

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. SF 080238A
b. TYPE OF WELL 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"/>			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, N.M. 87401			8. FARM OR LEASE NAME Chaco
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)* At surface 790 FSL and 1850 FWL At proposed prod. zone same			9. WELL NO. 8
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*			10. FIELD AND POOL, OR WILDCAT Wildcat Nipp K ext
15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drilg. unit line, if any)			11. SEC., T., R., M., OR S.E. AND SURVEY OR AREA Sec. 6, T26N, R12W
16. NO. OF ACRES IN LEASE			12. COUNTY OR PARISH San Juan
17. NO. OF ACRES ASSIGNED TO THIS WELL 160 155.52			13. STATE N.M.
18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 1300 ft.			20. ROTARY OR CABLE TOOLS Rotary
21. ELEVATIONS (Show whether DF, RT, GR, etc.) 5970' G.L.			22. APPROX. DATE WORK WILL START* As soon as possible

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#	1300'	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 1300 ft. and run logs. If appears productive, will run 1300 ft. of 2-7/8", 6.4 lb., J-55 casing and cement with 100 sax. Will perforate and stimulate as required.

NOTE: The gas from this formation is dedicated to Northwest Pipeline.

MAY 6 1977

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 J. L. Bayless TITLE Co-Owner DATE May 5, 1977
(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____

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

WELL LOCATION AND ACREAGE DEDICATION PLAT

Form 12-1-65
Supersedes C-128
Effective 1-1-65

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

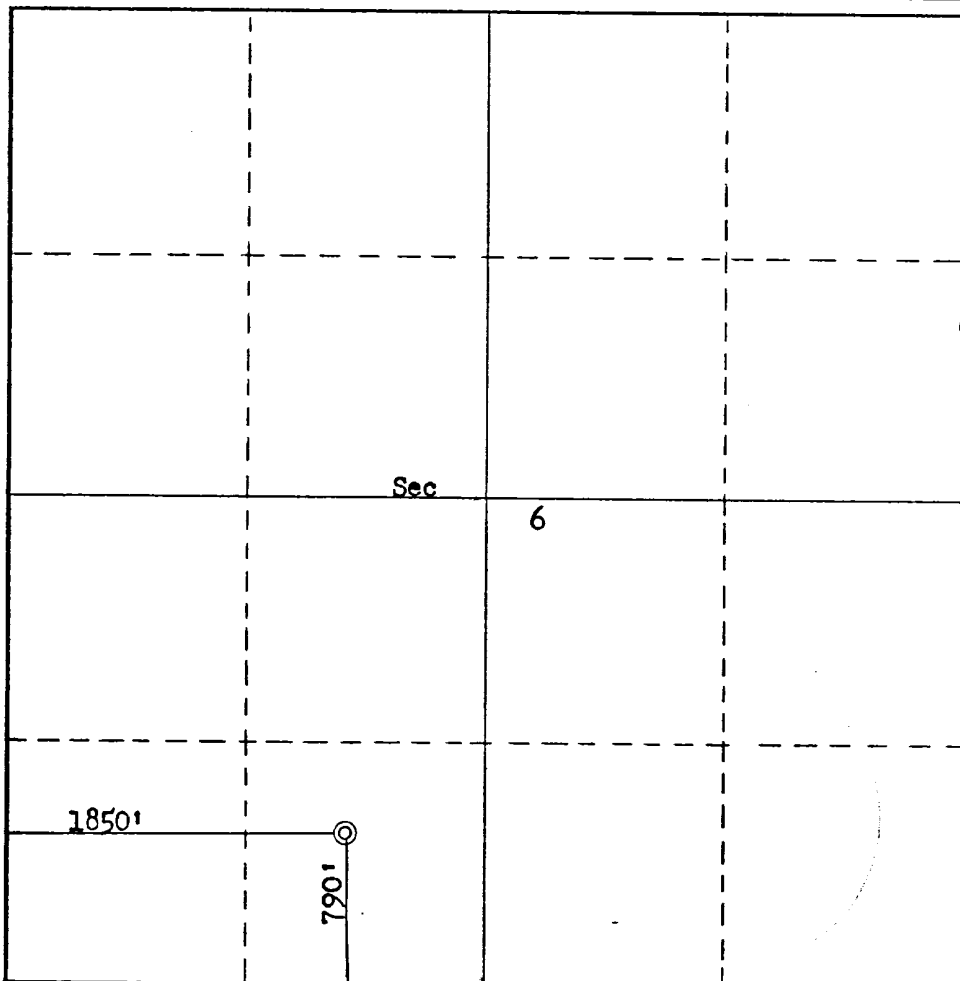
Operator Merrion & Bayless			Lease Chaco		Well No. 8
Unit Letter N	Section 6	Township 26N	Range 12W	County San Juan	
Actual Footage Location of Well:					
790 feet from the South line and		1850 feet from the West line			
Ground Level Elev. 5970	Producing Formation Pictured Cliffs	Pool Thipp N114 ext	Dedicated Acreage: 160 15-5.52 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.

