

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

2. NAME OF OPERATOR

Schalk Development Company

3. ADDRESS OF OPERATOR

P. O. Box 25825, Albuquerque, New Mexico 87125

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

At surface

1760' FSL; 965' FEL; Sec. 2, T-30N, R-5W;
Rio Arriba County, New Mexico

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

50 Miles East of Bloomfield, New Mexico

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

965'

16. NO. OF ACRES IN LEASE

637.72 318.93?

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

200'

19. PROPOSED DEPTH

8275'

17. NO. OF ACRES ASSIGNED
TO THIS WELL

E/318.93

20. ROTARY OR CABLE TOOLS

Rotary

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

6574' GR

22. APPROX. DATE WORK WILL START*

10-01-80

23.

PROPOSED CASING AND CEMENTING PROGRAM

This action is subject to administ. live
appeal process 290.

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12-1/4"	8-5/8"	24#	300'	300 sacks
8-5/8"	4-1/2"	10.5#	8275'	600 sacks

FORMATION TOPS

Ojo Alamo	2725'
Kirtland	2848'
Pictured Cliffs	3375'
Lewis	3432'
Cliff House	5550'
Menefee	5600'
Point Lookout	5800'
Mancos	5880'
Gallup	6529'
Greenhorn	7818'
Greneros	7866'
Dakota	8000'

Estimated depths at which anticipate
water, oil, gas or other minerals
are expected to be encountered:

None

No anticipated abnormal pressures
are expected.Blow-out Preventer: Schaffer,
Double-Gate, Hydraulic, 900 Series.

Tested when surface casing set.

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

(This space for Federal or State office use)

TITLE

Managing Partner

DATE

9-5-80

PERMIT NO.

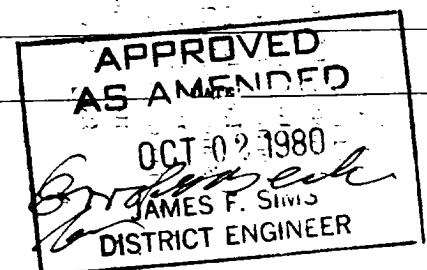
APPROVAL DATE

APPROVED BY

TITLE

CONDITIONS OF APPROVAL, IF ANY:

*See Instructions On Reverse Side



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

Form C-102
Supersedes C-1
Effective 1-1-61

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

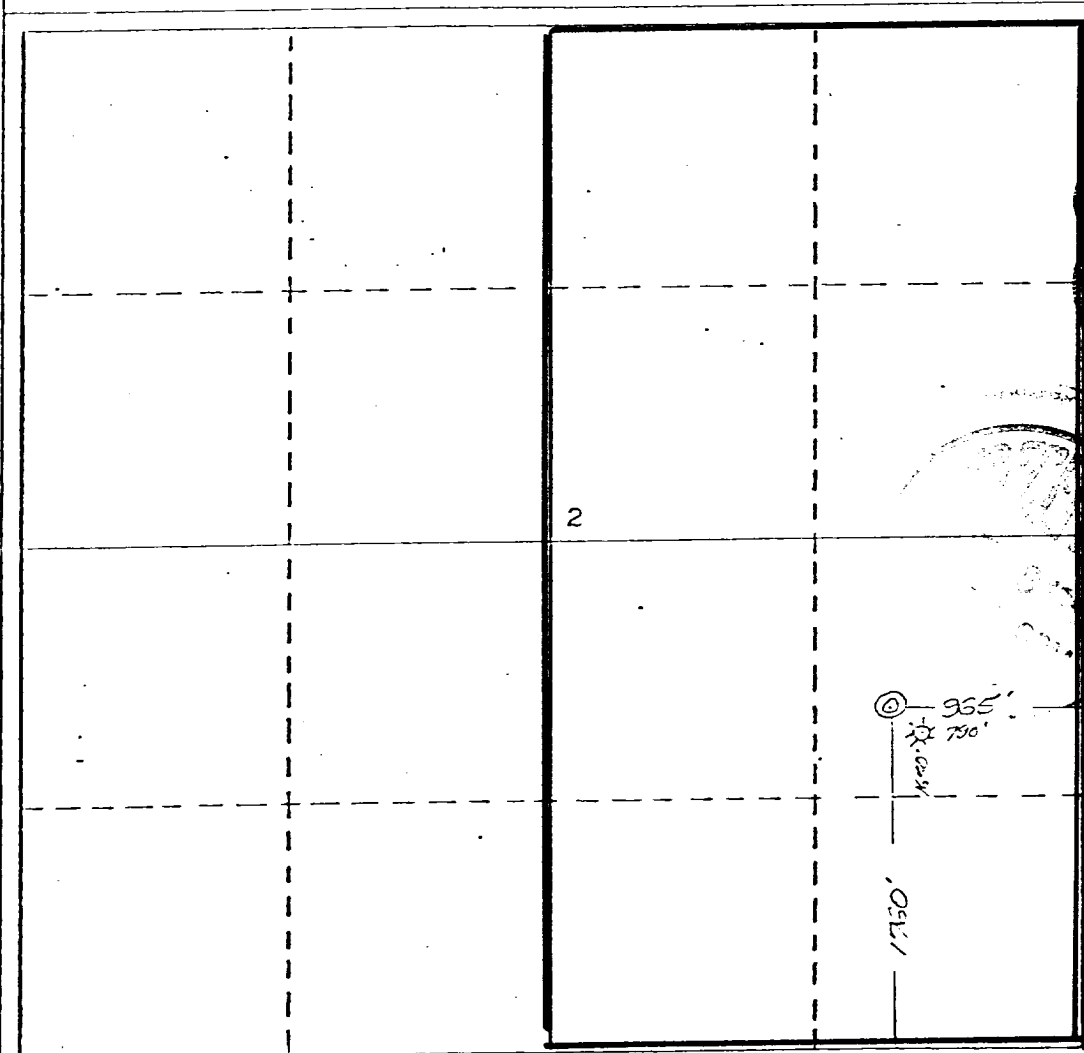
Operator SCHALK DEVELOPMENT CO.			Lease SCHALK 54		Well No. 1-E
Unit Letter I	Section 2	Township 30 NORTH	Range 5 WEST	County RIO ARriba	
Actual Footage Location of Well: <div style="display: flex; justify-content: space-between;"> 1760 feet from the SOUTH line and 965 feet from the EAST line </div>					
Ground Level Elev. 6574	Producing Formation Dakota	Pool Basin Dakota		Dedicated Acreage: 318.93 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 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.



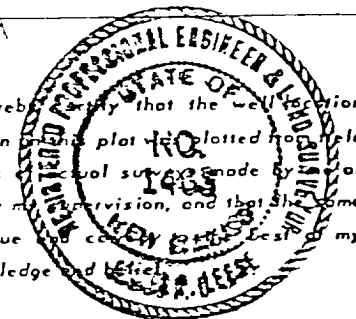
CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

[Signature]

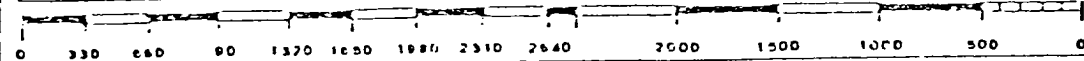
Name
John E. Schalk
Position
Managing Partner
Company
Schalk Development Co.
Date _____

I hereby certify that the well location shown on this plat is plotted from field notes of actual survey made by me or under my supervision, and that the same is true to the best of my knowledge and belief.



Date Surveyed
August 25, 1980
Registered Professional Engineer
and Land Surveyor
[Signature]
James P. Lease

Certificate No.
1463



MULTI-POINT SURFACE USE AND OPERATIONS PLAN

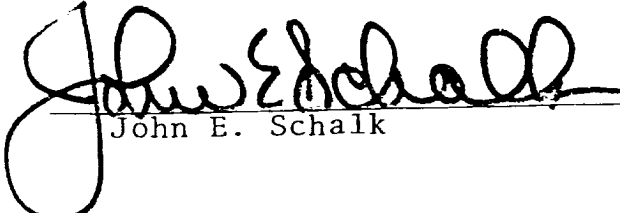
- 1) Existing roads: Jeep trail departs from Highway 64. Trail runs in a Northeasternly direction through Section 3. Crossing the section line into Section 2, road goes East through Section. Road then turns South after crossing Section line into Section 1. Road turns back to the West, crosses into Section 2, and goes directly to proposed location.
- 2) Planned access road: None.
- 3) Location of existing wells: See attached map.
- 4) Location and type of water supply: Water will be taken from Navajo Lake and transported to location by truck.
- 5) Source of construction materials: None.
- 6) Methods of 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.
- 7) Ancillary facilities: None.
- 8) Well site layout: Per attached drawing.
- 9) 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 U.S.G.S.
- 10) This location slopes at an increase of 8' per 400' to the West. There will be approximately an 8' to 12' cut on the West side of the proposed location. Vegetation is described in attached archaeological report. 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.
- 11) Lessee's or Operator's representatives: John E. Schalk, P. O. Box 25825, Albuquerque, New Mexico, 87125; Steve Schalk, 6200 Rio Hondo, NE, Albuquerque, New Mexico; or Joe D. Christesson, 2301 South-side River Road, Farmington, New Mexico, 87401.

