

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

Grace Petroleum Corporation

3. ADDRESS OF OPERATOR

3 Park Central, Ste. 200, 1515 Arapahoe Street, Denver, CO 80202

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)*

At surface
960' FSL, 960' FWLAt proposed prod. zone
Same as above

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

50 miles SE of Bloomfield

15. DISTANCE FROM PROPOSED*

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

16. NO. OF ACRES IN LEASE

639.5

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

19. PROPOSED DEPTH

5550'

17. NO. OF ACRES ASSIGNED
TO THIS WELL

5/ 320

20. ROTARY OR CABLE TOOLS

Rotary

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

6911 GR

22. APPROX. DATE WORK WILL START*

September 1, 1979

23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12-1/4"	8-5/8"	24#	300'	Cement to surface
7-7/8"	5-1/2"	14#	TD	250 sx

It is proposed to drill and test the Gallup formation at the above location. Total depth will be approximately 5550'.

A 5-1/2" production string will be run and cemented, or the well will be plugged and abandoned, as per regulations, which ever test indicates. See attached for other pertinent data.

STIPULATIONS
ATTACHED"APPROVAL TO FLARE GRANTED
WHILE DRILLING AND TESTING."APPROVED FOR A PERIOD
NOT TO EXCEED 1 YEAR.

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 Scotly A. Smith /cpTITLE District Operations Mgr.DATE 6 August 1979

(This space for Federal or State office use)

PERMIT NO. **APPROVED**

APPROVAL DATE

APPROVED BY

CONDITIONS OF APPROVAL, IF ANY

NOV 9 1979

TITLE

CARL A. BARRICK

ACTING DISTRICT ENGINEER

*See Instructions On Reverse Side

RECEIVED

SEP 6 1979

U. S. GEOLOGICAL SURVEY
DENVER, COLO.

All distances must be from the outer boundaries of the Section.

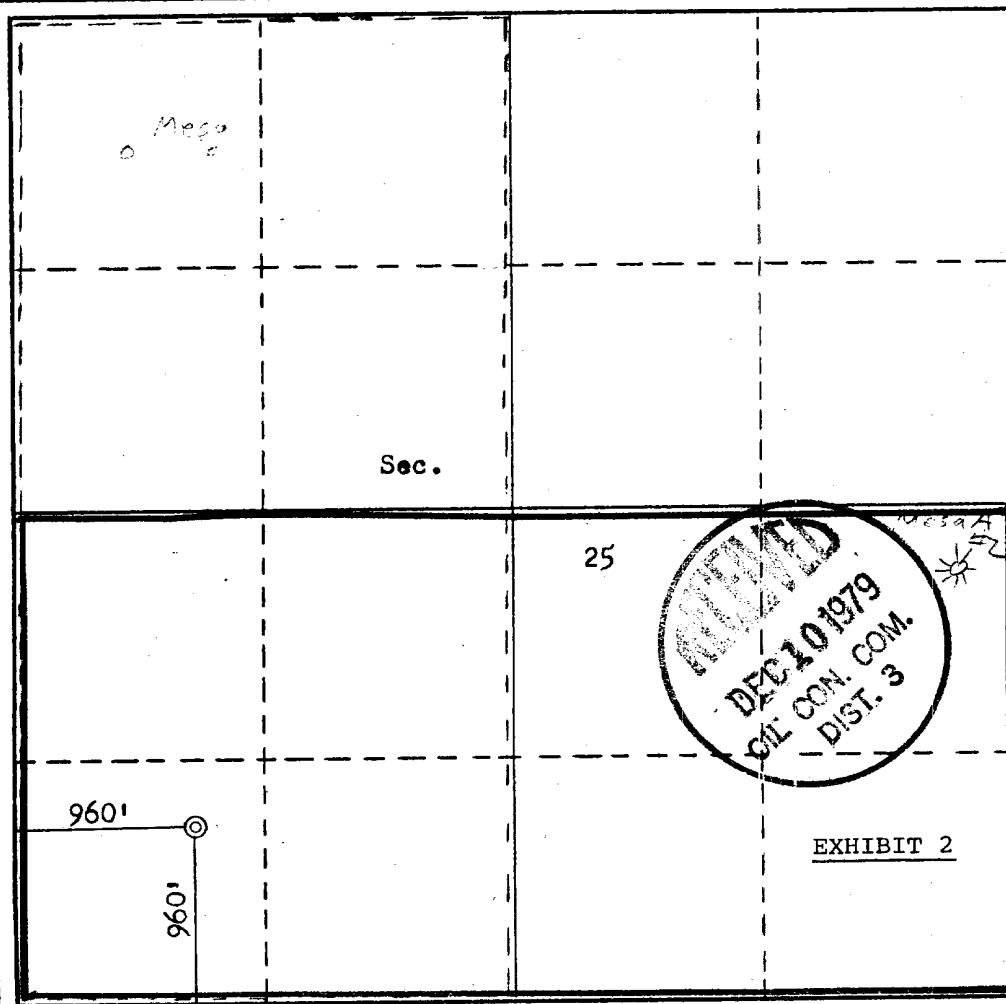
Operator GRACE PETROLEUM CORPORATION			Lease GRACE FEDERAL 25 Mesa A		Well No. # 3
Unit Letter M	Section 25	Township 24N	Range 7W	County Rio Arriba	
Actual Footage Location of Well: 960 feet from the South line and 960 feet from the West line					
Ground Level Elev. 6911	Producing Formation Gallup	Pool Escrito	Dedicated Acreage: 320 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). **N/A**
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? **N/A**

☐ 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.

