

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

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 & 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 1850 FSL & 790 FEL

At proposed prod. zone same

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

10. DISTANCE FROM PROPOSED*

LOCATION TO NEAREST
PROPERTY OR LEASE LINE, FT.
(Also to nearest drlg. unit line, if any)18. DISTANCE FROM PROPOSED LOCATION*
TO NEAREST WELL, DRILLING, COMPLETED,
OR APPLIED FOR, ON THIS LEASE, FT.

16. NO. OF ACRES IN LEASE

957.92

19. PROPOSED DEPTH

1350

17. NO. OF ACRES ASSIGNED
TO THIS WELL

160

20. ROTARY OR CABLE TOOLS

Rotary

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

5951' GL

22. APPROX. DATE WORK WILL START*

Aug. 15, 1980

23.

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
9-3/4"	7"	23#	90'	50 Sacks
6-1/4"	4-1/2"	9.5#	1150'	150 sacks

Will drill 9-3/4" hole to 90 ft. and set 90 ft. of 7", 23 lb./ft., J-55 used casing with 50 sacks Class B cement. Will drill 6-1/4" hole to 1350' and run 1150 ft. of 4-1/2", 9.5#, J-55 used casing and cement with 150 sacks Econofill & neat cement. No abnormal pressures or temperatures are anticipated. Circulating medium will be clear water, natural mud and water loss control additives. Will drill out with air to test Fruitland & Pictured Cliffs zones to 1350 ft. Will run Gamma Ray-Neutron logs. Blowout preventer schematic drawing attached. The gas from this formation is not dedicated.

TOPS

Ojo Alamo
Kirtland
Fruitland
Pic. CliffsSurface
200'
975'
1250'

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

(This space for Federal or State office use)

PERMIT NO.

APPROVAL DATE

APPROVED BY

TITLE

DATE

CONDITIONS OF APPROVAL, IF ANY:

DRILLING OPERATIONS AUTHORIZED ARE
SUBJECT TO COMPLIANCE WITH ATTACHED
"GENERAL REQUIREMENTS"

July 18, 1980

*See Instructions On Reverse Side

OIL CONSERVATION DIVISION

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENTP. O. BOX 2088
SANTA FE, NEW MEXICO 87501Form C-107
Revised 10-1-78

