Form approved. Budget Bureau No. 42-R1425

UNITED STATES DEPARTMENT OF THE INTERIOR

(Other instructions on reverse side)

| | UNII DEPARTMENT | ED STATES OF THE IN | TFR | reverse si | de) | 30-039 | -21671 | |
|---|-----------------------------|---------------------------------------|--------|---------------------------|-----------------------|----------------------------|---------------------|--|
| | | GICAL SURVE | | | | NM-18326 | ND STRIAL NO. | |
| APPLICATION | V FOR PERMIT T | O DRILL, D | EEPE | N, OR PLUG B | ACK | 6. IF INDIAN, ALLOTTEE (| E TRIBE NAME | |
| 1a. TYPE OF WORK | RILL 🖾 DEEPEN 🗌 PLUG BACK 🗍 | | | | 7, UNIT AGREEMENT NAM | 11 | | |
| b. Type of well | ILL & | DEEPEN L | | | - : | | | |
| | ELL OTHER | | | NGLE MULTIPE | | Schalk 29- | | |
| John E . | Schalk | | | | | 9. WELL NO. | | |
| 3. ADDERSS OF OPERATOR | <u> </u> | | | | | 8/ | -11 | |
| P. O. Box | x 25825, Albu | querque, l | V.M. | . 87125 | | 10 FILT THE POST OF | Men | |
| At surface | eport location clearly and | | | | 1 | Gebernager P | ic. Cliffs | |
| | 750' FSL, 101 e 29 Nort | h, Range | | | snip | Sec. 27, T-2 | | |
| 14. DISTANCE IN MILES | AND DIRECTION FROM NEAR | EST TOWN OR POST | OFFICE | .• | | 12. COUNTY OR PARISH | | |
| 55 Mile | es East of Bl | anco, New | Mex | CICO | 1 17 NO 4 | Rio Arriba | NM | |
| LOCATION TO NEAREST PROPERTY OR LEASE I | I LINE, FT. | 1015' | 10. 70 | 640 | | TO THIS WELL 160 | | |
| (Also to Dearest drlg 18. DISTANCE FROM PROP | OSED LOCATION* | | 19. PR | OPOSED DEPTH | 20. BOTA | RT OR CABLE TOOLS | | |
| TO NEAREST WELL, D OR APPLIED FOR, ON TH | IS LEASE, FT. | | | 4 5 8 5 ' | ļ F | lotary | · | |
| 21. ELEVATIONS (Show wh | ether DF, RT, GR, etc.) | 73 | 388 | ' GR | | February 13 | | |
| 23. | P | ROPOSED CASING | ANI | CEMENTING PROGRA | .M | | <u> </u> | |
| SIZE OF HOLE | SIZE OF CASING | WEIGHT PER FOO | T | SETTING DEPTH | <u> </u> | QUANTITY OF CEMENT | | |
| 11" | 8-5/8" | 23# | | 250' | | sacks | | |
| 7-7/8'' | 4-1/2" | 10.5# | | 45851 | 350 | sacks | | |
| | | | | | | | - ' | |
| | | | | | | . - | • | |
| | | FORMATIO | ON ' | <u>rops</u> | | | ~ | |
| | | | | | - | | | |
| | Kir | tland | | 3930' | | | _ | |
| | Frii | itland | | 4025' | - | = | | |
| | | | | | ئىر ئەمۇر | | | |
| | Pic | . Cliffs | | 4135' | 2 | | • . - | |
| | TD · | | | 4585' | | | · - | |
| | | | | | (| JAN | | |
| 01 | i A. | D: 70 | | | / | CHRET | | |
| IN ABOVE SPACE DESCRIBE | PROPOSED PROGRAM: HI | CALLA proposal is to deepe | or p | lug back, give data on pi | resent prod | ductive zone and proposed | new productive | |
| cone. If proposal is to preventer program, if an | drill or deepen directions | lly, give pertinent | data o | n subsurface locations ar | d measure | d and true vertical depths | Give blowout | |
| | 5 200 | \mathcal{C} | | • | • | | 7 70 | |
| SIGNED STORY | | TITL | r | Operator | | DATE | 3 - 78 | |
| (This space or Fede | ral or State office use) | · · · · · · · · · · · · · · · · · · · | | | | | 7 | |
| PERKIT NO | | | | APPROVAL DATE | | | | |
| | | | | | | | <u>.</u> . | |
| APPROVED BYCONDITIONS OF APPROV | AL, IF ANY: | TITL | r | | | DATE | | |
| | Obas . | | .; | 1 | | ; · · · · · · | | |
| | | ** | فادر | <i>X</i> | | | | |
| | | "See Instruc | tions | On Reverse Side | | | | |

