



STATE OF NEW MEXICO

ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION

GARREY CARRUTHERS
GOVERNOR

January 19, 1989

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87504
(505) 827-5800

Robert L. Bayless
P.O. Box 168
Farmington, New Mexico 87499

Attention: Kevin H. McCord

Dear Mr. McCord:

Reference is made to your application dated December 30, 1988 for approval of a non-standard well location, non-standard proration unit, and downhole commingling on your Ruby Well No. 1, located in Section 34, Township 26 North, Range 12 West, NMPM, San Juan County, New Mexico. Please be advised that additional information is needed to process your application. As per the terms of Rule (13) contained in Division Order No. R-8768, downhole commingling may be approved provided that the information required by Rule 303 (C)(1)(b) of the Division Rules and Regulations is filed. I am enclosing a copy of Rule 303 (C)(1)(b) for your information.

Also please be advised that in order to process your application for a non-standard proration unit, we request that you send an offset lease ownership plat, and proof of notification to all such offset operators as required by Rule (6), also contained in said Order No. R-8768.

If you have any questions, please contact Mr. David Catanach or Mr. Mike Stogner at (505) 827-5800.

Sincerely,

A handwritten signature of David Catanach in dark ink.

David Catanach

xc: M. Stogner

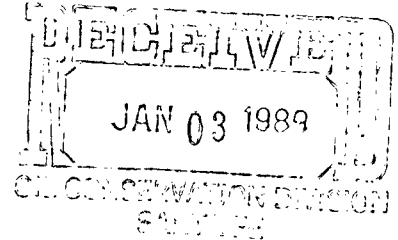
cc - E Busch 1/26/89

ROBERT L. BAYLESS

PETROLEUM PLAZA BUILDING
P. O. BOX 168
FARMINGTON, NEW MEXICO 87499
(505) 326-2659

December 30, 1988

Mr. William J. LeMay
NM Oil Conservation Division
P.O. Box 2088
Santa Fe, New Mexico 87501



RE: Ruby #1
790' FNL & 1790' FWL
Section 34, T26N, R12W
San Juan County, New Mexico

Dear Mr. LeMay:

We hereby request administrative approval of an unorthodox location, unorthodox proration unit, and downhole commingling of the Fruitland Coal and the Pictured Cliffs formations for the above-referenced well. These changes are necessitated by Order No. R-8768 regarding the Basin-Fruitland Coal Gas Pool. Enclosed please find an updated C-102 and C-104 for your approval.

If you need any further information in this regard, please advise.

Yours truly,

Kevin H. McCord
Kevin H. McCord
Petroleum Engineer

*DHC - portion passed on file to
Cetmarch*

KHM/lmo

- off-site

Enclosures

cc: NMOCD - Aztec w/encls. ✓

All distances must be from the corner boundaries of the Section

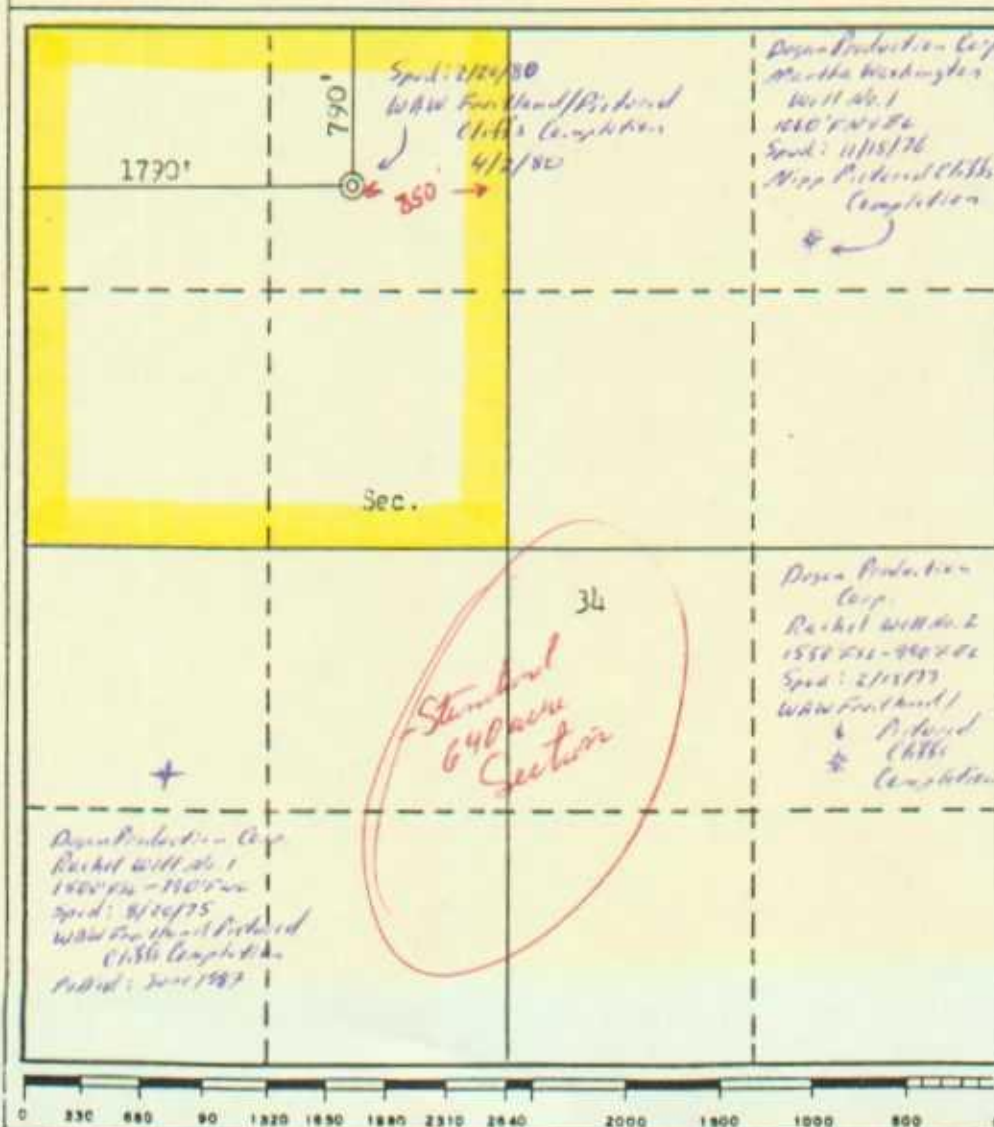
| | | | | | |
|---|--|------------------------|-------------------------------------|---------------------------|--|
| Operator - ROBERT L. BAYLESS | | | Lease RUBY | | Well No. 1 |
| Unit Letter C | Section 34 | Township 25N | Range 12W | County San Juan | |
| Actual Footage Location of Well: 790 feet from the North line and 1790 feet from the West line | | | | | |
| Ground Level Elev. 6173 | Producing Formation Fruitland Coal | | Pool Basin-Fruitland Coal | | 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.

Name
Kevin H. McCord
Position
Petroleum Engineer
Company
Robert L. Bayless
Date
12/30/88

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
June 5, 1979
Registered Professional Engineer and/or Land Surveyor

Fred E. Gerrard
Certificate No.
3950

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT

| | |
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| LAND OFFICE | |
| TRANSPORTER | OIL |
| | GAS |
| OPERATOR | |
| PRODUCTION OFFICE | |

OIL CONSERVATION DIVISION
P. O. BOX 2088
SANTA FE, NEW MEXICO 87501

Form C-104
Revised 10-01-78
Format 06-01-83
Page 1

REQUEST FOR ALLOWABLE
AND
AUTHORIZATION TO TRANSPORT OIL AND NATURAL GAS

I. Operator
Robert L. Bayless

Address
P.O. Box 168, Farmington, NM 87499

Reason(s) for filing (Check proper box)

| | | |
|--|---|-------------------------------------|
| <input type="checkbox"/> New Well | Change in Transporter of: | <input type="checkbox"/> Dry Gas |
| <input type="checkbox"/> Recompletion | <input type="checkbox"/> Oil | <input type="checkbox"/> Condensate |
| <input type="checkbox"/> Change in Ownership | <input type="checkbox"/> Casinghead Gas | |

Other (Please explain)
Change in Pool Name

If change of ownership give name
and address of previous owner _____

II. DESCRIPTION OF WELL AND LEASE

| | | | | |
|--|---------------|--|--|----------------------------------|
| Lease Name Ruby | Well No. 1 | Pool Name, including Formation Basin-Fruitland Coal | Kind of Lease State, Federal or Fee Navajo Allotted | Lease No. N00-C-14 20-7470 |
| Location Unit Letter C : 790 Feet From The north Line and 1790 Feet From The west Line of Section 34 Township 26N Range 12W, NMPM, San Juan County | | | | |

III. DESIGNATION OF TRANSPORTER OF OIL AND NATURAL GAS

| | |
|--|--|
| Name of Authorized Transporter of Oil <input type="checkbox"/> or Condensate <input type="checkbox"/> | Address (Give address to which approved copy of this form is to be sent) |
| Name of Authorized Transporter of Casinghead Gas <input type="checkbox"/> or Dry Gas <input checked="" type="checkbox"/> | Address (Give address to which approved copy of this form is to be sent) |
| El Paso Natural Gas | P.O. Box 990, Farmington, NM 87499 |
| If well produces oil or liquids, give location of tanks. | Unit Sec. Twp. Rge. Is gas actually connected? When |
| | yes 6/4/80 |

If this production is commingled with that from any other lease or pool, give commingling order number: _____

NOTE: Complete Parts IV and V on reverse side if necessary.

VI. CERTIFICATE OF COMPLIANCE

I hereby certify that the rules and regulations of the Oil Conservation Division have been complied with and that the information given is true and complete to the best of my knowledge and belief.

Kevin H. McCord (Signature)
Petroleum Engineer
(Title)
12/30/88
(Date)

OIL CONSERVATION DIVISION

APPROVED _____, 19____
BY _____
TITLE _____

This form is to be filed in compliance with RULE 1104.
If this is a request for allowable for a newly drilled or deepened well, this form must be accompanied by a tabulation of the deviation tests taken on the well in accordance with RULE 111.
All sections of this form must be filled out completely for allowable on new and recompleted wells.
Fill out only Sections I, II, III, and VI for changes of owner, well name or number, or transporter, or other such change of condition.
Separate Forms C-104 must be filed for each pool in multiply completed wells.

IV. COMPLETION DATA

| | | | | | | | | | |
|---|-----------------------------|----------|-----------------|----------|----------|-------------------|-----------|-------------|--------------|
| Designate Type of Completion - (X) | | Oil Well | Gas Well | New Well | Workover | Deepen | Plug Back | Same Res'v. | Diff. Res'v. |
| Date Spudded | Date Compl. Ready to Prod. | | Total Depth | | | P.B.T.D. | | | |
| Elevations (DF, RKB, RT, CR, etc.) | Name of Producing Formation | | Top Oil/Gas Pay | | | Tubing Depth | | | |
| Perforations | | | | | | Depth Casing Shoe | | | |
| TUBING, CASING, AND CEMENTING RECORD | | | | | | | | | |
| HOLE SIZE | CASING & TUBING SIZE | | DEPTH SET | | | SACKS CEMENT | | | |
| | | | | | | | | | |
| | | | | | | | | | |
| | | | | | | | | | |
| | | | | | | | | | |
| | | | | | | | | | |

V. TEST DATA AND REQUEST FOR ALLOWABLE (Test must be after recovery of total volume of load oil and must be equal to or exceed top allowable for this depth or be for full 24 hours)

| | | | |
|---------------------------------|-----------------|---|------------|
| Date First New Oil Run To Tanks | Date of Test | Producing Method (Flow, pump, gas lift, etc.) | |
| Length of Test | Tubing Pressure | Casing Pressure | Choke Size |
| Actual Prod. During Test | Oil - Bbls. | Water - Bbls. | Gas - MCF |

GAS WELL

| | | | |
|----------------------------------|---------------------------|---------------------------|-----------------------|
| Actual Prod. Test - MCF/D | Length of Test | Bbls. Condensate/MMCF | Gravity of Condensate |
| Testing Method (pitot, back pr.) | Tubing Pressure (shut-in) | Casing Pressure (shut-in) | Choke Size |

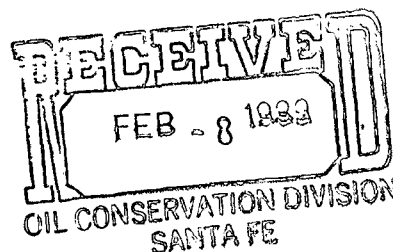
*Copy sent to E. Bosch
3/10/89*

ROBERT L. BAYLESS

PETROLEUM PLAZA BUILDING
P. O. BOX 168
FARMINGTON, NEW MEXICO 87499
(505) 326-2659

February 7, 1989

Mr. William J. LeMay
NM Oil Conservation Division
310 Old Santa Fe Trail, Room 206
Santa Fe, New Mexico 87503



RE: Ruby #1
790' FNL & 1790' FWL
Section 34, T26N, R12W
San Juan County, NM

Dear Mr. LeMay:

This shall serve as a follow-up letter to our request of December 30, 1988, for administrative approval of an unorthodox location, unorthodox proration unit, and downhole commingling of the Fruitland Coal and Pictured Cliffs formations for the above referenced well. Mr. David Catanach has requested further information from us on this matter in his letter of January 19, 1989.

