APPROVED BY

CONDITIONS OF APPROVAL, IF ANY

### SUBMIT IN TRIPLICATE\*

Form approved. Budget Bureau No. 42-R1425.

## 30-043-20172

(Other instructions on reverse side)

UNITED STATES	( -
DEPARTMENT OF THE INTERIOR	

DEPARTMENT OF THE INTERIO	5. LEASE DESIGNATION AND SERIAL NO.
" GEOLOGICAL SURVEY	NM 00556258
APPLICATION FOR PERMIT TO DRILL, DEEPEN	, OR PLUG BACK 6. IF INDIAN, ALLOTTEE OR TRIBE NAME
DRILL X DEEPEN	PLUG BACK 7. UNIT AUGREMENT NAME
OTHER OF WELL OTH X GAS SING SOME OTHER ZONE NAME OF OPERATOR	
Chace Oil Company, Inc.	9. WELL NO. 2
313 Washington, S.E., Albuquerque, N. LOCATION OF WELL (Report legation clearly and in accordance with any State Al SHILLES Unit "G" 1850 EL & 1850 NL	M. 87108 e requirements.*)  10. FIELD AND POOL. OR WILDCAT  Rusty Menefee RX7  11. SEC., T., R., M., OR BLK.  AND SURVEY OR AREA
At proposed prod. zone Same	Sec. 11, T22N, R7W
DISTANCE IN MILES AND DERECTION FROM NEAREST TOWN OR POST OFFICE.	12. COUNTY OR PARISH 13. STATE
LOCATION TO NEAREST	Sandoval N.M.  FACRES IN LEASE 17 NO. OF ACRES ASSIGNED  140 40
S SISTANCE FROM PROPOSED LOCATION® 19. PROP	SED DEPTH 20 LOTARY OR CABLE TOOLS  Rotary
ELEVATIONS (Show whether DF, RT, GR, etc.)	22, APPROX, DATE WORK WILL START*
7004 GR	July 18, 1975
PROPOSED CASING AND C	EMENTING PROGRAM
SIZE OF HOLE SIZE OF CASING WEIGHT PER FOOT $12\frac{1}{2}$ $8-5/8$ $22\#$	SUTTING DEPTH QUANTITY OF CEMENT 110' 80 SXS
Will use low water loss mud system. I sands. Test sands if warrant set $4\frac{1}{2}$ " justify setting pipe - plug back to $2\frac{1}{2}$ La Ventana gas zone.	csg. If sands in Menefee do not
Above serve describe reoposed program: If proposal is to deepen or plus ne. If proposal is to drill or deepen directionally, give pertinent data on a eventer program, if any.	back, give data on present productive zone and proposed new productive absurface locations and measured and true vertical depths. Give blowout
SIGNED Koye Mr. Cary TITLE	President DATE 7-1-75
(This space for Federal or State office use)	
PERMIT NOAI	PROVAL DATE



### DEVELOPMENT PLAN FOR SURFACE RESUME

Chace Oil Co. #2 Gulf Federal 1850' FNL, 1850' FEL, Section 11 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 a mile northwest of the Rusty Federal #1 in Unit G, Section 11, 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.
- II. 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 contace 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

All distances must be from the outer boundaries of the Section Lease 2 CHACE OIL COMPANY Gulf Federal Townshir Hange 7 WEST SANDOVAL 11 22 NORTH G time (Joration of Well) 1850 1850 e if ruted A tradie; Rusty 7004 1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below. 2. If more than o e lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and rovalty) 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? If answer ist"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 conin is true and complete to the President Chace Oil Company, Inc. 25 June 1975 Hearteast Professional Confi James P. 1463

