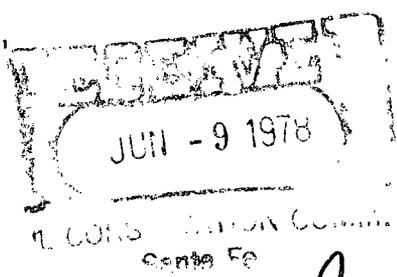


HSP-1101

OFF. 325-5093
RES. 327-9094

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



June 8, 1978

New Mexico Oil Conservation Commission
Box 2088
Santa Fe, New Mexico 87501

*N S P
Rule 104 D
Immediate*

RE: Application for
Nonstandard Proration
Unit

Gentlemen:

The Merrion and Bayless, Jicarilla 428-7 well has been drilled and completed in the Pictured Cliffs formation at a location 1170' FWL and 790' ESL, Section 30, T-23N, R-4W, Sandoval County, New Mexico in the Ballard Pictured Cliffs Field.

As per attached survey plat the proposed proration unit consists of a single governmental quarter section, which because of truncation at the township line consists of only 118.865 acres. It furthermore consists of quarter quarter sections and lots contiguous to a common bordering side.

*SW 1/4 partial
Section 30
(lots 324 and
E/2 SW 1/4)*

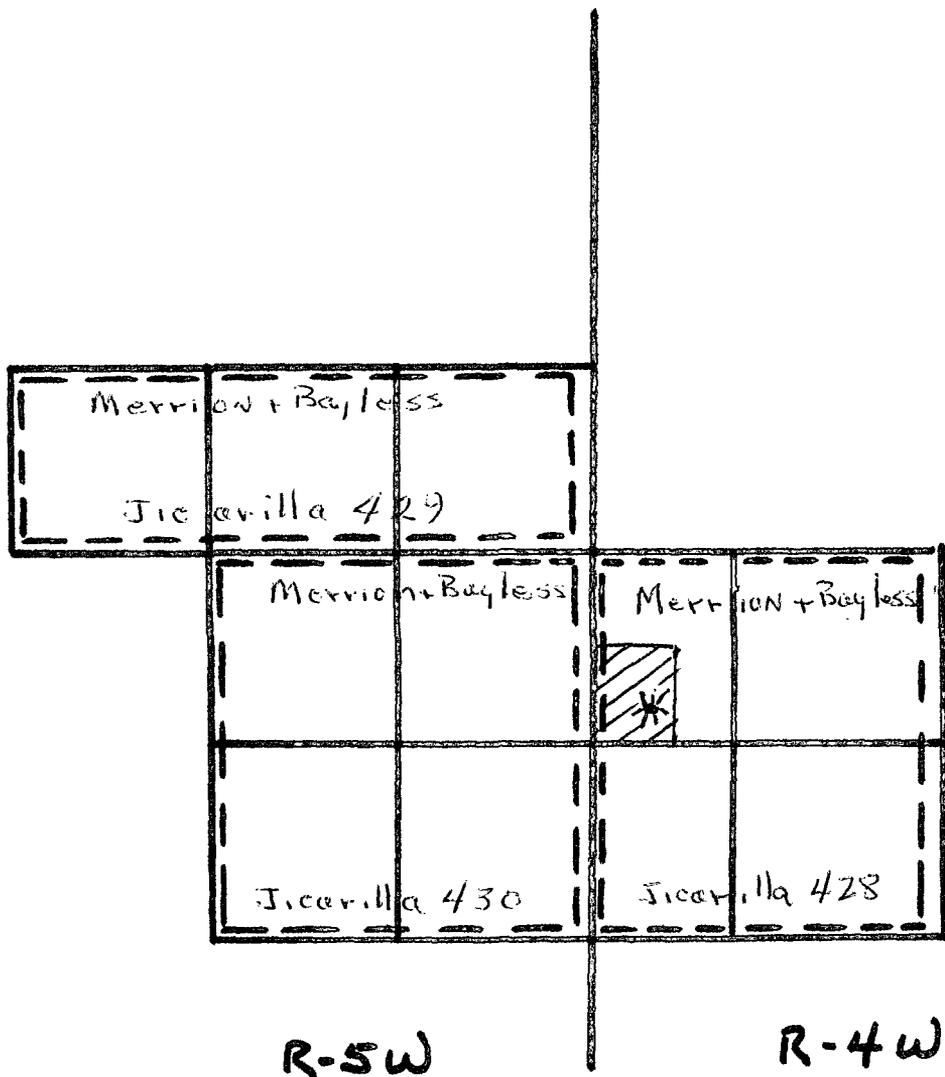
As per lease plat enclosed all offset acreage is owned by Merrion and Bayless.

Request is hereby made for Administrative approval of Non-standard proration unit.