The Ruby #1 meets the conditions of downhole commingling rule 303 (C)(1)(b) as follows:

- (1) The downhole commingling of the Fruitland Coal and Pictured Cliffs formations in this well is necessary to produce the Pictured Cliffs zone that otherwise would not be economically producible. Before the Ruby #1 was re-perforated in the Fruitland Coal, the Pictured Cliffs zone in this well was capable of making approximately 1 MCFGPD which was uneconomical. After the Fruitland Coal interval was perforated in March of 1988, the well is now capable of producing approximately 7 MCFGPD. We would propose to allocate production to each of these zones in this same proportion, i.e. 14% to the Pictured Cliffs formation and 86% to the Fruitland Coal formation.
- (2) There should not be any crossflow between the commingled zones. A surface shut-in pressure of 50 psi was recorded on 3/21/88 with only the Pictured Cliffs zone open. After the Fruitland Coal was perforated, the shut-in pressure recorded on this well was 75 psi on 3/22/88. The downhole pressures are similar for these zones and crossflow should not occur.
- (3) The Pictured Cliffs zone in this well is not a fluid-sensitive sand. Cement was circulated from TD to the surface when casing was run on this well. All non-producing formations encountered in this well are isolated from the wellbore by cement. It should be noted that this well makes very little water (less than 1/4 BWPD) from both the Fruitland Coal and the Pictured Cliffs formation. This small amount of water should not hurt any producing formation.

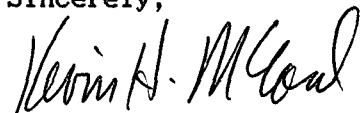
Mr. William LeMay
February 7, 1989
Page 2

- (4) The fluids from each zone in this well are compatible with each other. As stated in (3), the volume of water produced by this well is too small to cause any damage to either formation. In this area, there is little difference between Fruitland Coal gas and Pictured Cliffs gas. Therefore, gases should not cause damage to either formation. The information indicating the similarity of Fruitland Coal gas and Pictured Cliffs formation gas was presented as testimony in NMOCD Case No. 9420, the basis for Order No. R-8768.
- (5) The Ruby #1 has common working interest, royalty interest, and overriding royalty interest in both the Fruitland Coal and the Pictured Cliffs formations, for the existing 160 acre proration unit.
- (6) As stated in (2) above, the bottomhole pressures in the Fruitland Coal and Pictured Cliffs formations in this well are very similar. the bottomhole pressure of the lower pressure zone (Pictured Cliffs - approximately 50 psi) is not less than 50 percent of the bottomhole pressure of the higher pressure zone (Fruitland Coal - approximately 75 psi).

We have attached to this letter an offset lease ownership plat and proof of notification to all offset operators of the Ruby #1 well. It is important to note that the rework (re-perforating) performed on this well in March of 1988 was in full compliance with the rules and regulations of the WAW-Fruitland Pictured Cliffs Pool rules at that time. The rule changes brought about by Division Order No. R-8768 affect this well, but should not create an administrative burden on marginally economic wells such as this.

We trust that you now have sufficient information to process this application. Your prompt attention to this matter would be appreciated.

Sincerely,



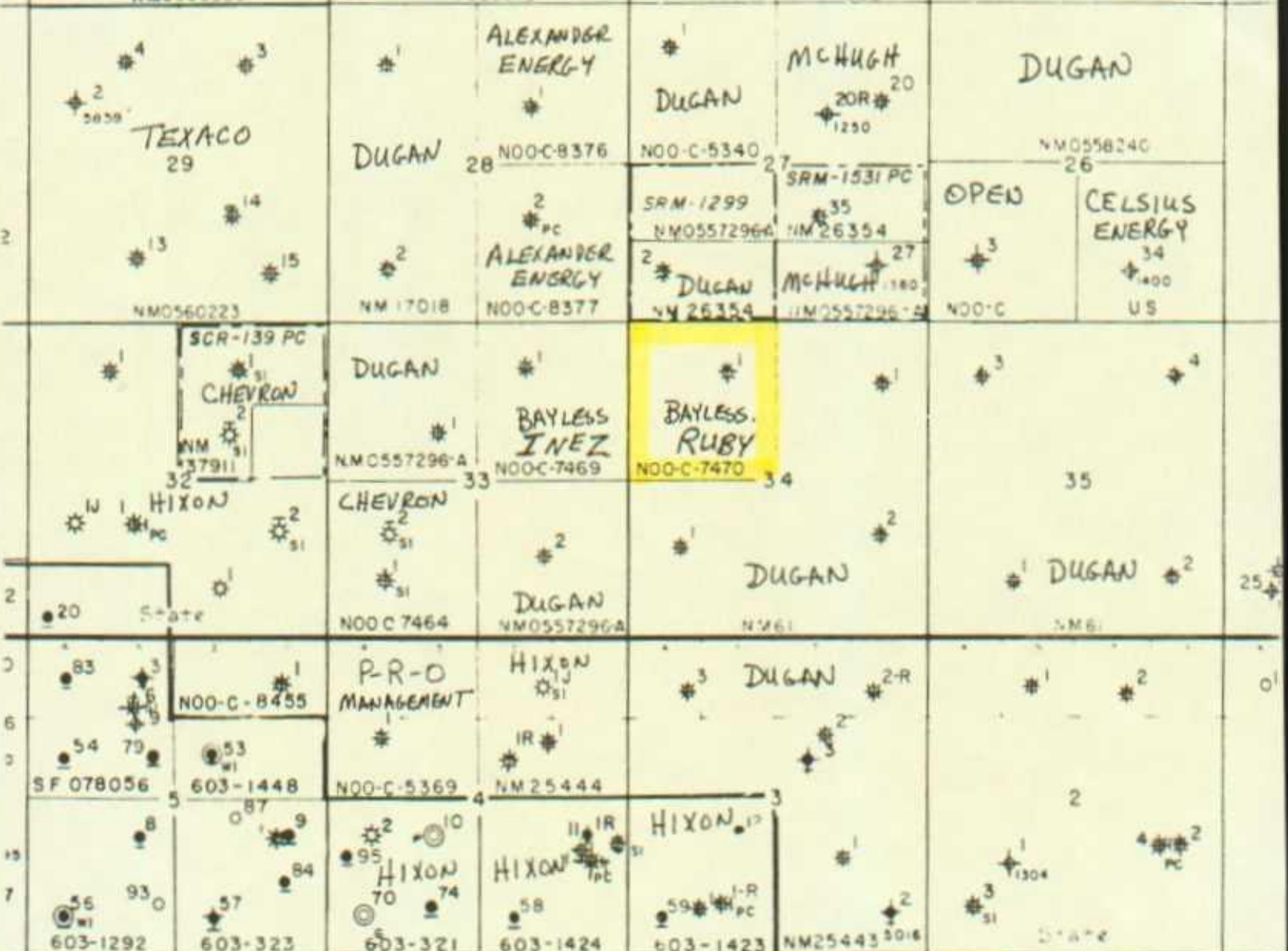
Kevin H. McCord
Petroleum Engineer

KHM/lmo

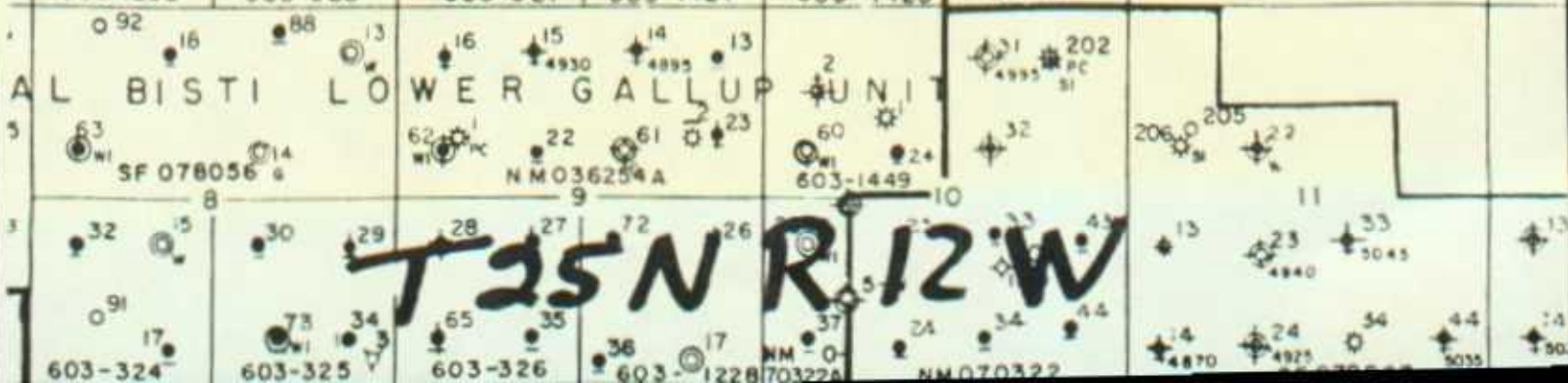
Enclosures

GALLEGOS

T26N R12W



T25N R12W



ROBERT L. BAYLESS

PETROLEUM PLAZA BUILDING
P. O. BOX 168
FARMINGTON, NEW MEXICO 87499
(505) 326-2659

February 7, 1989

Celsius Energy Company
P.O. Box 11070
Salt Lake City, Utah 84147

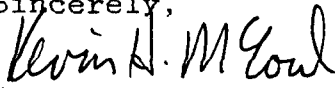
RE: Administrative Approval of an
Unorthodox Location, Unorthodox
Proration Unit, and Downhole
Commingling of the Fruitland Coal
and Pictured Cliffs Formations
Ruby #1
790' FNL & 1790' FWL
Section 34, T26N, R12W
San Juan County, NM

Gentlemen:

Robert L. Bayless has applied to the New Mexico Oil Conservation Division for administrative approval of an unorthodox location, unorthodox proration unit, and downhole commingling of the Fruitland Coal and Pictured Cliffs formations in the Ruby #1 well located in the NW/4 of Section 34, T26N, R12W, San Juan County, New Mexico. A copy of this application has been enclosed for your information.

Bayless has determined that you are an operator of offset acreage that could possibly be affected by the granting of this application by the NMOCD. We request your support and approval of this application. Please indicate this by signing and dating this letter and mailing one copy to NMOCD and one copy to our office in the envelopes provided. The original may be retained for your files.

Sincerely,


Kevin H. McCord
Petroleum Engineer

Enclosures

The undersigned has no
objection to the above
application.

