

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

30-045-21341

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

| | | | | |
|---|--|--|---|--|
| 1a. TYPE OF WORK DRILL <input checked="" type="checkbox"/> DEEPEN <input type="checkbox"/> PLUG BACK <input type="checkbox"/> | | | 5. LEASE DESIGNATION AND SERIAL NO. NM - 6894 | |
| b. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER <input type="checkbox"/> SINGLE BORE <input type="checkbox"/> MULTIPLE BORE <input type="checkbox"/> | | | 6. IF INDIAN, ALLOTTEE OR TRUST NAME ----- | |
| 2. NAME OF OPERATOR JOHN E. SCHALK | | | 7. UNIT AGREEMENT NAME ----- | |
| 3. ADDRESS OF OPERATOR P. O. BOX 2078, FARMINGTON, NEW MEXICO 87401 | | | 8. NAME OF LEASEE NAME ONE STAR INDUSTRIES- SCHALK - 94 | |
| 4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.) At surface 1100' FROM THE SOUTH LINE, 810' FROM THE WEST LINE, At proposed prod. zone SECTION 26, TOWNSHIP 32 NORTH, RANGE 8 WEST | | | 9. WELL NO. 2 | |
| 14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE* 25 MILES NORTH AND EAST OF AZTEC, NEW MEXICO | | | 10. FIELD AND POOL OR RESERVOIR BASIN DAKOTA | |
| 15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest orig. unit line, if any) 810' | | | 11. T. & M. OR R. & S. AND SURVEY OR AREA SEC. 26, T-32N, R-8W | |
| 16. NO. OF ACRES IN LEASE 640 | | | 12. COUNTY OR PARISH SAN JUAN | |
| 17. NO. OF ACRES ASSIGNED TO THIS WELL 320 | | | 13. STATE NEW MEXICO | |
| 18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 2/3 MILE | | | 14. ROTARY OR CABLE TOOLS ROTARY | |
| 21. ELEVATIONS (Show whether DF, RT, GR, etc.) 6888.0 GR. | | | 22. APPROX. DATE WORK WILL START* SEPTEMBER 8, 1973 | |

23. PROPOSED CASING AND CEMENTING PROGRAM

| SIZE OF HOLE | SIZE OF CASING | WEIGHT PER FOOT | SETTING DEPTH | QUANTITY OF CEMENT |
|--------------|----------------|-----------------|---------------|--------------------|
| 15" | 10-3/4" | 32.75# | 300' | 300 SACKS |
| 7-7/8" | 4-1/2" | 11.60# | 8400' | 350 SACKS |

WILL DRILL WITH ROTARY TOOLS TO TEST THE DAKOTA FORMATION.
WILL RUN AN INDUCTION LOG AND FORMATION DENSITY CALIPER GAMMA
RAY LOG AT TOTAL DEPTH. IF PRODUCTIVE, WILL CEMENT 4-1/2"
CASING AND PERFORATE AS NEEDED.

ESTIMATED TOPS

| | | |
|-----------------|---|-------|
| PICTURED CLIFFS | - | 3752' |
| POINT LOOKOUT | - | 6097' |
| GRANEROS | - | 8182' |
| DAKOTA | - | 8297' |
| TOTAL DEPTH | - | 8400' |

SEP 15 1973

Note - Approved cementing plan to be filed with the
4 po will be covered

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. John E. Schalk OPERATOR DATE 9-3-73

(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____

APPROVED BY [Signature] TITLE _____ DATE _____

CONDITIONS OF APPROVAL, IF ANY:

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

All distances must be from the outer boundaries of the Section

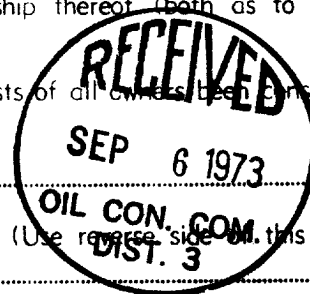
| | | | | | |
|---|--------------------------------------|-----------------------------|------------------------|--|----------------------|
| Operator LONE STAR INDUSTRIES-SCHALK | | | Lease 94 | | Well No. 2 |
| Unit Letter M | Section 26 | Township 32 NORTH | Range 8 WEST | County SAN JUAN | |
| Actual Footage Location of Well: 1100 feet from the SOUTH line and 810 feet from the WEST line | | | | | |
| Ground Level Elev. 6888.0 | Producing Formation DAKOTA | Pool BASIN DAKOTA | | Dedicated Acreage: 320 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.



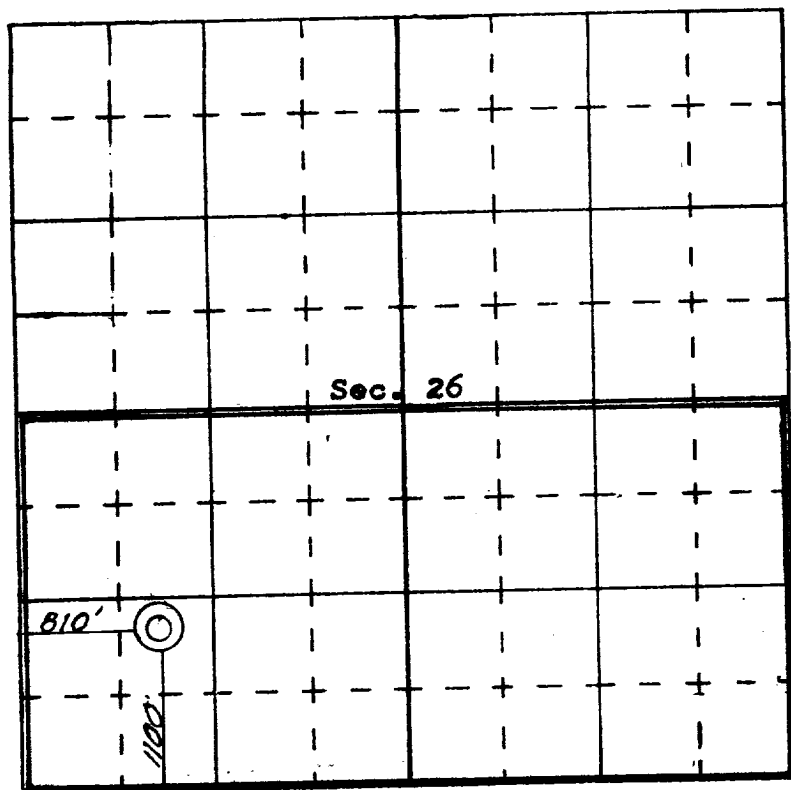
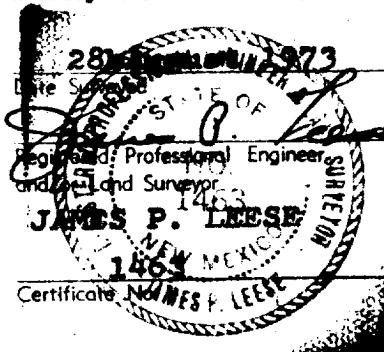
CERTIFICATION

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

John E. Schalk
Name
OPERATOR
Position

Company
SEPTEMBER 3, 1973
Date

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.



SCALE—4 INCHES EQUALS 1 MILE

SAN JUAN ENGINEERING COMPANY, FARMINGTON, N. M.