Scotty A. Smith

Name
Scotty A. Smith

Position **Operations Manager, Southern Rockies**

Company
Grace Petroleum Corporation

Date
July 27, 1979

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.

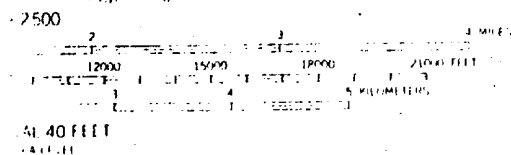
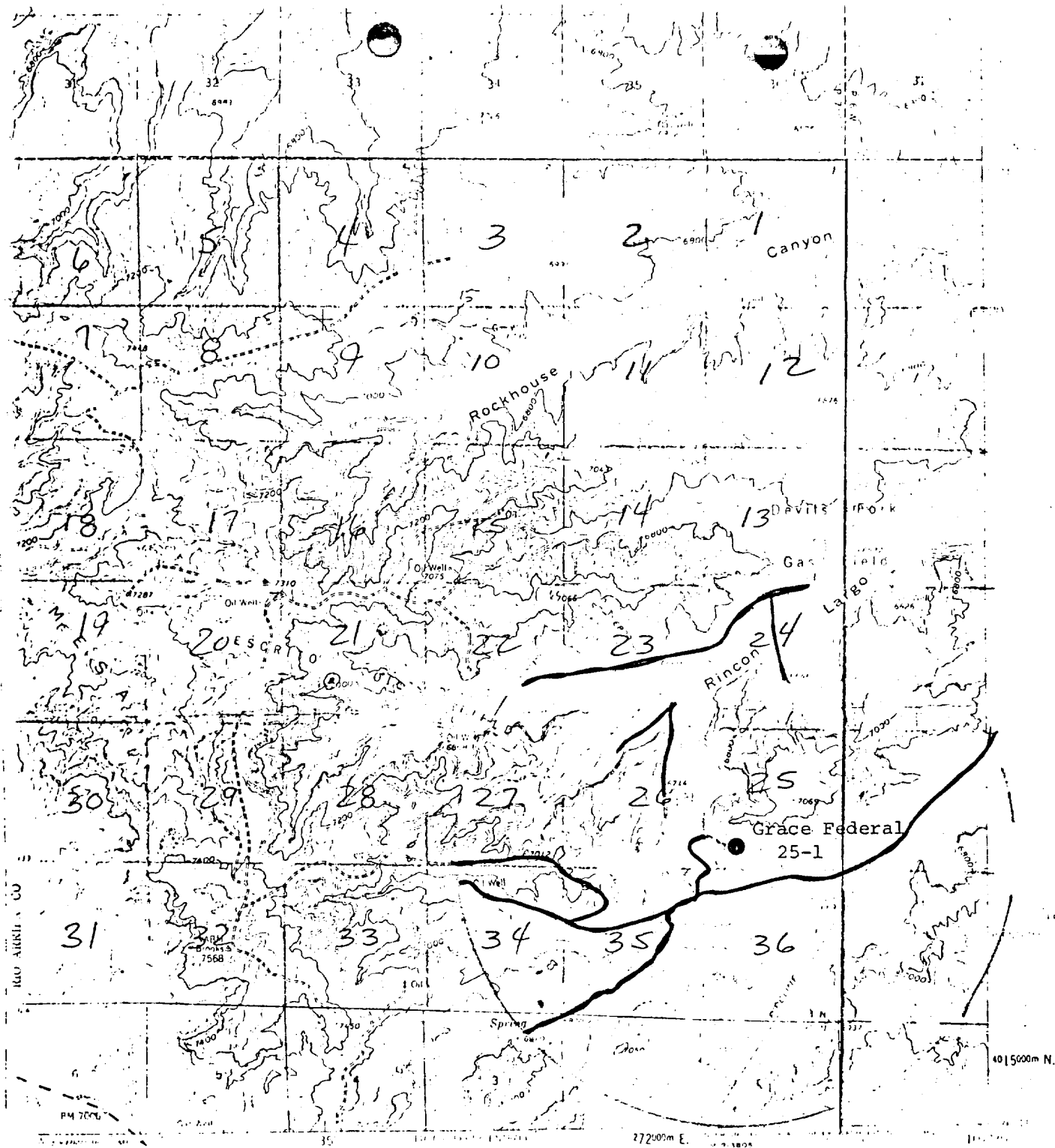
Date Surveyed
July 27, 1979

Registered Professional Engineer and/or Land Surveyor

Fred B. Kerr, Jr.