CELSIUS ENERGY COMPANY

By: _____

Date: _____

ROBERT L. BAYLESS

PETROLEUM PLAZA BUILDING
P. O. BOX 168
FARMINGTON, NEW MEXICO 87499
(505) 326-2659

February 7, 1989

Texaco
P.O. Box EE
Cortez, Colorado 81321

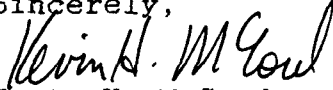
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Sincerely,


Kevin H. McCord
Petroleum Engineer

Enclosures

The undersigned has no
objection to the above
application.

TEXACO

By: _____

Date: _____

P 294 981 909

RECEIPT FOR CERTIFIED MAIL

Alexander Energy

501 NW Expressway, Ste. 600

Oklahoma City, OK 73118

.65

.85

.90

2.40

2/7/89 LMO

PS Form 3800, June 1985

P 294 981 910

RECEIPT FOR CERTIFIED MAIL

Celsius Energy Co.

P.O. Box 11070

Salt Lake City, UT 84147

.65

.85

.90

2.40

2/7/89 LMO

PS Form 3800, June 1985

P 294 981 917

RECEIPT FOR CERTIFIED MAIL

NO INSURANCE COVERAGE PROVIDED
NOT FOR INTERNATIONAL MAIL

(See Reverse)

| | |
|---|---------|
| Sent to | |
| Chevron U.S.A., Inc. | |
| Street and No. | |
| 60001 Bollinger Canyon Rd. | |
| P.O. State and ZIP Code | |
| San Ramon, CA 94583 | |
| Postage | \$.65 |
| Certified Fee | .85 |
| Special Delivery Fee | |
| Restricted Delivery Fee | |
| Return Receipt showing to whom and Date Delivered | .90 |
| Return Receipt showing to whom Date and Address of Delivery | |
| TOTAL Postage and Fees | \$ 2.40 |
| Postmark or Date | |
| 2/7/89 LMO | |

PS Form 3800, June 1985

P 294 981 911

RECEIPT FOR CERTIFIED MAIL

NO INSURANCE COVERAGE PROVIDED
NOT FOR INTERNATIONAL MAIL

(See Reverse)

| | |
|---|---------|
| Sent to | |
| Dugan Production Corp. | |
| Street and No. | |
| P.O. Box 5820 | |
| P.O. State and ZIP Code | |
| Farmington, NM 87499 | |
| Postage | \$.65 |
| Certified Fee | .85 |
| Special Delivery Fee | |
| Restricted Delivery Fee | |
| Return Receipt showing to whom and Date Delivered | .90 |
| Return Receipt showing to whom Date and Address of Delivery | |
| TOTAL Postage and Fees | \$ 2.40 |
| Postmark or Date | |
| 2/7/89 LMO | |

PS Form 3800, June 1985

P 294 981 912

RECEIPT FOR CERTIFIED MAIL

NO INSURANCE COVERAGE PROVIDED
NOT FOR INTERNATIONAL MAIL

(See Reverse)

* U.S.G.P.O. 1985-480-794

PS Form 3800, June 1985

| | |
|---|------|
| Sent to Hixon Development Co. | |
| Street and No. P.O. Box 2810 | |
| P.O. State and ZIP Code Farmington, NM 87499 | |
| Postage | .65 |
| Certified Fee | .85 |
| Special Delivery Fee | |
| Restricted Delivery Fee | |
| Return Receipt showing to whom and Date Delivered | .90 |
| Return Receipt showing to whom, Date, and Address of Delivery | |
| TOTAL Postage and Fees | 2.40 |
| Postmark or Date 2/7/89 LMO | |

P 294 981 913

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NO INSURANCE COVERAGE PROVIDED
NOT FOR INTERNATIONAL MAIL

(See Reverse)

* U.S.G.P.O. 1985-480-794

PS Form 3800, June 1985

| | |
|---|------|
| Sent to Jerome McHugh | |
| Street and No. 650 S. Cherry St., Ste. 1225 | |
| P.O. State and ZIP Code Denver, CO 80222 | |
| Postage | .65 |
| Certified Fee | .85 |
| Special Delivery Fee | |
| Restricted Delivery Fee | |
| Return Receipt showing to whom and Date Delivered | .90 |
| Return Receipt showing to whom, Date, and Address of Delivery | |
| TOTAL Postage and Fees | 2.40 |
| Postmark or Date 2/7/89 LMO | |

P 294 981 914

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NOT FOR INTERNATIONAL MAIL

(See Reverse)

* U.S.G.P.O. 1985-480-794

PS Form 3800, June 1985

| | |
|---|------|
| Sent to P-R-O Management | |
| Street and No. Box 158 | |
| P.O. State and ZIP Code Dallas, TX 75231 | |
| Postage | .65 |
| Certified Fee | .85 |
| Special Delivery Fee | |
| Restricted Delivery Fee | |
| Return Receipt showing to whom and Date Delivered | .90 |
| Return Receipt showing to whom, Date, and Address of Delivery | |
| TOTAL Postage and Fees | 2.40 |
| Postmark or Date 2/7/89 LMO | |

P 294 981 915

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NO INSURANCE COVERAGE PROVIDED
NOT FOR INTERNATIONAL MAIL

(See Reverse)

* U.S.G.P.O. 1985-480-794

PS Form 3800, June 1985

| | |
|---|------|
| Sent to Texaco | |
| Street and No. P.O. Box EE | |
| P.O. State and ZIP Code Cortez, CO 81321 | |
| Postage | .65 |
| Certified Fee | .85 |
| Special Delivery Fee | |
| Restricted Delivery Fee | |
| Return Receipt showing to whom and Date Delivered | .90 |
| Return Receipt showing to whom, Date, and Address of Delivery | |
| TOTAL Postage and Fees | 2.40 |
| Postmark or Date 2/7/89 LMO | |

ROBERT L. BAYLESS

PETROLEUM PLAZA BUILDING
P. O. BOX 168
FARMINGTON, NEW MEXICO 87499
(505) 326-2659



February 7, 1989

Alexander Energy
501 NW Expressway, Suite 600
Oklahoma City, Oklahoma 73118

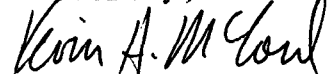
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Commingling of the Fruitland Coal
and Pictured Cliffs Formations
Ruby #1
790' FNL & 1790' FWL
Section 34, T26N, R12W
San Juan County, NM

Gentlemen:

Robert L. Bayless has applied to the New Mexico Oil Conservation Division for administrative approval of an unorthodox location, unorthodox proration unit, and downhole commingling of the Fruitland Coal and Pictured Cliffs formations in the Ruby #1 well located in the NW/4 of Section 34, T26N, R12W, San Juan County, New Mexico. A copy of this application has been enclosed for your information.

Bayless has determined that you are an operator of offset acreage that could possibly be affected by the granting of this application by the NMOCD. We request your support and approval of this application. Please indicate this by signing and dating this letter and mailing one copy to NMOCD and one copy to our office in the envelopes provided. The original may be retained for your files.

Sincerely,


Kevin H. McCord
Petroleum Engineer

Enclosures

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application.

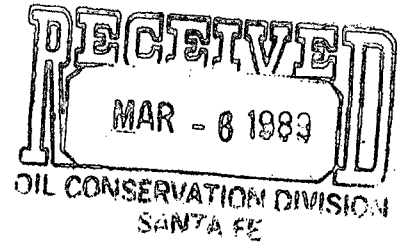
ALEXANDER ENERGY

By: 

Date: 03/02/89

ROBERT L. BAYLESS

PETROLEUM PLAZA BUILDING
P. O. BOX 168
FARMINGTON, NEW MEXICO 87499
(505) 326-2659



February 7, 1989

Jerome McHugh
650 S. Cherry St., Suite 1225
Denver, Colorado 80222

RE: Administrative Approval of an
Unorthodox Location, Unorthodox
Proration Unit, and Downhole
Commingling of the Fruitland Coal
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Kevin H. McCord
Petroleum Engineer

Enclosures

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Jerome McHugh

By: *Jerome B. McHugh*

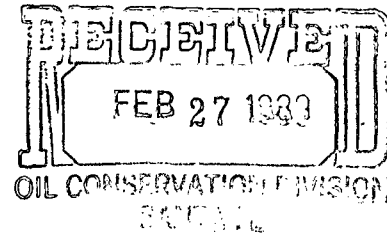
Date: 3/2/89

ROBERT L. BAYLESS

PETROLEUM PLAZA BUILDING
P. O. BOX 168
FARMINGTON, NEW MEXICO 87499
(505) 326-2659

February 7, 1989

P-R-O Management
Glen Lakes Tower 1313
Box 158
Dallas, Texas 75231



RE: Administrative Approval of an
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Proration Unit, and Downhole
Commingling of the Fruitland Coal
and Pictured Cliffs Formations
Ruby #1
790' FNL & 1790' FWL
Section 34, T26N, R12W
San Juan County, NM

Gentlemen:

Robert L. Bayless has applied to the New Mexico Oil Conservation Division for administrative approval of an unorthodox location, unorthodox proration unit, and downhole commingling of the Fruitland Coal and Pictured Cliffs formations in the Ruby #1 well located in the NW/4 of Section 34, T26N, R12W, San Juan County, New Mexico. A copy of this application has been enclosed for your information.

Bayless has determined that you are an operator of offset acreage that could possibly be affected by the granting of this application by the NMOCD. We request your support and approval of this application. Please indicate this by signing and dating this letter and mailing one copy to NMOCD and one copy to our office in the envelopes provided. The original may be retained for your files.

Sincerely,

Kevin H. McCord
Kevin H. McCord
Petroleum Engineer

Enclosures

The undersigned has no
objection to the above
application.

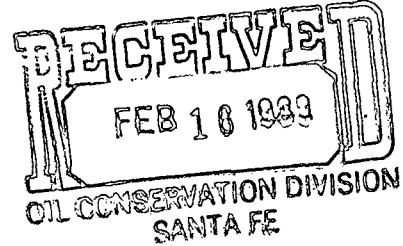
P-R-O Management

By: *Thomas R. Dandy*

Date: 2-17-89

ROBERT L. BAYLESS

PETROLEUM PLAZA BUILDING
P. O. BOX 168
FARMINGTON, NEW MEXICO 87499
(505) 326-2659



February 7, 1989

Dugan Production Corporation
P.O. Box 5820
Farmington, New Mexico 87499

RE: Administrative Approval of an
Unorthodox Location, Unorthodox
Proration Unit, and Downhole
Commingling of the Fruitland Coal
and Pictured Cliffs Formations

Ruby #1

790' FNL & 1790' FWL
Section 34, T26N, R12W
San Juan County, NM

Gentlemen:

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Sincerely,

Kevin H. McCord
Kevin H. McCord
Petroleum Engineer

Enclosures

The undersigned has no
objection to the above
application.

DUGAN PRODUCTION CORPORATION

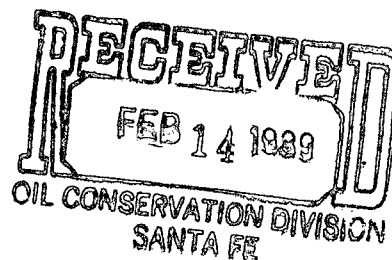
By:

Thomas A. Dugan
2-8-89

Date:

ROBERT L. BAYLESS

PETROLEUM PLAZA BUILDING
P. O. BOX 168
FARMINGTON, NEW MEXICO 87499
(505) 326-2659



February 7, 1989

Hixon Development Co.
P.O. Box 2810
Farmington, New Mexico 87401

RE: Administrative Approval of an
Unorthodox Location, Unorthodox
Proration Unit, and Downhole
Commingling of the Fruitland Coal
and Pictured Cliffs Formations
Ruby #1
790' FNL & 1790' FWL
Section 34, T26N, R12W
San Juan County, NM

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Sincerely,

Kevin H. McCord
Kevin H. McCord
Petroleum Engineer

Enclosures

The undersigned has no
objection to the above
application.