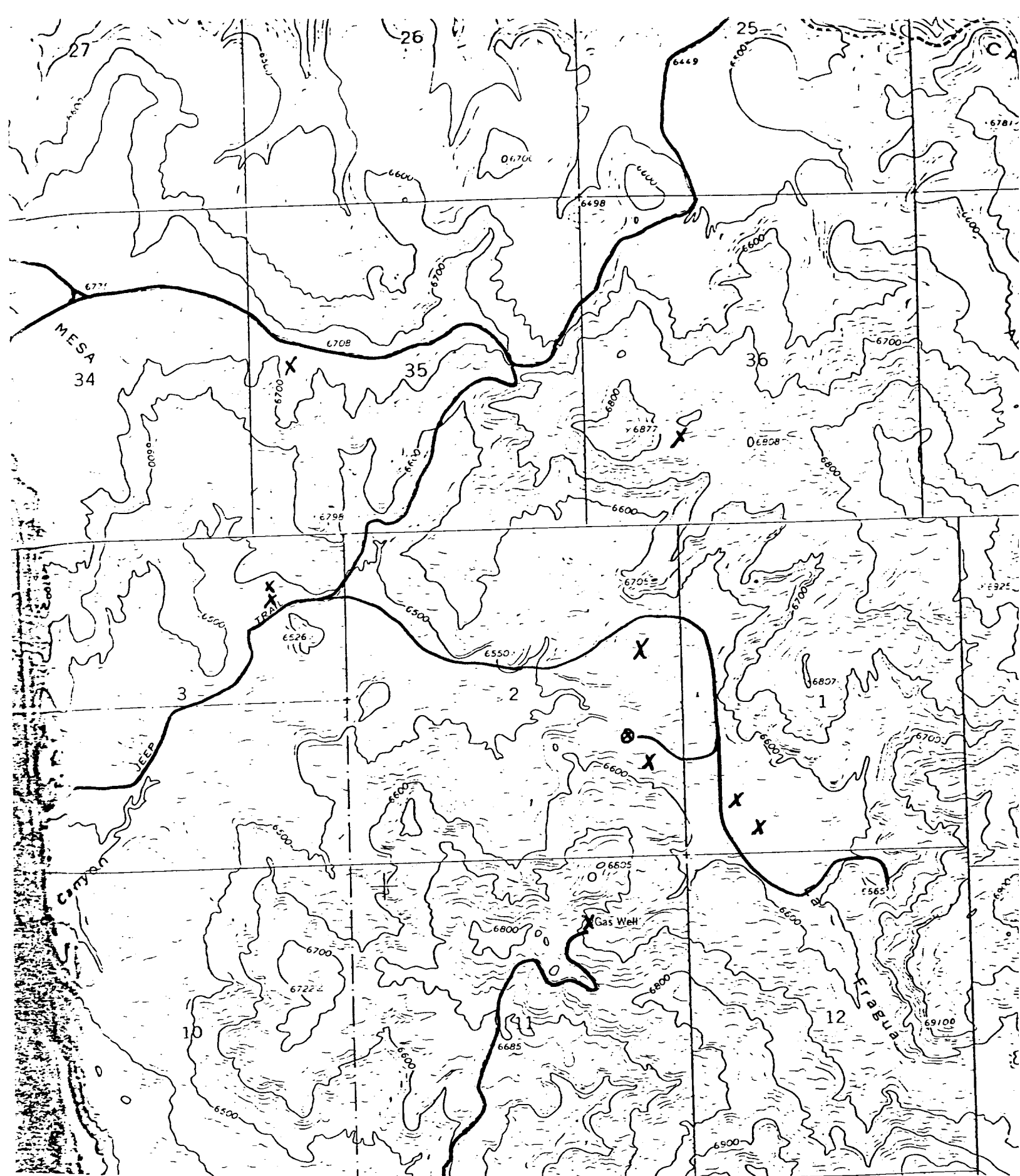
CERTIFICATION

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

9-5-80

