

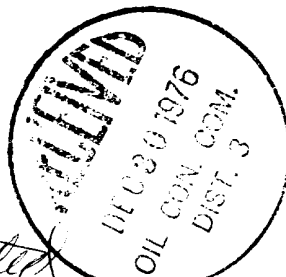
UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK DRILL <input checked="" type="checkbox"/> DEEPEN <input type="checkbox"/> PLUG BACK <input type="checkbox"/>			5. LEASE DESIGNATION AND SERIAL NO. NM22046		
b. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER <input type="checkbox"/> SINGLE ZONE <input checked="" type="checkbox"/> MULTIPLE ZONE <input type="checkbox"/>			6. IF INDIAN, ALLOTTEE OR TRIBE NAME		
2. NAME OF OPERATOR J. Gregory Merrion and Robert L. Bayless			7. UNIT AGREEMENT NAME		
3. ADDRESS OF OPERATOR P.O. Box 1541, Farmington, New Mexico 87401			8. FARM OR LEASE NAME Chaco		
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.) At surface 900 FSL and 1820 FWL At proposed prod. zone Same			9. WELL NO. 2		
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*			10. FIELD AND POOL, OR WILDCAT Wildcat <i>Pictured Cliff</i>		
15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any)			11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA Sec. 7, T26N, R12W		
16. NO. OF ACRES IN LEASE			12. COUNTY OR PARISH San Juan		
17. NO. OF ACRES ASSIGNED TO THIS WELL 156.30			13. STATE N.M.		
18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.			20. ROTARY OR CABLE TOOLS Rotary		
21. ELEVATIONS (Show whether DF, RT, GR, etc.) 5958 GL			22. APPROX. DATE WORK WILL START* January 15, 1977		

23. PROPOSED CASING AND CEMENTING PROGRAM				
SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
7-7/8	5-1/2	15.5	30	10 Sax
4-3/4	2-7/8	6.4	1350	100 Sax

Will drill 7-7/8" hole to 30 ft. and set 30 ft. of 5-1/2", 15.5 lb. casing with 10 sax cement. Will drill 4-3/4" hole to 1350 ft. and run logs. If appears productive, will run 1350 ft. of 2-7/8", 6.4 lb., J-55 casing and cement with 100 sax. Will perforate and stimulate as required.



DEC 20 1976

Gas not 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 DATE 12-15-76
(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____

APPROVED BY _____ TITLE _____ DATE _____
CONDITIONS OF APPROVAL, IF ANY:*OK*

*See Instructions On Reverse Side

**NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT**

Form C-102
Supersedes C-128
Effective 1-1-65

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

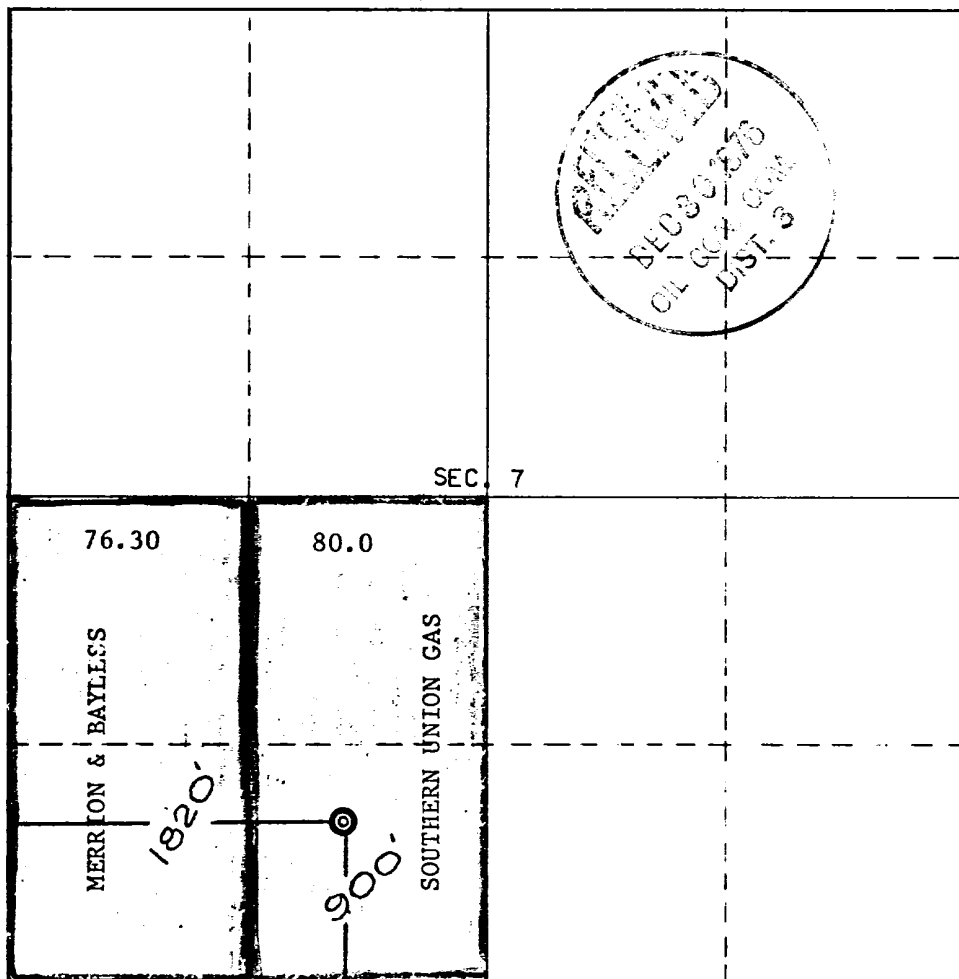
Operator Merrion & Bayless			Lease Chaco		Well No. 2
Unit Letter N	Section 7	Township 26 North	Range 12 West	County San Juan	
Actual Footage Location of Well:					
900 feet from the South line and		1820 feet from the West line			
Ground Level Elev. 5958	Producing Formation Pictured Cliffs	Pool Wildcat	Dedicated Acreage: 156.30 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 Communitization

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. Hayler

Position:
Co-Owner

Company:
Merrion & Bayless

Date:
December 15, 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:
December 12, 1976

Registered Professional Engineer:
and/or Land Survey

E.V. Echolaw

Certificate No. **3602**
E.V. Echolaw LS