HIXON DEVELOPMENT COMPANY

By:

Aldrich L. Kuchera
Aldrich L. Kuchera
President

Date: February 8, 1989

ROBERT L. BAYLESS

PETROLEUM PLAZA BUILDING
P. O. BOX 168
FARMINGTON, NEW MEXICO 87499
(505) 326-2659



February 7, 1989

Chevron U.S.A. Inc.
60001 Bollinger Canyon Rd.
San Ramon, California 94583

RE: Administrative Approval of an
Unorthodox Location, Unorthodox
Proration Unit, and Downhole
Commingling of the Fruitland Coal
and Pictured Cliffs Formations
Ruby #1
790' FNL & 1790' FWL
Section 34, T26N, R12W
San Juan County, NM

Gentlemen:

Robert L. Bayless has applied to the New Mexico Oil Conservation Division for administrative approval of an unorthodox location, unorthodox proration unit, and downhole commingling of the Fruitland Coal and Pictured Cliffs formations in the Ruby #1 well located in the NW/4 of Section 34, T26N, R12W, San Juan County, New Mexico. A copy of this application has been enclosed for your information.

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Sincerely,

Kevin H. McCord
Kevin H. McCord
Petroleum Engineer

Enclosures

The undersigned has no
objection to the above
application.

CHEVRON U.S.A. INC.

By: *J. S. Godbold*

Date: *2/27/89*



STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION
AZTEC DISTRICT OFFICE

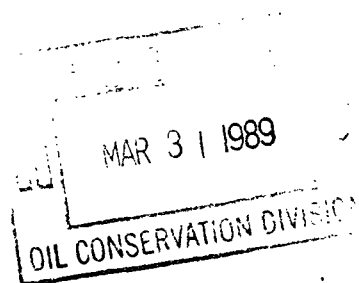
1000 RIO BRAZOS ROAD
AZTEC, NEW MEXICO 87410
(505) 334-6178

OIL CONSERVATION DIVISION
BOX 2088
SANTA FE, NEW MEXICO 87501

DATE 3-28-89

RE: Proposed MC
Proposed DIIC X
Proposed NSL X
Proposed SWD
Proposed WFX
Proposed PMX

NSP X



Gentlemen:

I have examined the application dated 3-13-89
for the Robert L. Bayless Lease #1 C-34-26N-12W
Operator Lease and Well No. Unit, S-T-R

and my recommendations are as follows:

Approve

Yours truly,

Ernest B. Bland



STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION
AZTEC DISTRICT OFFICE

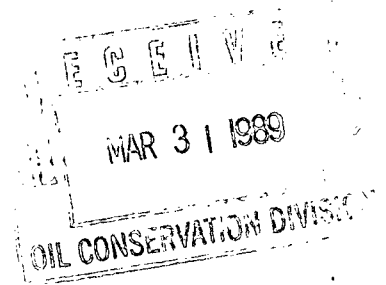
1000 RIO BRAZOS ROAD
AZTEC, NEW MEXICO 87410
(505) 334-6178

OIL CONSERVATION DIVISION
BOX 2088
SANTA FE, NEW MEXICO 87501

DATE 3-28-89

RE: Proposed MC _____
Proposed DHC X _____
Proposed NSL X _____
Proposed SWD _____
Proposed WFX _____
Proposed PMX _____

NSP X



Gentlemen:

I have examined the application dated 3-13-89
for the Robert L. Bayless Truby #1 C-34-26N-12W
Operator Lease and Well No. Unit, S-T-R

and my recommendations are as follows:

Approve

Yours truly,

Ernest Basch

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUBMIT IN TRIPLICATE*
(Other instructions on re-
verse side)

Budget Bureau No. 1004-0135
Expires August 31, 1985

SUNDRY NOTICES AND REPORTS ON WELLS

(Do not use this form for proposals to drill or to deepen or plug back to a different depth.
Use "APPLICATION FOR PERMIT" for such proposals.)

1. OIL WELL ☐ GAS WELL ☐ OTHER ☒

2. NAME OF OPERATOR

Robert L. Bayless

3. ADDRESS OF OPERATOR

P.O. Box 168, Farmington, NM 87499

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

See also space 17 below.)
At surface

790' FNL & 1790' FWL

14. PERMIT NO.

15. ELEVATIONS (Show whether DF, RT, OR, etc.)

6178' GL
OIL CONSERVATION DIV.
SALTATE

18. Check Appropriate Box To Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:

TEST WATER SHUT-OFF ☐

FRACTURE TREAT ☐

SHOOT OR ACIDIZE ☐

REPAIRS WELL ☐

(Other) ☐

PULL OR ALTER CASING ☐

MULTIPLE COMPLETE ☐

ABANDON* ☐

CHANGE PLANS ☐

SUBSEQUENT REPORT OF:

WATER SHUT-OFF ☐

FRACTURE TREATMENT ☒

SHOOTING OR ACIDIZING ☒

(Other) ☐

Fruitland Zone

REPAIRING WELL ☐

ALTERING CASING ☐

ABANDONMENT* ☐

(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

17. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work, if well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

per attached daily recap.

RECEIVED
JUN 17 1988
OIL CON. DIV.
DIST. 3

18. I hereby certify that the foregoing is true and correct

SIGNED

TITLE

Operator

DATE 6/8/88

(This space for Federal or State office use)

APPROVED BY

TITLE

DATE

CONDITIONS OF APPROVAL, IF ANY:

ACCEPTED FOR RECORD

JUN 15 1988

FARMINGTON RESOURCE AREA

INMOCO

*See Instructions on Reverse Side

3/17/88 Move in and rig up Bayless Rig 3. Blow down well. Unseat pump. Pull 45 - 5/8" rods and pump. Rigged to swab. Made one swab run. Did not find any fluid (line was dry). NOTE: rods were wet when pulled. SDFN.

3/18/88 to 3/20/88 Shut down.

3/21/88 Shutin pressure was 50 psi. Blew well down. Rigged up Basin Perforators. Ran sinker bars in hole. PBTD at 1266 ft. GL. Existing Pictured Cliffs perms are as reported - 1151 to 1156. There was 193' of fluid in hole, fluid level at 1073' GL. Perforated PC-Fruitland zone from 1140-1148 with 1 11/16" aluminum jet charges at 2 SPF - total 8' - 16 holes. Well started flowing. Well flowed 3 bbls. of fluid in 1 1/2 hours. Well making burnable gas. Rigged to swab. Swabbed well as follows: (See Swab Report). Made a total of 5.7 bbls. of fluid flowing and swabbing. Well is making burnable gas. Shut well in to build pressure. SDFN.

3/22/88 Overnight pressure: 75 psi on casing. Blew well down. Ran pump and rods as follows:

| <u>Description</u> | <u>Length</u> | <u>Depth</u> |
|---|---------------|--------------|
| G.L. to landing point | -3.00 | 0- -3 |
| 1 - 1 1/4" polished rod (4 ft. out) | 11.00 | -3- 4 |
| 43 jts. of 58" used plain rods | 1075.00 | 4-1079 |
| 1 - 1 1/16"x6x7x9 ft. RHB (bottom hold down casing pump w/packoff anchor assembly) | 9.50 | 1079-1089 |

Pump set at 1089 ft. Perforations from 1140 to 1156 ft. Hung off well. Filled hole with water and pressure tested packer to ±300 psi. Rigged down. Released rig.

OIL CONSERVATION DIVISION

Hobbs
P.O. Box 1980
Hobbs, NM 88240

Artesia
P.O. Drawer DD
Artesia, NM 88210

Aztec
1000 Rio Brazos
Aztec, NM 87410

NOTICE OF GAS WELL - CONNECTION / RECONNECTION / DISCONNECTION

This is to notify the Oil Conservation Division of the following:

| | | | |
|---------------------------|------------------------------|------------|-------------------------|
| Connection _____ | First Delivery _____ | Date _____ | Initial Potential _____ |
| Reconnection <u> X </u> | First Delivery <u>6/2/88</u> | Date _____ | Initial Potential _____ |
| Disconnection _____ | | | |

for delivery of gas from the Robert L. Bayless
Operator

N00-C-14-20-7470 (Ruby)
Lease

| | | | | |
|------------------|-----------------|-------------------|----------------------|-----------------------------|
| Meter Code _____ | Site Code _____ | Well No. <u>1</u> | Unit Letter <u>C</u> | Sec. <u>34</u> , T26N, R12W |
| | | | | S-T-R |

WAW Fruitland/Pictured Cliffs
Pool

was made on 6/2/88
date

150 MCFD (4/7/80)
AOF

1/2"
Choke

El Paso Natural Gas Co.
Transporter

RECEIVED

JUN 06 1988

OIL CON. DIV

DIST. ?

OCD use only

County 045

Land Type N

Liq. Transporter _____

Kevin H. McGord, Petroleum Engineer
Representative Name/Title
(Please type or print)

Kevin H. McGord
Representative Signature

Submit in duplicate to the appropriate district office.

RECEIVED
FEB 12 1988
OIL CONSERVATION DIVISION
SANTA FE

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT

| | |
|-----------------------|-----|
| NO. OF COPIES DESIRED | |
| DISTRIBUTION | |
| SANTA FE | |
| FILE | |
| U.S.G.A. | |
| LAND OFFICE | |
| TRANSPORTER | OIL |
| | GAS |
| OPERATOR | |
| PERMITS OFFICE | |

OIL CONSERVATION DIVISION
P. O. BOX 2088
SANTA FE, NEW MEXICO 87501

REQUEST FOR ALLOWABLE
AND
AUTHORIZATION TO TRANSPORT OIL AND NATURAL GAS

Form C-104
Revised 10-01-78
Form 08-01-81
RECEIVED
FEB 03 1988
OIL CON. DIV.,
DIST. 3

I. Operator
Robert L. Bayless
Address
P.O. Box 168, Farmington, New Mexico 87499
Reason(s) for filing (Check proper box)
☐ New Well ☐ Change in Transporter of: ☐ Oil ☐ Dry Gas
☐ Recompletion ☐ Leasehold Gas ☐ Condensate
☐ Change in Ownership
Other (Please explain)
Change of Operator

If change of operator, give name and address of previous operator
Operator Merrion Oil & Gas Corp., P.O. Box 840, Farmington, NM 87499

II. DESCRIPTION OF WELL AND LEASE

| | | | | |
|--|---------------|---|--|-----------------------------------|
| Lease Name Ruby | Well No. 1 | Pool Name, including Formation WAW Fr./Pic. Cliffs | Kind of Lease Navajo State, Federal or Fee Allotted | Lease No. NOO-C-14- 20-7470 |
| Location Unit Letter C : 790 Feet From The North Line and 1790 Feet From The West Line of Section 34 Township 26N Range 12W, NMPM, San Juan County | | | | |

III. DESIGNATION OF TRANSPORTER OF OIL AND NATURAL GAS

| | |
|---|--|
| Name of Authorized Transporter of Oil <input type="checkbox"/> or Condensate <input type="checkbox"/> | Address (Give address to which approved copy of this form is to be sent) |
| Name of Authorized Transporter of Leasehold Gas <input type="checkbox"/> or Dry Gas <input checked="" type="checkbox"/> | Address (Give address to which approved copy of this form is to be sent) |
| El Paso Natural Gas | P.O. Box 990, Farmington, NM 87499 |
| If well produces oil or liquids, give location of tanks. | Is gas actually connected? When Yes 6/4/80 |

If this production is commingled with that from any other lease or pool, give commingling order number

NOTE: Complete Parts IV and V on reverse side if necessary.

VI. CERTIFICATE OF COMPLIANCE

hereby certify that the rules and regulations of the Oil Conservation Division have been complied with and that the information given is true and complete to the best of my knowledge and belief.

