

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

30-043-20171

5. LEASE DESIGNATION AND SERIAL NO.
NM 0554433

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME
Rusty Federal

9. WELL NO.
3

10. FIELD AND POOL, OR WILDCAT
Rusty Menefee *ext*

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA
Sec. 14, T22N, R7W

12. COUNTY OR PARISH
Sandoval

13. STATE
N.M.

16. NO. OF ACRES IN LEASE
1160

17. NO. OF ACRES ASSIGNED TO THIS WELL
~~160~~ 40

20. ROTARY OR CABLE TOOLS
Rotary

22. APPROX. DATE WORK WILL START*
July 28, 1975

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, N.M. 87108

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)*
At surface Unit "P" 800' SL & 800' EL
At proposed prod. zone Same

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*
16 Miles S.W. of Counslers, N.M.

15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drig. unit line, if any)
800'

18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.
2700' N

19. PROPOSED DEPTH
3600'

21. ELEVATIONS (Show whether DF, RT, GR, etc.)
6924' GR

23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12 1/2	8-5/8	22#	110'	80 sxs

Will use low water loss mud system. Drill to 3600' to look at Menefee sands. Test sand if warrant - set 4 1/2" csg. If sands in Menefee do not justify setting pipe - plug back to 2400' set pipe and complete in La Ventana gas zone.



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.

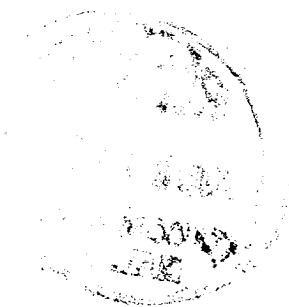
24. SIGNED Royce M. Cary TITLE President DATE 7-1-75

(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____

APPROVED BY [Signature] TITLE _____ DATE _____

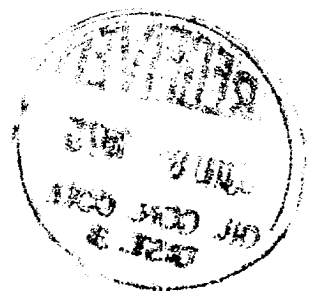
CONDITIONS OF APPROVAL, IF ANY:



DEVELOPMENT PLAN FOR SURFACE RESUME

Chace Oil Co. #3 Rusty Federal
800' FSL, 800' FEL, Section 14
T-22-N, R-7-W

1. Location and vicinity map, San Juan Engineering Company
Exit Hwy. 44 at Counslers, N.M.
2. 200 to 500' of road to be compacted to connect drill site with
existing area roads - Road width to be 20'.
3. Well site is $\frac{1}{2}$ mile south of the #2 Rusty Federal well in Unit H,
Sec. 14, T-22-N, R-7-W.
4. Roads shown on vicinity plat and location plat.
5. In case of production (gas) well will be tied into a gathering
line, but market has not been established. No tank batteries
or separators are anticipated at this time.
6. Water to come from private source at Escrito Trading Post.
7. All trash and waste material will be placed in the mud pit and
covered. No additional surface to be used, such as air strips
or campsites.
8. None
9. None
10. Rig layout shown on township plat attached.
11. The topography is flat, covered with blow sand and sagebrush.
12. Drilling pad to be compacted.
13. After well completion, location to be restored to original
condition less a few sagebrush, no other vegetation seems to
grow at this location.
14. Field representative to contact is Royce McCary, Telephone
266-5562 at 313 Washington, S.E., Albuquerque, N.M. 87108.



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.