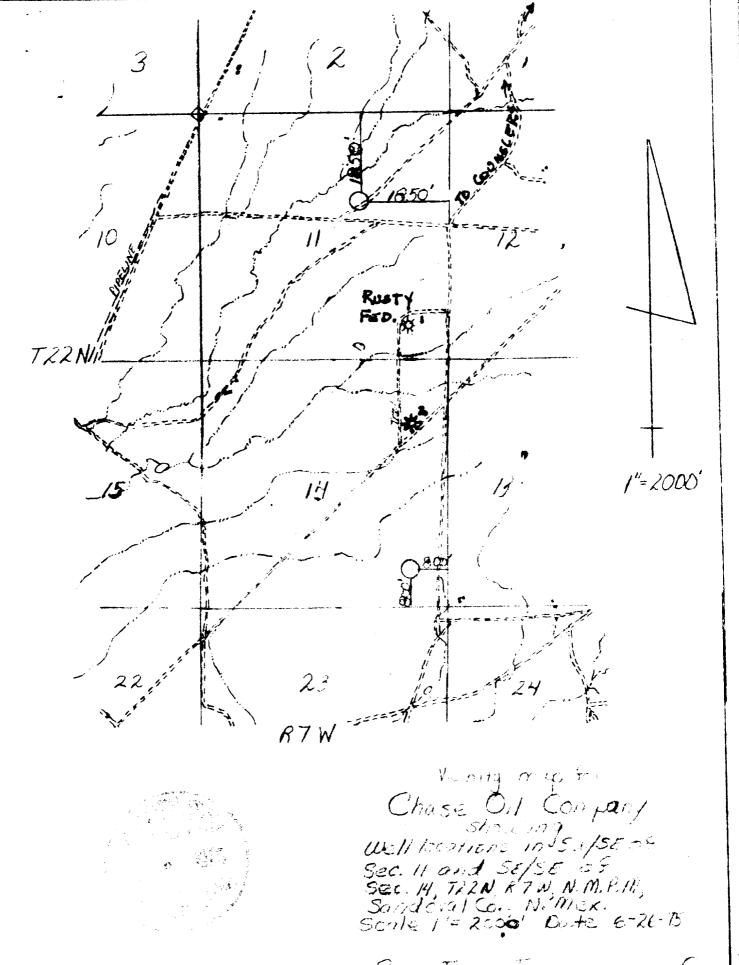
1500

1320 1650

1981

1900



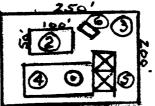


Sun Juan Engineering Co.



# GUIFFEDERAL #2

- O Location of WELL
- 2 MUD Pit 100'X50'X8'
- 3 Location 250' x 200'
- @ Rico
- SPIPE RACKS
- @Mud Logger



- 200' New ROAD

TO COUNSLANS



UNIT G" SEC. II. TZZN, RTW SANDOVAL CO. N.M. Scale - Approx.



Form 9-331 (May 1963)

## UNITED STATES SUBMIT IN TRIPLICATE Budget Bureau No. 42-R1424. DEPARTMENT OF THE INTERIOR verse side) Form approved Budget Bureau No. 42-R1424. 5. LEASE DESIGNATION AND SERIAL NO.

	GEOLOGICAL SURVEY  RM 005 6. IF INDIAN, ALLOTTE	
	NOTICES AND REPORTS ON WEI r proposals to drill or to deepen or plug back to a dif PPLICATION FOR PERMIT—" for such proposals.)	LLS
OIL GAS WELL O	THER	7. UNIT AGREEMENT NAME
2. NAME OF OPERATOR		8. FARM OR LEASE NAME
CHACE ON 3. ADDRESS OF OPERATOR	Company, INC.	GUIF FEDERAL 9. WELL NO.
313 WASHING -	cation clearly and in accordance with any State require	N.M. 87/08 2
See also space 17 below.)  At surface	cation clearly and in accordance with any space requirement of 1860 NL & 1785	Picty MENERER
		SEC. 11, TZZN. RTV
14. PERMIT NO.	15. ELEVATIONS (Show whether DF, RT, GR, etc.)	SANDOURL N.M.
16. Che	ck Appropriate Box To Indicate Nature of N	
	F INTENTION TO:	SUBSEQUENT REPORT OF:
TEST WATER SHUT-OFF	PULL OR ALTER CASING WAT	PER SHUT-OFF REPAIRING WELL
FRACTURE TREAT		CTURE TREATMENT ALTERING CASING
REPAIR WELL		oring or acidizing
(Other)		(Nors: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)
1850'N Due to remai siti,	the Archaeologies of a rice we were fore the for	ed to move the
18. I hereby certiff that the for SIGNED (This space for Federal or S	Macary TITLE thee	J-5-75
APPROVED BYCONDITIONS OF APPROVA	L, IF ANY:	DÀTE



W. CON. COM

DIST. 3

4949 San Pedro, N. E. Suite 47 Albuquerque, New Mexico 87109

#### CLAUDE C. KENNEDY

INDEPENDENT OIL AND GAS OPERATOR

September 15, 1975

Mr. Emery Arnold New Mexico Oil Conservation Commission 1000 Rio Brazos Road Aztec, New Mexico 87410

Re: Chace Oil Company #2 Gulf Federal
1860' FNL, 1780' FEL, Sec. 11, T22N, R7W
Sandoval County, New Mexico

Dear Mr. Arnold:

This is to certify that deviation test as follows were taken during drilling of the subject well as reported to me by the drilling Contractor.

1 degree @ 1630, first bit change

1 degree @ 2020

1 degree @ 2474

1 1/2 degree @ XX 3246

1 1/2 degree @ TD 3730

Very truly yours,

Claude C. Kennedy

Consultant Drilling Supervisor

ACKNOWLEDGEMENT

STATE OF NEW MEXICO ) ss

The foregoing was sworn to before me this 15th day of September, 1975.

My Commission Expires:

Ma 5, 1978 MOTAR

NOTARY PUBLIC

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