

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, Ste. 200, 1515 Arapahoe St., Denver, CO 80202

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

At 950' 1640'
C 1010' FNL, 1470' FWL

At proposed prod. zone

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

50 mile SE of Bloomfield

15. DISTANCE FROM PROPOSED*

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

18. DISTANCE FROM PROPOSED LOCATION*

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

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

6,652' GR

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"	5-1/2"	14#	TD	300 sx

It is proposed to drill and test the Gallup formation at the above location. Total depth will be approximately 5,800'.

A 5-1/2" production string will be run and cemented or the well will be plugged and abandoned as per regulations, which ever test indicates.

See attached for other 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

Scott A. Smith

TITLE So. District Opr. Mgr.

DATE 15 August 1979

(This space for Federal or State office use)

PERMIT NO.

APPROVAL DATE

APPROVED BY

TITLE

CONDITIONS OF APPROVAL, IF ANY:

at Smith

RECEIVED

DATE
AUG 21 1979U. S. GEOLOGICAL SURVEY
DURANGO, COLO.

*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-102
Revised 10-1-78

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

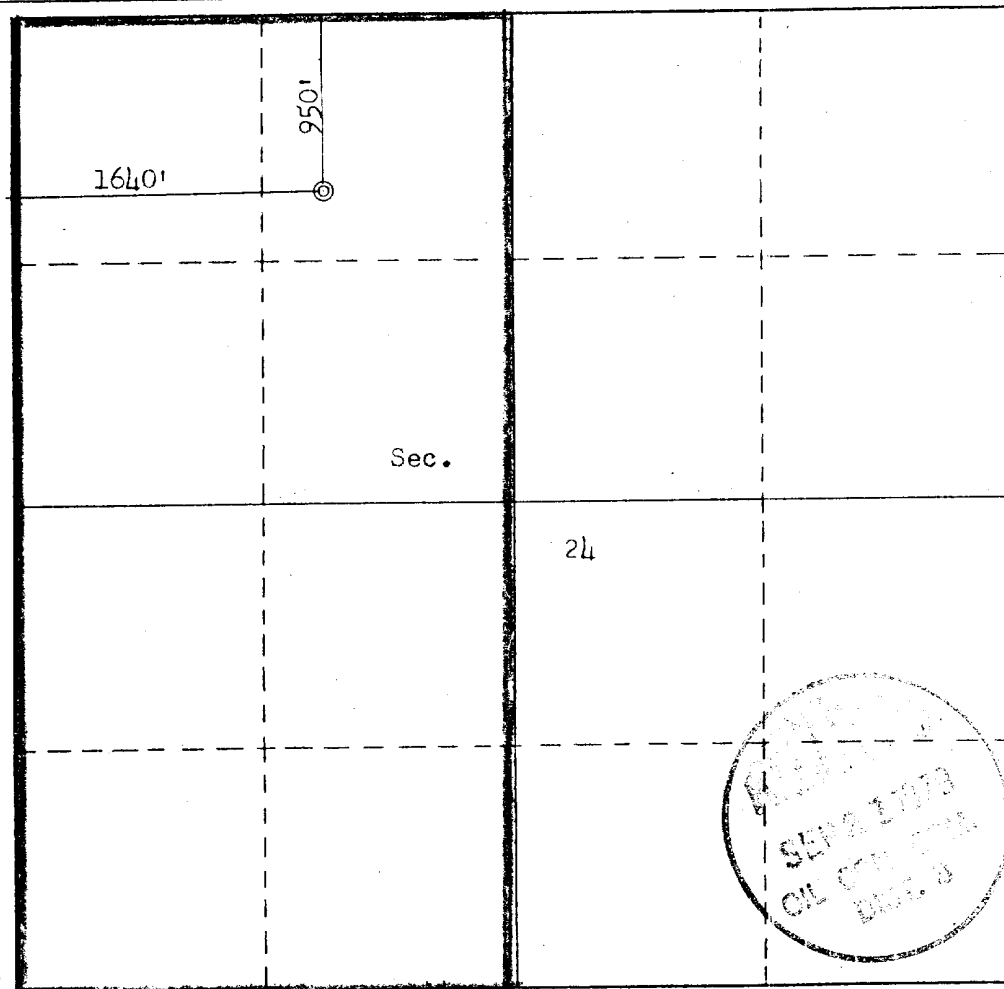
Operator GRACE PETROLEUM CORPORATION			Lease GRACE-FEDERAL 24		Well No. 1
Unit Letter C	Section 24	Township 24N	Range 7W	County Rio Arriba	
Actual Footage Location of Well: 950 feet from the North line and 1640 feet from the West line					
Ground Level Elev. 6644	Producing Formation Gallup	Pool Devil's Fork	Dedicated Acreage: 320 Acres		

1. Outline the acreage dedicated to the subject well by colored pencil or hatchure 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? Single lease:

☐ 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.

Scotty A. Smith
Name Scotty A. Smith

Position
Southern District Oper. Mgr.