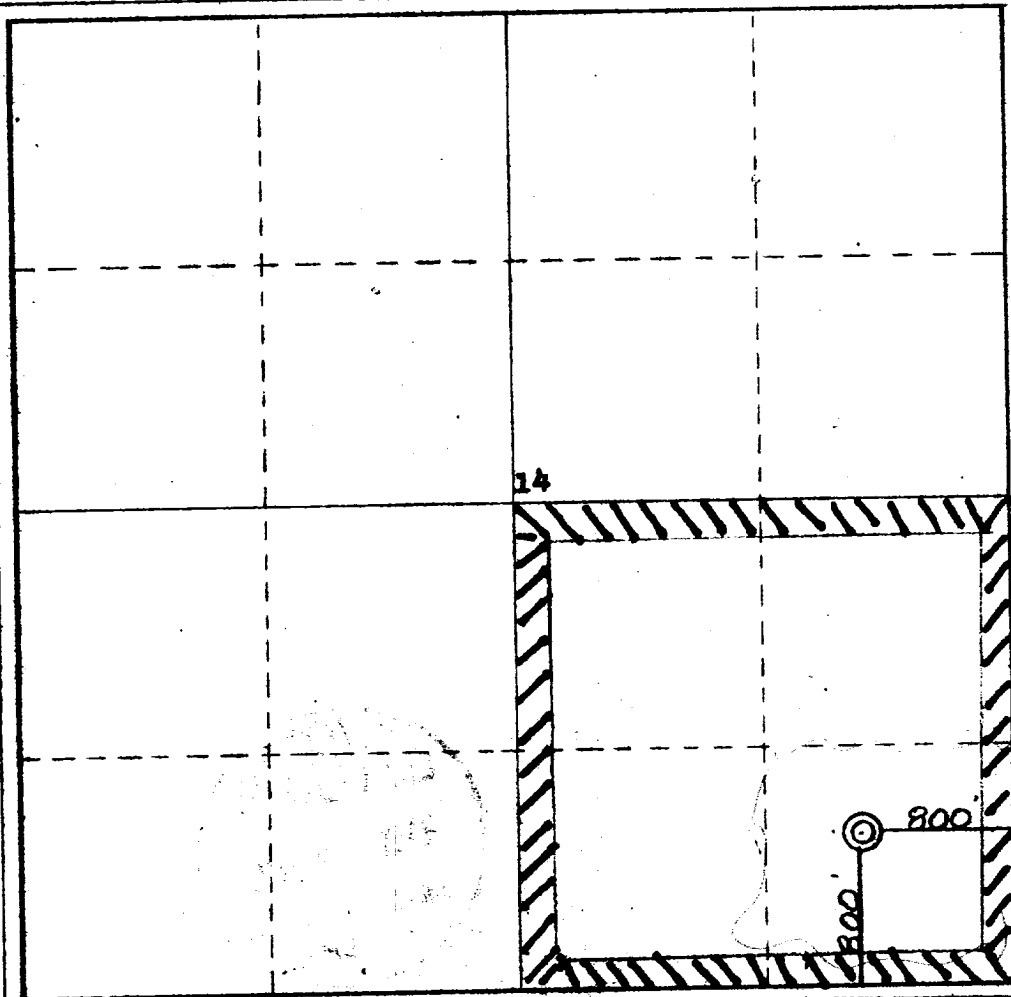
Operator CHACE OIL COMPANY		Lease Rusty Federal		Well No. 3
Unit Letter P	Section 14	Township 22 NORTH	Range 7 WEST	County SANDOVAL
Actual Footage Location of Well: 800 feet from the SOUTH line and 800 feet from the EAST line				
Ground Level Elev. 6924	Producing Formation FLYING DUTCHMAN	Pool RUSTY	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 Commission.



CERTIFICATION

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

Royce McCary
Name

Royce McCary

Position

President

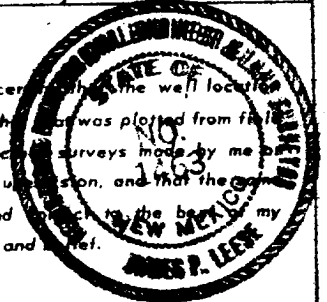
Company

Chace Oil Company, Inc.

Date

June 30, 1975

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

25 June 1975

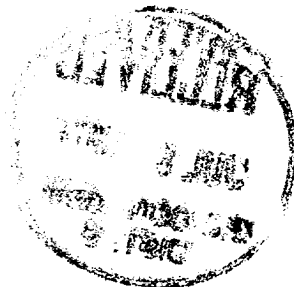
Registered Professional Engineer and/or Land Surveyor