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

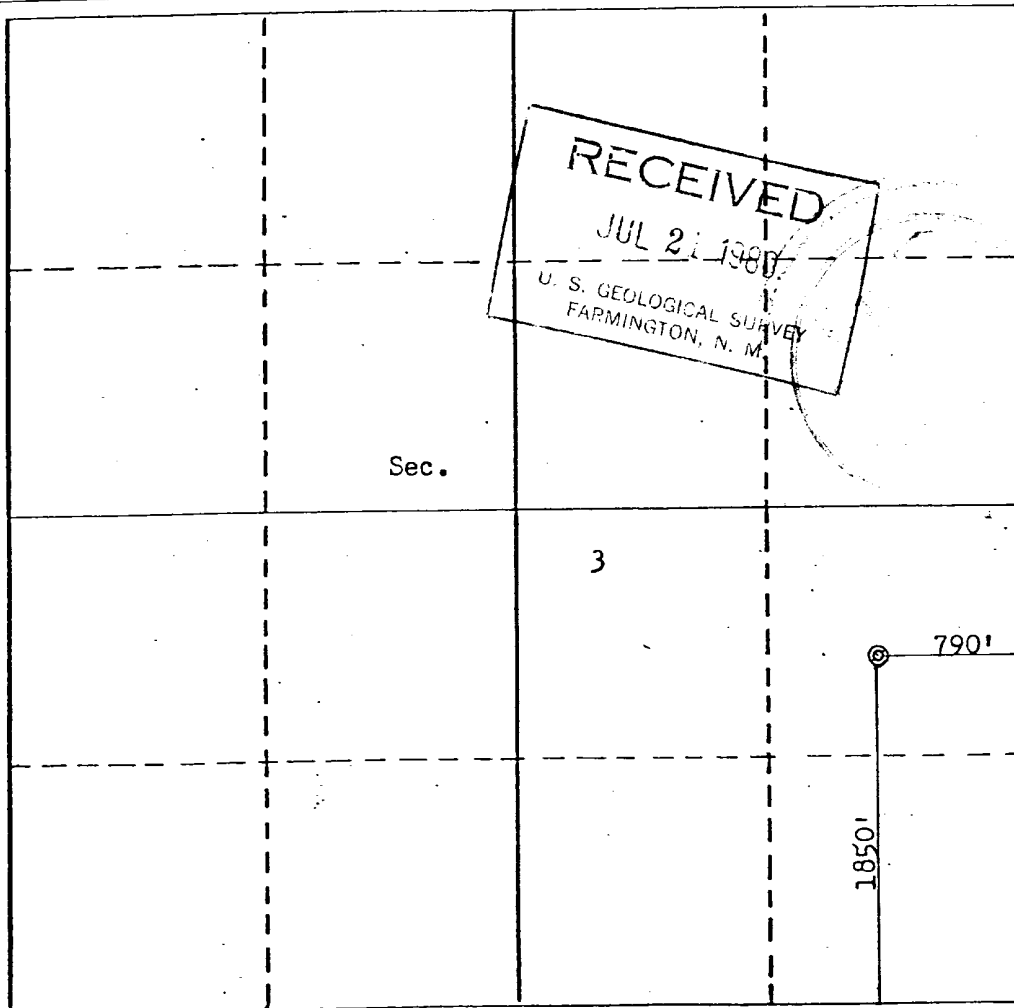
Operator MERRION & BAYLESS			Lease HICKMAN		Well No. 8
Unit Letter I	Section 3	Township 26N	Range 12W	County San Juan	
Actual Footage Location of Wells 1850 feet from the South line and 790 feet from the East line					
Ground Level Elev. 5951	Producing Formation Fruitland/Pictured Cliffs	Pool South Gallegos Fruitland Wildcat Pictured Cliffs	Dedicated Acreage 160 Acres		

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 Commission.



CERTIFICATION

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

Gregory Merrion

Name
J. Gregory Merrion

Position
Co-Owner

Company
MERRION & BAYLESS

Date
July 18, 1980

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.

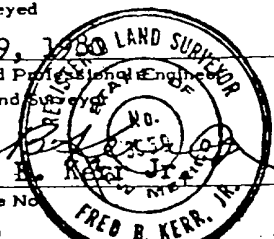
Date Surveyed

July 9, 1980

Registered Professional Engineer
and/or Land Surveyor
Fred B. Kerr, Jr.

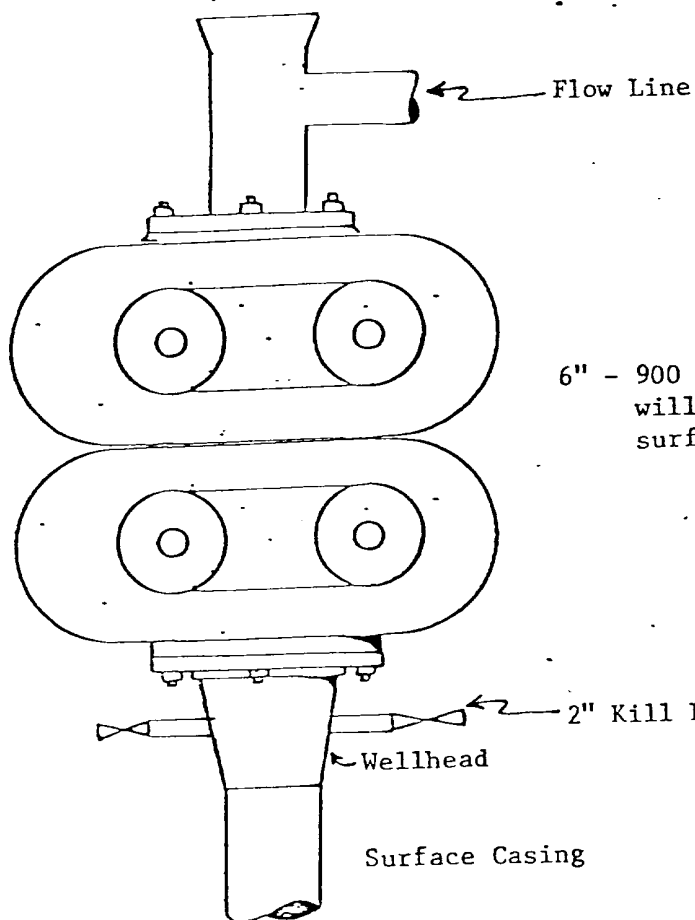
Certificate No.

