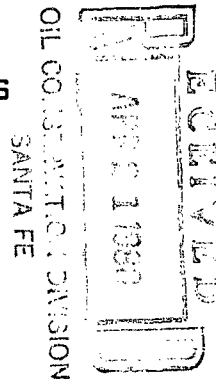


**ROBERT L. BAYLESS**

PETROLEUM CLUB PLAZA BUILDING

P. O. BOX 1541

FARMINGTON, NEW MEXICO 87401



April 18, 1980

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

ATTENTION: Mr. Joe D. Ramey  
Director

RE: Hickman #7  
Administrative Order NSL-1086  
NE/Sec. 3, T26N, R12W

*Amend NSL 1086  
Rule 104 F  
5-11-80*

Gentlemen:

We have previously requested and received permission for an unorthodox location for the above well due to terrain problems.

We have now drilled the well, unfortunately we encountered some gas in the Fruitland formation which we would like to produce and did not reach the Pictured Cliffs formation. Therefore, it is necessary we have an amendment to the above referred to Order to include the Fruitland formation.

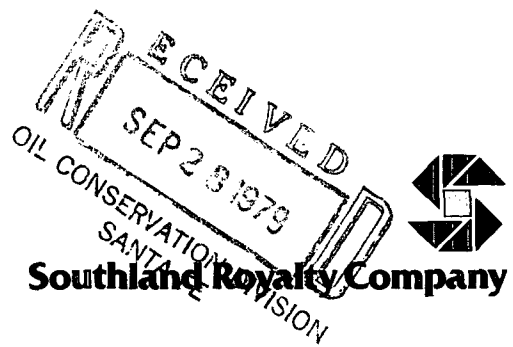
Yours truly,

MERRION & BAYLESS

By

*R L Bayless*  
ROBERT L. BAYLESS

XC: NMOCC - Aztec  
USGS - Farmington  
Southland Royalty (Certified Mail)  
J. P. McHugh (Certified Mail)



September 26, 1979

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

Subject: Marrion & Bayless Well  
Hickman #7  
NE/4 Sec. 3, T26N, R12W  
San Juan County, New Mexico

Gentlemen:

The proposed location for the subject well is unorthodox at 550' FNL and 790' FEL of section 3.

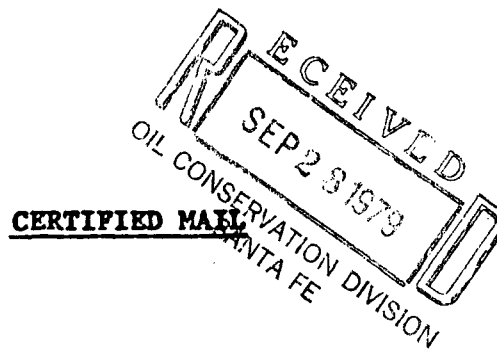
As an offset operator, Southland Royalty Company does not object to this unorthodox location.

Yours truly,

A handwritten signature in black ink, appearing to read "L. O. Van Ryan".

L. O. Van Ryan  
District Production Manager

LOVR/dg



September 18, 1979

Southland Royalty Co.  
410 - 17th Street, Suite 1000  
Denver, CO 80202

RE: Hickman #7  
NE/4 Sec. 3, T26N, R12W

Gentlemen:

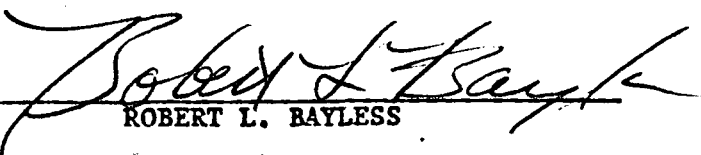
The enclosed lease plat shows the location of the above proposed location and your lease offsetting it.

The enclosed topographic map also shows the location which will require an unorthodox location approval (550 FNL and 790 FEL). We request you advise the New Mexico Oil Conservation Commission you have no objection to our location.

If you have questions, please advise.

