SUBMIT IN TRIPLICATE.

(Other instructions on reverse side)

Form approved. Budget Bureau No. 42-R1425.

UNITED STATES
DEPARTMENT OF THE INTERIOR

	1145-		
5. LEASE	DESIGNATION	AND	SERIAL NO.

GEOLOGICAL SURVEY						SF 080238-A		
APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK						6. IF INDI	AN, ALLOTTEE OR TRIBE NAME	
1a. TYPE OF WORK	V TOR TERMIN	_					7 ENIT A	GREEMENT NAME
DRI	LL 🛚	DEEPEN [PLU	JG BAC	K 📙	1. UNIT Z	IRREMONT NAME
b. TYPE OF WELL			81	NGLE X	MULTIPE	. T	S. FARM (R LEASE NAME
	ELL X OTHER		ZO	NE C	ZONE	<u>- 4:</u>		Ltd.
2. NAME OF OPERATOR						9. WELL		
J. Gregory Merrion & Robert L. Bayless						3	: E	
3. ADDRESS OF OPERATOR P.O. Box 1541, Farmington, NM 87401						10. FIELD	AND POOL, OR WILDCAT	
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.*)						WAW I'r./Pic. Cliffs		
At surface 1800 FNL & 1850 FWL						11. SEC., 5	., R., M., OR BLE. URVEY OR AREA	
At proposed prod son	. same						, and s	DAVET OR ALLE
At proposed prod. zone Same						Į.	12, T26N, R13W	
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE®							12. COUNT	Y OR PARISH 13. STATE
Approx. 17 m	iles south of F	armington,	NM				San	~4 <u></u>
15. DISTANCE FROM PROPO LOCATION TO NEARES	OSED*		16. NO	. OF ACRES IN	LEASE	17. NO. C	OF ACRES AS	SIGN E D
PROPERTY OR LEASE 1 (Also to nearest dr)	LINE, PT.	800 ft.]	160				160
18 DISTANCE FROM PROF	OSED LOCATION*		19. PROPOSED DEPTH			20. ROTARY OR CABL TOOLS		
TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 1060 ft.		060 ft.	1300 ft.			Rotary		
21. ELEVATIONS (Show wh	ether DF, RT, GR, etc.)						22. APP	OX. DATE WORK WILL START
6023' GL							<u> </u>	April 30, 1980
23.	F	ROPOSED CASI	NG ANI	CEMENTING	G PROGRA	.М		: :
SIZE OF HOLE	SIZE OF CASING	WEIGHT PER F	TOOT	SETTING I	EPTH		QUANO	ITY OF CEMENT
9-3/4"	7"	23 lb.		90'		30 sa	cks (INCULATE
5"	2-7/8"	6.4 lb.		1300'		150 sa	cks ci)	culated to surfa
30 sacks Cla C-45 used ca to surface. medium will Induction an	ss H cement. W sing and cement No abnormal pr be clear water, d Density logs.	ill drill : with 150 : essures or natural m	5" ho sacks temp ud, a	le to 130 Class H eratures nd water	00 ft. with 2 are an loss o	and rull 8 D-79 ticipation	n 1300 cemen ted. (addit	ir where
		DOMEN	X 111 11 11 11 11 11 11 11 11 11 11 11 1	mone.			į	OIL CON. COM.
	EODM3 m T O	ESTIM	epth	TOLD	ntent			DIST ON.
	FORMATIO Ojo Alam		eptn rface	<u>COI</u>	- ap	Peal Due	is subject lant to 30	DIST. 3
	Farmingt		450'			Puisu	ant to 30	CED administrati
Fruitland			913 '					7 290
	Pic. Cli	ffs 1	190'	Natu	ural Ga	ıs		· raf
AN ADOUG CREEK PROCESS	F PROPOSED PROCEAM ! If	proposal is to des	a de la composition della comp				ductive zon:	and proposed new productive vertical depths. Give blowou
zone. If proposal is to preventer program, if an	arm or deepen affections	ally, give pertiner	data	A ENDE	D'tions ar	nd measure	ed and true	and proposed new productive vertical depths. Give blowout
24.	# 1							
A	In_ X U		$\mathbf{V}(\mathbb{R})$	FYPTH	est,		n.	re April 14, 198
SIGNED			YAA	SISIMS	reg			
(This space for Fed	eral or State office use)	7	JISTRIC VISTORII	T ENGINEE	ER :			
managem P.O.		1	,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	APPROVAL DAT				
PERMIT NO.								
APPROVED BY		Т	ITLE				DA	re
CONDITIONS OF APPRO	VAL, IF ANY:							

