

**J. GREGORY MERRION**  
PETROLEUM ENGINEER  
P. O. BOX 507  
FARMINGTON, NEW MEXICO 87401

MAY 18 1978

May 17, 1978

New Mexico Oil Conservation Commission  
P.O. Box 2088  
Santa Fe, New Mexico 87501

RE: Hi Roll #2  
Pic. Cliff Test  
SW/4 Sec. 35, T27N, R13W  
San Juan County, NM  
(30-045-23033)

Gentlemen:

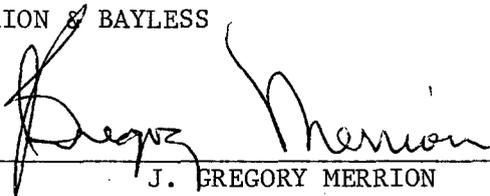
Please accept this as our application for administrative approval of an unorthodox location for the above well as shown on the attached survey plat. You will note we have moved the location 150 feet north from the orthodox location to comply with the requirements of the Navajo Indian Irrigation Project.

We are sending a copy of this application to the offset acreage holders along with a request for waiver on their part if they have no objection.

Yours very truly,

MERRION & BAYLESS

By

  
J. GREGORY MERRION

JGM/eh

Enclosure: Intent to Drill  
Survey Plat

cc: 2 copies - Aztec NMOCC  
1 copy - each offset acreage holder

**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 and 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  
 2000 FSL and 1850 FWL  
 At proposed prod. zone  
 Same

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

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

16. NO. OF ACRES IN LEASE  
 640

17. NO. OF ACRES ASSIGNED TO THIS WELL  
 160

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

19. PROPOSED DEPTH  
 1300'

20. ROTARY OR CABLE TOOLS  
 Rotary

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

22. APPROX. DATE WORK WILL START\*  
 As soon as possible

23. 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:**

<u>Formation</u>	<u>Depth</u>	<u>Content</u>
Ojo Alamo	Below Surface Alluvium	Water
Kirtland	156 ft.	
Fruitland	1050 ft.	
Picture Cliff	1256 ft.	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:

NEW MEXICO OIL CONSERVATION COMMISSION  
WELL LOCATION AND ACREAGE DEDICATION PLAT

Form C-102  
Supersedes C-129  
Effective 1-4-65

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

APR 18 1978

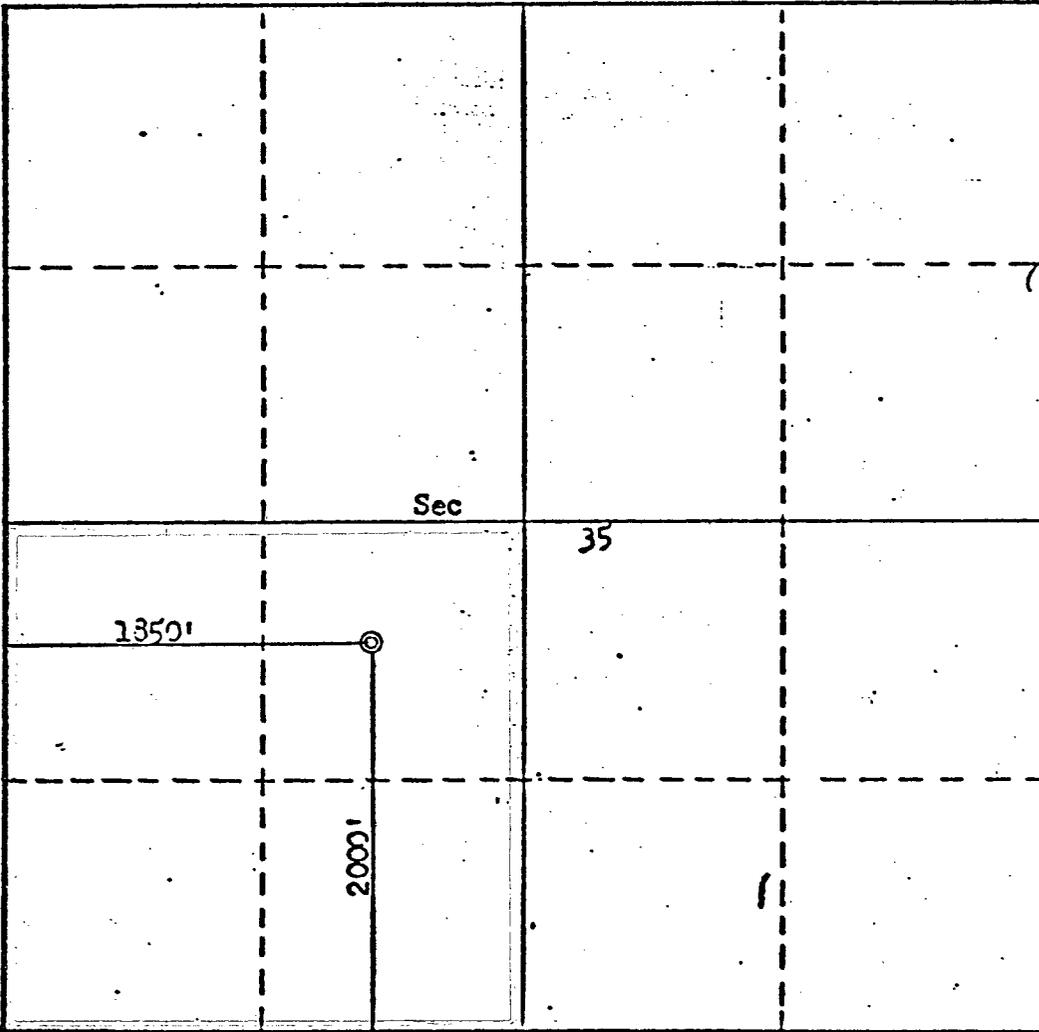
Operator <b>Merrion &amp; Bayless</b>		Lease <b>H1 Roll</b>		Well No. <b>2</b>
Unit Letter <b>K</b>	Section <b>35</b>	Township <b>27N</b>	Range <b>13W</b>	County <b>San Juan</b>
Actual Footage Location of Well:				
2000 feet from the		South	line and	1850 feet from the
				West line
Ground Level Elev. <b>6034</b>	Producing Formation <b>Pictured Cliffs</b>	Pool <b>NIPP Pictured Cliffs</b>	Dedicated Acreage: <b>160</b> Acres	

- Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.
- If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
- 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**

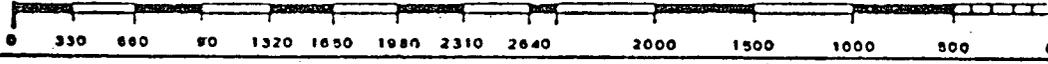
I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.

Date Surveyed  
**April 3, 1978**

Registered Professional Engineer and/or Land Surveyor  
*Fred B. Kerr Jr.*

**Fred B. Kerr Jr.**

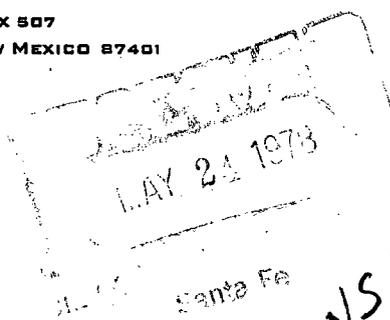
Certification No. **3950**



J. GREGORY MERRION  
PETROLEUM ENGINEER  
P. O. BOX 507  
FARMINGTON, NEW MEXICO 87401

May 23, 1978

State of New Mexico  
Energy & Minerals Dept.  
Oil Conservation Division  
P.O. Box 2088  
Santa Fe, NM 87501



*NSK-961  
Rule 104 F  
Immediate  
2000 S, 1850 W*

ATTENTION: R. L. Stamets

RE: Request for Information on  
Applications: Hi Roll #2 and #3  
SW/4 Sec. 35, T27N, R13W  
San Juan County, New Mexico  
*Nipp - Pictured Cliffs*

Gentlemen:

The non-standard locations we are applying for are at the request of and approved by the Bureau of Indian Affairs, Department of Interior (refer to attached letter) who represent the Navajo Tribe in the development of the surface area for a large farming project called the Navajo Indian Irrigation Project. Therefore, no topographic considerations necessitated the moving of these locations and requirement three does not apply in our case. However, we have included topographic maps of the area showing the offset acreage holders and trust this will suffice. In addition, we have notified all known offset acreage holders by Certified mail of our application and they are as follows:

Jerome P. McHugh & Assoc.  
Suite 1225  
600 South Cherry St.  
Denver, CO 80222

Dome Petroleum Corp.  
1500 Colorado State Bank Building  
Denver, CO 80202

Dietrich Exploration Co., Inc.  
602 Midland Savings Bldg.  
444 17th Street  
Denver, CO 80202

Phillips Petroleum  
Security Life Bldg.  
Denver, CO 80202

Yours very truly,

MERRION & BAYLESS

By *Steven S. Dunn*  
STEVEN S. DUNN  
Engineer

SSD/eh

xc: NMOCC, Aztec

RESOURCES  
Irrigation (NIIP)

NAVAJO INDIAN IRRIGATION PROJECT  
P. O. Box 2157  
Farmington, New Mexico 87401

MAY 24 1978

May 5, 1978

Memorandum

To: Area Manager, Bureau of Land Management

From: Project Engineer

Subject: Well locations and facilities - Merrion and Bayless  
Company - Oil and Gas Lease No. NM33047

We have reviewed the well locations listed in your letter of  
April 28, 1978:

1. H1 Roll #1; SW $\frac{1}{4}$ SE $\frac{1}{4}$ , Sec. 35, T. 27 N., R. 13 W. 790S-1450E
2. H1 Roll #2; NE $\frac{1}{4}$ SW $\frac{1}{4}$ , Sec. 35, T. 27 N., R. 13 W. 2000S-1850W
3. H1 Roll #3, SW $\frac{1}{4}$ NE $\frac{1}{4}$ , Sec. 35, T. 27 N., R. 13 W. 1350N-1850E
4. H1 Roll #4; NW $\frac{1}{4}$ NW $\frac{1}{4}$ , Sec. 35, T. 27 N., R. 13 W. 790N-1100W

