

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

30-045-2223/

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 1840' FWL and 1765' FNL
 At proposed prod. zone same

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*
 40 miles Southeast from Bloomfield

15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any)
 16. NO. OF ACRES IN LEASE 320

18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.
 19. PROPOSED DEPTH 2100'

21. ELEVATIONS (Show whether DF, RT, GR, etc.)
 6424 GL

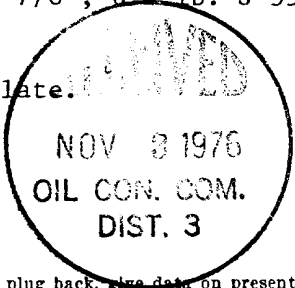
23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
8-3/4"	7"	20	35'	20 sax
6"	2-7/8"	6.4	2100'	150 sax

Will drill surface hole to 35 feet and set 7", 20 lb. casing to total depth with 20 sax cement.

Will drill 6" hole to 2100 feet and run 2-7/8", 6.4 lb. J-55 casing to total depth and cement with 150 sax.

Will perforate, test and if needed, stimulate.



RECEIVED

NOV 2 1976

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 Co-Owner-Operator DATE November 1, 1976
 (This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____

APPROVED BY _____ TITLE _____ DATE _____

CONDITIONS OF APPROVAL, IF ANY:
okaf

NEW MEXICO OIL AND GAS COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT

Supersees C-128
Effective 1-1-65

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

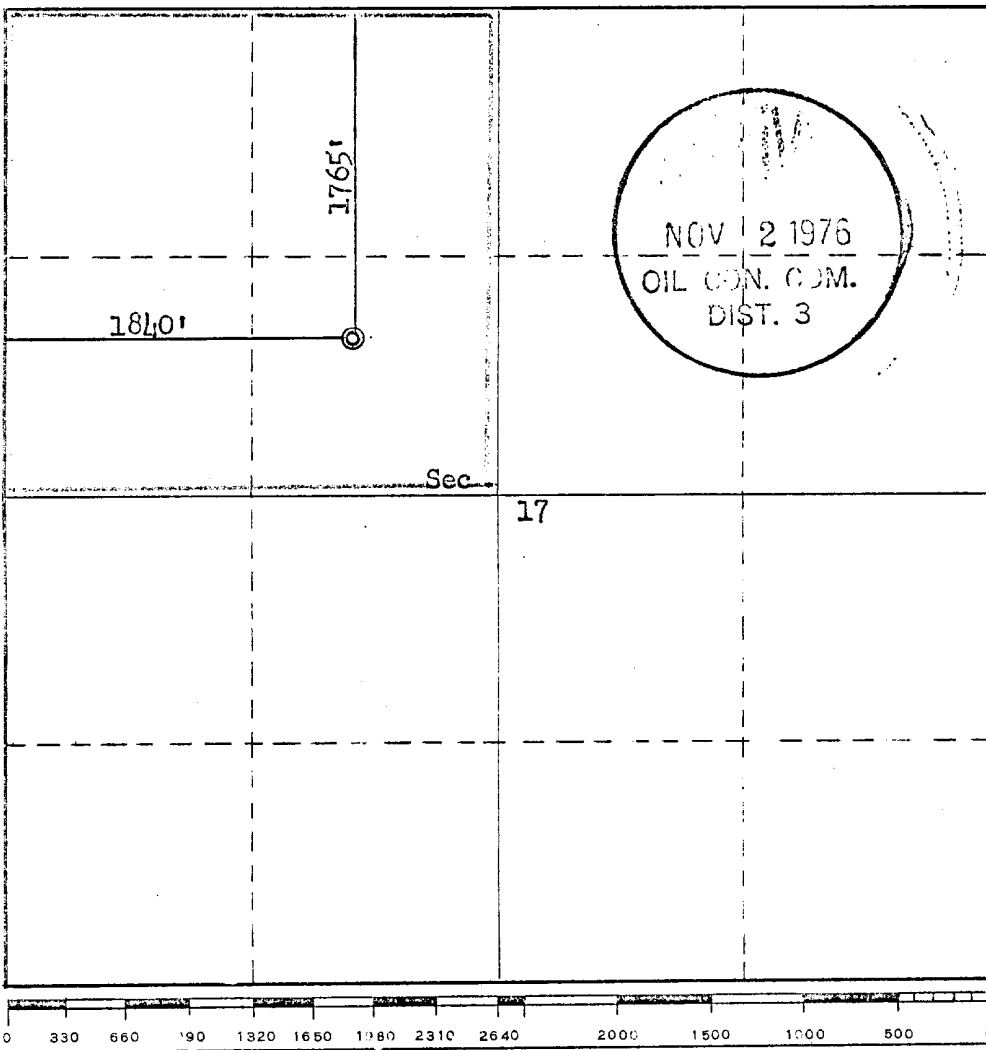
Operator Merrion & Bayless		Lease Federal J (NM 14927)		Well No. 2
Unit Letter F	Section 17	Township 25N	Range 8W	County San Juan
Actual Footage Location of Well: 1765 feet from the North line and 1840 feet from the West line				
Ground Level Elev. 6424	Producing Formation Pictured Cliffs	Pool Wildcat	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 _____