Name *J. H. Bayless*
Position
Co-Owner
Company
Merrion & Bayless
Date
May 5, 1977

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
May 4, 1977
Registered Professional Engineer and/or Land Surveyor
Fred B. Kerr Jr.
Fred B. Kerr Jr.
Certificate No.

3950

MERRION & BAYLESS

NTL-6 REQUIREMENTS

Chaco #8

Section 6, T26N, R12W
San Juan County, New Mexico

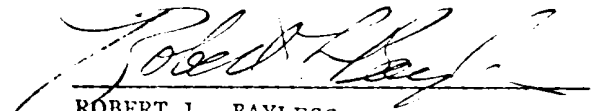
- 1 & 2. A topographical map is attached showing location of drill site and access roads to location. The terrain is relatively flat and no new roads will be built. A drive-in truck-mounted drilling rig will be used and will be driven in to the location with our road work.
3. Wells within one mile radius are shown on the topographical map.
4. There are no existing or proposed facilities.
5. Water will be hauled from the San Juan River by truck.
6. No construction materials will be used.
7. Drill cuttings will be placed in a pit and covered when dry and location will be cleaned after work on well is completed.
8. No ancillary facilities.
9. Wellsite layout attached.
10. Restoration of drillsite -- pits will be filled and leveled and area reseeded to BLM specifications.
11. Other information: the drillsite is fairly level, arid land with very little vegetation. There is no other surface use or facilities existent. An archeological survey statement will be furnished.
12. Operator representative:

Robert L. Bayless
P.O. Box 1541
Farmington, N.M. 87401
Office phone: 325-5093
Home phone: 325-8985

13. Certification:

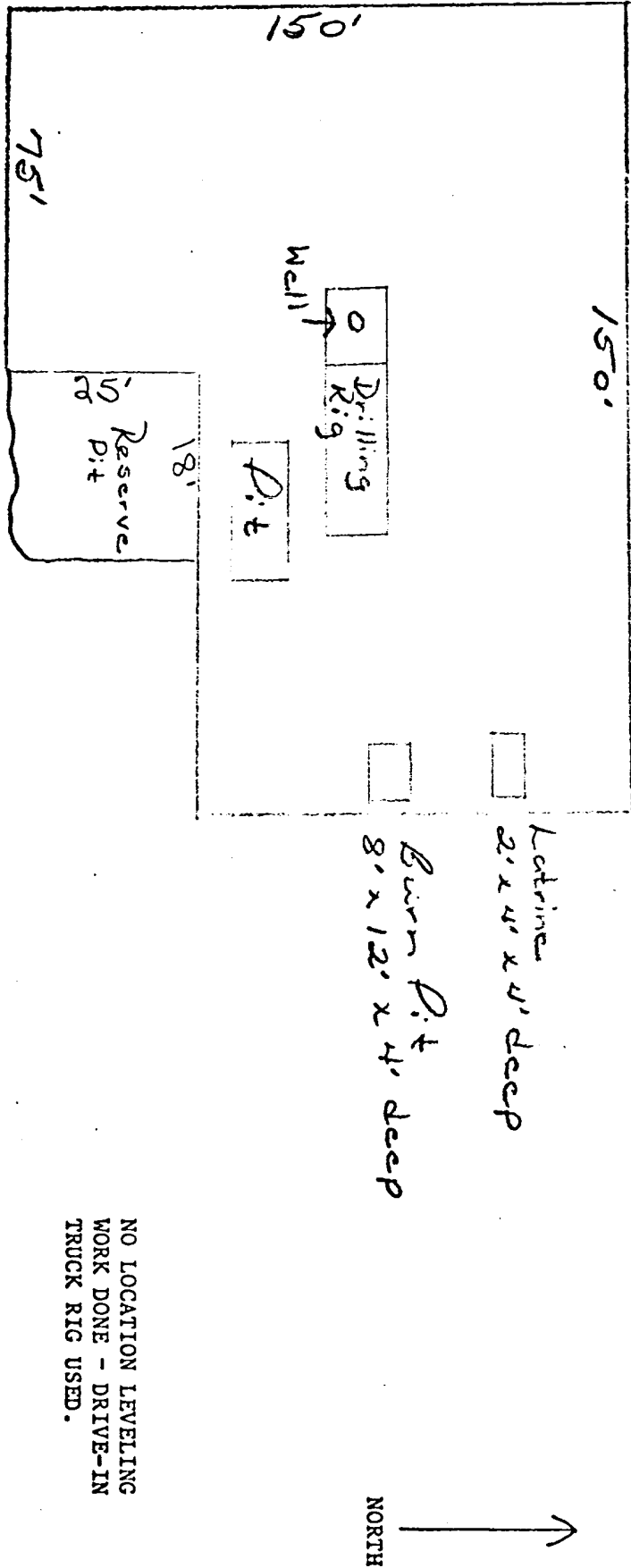
I hereby certify that I, or persons under my direct supervision, have inspected the proposed drillsite and access route; that I am familiar with the conditions which presently exist; that the statements made in this plan are, to the best of my knowledge, true and correct; and, that the work associated 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.

