

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

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 "D" 1190' NL & 790' WL

At proposed prod. zone

Same

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

9 miles south of Lybrook, NM

15. DISTANCE FROM PROPOSED*

LOCATION TO NEAREST
PROPERTY OR LEASE LINE, FT.
(Also to nearest drlg. unit line, if any)

790'

18. DISTANCE FROM PROPOSED LOCATION*

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

2500'

16. NO. OF ACRES IN LEASE

160

19. PROPOSED DEPTH

2100'

17. NO. OF ACRES ASSIGNED
TO THIS WELL

160

20. ROTARY OR CABLE TOOLS

Rotary

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

7032' GR

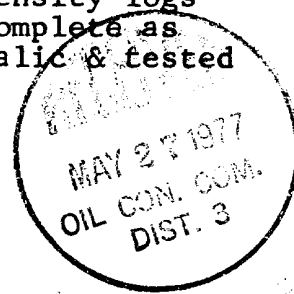
22. APPROX. DATE WORK WILL START*

July 19, 1977

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12 3/4	8 5/8"	24#	80'	100 SXS

Drill 12 3/4" hole to 85' Set 8 5/8" csg. to approx. 80'
Cement to surface. Using adequate mud system and BOP drill
a 7 7/8" hole to 2100' Log with Induction and Density logs
and if productive run 4 1/2" - 9.5# csg to TD and complete as
gas well. BOP to be a Scheaffer Doublegate Hydraulic & tested
to 3000# psia



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

Lance McCarty

TITLE

President

DATE

May 12, 1977

(This space for Federal or State office use)

PERMIT NO.

APPROVAL DATE

APPROVED BY

TITLE

DATE

CONDITIONS OF APPROVAL, IF ANY:

Okal

*See Instructions On Reverse Side

PERMIT NO.

APPROVAL DATE

APPROVED BY

TITLE

DATE

CONDITIONS OF APPROVAL, IF ANY:

Okal

*See Instructions On Reverse Side

**NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACERAGE DEDICATION PLAT**

All distances must be from the outer boundaries of the Section

Operator CHACE OIL COMPANY			Lease RUSTY FEDERAL		Well No. 5
Unit Letter D	Section 12	Township 22 NORTH	Range 7 WEST	County SANDOVAL	
Actual Footage Location of Well: 1190 feet from the NORTH line and 790 feet from the WEST line					
Ground Level Elev. 7032	Producing Formation Chacra		Pool Rusty est	Dedicated Acreage: 160	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 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.

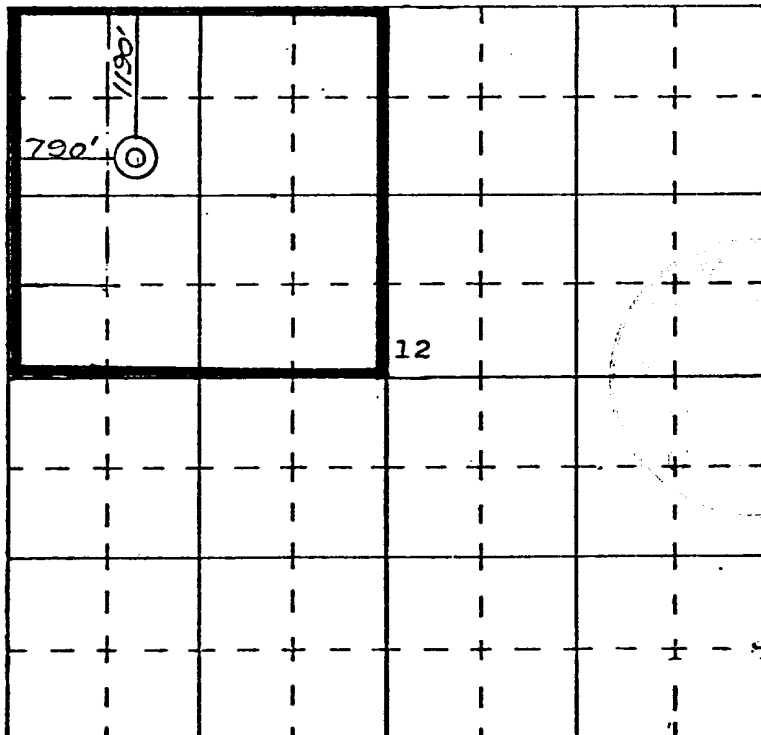
CERTIFICATION

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
5-10-77

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.

