

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
GEOLOGICAL SURVEY

30-045-245-40  
40  
39

5. LEASE DESIGNATION AND SERIAL NO.  
14-20-603-5024 Tribal

6. IF INDIAN, ALLOTTEE OR TRIBE NAME  
Navajo

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME  
Navajo G

9. WELL NO.  
2

10. ~~FIELD~~ <sup>PROD. ZONE</sup> OR WILDCAT  
Undes. Gallup

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA  
Sec. 31, T29N, R17W

12. COUNTY OR PARISH  
San Juan

13. STATE  
New Mexico

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  
A 330' FNL & 330' FEL  
At proposed prod. zone  
same

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

15. DISTANCE FROM PROPOSED\* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any) 330'

16. NO. OF ACRES IN LEASE  
2558.76

17. NO. OF ACRES ASSIGNED TO THIS WELL  
40

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

19. PROPOSED DEPTH  
575'

20. ROTARY OR CABLE TOOLS  
Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)  
5164 GL

22. APPROX. DATE WORK WILL START\*  
June 20, 1980

23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12-1/4"	8-5/8"	20#	40' 60'	30 sacks circulated
6-3/4"	5-1/2"	14#	575'	100 sacks circulated to surface

Will drill 12-1/4" hole to 40' and set 40' of 8-5/8", 20#, J-55 used casing with 30 sacks Class H Cement. Will drill 6-3/4" hole to 575' and run 575' of 5-1/2", 14#, limited service used casing and cement with 100 sacks Class H cement with 2% D-79, circulated to surface. Circulating medium will be clear water, natural mud and water loss control additives. No abnormal pressures or temperatures are anticipated. Will run Induction and Density logs. Blowout preventer schematic is attached.

ESTIMATED TOPS

Surface Formation: Upper Mancos - Salt Water  
459': Gallup - Oil



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 Robert L. Bayless TITLE Operator DATE May 30, 1980

(This space for Federal or State office use)

AS AMENDED

PERMIT NO. 14-20-603-5024  
APPROVED BY [Signature] SEP 07 1980  
CONDITIONS OF APPROVAL, IF ANY, FOR JAMES F. SIMS  
DISTRICT ENGINEER

DRILLING OPERATIONS APPROVED ARE SUBJECT TO COMPLIANCE WITH ATTACHED "GENERAL REQUIREMENTS"

DATE

*ok 3/80*

\*See Instructions On Reverse Side

7140001

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

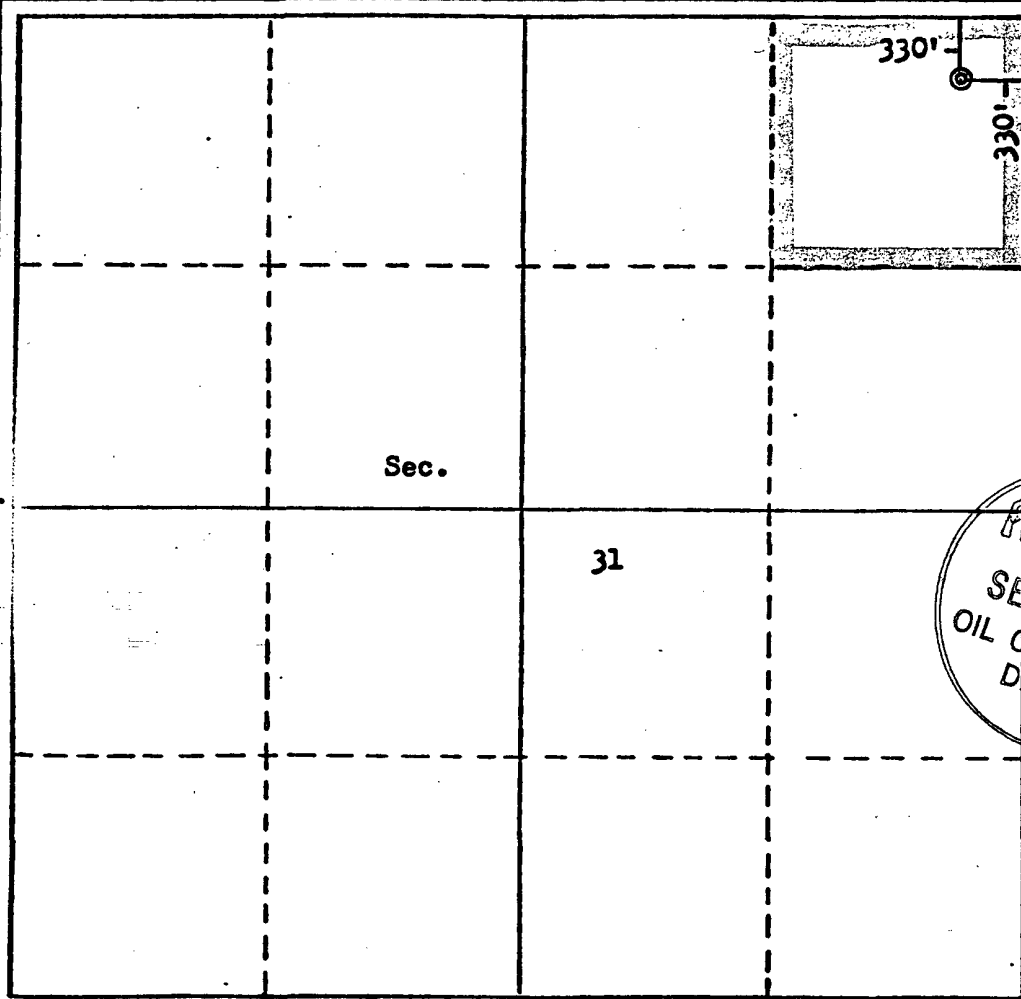
Operator <b>MERRION &amp; BAYLESS</b>		Lease <b>NAVAJO "G"</b>		Well No. <b>2</b>
Unit Letter <b>A</b>	Section <b>31</b>	Township <b>29N</b>	Range <b>17W</b>	County <b>San Juan</b>
Actual Footage Location of Wells <b>330</b> feet from the <b>North</b> line and <b>330</b> feet from the <b>East</b> line				
Ground Level Elev. <b>5164</b>	Producing Formation <b>Gallup</b>	Pool <b>Undesignated</b>	Dedicated Acreage: <b>40</b> 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.

