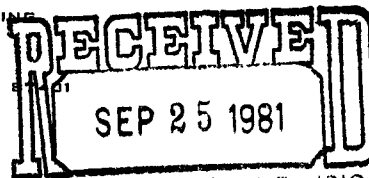


ROBERT L. BAYLESS

PETROLEUM CENTER BUILDING

P. O. BOX 1541

FARMINGTON, NEW MEXICO 87401



OIL CONSERVATION DIVISION  
SANTA FE

September 22, 1981

State of New Mexico  
Oil Conservation Division  
P.O. Box 2088  
Santa Fe, NM 87501

NSL-1426  
Rule 3 R 1620  
10-15-81

ATTENTION: Mr. R. L. Stomats

RE: Application for Administrative  
Approval of Unorthodox Location  
Scarecrow #1  
SE/SE Sec. 4, T24N, R8W 760 S 900 E  
San Juan County, N.M.

*Basin - Dakota*

Gentlemen:

In response to your telephone request of last Friday, enclosed please find copies of waiver requests to offset owners reflecting our desire to carry the Scarecrow #1 to the Dakota formation. Also enclosed is an amended plat dedicating 320 acres instead of 40 as originally submitted.

Please advise if you require anything further.

Yours truly,

MERRION & BAYLESS

By   
ROBERT L. BAYLESS

RLB/eh

Enclosures: 2 - waiver letters  
2 - location plat  
2 - acreage plat

xc: NMOCC, Aztec  
Dugan Production Corp.  
Cotton Petroleum Corp. ✓

ROBERT L. BAYLESS

PETROLEUM CENTER BUILDING

P. O. BOX 1541

FARMINGTON, NEW MEXICO 87401

RECEIVED

SEP 23 1981

COTTON PETROLEUM CORP  
DENVER



CERTIFIED MAIL  
RETURN RECEIPT REQUESTED

September 22, 1981

Cotton Petroleum Corp.  
717 17th St., Suite 2200  
Denver, CO 80202

RE: Merrion & Bayless  
Scarecrow #1  
SE/4 Sec. 4, T24N, R8W  
San Juan County, NM

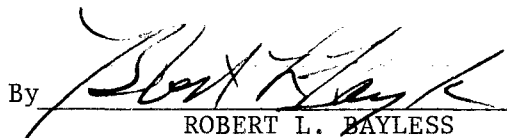
Gentlemen:

Please note from the enclosed copy of correspondence that the NMOCC has requested we notify offset owners of our desire to carry the above referenced location to the Dakota formation. If you have no objection to this proposal, we would appreciate your advising the NMOCC by signing a copy of this letter and sending it directly to Santa Fe.

If you have any questions, please do not hesitate to call.

Yours very truly,

MERRION & BAYLESS

By   
ROBERT L. BAYLESS

RLB/eh

Enclosures: NMOCC Correspondence  
Plat

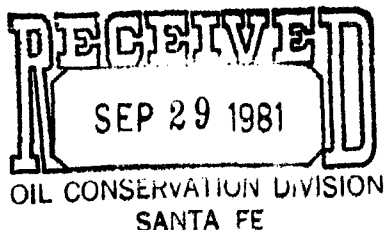
# # # # #

The undersigned has no objection to the above unorthodox location.

COTTON PETROLEUM CORPORATION

Date: 9-28-81

By: 



ROBERT L. BAYLESS  
PETROLEUM CENTER BUILDING  
P. O. BOX 1541  
FARMINGTON, NEW MEXICO 87401

CERTIFIED MAIL  
RETURN RECEIPT REQUESTED

September 22, 1981

1426

Dugan Production Corp.  
P.O. Box 208  
Farmington, NM 87401

RE: Merrion & Bayless  
Scarecrow #1  
SE/4 Sec. 4, T24N, R8W  
San Juan County, NM

Gentlemen:

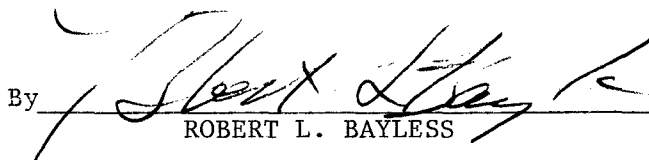
Please note from the enclosed copy of correspondence that the NMOCC has requested we notify offset owners of our desire to carry the above referenced location to the Dakota formation. If you have no objection to this proposal, we would appreciate your advising the NMOCC by signing a copy of this letter and sending it directly to Santa Fe.

If you have any questions, please do not hesitate to call.

