

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, S.E., Albuquerque, New Mexico 87108

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)
At surface

Unit 'L' 1650' FSL + 813' FWL

At proposed prod. zone

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*

16 miles W-SW of Lindrith, New Mexico

16. DISTANCE FROM PROPOSED*

LOCATION TO NEAREST
PROPERTY OR LEASE LINE, FT.(Also to nearest drlg. unit line, if any) 813' Lease Line
330' Unit Line

18. DISTANCE FROM PROPOSED LOCATION*

TO NEAREST WELL, DRILLING, COMPLETED,
OR APPLIED FOR, ON THIS LEASE, FT.

1400'

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

7403' GR

DRILLING OPERATIONS AUTHORIZED ARE
SUBJECT TO COMPLIANCE WITH ATTACHED
"GENERAL REQUIREMENTS"

23.

PROPOSED CASING AND CEMENTING PROGRAM

22. APPROX. DATE WORK WILL START*

5/1/84

This action is subject to administrative
appeal pursuant to 30 CFR 290.

| SIZE OF HOLE | SIZE OF CASING | WEIGHT PER FOOT | SETTING DEPTH | QUANTITY OF CEMENT |
|--------------|----------------|-----------------|---------------|---------------------------------|
| 12 1/4" | 8 5/8" | 24# (J-55) | 225' | 225 SXS (266 CF) Class B cement |
| | | | | 1st stage: 750 SXS (1073 CF) |
| | | | | 50/50 pozmix |
| | | | | 2nd stage: 505 SXS (1177 CF) |
| | | | | 65/35 pozmix, 12% gel |
| | | | | 40 SXS (47 CF) Class B cement |

Drill 230' of 12 1/4" surface hole. Set 225' of 8 5/8" casing. Cement to surface with 225 SXS (266 CF) cement. Use an oil base mud, (15% oil) and Schaeffer 5000# standard doublegate hydraulic BOP. Drill 7 7/8" hole to 7709' to test the Dakota formation. Wasatch formation on surface. Estimated tops: Ojo - 2665'; Pictured Cliffs - 3130'; Chacra - 3481'; Cliff House - 4670'; Point Lookout - 5189'; Gallup - 6301'; Tocito - 6958'; Greenhorn - 7280'; Dakota 'A' - 7367'; Dakota 'D' - 7504'; Burro Canyon - 7609'.

D.V. Tool at 3170'. Float Collar at 7569'.

RECEIVED

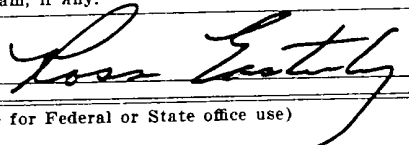
JUN 01 1984

OIL CON. DIV.

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 location and measured and true vertical depths. Give blowout preventer program, if any.

24.

SIGNED



TITLE

Landman

(This space for Federal or State office use)

PERMIT NO.

APPROVAL DATE

APPROVED BY

TITLE

CONDITIONS OF APPROVAL, IF ANY:

APPROVED

AS AMENDED

MAY 31 1984

AREA MANAGER
FARMINGTON RESOURCE AREA

*See Instructions On Reverse Side

NMOCC

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

| | | | | |
|-------------------------------------|--------------|--|-----------------|------------------------------|
| Operator CHACE OIL COMPANY, INC. | | Lease <i>Ticacilla Tribal Contract # 71</i> | | Well No. 71 31 |
| Unit Letter L | Section 3 | Township 23 NORTH | Range 4 WEST | County RIO ARriba |

Actual Footage Location of Well:
1650 feet from the SOUTH line and 813 feet from the WEST line

| | | | |
|----------------------------|---|--------------------------------|--------------------------------|
| Ground Level Elev. 7403 | Producing Formation <i>Gallup - Dakota</i> | Pool <i>Gallup - Dakota</i> | Dedicated Acreage: 40 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 _____