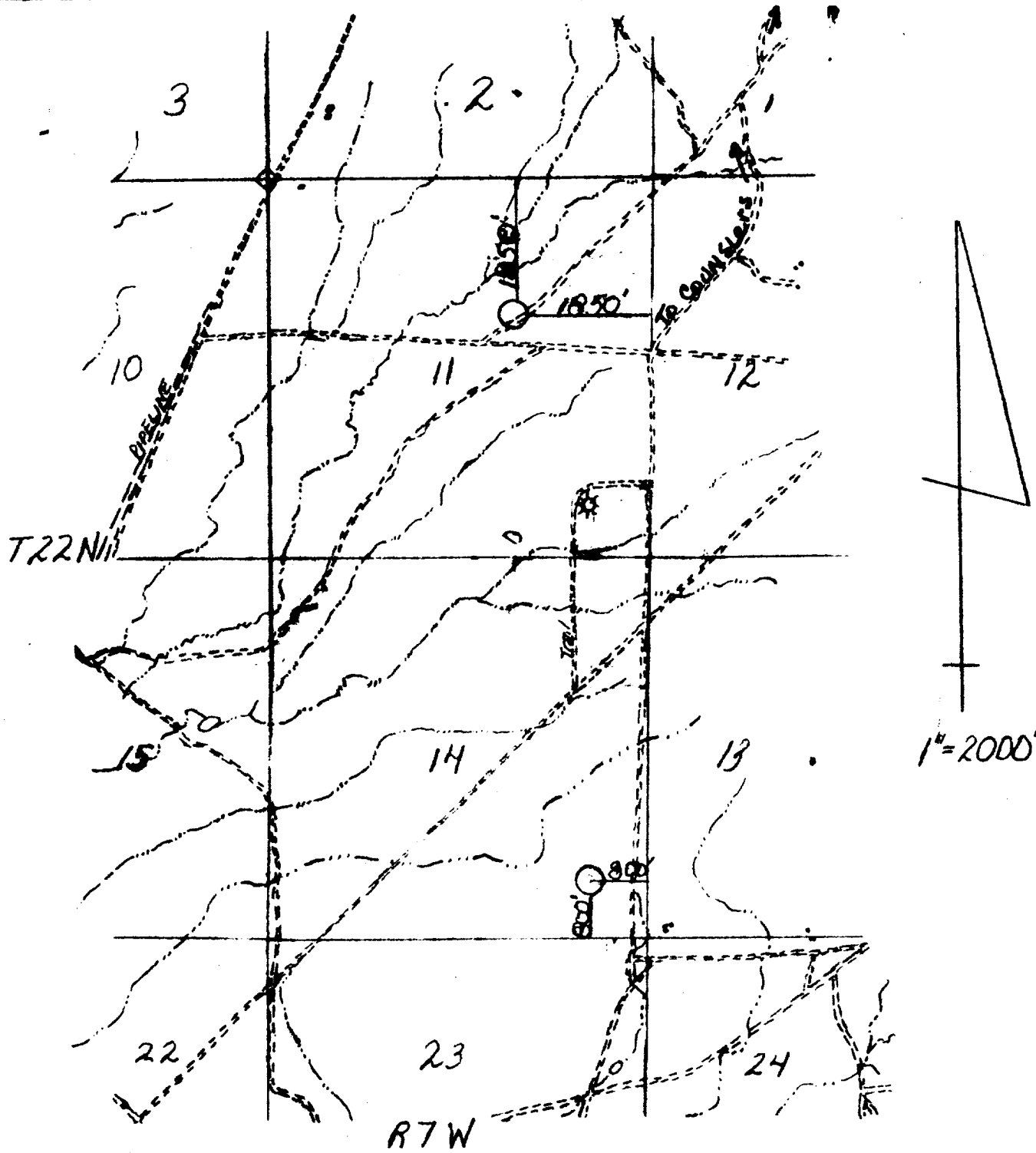
James P. Leese
James P. Leese

Certificate No.

