CONDITIONS OF APPROVAL, IF ANY:

Form approved. Budget Bureau No. 42-R1425.

UNITED STATES
DEPARTMENT OF THE INTERIOR

(Other instructions on reverse side)

GEOLOGICAL SURVEY						5. LEASE DESIGNATION AND SERIAL NO. N.M. 17227		
APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK						6. IF INDIAN, ALLOTTEE OR TRIBE NAME		
DRILL DEEPEN DEEPEN PLUG BACK TO plug & abandon oil GAS DEEPEN SINGLE CONF.						7. UNIT AGREEMENT NAME N/A S. FABM OR LEASE NAME		
2. NAME OF OPERATOR						9. WELL NO.		
Dale C. Cheesman, Jr. 3. ADDRESS OF OPERATOR						1		
1822 Bank of the Southwest Building, Houston, Texas 77002 4. Location of Well (Report location clearly and in accordance with any State requirements.*) At surface 660' from North line & 660' from East line 12-14S-3E,						10. FIELD AND POOL, OR WILDCAT		
						11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA		
At proposed prod. zone Chaves County, New Mexico (Same as above)						12-14S-30E		
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE* 22-1/2 miles North from Maljamar, New Mexico						12. COUNTY OR PARISH 13. STATE Chaves N.M.		
15. DISTANCE FROM PROPOSED* 16. NO. OF ACRES IN LEASE 17. NO.						OF ACRES ASSIGNED THIS WELL		
PROPERTY OR LEASE LINE, FT. (Also to nearest drig. unit line, if any)						40		
18. DISTANCE FROM PRO TO NEAREST WELL, OR APPLIED FOR, ON TI	I.A.	19. PROPOSED DEPTH 2,569		20. ROTA	20. ROTARY OR CABLE TOOLS ROTARY			
21. ELEVATIONS (Show whether DF, RT, GR, etc.) 3, 969.2 Ground						22. APPROX. DATE WORK WILL START* 10-25-79		
23.	1	PROPOSED CASI	ING AND CE	MENTING PROC	GRAM			
SIZE OF HOLE					200	200_sks. Class "C" 2%CaCl		
12-1/4"	8-5/8"	·5/8" 20.0		319'		RECEIVED		
					_	CEIVE		
Set suri Drilled Drilled Ran foli Received Set	In and out of s 3 sacks (regulation monulled pits, restorated pits, restorated program: If the property of th	outlined abuntered min 2,659' with al Laterolo to Plug & t plugs: 50' - 1,250 20' - 920 70' - 270 surface cas 10' - 0 ment. (No pred locati proposal is to de ally, give pertine	nor salt nout diffing, Gamma abandon)') Base)') Top 1)') sing.)') Cut coning to coring lon, ripp epen or plug int data on su	ficulty. , Neutron, - Mr. Geor salt alt off casing, or DST wor ed access	Density ge Stewn capped k attem road.	well and inst pted.)	RVEY CO 0-29-79. talled	
	deral or State office use)							
(Orig. Sgd	.) GEORGE H. STE	M VV I		STRICT ENG	INEER	DEC	0 3 1979	

Instructions

General: This form is designed for submitting proposals to perform certain well operations, as indicated of lands and leases for appropriate action by either a Federal or a State agency, or both, pursuant to applicable Federal and/or State laws and regional, regional regions. Any necessary special instructions concerning the use of this form and the fumber of copies to be submitted, particularly with regard to local, area, or regional procedures and practices, either are shown below or will be issued by, or may be obtained from, the local Federal and/or State office.

Consult Item 1: If the proposal is to redrill to the same reservoir at a different subsurface location or to a new reservoir, use this form with appropriate notations. applicable State or Federal regulations concerning subsequent work proposals or reports on the well.

Item 4: If there are no applicable State requirements, locations on Federal or Indian land should be described in accordance with Federal requirements. Consult local State or Federal office for specific instructions.

Item 14: Needed only when location of well cannot readily be found by road from the land or lease description. A plat, or plats, separate or on this reverse side, showing the roads to, and the surveyed location of, the well, and any other required information, should be furnished when required by Federal or State agency offices.

Items 15 and 18: If well is to be, or has been directionally drilled, give distances for subsurface location of hole in any present or objective production zone. Item 22: Consult applicable Federal or State regulations, or appropriate officials, concerning approval of the proposal before operations are started.

★ U.S. GOVERNMENT PRINTING OFFICE: 1974-781-025/VIII-239

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EMECONFORVATION FOR



United States Department of the Interior

OCT 4 1979

GEOLOGICAL SURVEY

CHIVID

P. O. Drawer U Artesia, New Mexico 88210

DEC 3 1979

October 2, 1979

U.S. GEDLUGICAL SURVEY ARTESIA, NEW MEXICO

Dale C. Cheesman, Jr. 1822 Bank of the Southwest Bldg. Houston, Texas 77002

Gentlemen:

DALE C. CHEESMAN, JR.
Well No. 1 U.S.A.

660 FNL 660 FEL Sec. 12 T.14S R.30E Chaves County Lease No. NM 17227

Above Data Required on Well Sign

Your APPLICATION FOR PERMIT TO DRILL the above-described well to a depth of 2,650 feet to test the Queen formation is hereby approved subject to compliance with the OIL AND GAS OPERATING REGULATIONS (30 CFR 221) and the following conditions:

- Drilling operations authorized are subject to compliance with the GENERAL REQUIREMENTS FOR OIL AND GAS OPERATIONS ON FEDERAL LEASES, dated July 1, 1978.
- Prior to commencing construction of road, pad, or other associated developments, operator will provide the dirt contractor with a copy of the SURFACE USE PLAN and this approval including the GENERAL REQUIREMENTS.
- 3. Submit a Daily Report of Operations from spud date until the Well Completion Report (form 9-330) is filed. The progress report should be not less than 8" x 5" in size and each page should identify the well.
- 4. All permanent above-ground structures and equipment shall be painted in accordance with the attached Painting Requirements. The color used should simulate Sandstone Brown (Federal Standard No. 595A, color 20318 or 30318).
- 5. Cement behind the 8-5/8" casing must be circulated.
- 6. Please have anyone contacting the Survey in regard to this well to identify the well with all of the information required above for the well sign.

Sincerely yours,

George H. Stewart

Acting District Engineer



RICEPVED

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U. C. C. Artesia, office

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DEC : 0 1979

OIL CONSERVATION ETY