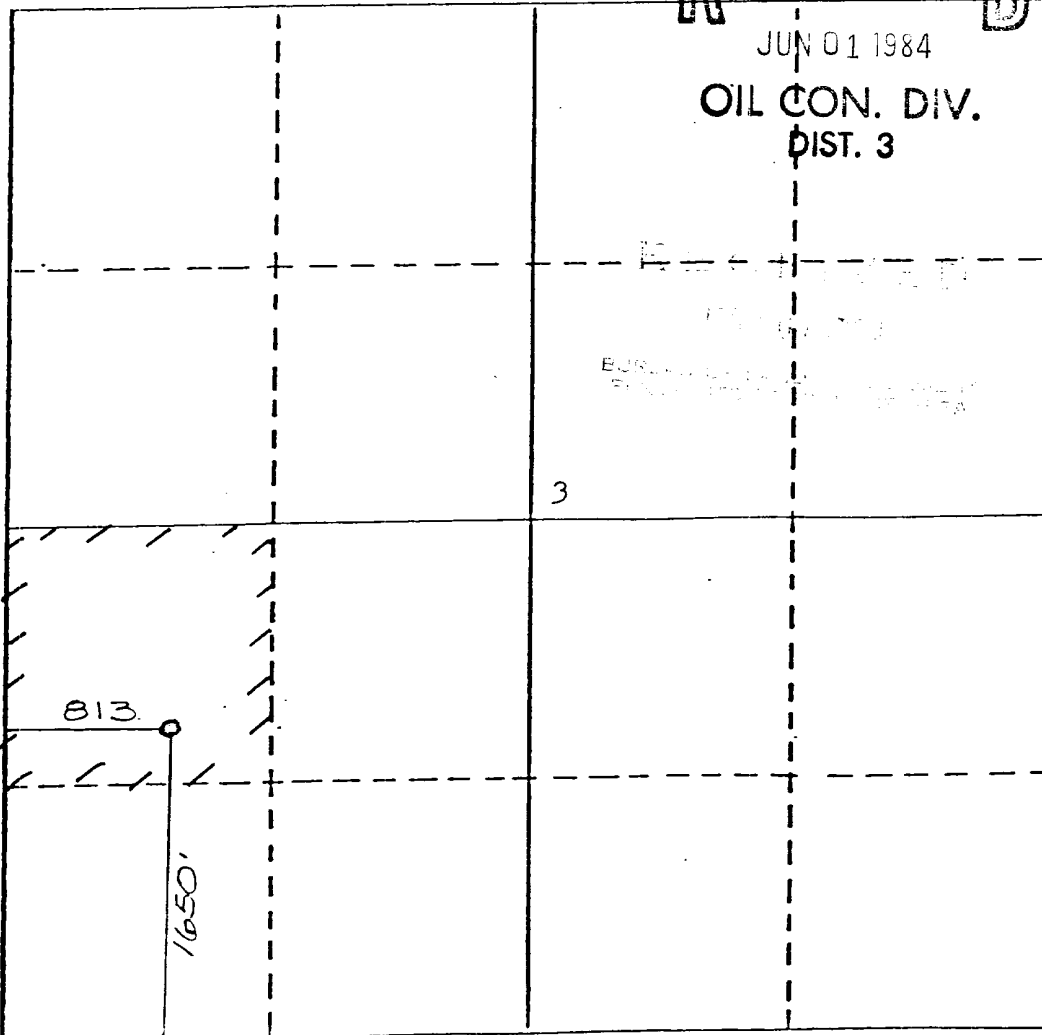
If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) _____

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 Division

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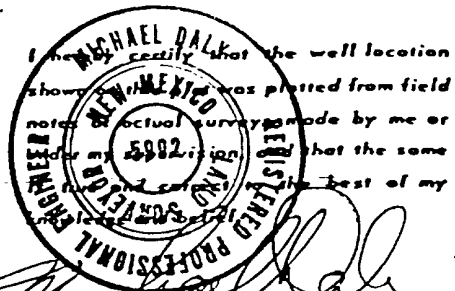
OIL CON. DIV.
DIST. 3



CERTIFICATION

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

| |
|--------------------------------------|
| Name <i>Rose Esteban</i> |
| Position <i>Landman</i> |
| Company <i>Chace Oil Co., Inc</i> |
| Date <i>7-1-84</i> |



| |
|---|
| Date Surveyed January 10, 1984 |
| Registered Professional Engineer and/or Land Surveyor |
| Michael Daly |
| Certificate No. 5992 |