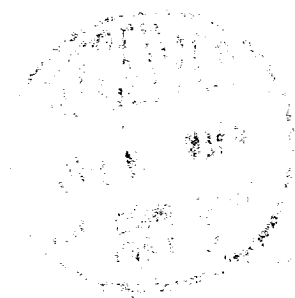
1463

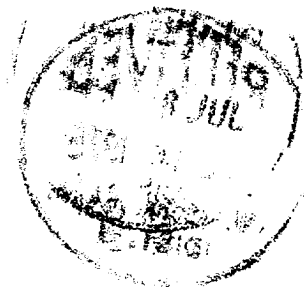
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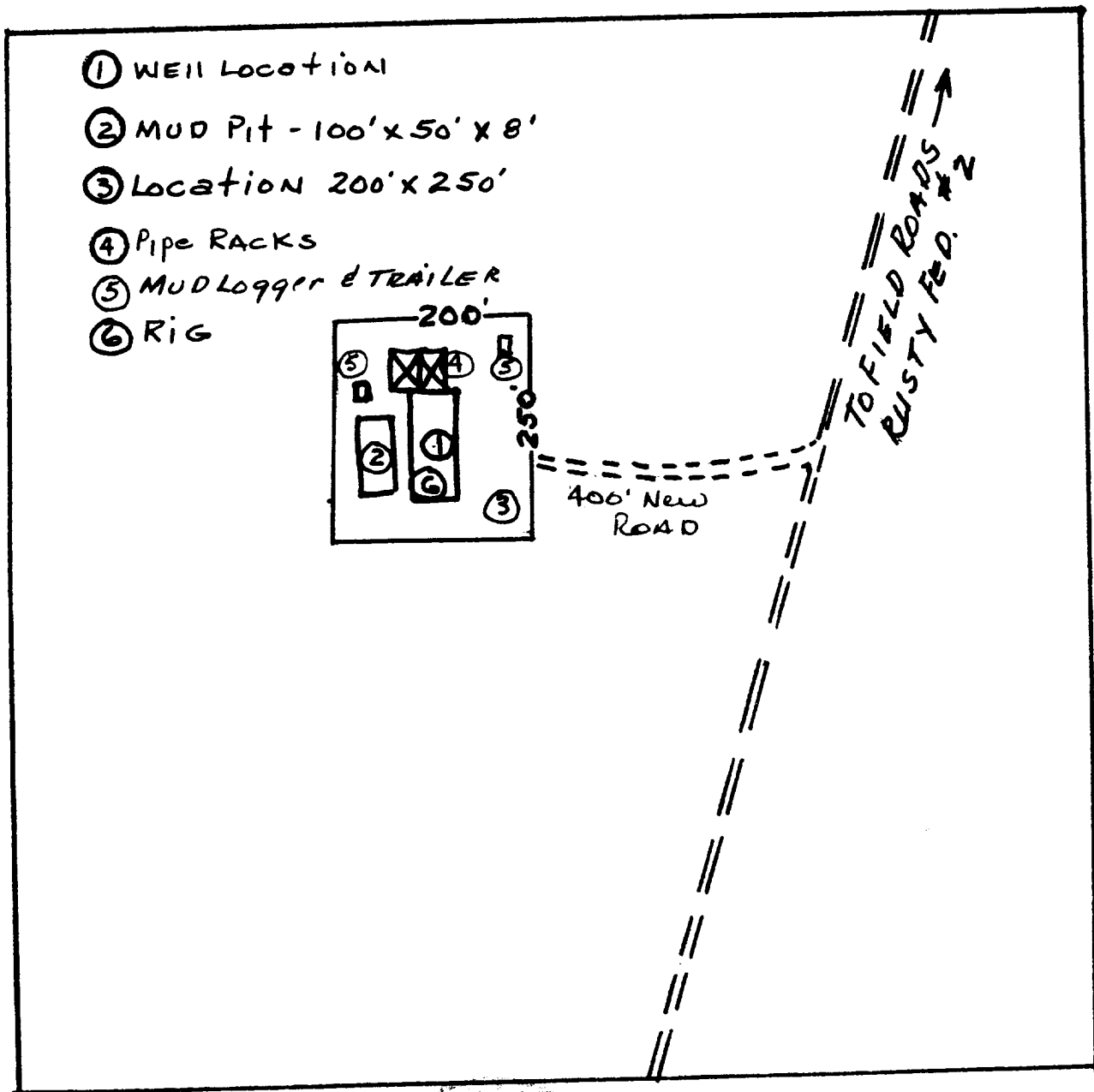


Vicinity map for
 Chase Oil Company
 showing
 well locations in SW/SE of
 Sec. 11 and SE/SE of
 Sec. 14, T22N, R7W, N.M.P.M.,
 Sandoval Co., N. Mex.
 Scale 1" = 2000' Date 6-26-75





RUSTY FEDERAL # 3



UNIT "P"
SEC. 14
T22N, R7W
SANDOVAL CO. N.M.

Scale - Approx.
1" = 200'