

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1. TYPE OF WORK
DRILL ☒ DEEPEN ☐ PLUG BACK ☐

2. TYPE OF WELL
OIL WELL ☐ GAS WELL ☒ OTHER ☐ SINGLE ZONE ☒ MULTIPLE ZONE ☐

3. NAME OF OPERATOR
J. Gregory Merrion and Robert L. Bayless

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

5. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)
At surface
2000 FSL and 1850 FWL

6. At proposed prod. zone
Same

7. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*
14 miles south of Farmington

8. DISTANCE FROM PROPOSED*
LOCATION TO NEAREST
PROPERTY OR LEASE LINE, FT.
(Also to nearest drig. unit line, if any) 1850'

9. DISTANCE FROM PROPOSED LOCATION*
TO NEAREST WELL, DRILLING, COMPLETED,
OR APPLIED FOR, ON THIS LEASE, FT. 2400'

10. NO. OF ACRES IN LEASE 640

11. PROPOSED DEPTH 1300'

12. NO. OF ACRES ASSIGNED
TO THIS WELL 160

13. ROTARY OR CABLE TOOLS
Rotary

14. APPROX. DATE WORK WILL START*
As soon as possible

15. ELEVATIONS (Show whether DF, RT, GR, etc.)
6034' GL

16. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
7-7/8"	5-1/2"	15.5#	30 ft.	10 sacks
4-3/4"	2-7/8"	6.4#	1300 ft.	100 sacks

Will drill 7-7/8" hole to 30 ft. and set 30 ft. of 5-1/2", 15.5# casing with 10 sacks cement. Will drill 4-3/4" hole to 1300 ft. and run logs. If appears productive, will run 1300 ft. of 2-7/8", 6.4#, J-55 casing and cement with 100 sacks. Will perforate and stimulate as required. Minimum specifications for pressure control equipment which is to be used - none required. Circulating medium will be clear water and natural mud and water loss control additives. The gas from this formation is not dedicated.

ESTIMATED TOPS:

Formation	Depth
Ojo Alamo	Below Surface Alluvium
Kirtland	156 ft.
Fruitland	1050 ft.
Picture Cliff	1256 ft.

Content
Water
OIL CO
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.

24. SIGNED Robert L. Bayless TITLE Co-Owner DATE May 3, 1978

(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____

APPROVED BY _____ TITLE _____ DATE _____

CONDITIONS OF APPROVAL, IF ANY:

ok 3m
Hold C-104 for NSL

*See Instructions On Reverse Side

RECEIVED

**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.

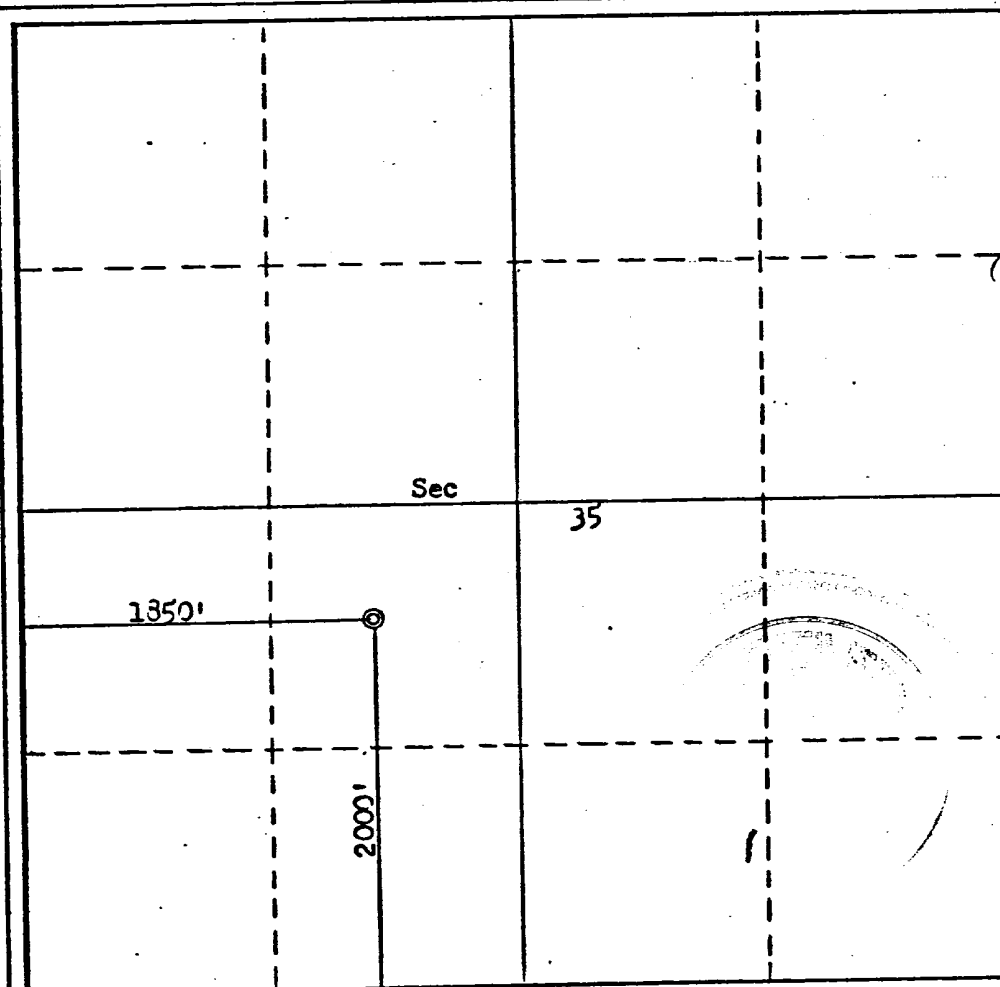
Operator Merrion & Bayless			Lease H1 Roll		Well No. 2
Unit Letter K	Section 35	Township 27N	Range 13W	County San Juan	
Actual Footage Location of Well:					
2000 feet from the South line and		1850 feet from the West line			
Ground Level Elev. 6034	Producing Formation Pictured Cliffs	Pool WAW Fruitland WAW Pictured Cliffs OK	Dedicated Acreage: 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.