3950



SURFACE WELL CONTROL EQUIPMENT

MERRION & BAYLESS
Hickman #8
Section 3, T26N, R12W
San Juan County, New Mexico



6" - 900 Series hydraulic Double Ram BOP which will be tested to 500 PSIG after setting of surface casing

2" Kill Line with 2000 WOG Ball Valve
Wellhead

Surface Casing

MERRION~BAYLESS

DRAWN BY

REVISED

APPROVED BY:

SCALE:

DATE:

SCHEMATIC

DRAWING NUMBER

SURFACE USE AND OPERATIONS PLAN

MERRION & BAYLESS
Hickman #8
Section 3, T26N, R12W
San Juan County, New Mexico

- 1 & 2. A topographical map is attached showing location of drillsite and access roads to location; approximately 400 ft. of new road is anticipated and is color coded accordingly on the map. 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 topo map.
4. A. Existing facilities located within a one mile radius of the proposed location owned or controlled by the Operator and shown on the attached map:
wellheads, tank batteries, plastic surface flowline.
- B. Anticipated new facilities shown on the attached map:
wellhead.
- C. Rehabilitation plans for the disturbed areas no longer needed for operations and maintenance:
per stipulations from the N.I.I.P.
5. A. Location & type of water supply: El Paso Natural Gas Company's Chaco Plant; waste water pond;
- B. Water located on ☒ Federal, ☐ State, ☐ Indian, or ☒ private surface.
- C. Method of transporting water: water truck.
- D. Water will be hauled on proposed access route noted in item 1 & 2.
6. Source of construction materials: none required.
7. Methods of Disposal of water materials: Cuttings resulting from drilling, garbage, and sewage will be buried in drilling pit; salts and chemicals are not anticipated; eventual disposal of drilling fluids and any produced oil or water recovered during testing operations will be in drilling pit and buried.
8. No ancillary facilities are anticipated.
9. Wellsite layout is attached.
10. Plans for restoration of the surface:

Will be seeded according to agreement with surface owner as soon as feasible upon completion of drilling operations.
11. Other Information:
- A. Surface ownership at well location and access route: N.I.I.P.
- B. General description: rolling topography, sandy/shaley soil with sagebrush and grass;
- C. General surface use activities: grazing use and wildlife habitat;
- D. Environmental statement will be furnished by ~~archeologist upon completion of surface inspections~~ N.I.I.P. who has already cleared surface by archeological inspection.

12. Operator representative:

Robert L. Bayless
Co-Owner
Merrion & Bayless
P.O. Box 1541
Farmington, NM 87401

(505) 325-5093

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 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.

