

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

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

~~Oil and Gas~~ *Merrill Oil & Gas Corp.*

3. ADDRESS OF OPERATOR

*TW III, Suite 220  
550 North 31st St., Billings, Montana 59101*

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

At surface

*660' ENL, 660' FWL*

At proposed prod. zone

Same

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE TO PROPOSED WELL

*20 miles southwest of Counselors, NM*

15. DISTANCE FROM PROPOSED\*

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

*660'*

18. DISTANCE FROM PROPOSED LOCATION\*

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

*No other well on this lease*

16. NO. OF ACRES IN LEASE

*1320*

19. PROPOSED DEPTH

*5740' 9000'*

17. NO. OF ACRES ASSIGNED

TO THIS WELL

*40*

20. ROTARY OR CABLE TOOLS

*Rotary*

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

*7104' GR*

DRILLING OPERATIONS AUTHORIZED ARE  
SUBJECT TO COMPLIANCE WITH ATTACHED

22. APPROX. DATE WORK WILL START\*

*5-25-85*

23. "GENERAL REQUIREMENTS" PROPOSED CEMENTING AND CEMENTING PROGRAM

| SIZE OF HOLE   | SIZE OF CASING | WEIGHT PER FOOT          | SETTING DEPTH      | QUANTITY OF CEMENT                      |
|----------------|----------------|--------------------------|--------------------|---|
| <i>12-1/4"</i> | <i>9-5/8"</i>  | <i>36# ST&amp;C, K</i>   | <i>200'-4200'</i>  | <i>106 Sks (125cu.ft.) w/2 1/2" 100</i> |
| <i>8-3/4"</i>  | <i>7"</i>      | <i>20# ST&amp;C, K</i>   | <i>4200'-5740'</i> | <i>500 Sks (645cu.ft.) w/2 1/2" 100</i> |
| <i>6-1/2"</i>  | <i>4-1/2"</i>  | <i>10.5# ST&amp;C, K</i> | <i>4650'-5740'</i> | <i>87 Sks (145cu.ft.) w/4 1/2" 100</i>  |

This well will be drilled to test the Gallup formation.

Attached is the data required by Onshore Oil and Gas Order #1

This action is subject to technical and  
procedural review pursuant to 43 CFR 3165.3  
and appeal pursuant to 43 CFR 3165.4.

RECEIVED

MAY 28 1985

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

*Agent*

DATE

*5-15-85*

(This space for Federal or State office use)

PERMIT NO.

APPROVAL DATE

APPROVED  
AS AMENDED

APPROVED BY

TITLE

MAY 23 1985

CONDITIONS OF APPROVAL, IF ANY:

*for* */s/ J. Stan McKee*  
M. MILLENBACH  
AREA MANAGER

NMOCC

\*See Instructions On Reverse Side

NEW MEXICO OIL CONSERVATION COMMISSION  
WELL LOCATION AND ACREAGE DEDICATION PLAT

Form C-102  
Supersedes C-128  
Effective 1-1-65

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

|   |                             |                            |                                |                    |  |
|---|-----------------------------|----------------------------|--------------------------------|--------------------|--|
| Operator<br>J.M. Oil and Gas  |                             | Lease<br>DEER MESA-FEDERAL |                                | Well No.<br>1      |  |
| Unit Letter<br>D  | Section<br>24               | Township<br>21N            | Range<br>5W                    | County<br>Sandoval |  |
| Actual Footage Location of Well:<br>(66) feet from the North line and 660 feet from the West line |                             |                            |                                |                    |  |
| Ground Level Elev.<br>7104  | Producing Formation<br>M.V. | Pool<br>Wildcat            | Dedicated Acreage:<br>40 Acres |                    |  |

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?

☐ 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.

|  |  |  |
|--|--|--|
|  | <p>RECEIVED<br/>MAY 17 1985<br/>BUREAU OF LAND MANAGEMENT<br/>FARMINGTON RESOURCE AREA</p> |  |
|  | <p>Sec. 24</p> <p>RECEIVED<br/>MAY 28 1985</p>   |  |

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  | L.O. VanRyan     |
| Position  | Agent            |
| Company   | J.M. Oil and Gas |
| Date  | May 15, 1985     |
| 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   | March 28, 1985   |
| Registered Professional Engineer and Land Surveyor  | Fred B. Kerr Jr. |
| Certificate No.   | 3950             |