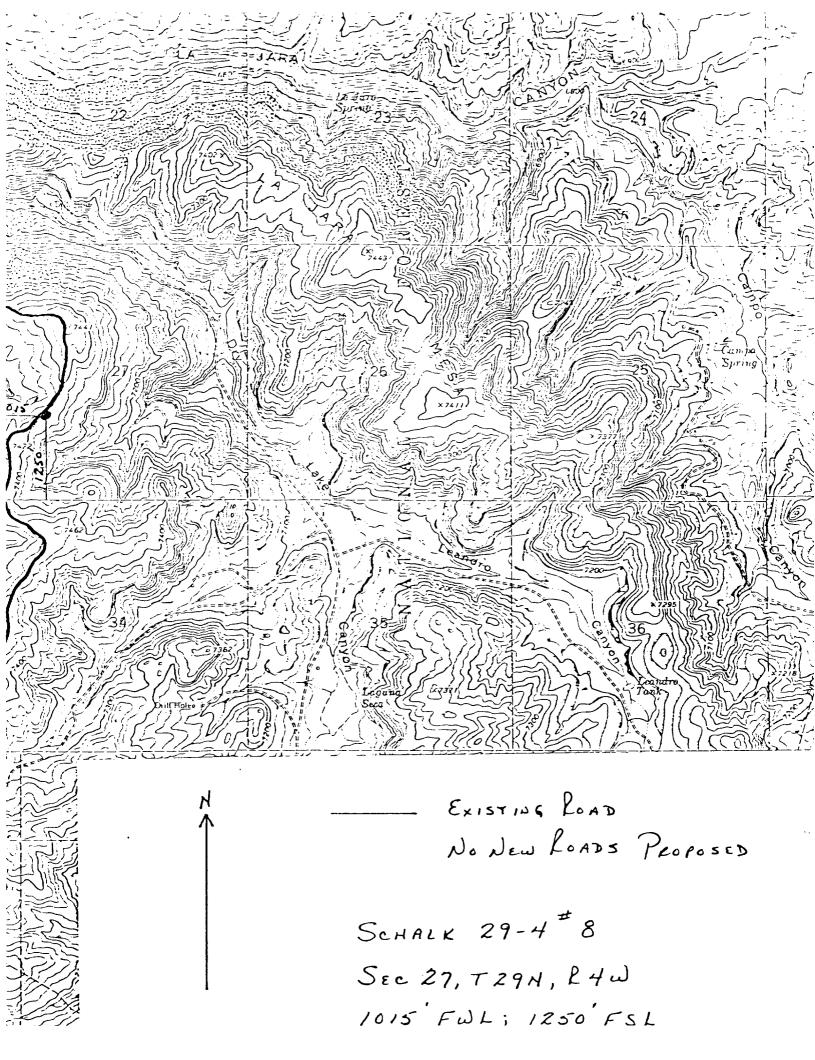
NEW MEXICO OIL CONSERVATION COMMISSION

| | | All distances m | ist be from the outer | boundaries of the | Section | |
|--|------------------------|--|-----------------------|-------------------|---------------------|--------------------------------------|
| 34 - 47 | IN SCHALK | | Lec1 e | SCH4LK | 20-li | West No. |
| ωπιτ μετ <i>ε</i> τ | ir donamina. Serion | Township | fienge | Ctur | | |
| <u>. </u> | 27 | 29_NOR | TH 4 h | TEST R | TO ARRIBA | |
| favo folica Lora 1750 | | SCUTH in | e ond 1015 . | feet troπ | the WES | T . Time |
| Ground Level Elevil | | Formation . Cliffs | | | | Dedicated Avereuge: |
| | | | | | | |
| I. Outline the | acerage wealca | ted to the subject wa | ii by colored pencii | or nothure na | arks on the plat t | peicw. |
| 2. If more that interest and ro- | | dedicated to the we | ell, outline each or | nd lideratify th | e ownership the: | eof (both as to working |
| • | | | | | | |
| | | citterent ownersnip on, force-pooling, et | | e well, pave th | e interests of a l | owners been consol loted |
| () Vac (| - No. 1 | f answer is "yes," m | oe of consolidation | 1 | | |
| | | · | | | | |
| | | ers and tract descri | | actually consc | Midated, (Use re | verse side of this form if |
| · · | | | | cossolicists | The same siting | ation, unitization, forced- |
| | | a non standard unit. | | | | |
| | | | | | | |
| | | | | | CEI | RTIFICATION |
| | | | | | I hereby cer | tify that the information contained |
| | | | | | A A | and complete to the best of my |
| | | ì | | | no ledge and l | |
| | | | | | | COCHALL |
| T | | | | | John E. | Schalk |
| | ' | | | | Pysition | |
| | | | | | Operato Compony | r |
| | i | | | | John E. | Schalk |