July 18, 1980
DATE

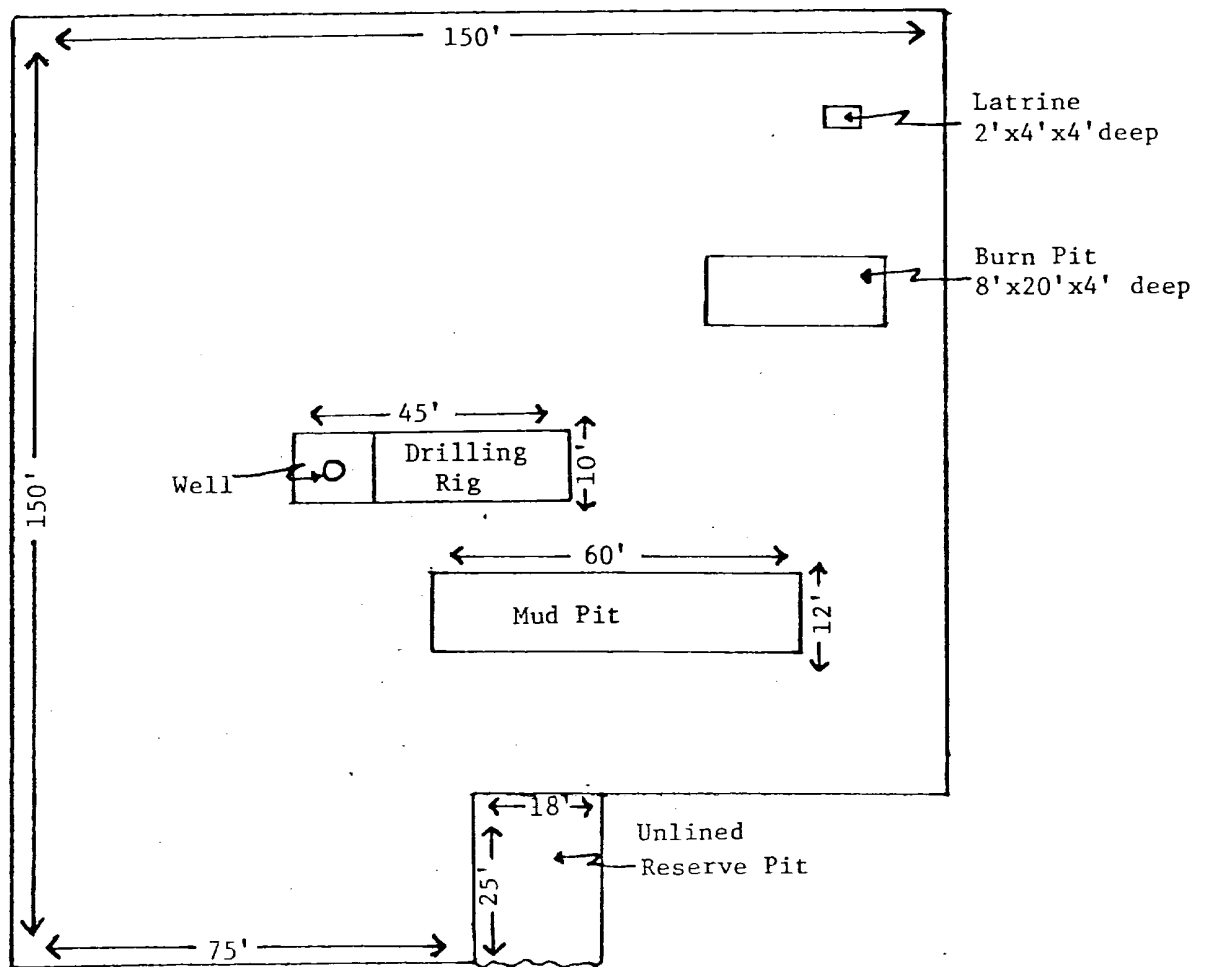

J. GREGORY MERRION

MERRION & BAYLESS

LOCATION AND EQUIPMENT LAYOUT

Shallow Wells

Hickman #8
Section 3, T26N, R12W
San Juan County, New Mexico



Scale: 1" = 30'

MERRION & BAYLESS
Hickman #8
1850 FSL & 790 FEL
Section 3, T26N, R12W
San Juan County, New Mexico

