



BRUCE KING
GOVERNOR

LARRY KEHOE
SECRETARY

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION
AZTEC DISTRICT OFFICE

1000 RIO BRAZOS ROAD
AZTEC, NEW MEXICO 87410
(505) 334-6178

January 4, 1983

Chace Oil Company
313 Washington SE
Albuquerque NM 87108

Re: Chace Apache 54 #11; K-3-22N-3W

Dear Sirs:

Our records show that you are perforated out of zone. The referenced well is approved to produce only from the Chacon Dakota formation. Your perforations are within the Tocito and Dakota formations. The Dakota and Tocito zones will be separated by a packer.

Form C-107 (Application for Multiple Completion) must be filed, according to rule 112-A. A c-102 for the Tocito must also be filed. These must be filed within thirty days. Both are included with this letter.

If you have any questions please call this office.

Yours truly,

A handwritten signature in cursive script that reads "Jeff A. Edmister".

Jeff A. Edmister
Geologist II

JAE:gc

cc: Well file
Operator file