| + | - + - + | - + - + - | - - + - | 7 | Date 1 - 13 - 78 | STORE HEAD |
| | | 27 | | | 1 10 | Far Fox & |
| | | | | | l harshy car | tify that the well location shown on |
| ı | | | | 1 | | piotted from field notes of actual |
| + | -t - + | · - - - + \ | | N | surveys mode by | me or knug my supervision and |
| 10151 | -위 1 | į. | | | that the same n | true and exprect to the best of my |
| | +++ | | | - | | |
| i i | 8 1 | | 1 | | Date Surveyed | O November 1977 |
| <u> </u> | 4-4 | · - # + - | - + - + - | 4 | X. | er R. Tono |
| | | | 1 1 | | Prof | essional Engineer |

SCALE-4 INCHES EQUALS 1 MILE

February Professional Engineer and/or Land Surveyor

James P. Leese



SPECIAL USE APPLICATION AND REPORT

Ref: FSM 2712

PART I - APPLICATION (To be completed by applicant)

| L | |
|----------------|---|
| 100 | 1 |
| I 114 | 1 |

Application is hereby mode for a permit to use National Forest land as indicated below:

1. Description of land: (Attach MAI' or PLAT)

United States Department of Agriculture

Lorest Service

A one acre plot in the SW/4 of Section 27, Township 29 North, Range 4 West.

c. Record no. (1-2)

d. District (7-8)

g. State (16-17)

70

USE ON

SERVICE

2. Purpose of use.

Construction and drilling of the Schalk 29-4 Well No. 8 gas well located 1750' From the South Line, 1015' From the West Line of Section 27, Township 29 North, Range 4 West, Rio Arriba County, New Mexico.

| Land Area applied for (For Rig | his-of-Way show length a | nd width an | id convent to ac | res; for othe | eruses | shou acres: |
|--------------------------------|--------------------------|-------------|------------------|---------------|--------|-------------|
| Length in: | (Miles) or | X | Width | Feet | = | '(Acres) |