Robert L. Bayless (Signature)
Operator
(Title)
2/2/88
(Date)

OIL CONSERVATION DIVISION

APPROVED
BY Frank J. [Signature]
TITLE SUPERVISOR DISTRICT 3
FEB 03 1988

This form is to be filed in compliance with RULE 1104.
If this is a request for allowable for a newly drilled or deepened well, this form must be accompanied by a tabulation of the deviation tests taken on the well in accordance with RULE 111.
All sections of this form must be filled out completely for allowable on new and recompleted wells.
Fill out only Sections I, II, III, and VI for changes of owner, well name or number, or transporter or other such change of condition.
Separate Forms C-104 must be filed for each pool in multiply completed wells.

IV. COMPLETION DATA

| Designate Type of Completion - (X) | | Oil Well | Gas Well | New Well | Workover | Deepen | Plug Back | Same Res'v. | DILL Res'v. |
|--------------------------------------|-----------------------------|-----------------|-----------|----------|----------|-------------------|-----------|-------------|-------------|
| Date Spudded | Date Compl. Ready to Prod. | Total Depth | | | | P.S.T.D. | | | |
| Elevations (DF, RKB, RT, GR, etc.) | Name of Producing Formation | Top Oil/Gas Pay | | | | Tubing Depth | | | |
| Perforations | | | | | | Depth Casing Shoe | | | |
| TUBING, CASING, AND CEMENTING RECORD | | | | | | | | | |
| HOLE SIZE | CASING & TUBING SIZE | | DEPTH SET | | | SACKS CEMENT | | | |
| | | | | | | | | | |
| | | | | | | | | | |
| | | | | | | | | | |
| | | | | | | | | | |
| | | | | | | | | | |

V. TEST DATA AND REQUEST FOR ALLOWABLE (Test must be after recovery of total volume of load oil and must be equal to or exceed top allowable for this depth or be for full 24 hours)

| | | | |
|---------------------------------|-----------------|---|------------|
| Date First New Oil Run To Tanks | Date of Test | Producing Method (Flow, pump, gas lift, etc.) | |
| Length of Test | Tubing Pressure | Casing Pressure | Choke Size |
| Actual Prod. During Test | Oil - Bbls. | Water - Bbls. | Gas - MCF |

GAS WELL

| | | | |
|----------------------------------|---------------------------|---------------------------|-----------------------|
| Actual Prod. Test - MCF/D | Length of Test | Bbls. Condensate/MCF | Gravity of Condensate |
| Testing Method (pilot, back pr.) | Tubing Pressure (Shut-In) | Casing Pressure (Shut-In) | Choke Size |

| | |
|-------------------|-------------------------------------|
| DISTRIBUTION | |
| SANTA FE | <input checked="" type="checkbox"/> |
| FILE | <input type="checkbox"/> |
| U.S.G.S. | <input type="checkbox"/> |
| LAND OFFICE | <input type="checkbox"/> |
| TRANSPORTER | <input type="checkbox"/> |
| OIL | <input type="checkbox"/> |
| GAS | <input type="checkbox"/> |
| OPERATOR | <input type="checkbox"/> |
| PRODUCTION OFFICE | <input type="checkbox"/> |

NEW MEXICO OIL CONSERVATION COMMISSION
REQUEST FOR ALLOWABLE
AND
AUTHORIZATION TO TRANSPORT OIL AND NATURAL GAS

Form C-104
Supersedes Old C-104
Effective 1-1-83

MERRION OIL & GAS CORPORATION
Address
P. O. Box 1017, Farmington, New Mexico 87401

| | | | |
|--|---|-------------------------------------|--------------------|
| Reason(s) for filing (Check proper box) | | Other (Please explain) | |
| New Well <input type="checkbox"/> | Change in Transporter of: | | |
| Recompletion <input type="checkbox"/> | Oil <input type="checkbox"/> | Dry Gas <input type="checkbox"/> | |
| Change in Ownership <input type="checkbox"/> | Casinghead Gas <input type="checkbox"/> | Condensate <input type="checkbox"/> | Change of Operator |

If change of ~~operator~~ give name and address of previous owner J. Gregory Merrion & Robert L. Bayless, Box 1541, Farmington, NM

I. DESCRIPTION OF WELL AND LEASE

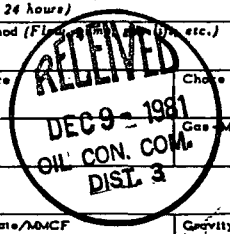
| | | | | |
|---|---------------|---|--|------------------------|
| Lease Name Ruby | Well No. 1 | Pool Name, including Formation WAW Fr./Pic. Cliffs | Kind of Lease Navajo State, Federal or Fee Allotted | Lease No. N00-14-21 |
| Location Unit Letter C : 790 Feet From The North Line and 1790 Feet From The West 7470 Line of Section 34 Township 26N Range 12W, NMPM, San Juan C. | | | | |

II. DESIGNATION OF TRANSPORTER OF OIL AND NATURAL GAS

| | |
|--|--|
| Name of Authorized Transporter of Oil <input type="checkbox"/> or Condensate <input type="checkbox"/> | Address (Give address to which approved copy of this form is to be sent) |
| Name of Authorized Transporter of Casinghead Gas <input type="checkbox"/> or Dry Gas <input checked="" type="checkbox"/> | Address (Give address to which approved copy of this form is to be sent) |
| El Paso Natural Gas | P. O. Box 990, Farmington, New Mexico |
| If well produces oil or liquids, give location of tanks. | Is gas actually connected? When Yes 6/4/80 |

If this production is commingled with that from any other lease or pool, give commingling order number:

V. COMPLETION DATA

| | | | | | | | | | |
|---|-----------------------------|-------------------|----------|--------------|----------|--------|-----------|-------------|-------|
| Designate Type of Completion - (X) | | Oil Well | Gas Well | New Well | Workover | Deepen | Plug Back | Same Res'v. | Diff. |
| Date Spudded | Date Compl. Ready to Prod. | Total Depth | | P.B.T.D. | | | | | |
| Elevations (DF, RKB, RT, GR, etc.) | Name of Producing Formation | Top Oil/Gas Pay | | Tubing Depth | | | | | |
| Perforations | | Depth Casing Shoe | | | | | | | |
| TUBING, CASING, AND CEMENTING RECORD | | | | | | | | | |
| HOLE SIZE | CASING & TUBING SIZE | DEPTH SET | | SACKS CEMENT | | | | | |
|  | | | | | | | | | |

V. TEST DATA AND REQUEST FOR ALLOWABLE OIL WELL (Test must be after recovery of total volume of load oil and must be equal to or exceed testable for this depth or be for full 24 hours)

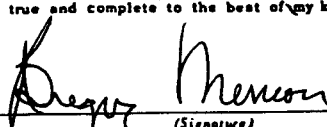
| | | | |
|---------------------------------|-----------------|-----------------------------------|------------|
| Date First New Oil Run To Tanks | Date of Test | Producing Method (Flowline, etc.) | |
| Length of Test | Tubing Pressure | Casing Pressure | Choke Size |
| Actual Prod. During Test | Oil-Bbls. | Water-Bbls. | Gas-MCF |

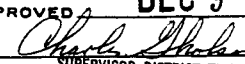
GAS WELL

| | | | |
|----------------------------------|---------------------------|---------------------------|-----------------------|
| Actual Prod. Test-MCF/D | Length of Test | Bbls. Condensate/MMCF | Gravity of Condensate |
| Testing Method (pilot, back pr.) | Tubing Pressure (shut-in) | Casing Pressure (shut-in) | Choke Size |

VI. CERTIFICATE OF COMPLIANCE

I hereby certify that the rules and regulations of the Oil Conservation Commission have been complied with and that the information given above is true and complete to the best of my knowledge and belief.


(Signature)
J. GREGORY MERRION, President
(Title)
11/23/81
(Date)

OIL CONSERVATION COMMISSION
APPROVED DEC 9 1981
BY 
SUPERVISOR DISTRICT 3
TITLE

This form is to be filed in compliance with RULE 1104.
If this is a request for allowable for a newly drilled or de well, this form must be accompanied by a tabulation of the de tests taken on the well in accordance with RULE 111.
All sections of this form must be filled out completely for able on new and recompleted wells.
Fill out only Sections I, II, III, and VI for changes of well name or number, or transporter, or other such change of cor
Separate Forms C-104 must be filled for each pool in a

EL PASO NATURAL GAS COMPANY
POST OFFICE BOX 990
FARMINGTON, NEW MEXICO

NOTICE OF GAS CONNECTION

DATE July 23, 1980

THIS IS TO NOTIFY THE OIL CONSERVATION COMMISSION THAT CONNECTION FOR PURCHASE OF

GAS FROM Merrion and Bayless
OperatorRuby #1

Well Name

93-080-01

Meter Code

21518-01

Site Code

C

Well Unit

34-26-12

S-T-R

WAW Fruitland Pictured Cliff

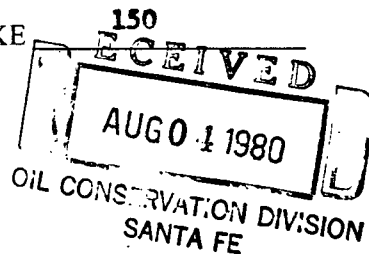
Pool

El Paso Natural Gas Company

Name of Purchaser

WAS MADE ON June 4, 1980
DateFIRST DELIVERY July 17, 1980
DateAOF -

CHOKE

El Paso Natural Gas Company

Purchaser

Original Signed by
Charles A. Thomas

Representative

Assistant Chief Dispatcher

Title

cc: Operator Farmington
Oil Conservation Commission - 2
Proration - El Paso

File



UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

SUNDRY NOTICES AND REPORTS ON WELLS

(Do not use this form for proposals to drill or to deepen or plug back to a different reservoir. Use Form 9-331-C for such proposals.)

1. oil ☐ well gas ☒ well other ☐

2. NAME OF OPERATOR
J. Gregory Merrion & Robert L. Bayless

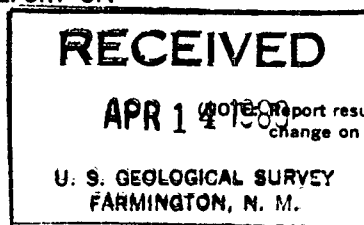
3. ADDRESS OF OPERATOR
P. O. Box 1541, Farmington, NM 87401

4. LOCATION OF WELL (REPORT LOCATION CLEARLY. See space 17 below.)
AT SURFACE: 790 FNL & 1790 FWL
AT TOP PROD. INTERVAL: same
AT TOTAL DEPTH: same

16. CHECK APPROPRIATE BOX TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

REQUEST FOR APPROVAL TO: SUBSEQUENT REPORT OF:

| | | |
|---------------------------|-------------------------------------|-------------------------------------|
| TEST WATER SHUT-OFF | <input type="checkbox"/> | <input type="checkbox"/> |
| FRACTURE TREAT | <input type="checkbox"/> | <input type="checkbox"/> |
| SHOOT OR ACIDIZE | <input type="checkbox"/> | <input type="checkbox"/> |
| REPAIR WELL | <input type="checkbox"/> | <input type="checkbox"/> |
| PULL OR ALTER CASING | <input type="checkbox"/> | <input type="checkbox"/> |
| MULTIPLE COMPLETE | <input type="checkbox"/> | <input type="checkbox"/> |
| CHANGE ZONES | <input type="checkbox"/> | <input type="checkbox"/> |
| ABANDON* | <input type="checkbox"/> | <input type="checkbox"/> |
| (other) run siphon string | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |



5. LEASE
N00-C-14-20-7470

6. IF INDIAN, ALLOTTEE OR TRIBE NAME
Navajo Allotted

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME
Ruby

9. WELL NO.
1

10. FIELD OR WILDCAT NAME
WAW Fruitland Pictured Cliffs

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA
Section 34, T26N, R12W

12. COUNTY OR PARISH
San Juan

13. STATE
New Mexico

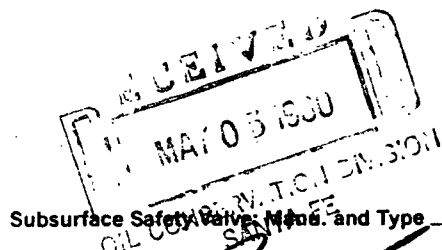
14. API NO.

