Navajo Allottee

Form 9-331 C
(May 1963)

SUBMIT IN TRIPLICATE*
(Other instructions on reverse side)

Form approved.
Budget Bureau No. 42 R1425

30-045-23538

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 1850 FEL
B
At proposed prod. zone: Same

5. LEASE DESIGNATION AND SERIAL NO.: NOO-C-14-20-7469

6. IF INDIAN, ALLOTTEE OR TRIBE NAME: Navajo Allotted

7. UNIT AGREEMENT NAME:

8. FARM OR LEASE NAME: Inez

9. WELL NO.: 1

10. FIELD AND POOL, OR WILDCAT: WAW Fruitland Pic. Clif

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA: Sec. 33, T26N, R12W

12. COUNTY OR PARISH: San Juan — 13. STATE: N.M.

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)	16. NO. OF ACRES IN LEASE	17. NO. OF ACRES ASSIGNED TO THIS WELL
790 ft.	160	160
18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.	**19. PROPOSED DEPTH**	**20. ROTARY OR CABLE TOOLS**
0	1250 ft.	Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.): 6126 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.	1250 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 1250 ft. and run 1250 ft. of 2-7/8" EUE, C-45 used casing and cement with 150 sacks Class "H" with 2% D-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 dedicate

ESTIMATED TOPS

FORMATION	DEPTH	CONTENT
Ojo Alamo	Surface	
Kirtland	40'	
Fruitland	680'	
Pic. Cliffs	1106'	Natural Gas

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.

RECEIVED
OCT 2 1979
OIL CON. COM.
DIST. 3

24.
SIGNED: [signature] TITLE: Co-Owner DATE: Sept. 21 1979

(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____

APPROVED BY _____ TITLE _____ DATE _____

CONDITIONS OF APPROVAL, IF ANY:

ok Frank

NMOCC

OIL CONSERVATION DIVISION

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT

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

Form C-107
Revised 10-1-78

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

Operator	Lease	Well No.
MERRION & BAYLESS	INEZ	1

Unit Letter	Section	Township	Range	County
B	33	26N	12W	San Juan

Actual Footage Location of Well:
790 feet from the North line and 1850 feet from the East line

Ground Level Elev.	Producing Formation	Pool	Dedicated Acreage:
6126	Pictured Cliffs	WAW Fruitland/Pictured Cliffs	160 Acres

1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.