Yours truly,

MERRION & BAYLESS

By

  
ROBERT L. BAYLESS

RLB/eh

Enclosures: NMOCC Correspondence  
revised plat

#####

The undersigned has no objection to the above unorthodox location.

DUGAN PRODUCTION CORP.

Date: 9-25-81

By: 

**ROBERT L. BAYLESS**

PETROLEUM CENTER BUILDING

P. O. BOX 1541

FARMINGTON, NEW MEXICO 87401

September 4, 1981

Dugan Production Corp.  
P.O. Box 208  
Farmington, NM 87499

RE: Merrion & Bayless  
Scarecrow #1  
SE/4 Sec. 4, T24N, R8W  
San Juan County, NM

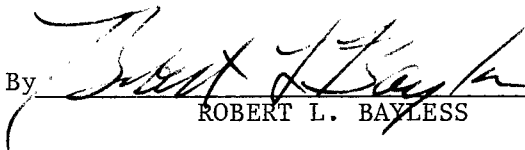
Gentlemen:

As you will note from the copy of the application enclosed, Merrion & Bayless are applying for an administrative approval of an unorthodox location on the above referred to well. We would appreciate your advising the NMOCC that you have no objection to this location.

It would be helpful if you would sign a copy of this letter and return it directly to the Commission in Santa Fe.

Yours very truly,

MERRION & BAYLESS

By:   
ROBERT L. BAYLESS

RLB/eh

Enclosures: Application Data

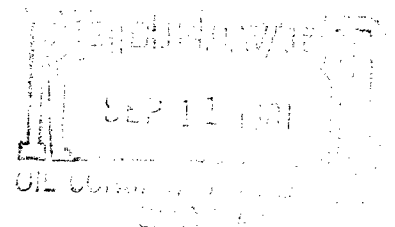
# # #

The undersigned has no objection to the above unorthodox location.

DUGAN PRODUCTION CORP.

Date: 9-8-81

By: 



ROBERT L. BAYLESS  
PETROLEUM CENTER BUILDING  
P. O. BOX 1541  
FARMINGTON, NEW MEXICO 87401

*Called  
Bob Bayless to  
9-18-81  
refile as a  
test*

September 4, 1981

State of New Mexico  
Oil Conservation Division  
P.O. Box 2088  
Santa Fe, NM 87501

ATTN: Mr. Joe D. Ramey

RE: Application for Administrative  
Approval of Unorthodox Location  
for Merrion & Bayless  
Scarecrow #1  
SE/SE Sec. 4, T24N, R8W  
San Juan County, NM

Gentlemen:

We request administrative approval of subject unorthodox location because of topography conditions. The orthodox site would be on the edge of a mesa.

Offset owner, Dugan Production Corp., is being concurrently notified, copy of correspondence attached.

Yours truly,

MERRION & BAYLESS

By

  
ROBERT L. BAYLESS

RLB/eh

Enclosures: Plat  
Topo  
Offset Owner Correspondence

xc: NMOCC - Aztec  
Dugan Production Corp.

The map shows a central area with the following blocks and labels:

- Top Left Block (Blue):** Labeled "USA Open" (vertical text) and "4".
- Top Middle Block (Yellow):** Labeled "M&B", "NM-", and "28752".
- Top Right Block (Blue):** Labeled "USA Open" (vertical text) and "3".
- Bottom Left Block (Orange):** Labeled "Dugan", "Prod.", "NM-", and "16589".
- Bottom Middle Block (Blue):** Labeled "USA" and "Open".
- Bottom Right Block (Red):** Labeled "M&B", "NM-", and "014580".

A red dot is located between the top and bottom blocks, labeled "Scarecrow #1".

## OIL CONSERVATION DIVISION

STATE OF NEW MEXICO

P. O. BOX 2048

Form C-107  
Revised 10-

ENERGY AND MINERALS DEPARTMENT

SANTA FE, NEW MEXICO 87501

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

Operator <b>MERRION &amp; BAYLESS</b>		Lease <b>Scarecrow</b>		Well No. <b>1</b>
Unit Letter <b>P</b>	Section <b>4</b>	Township <b>24N</b>	Range <b>8W</b>	County <b>San Juan</b>
Actual Footage Location of Well: <b>760</b> feet from the <b>South</b> line and <b>900</b> feet from the <b>East</b> line				
Ground Level Elev: <b>6883</b>	Producing Formation <b>Gallup</b>	Pool <b>Wildcat</b>	Dedicated Acreage: <b>40</b> 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.

