

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

Grace Petroleum Corporation

3. ADDRESS OF OPERATOR

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

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

At surface 1650' FNL, 840' 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* 1650' FNL, 840' FWL
LOCATION TO NEAREST
PROPERTY OR LEASE LINE, FT.
(Also to nearest drlg. unit line, if any)16. NO. OF ACRES IN LEASE
2567.3717. NO. OF ACRES ASSIGNED
TO THIS WELL~~20.80~~ 32.9618. 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.)

6799' ungraded ground

22. APPROX. DATE WORK WILL START*

June 1980

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.
TD 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.



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

Lucy G. Smith

Southern District

TITLE Operations Manager

DATE March 17, 1980

(This space for Federal or State office use)

PERMIT NO. APPROVED
AS AMENDED

APPROVAL DATE

APPROVED BY

CONDITIONS OF APPROVAL

James F. Sims
JAMES F. SIMS
DISTRICT ENGINEER

TITLE

DATE

*See Instructions On Reverse Side

All distances must be from the outer boundaries of the Section

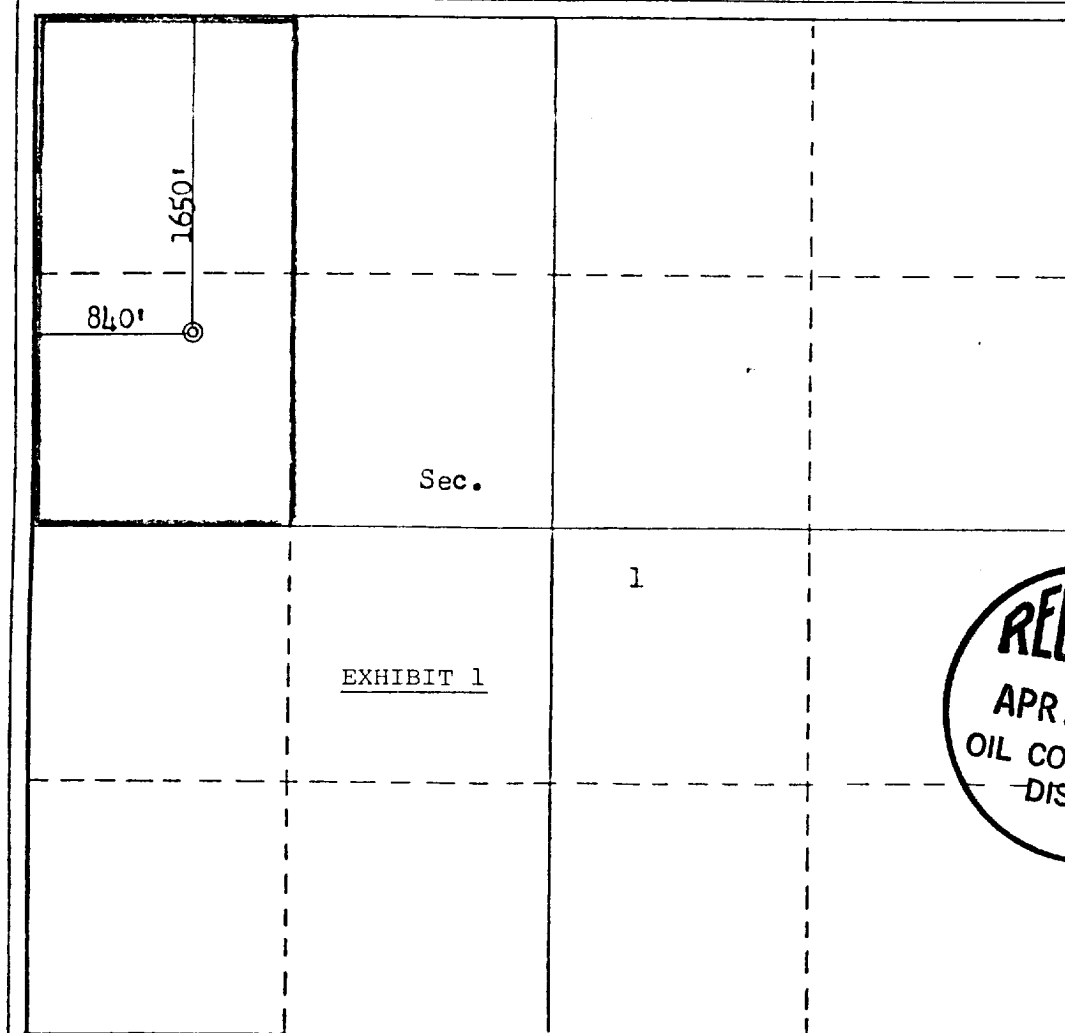
GRACE PETROLEUM CORPORATION			Lease GRACE-FEDERAL 1		Well No. 1
Unit Letter E	Section 1	Township 23N	Range 7W	County Rio Arriba	
Actual Footage Location of Well:					
1650	feet from the	North	line and	840	feet from the West line
Ground Level Elev. 6799	Producing Formation Gallup		Pool Lybrook		Dedicated Acreage: 37.26 80.32 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.

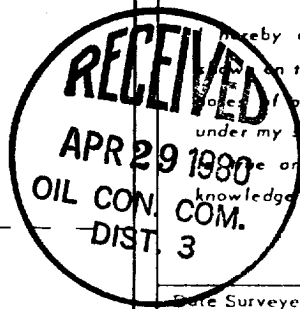
Scotty A. Smith
Name

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 of actual surveys made by me or under my supervision, and that the same are true and correct to the best of my knowledge and belief.

Date Surveyed

February 12, 1980

Registered Professional Engineer
and/or Land Surveyor

Fred B. Kerr Jr.
Fred B. Kerr Jr.

Certificate No.

3950

0 330 660 990 1320 1650 1980 2310 2640 2000 1800 1000 800 0