

UNITED STATES  
DEPARTMENT OF THE INTERIOR

GEOLOGICAL SURVEY *ALT 30-043-21203*

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1. TYPE OF WORK DRILL <input checked="" type="checkbox"/> DEEPEN <input type="checkbox"/> PLUG BACK <input type="checkbox"/>			5. LEASE DESIGNATION AND SERIAL NO. N00-C-14-20-5356-5359		
2. NAME OF OPERATOR Chace Oil Company, Inc.			6. IF INDIAN, ALLOTTEE OR TRIBE NAME NAVAJO		
3. ADDRESS OF OPERATOR 313 Washington SE Albuquerque, N.M. 87108			7. UNIT AGREEMENT NAME		
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements*) At proposed prod. zone Unit C 800' NL & 1640 WL			8. FARM OR LEASE NAME RUSTY NAVAJO		
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE* 9 1/2 miles SW of Lybrook, N.M.			9. WELL NO. 2		
15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any) 800'			10. WELL NO. OR WITHIN <i>Unit C 800' NL &amp; 1640 WL</i> Rusty Chace		
16. NO. OF ACRES IN LEASE 160			11. SEC., T., R., M., OR BLM. AND SURVEY OR AREA Sec 23 T22N-R7W		
17. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 1600'			12. COUNTY OR PARISH Sandoval		
18. PROPOSED DEPTH 1950'			13. STATE N.M.		
19. ROTARY OR CABLE TOOLS Rotary			20. APPROX. DATE WORK WILL START* January 15, 1976		
21. ELEVATIONS (Show whether DF, RT, GR, etc.) 6880' GR					

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"	24#	100"	100 sxs

Set 100' of surface pipe (8 5/8"), circulate cement to surface using 60 to 100 sxs of cement, and drill a 6 1/2" hole to 1950' with mud system sufficient to maintain hole condition and for logging. Run Induction and Gamma Density logs. Set 1900' of 4 1/2" casing and cement to surface. Perforate and frac with 60,000# of 10-20 sand and slick water. Swab in and complete as a gas well.

*INSTALL ADEQUATE BOP EQUIPMENT AND TEST WELL*

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.

SIGNED *Royce M. Carey* TITLE President DATE 12-21-75  
(This space for Federal or State office use)

PERMIT NO.

APPROVAL DATE

TITLE

DATE

APPROVED

CONDITIONS OF APPROVAL, IF ANY:

JAN 9 1976

JERRY M. LEE

*Okal*

\*See Instructions On Reverse Side

NEW MEXICO OIL CONSERVATION COMMISSION  
WELL LOCATION AND ACREAGE DEDICATION PLAT

Form No. 1  
Supersedes O-128  
Effective 1-4-65

All distances must be from the outer boundaries of the Section

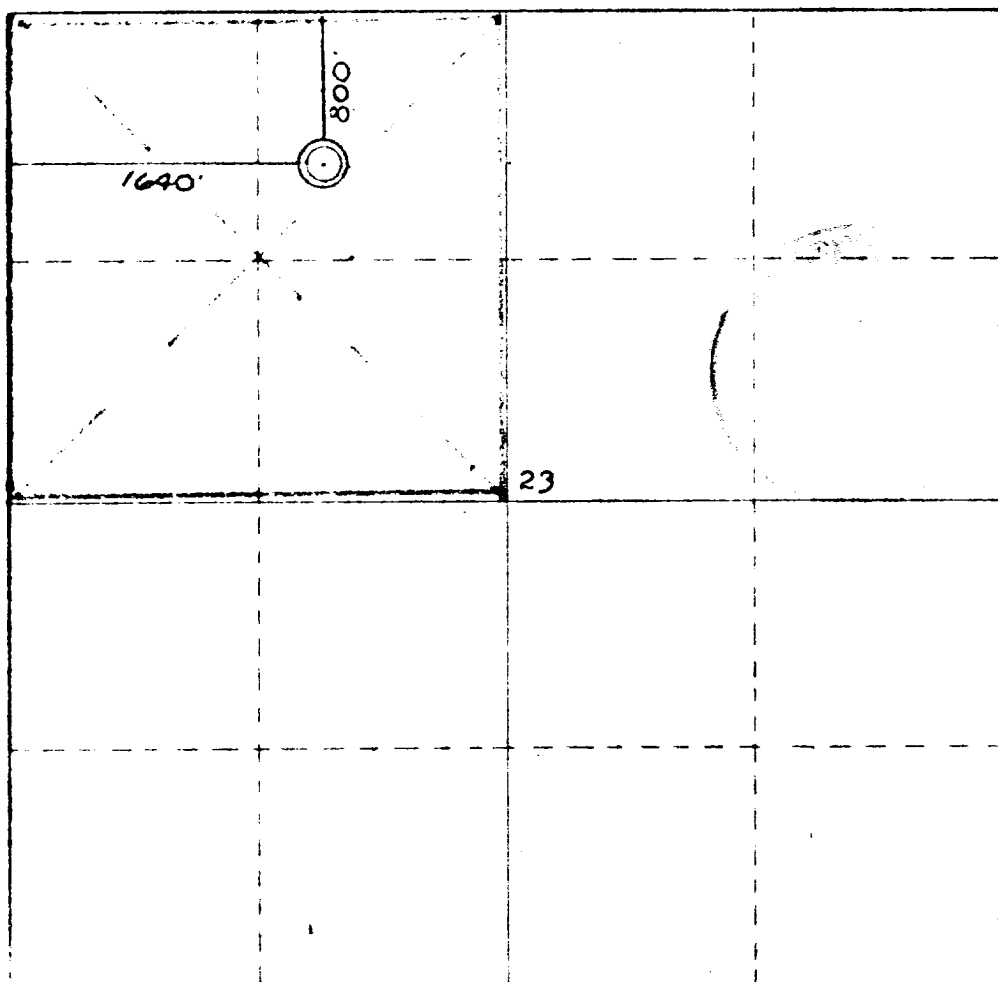
CHACE OIL COMPANY		RUSTY NAVAJO		Well No. 2
C	23	22 NORTH	7 WEST	SANDOVAL
800	NORTH	1640	WEST	
6880	La Ventana	Undesignated	Rusty Chaera	160 Acres

- Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.
- If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
- 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 allowance 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.

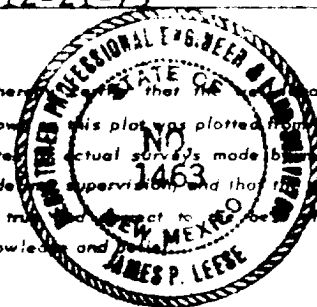
*Royce McCary*  
Name

Royce McCary  
President

Company  
Chace Oil Co. Inc.

Date  
12-21-75

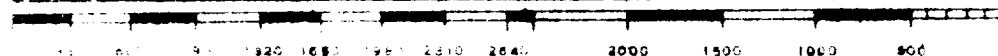
I hereby certify that the information shown on this plat was plotted from field notes of actual surveys made by me or under my supervision and that the same is true and correct to the best of my knowledge and belief.

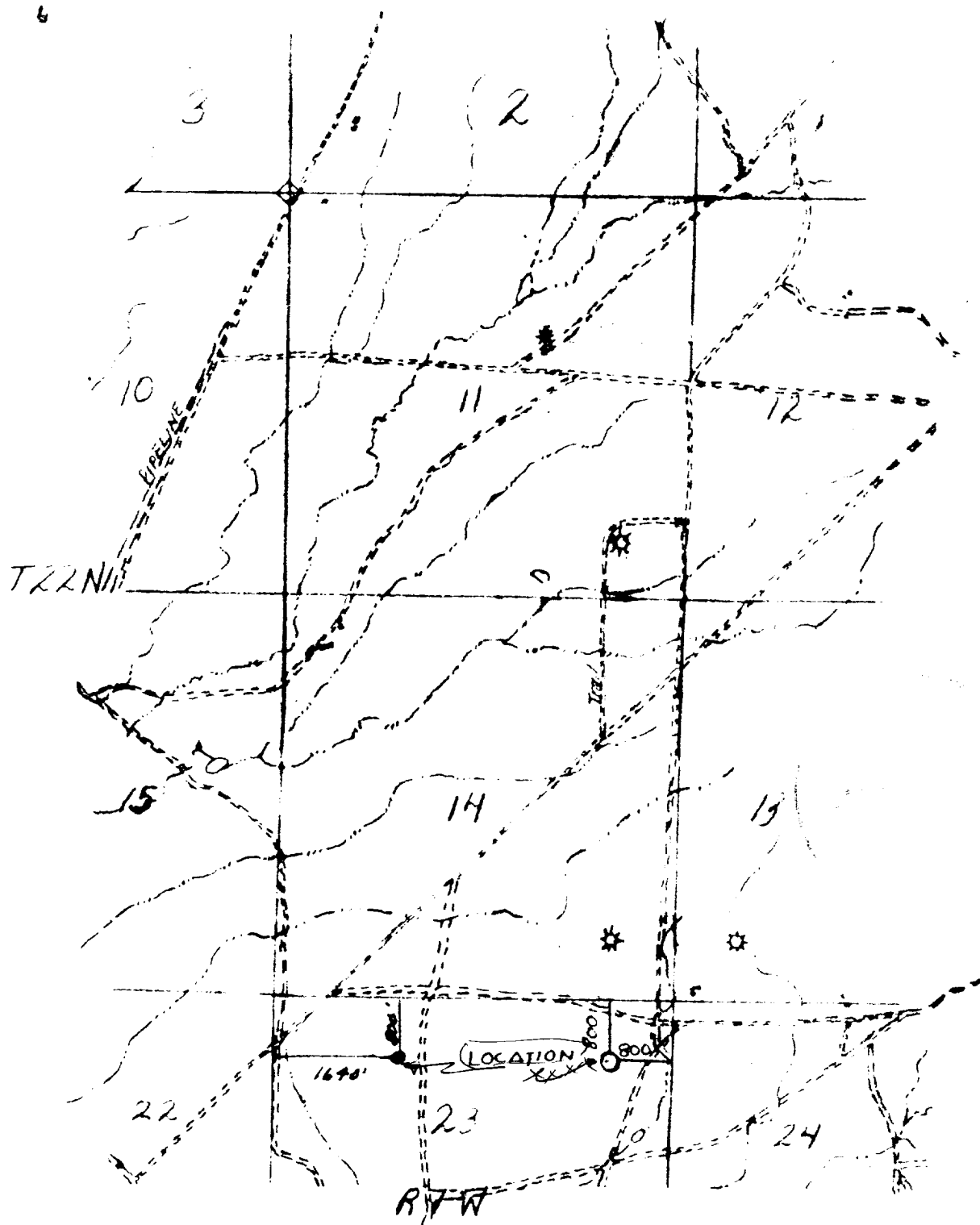


Date Surveyed  
17 December 1975

Registered Professional Engineer  
and/or Land Surveyor  
*James P. Leese*  
James P. Leese

Certificate No.  
1463





N  
1"=2000'

Vicinity Map for

**CHACE OIL COMPANY**

Showing Well locations in NE/4 NW/4  
of the NE/4 NE/4 of Sec. 23, T22N, R7W,  
N. M. P. M., San Juan County,  
New Mexico.

Date: 17 December, 1975 Scale: 1"=2000'

San Juan Engineering Company

## DEVELOPMENT PLAN FOR SURFACE RESUME

Chace Oil Co. #2 Rusty Navajo  
Unit C 800' NL & 1640' WL Sec. 23  
T22N - R7W Sandoval County N.M.