Yours Very Truly,

MERRION & BAYLESS
Gregory Merrion
J. GREGORY MERRION

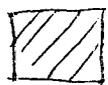
cc: Aztec NMOCC



T-23N

R-5W

R-4W



Proposed Non-Std.
Proration Unit.



Jicarilla 428.7

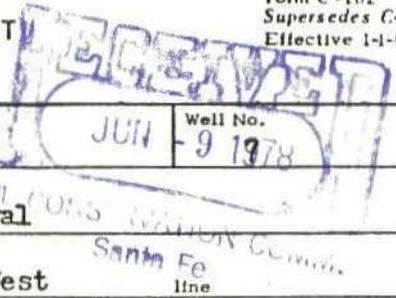
Lease Plat.
Application for Non-Std.
Proration Unit
Merriam + Bayless
Jicarilla 428.7

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 Jicarilla Contract 428 | | Well No. 9 1978 |
| Unit Letter N | Section 30 | Township 23N | Range 4W | County Sandoval | |
| Actual Footage Location of Well: 790 feet from the South line and 1170 feet from the West line | | | | | |
| Ground Level Elev: 6884 | Producing Formation Mesa Verde | | Pool Ballard Picture Cliff | Dedicated Acreage 118.865 Acres | |

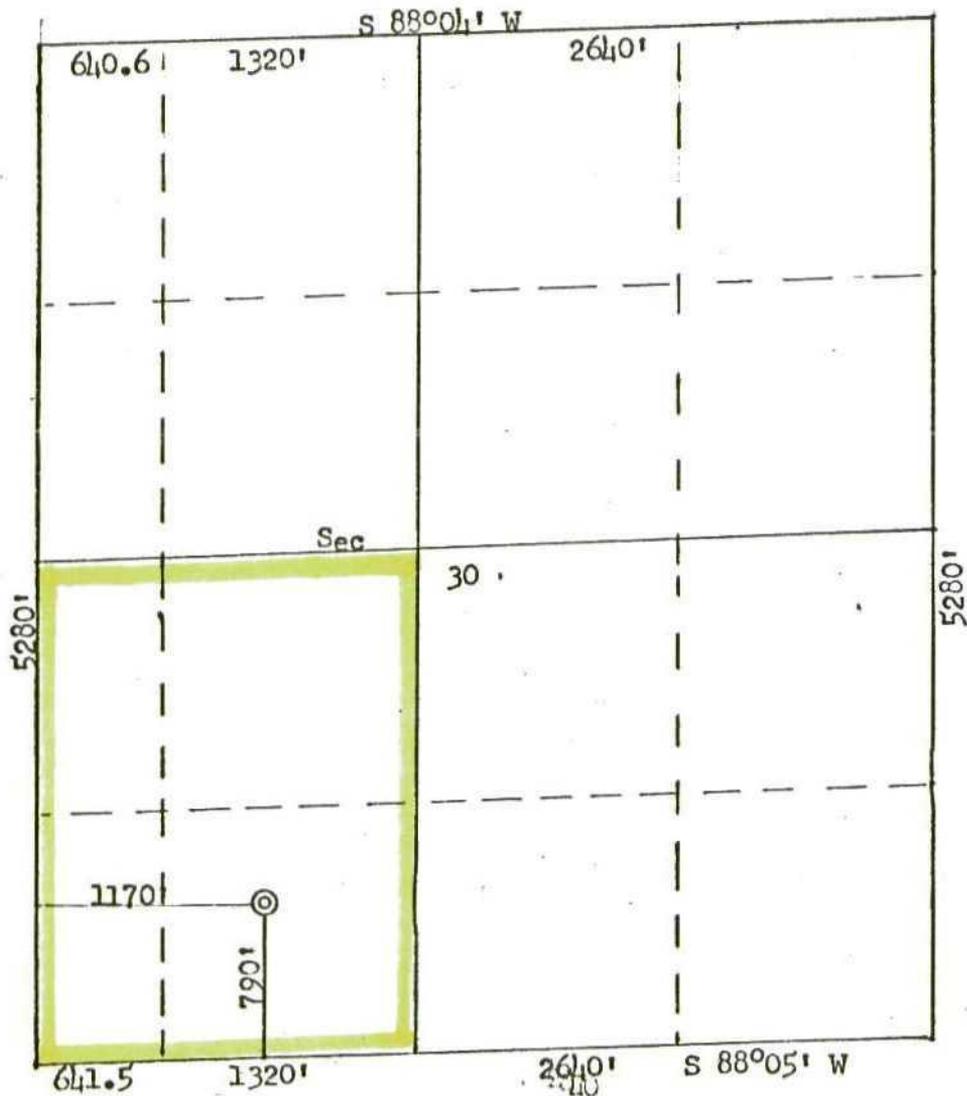


1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is 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
July 29, 1977

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
July 27, 1977

Registered Professional Engineer and Land Surveyor
Fred B. Kerr Jr.
Fred B. Kerr Jr.

Certificate No.
3950