These locations had previously been discussed with Robert L. Bayless  
of Merrion and Bayless Company on March 28, 1978 and we recommended  
approval of the sites as proposed with the following stipulations:

- (1) All above ground well facilities within fields  
proposed for cultivation be held to a maximum height  
of 24 inches, (This includes wells H1 Roll #1 and  
H1 Roll #2),
- (2) All pipelines to serve the wells be installed  
(buried) in such a manner that they will not  
interfere with agricultural operations in the area,
- (3) Any modifications or relocations of facilities,  
other than the well itself, which in the future are  
found to interfere with the construction and/or  
development of the area for agricultural purposes  
in connection with the Navajo Indian Irrigation  
Project be performed by the lessee at the lessee's  
expense, and

(4) The lessee shall furnish the Navajo Indian Irrigation Project Project Manager a map showing well and pipeline facilities as installed, to include depth of pipeline cover.

We also suggest that the lessee contact the Navajo Indian Irrigation Project Project Manager prior to actual installation of wells and related facilities to review installation plans in an effort to avoid the possible need for modification or relocation of some facilities in the future.

*J. J. Christensen*

cc: Project Construction Engineer  
Bureau of Reclamation  
1006 Municipal Drive  
Farmington, New Mexico 87401

Area Real Property Management Officer  
Bureau of Indian Affairs  
Navajo Area Office  
Window Rock, Arizona 86515

General Manager  
Navajo Agricultural Products Industry  
Attention: Emery Chee  
P. O. Box 86  
Farmington, New Mexico 87401

Merrion and Bayless ✓  
P. O. Box 1541  
Farmington, New Mexico 87401

MERRION & BAYLESS  
P.O. Box 507  
Farmington, New Mexico

RECEIVED  
MAY 24 1978

Proposed - Hi Roll #2  
SW/4 Sec. 35, T27N, R13W  
San Juan County, N.M.

James H. Hughes hereby consents  
(Company Name)  
to Merrion and Bayless drilling a proposed Pictured Cliffs test gas well  
at a location 2000 feet from the south line and 1850 feet from the west  
line of Section 35, Township 27 North, Range 13 West, San Juan County,  
New Mexico.

By James H. Hughes  
Title: Owner  
Date 5-22-78

By William C. Gage  
Title: District Engineer  
Date May 26, 1978

001 - 1 1978

MERRION & BAYLESS  
P.O. Box 507  
Farmington, New Mexico

Proposed - Hi Roll #2  
SW/4 Sec. 35, T27N, R13W  
San Juan County, N.M.

Dome Petroleum Corp  
(Company Name)

hereby consents

to Merrion and Bayless drilling a proposed Pictured Cliffs test gas well  
at a location 2000 feet from the south line and 1850 feet from the west  
line of Section 35, Township 27 North, Range 13 West, San Juan County,  
New Mexico.

By William E. Sabzale  
Title: District Engineer

Date May 26, 1978

J. GREGORY MERRION  
PETROLEUM ENGINEER  
P. O. BOX 807  
FARMINGTON, NEW MEXICO 87401

*Handwritten:*  
5/23/78

CERTIFIED MAIL

May 23, 1978

Phillips Petroleum  
Security Life Bldg.  
Denver, CO 80202

RE: Hi Roll #2  
SW/4 Sec. 35, T27N, R13W  
San Juan County, NM

Gentlemen:

You will note from the enclosed copy of application we are requesting an unorthodox location for the above referred to well, and if you have no objection we would appreciate your signing the enclosed waiver and sending it direct to the New Mexico Oil Conservation Commission, P.O. Box 2088, Santa Fe, New Mexico 87501.

Yours very truly,

MERRION & BAYLESS

By

*Handwritten signature of Steven S. Dunn*  
STEVEN S. DUNN  
Engineer

SSD/eh

Enclosure: Waiver Form

xc: NMOCC:  
Santa Fe  
Aztec

REC'D. WEST. REGION	
MAY 25 1978	
REFER TO	ACTION
REG. MGR.	PLEASE HANDLE
EX. MGR.	FOR YOUR INFO
PL. MGR.	SEE ME
ED. MGR.	FOLLOW UP
ADM. MGR.	NO DATA
	FILE
	PLACE IN FILE

OIL CONSERVATION COMMISSION  
Antec DISTRICT

OIL CONSERVATION COMMISSION  
BOX 2088  
SANTA FE, NEW MEXICO

DATE 5-18-78

RE: Proposed MC \_\_\_\_\_  
Proposed DHC \_\_\_\_\_  
Proposed NSL  \_\_\_\_\_  
Proposed SWD \_\_\_\_\_  
Proposed WFX \_\_\_\_\_  
Proposed PMX \_\_\_\_\_

*R. L. Stamets*

Gentlemen:

I have examined the application dated 5-17-78  
for the Merrin & Bayless Hi Roll #2 K-35-27N-13W  
Operator Lease and Well No. Unit, S-T-R

and my recommendations are as follows:

Approve  
They filed for 4 PC wells in this section

Yours very truly,

*AR Kendrick*