Sec.		4

Scale: 1"=1000'

## CERTIFICATION

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

Name

Steven S. Dunn

Position

Engineer

Company

Merrion &amp; Bayless

Date

August 26, 1981

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

August 21, 1981

Registered Professional Engineer  
and Land Surveyor

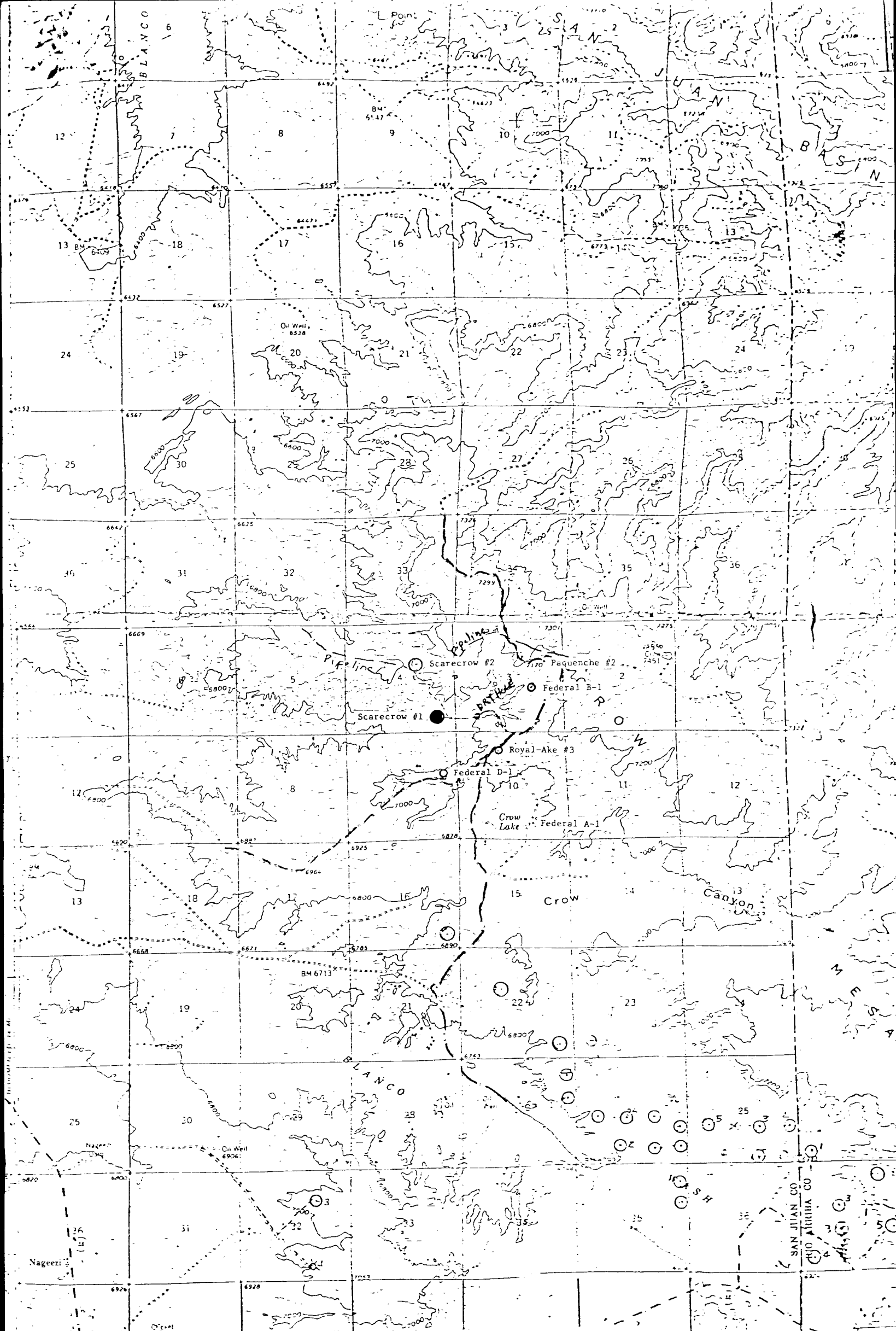
2. 12. 1981  
Fred B. Kerr Jr.

Certification No.

3950

KERR, JR.





