

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
GEOLOGICAL SURVEY

30-029-22324

## APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

5. LEASE DESIGNATION AND SERIAL NO.

SF078362

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME

Grace Federal 12

9. WELL NO.

1

10. FIELD AND POOL, OR WILDCAT

Lybrook ext

11. SEC., T., R., M., OR BLK.  
AND SURVEY OR AREA

Sec 12, T23N, R7W

12. COUNTY OR PARISH

Rio Arriba

13. STATE

New Mexico

## 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

Grace Petroleum Corporation

## 3. ADDRESS OF OPERATOR

3 Park Central, Suite 200, 1515 Arapahoe, St., Denver, Co. 80202

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

At surface 860' FNL, 860' FWL

At proposed prod. zone

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

50 miles southeast of Bloomfield, New Mexico.

## 15. DISTANCE FROM PROPOSED\* 860' FNL, 860' FWL

LOCATION TO NEAREST  
PROPERTY OR LEASE LINE, FT.  
(Also to nearest drlg. unit line, if any)

## 16. NO. OF ACRES IN LEASE

2567.37

17. NO. OF ACRES ASSIGNED  
TO THIS WELL

80 40

18. DISTANCE FROM PROPOSED LOCATION\*  
TO NEAREST WELL, DRILLING, COMPLETED,  
OR APPLIED FOR, ON THIS LEASE, FT.

## 19. PROPOSED DEPTH

5530'

## 20. ROTARY OR CABLE TOOLS

Rotary

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

7055 Ungraded Ground

## 22. APPROX. DATE WORK WILL START\*

## 23.

## PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12 1/4"	8 5/8"	24#	300'	Cmt to surface
7 7/8"	4 1/2"	10.5#	TD	300 sx Class "G"

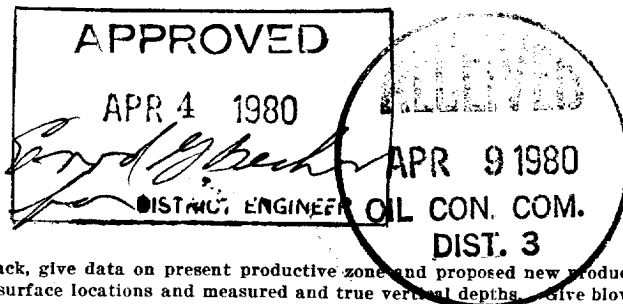
It is proposed to drill and test the Gallup formation at the above location. Total depth will be approximately 5530'.

A 4 1/2" production string will be run and cemented, or the well plugged and abandoned, as per regulations, whichever test indicates.

See attached for pertinent data.

APPROVED

APR 4 1980



DRILLING OPERATIONS AUTHORIZED ARE  
SUBJECT TO COMPLIANCE WITH ATTACHED  
"GENERAL REQUIREMENTS"

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

*Scott G. Smith*

TITLE

Southern District  
Operations Manager

DATE

3/14/80

(This space for Federal or State office use)

PERMIT NO.

APPROVAL DATE

APPROVED BY

TITLE

CONDITIONS OF APPROVAL, IF ANY:

MAR 19 1980

\*See Instructions On Reverse Side

## OIL CONSERVATION DIVISION

STATE OF NEW MEXICO  
ENERGY AND MINERALS DEPARTMENTP. O. BOX 2088  
SANTA FE, NEW MEXICO 87501Form C-107  
Revised 10-1-78