15. ELEVATIONS (SHOW DF, KDB, AND WD)
6178' GL

17. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

Following omitted from report dated April 7, 1980:

04-03-80 Rig up swabbing unit. Run siphon string to plug back. Clean out with well gas. Land 1" siphon string at 1160' blowing to atmosphere. Rig down.



Subsurface Safety Valve: Make and Type _____ Set @ _____ Ft.

18. I hereby certify that the foregoing is true and correct

SIGNED [Signature] TITLE Operator DATE April 11, 1980

(This space for Federal or State office use)

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

ACCEPTED FOR RECORD

APR 30 1980

*See Instructions on Reverse Side

NMOCC

FARMINGTON DISTRICT
BY [Signature]

Instructions

General: This form is designed for submitting proposals to perform certain well operations, and reports of such operations when completed, as indicated, on Federal and Indian lands pursuant to applicable Federal law and regulations, and, if approved or accepted by any State, on all lands in such State, pursuant to applicable State law and regulations. Any necessary special instructions concerning the use of this form and the number of copies to be submitted, particularly with regard to local, area, or regional procedures and practices, either are shown below or will be issued by, or may be obtained from, the local Federal and/or State office.

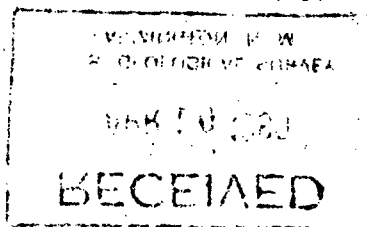
Item 4: If there are no applicable State requirements, locations on Federal or Indian land should be described in accordance with Federal requirements. Consult local State or Federal office for specific instructions.

Item 17: Proposals to abandon a well and subsequent reports of abandonment should include such special information as is required by local Federal and/or State offices. In addition, such proposals and reports should include reasons for the abandonment; data on any former or present productive zones, or other zones with present significant fluid contents not sealed off by cement or otherwise; depths (top and bottom) and method of placement of cement plugs; mud or other material placed below, between and above plugs; amount, size, method of parting of any casing, liner or tubing pulled and the depth to top of any left in the hole; method of closing top of well; and date well site conditioned for final inspection looking to approval of the abandonment.

04-07-80

SIP 205 PSIG; flow rate after 3 hrs. 150 MCF/day on 1/2" plate; 15 PSIG flowing pressure.

GPO : 1978 O - 214-149



UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

SUBMIT IN DUPLICATE*

(See other in-
structions on
reverse side)Form approved
Budget Bureau No. 42-R355.5.

WELL COMPLETION OR RECOMPLETION REPORT AND LOG*

| | | | | | | | |
|---|--|--|--|----------------------------------|-------------------------------------|---------------------------------------|--------------------------------|
| 1a. TYPE OF WELL: | | OIL WELL <input type="checkbox"/> | GAS WELL <input checked="" type="checkbox"/> | DRY <input type="checkbox"/> | Other <input type="checkbox"/> | | |
| b. TYPE OF COMPLETION: | | NEW WELL <input checked="" type="checkbox"/> | WORK OVER <input type="checkbox"/> | DEEP-EN <input type="checkbox"/> | PLUG BACK <input type="checkbox"/> | DIFF. RESER. <input type="checkbox"/> | Other <input type="checkbox"/> |
| 2. NAME OF OPERATOR J. Gregory Merrion & Robert L. Bayless | | | | | | | |
| 3. ADDRESS OF OPERATOR P.O. Box 1541, Farmington, NM 87401 | | | | | | | |
| 4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements)* At surface 790 FNL & 1790 FWL At top prod. interval reported below same At total depth same | | | | | | | |
| 14. PERMIT NO. DATE ISSUED | | | | | | | |
| 15. DATE SPUDDED 02-20-80 | | | | | | | |
| 16. DATE T.D. REACHED 02-22-80 | | | | | | | |
| 17. DATE COMPL. (Ready to prod.) 04-02-80 | | | | | | | |
| 18. ELEVATIONS (DF, RES, RT, OR, ETC.)* 6178' GL | | | | | | | |
| 19. ELEV. CASINGHEAD | | | | | | | |
| 20. TOTAL DEPTH, MD & TVD 1300' | | | | | | | |
| 21. PLUG, BACK T.D., MD & TVD 1267' GR | | | | | | | |
| 22. IF MULTIPLE COMPL., HOW MANY* | | | | | | | |
| 23. INTERVALS DRILLED BY | | | | | | | |
| 24. PRODUCING INTERVAL(S), OF THIS COMPLETION—TOP, BOTTOM, NAME (MD AND TVD)* 1151-56': Pictured Cliffs | | | | | | | |
| 25. WAS DIRECTIONAL SURVEY MADE no | | | | | | | |
| 26. TYPE ELECTRIC AND OTHER LOGS RUN Correlation Log | | | | | | | |
| 27. WAS WELL CORED no | | | | | | | |
| 28. CASING RECORD (Report all strings set in well) | | | | | | | |
| CASINO SIZE | | WEIGHT, LB./FT. | DEPTH SET (MD) | HOLE SIZE | CEMENTING RECORD | AMOUNT PULLED | |
| 7" | | 23# | 101.5' | 9-3/4" | 30 sacks | | |
| 2-7/8" | | 6.5# | 1298.5' | 5" | 80 sacks Econofill & 50 sacks Neat; | | |
| | | | | | circulated 5 sacks back | to surface. | |
| 29. LINER RECORD | | | | | | | |
| SIZE | | TOP (MD) | BOTTOM (MD) | SACKS CEMENT* | SCREEN (MD) | | |
| | | | | | | | |
| 30. TUBING RECORD | | | | | | | |
| SIZE | | DEPTH SET (MD) | PACKER SET (MD) | | | | |
| | | | | | | | |
| 31. PERFORATION RECORD (Interval, size and number) 1151-56' w/2PF, 10-holes, 2-1/8" glass jets. | | | | | | | |
| 32. ACID, SHOT, FRACTURE, CEMENT SQUEEZE, ETC. | | | | | | | |
| DEPTH INTERVAL (MD) | | AMOUNT AND KIND OF MATERIAL USED | | | | | |
| 1151-56' | | foam fraced w/12,000# 10/20, 80 MCF N ₂ , 81.4 bbls. 1% KCL. | | | | | |
| 33. PRODUCTION | | | | | | | |
| DATE FIRST PRODUCTION | | PRODUCTION METHOD (Flowing, gas lift, pumping—size and type of pump) | | | | WELL RECORD (Producing or Shut In) | |
| 03-28-80 | | flowing | | | | Shut In | |
| DATE OF TEST | | HOURS TESTED | CHOKE SIZE | PROD'N. FOR TEST PERIOD | OIL—BBL. | GAS—MCF. | WATER—BBL. |
| 04-07-80 | | 3 hrs. | 1/2" | → | 0 | 150/day | |
| FLOW. TUBING PRESS. | | CASING PRESSURE | CALCULATED 24-HOUR RATE | OIL—BBL. | GAS—MCF. | WATER—BBL. | PROD. RATIO |
| | | 15 PSIG | → | 0 | 150 | trace | |
| 34. DISPOSITION OF GAS (Sold, used for fuel, vented, etc.) vented | | | | | | | |
| 35. LIST OF ATTACHMENTS | | | | | | | |
| 36. I hereby certify that the foregoing and attached information is complete and correct as shown on all available records. | | | | | | | |
| SIGNED | | TITLE | | DATE | | DIST. | |
| [Signature] | | Engineer | | APR 17 1980 | | DIST. 8nn | |

*(See Instructions and Spaces for Additional Data on Reverse Side)

NMOCC

INSTRUCTIONS

General: This form is designed for submission of a well completion report and log on all types of wells, Federal, State, or local, or both, pursuant to applicable Federal and/or State laws and regulations. Any necessary special instructions concerning the use of this form and the number of copies to be submitted, particularly with regard to local, area, or regional procedures and practices, either are shown below or will be issued by, or may be obtained from, the local Federal and/or State office. See instructions on items 22 and 24, and 33, below regarding separate reports for separate completions. If not filed prior to the time this summary record is submitted, copies of all currently available logs (drillers, geologists, sample and core analysis, all types electric, etc.), formation and pressure tests, and directional surveys, should be attached hereto, to the extent required by applicable Federal and/or State laws and regulations. All attachments should be listed on this form, see item 35.

Item 4: If there are no applicable State requirements, local laws, or Federal or Indian land should be described in accordance with Federal requirements. Consult local State or Federal office for specific instructions.

Item 18: Indicate which elevation is used as reference (where not otherwise shown) for depth measurements given in other spaces on this form and in any attachments.

Items 22 and 24: If this well is completed for separate production from more than one interval zone (multiple completion), so state in item 22, and in item 24 show the producing interval, or intervals, top(s), bottom(s) and name(s) (if any) for only the interval reported in item 33. Submit a separate report (page) on this form, adequately identified, for each additional interval to be separately produced, showing the additional data pertinent to such interval.

Item 29: "Sacks Cement": Attached supplemental records for this well should show the details of any multiple stage cementing and the location of the cementing tool.

Item 33: Submit a separate completion report on this form for each interval to be separately produced. (See instruction for items 22 and 24 above.)

37. SUMMARY OF POROUS ZONES:

SHOW ALL IMPORTANT ZONES OF POROSITY AND CONTENTS THEREOF: CORRELATION INTERVALS, AND ALL DRILL-STEM TESTS, INCLUDING DEPTH INTERVAL TESTED, CURSION USED, TIME TOOL OPEN, FLOWING AND SHUT-IN PRESSURES, AND RECOVERIES

| FORMATION | TOP | BOTTOM | DESCRIPTION, CONTENTS, ETC. |
|-------------|------|--------|-----------------------------|
| Pic. Cliffs | 1150 | | natural gas. |

38.

GEOLOGIC MARKERS

| NAME | MEAS. DEPTH | TOP | TRUE VERT. DEPTH |
|-------------|-------------|-----|------------------|
| Ojo Alamo | Surface | | |
| Kittland | 100' | | |
| Fruitland | 850' | | |
| Pic. Cliffs | 1150' | | |

RECEIVED
APR 18 1980
OIL CON. COM.
DIST. 3

| | | |
|------------------------|-----|---|
| NO. OF COPIES RECEIVED | | 4 |
| DISTRIBUTION | | |
| SANTA FE | | |
| FILE | | |
| U.S.G.S. | | |
| LAND OFFICE | | |
| TRANSPORTER | OIL | |
| | GAS | 1 |
| OPERATOR | | 1 |
| PRORATION OFFICE | | |

NEW MEXICO OIL CONSERVATION COMMISSION
REQUEST FOR ALLOWABLE
AND
AUTHORIZATION TO TRANSPORT OIL AND NATURAL GAS

Form C-104
Supersedes Old C-104 and C-110
Effective 1-1-65

30-045-23839

I. Operator
J. Gregory Merrion & Robert L. Bayless
Address
P.O. Box 1541, Farmington, NM 87401
Reason(s) for filing (Check proper box)
New Well ☒ Change in Transporter of:
Recompletion ☐ Oil ☐ Dry Gas ☐
Change in Ownership ☐ Casinghead Gas ☐ Condensate ☐
Other (Please explain)
If change of ownership give name and address of previous owner

II. DESCRIPTION OF WELL AND LEASE

| | | | | | |
|---|---------------|---|--|--------------------|-----------------------------|
| Lease Name Ruby | Well No. 1 | Pool Name, including Formation WAW Fr./Pic. Cliffs | Kind of Lease State, Federal or Fee | Navajo Allotted | Lease No. NOO-C-14-27470 |
| Location Unit Letter C ; 790 Feet From The North Line and 1790 Feet From The West Line of Section 34 Township 26N Range 12W , NMPM, San Juan County | | | | | |