3 March 1977
Date Surveyed
James P. Leese
Registered Professional Engineer
and/or Land Surveyor **James P. Leese**



SCALE—4 INCHES EQUALS 1 MILE

SAN JUAN ENGINEERING COMPANY, FARMINGTON, N. M.

Certificate No. 1463

and its contractors and sub-contractors in conformity with this plan and the terms and conditions under which it is approved.

Royce McCary
Royce McCary, President

Article II - B Paragraph 3

Blowout Preventor to be the standard rental 10"
Scheaffer Doublegate Hydraulic BOP tested to 3000 psia.
BOP tested when leaving rental warehouse and checked
for efficient operation daily.

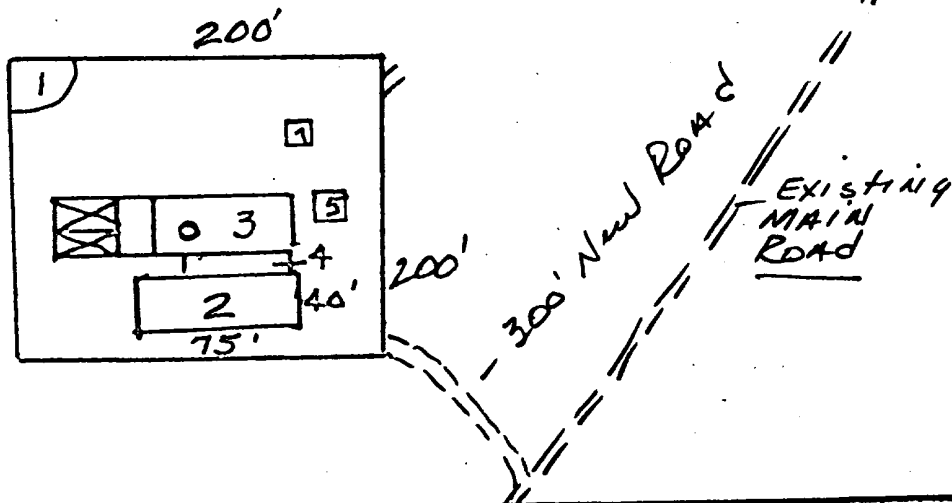
DEVELOPMENT PLAN FOR SURFACE RESUME

Chace Oil Company #5 Rusty Federal
Unit "D" 1190'NL & 790'WL Sec. 12
T22N-R7W Sandoval County, New Mexico

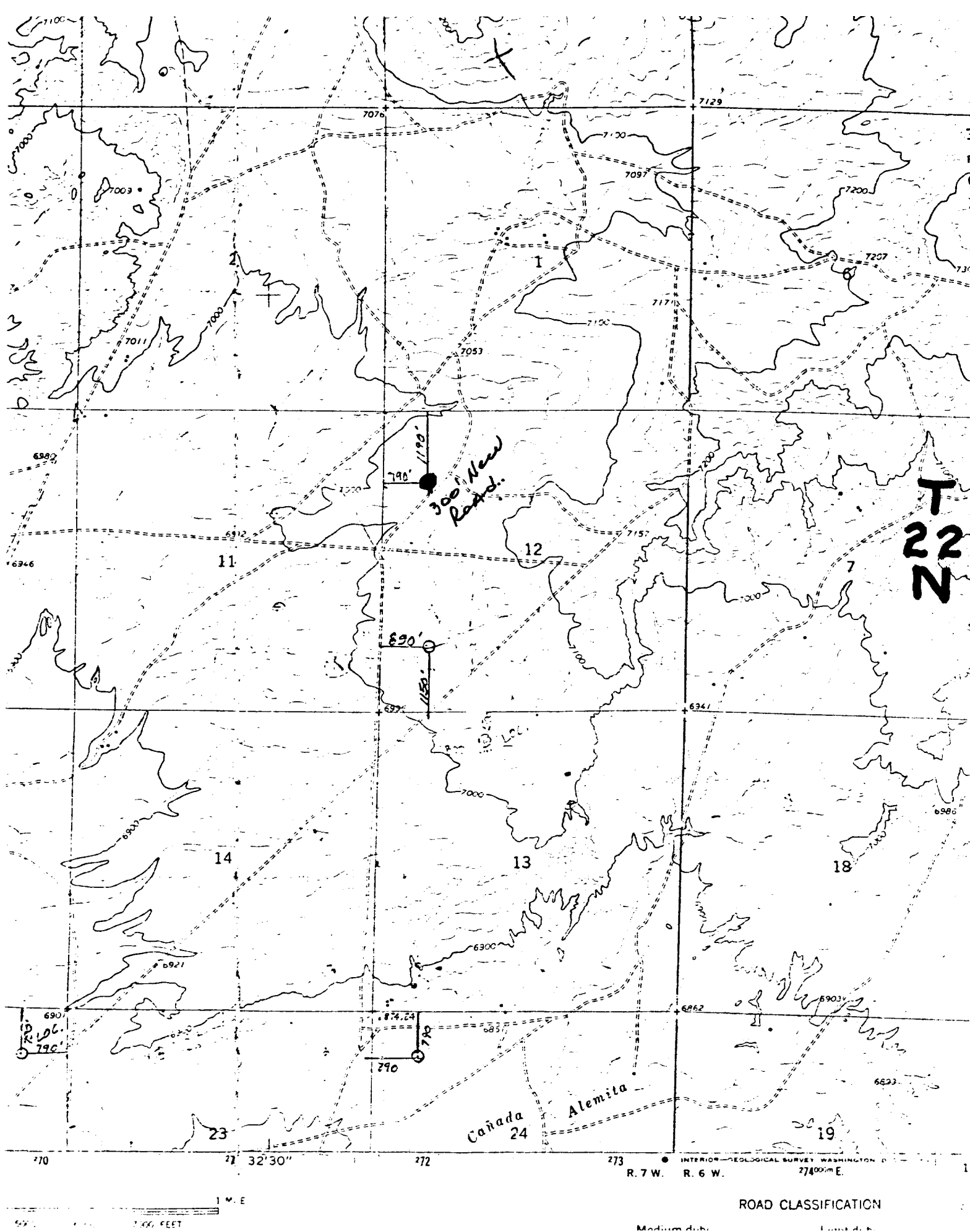
1. Location and vicinity map, San Juan Engineering Company Exit Hwy 44 at Lybrook
2. 300' of new road to be compacted to connect drill site with existing area roads. New road to be 20' in width.
3. Well site is approximately 2600' East of the Gulf Federal #2 in Unit C, Section 11, T22N-R7W.
4. Roads 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 Lybrook, New Mexico.
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 plat attached
11. The topography is rolling, covered with sagebrush, sand, broom snakeweed.
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 S.E., Albuquerque, New Mexico 87108