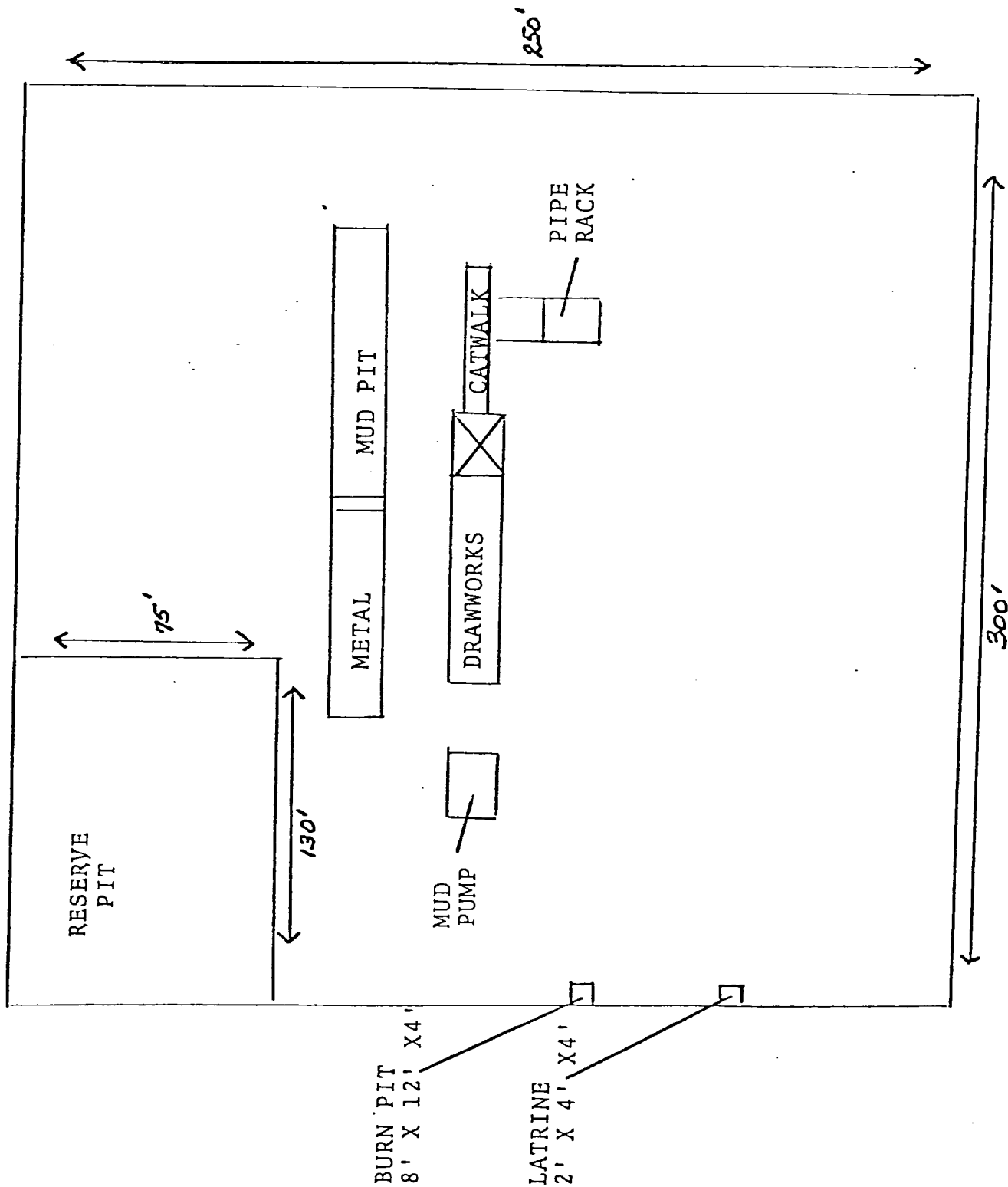
Date


John E. Schalk



Schalk 54-1E ³⁰
 Section 2, T-20N, R-5W
 Rio Arriba County, N.M.