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.	
<i>[Signature]</i>	
Name	
Position	
Co-Venturer	
Company	
Merrion & Bayless	
Date	
November 1, 1976	
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	
October 22, 1976	
Registered Professional Engineer and/or Land Surveyor	
<i>[Signature]</i>	
Fred B. Kerr Jr.	
Certificate No.	
3950	

MERRION & BAYLESS

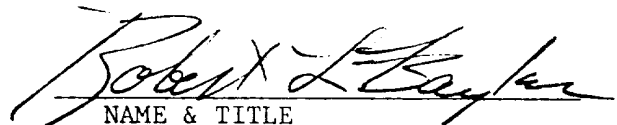
Federal J-2
NW 1/4 Sec. 17, T25N, R8W

SURFACE USE AND OPERATIONS PLAN
(NTL-6)

1. Existing roads - see attached marked Topographical map.
2. No new roads.
3. See Topo map.
4. Proposed well to produce gas - no production facilities required.
5. Will truck water from water hole in Blanco Wash or San Juan River at Bloomfield.
- 6, 7, & 8. Not applicable.
9. Sketch attached.
10. Will reseed in accordance with BLM requirements.
11. Will use drill pad location used previously for drilling "J-1" well now plugged and abandoned.
12. Robert L. Bayless
(505) 325-5093
P.O. Box 1541
205 Petroleum Center Bldg.; Suite 205
Farmington, New Mexico 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 & Bayless and its contractors and sub-contractors in conformity with this plan and the terms and conditions under which it is approved.