*Robert L. Bayless*

Name  
**Robert L. Bayless**

Position  
**Co-Owner**

Company  
**Merrion & Bayless**

Date  
**May 30, 1980**

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.

RECEIVED  
SEP 8 1980  
OIL CON. DIV.  
DIST. 3

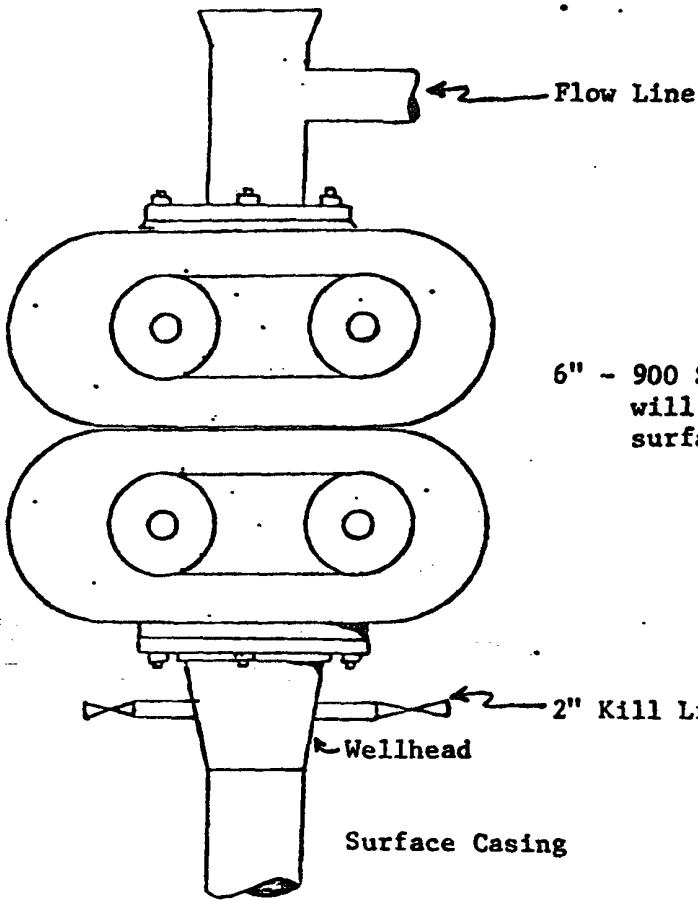
Date Surveyed  
**March 27, 1980**  
Registered Professional Engineer  
and/or Land Surveyor  
*Frederick H. Kerr Jr.*  
**Frederick H. Kerr Jr.**  
Certificate No. **1000**  
**KERR, JR.**

**SURFACE WELL CONTROL EQUIPMENT**

Navajo G #2  
330' FNL & 330' FEL  
Sec. 31, T29N, R17W  
San Juan County, New Mexico

