

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

30-039-21828

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 "K" 1850' SL & 1750' WL
 At proposed prod. zone

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*
 Lindrith NM 12 miles N.W.

15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any) 3530'
 16. NO. OF ACRES IN LEASE 2560

17. NO. OF ACRES ASSIGNED TO THIS WELL 40
 18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 2800'
 19. PROPOSED DEPTH 7600'

20. ROTARY OR CABLE TOOLS Rotary
 21. ELEVATIONS (Show whether DF, RT, GR, etc.) 7007 GR
 22. APPROX. DATE WORK WILL START* Dec. 1978

23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
13-1/2	8-5/8	26#	250'	225 sxs

Drill 265' 13½ surface hole, set 250' 8-5/8 csg. Cement to surface with 225 sxs. Using oil base mud (15%) oil and adequate BOP drill a 7-7/8" hole to 7600' to test the Dakota formation. If productive run 4½" 10.5# or heavier casing to total depth and cement in stages to cover the producing zones including the Pictured Cliffs formation. If non-productive, plug and abandon. The BOP to be a Schaeffer double gate hydraulic tested to 5000#.

EIVED
 JUN 26 1978
 GEOLOGICAL SURVEY

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 Raymond M. Carey TITLE President DATE June 22, 1978

(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____

APPROVED BY _____ TITLE _____

CONDITIONS OF APPROVAL, IF ANY:
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5. LEASE DESIGNATION AND SERIAL NO.
 Jicarilla 70
 6. IF INDIAN, ALLOTTEE OR TRIBE NAME
 Jicarilla Apache
 7. UNIT AGREEMENT NAME
 8. NAME OR LEASE NAME
 Jicarilla 70
 9. WELL NO.
 8
 10. FIELD AND POOL, OR WILDCAT
 Gallup - Dakota
 Lindrith South ext
 11. SEC., T., R., M., OR BLM. AND SURVEY OR AREA
 Sec. 27, T24N, R4W
 12. COUNTY OR PARISH
 Rio Arriba
 13. STATE
 NM

Vertical text on the right side of the page, likely from an adjacent page or a stamp, including the word "EIVED" and "JUN 26 1978".

NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT

Form C-102
Supersedes C-128
Effective 1-1-65

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

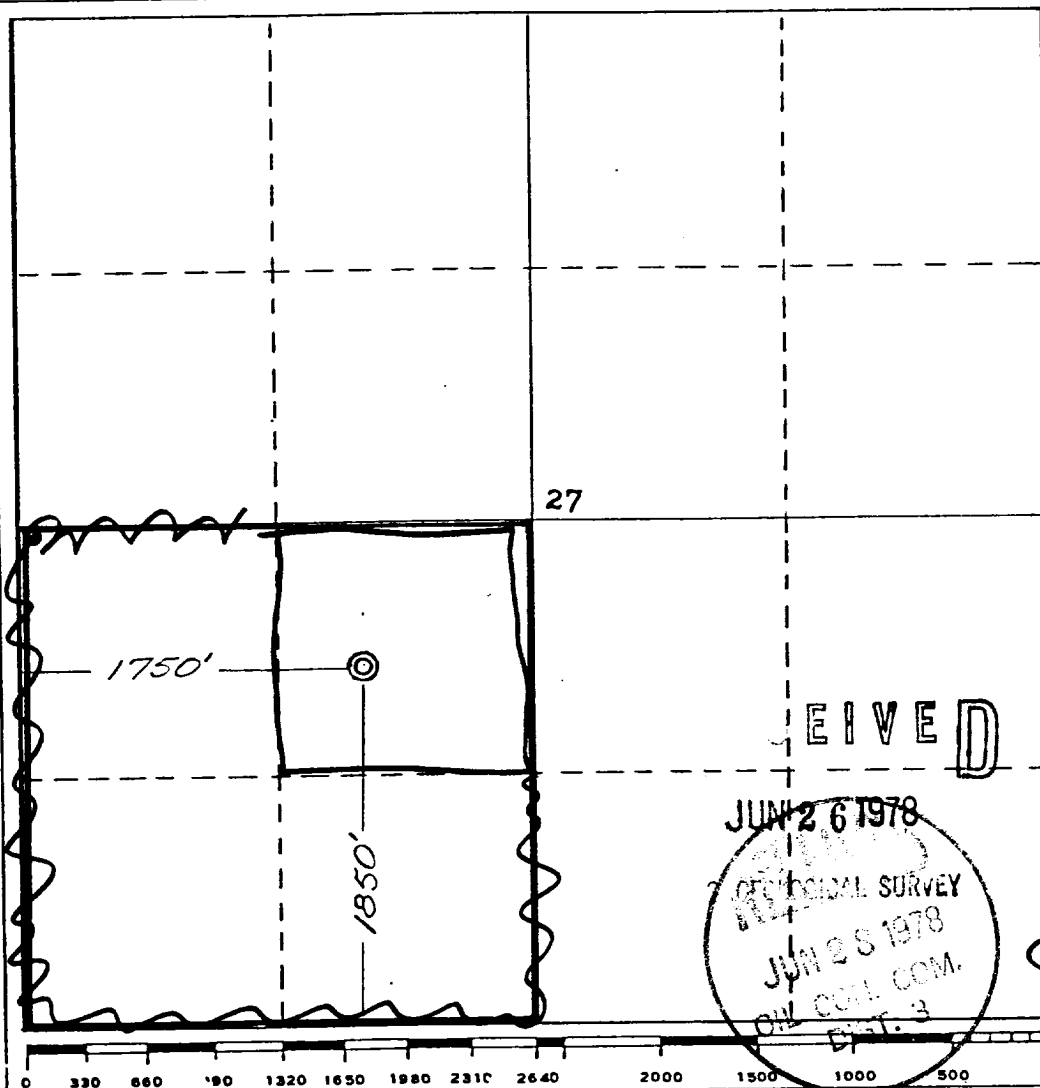
Operator CHACE OIL COMPANY		Lease CHACE JICARILLA 70		Well No. 8
Unit Letter K	Section 27	Township 24 NORTH	Range 4 WEST	County RIO ARRIBA
Actual Footage Location of Well: 1850 feet from the SOUTH line and 1750 feet from the WEST line				
Ground Level Elev. 7007	Producing Formation GALLUP-DEKOTA	Pool GALLUP DAKOTA SOUTHWEST	Dedicated Acreage: LINDRITH 16040 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).
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 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

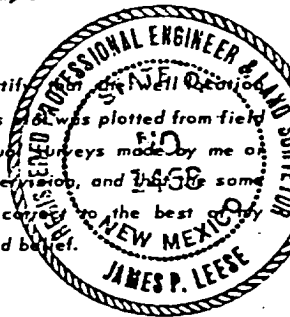
Royce McCary

Position
President

Company
Chace Oil Company, Inc

Date
June 22, 1978

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 same is true and correct to the best of my knowledge and belief.



Date Surveyed
7 June 1978

Registered Professional Engineer and/or Land Surveyor
James P. Leese
James P. Leese

Certificate No.
1463