Yours truly,

MERRION & BAYLESS

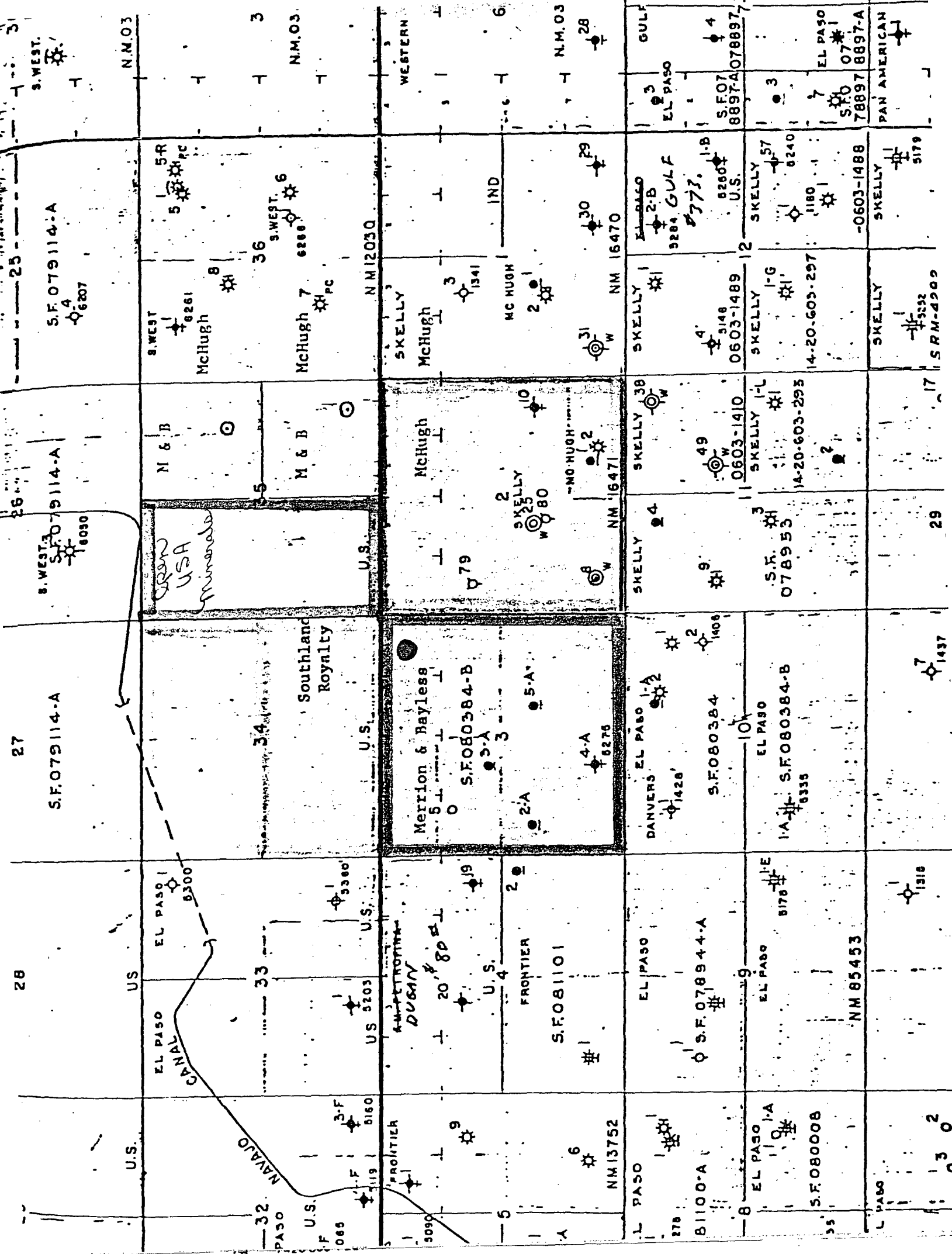
By   
ROBERT L. BAYLESS

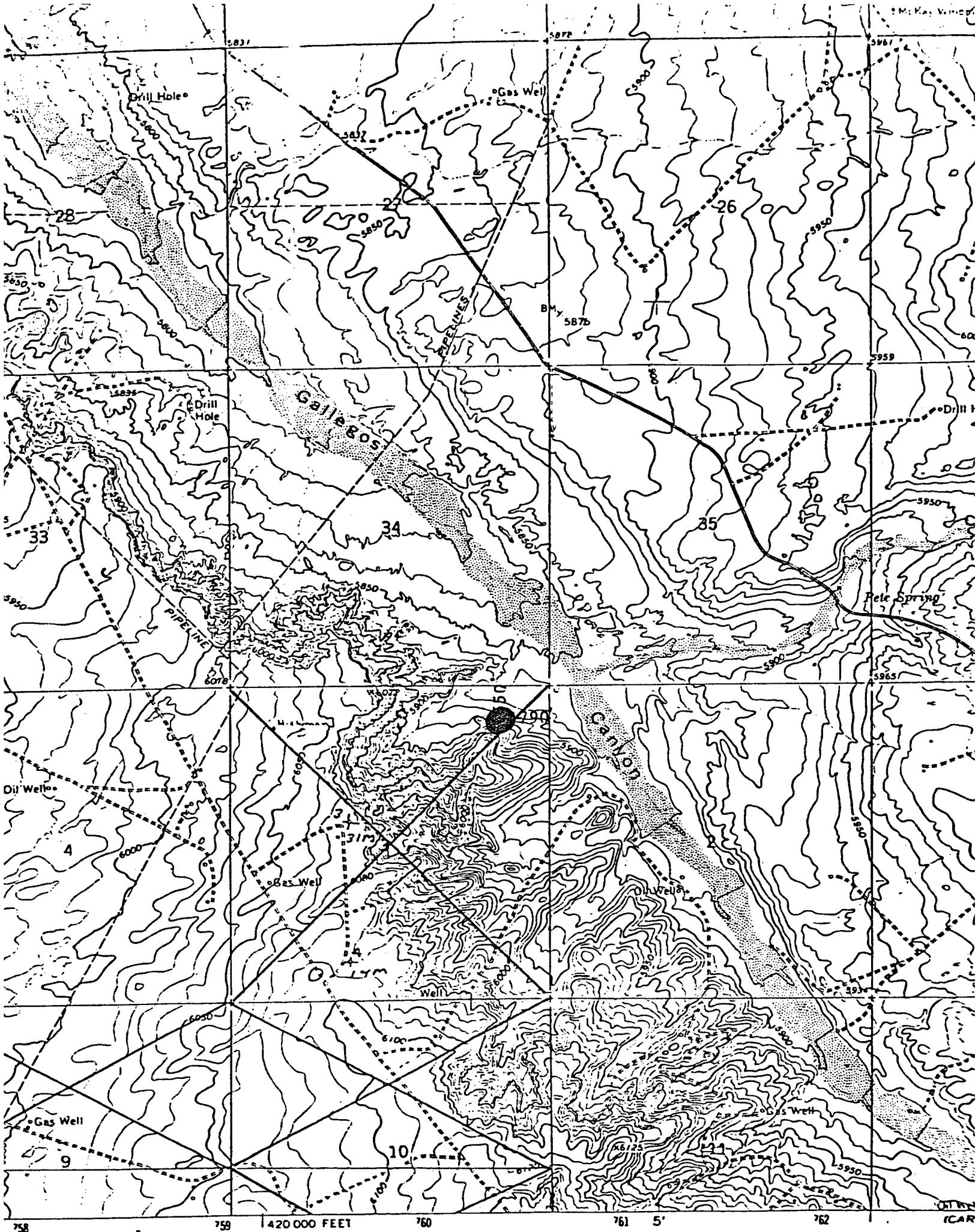
RLB/eh

Enclosures (2)

✓ xc: Southland Royalty  
P.O. Drawer 570  
Farmington, NM 87401  
ATTN: Mr. Larry Van Ryan

RECEIVED  
SEP 25 1979  
OIL CONSERVATION DIVISION



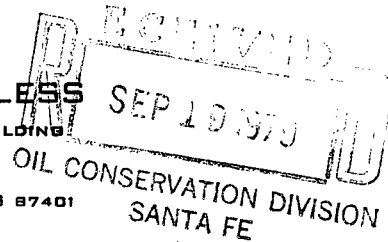


ROBERT L. BAYLESS

PETROLEUM CLUB PLAZA BUILDING

P. O. BOX 1541

FARMINGTON, NEW MEXICO 87401



NSL-1086  
Rule 104 F  
10-15-79

September 17, 1979

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

RE: Hickman #7

Pictured Cliffs Well *fm*

Gentlemen:

The above referred to location is unorthodox because of terrain (cliffs) as shown in the attached topographical map. We request permission for the location to be 550 feet FNL and 790 feet FEL of Section 3, T26N, R12W. We have sent certified letters to the offset acreage holders and request they advise your office of their response to this unorthodox location.

We request administrative approval to expedite this drilling.