4. Improvements

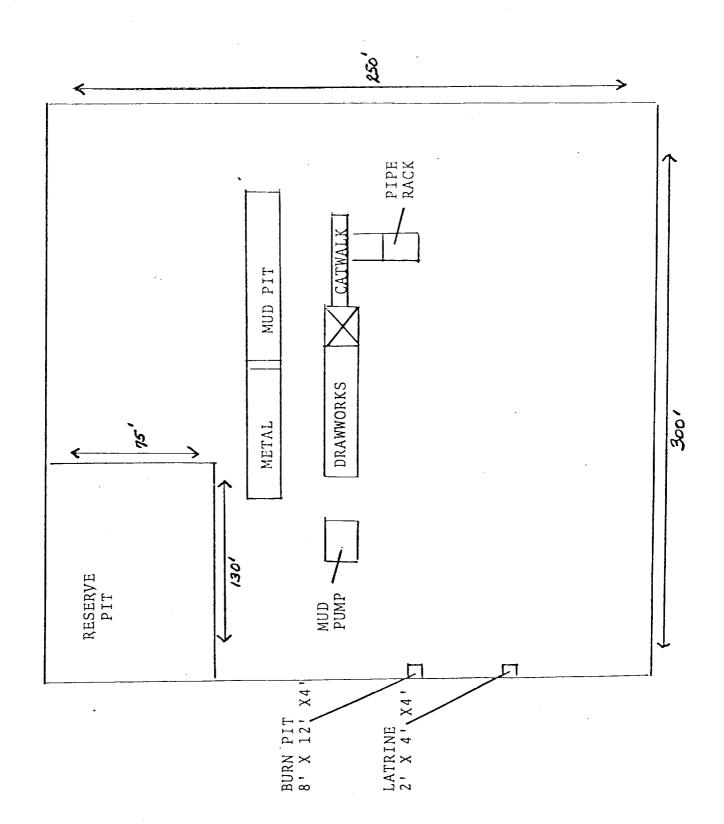
a. Description

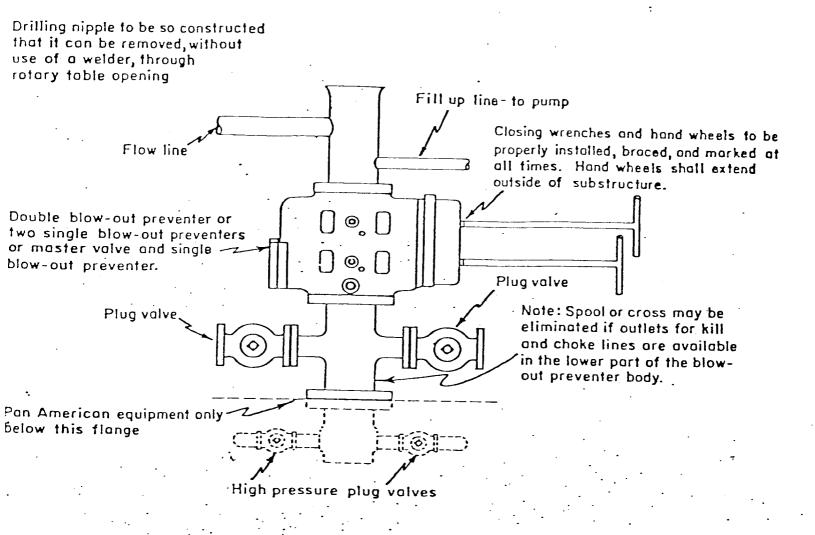
Improvements will consist of a one acre gas well location, an access road, collection pits, and other paraphenalia necessary for the drilling maintenance and production of natural gas.

| c. Estimated cost | d. Construction will begin within | e. Construction will be completed within |
|---------------------|-----------------------------------|--|
| 5,000.0 | 0 1 | 2 |
| .> | (Months) | (Months) |
| Date of Application | Applicants name and signature | Applicant's oddress |
| 1-13-78 | Daws & Sound | P. O. Box 25825 Albuquerque, New Mexico 87125 (ZIP Code) |
| | John E. Schalk (OVER) | 2700-3 (7/7 |

Multi-Point Surface Use and Operations Plan

- 1. Existing roads: Attached map shows existing road entering Southwest corner of Section 27, running Northeast, adjacent to proposed location.
- 2. Planned Access Road: None.
- 3. Location of Existing wells: None.
- 4. Location of existing and/or proposed facilities: None.
- 5. Location and type of water supply: Water will be taken from a water hole 15 miles away and transported by truck to location.
- 6. Source of construction materials: None.
- 7. Methods for handling waste disposal: Cuttings to be disposed of in a reserve pit; a burn pit to be used for disposal of trash, garbage, etc.; and covered on clean-up of location.
- 8. Ancilary facilities: None.
- 9. Well site layout: Per attached drawing.
- 10. Restoration of surface: Upon completion of drilling operations, the disturbed surface area will be restored as near as practical to its original contours. If sufficient top soil is encountered, it will be stockpiled for restoration of surface. Restoration will be to the satisfaction of the United States Geological Survey.
- 11. This location slopes at an increase of 10' per 200' to the West. There will be approximately a five foot cut on the East side of the proposed location. Vegetation is sage brush, Pinon and Juniper trees. The surrounding area is comparable and any disturbances to the wildlife will be only temporary. With the restoration of surface, surface damage will be minimal.
- 12. Lessee's or Operator's Representative: John E. Schalk, P. O. Box 25825, Albuquerque, New Mexico, 87125; or J. D. Christesson, 2301 Southside River Road, Farmington, New Mexico, 87401.





CERTIFICATION

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drillsite and access route; that I am familiar with the conditions which presently exist; that the statements made in this plan are, to the best of my knowledge, true and correct; and, that the work associated with the operations proposed herein will be performed by Arapahoe Drilling Company and its contractors and sub-contractors in conformity with this plan and the terms and conditions under which it is approved.

Date 1-13-78

John E. Schalk

Operator