MERRION & BAYLESS  
Scarecrow #1  
760' FSL & 900' FEL  
Section 4, T24N, R8W  
San Juan County, New Mexico

SCALE 1:62,500

Map revised and published by the Ge

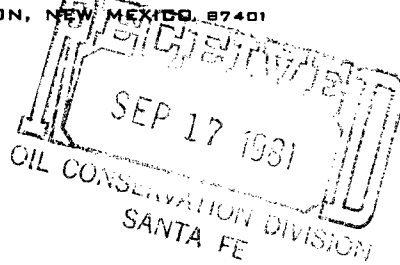


**ROBERT L. BAYLESS**

PETROLEUM CENTER BUILDING

P. O. BOX 1541

FARMINGTON, NEW MEXICO 87401



September 14, 1981

State of New Mexico  
Oil Conservation Division  
P.O. Box 2088  
Santa Fe, NM 87501

ATTN: Mr. Joe D. Ramey

RE: Application for Administrative  
Approval of Unorthodox Location  
Scarecrow #1  
SE/SE Sec. 4, T24N, R8W  
San Juan County, N.M.

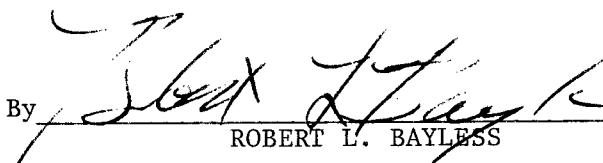
Gentlemen:

We are contemplating deepening the Scarecrow #1 from the Gallup formation to the Dakota formation, but this decision will only be made after the Gallup has been penetrated and evaluated to some degree. Therefore, we request the above application which was submitted on September 4, 1981 be approved administratively to allow this possible deepening to the Dakota formation.

Yours truly,

MERRION & BAYLESS

By

  
ROBERT L. BAYLESS

RLB/eh

xc: NMOCC, Aztec

ROBERT L. BAYLESS  
PETROLEUM CENTER BUILDING  
P. O. BOX 1541  
FARMINGTON, NEW MEXICO 87401

September 4, 1981

Dugan Production Corp.  
P.O. Box 208  
Farmington, NM 87499

RE: Merrion & Bayless  
Scarecrow #1  
SE/4 Sec. 4, T24N, R8W  
San Juan County, NM

Gentlemen:

As you will note from the copy of the application enclosed, Merrion & Bayless are applying for an administrative approval of an unorthodox location on the above referred to well. We would appreciate your advising the NMOCC that you have no objection to this location.

It would be helpful if you would sign a copy of this letter and return it directly to the Commission in Santa Fe.