1. Location and vicinity map, San Juan Engineering Company  
Exit Hgy 44 at Lybrook
2. 300' of new road to be compacted to connect drill site with  
existing area roads . new road to be 20' in width, also it  
would be feasible to grade approximately 2000' of old  
seismic road and compact. See plat.
3. Well site is 2800' SW of the Rusty Federal #3 in unit P,  
Section 14, T22N - R7W.
4. Roads shown on vicinity plat and location plat.
5. In case of production (gas) well will bw 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 sloping, covered with sagebrush,  
sand, broom snakeweed and sheep manure.
12. Drilling pad to be compacted.
13. After well completion, location to be restored to original  
condition less a few sagebrush, and sodded with required  
seeds.
14. Field representative to contact is Royce McCary, Telephone  
266-5562 at 313 Washington SE, Albuquerque, N.M. 87108.

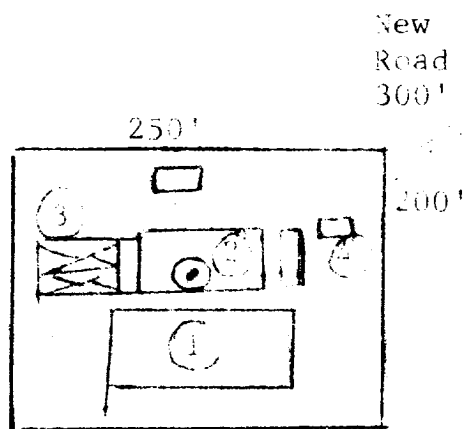


# CHACE OIL COMPANY, INC.

313 Washington S.E.

Albuquerque, New Mexico 87108

(505) 266-5562



Location 250 - 200'

1. Reserve pit 50' X 25'
2. Rig
3. Pipe racks
4. Pumps & electrical system

NW $\frac{1}{4}$  OF SECTION 23, T22N - R7W  
Sandoval County, New Mexico