

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
Chace Oil Company, Inc.

3. ADDRESS OF OPERATOR
313 Washington, SE, Albuquerque, NM 87108

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)
At surface Unit 'H' - 2005' FNL & 560' FEL
At proposed prod. zone

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*
16 miles W-SW of Lindrith, New Mexico

15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT.
(Also to nearest drlg. unit line, if any) 560' Lease Line 560' Unit Line

16. NO. OF ACRES IN LEASE
615

17. NO. OF ACRES ASSIGNED TO THIS WELL
40

18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.
1200'

19. PROPOSED DEPTH
7460'

20. ROTARY OR CABLE TOOLS
Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)
7188' GL

22. APPROX. DATE WORK WILL START*
6-1-83

23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
9 3/4"	8 5/8"	22# (J-55)	225'	225 sxs (405 CF) Class B cement
7 7/8"	4 1/2"	11.6# (N-80)	7460'	1st stage: 750 sxs (1350 CF) 50/50 pozmix 2nd stage: 505 sxs (909 CF) 40/60 pozmix, 12% gel 40 sxs (72 CF) Class B cement

Drill 230' of 9 3/4" surface hole. Set 225' of 8 5/8" casing. Cement to surface with 225 sxs (405 CF) cement. Use an oil base mud, (15% oil), and Schaeffer 5000# standard doublegate hydraulic BOP. Drill 7 7/8" hole to 7460' to test Dakota formation.

Wasatch formation on surface. Estimated tops: Ojo-2435'; Pictured Cliffs-2910'; Chacra-3260'; Cliff House-4415'; Pt. Lookout-4995'; Gallup-6085'; Tocito-6750'; Greenhorn-7050'; Dakota 'A'-7135'; Dakota 'D'-7260'; Burro Canyon-7360'.

D. V. Tool @ 2960'. Float Collar @ 7330'.

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 [Signature] TITLE Geologist DATE 1-13-83

(This space for Federal or State office use)

PERMIT NO. [Signature] APPROVAL DATE [Signature]
APPROVED BY [Signature] TITLE Asst. Dir. Mgmt. DATE APR 19 1983
CONDITIONS OF APPROVAL, IF ANY:

*See Instructions On Reverse Side

JAMES F. SIMS
DISTRICT ENGINEER

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

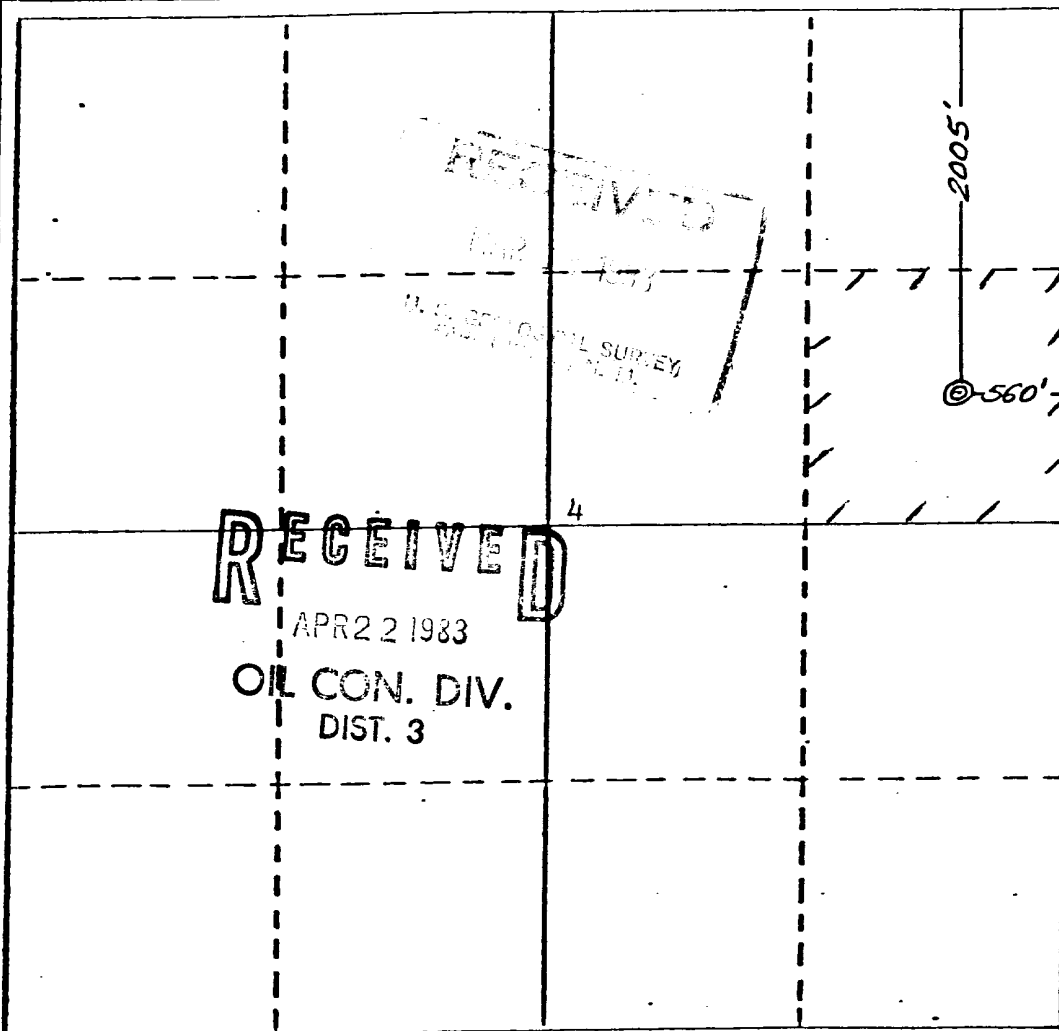
Operator CHACE OIL COMPANY, INC.		Lease JICARILLA TRIBAL #361 361 SV		Well No. #2
Unit Letter H	Section 4	Township 23 NORTH	Range 4 WEST	County RIO ARriba
Actual Footage Location of Well:				
2005 feet from the NORTH		line and 560		feet from the EAST line
Ground Level Elev. 7188	Producing Formation Gallup- DAKOTA	Pool S Linworth Gallup DAKOTA	Dedicated Acreage 40 ACRES	