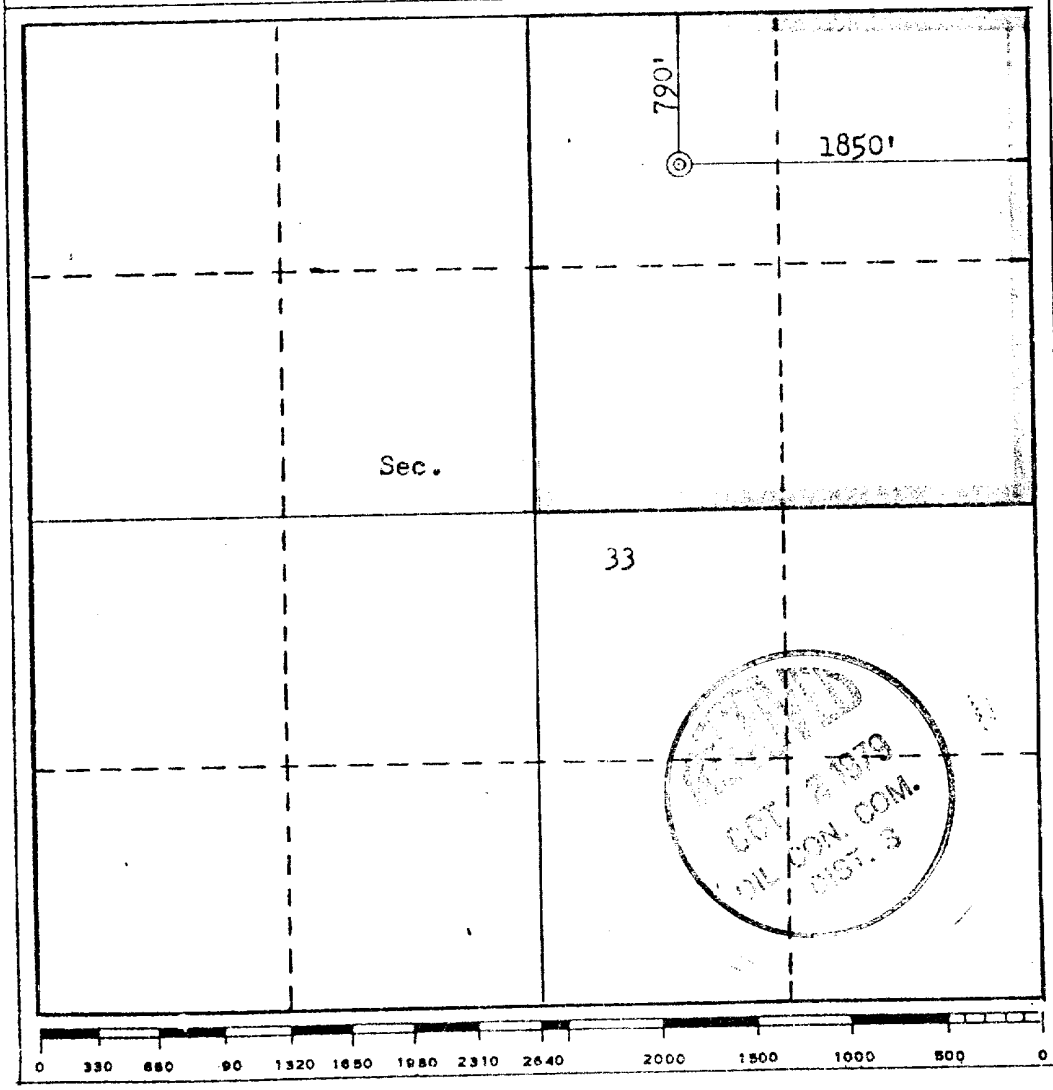
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).

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.



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

Fred B. Kerr Jr.

Certificate No. 3950

FRED B. KERR, JR.

SURFACE WELL CONTROL EQUIPMENT

MERRION-BAYLESS

DRAWN BY:

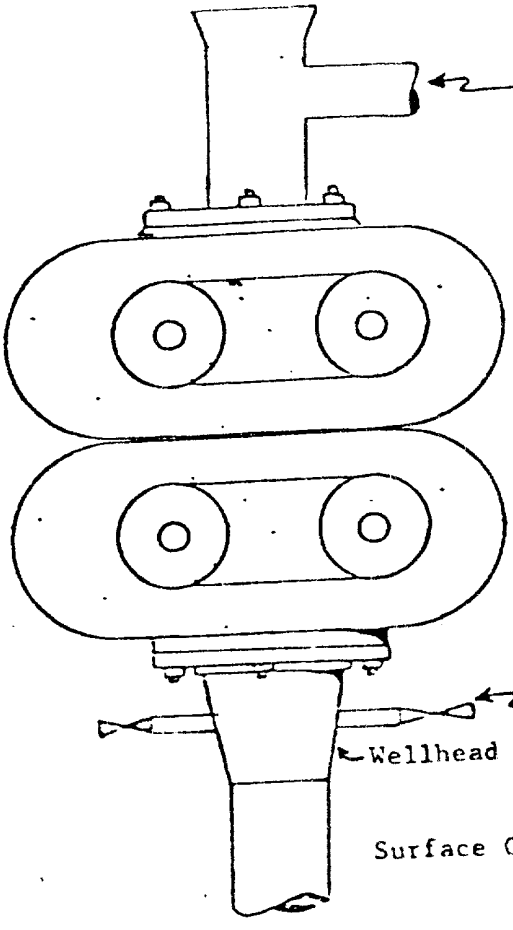
REVISED:

APPROVED BY:

SCALE:

DATE:

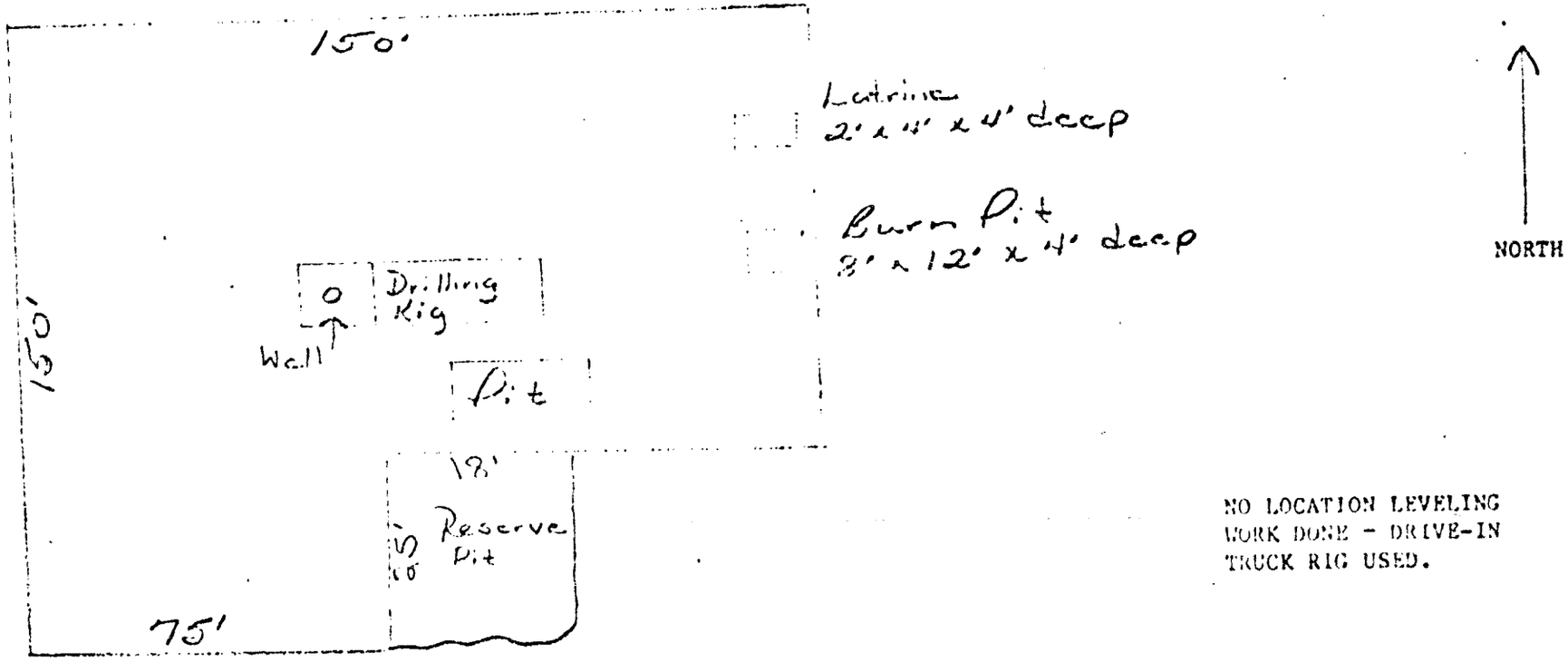
SCHEMATIC



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

LOCATION AND EQUIPMENT LAY-OUT

MERRION & BAYLESS
Inez #1
790 FNL & 1850 FEL
Section 33, T26N, R12W
San Juan County, New Mexico



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

SURFACE USE AND OPERATIONS PLAN

MERRION & BAYLESS
Inez #1
Section 33, 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 contruction 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 on Navajo Irrigation Project surface land. The drillsite is fairly level, arid land and with 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
ROBERT L. BAYLESS
Co-Owner
Merrion & Bayless

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.

Well	Locations	Project Dimensions
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.