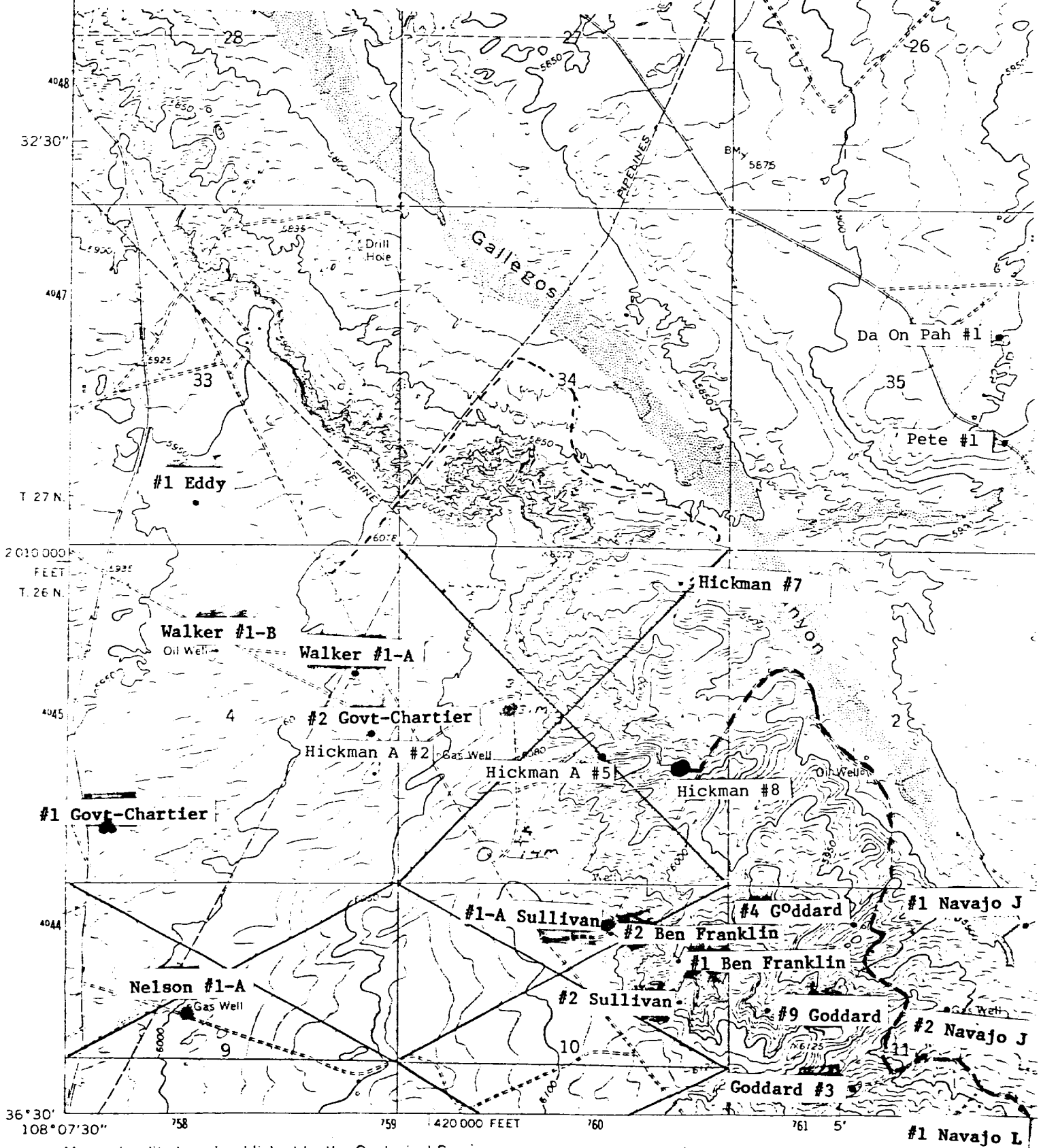
PROPOSED ACCESS ROUTE:

Existing

New

SURFACE FLOWLINE:

TANK BATTERIES



Mapped, edited, and published by the Geological Survey

Control by USGS, USC&GS, and U. S. Bureau of Reclamation

Topography by photogrammetric methods from aerial
photographs taken 1964 and by planetable surveys of the
ground in 1965. Field checked by USGS 1965.

*
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