APPLICATION 1a. TYPE OF WORK

SUBMIT IN TRIPLICATES

DIST. 3

UNITED ST DEPARTMENT OF T GEOLOGICAL	HE INTERIOR	(Other instructions reverse side)		LEASE DESIGNATION AND SERIAL NO. 14-20-603-2198
ON FOR PERMIT TO DR	ILL, DEEPEN, C	R PLUG BAC	K 6.	. IF INDIAN, ALLOTTEE OR TRIBE NAME
D	DEN [7]	DI LIC DACK F	D. V.	Navajo Tribal UNIT AGREEMENT NAME
DRILL DEE	PEN 🗌	PLUG BACK E		
GAS WELL OTHER	SINGLE ZONE	MULTIPLE ZONE] <u>s</u> .	FARM OR LEASE NAME

b. TYPE OF WELL WELL X 2. NAME OF OPERATOR Navajo H WELL NO. J. Gregory Merrion & Robert L. Bayless 3. ADDRESS OF OPERATOR 13 FIELD AND POOL, OR WILDCAT P. O. Box 507, Farmington, NM 87401 4. LOCATION OF WELL (Report location clearly and in accordance with any Totah Gallup SEC., T., B., M., OR BLK. 1830' FSL & 1830' FWL At proposed prod. zone Section 13, T29N, R14W 14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFIC 12. COUNTY OR PARISH | 13. STATE New Mexico 2 miles southwest of Farmington SanJuan 16. NO. OF ACRES AN NO. OF ACRES ASSIGNED 15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROFERTY OR PEASE LINE, FT. (Also to nearest drlg, unit line, if any) TO THIS WELL 1780 18. DISTANCE FROM PROPOSED LOCATION* 19. PROPOSED PEPTH 20. ROTARY OR CABLE TOOLS TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 22 APPROX DATE WORK WILL STARTS 21. ELEVATIONS (Show whether DF, RT, GR, etc.)

5270 K.B. PROPOSED CASING AND CEMENTING PROGRAM WEIGHT PER FOOT SETTING DEPTH SIZE OF CASING SIZE OF HOLD APR 30

Plug Gallup & recomplete as Cliffhouse SWD well as follows: With 2" tbg set in packer 4967, squeeze Gallup perfs w/ 10 sx. Pull out of packer and spot cement to 4940. Spot 10 sx 4665-4565. Pull tubing. Perforate 3320 w/ 4 holes. Run 2" tbg. w/ model R packer. Set packer at 3100 and squeeze w/ 35 sx class B 2% CACL2. Displace cement to 3220 & let cement set. When no backflow pull packer loose and locate hole in casing. Squeeze casing leak as indicated. Perforate 4 holes @ 2570 & 4 holes @ 2420. Set retainer at 2550. Squeeze with 60 sx cement. Pick out cf retainer to 2100' & bradenhead squeeze perf. Drillout top squeeze & pressure test casing to 1500 psi. Perforate 2490-2520. Run plastic coated tubing & model A tension packer & commence injection.

Work is proposed pursuant to New Mexico Oil Conservation Commission order SWD-215 (attached) Double ram 900 series blowout preventers will be in place while working on well. No additional surface disturbance is anticipated.

IN ABOVE SPACE \$6.SCRIBE 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. 4-14-81 Co-Owner

(This space for Federal or State office use)

PERMIT NO. _ APPROVAL DATE

CONDITIONS OF APPROVAL, IF ANY:

NMOCC

DISTRICT OIL & GAS SUPERVISOR

APPROVED

APPROVED BY _

SUBJECT: SALT WATER DISPOSAL WELL

THE APPLICATION OF MERRION & BAYLESS FOR A SALT WATER DISPOSAL WELL

ADMINISTRATIVE ORDER \ OF THE OIL CONSERVATION DIVISION



Under the provisions of Rule 701 (C), Merrion & Bayless made application to the New Mexico Oil Conservation Division on October 3, 1979, for permission to complete for salt water disposal its Navajo H-13 located in Unit K of Section 13, Township 29 North, Range 14 West, NMPM, San Juan County, New Mexico.

The Division Director finds:

- (1) That application has been duly filed under the provisions of Rule 701 (C) of the Division Rules and Regulations;
- (2) That satisfactory information has been provided that all offset operators and surface owners have been duly notified; and
- (3) That the applicant has presented satisfactory evidence that all requirements prescribed in Rule 701 (C) will be met.
- (4) That no objections have been received within the waiting period prescribed by said rule.

IT IS THEREFORE ORDERED:

That the applicant herein, Merrion & Bayless, is hereby authorized to complete its Navajo H-13 located in Unit K, Section 13, Township 29 North, Range 14 West, NMPM, San Juan County, New Mexico, in such a manner as to permit the injection of salt water for disposal purposes into the Cliffhouse Mesaverde formation at approximately 2490 feet to approximately 2520 feet through 2 3/8 inch plastic lined tubing set in a packer located at approximately 2480 feet.

IT IS FURTHER ORDERED:

That the operator shall take all steps necessary to ensure that the injected water enters only the proposed injection interval and is not permitted to escape to other formations or onto the surface.

That the casing-tubing annulus shall be loaded with an inert fluid and equipped with a pressure gauge at the surface or left open to the atmosphere to facilitate detection of leakage in the casing, tubing, or packer.

That injection pressure shall not exceed 500 pounds per square inch as measured at the surface.

That before the Merrion & Mayless Navajo H-13 may be converted to injection the Merrion & Bayless Navajo H-3 in Unit O of Section 13, Township 29 North, Range 14 West, must be adequately cemented across and above the Cliffhouse Mesaverde zone in such a manner to ensure the presence of cement throughout the Cliffhouse Mesaverde formation and a minimum of 500 feet above the top thereof.

That the operator shall notify the supervisor of the Division's District Office before injection is commenced through said well;

That the operator shall immediately notify the Supervisor

of the Division Aztec District Office of the failure of the tubing, casing, or packer in said well or the leakage of water from or around said well and shall take such steps as may be timely or necessary to correct such failure or leakage.

PROVIDED FURTHER: That jurisdiction of this cause is hereby retained by the Division for such further order or orders as may seem necessary or convenient for the prevention of waste and/or protection of correlative rights; upon failure of applicant to comply with any requirement of this order after notice and hearing, the Division may terminate the authority hereby granted in the interest of conservation. That applicant shall submit monthly reports of the disposal operations in accordance with Rule 704 and 1120 of the Division Rules and Regulations.

APPROVED at Santa Fe, New Mexico, on this 29th day of October, 1979.

STATE OF NEW MEXICO

OIL CONSERVATION PIVISION

JOE D. RAMEY

Division Director

SEAL

APR 8 0 1981 OIL COM. COM. DIST. 3