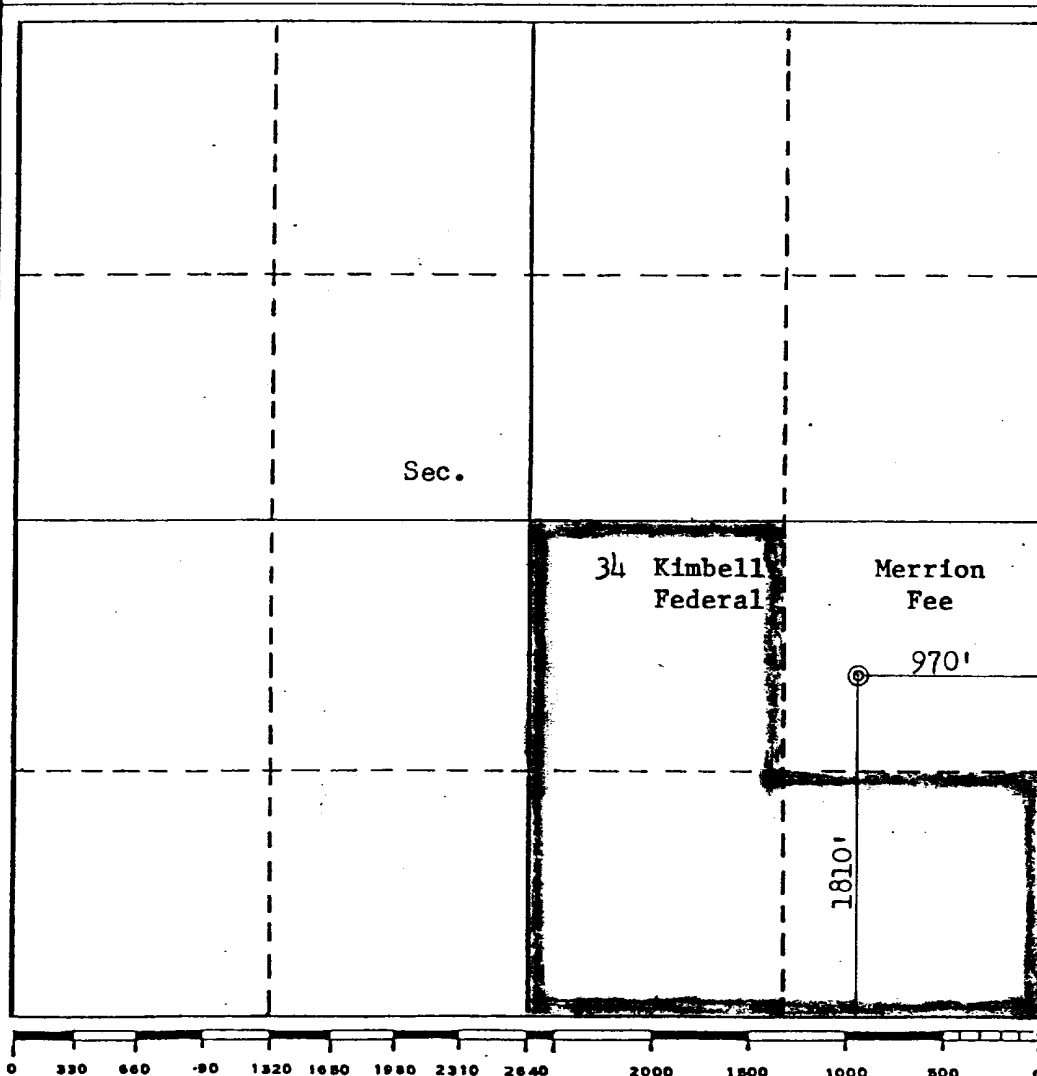
Operator J. GREGORY MERRION			Lease FEDERAL COM			Well No. 4
Unit Letter I	Section 34	Township 25N	Range 6W	County Rio Arriba		
Actual Footage Location of Well: 1810 feet from the South line and 970 feet from the East line						
Ground Level Elev. 6373	Producing Formation Pictured Cliffs		Pool Ballard		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).
See attachment
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 Will be communitized

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 **J. Gregory Merrion**

Position **Operator**

Company **J. Gregory Merrion**

Date **7-16-80**

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 **July 10, 1980**

Registered Professional Engineer and/or Land Surveyor **STATE OF NEW MEXICO**

Fred B. Kerr Jr.

Certificate No. **3950**

J. GREGORY MERRION
Federal Com #4

OWNERSHIP OF COMMUNITIZED TRACTS

Tract 1. Federal Lease SF-080136 (120 acres)

ROYALTY AND PERCENTAGES

U.S.A.	12.500000%
E. Hunter Stone II	0.625000%
Ben Donegan	1.000000%
Jackie Campbell	2.500000%
Texas Natural Petroleum Co.	0.380854%
Hortense E. Davant	0.122073%
Grace K. Davant	0.122073%
B. W. Woolley	0.625000%
Big Chief Drilling	0.625000%
Total	18.500000%

NAME AND PERCENTAGES OF WORKING INTEREST OWNERS

Victor Salazar	12.500000%
C. J. Warren	7.500000%
Joseph Grevey	11.700000%
Jack Grevey	3.000000%
Marguerite Liberman	7.650000%
Ira Liberman and Albuquerque National Bank, Trustee	7.650000%
Continental Emsco Co.	9.188325%
Halliburton Company	3.311675%
Kimbell Oil Company	37.500000%

Tract 2. Fee Lease (40 acres)

OVERRIDING ROYALTY AND PERCENTAGES

J. Gregory Merrion	3.2500%
Iris Balbach	1.5625%
Lorna Harvey	1.5625%
Marjorie O. Underwood or Genevieve Organ	0.4060%

NAME AND PERCENTAGE OF WORKING INTEREST OWNERS

J. Gregory Merrion	35.93227%
D. J. Merrion, Trustee	28.13600%
William W. Merrion	28.13600%
R. E. Merrion	7.79573%

279

2730'

280

4556 IV NW
281 (GONZALES MESA)

282

283 25'

