

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 ☐MINING
WELL ☐MULTIPLE
ZONE ☒

2. NAME OF OPERATOR

Chace Oil Company

3. ADDRESS OF OPERATOR

313 Washington, S.E.

4. LOCATION OF WELL (Report location clearly and in accordance with "and" requirements.)

At surface

Unit 'I' 950' FEL + 2295' FSL

At proposed prod. zone

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST

17 1/2 miles w-SW of Lindrith, New Mexico

15. DISTANCE FROM PROPOSED*

LOCATION TO NEAREST

PROPERTY OR LEASE LINE, FT.

(Also to nearest drlg. unit line, if any) 345' Unit Line

18. DISTANCE FROM PROPOSED LOCATION*

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

1890'

19. PROPOSED DEPTH

7420'

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

7122' GR

DRILLING OPERATIONS AUTHORIZED ARE
SUBJECT TO COMPLIANCE WITH ATTACHED

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# (J-55) | 225' | 225 SXS (266 CF) Class B cement |
| 7 7/8" | 4 1/2" | 11.6# N-80 | 7460' | 1st stage: 750 SXS (1073 CF) 50/50 pozmix 2nd stage: 505 SXS (1177 CF) 65/35 pozmix, 12% gel 40 SXS (47 CF) Class B cement |

Drill 230' 12 1/4" surface hole set 225' of 8 5/8" casing with 225 SXS (266 CF) cement. Use an oil base mud (15% oil) and Schaeffer 5000# standard doublegate hydraulic BOP. Drill 7 7/8" hole to 7460' to test Dakota formation.

Wasatch formation on surface. Estimated tops: Ojo - 2397'; Pictured Cliffs - 2843'; Chacra - 3194'; Cliff House - 4364'; Pt. Lookout - 4915'; Gallup - 5662'; Tootie - 6000'; Greenhorn - 6996'; Dakota 'A' 7090'; Dakota 'B' 7220'; Burro Canyon - 7320'.

D.V. Tool at 3000'. Float Collar at 7280'.

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

Monte Anderson

TITLE

Geologist

DATE

March 27, 1984

(This space for Federal or State office use)

PERMIT NO.

APPROVAL DATE

APPROVED BY

TITLE

CONDITIONS OF APPROVAL, IF ANY:

*See Instructions On Reverse Side

NMOCC

30239-23417

5. LEASE DESIGNATION AND SERIAL NO.

Tribal Contract # 71

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

Jicarilla Apache

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME #71

Jicarilla Tribal Contract

9. WELL NO.

28

10. FIELD AND POOL, OR WILDCAT

S. Lindrith, Gallup-Dakota

11. SEC., T., E., M., OR BLK.

AND SURVEY OR AREA

Sec. 9, T23N, R4W

12. COUNTY OR PARISH

Rio Arriba

13. STATE

New Mexico

FARMINGTON RESOURCE AREA

This action is subject to administrative
appeal pursuant to 30 CFR 290.

225 SXS (266 CF) Class B cement
1st stage: 750 SXS (1073 CF)
50/50 pozmix
2nd stage: 505 SXS (1177 CF)
65/35 pozmix, 12% gel
40 SXS (47 CF) Class B cement

Cement to surface
Schaeffer 5000# stand-
Dakota formation.

Pictured Cliffs - 2843';
Gallup - 5662';
Dakota 'A' 7090'; Dakota 'B' 7220';

Burro Canyon - 7320'.

D.V. Tool at 3000'. Float Collar at 7280'.

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.

SIGNED Monte Anderson
TITLE Geologist
DATE March 27, 1984

APPROVED
AS AMENDED

APR 02 1984

AREA MANAGER
FARMINGTON RESOURCE AREA

All distances must be from the outer boundaries of the section.