5-8-77
DATE

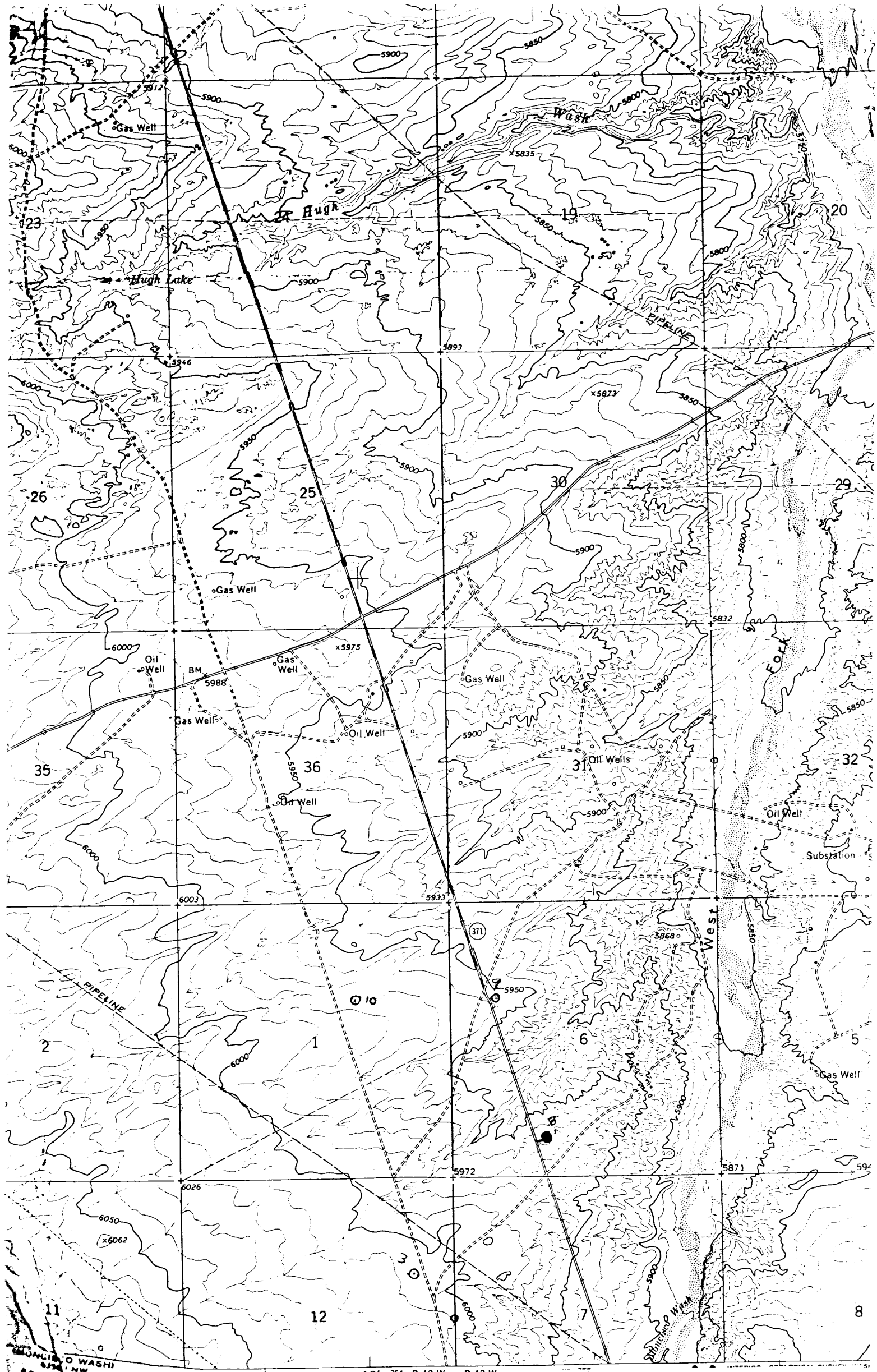

ROBERT L. BAYLESS
Co-Owner

LOCATION AND EQUIPMENT LAY-OUT

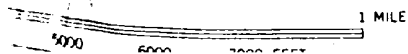
MERRION & BAYLESS
Chaco #8
Section 6, T26N, R12W



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



SCALE 24000
WASH
NW



Vicinity Map for
MERRION & BAYLESS #8 Chaco
790'FSL 1850'FEL Sec 6-T26N-R12W