

Well Prognosis and Information Sheet

Chace Oil Company, Inc. et.al.
Pinon Unit Well #2
Section 26, T14N,R8E
Santa Fe County, New Mexico

Spud: June 25, 1985

PTD: 7500'±

Drilling Contractor: Arapahoe Drilling Company - Rig #11

Location: Section 26, T14N,R8E; NE NW SE (Unit J)
1528' FEL & 2583' FSL
Santa Fe County, New Mexico

Elevation: 5798' GR

Estimated Formation Tops:

Quaternary Alluvium	Surface
Galisteo	50' to 100'±
Cretaceous Menefee	3700'-4100'±
Point Lookout	4910'±
Mancos	5170'±
Niobrara	5930'±
Greenhorn	7050'±
Graneros	7160'±
Dakota	7270'±
Morrison	7470'±

Logging Program: Schlumberger - DIL, FDC-CNL, with
Cyberlook over entire open hole

Persons to Contact at Chace Oil for Geological Information:

Frank S. Vincent - (505) 266-5562 (office)
(505) 298-9172 (home)

Monte Anderson - (505) 266-5562 (office)
(505) 822-9168 (home)

Working Interest Partners:

Chace Oil Company, Inc. (Operator)
Mr. O. B. Mobley, Jr.
Turnco, Inc.
Mr. James Kleinegger, Sr.

Mud Logger:

Dick Harnly and Russ Bouren (Durango Well Logging)

Contact and Distribution List:

A. Daily Drilling Reports - Call and mail written copy to:

1. O. B. Mobley, Jr.
Attention: Patti
P. O. Box 1091
Shreveport, LA 71163-1091
(318) 221-2671
2. Turnco, Inc.
Attention: Mary Deaver
704 Western United Life Building
Midland, TX 79701
(915) 684-7921

3. Pelto Oil Company
Attention: Liz Wendeborn
3005 Northridge Drive, Suite K
Farmington, NM 87401
(505) 326-6691

4. Pelto Oil Company
Attention: Shawna Chisnell
One Allen Center, Suite 1800
500 Dallas Street
Houston, TX 77002
(713) 651-1800

B. All Well Logs and Mud Logs (Field and/final prints):

1. Mr. O. G. "Laddie" McDowell C/o O. B. Mobley, Jr. P. O. Box 1091 Shreveport, LA 71163-1091	5 copies/ 5 copies
2. Mr. Toby McWilliams and/or Mr. Harry Bettis, Jr. C/o Turnco, Inc. 704 Western United Life Building Midland, TX 79701	4 copies/ 4 copies
3. Mr. James Kleinegger, Sr. P. O. Box 898 Farmington, NM 87499	1 copy/ 1 copy
4. Mr. Dave Baker C/o Pelto Oil Company 3005 Northridge Drive, Suite K Farmington, NM 87401	2 copies/ 2 copies
5. Mr. Lewis Crews C/o Pelto Oil Company One Allen Center, Suite 1800 500 Dallas St. Houston, TX 77002	2 copies/ 2 copies
6. Bureau of Land Management Caller Service 4104 Farmington, NM 87499	2 copies/ 2 copies
7. Oil Conservation Commission C/o Mr. Roy Johnson P. O. Box 2088 State Land Office Building Santa Fe, NM 87501	2 copies/ 2 copies
8. Oil and Gas Division C/o Mr. Ray D. Graham, Director State Land Office P. O. Box 1148 Santa Fe, NM 87504-1148	1 copy/ 1 copy
9. Chace Oil Company, Inc. 313 Washington, SE Albuquerque, NM 87108	5 copies/ 8 copies

TOTALS: 27 copies/27 copies

C. Give 24 hour notification to the following of any plans to: (1) run logs, (2) drill stem test, or (3) any decision to plug and abandon hole or to begin a completion attempt:

1. Mr. O. G. "Laddie" McDowell - (318) 868-1774 (home)
or
Mr. Bill Meaney - (318) 865-6412 (home)
For both individuals - (318) 221-2671 (office)
For: O. B. Mobley, Jr.

2. Mr. Toby McWilliams - (915) 697-5108 (home)
or
Mr. Harry Bettis - (915) 694-6042 (home)
or
Mr. Kline Boyd - (915) 684-5115 (home)
For all individuals - (915) 684-7921 (office)

For: Turnco, Inc.

3. Mr. James Kleinegger - (505) 325-9247 (home)
(505) 325-5584 (office)

4. Mr. Dave Baker - (505) 325-6443 (home)
(505) 326-6691 (office)

For: Pelto Oil Co.
Farmington, NM

5. Mr. Lewis Crews - (713) 893-8404 (home)
(713) 651-1800 (office)

For: Pelto Oil Co.
Houston, TX

- D. The District IV office of the Oil Conservation Division is to be notified of casing-cementing or well plugging in sufficient time to permit Division inspection of such operations.

Please notify: Mr. Roy Johnson (505) 471-6002 (home)
(505) 827-5810 (office)

or

Mr. David Catanach (505) 982-2262 (home)
(505) 827-5800 (office)