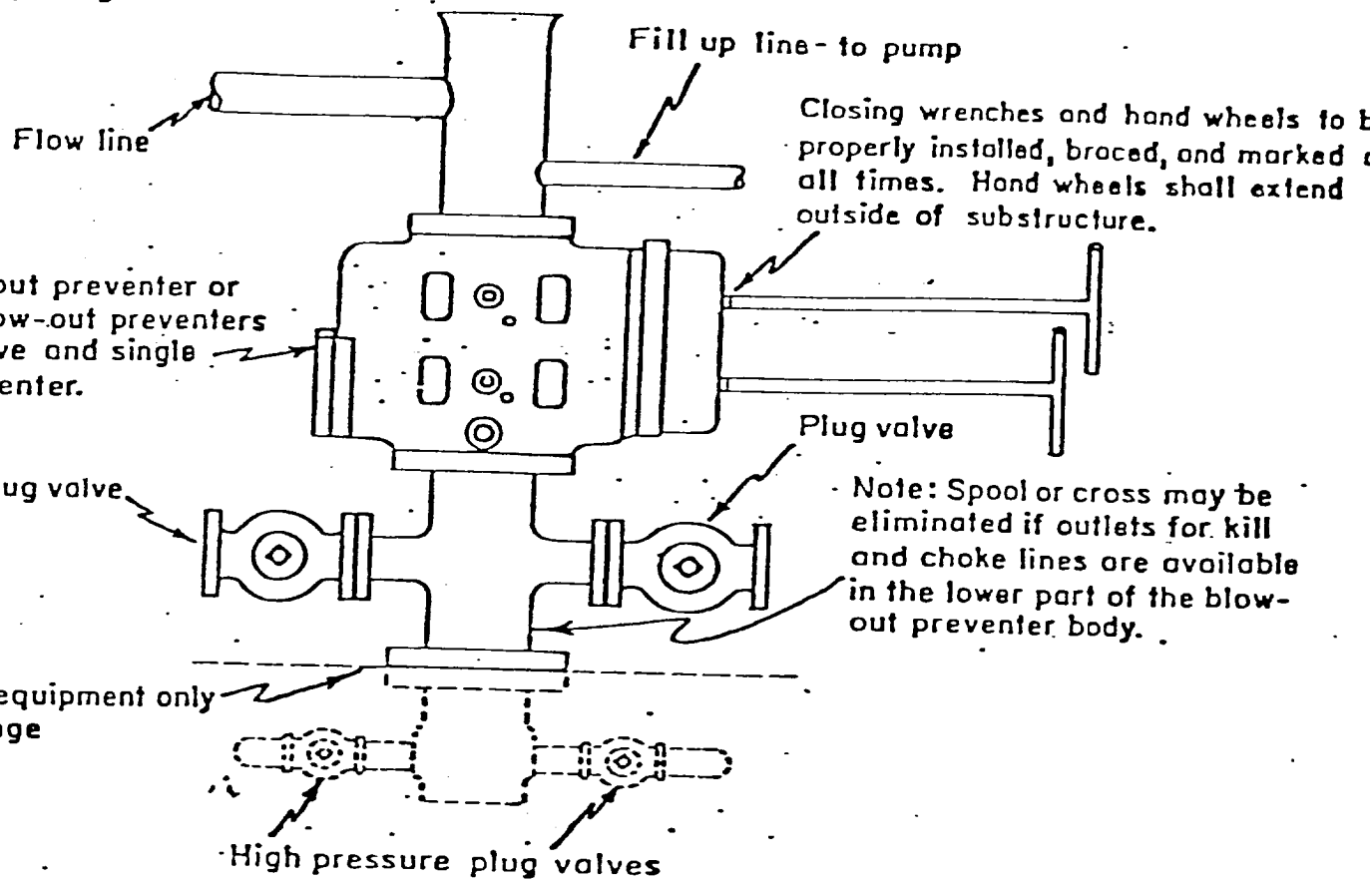
———— Existing Roads
 - - - - - Proposed Roads
 X Existing Wells
 ⊙ Proposed Location