Yours truly,

MERRION & BAYLESS

By

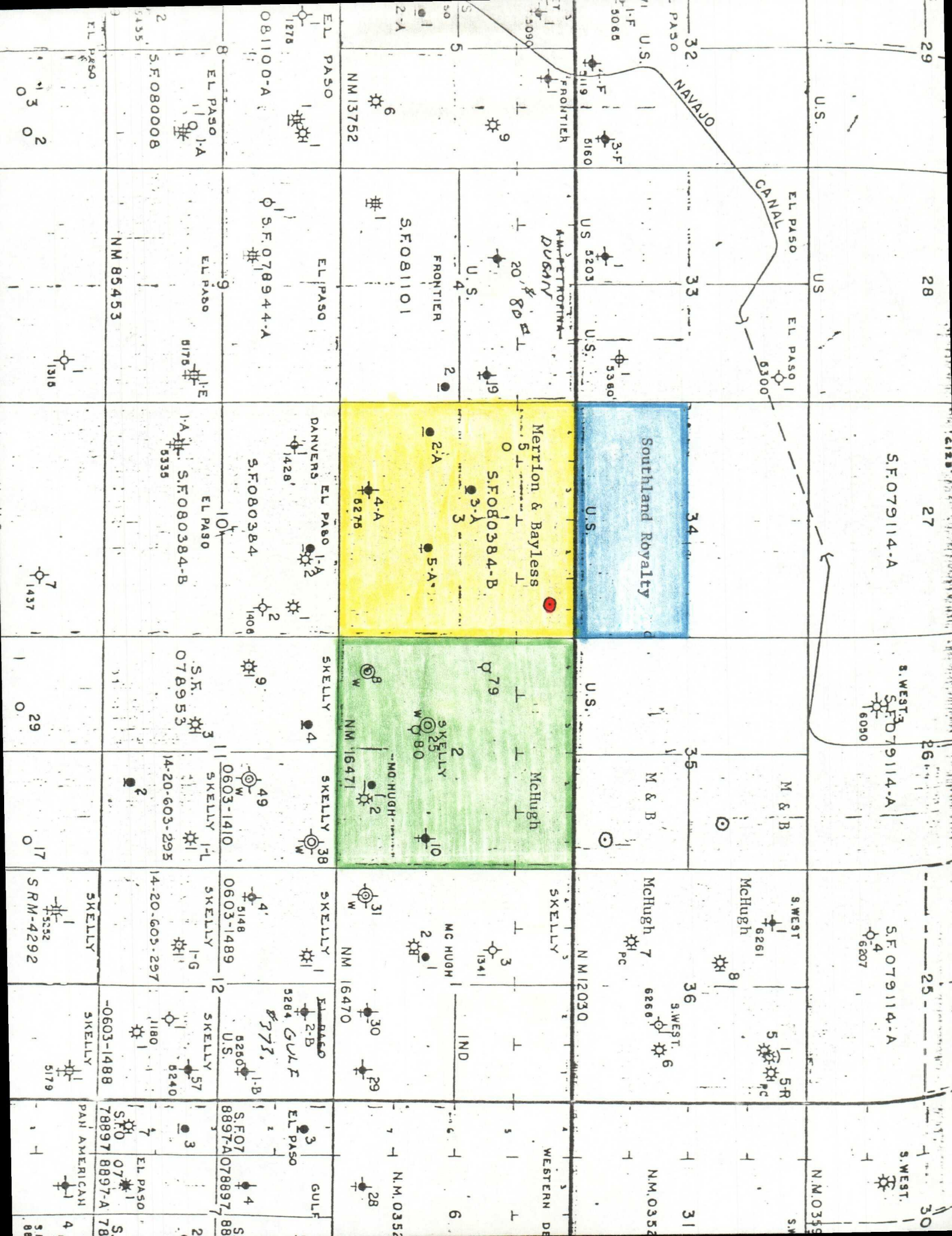
ROBERT L. BAYLESS

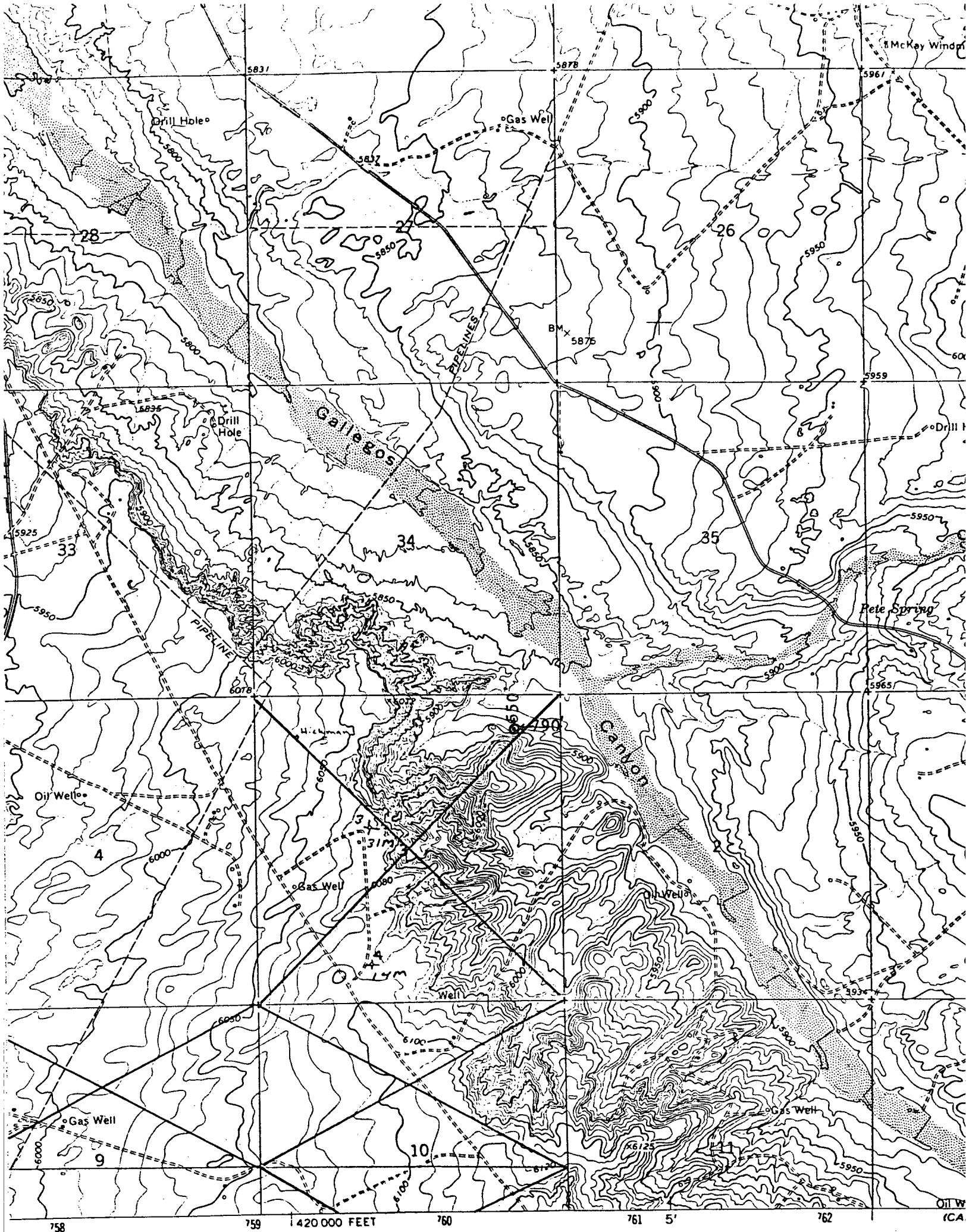
RLB/eh

xc: Oil Conservation Division, Aztec  
Offset Acreage Holders

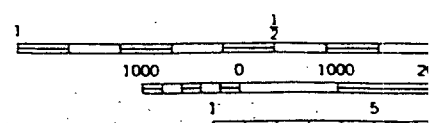
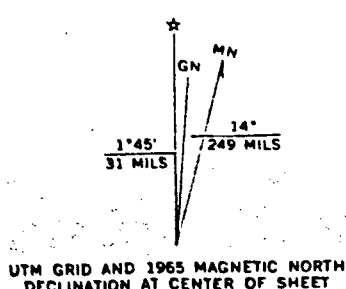
encl: Plat  
Map







edited, and published by the Geological Survey  
 / USGS, USC&GS, and U. S. Bureau of Reclamation  
 by photogrammetric methods from aerial  
 photos taken 1964 and by planimetric surveys of the  
 Reclamation 1965. Field checked by USGS 1965  
 projection. 1927 North American datum  
 not grid based on New Mexico coordinate system,  
 after Universal Transverse Mercator grid ticks,  
 shown in blue  
 Dashed lines indicate selected fence lines