All distances must be from the outer boundaries of the Section

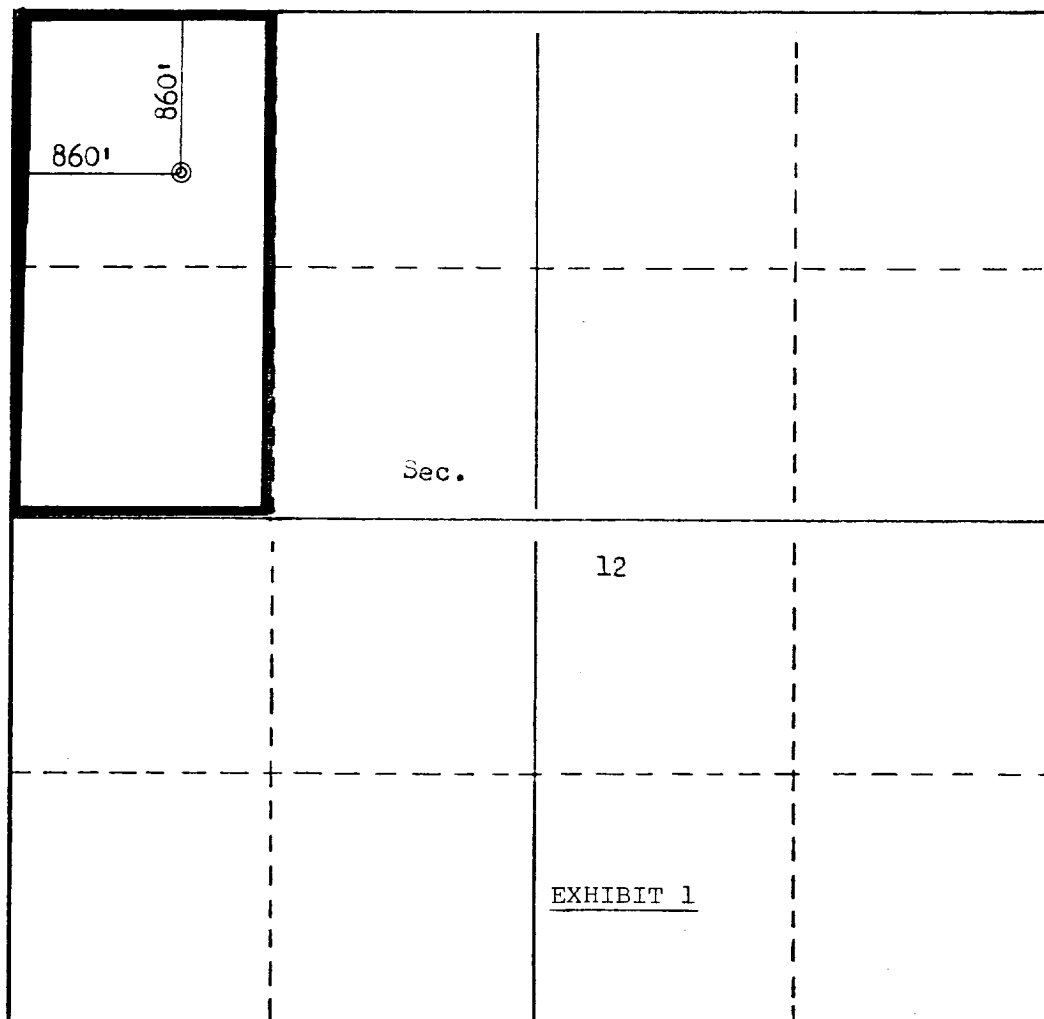
Operator <b>GRACE PETROLEUM CORPORATION</b>			Lease <b>GRACE-FEDERAL 12</b>		Well No. <b>1</b>
Unit Letter <b>D</b>	Section <b>12</b>	Township <b>23N</b>	Range <b>7W</b>	County <b>Rio Arriba</b>	
Actual Footage Location of Well: <b>860</b> feet from the <b>North</b> line and <b>860</b> feet from the <b>West</b> line					
Ground Level Elev. <b>7055</b>	Producing Formation <b>Gallup</b>		Pool <b>Lybrook</b>		Dedicated Acreage: <b>80 40</b> Acres

1. Outline the acreage dedicated to the subject well by colored pencil or hachure 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). **Single lease**
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? **N/A**

☐ Yes ☐ No If answer is "yes," type of consolidation \_\_\_\_\_

 If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) **N/A**

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.

Name

**Scotty A. Smith**

Position

**Southern District  
Operations Manager**

Company

**Grace Petroleum Corporation**

Date

**March 14, 1980**

I hereby certify that the well location shown on this plat was plotted from field notes, or other surveys, made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.

**APR 9 1980**  
**OIL CON. COM.**  
**DIST. 3**

Date Surveyed

**February 11, 1980**Registered Professional Engineer  
and/or Land Surveyor**Fred B. Kerr Jr.**Certificate No. **FRED B. KERR, JR.****3950**

0 330 660 990 1320 1650 1980 2310 2640 2000 1800 1000 500 0

NTL-6 ENVIRONMENTAL STATEMENT

SURFACE USE PLAN

OPERATOR: Grace Petroleum Corporation  
LEASE & WELL NAME: Grace Federal 12 #1  
LOCATION: NWNW, Sec 12, T23N, R7W (860' FNL, 860' FWL)  
COUNTY & STATE: Rio Arriba, New Mexico

TO: The United States Geological Survey (USGS) and the Bureau of Land Management (BLM).

The following information, maps, plats, and descriptions of various surface characteristics should fulfill the requirements of the various agencies as to the environmental commitment of the operator at the above named well site.

1. Geologic Name of the Surface Formation

San Jose

2. Estimated Tops of Important Geologic Markers

Picture Cliffs	2081'
Lewis	2153'
Point Lookout	4366'
Mancos	4548'
Gallup	5382'

3. Estimated Depths at which Anticipated Water, Oil, Gas, or Other Mineral-Bearing Formations are Expected to be Encountered

Possible oil and/or gas zones are the Picture Cliffs (2081'), Point Lookout (4366') and Gallup (5382').

4. Proposed Casing Program (including the size, grade, and weight-per-foot of each string and whether new or used)

8 5/8" K-55, 24#/ft, new to approximately 300'.  
4 1/2" K-55, 10.5#/ft, new to TD approximately 5530'.



(continued)