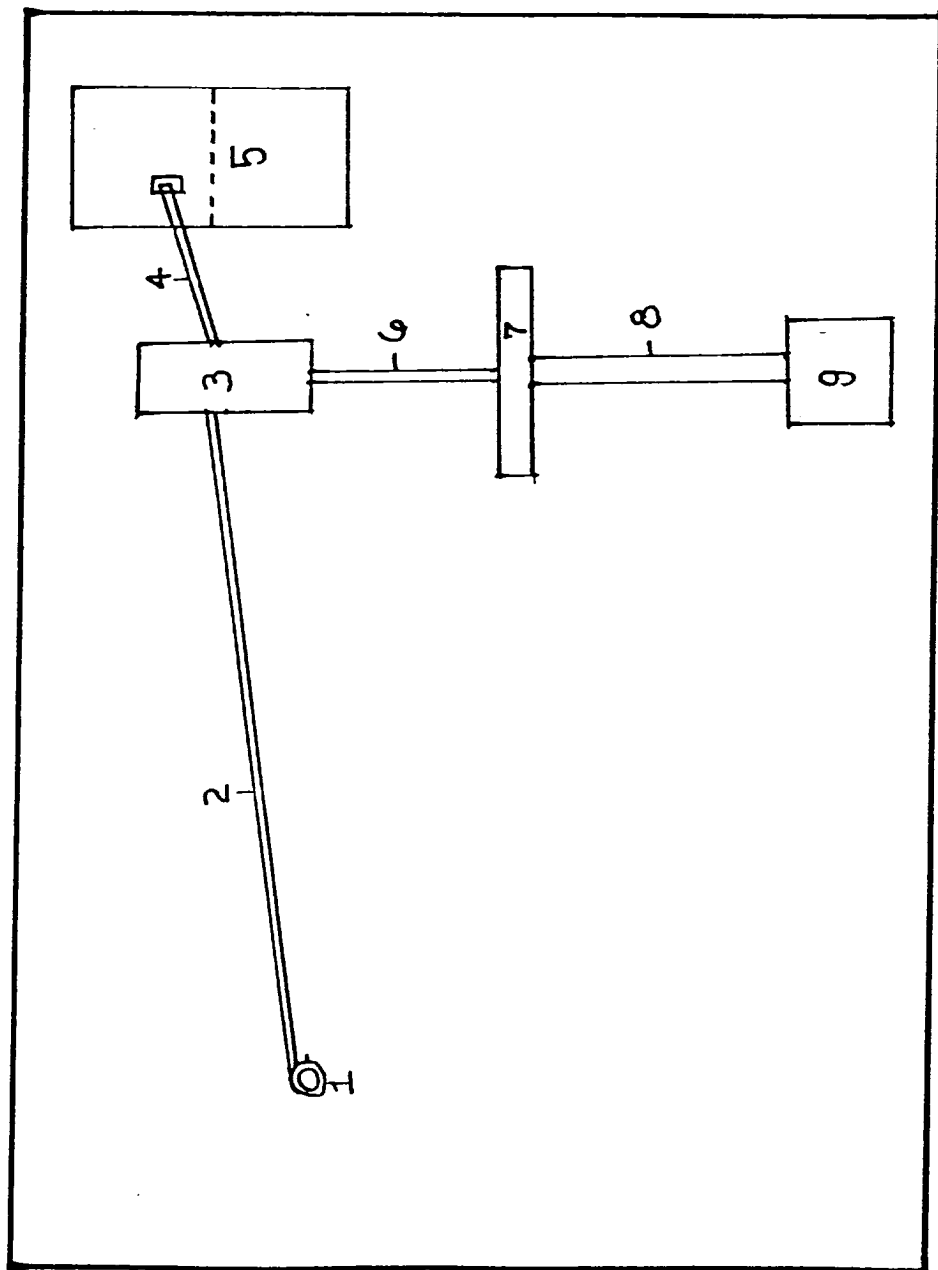


ARAPAHOE DRILLING CO.