Yours very truly,

MERRION & BAYLESS

**Original Signed By**  
**ROBERT L. BAYLESS**

By \_\_\_\_\_  
ROBERT L. BAYLESS

RLB/eh

Enclosures: Application Data

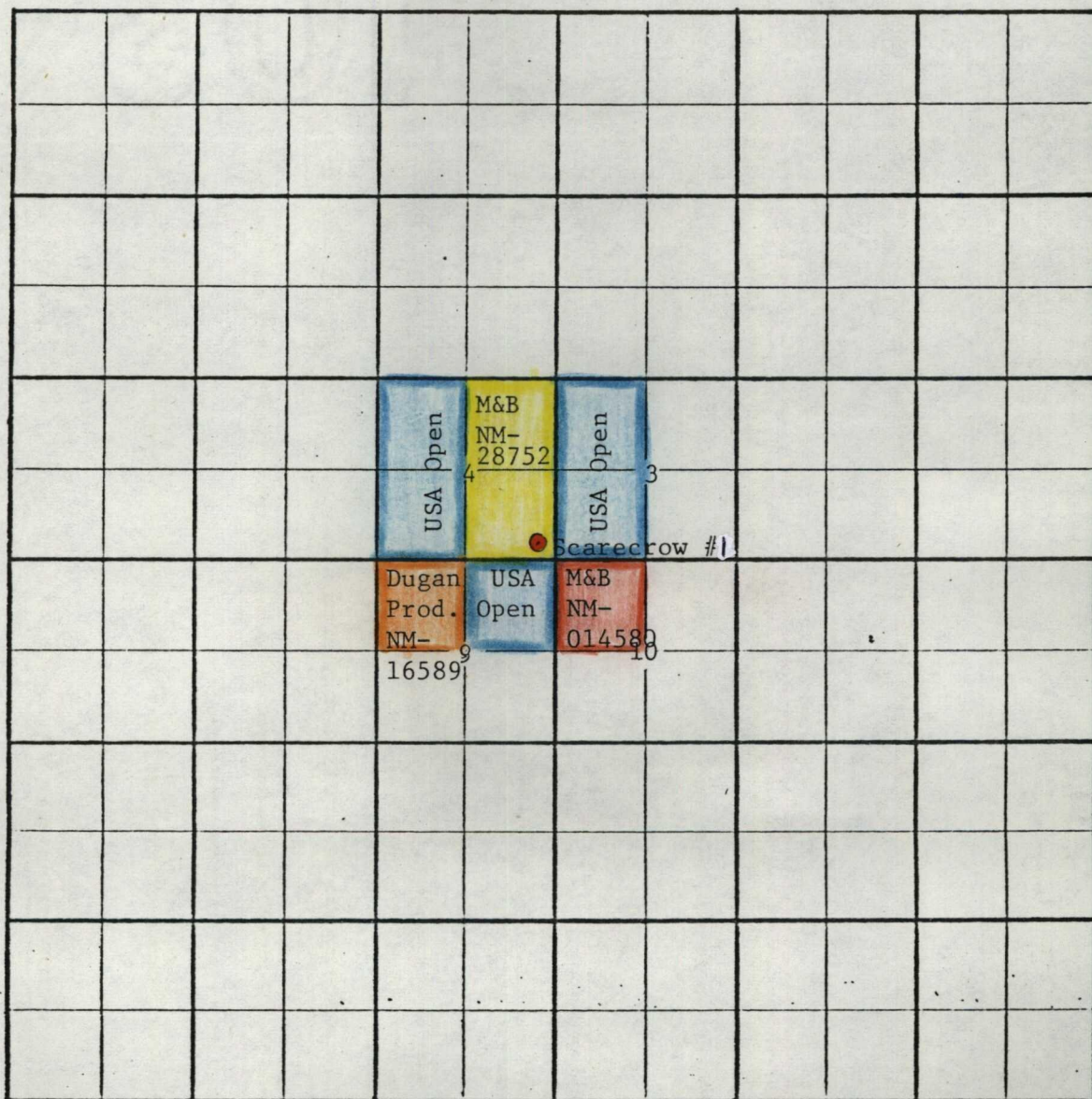
# # #

The undersigned has no objection to the above unorthodox location.

DUGAN PRODUCTION CORP.

Date: \_\_\_\_\_ By: \_\_\_\_\_

MERRION & BAYLESS  
APPLICATION FOR UNORTHODOX LOCATION  
Scarecrow #1  
SE/SE Section 4, T24N, R8W  
San Juan County, N.M.



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

Operator: <b>MERRION &amp; BAYLESS</b>		Lease: <b>Scarecrow</b>		Well No. <b>1</b>
Unit Letter <b>P</b>	Section <b>4</b>	Township <b>24N</b>	Range <b>8W</b>	County <b>San Juan</b>
Actual Footage Location of Well: <b>760</b> feet from the <b>South</b> line and <b>900</b> feet from the <b>East</b> line				
Ground Level Elev: <b>6883</b>	Producing Formation <b>Gallup</b>	Pool <b>Wildcat</b>	Dedicated Acreage: <b>40</b> 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.


Scale: 1"=1000'

CERTIFICATION

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

Name  
**Steven S. Dunn**

Position  
**Engineer**

Company  
**Merrion & Bayless**

Date  
**August 26, 1981**

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  
**August 21, 1981**  
Registered Professional Engineer and Land Surveyor  
**Frederic B. Kerr Jr.**  
Certificate No.  
**3950**





STATE OF NEW MEXICO  
ENERGY AND MINERALS DEPARTMENT

OIL CONSERVATION DIVISION  
AZTEC DISTRICT OFFICE

1000 RIO BRAZOS ROAD  
AZTEC, NEW MEXICO 874  
(505) 334-6178

OIL CONSERVATION DIVISION  
BOX 2088  
SANTA FE, NEW MEXICO 87501

DATE Sept. 15, 1981

RE: Proposed MC \_\_\_\_\_  
Proposed DHC \_\_\_\_\_  
Proposed NSL ✓ \_\_\_\_\_  
Proposed SWD \_\_\_\_\_  
Proposed WFX \_\_\_\_\_  
Proposed PMX \_\_\_\_\_

142<sup>3</sup>

Gentlemen:

I have examined the application dated Sept. 8, 1981  
for the Merrion-Bowless Scorecrow #1 P-4-24N-8W  
Operator Lease and Well No. Unit, S-T-R

and my recommendations are as follows:

Approve  
11

Yours truly,

Jeff A. Schuster  
JS

RECEIVED  
SEP 28 1981  
OIL CONSERVATION DIVISION  
AZTEC DISTRICT OFFICE