



BRUCE KING  
GOVERNOR

LARRY KEHOE  
SECRETARY

STATE OF NEW MEXICO  
ENERGY AND MINERALS DEPARTMENT  
OIL CONSERVATION DIVISION  
AZTEC DISTRICT OFFICE

1000 RIO BRAZOS ROAD  
AZTEC, NEW MEXICO 87410  
(505) 334-6178

January 5, 1983

Chace Oil Company, Inc.  
313 Washington SE  
Albuquerque NM 87108

Re: Chace Apache 15 #3; F-20-23N-3W

Dear Sirs:

According to our records your perforations from 7055' to 7074' are not within the Chacon Dakota formation. These will be separated from the Dakota perforations by a packer. The Greenhorn perforations from 7055' to 7074' may be produced along with the other Gallup formations you have producing.

Enclosed is a copy of the Chacon Dakota vertical limits and the type log used in that case.

To avoid future problems with this type of completion, you might docket a hearing to allow future wells in the Chacon Dakota to be commingled with all or part of the Gallup formation. Also, a hearing to change the vertical limits of the Chacon Dakota pool would help remedy the situation.

Yours truly,

A handwritten signature in cursive script that reads "Jeff A. Edmister".

Jeff A. Edmister  
Geologist II

JAE:gc

Enc.

cc: Well file  
Operator file