MERRION~BAYLESS

SCALE:	APPROVED BY:	DRAWN BY:	REVISIONS:
DATE:			
SCHEMATIC			DRAWING NUMBER

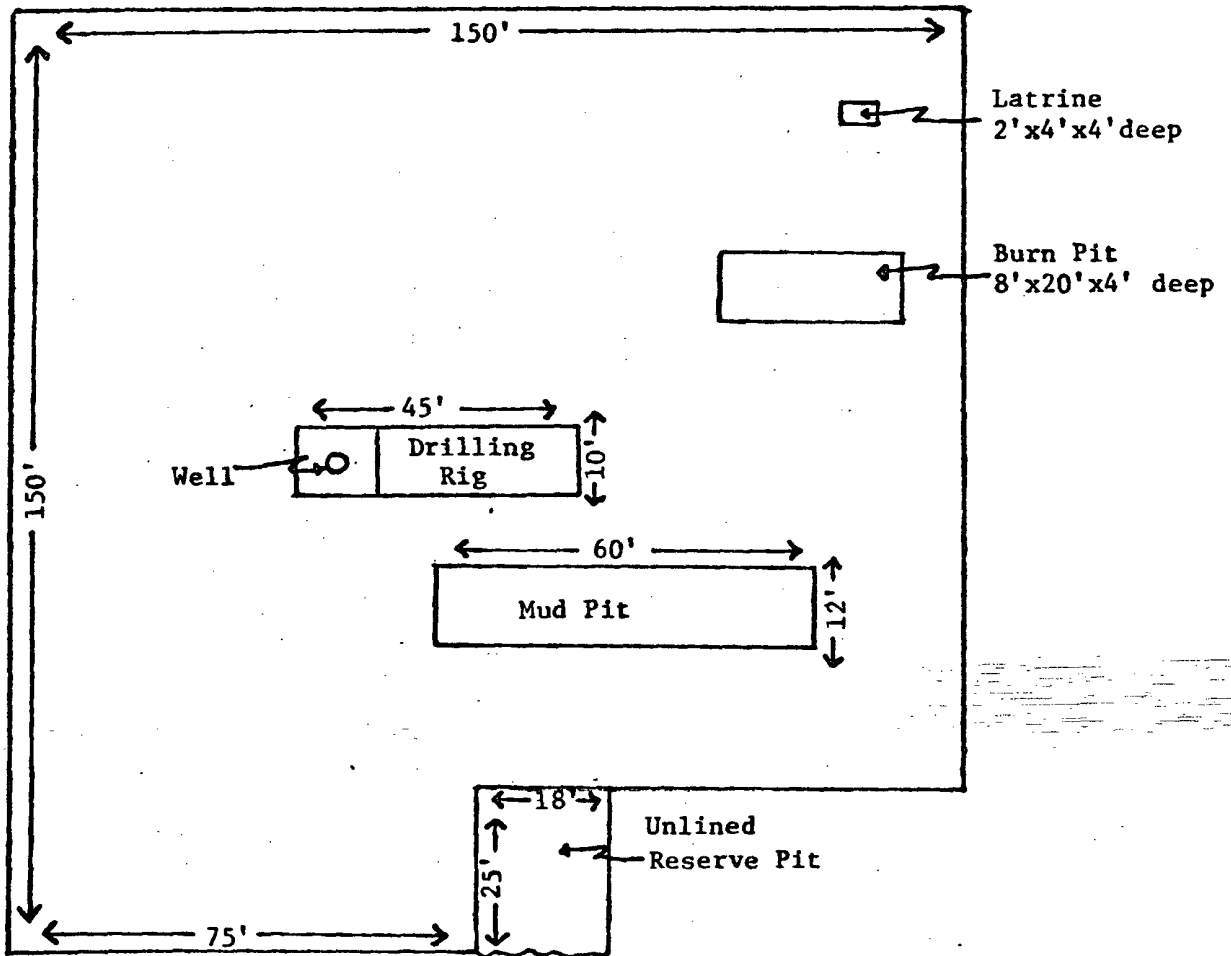


MERRION & BAYLESS

LOCATION AND EQUIPMENT LAYOUT

Shallow Wells

NAVAJO G #2  
330' FNL & 330' FEL  
Sec. 31, T29N, R17W  
San Juan County, New Mexico



No location leveling work done; drive-in truck rig used.

Scale: 1" = 30'

MERRION & BAYLESS

SURFACE USE AND OPERATIONS PLAN

Navajo G #2

330' FNL & 330' FEL

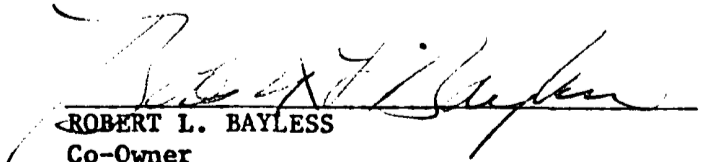
Sec. 31, T29N, R17W

San Juan County, New Mexico

- 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 <sup>BIA</sup>~~BM~~ 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 materials:
  - A. Cuttings will be buried in drilling pit.
  - B. Drilling fluids will be buried in drilling pit.
  - C. No produced fluids are anticipated.
  - D. Sewage will be buried.
  - E. Garbage and other waste material will be buried.
  - F. Operator will clean up, fill, and level pits and reseed location per <sup>BIA</sup>~~BM~~ specifications.
8. No ancillary facilities.
9. Wellsite layout attached.
10. Restoration of drillsite -- pits will be filled and leveled and reseeded per <sup>BIA</sup>~~BM~~ specifications.
11. Other information: The lease is on Navajo Tribal surface land. The drillsite is fairly level, arid land with very little vegetation. There is no other surface use or facilities existent. An archeological survey statement will be furnished.
12. Operator representative: Robert L. Bayless  
P.O. Box 1541  
Farmington, NM 87401 (505) 325-5093
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.

5-30-80  
DATE:

  
ROBERT L. BAYLESS  
Co-Owner  
Merrion & Bayless