OIL CONSERVATION DIVISION

STATE OF NEW MEXICO LHERGY MIS MINERALS DEPARTMENT

P. O. BOX 2088 SANTA FL, NEW MEXICO 87501

Form C-102 kevised 10-1-78

All distances must be from the cuter houndaries of the Section Well No. 1 case Cherator CHACO LIMITED MERRION & BAYLESS County Township Range Unit Letter San Juan 13W 26N Actual Footage Location of Well: feet from the West 1850 North line line and feet from the 1800 Dedicated Acreage: Producing Formation Ground Level Elev. WAW Fruitland/Pic. Cliffs 160 Acres Pic. Cliffs 6023 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? If answer is "yes," type of consolidation No Yes 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. (ERTIFICATION I hereby certify that the information contained hereit is true and complete to the Steven S. Dunn Position Engineer 18501 Company Merrion & Bayless April 14, 1980 Sec. 12 hereby certify that the well location rshows on this plat was plotted from field of octual surveys made by me or OH. CON. Nunder my supervision, and that the same rue and correct to the best of my TeleT nowledge and belief. Date Survey and/or L Certificate N 3950

1000

2640

1320 1650

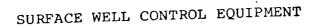
1980

2310

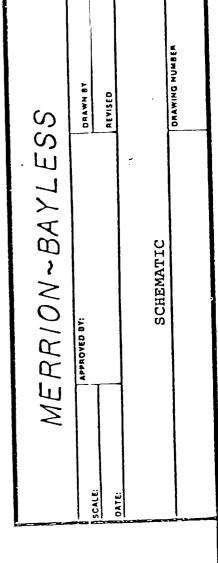
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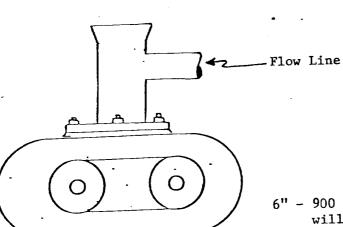
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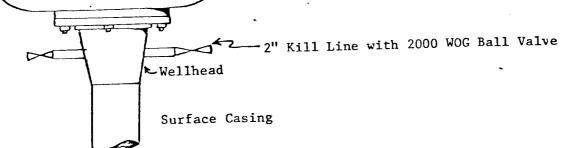


MERRION & BAYLESS
Chaco Ltd. #3
Section 12, T26N, R13W
San Juan County, New Mexico





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



MERRION & BAYLESS Chaco Ltd. #3 Section 12, T26N, R13W San Juan County, New Mexico

- 1 & 2. A topographical map is attached showing location of drillsite and access road 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.
 - 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.
 - 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 test 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.

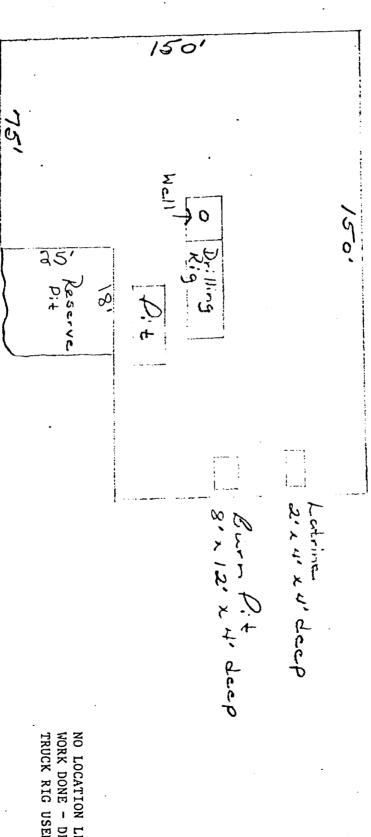
4 15 80 Date

STEVEN S. DUNN

Engineer

Merrion & Bayless

Chaco Ltd. #3
Section 12, T26N, R13W
San Juan County, New Mexico MERRION & BAYLESS



NORTH

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

