

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

Chace Oil Company, Inc.

3. ADDRESS OF OPERATOR

313 Washington, SE, Albuquerque, NM 87108

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

At surface

Unit 'M' - 400' FSL & 400' FWL

At proposed prod. zone

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

15 miles SW of Lindrith, New Mexico

16. DISTANCE FROM PROPOSED* 400' Lease Line

LOCATION TO NEAREST

PROPERTY OR LEASE LINE, FT.

(Also to nearest drlg. unit line, if any)

400' Unit Line

18. DISTANCE FROM PROPOSED LOCATION*

TO NEAREST WELL, DRILLING, COMPLETED,

OR APPLIED FOR, ON THIS LEASE, FT.

1900'

16. NO. OF ACRES IN LEASE

2560

19. PROPOSED DEPTH

7400'

17. NO. OF ACRES ASSIGNED

TO THIS WELL

40

20. ROTARY OR CABLE TOOLS

Rotary

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

7096' GL

DRILLING OPERATIONS AUTHORIZED ARE

SUBJECT TO COMPLIANCE WITH ATTACHED

"GENERAL REQUIREMENTS"

PROPOSED CASING AND CEMENTING PROGRAM

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

22. APPROX. DATE WORK WILL START*

9-15-83

| SIZE OF HOLE | SIZE OF CASING | WEIGHT PER FOOT | SETTING DEPTH | QUANTITY OF CEMENT |
|--------------|----------------|-----------------|---------------|---------------------------------|
| 9 3/4" | 8 5/8" | 22# (J-55) | 225' | 225 sxs (405 CF) Class B cement |
| 7 7/8" | 4 1/2" | 11.6# (N-80) | 7400' | 1st stage: 750 sxs (1350 CF) |
| | | | | 50/50 pozmix |
| | | | | 2nd stage: 510 sxs (918 CF) |
| | | | | 40/60 pozmix, 12% gel. |
| | | | | 25 sxs (45 CF) Class B cement |

Drill 230' of 9 3/4" surface hole. Set 225' of 8 5/8" casing. Cement to surface with 225 sxs (405 CF) cement. Use an oil base mud, (15% oil), and Schaeffer 5000# standard doublegate hydraulic BOP. Drill 7 7/8" hole to 7400' to test Dakota formation.

Wasatch formation on surface. Estimated tops: Ojo-2385'; Pictured Cliffs-2860'; Chacra-3210'; Cliff House-4365'; Pt. Lookout-4945'; Gallup-6035'; Tocito-6700'; Greenhorn-6995'; Dakota 'A'-7080'; Dakota 'D'-7205'; Burro Canyon-7305'.

D. V. Tool @ 2910'. Float Collar @ 7370'.

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

TITLE Geologist

DATE

1-12-83

(This space for Federal or State office use)

PERMIT NO.

APPROVAL DATE

APPROVED BY

TITLE

CONDITIONS OF APPROVAL, IF ANY:

APPROVED
AS AMENDED

APR 22 1983

For JAMES F. SIMS
DISTRICT ENGINEER
Acting Area Manager

*See Instructions On Reverse Side

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

| | | | | |
|--|---|---|---------------------------------------|-----------------------------|
| Operator CHACE OIL COMPANY, INC. | | Lease JICARILLA TRIBAL #70 | | Well No. 18 |
| Unit Letter M | Section 34 | Township 24 NORTH | Range 4 WEST | County RIO ARriba |
| Actual Footage Location of Well: <div style="display: flex; justify-content: space-between;"> 400 feet from the SOUTH line and 400 feet from the WEST line </div> | | | | |
| Ground Level Elev. 7096 | Producing Formation Gallup-DAKOTA | Pool S. Lindbergh Gallup-DAKOTA | Dedicated Acreage: 40 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).
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 James P. Leese
 Position Geologist
 Company Chace Oil Co.
 Date 1-10-83

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 18, 1982
 Registered Professional Engineer or Land Surveyor
James P. Leese
 Certificate No. 1463