III. DESIGNATION OF TRANSPORTER OF OIL AND NATURAL GAS

| | | |
|--|--|----------------|
| Name of Authorized Transporter of Oil <input type="checkbox"/> or Condensate <input type="checkbox"/> | Address (Give address to which approved copy of this form is to be sent) | |
| Name of Authorized Transporter of Casinghead Gas <input type="checkbox"/> or Dry Gas <input checked="" type="checkbox"/> | Address (Give address to which approved copy of this form is to be sent) | |
| El Paso Natural Gas Co. | P.O. Box 990, Farmington, NM 87401 | |
| If well produces oil or liquids, give location of tanks. | Unit | Sec. Twp. Rge. |
| | | |
| Is gas actually connected? | When | |
| no | As soon as possible. | |

If this production is commingled with that from any other lease or pool, give commingling order number:

IV. COMPLETION DATA

| | | | | | | | | | |
|--|--|--------------------------|---------------------------|-------------------------------------|----------|--------|-----------|-------------|--------------|
| Designate Type of Completion - (X) | | Oil Well | Gas Well | New Well | Workover | Deepen | Plug Back | Same Res'v. | Diff. Res'v. |
| | | | X | X | | | | | |
| Date Spudded 02-20-80 | Date Compl. Ready to Prod. 04-02-80 | Total Depth 1300' | | P.B.T.D. 1267' | | | | | |
| Elevations (DF, RKB, RT, GR, etc.) 6178' GL | Name of Producing Formation Pic. Cliffs | Top Oil/Gas Pay 1151' | | Tubing Depth none | | | | | |
| Perforations 1151-1156' | | | Depth Casing Shoe none | | | | | | |
| TUBING, CASING, AND CEMENTING RECORD | | | | | | | | | |
| HOLE SIZE | CASING & TUBING SIZE | DEPTH SET | | SACKS CEMENT | | | | | |
| 9-3/4" | 7" | 101.5' | | 30 sacks | | | | | |
| 5" | 2-7/8" | 1298.5' | | 80 sacks Econofill & 50 sacks neat. | | | | | |

V. TEST DATA AND REQUEST FOR ALLOWABLE OIL WELL

(Test must be after recovery of total volume of load oil and must be equal to or exceed top allowable for this depth or be for full 24 hours)

| | | |
|---------------------------------|-----------------|---|
| Date First New Oil Run To Tanks | Date of Test | Producing Method (Flow, pump, gas lift, etc.) |
| | | |
| Length of Test | Tubing Pressure | Casing Pressure |
| | | |
| Actual Prod. During Test | Oil-Bbls. | Water-Bbls. |
| | | |

GAS WELL

| | | | |
|---|---------------------------|---------------------------------------|----------------------------|
| Actual Prod. Test-MCF/D 150 | Length of Test 3 hrs. | Bbls. Condensate/MMCF 0 | Bbls. of Condensate --- |
| Testing Method (pilot, back pr.) Back Pressure | Tubing Pressure (shut-in) | Casing Pressure (shut-in) 205 PSIG | Choke Size 1/2" |

VI. CERTIFICATE OF COMPLIANCE

I hereby certify that the rules and regulations of the Oil Conservation Commission have been complied with and that the information given above is true and complete to the best of my knowledge and belief.

[Signature]
(Signature)
Engineer
(Title)
04-07-80
(Date)

OIL CONSERVATION COMMISSION

APPROVED **APR 10 1980**, 19
BY *[Signature]*
TITLE SUPERVISOR DISTRICT # 8

This form is to be filed in compliance with RULE 1104.
If this is a request for allowable for a newly drilled or deepened well, this form must be accompanied by a tabulation of the deviation tests taken on the well in accordance with RULE 111.
All sections of this form must be filled out completely for allowable on new and recompleted wells.
Fill out only Sections I, II, III, and VI for changes of owner, well name or number, or transporter, or other such change of condition.
Separate Forms C-104 must be filed for each pool in multiply completed wells.

UNITED STATES
DEPARTMENT OF THE INTERIOR

AMENDED GEOLOGICAL SURVEY

SUNDRY NOTICES AND REPORTS ON WELLS

(Do not use this form for proposals to drill or to deepen or plug back to a different reservoir. Use Form 9-331-C for such proposals.)

1. oil ☐ gas ☒ other ☐

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. See space 17 below.)
AT SURFACE: 790 FNL & 1790 FWL
AT TOP PROD. INTERVAL: same
AT TOTAL DEPTH: same

16. CHECK APPROPRIATE BOX TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

REQUEST FOR APPROVAL TO:

TEST WATER SHUT-OFF ☐
FRACTURE TREAT ☐
SHOOT OR ACIDIZE ☐
REPAIR WELL ☐
PULL OR ALTER CASING ☐
MULTIPLE COMPLETE ☐
CHANGE ZONES ☐
ABANDON* ☐

SUBSEQUENT REPORT OF:

(other) Drilling Operations ☒

5. LEASE

NOO-C-14-20-7470

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

Navajo Allotted

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME

Ruby

9. WELL NO.

1

10. FIELD OR WILDCAT NAME

WAW Fruitland Pictured Cliffs

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

Section 34, T26N, R12W

12. COUNTY OR PARISH

San Juan

13. STATE

New Mexico

14. API NO.

15. ELEVATIONS (SHOW DF, KDB, AND WD)

6178 ft. G.L.

(NOTE: Report results of multiple completion or zone change on Form 9-330.)

U. S. GEOLOGICAL SURVEY
FARMINGTON, N. M.

17. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

02-20-80 Rig up L & B Speed Drill on 2-19-80. Spud 9-3/4" hole to 102 ft.; ran 101.5 ft. of 7", 23 lb/ft surface casing with 30 sacks cement.

02-21-80 Drilling at 400 ft.

02-22-80 TD @ 1300 ft.

02-23-80 Rig up Birdwell, ran IES Induction, Compensated Density-Neutron logs. Preparing to run casing.

AMENDED**02-25-80 Ran 57 joints 2-7/8", EUE, C-45, yellow band casing and landed at 1298.5 ft. G.R. Rigged up National & cemented with 80 sx Econofill (9.9 gallons/sk. yielding 1.64 sx.) and 50 sx neat (5.2 gallons/sk. yielding 1.18 sx.) Good returns throughout. Circulated cement back to surface. PBTD 1274.6 ft. G.R. Bumper 1274.6 ft. p.m. WOC.

Subsurface Safety Valve: Manu. and Type

18. I hereby certify that the foregoing is true and correct

SIGNED Steven J. Lusk TITLE Engineer

DATE February 27, 1980

(This space for Federal or State office use)

APPROVED BY

TITLE

DATE

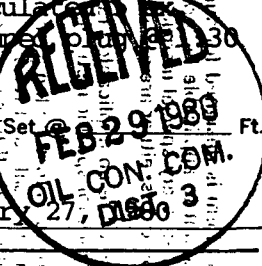
CONDITIONS OF APPROVAL, IF ANY:

NMOCC

*See Instructions on Reverse Side

FARMINGTON DISTRICT

BY MB Lusk



ACCEPTED FOR RECORD

FEB 28 1980

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 1541, Farmington, NM 87401

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

At surface

790 FNL and 1790 FWL

At proposed prod. zone

same

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

Approx. 15 miles south of Farmington, NM

15. DISTANCE FROM PROPOSED*

LOCATION TO NEAREST
PROPERTY OR LEASE LINE, FT.
(Also to nearest drlg. unit line, if any)

790 ft.

16. NO. OF ACRES IN LEASE

160

17. NO. OF ACRES ASSIGNED
TO THIS WELL

160

18. DISTANCE FROM PROPOSED LOCATION*
TO NEAREST WELL, DRILLING, COMPLETED,
OR APPLIED FOR, ON THIS LEASE, FT.

0

19. PROPOSED DEPTH

1300 ft.

20. ROTARY OR CABLE TOOLS

Rotary

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

6178 ft. GL

22. APPROX. DATE WORK WILL START*

23.

PROPOSED CASING AND CEMENTING PROGRAM

| SIZE OF HOLE | SIZE OF CASING | WEIGHT PER FOOT | SETTING DEPTH | QUANTITY OF CEMENT |
|--------------|----------------|-----------------|---------------|--------------------|
| 9" | 7" | 23 lb. | 90 ft. | 30 sacks |
| 5" | 2-7/8" | 6.4 lb. | 1300 ft. | 150 sacks |

Will drill 9" hole to 90 ft. and set 90 ft. of 7", 23 lb., J-55 used casing with 30 sacks Class "H" cement. Will drill 5" hole to 1300 ft. and run 1300 ft. of 2-7/8" EUE, C-45 used casing and cement with 150 sacks Class "H" with 2% C-79 cement. No abnormal pressures or temperatures are anticipated. Circulating medium will be clear water, natural mud, and water loss control additives. Will run Induction and Density logs. Blowout preventer schematic attached. The gas from this formation is not dedicated

ESTIMATED TOPS

FORMATION

DEPTH

CONTENT

Ojo Alamo

Surface

Kirtland

75'

Fruitland

750'

Pic. Cliffs

1178'

Natural Gas

SEP 24 1979
U. S. GEOLOGICAL SURVEY
FARMINGTON, N. M.

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

TITLE

Co-Owner

Sept. 21, 1979

(This space for Federal or State office use)

PERMIT NO.

APPROVAL DATE

APPROVED BY

TITLE

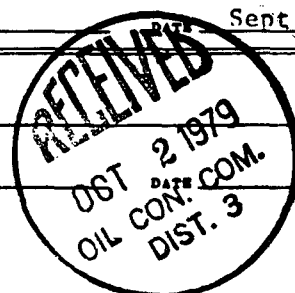
CONDITIONS OF APPROVAL, IF ANY:

oh Frank

CONSERVATION DIVISION
SANTA FE

NMOC

*See Instructions On Reverse Side



OIL CONSERVATION DIVISION

P. O. BOX 2088

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT

SANTA FE, NEW MEXICO 87501

Form C-102
Revised 10-1-78

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

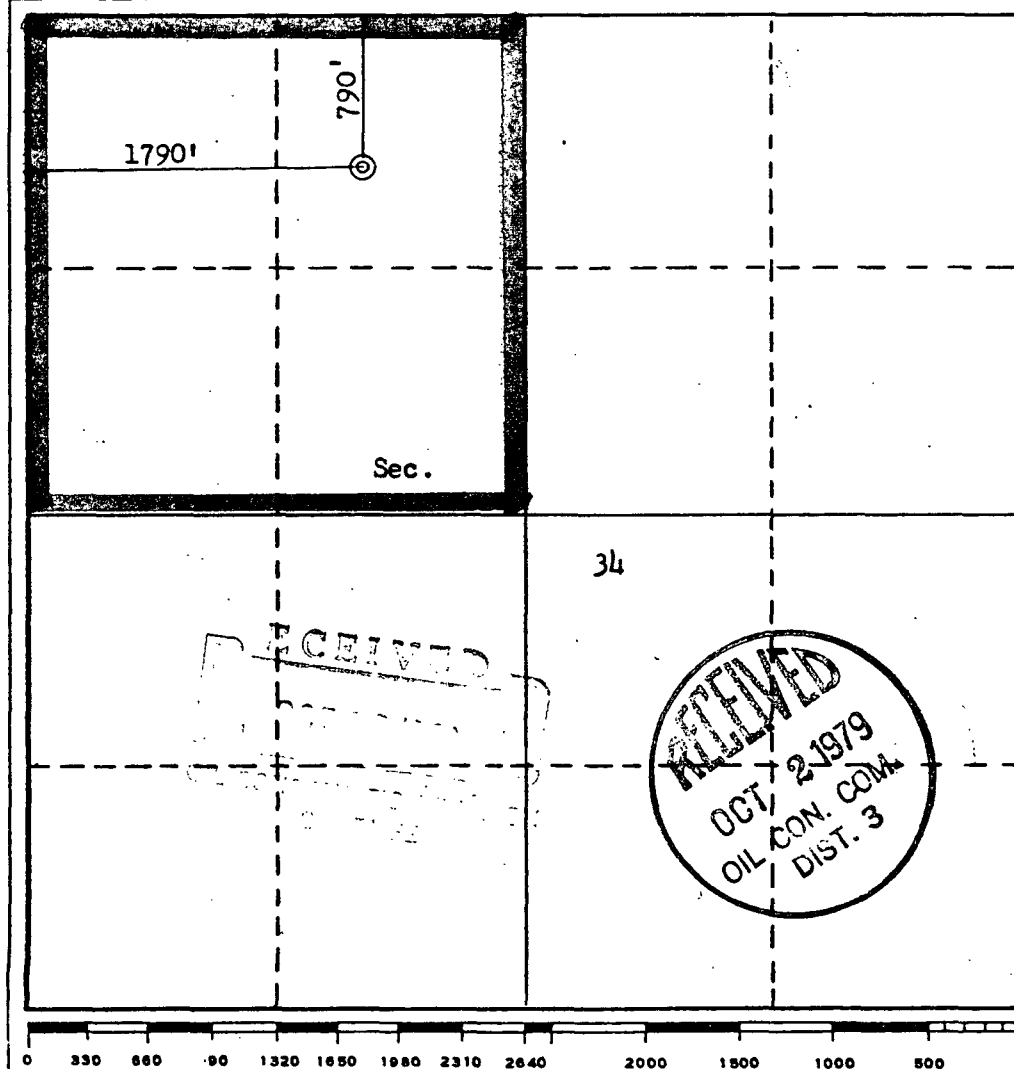
| | | | | | |
|---|---|------------------------|--|---------------------------|--|
| Operator MERRION & BAYLESS | | | Lease RUBY | | Well No. 1 |
| Unit Letter C | Section 34 | Township 26N | Range 12W | County San Juan | |
| Actual Footage Location of Well: 790 feet from the North line and 1790 feet from the West line | | | | | |
| Ground Level Elev. 6178 | Producing Formation Pictured Cliffs | | Pool WAW Fruitland/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.