Certification No.
3950

0 330 660 990 1320 1650 1980 2310 2640 2970 3300 3630 3960 4290 4620 4950 5280 5610 5940 6270 6600



— Existing Dirt Road
 - - - Planned Access

ROAD CLASSIFICATION

Medium duty
 Light duty
 Unimproved dirt
 State Route

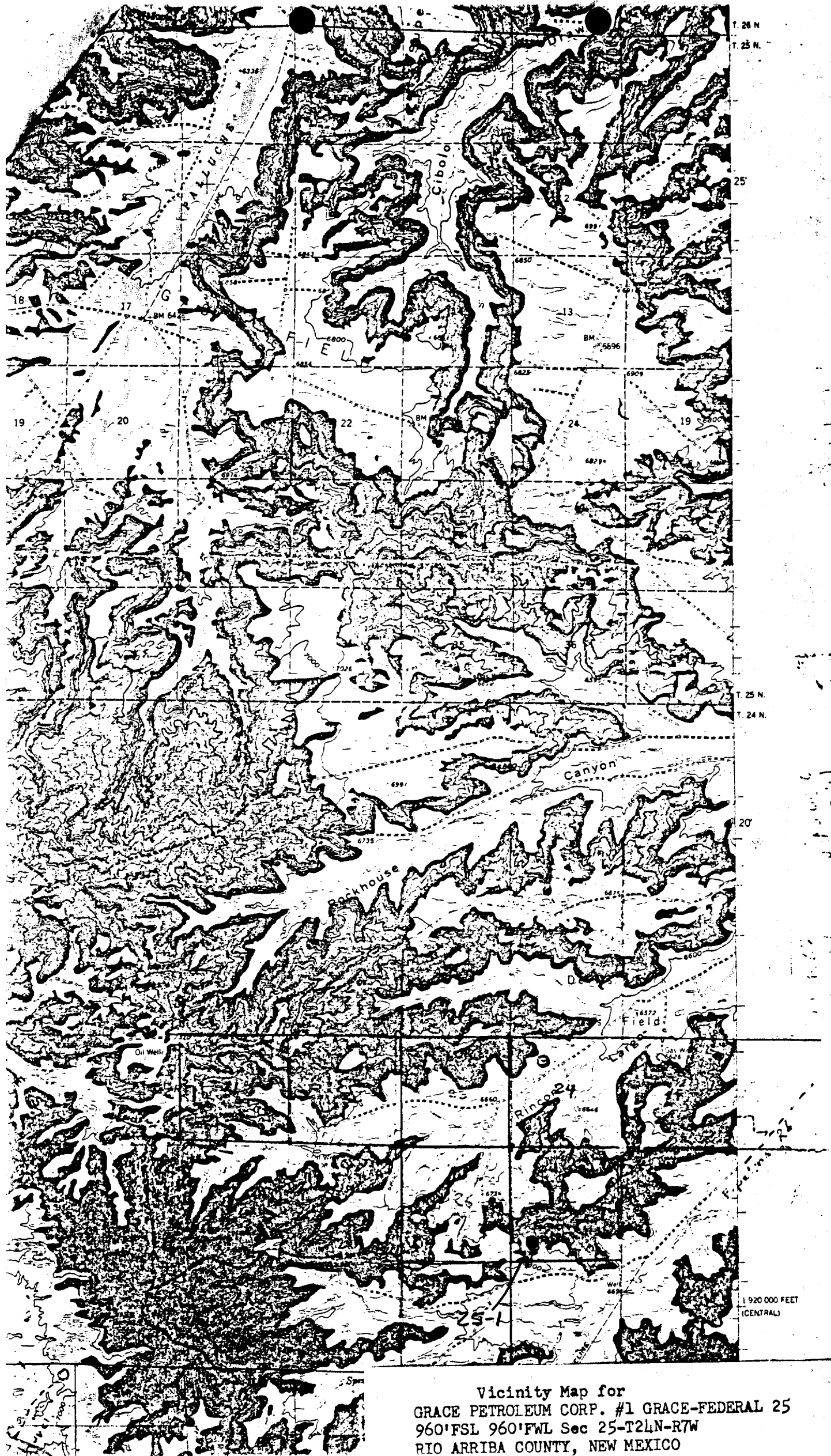
ORIGINATOR LOCATION

EXHIBIT 1

NAGEEZI, N. MEX.

11/15/75 11/15/75

THE ACCURACY STANDARDS
 R 25, COLORADO OR WASHINGTON 25, D.C.
 AND SYMBOLS IS AVAILABLE ON REQUEST



Vicinity Map for
GRACE PETROLEUM CORP. #1 GRACE-FEDERAL 25
960'FSL 960'FWL Sec 25-T24N-R7W
RIO ARRIBA COUNTY, NEW MEXICO