CONT  
 DATI

THIS MAP COMPLIES W  
 FOR SALE BY U. S. GEOLOGICAL SURVEY  
 A FOLDER DESCRIBING TOPOGRA

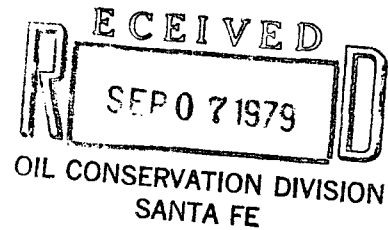


**McHUGH**

*File*

*NSL-*

September 4, 1979



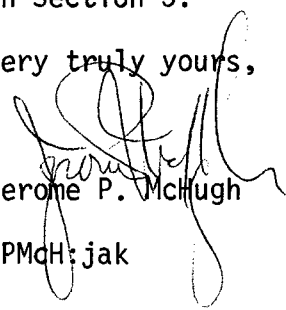
Mr. Joe D. Ramey  
New Mexico Oil Conservation Commission  
P. O. Box 2088  
Santa Fe, New Mexico 87501

Dear Mr. Ramey:

We have been informed by Mr. Robert L. Bayless of his intent to drill a Pictured Cliffs test well (Hickman #7) located 550 feet from north line and 790 feet from east line of Section 3-T.26N-R.12W, San Juan County, New Mexico which offsets my lease in Section 2.

This is to advise you that I have no objection to his location in Section 3.

Very truly yours,

  
Jerome P. McHugh

JPMCH:jak

cc: Robert L. Bayless  
Petroleum Club Plaza Building  
P. O. Box 1541  
Farmington, New Mexico 87401

Jerome P. McHugh & Associates  
Oil & Gas Producer  
Suite 1225, 600 South Cherry  
Operating Affiliate: Nassau Resources, Inc.  
Denver, Colorado 80222  
(303) 321-2111



STATE OF NEW MEXICO  
ENERGY AND MINERALS DEPARTMENT  
OIL CONSERVATION DIVISION

September 20, 1979

BRUCE KING  
GOVERNOR  
LARRY KEHOE  
SECRETARY

POST OFFICE BOX 2088  
STATE LAND OFFICE BUILDING  
SANTA FE, NEW MEXICO 87501  
(505) 827-2434

Robert L. Bayless  
P. O. Box 1541  
Farmington, New Mexico 87401

Re: Application for Non-Standard  
Location: Hickman No. 7,  
550' FNL and 790' FEL of Sec. 3,  
T-26-N, R-12-W, San Juan County