Original Signed By
ROBERT L. BAYLESS

Name
Robert L. Bayless

Position
Co-Owner

Company
Merrion & Bayless

Date
September 17, 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.

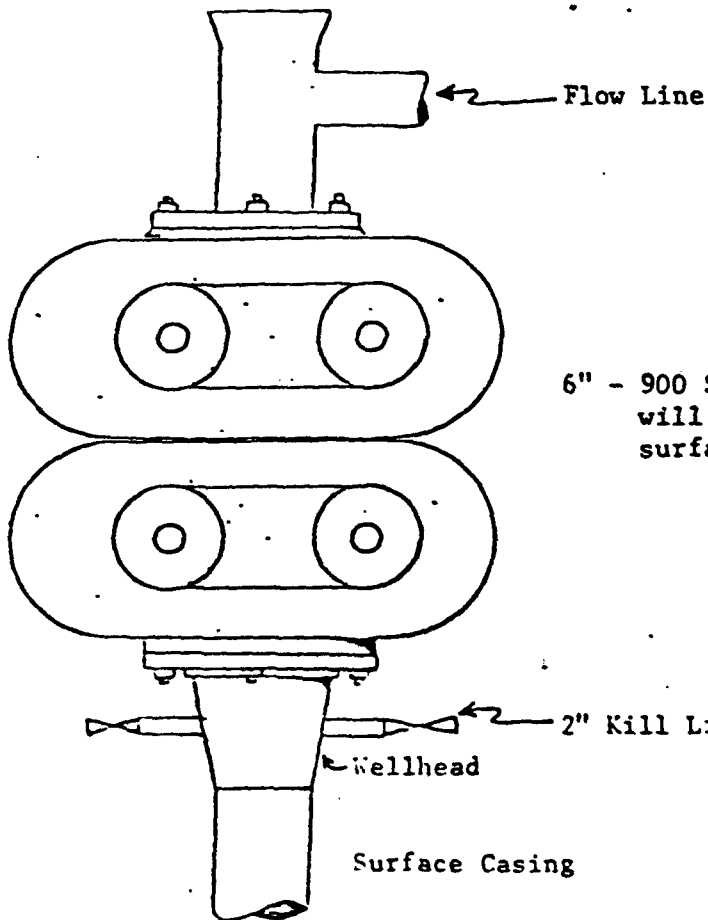
Date Surveyed
June 5, 1979

Registered Professional Engineer
and/or Land Surveyor
FRANK B. HARR, JR.

Certificate No.
3950

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION

SURFACE WELL CONTROL EQUIPMENT



MERRION~BAYLESS

APPROVED BY:

SCALE:

DRAWN BY:

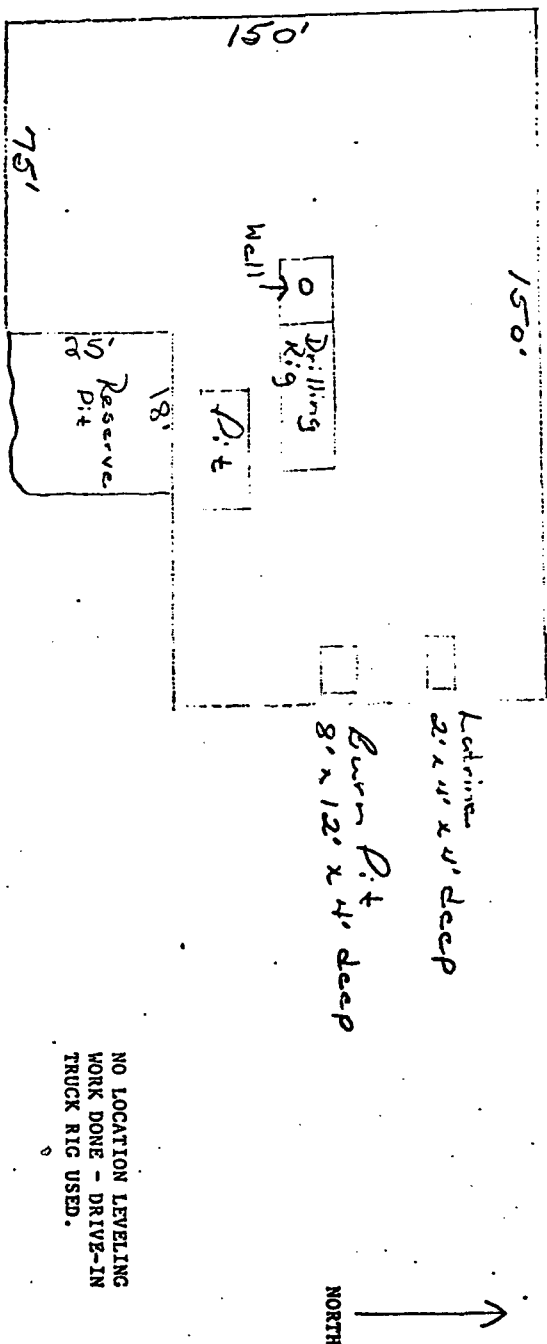
DATE:

REVISED:

SCHEMATIC

DRAWING NUMBER

MERRION & HAYLESS
 Ruby #1
 790 FNL & 1790 FNL
 Section 34, T26N, R12W
 San Juan County, New Mexico



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

SURFACE USE AND OPERATIONS PLAN

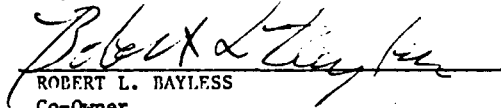
MERRION & BAYLESS
Ruby #1
Section 34, T26N, R12W

- 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 material:
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 no Navajo Irrigation Project surface land. The drillsite is fairly level, arid land and very little vegetation. There is no other surface use or facilities existent. An archeological survey statement is attached.
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 and Bayless and its contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved.

9-21-79

Date:


ROBERT L. BAYLESS
Co-Owner
Merrion & Bayless

ROBERT L. BAYLESS

PETROLEUM CLUB PLAZA BUILDING

P. O. BOX 1841

FARMINGTON, NEW MEXICO 87401

September 21, 1979

U.S. Department of the Interior
National Park Service
P.O. Box 728
Santa Fe, NM 87501

ATTENTION: Mr. George G. West

Gentlemen:

On June 27, 1979, you issued archeological approval as follows:

Ruby #1 - 790' FNL, 1850' FWL
Section 34, T26N, R12W

Upon actual inspection of this location it was discovered to be too close to an irrigation ditch and has been re-staked as follows:

790' FNL, 1790' FWL
Section 34, T26N, R12W

Please consider this request for archeological clearance of the above amended location for the Ruby #1 at your earliest convenience.

Yours truly,

MERRION & BAYLESS

By


ROBERT L. BAYLESS

RLB/eh

xc: U.S. Geological Survey
P.O. Box 959
Farmington, NM 87401

Bureau of Land Management
P.O. Box 568
Farmington, NM 87401



United States Department of the Interior

NATIONAL PARK SERVICE

SOUTHWEST REGION

P.O. Box 728

Santa Fe, New Mexico 87501

IN REPLY REFER TO:

H24(SWR)PF

JUN 27 1979

Merrion and Bayless
P.O. Box 507
Farmington, New Mexico 87401

RE: Archeological Clearance for Five (5) Proposed Drill Hole Locations
in San Juan County, New Mexico File 92

Gentlemen:

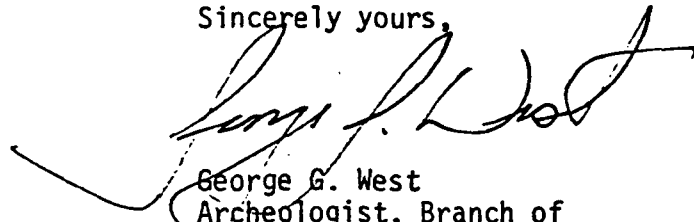
My staff has reviewed the enclosed lease descriptions for five (5) proposed well locations in Block IV of the NIIP. The Block IV project area was surveyed for cultural resources in the spring of 1978 by the Navajo Nation Cultural Resource Management Program. According to the final archeological survey report, there is no surficial evidence of either prehistoric or historic remains within the proposed well locations. Each well will be 100' x 100' in extent; well locations and access rights-of-way are indicated below and in the enclosed correspondence.

| <u>Well</u> | <u>Locations</u> | <u>Project Dimensions</u> |
|---------------------|---|--|
| Inez #1 | 790' FNL, 1850' FEL, Sec. 33, T26N, R12W | Well - 100' x 100' Access - 30' x 600' |
| Ruby #1 | 790' FNL, 1850' FWL, Sec. 34, T26N, R12W | Well - 100' x 100' Access - 30' x 2500' |
| Pete #1 | 790' FSL, 790' FEL, Sec. 35, T27N, R12W | Well - 100' x 100' Access - 30' x 500' |
| Da On Pah #1 | 1850' FNL, 790' FEL, Sec. 35, T27N, R12W | Well - 100' x 100' Access - 30' x 800' |
| Blackrock D - IE | 935' FSL, 1830' FWL, Sec. 20, T26N, R11W | Well - 100' x 100' Access - 30' x 2600' |

Archeological clearance is granted for the above specified well locations. If, however, any previously unrecorded and/or buried antiquities are encountered during drilling operations, then all earth-modifying activities in the vicinity of the cultural resources must cease. This office should be notified and an on-site inspection will be conducted to determine the significance and disposition of the buried antiquities.

If you have any additional questions concerning this clearance, you may contact Mr. Steve Hallisy, Archeologist with this office at (505) 988-6561.

Sincerely yours,



George G. West
Archeologist, Branch of
Indian Cultural Resources

Enclosures

cc:
Mr. Richard Goddard, NNCRRMP,
Window Rock, AZ
BIA, Navajo Area Office,
Window Rock, AZ(2)
Messrs. Bill Reynolds & Alan Simmons,
ESCA-Tech, Farmington, NM
Mr. Bill Smith, BIA, NIIP,
Farmington, NM
Mr. Tom Merlan, SHPO,
Santa Fe, NM

[illegible]