

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY30-093-23594
5. LEASE DESIGNATION AND SERIAL NO.

SF 080238-A

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. NAME OF LEASEE NAME

Chaco Limited

9. WELL NO.

2

10. FIELD AND POOL, OR WILDCAT

WAW Fruitland Pic. Cliff

11. SEC., T., R., M., OR BLM.
AND SURVEY OR AREA

Sec. 1, T26N, R13W

12. COUNTY OR PARISH 13. STATE

San Juan

N.M.

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 507, Farmington, NM 87401

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)*

At Surface

1800 FNL and 1850 FEL

At proposed prod. zone

same

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*

17 miles south of Farmington

15. DISTANCE FROM PROPOSED*

LOCATION TO NEAREST

PROPERTY OR LEASE LINE, FT.

(Also to nearest drig. unit line, if any)

1800 ft.

18. DISTANCE FROM PROPOSED LOCATION*

TO NEAREST WELL, DRILLING, COMPLETED,
OR APPLIED FOR, ON THIS LEASE, FT.

1010 ft.

16. NO. OF ACRES IN LEASE

2560

19. PROPOSED DEPTH

1300

17. NO. OF ACRES ASSIGNED
TO THIS WELL

160.08

20. ROTARY OR CABLE TOOLS

Rotary

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

5972 ft. 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	7	23	30	10 sacks
5	2-7/8	6.4	1300	100 sacks

Will drill 7-7/8" hole to 30 ft. and set 30 ft. of 7", 23 lb. casing with 10 sacks cement. Will drill 5" 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 sacks. Will perforate and stimulate as required.

NOTE: The gas from this formation is not dedicated.

TOPS

Ojo Alamo	surface
Kirtland	50 ft.
Fruitland	845 ft.
Pictured Cliffs	1190 ft.

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, measured and true vertical depths. Give blowout preventer program, if any.

24.

SIGNED

Engineer

DATE

June 5, 1979

(This space for Federal or State office use)

PERMIT NO.

APPROVAL DATE

APPROVED BY

TITLE

DATE

CONDITIONS OF APPROVAL, IF ANY:

*See Instructions On Reverse Side

OIL CONSERVATION DIVISION

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENTP. O. BOX 2488
SANTA FE, NEW MEXICO 87501Form C-102
Revised 10-1-78

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

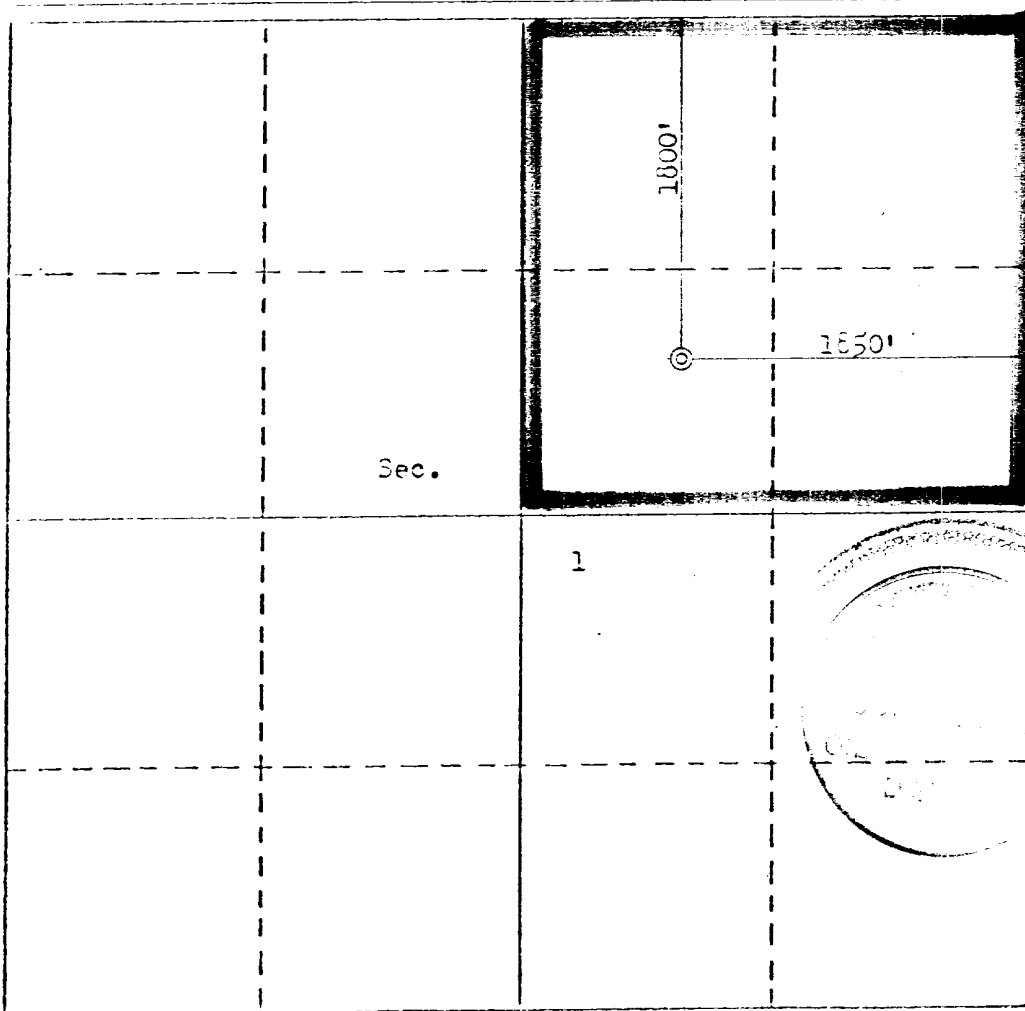
Operator MERRION & BAYLESS		Lease CHACO LIMITED		Well No. 2			
Unit Letter G	Section 1	Township 26N	Range 13W	County San Juan			
Actual Footage Location of Well:							
1800	feet from the	North	line and	1850	feet from the	East	line
Ground Level Elev. 5372	Producing Formation Pic. Cliffs		Pool WAW Fruitland Pic. Cliffs		Dedicated Acreage: 160.08		Acrea

1. Outline the acreage dedicated to the subject well by colored pencil or hatchure 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 Division.