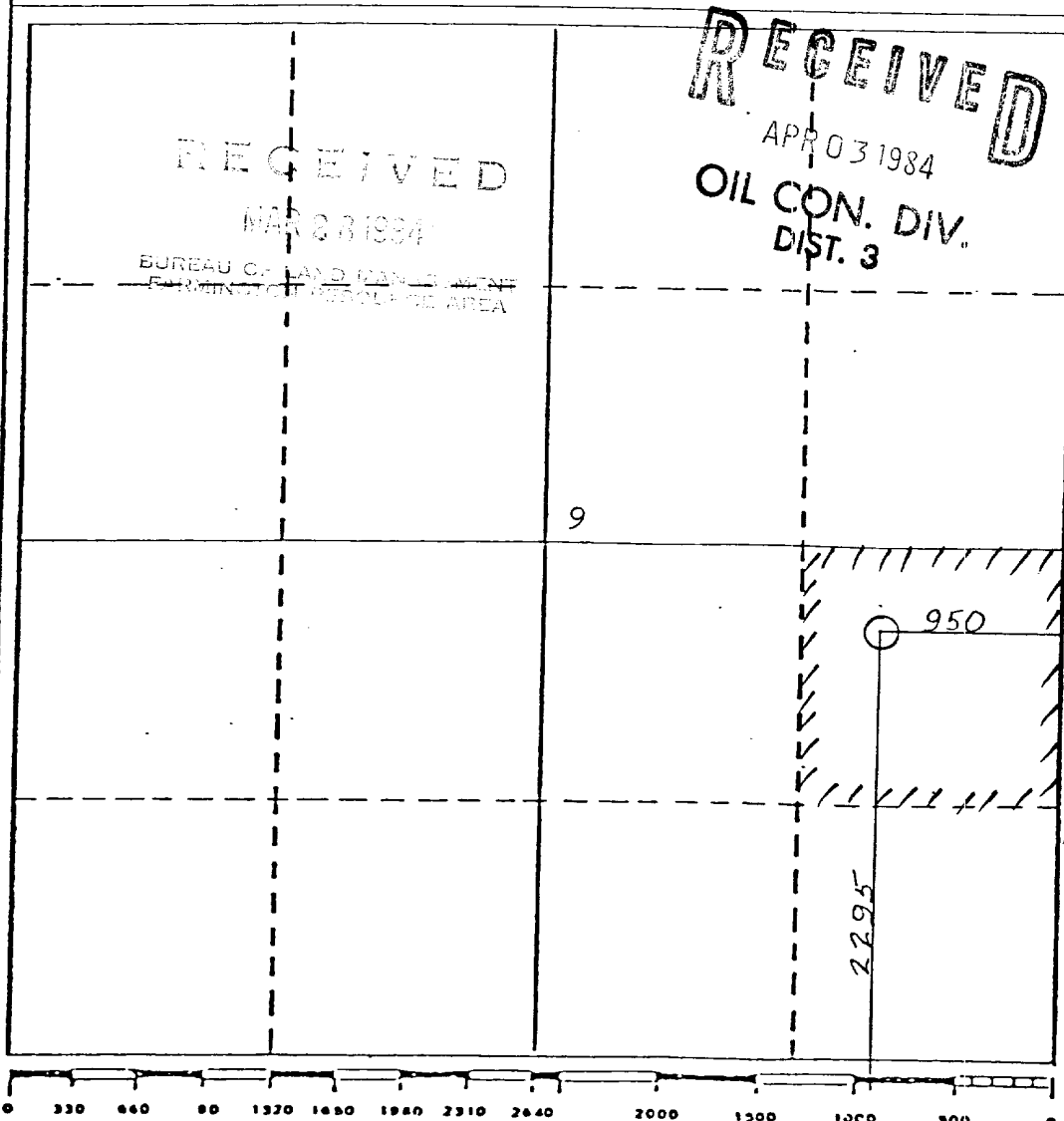
| | | | | |
|---|--------------------------------------|--|-------------------------------|----------------------|
| Operator CHACE OIL COMPANY, INC. | | Lease Jicarilla Tribal Contract #71 | | Well No. 71-28 |
| Unit Letter I | Section 9 | Township 23 NORTH | Range 4 WEST | County RIO ARriba |
| Actual Footage Location of Well: 2295 feet from the SOUTH line and 950 feet from the EAST line | | | | |
| Ground Level Elev. 7122 | Producing Formation Gallup-Dakota | Pool South Lindrith, Gallup-Dakota | Dedicated Acreage: 40 Acre | |

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).
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 been 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 Division



CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Name Monte Anderson
Position Geologist
Company Chace Oil Company, Inc.
Date March 27, 1984

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.

Date Surveyed November 29, 1983
Registered Professional Engineer and/or Land Surveyor

Michael Daly

Certificate No.

5992