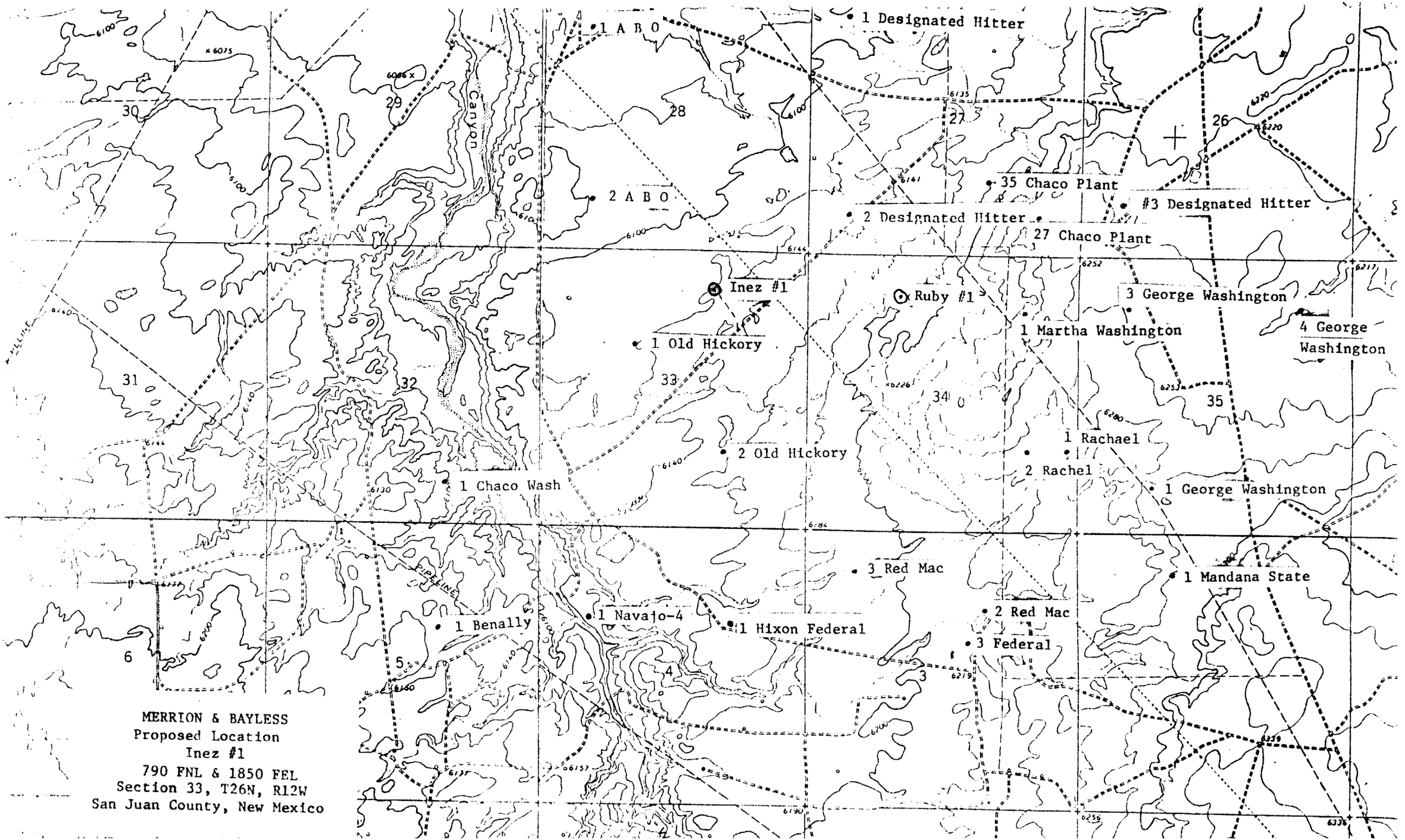
If you have any additional questions concerning this clearance, you may contact Mr. Steve Hallisy, Archeologist with this office at (505) 988-6561.

Sincerely yours,

George G. West
Archeologist, Branch of
Indian Cultural Resources

Enclosures

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



MERRION & BAYLESS
Proposed Location
Inez #1
790 FNL & 1850 FEL
Section 33, T26N, R12W
San Juan County, New Mexico