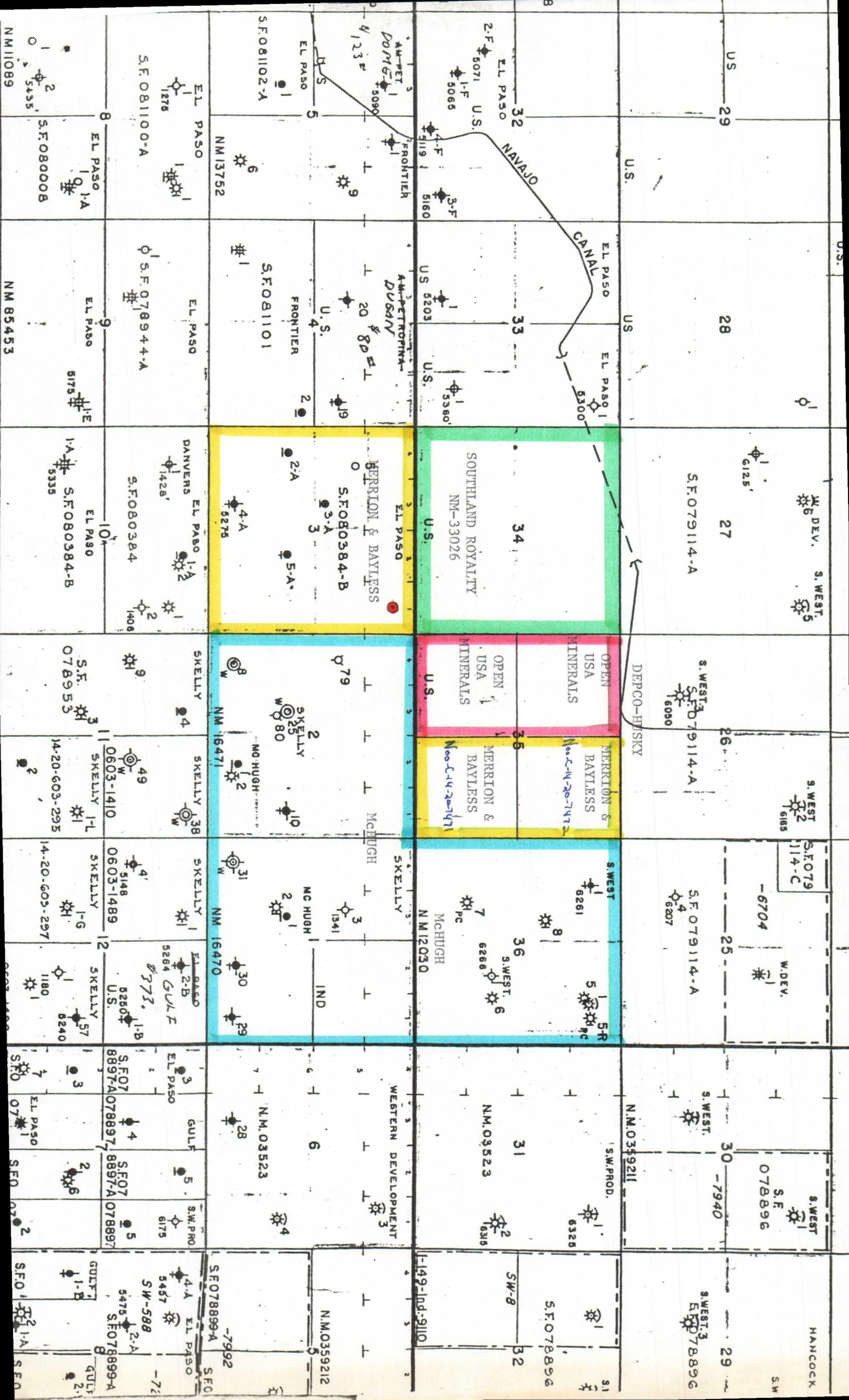
We may not process the subject application for non-standard location until the required information or plats checked below (is)(are) submitted.

- ☒ A plat must be submitted clearly showing the ownership of the offsetting leases. The map submitted is not clear as to ownership to the east.
- ☐ A statement must be submitted that offset owners have been notified of the application by certified mail.
- ☐ A plat must be submitted fully identifying the topography necessitating the non-standard location.
- ☐ Other:

Very truly yours

R. L. STAMETS  
Technical Support Chief

RLS/dr



OIL CONSERVATION COMMISSION  
AZTEC DISTRICT

OIL CONSERVATION COMMISSION  
BOX 2088  
SANTA FE, NEW MEXICO

DATE 9/27/79

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

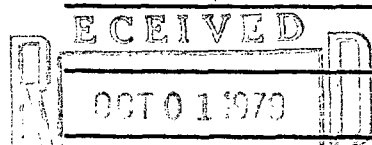
R. L. Stamets

Gentlemen:

I have examined the application dated 9/17/79  
for the Merrion & Bayless Hickman #7, A-3-26N-12W  
Operator Lease and Well No. Unit, S-T-R

and my recommendations are as follows:

Approve



OIL CONSERVATION DIVISION  
SANTA FE

Yours very truly,

  
A. R. Kendrick



STATE OF NEW MEXICO  
ENERGY AND MINERALS DEPARTMENT  
OIL CONSERVATION DIVISION

October 15, 1979

BRUCE KING  
GOVERNOR

LARRY KEHOE  
SECRETARY

POST OFFICE BOX 2088  
STATE LAND OFFICE BUILDING  
SANTA FE, NEW MEXICO 87501  
(505) 827-2434

Robert L. Bayless  
P. O. Box 1541  
Farmington, New Mexico 87401

Administrative Order NSL-1086

Gentlemen:

Reference is made to your application for a non-standard location for your Hickman Well No. 7 to be located 550 feet from the North line and 790 feet from the East line of Section 3, Township 26 North, Range 12 West, NMPM, Pictured Cliffs formation, San Juan County, New Mexico.

By authority granted me under the provisions of Rule 104 F of the Division Rules and Regulations, the above-described unorthodox location is hereby approved.

Sincerely,

JOE D. RAMEY,  
Director

JDR/RLS/dr

cc: Oil Conservation Division - Aztec  
Oil & Gas Engineering Committee - Hobbs  
U. S. Geological Survey - Farmington