1. Outline the acreage dedicated to the subject well by colored pencil or hatchure 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 Division

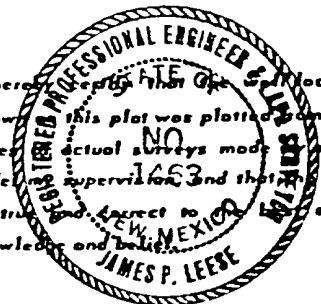


CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

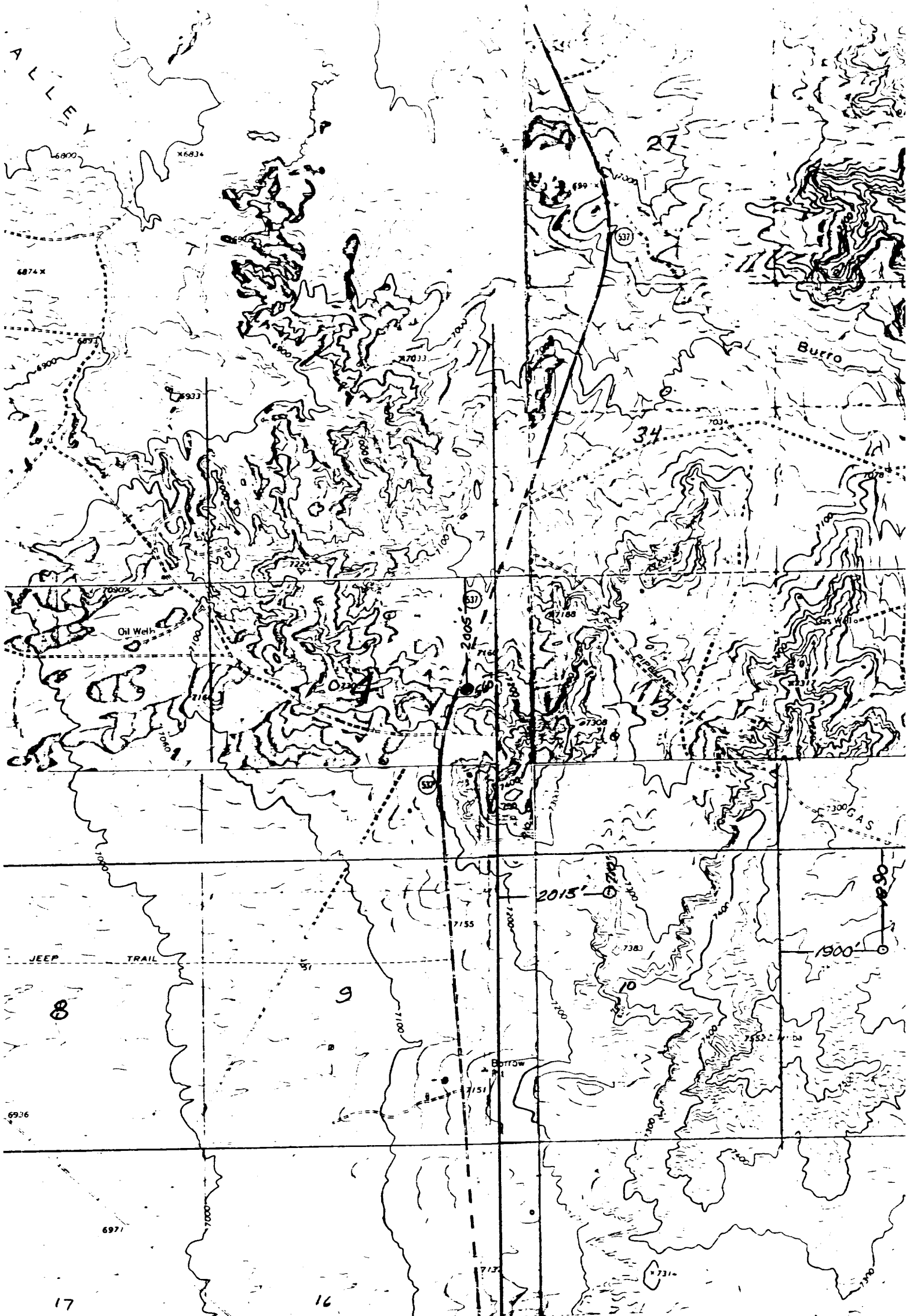
Name **[Signature]**
Position **Geologist**
Company **Chace Oil Co**
Date **1-17-83**

I hereby certify that the location shown on this plat was plotted in the 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
November 15, 1982
Registered Professional Engineer and/or Land Surveyor
[Signature]
James P. Leese

Certificate No.
1463



CHACE OIL COMPANY, INC.
361-JV #2
SE $\frac{1}{4}$ NE $\frac{1}{4}$, Sec. 4, T23N, R4W, N.M.P.M.,
Rio Arriba County, New Mexico

RIO ARRIBA CO
SANDOVAL CO

RIO ARRIBA CO
SANDOVAL CO

Borrow
Pit