Company
Grace Petroleum Corp.

Date
September 17, 1979

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.

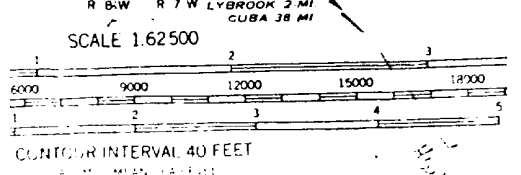
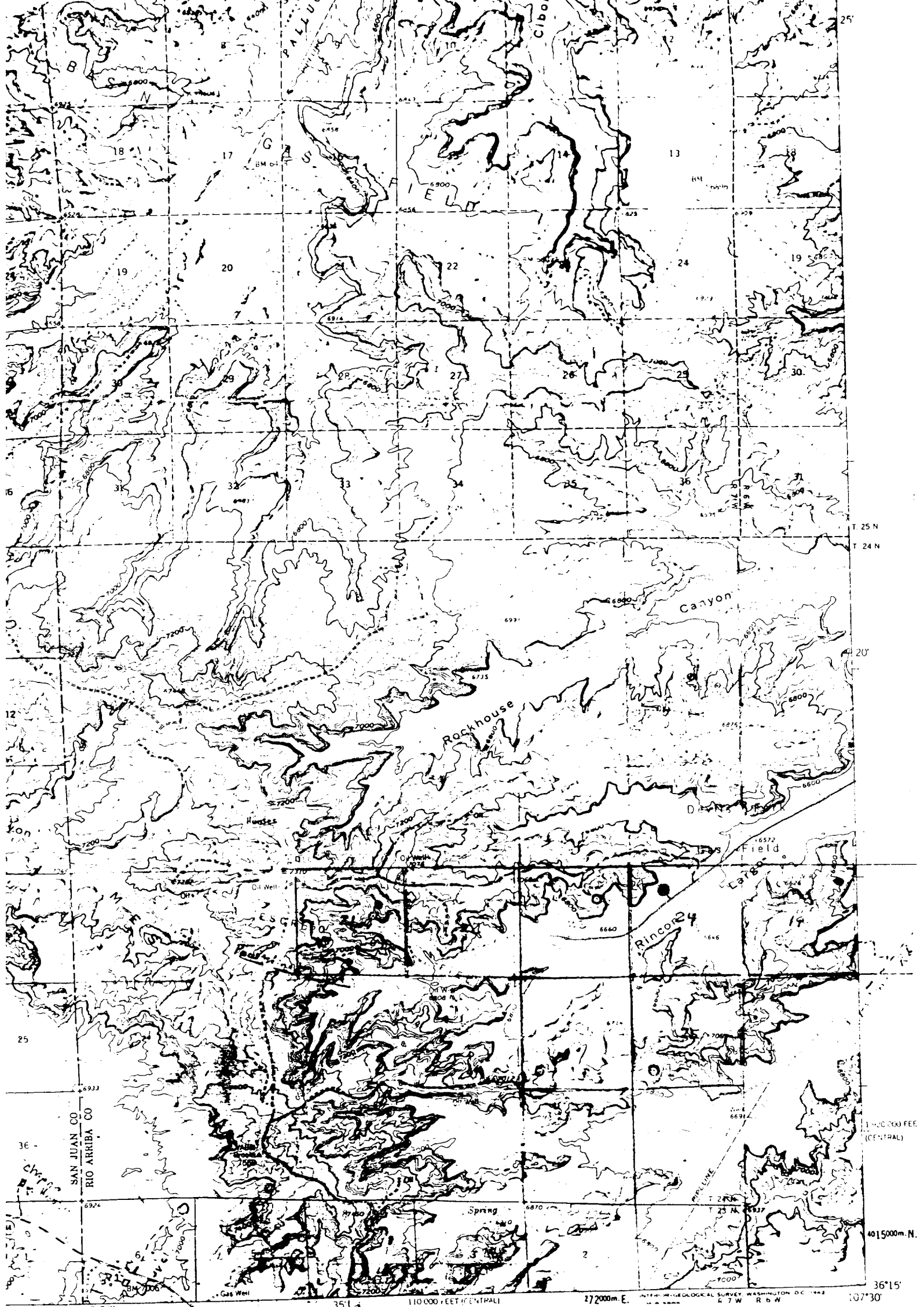
Date Surveyed

September 17, 1979

Registered Professional Engineer
and/or Land Surveyor

Fred H. Kuhn Jr.
Fred H. Kuhn Jr.
Certification No. 3950

0 330 660 990 1320 1650 1980 2310 2640 2000 1500 1000 500 0



Vicinity Map for
GRACE PETROLEUM CORPORATION #1 GRACE-FEDERAL 24
950' FNL 1640' FWL Sec 24-T24N-R7W
RIO ARRIBA COUNTY, NEW MEXICO

NAGEEZI, N. MEX.
NAGEEZI, N. MEX.