

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 "A" 790' NL & 790' EL

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 drilg. unit line, if any)

790'

18. DISTANCE FROM PROPOSED LOCATION*

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

3500'

16. NO. OF ACRES IN LEASE

960

19. PROPOSED DEPTH

2700'

17. NO. OF ACRES ASSIGNED
TO THIS WELL

160

20. ROTARY OR CABLE TOOLS

Rotary

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

5687 GL

22. APPROX. DATE WORK WILL START*

April 22, 1978

23.

PROPOSED CASING AND CEMENTING PROGRAM

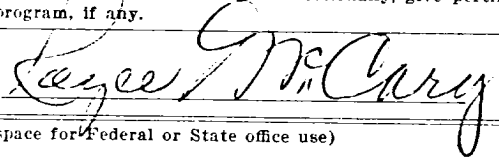
SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
8-5/8"	7"	20#	500'	200 SXS

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.
Will run 4-1/2" - 9-1/2# casing, 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



TITLE

President

DATE

3-31/78

(This space for Federal or State office use)

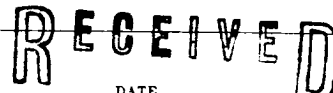
PERMIT NO.

APPROVAL DATE

APPROVED BY

TITLE

CONDITIONS OF APPROVAL, IF ANY:



DATE

APR 12 1978

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. 2
Unit Letter A	Section 23	Township 31 NORTH	Range 16 WEST	County SAN JUAN	
Actual Footage Location of Well: 790 feet from the NORTH line and 790 feet from the EAST line					
Ground Level Elev. 5687	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

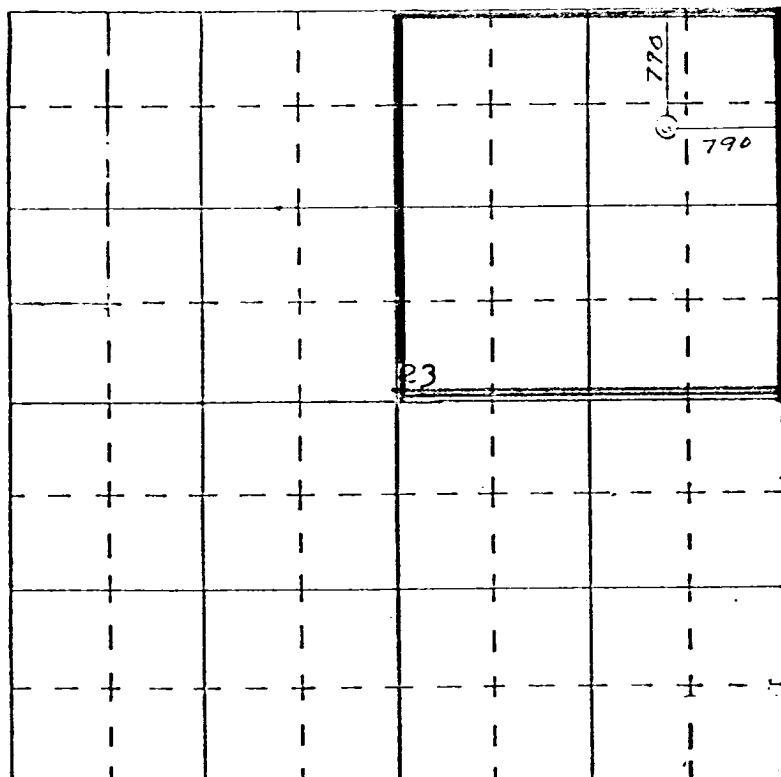
Company
Chace Oil Company, Inc.

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 B. Lease
 Registered Professional Engineer
 and/or Land Surveyor



SCALE—4 INCHES EQUALS 1 MILE

SAN JUAN ENGINEERING COMPANY, FARMINGTON, N. M.

1463
 Certificate No.