

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

CHACE OIL COMPANY, INC.

3. ADDRESS OF OPERATOR

313 Washington S.E. Albuquerque, NM 87108

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

At surface

Unit "D" 800' NL & 800' WL

At proposed prod. zone

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

Shiprock, NM 14 mi. Southwest

15. DISTANCE FROM PROPOSED*

LOCATION TO NEAREST

PROPERTY OR LEASE LINE, FT.

(Also to nearest drlg. unit line, if any)

800'

16. NO. OF ACRES IN LEASE

960

17. NO. OF ACRES ASSIGNED
TO THIS WELL

160

18. DISTANCE FROM PROPOSED LOCATION*

TO NEAREST WELL, DRILLING, COMPLETED,
OR APPLIED FOR, ON THIS LEASE, FT.

1 mile

19. PROPOSED DEPTH

2700'

20. ROTARY OR CABLE TOOLS

Rotary

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

5703 GR

22. APPROX. DATE WORK WILL START*

May 1, 1978

23.

PROPOSED CASING AND CEMENTING PROGRAM

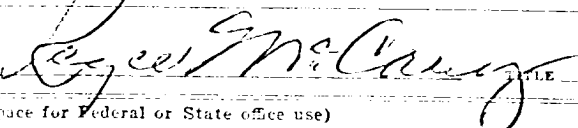
SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
8-5/8"	7"	26#	500	200 sxs

Drill 8-5/8" hole to 510' with native mud. Run 7" casing to 500' to close off water sands. Drill ahead with 6-1/4" bit with air to TD of 2500' - 2700'. Lee Wilson Contractor will install Schaeffer double ram hydraulic BOP on spud date. Run 4-1/2 casing to TD if productive.

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



President

DATE

3-31-78

(This space for Federal or State office use)

PERMIT NO.

APPROVAL DATE

APPROVED BY

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 CHACE OIL COMPANY			Lease CHACE UTE		Well No. 1
Unit Letter D	Section 24	Township 31 NORTH	Range 16 WEST	County SAN JUAN	
Actual Footage Location of Well:					
800	feet from the	NORTH	line and	800	feet from the WEST line
Ground Level Elev. 5703 GR	Producing Formation Dakota		Pool Wildcat	Dedicated Acreage: 160 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.

Royce McCary
Name **Royce McCary**

Position **President**

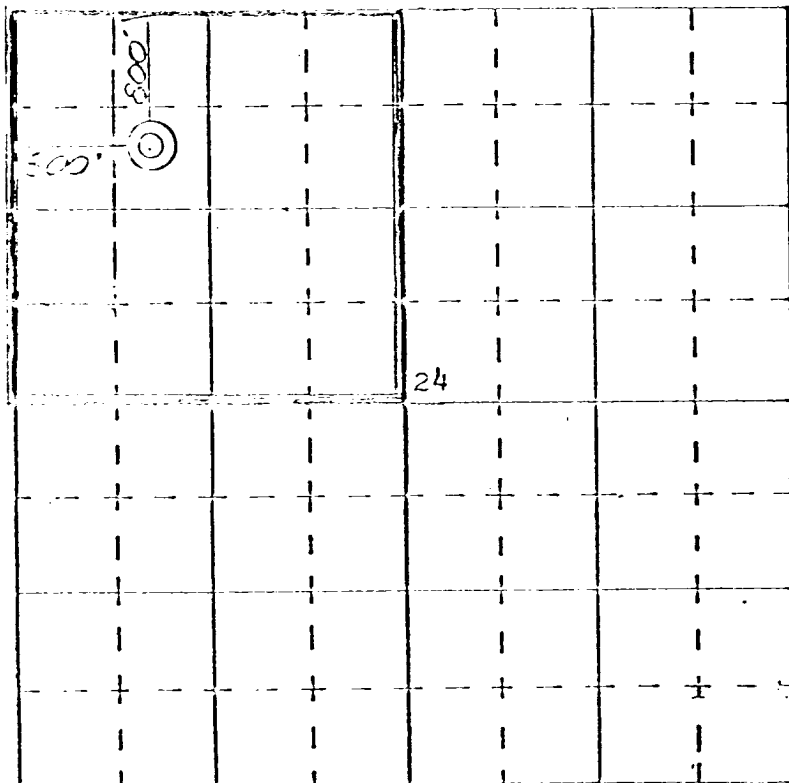
Company **Chace Oil Company, Inc**

Date **3-31-78**

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.

25 March 1978
Date Surveyed

James P. Leese
Registered Professional Engineer
and/or Land Surveyor **James P. Leese**



SCALE-4 INCHES EQUALS 1 MILE

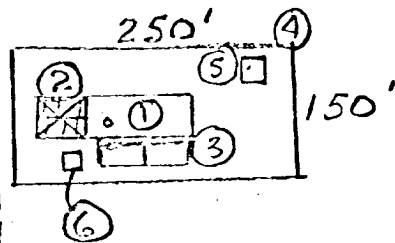
DEVELOPMENT PLAN FOR SURFACE RESUME

Chace Oil Company #1 Chace Ute
800' WL & 800' NL, Section 24, T31N, R16W

1. Location and vicinity map, San Juan Engineering Company Exit Hwy. 550.
2. No new road required.
3. Well site is 4600' Southeast of the Anderson Ute #3 in Unit "F", Section 14, T31N, R16W.
4. Road shown on vicinity plat and location plat.
5. In case of production (gas) well will be tied into a gathering line, but market has not been established. No tank batteries or separators are anticipated at this time.
6. Water to come from private source. Well to be drilled with air after 500' depth.
7. All trash and waste material will be placed in the mud pit and covered. No additional surface to be used, such as air strips or campsites.
8. None
9. None
10. Rig layout shown on township plat attached.
11. The topography is flat to rolling with deep arroyos. Area is covered with rabbit weed and sand.
12. Drilling pad to be compacted.
13. After well completion, location to be restored to meet Bureau of Land Management requirements.
14. Field representative to contact is Royce McCary - Telephone (505) 266-5562 at 313 Washington S.E., Albuquerque, NM 87108.

CHANCE LITE #1

800' NL & 800' WL



1. RIG
2. PIPERACKS
3. RESERVE PIT 50' X 25' X 4'
4. LOCATION 250' X 150'
5. HOUSE TRAILER
6. COMPRESSOR

11111T "D" SECTION 24 T 31N - R 16W

SAN JUAN Co. New Mexico

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 Chace Oil Company, Inc. and its contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved.

3-31-78
Date

Roger E. Carey
Name
PRESIDENT
Title