CERTIFICATION

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

Steven S. Dunn

Name
Steven S. Dunn

Position
Engineer

Company
Merrion & Bayless

Date
June 5, 1979

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 21, 1979
Registered Professional Engineer
and/or Land Surveyor
3333
Frank E. Kerr, Jr.
Certified by
3950
KERR, JR.

MERRION & BAYLESS
Chaco Limited #2
Section 1, T26N, R13W
San Juan County, New Mexico

- 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. A drive in truck mounted drilling rig will be used and will be driven in to the location with our road work. 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 surfacing 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. A. Water will be hauled from the San Juan River.
B. Truck will haul water 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 lease is on Navajo Tribal surface land. 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 (505) 325-5093
P.O. Box 1541
Farmington, NM 87401
13. Certification:

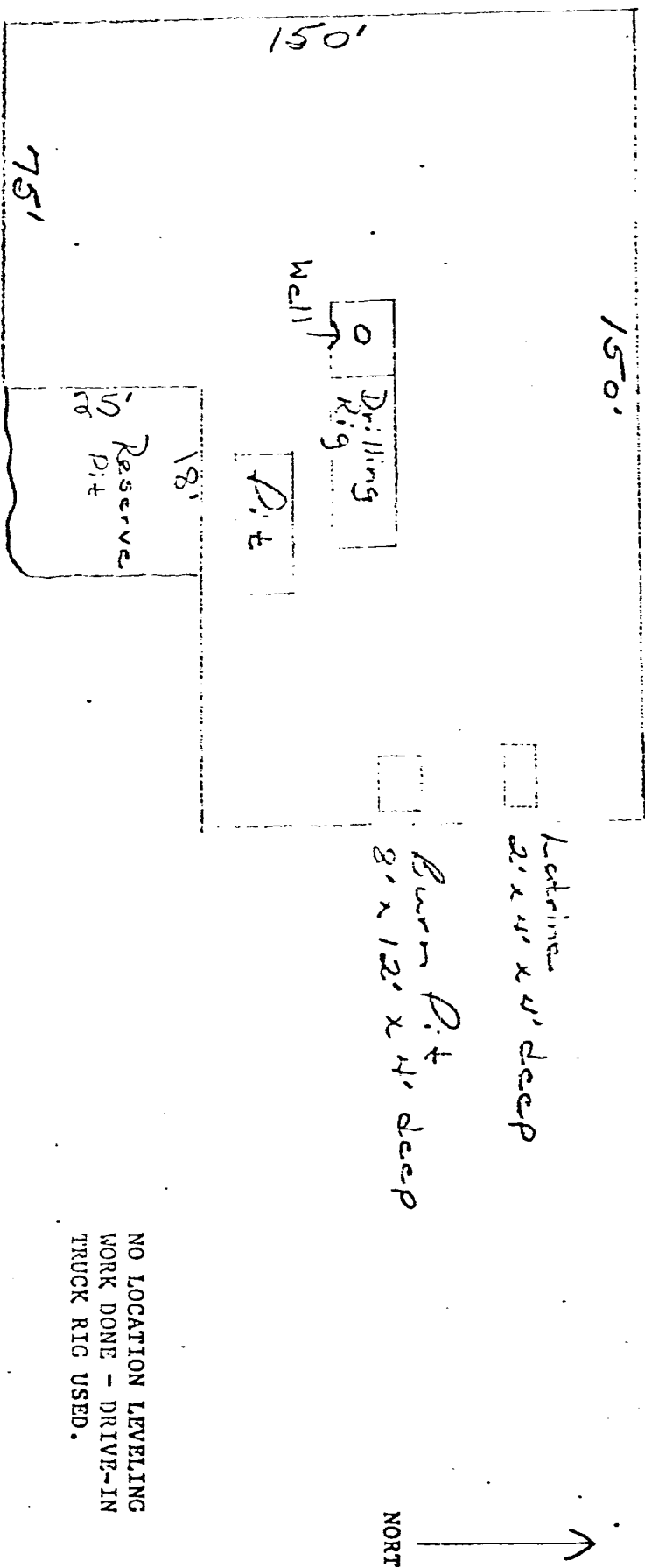
I hereby certify that I, or persons under my direct supervision, have inspected the proposed drillsite and access route; that I am familiar with the conditions which presently exist; that the statements made in this plan are, to the best of my knowledge, true and correct; and, that the work associated with the operations proposed herein will be performed by Merrion & Bayless and its contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved.

6-5-79
DATE


STEVEN S. DUNN, Engineer
Merrion & Bayless

LOCATION AND EQUIPMENT LAY-OUT

MERRION & BAYLESS
Chaco Limited #2
1800 FNL and 1850 FEL
San Juan County, New Mexico



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