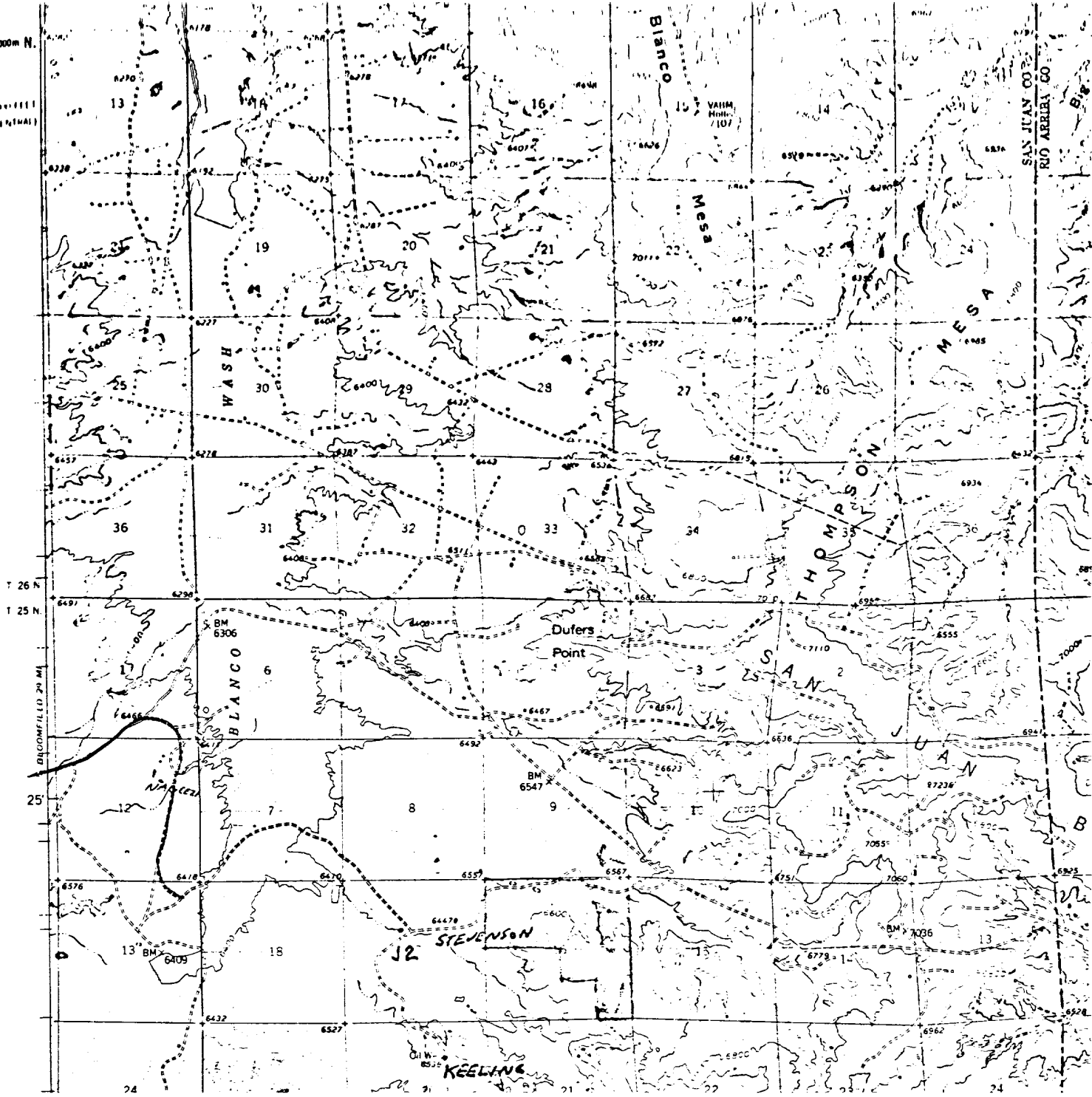
November 1, 1976
DATE


NAME & TITLE

NOTE: Archaeological clearance not required because of Item 11, above.

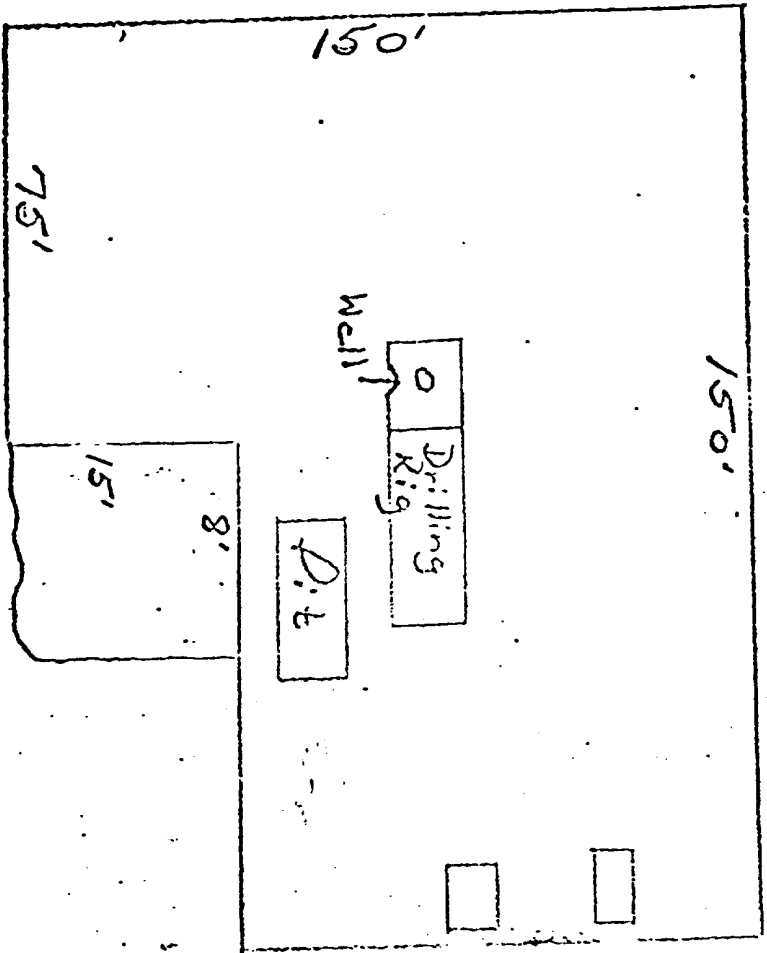
637000m N.

SAN JUAN CO.
RIO ABBEY CO.



LOCATION AND EQUIPMENT LAY-OUT

FEDERAL J-2
Section 17, T25N, R8W



Latrine
2' x 4' x 4' deep

Burn Pit
8' x 12' x 4' deep



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