1. Location 200' x 200'
2. Reserve pit 40' x 75'
3. Rig & Location
4. Mud system
5. Electrical system
6. New road
7. Trailer House

NW 1/4 SEC. 12
T22N-R7W
Sandoval County, New Mexico



Rusty FEDERAL #5



ROAD CLASSIFICATION

Medium data

1. 1. 1. 1. 1.

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

SUBMIT IN TRIPPLICATE*
(Other instructions on reverse side)

Form approved.
Budget Bureau No. 42-R1424.

5. LEASE DESIGNATION AND SERIAL NO.

NM 0554433

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

Federal

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME

Rusty Federal

9. WELL NO.

5

10. FIELD AND POOL, OR WILDCAT

Rusty Chacra

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA

Sec. 12, T22N, R7W

12. COUNTY OR PARISH

Sandoval

13. STATE

NM

1.

OIL WELL ☐ GAS WELL ☒ OTHER

2. NAME OF OPERATOR

Chace Oil Company, Inc.

3. ADDRESS OF OPERATOR

313 Washington S.E. Albuquerque, NM 87108

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.* See also space 17 below.)

At surface

Unit "D" 1190' NL & 790' WL

14. PERMIT NO.

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

7032' GR

16.

Check Appropriate Box To Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:

TEST WATER SHUT-OFF

FRACTURE TREAT

SHOOT OR ACIDIZE

REPAIR WELL

(Other)

PULL OR ALTER CASING

MULTIPLE COMPLETE

ABANDON*

CHANGE PLANS

SUBSEQUENT REPORT OF:

WATER SHUT-OFF

FRACTURE TREATMENT

SHOOTING OR ACIDIZING

(Other)

REPAIRING WELL

ALTERING CASING

ABANDONMENT*

Subsequent report of plans to commence operations
(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

17. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

Due to the erratic production from the present wells in the field it was decided to postpone the drilling of this well until the last quarter of 1979 so as to enable the company to better appraise the economics of this venture.



18. I hereby certify that the foregoing is true and correct

SIGNED

Raymond W. Cary

TITLE

President

DATE

April 2, 1979

(This space for Federal or State office use)

APPROVED BY

TITLE

CONDITIONS OF APPROVAL, IF ANY:



APR 05 1979

*See Instructions on Reverse Side

U. S. GEOLOGICAL SURVEY
DURANGO, COLO.