BLOW-OUT PREVENTER HOOK-UP

Drilling nipple to be so constructed that it can be removed, without use of a welder, through rotary table opening





- 1) W-K-M Wellhead; 2" - 2000# valves throughout.
- 2) Fifty foot long, 2" underground line from the wellhead to the separator; rated to 4000#.
- 3) P & A, Inc. separator. Rated to handle 2000 MCP/day.
- 4) 2" above ground line to water pit.
- 5) Water pit; 10' x 10' x 4'.
- 6) 2" underground line from separator to dehydrator.
- 7) Northwest Pipeline's dehydrator.
- 8) 40 foot long, 4" meter run from dehydrator to meter house.
- 9) Northwest Pipeline's meter house.

Ref: FSM 2712

FOREST SERVICE USE ONLY	a. Record no. (1-2)	b. Region (3-4)	c. Forest (5-6)
	70	--	--
	d. District (7-8)	e. User number (9-12)	f. Kind of use (13-15)
	--	----	---
	g. State (16-17)	h. County (18-20)	k. Card No. (21)
	--	----	<u>1</u>

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


A one acre plot in the SE/4 of Section 2, Township 30 North,
Range 5 West. Lease No. NM 4454.

Construction and drilling the Schalk 54 Well No. 1E gas well located 1760' from the South Line, 965' from the East Line, Section 2, Township 30 North, Range 5 West, Rio Arriba County, New Mexico.

$$\text{Length in: } \frac{\text{(Miles) or}}{\text{(Feet)}} \times \text{Width } \frac{\text{(Feet)}}{\text{(Feet)}} = \frac{\text{(Acres)}}{\text{(Acres)}}$$

Improvements will consist of a one acre gas well location, storage tanks, collection pits, and other paraphernalia necessary for the drilling maintenance and production of natural gas.

c. Estimated cost	d. Construction will begin within	e. Construction will be completed within
\$ 5,000.00	2	2
	(Months)	(Months)

Date of Application	Applicants name and signature	Applicant's address
9-9-80	<p>SCHALK DEVELOPMENT COMPANY</p>  <p>Steve Schalk, Agent</p>	<p>P. O. Box 25825 Albuquerque, New Mexico 87125</p>
		(ZIP Code)

Report 80-SJC-311
Permit N.M. State National
Forest

An Archaeological Clearance Survey of
Four Proposed Well Locations
Conducted for Schalk Development Company

Submitted by
L. Jean Hooton
Cultural Resource Management
New Mexico State University
San Juan Campus

9 September 1980

An Archaeological Clearance Survey of
Four Proposed Well Locations
Conducted for Schalk Development Company

On 2 September 1980, L. Jean Hooton from the Cultural Resource Management Program, New Mexico State University, San Juan Campus, conducted an archaeological clearance survey of four proposed well locations for Schalk Development Company at the request of Mr. Johnny Ahlm from Arapahoe Drilling Company.

Present during the survey were Mr. Jack Evans from Arapahoe Drilling Company, Mr. John Keller from the U.S. Geological Survey - Farmington office, Mr. Henry Brill from the Carson National Forest, and Mr. Harold Maez from Northwest Pipeline Corporation.

The proposed well locations are on land administered by the U.S. Forest Service, Carson National Forest, Jicarilla Ranger District, and were surveyed under a New Mexico State National Forest Federal Antiquities permit.

The most recent listing of the National Register of Historic Places has been consulted and no sites which are on the Register and no sites which have been nominated to the Register occur in the project area. No sites which are eligible for nomination to the Register occur in the project area. This proposal complies with the provisions of the Historic Preservation Act of 1966 and with Executive Order 11593. It is recommended that archaeological clearance be given.

METHODOLOGY

The proposed well locations were surveyed by walking parallel transects, seventyfive feet apart, over the 300 by 300 foot easements.

Proposed Well: SCHALK DEVELOPMENT - SCHALK 54 #1E

Land Status: Carson National Forest.

Location: The proposed well location is in the SW $\frac{1}{4}$ of the NE $\frac{1}{4}$ of the SE $\frac{1}{4}$ of Section 2, Township 30 North, Range 5 West, N.M.P.M., Rio Arriba County, New Mexico. The well will be 1760 feet from the south line and 965 feet from the east line of Section 2. (Figure 1)

U.T.M.: Center - 13; 2,93,100 mE; 40,79,340 mN.

Access: Existing.

Area Surveyed: 2.07 acres.

Terrain: Slope with northerly drainage and alluvial surface deposits.