Robert L. Bayless

Name
Robert L. Bayless

Position
Co-Owner

Company
Merrion & Bayless

Date
April 5, 1978

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
April 3, 1978

Registered Professional Engineer and/or Land Surveyor

Fred B. Merrion Jr.
Fred B. Merrion Jr.

Certificate No. **3950**

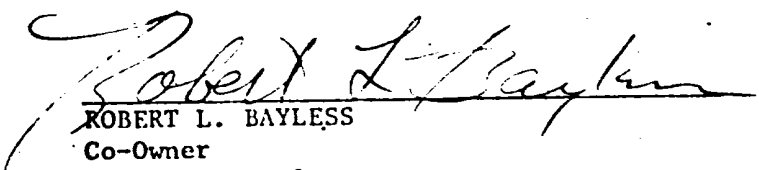
SURFACE USE AND OPERATIONS PLAN

Merrion & Bayless
H1 Roll #2
Section 35, T27N, R13W

- 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 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 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 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.

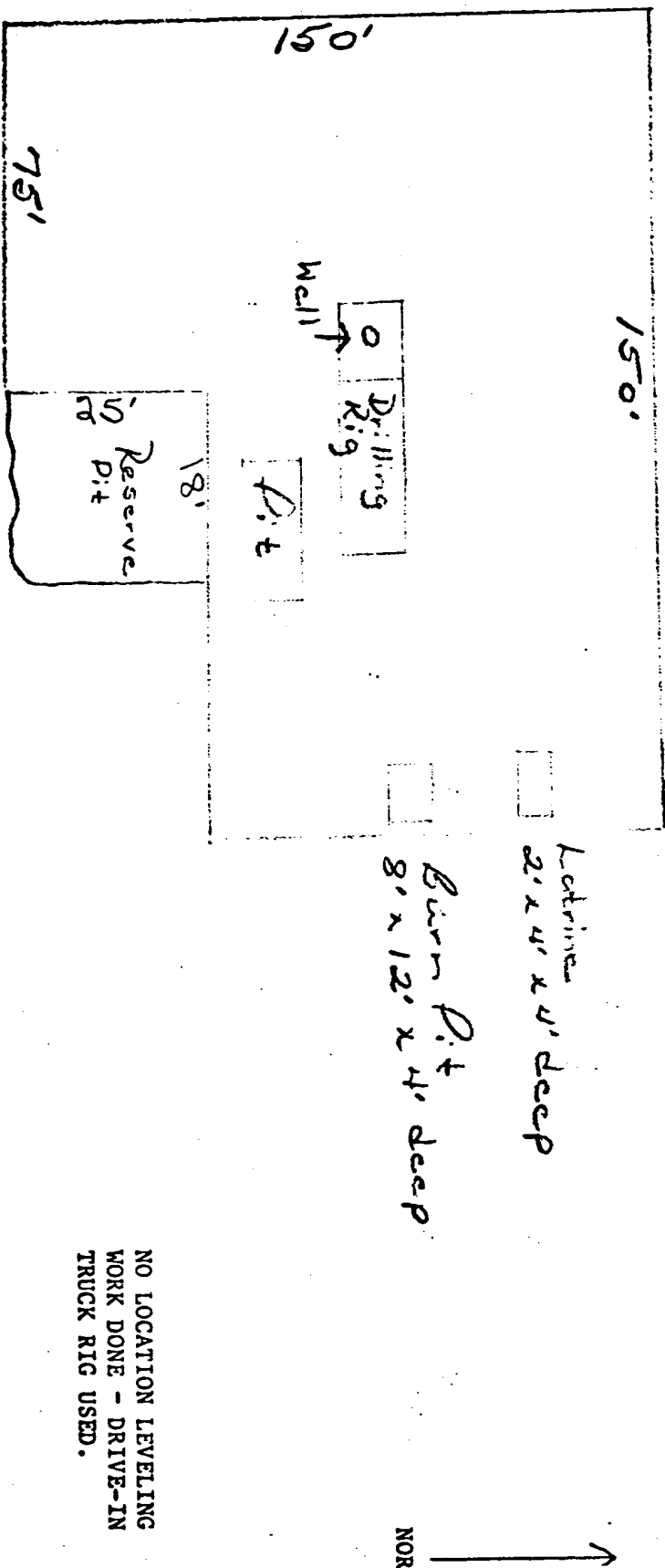
5-3-78
DATE:


ROBERT L. BAYLESS
Co-Owner
Merrion & Bayless

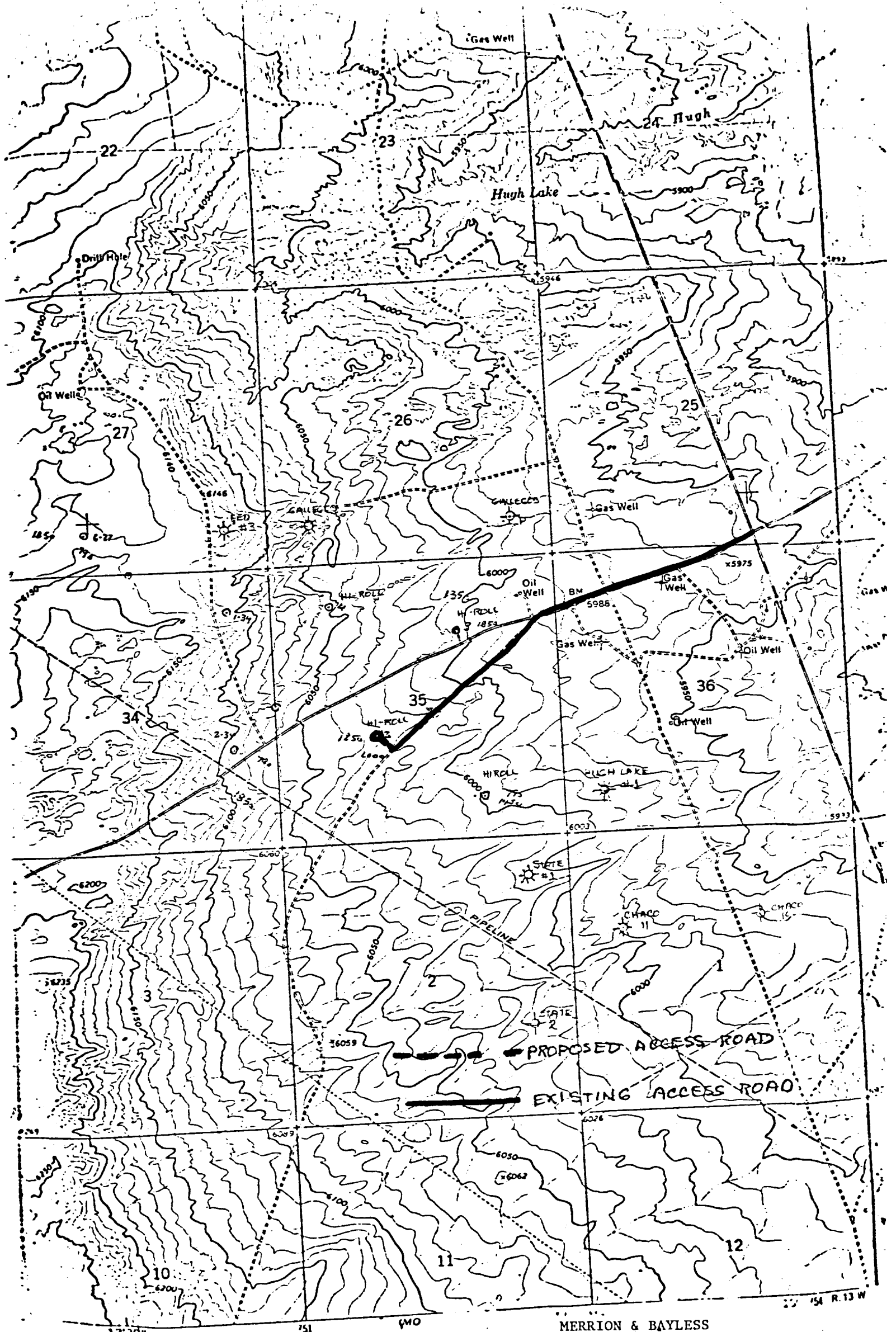
LOCATION AND EQUIPMENT LAY-OUT

MERRION & BAYLESS
Hd Roll #2
Section 35, T27N, R13W

Shallc



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



MERRION & BAYLESS
 Proposed Location: H1 Roll #2
 2000 FSL 1850.FWL Sec. 35, T27N, R13W
 San Juan County, New Mexico