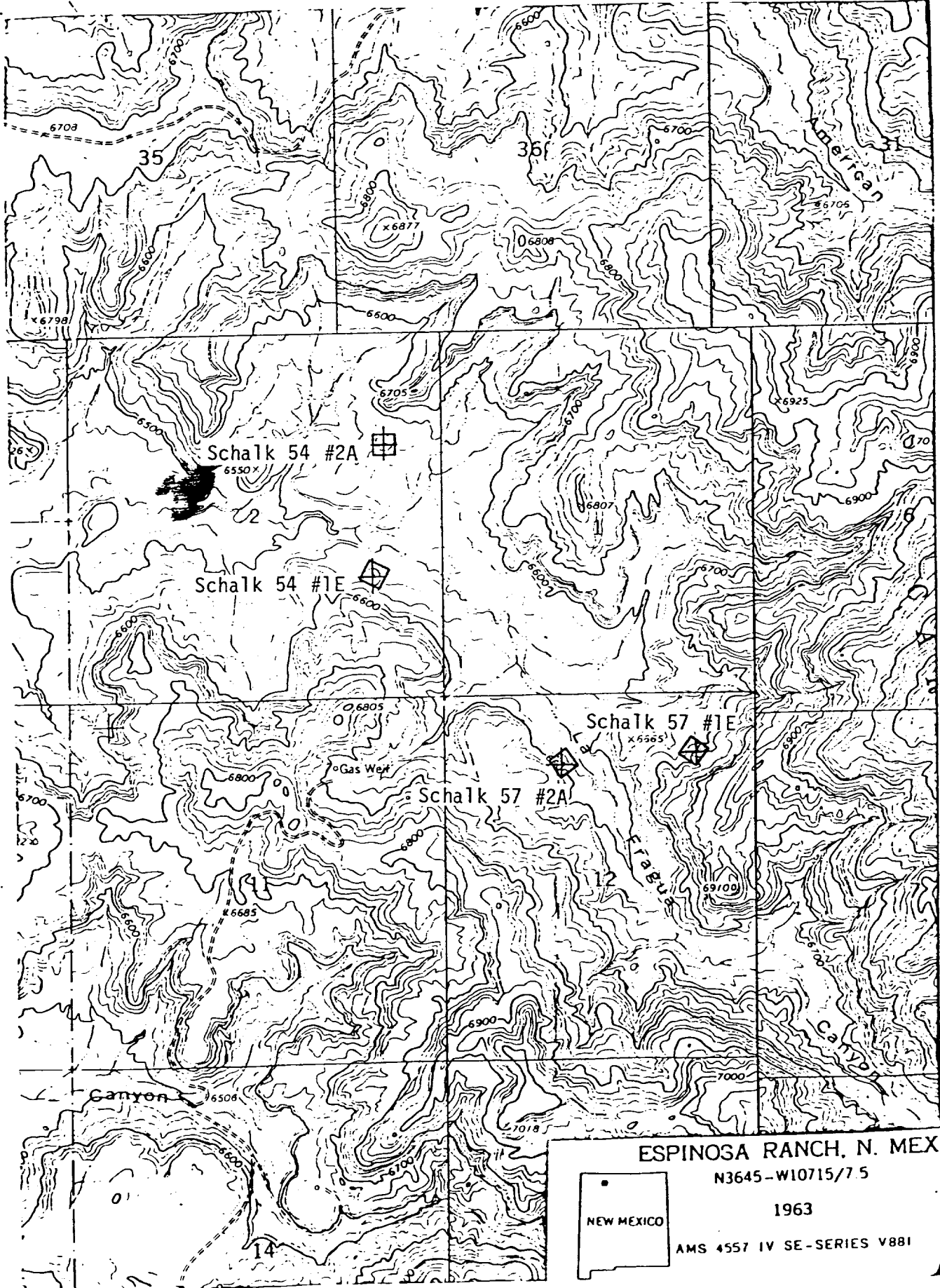
Soil: Sandy clay loam.

Vegetation: Piñon, juniper, sagebrush, scrub oak, snakeweed, prickly pear cactus, indian tea, galleta, squirreltail, brome, indian ricegrass, slender wheatgrass.

Cultural Resources: None found.

Recommendations: Clearance recommended.

R 5W R 4W



T 31N
T 30N

ESPINOSA RANCH, N. MEX.

N3645-W10715/7.5

1963

AMS 4557 IV SE-SERIES V881

