

# United States Department of the Interior

## BUREAU OF LAND MANAGEMENT

Farmington District Office  
6251 College Blvd., Suite A  
Farmington, New Mexico 87402  
www.blm.gov/nm



In Reply Refer To: NMNM4457  
3162.3-1 (211)

April 2, 2013

RCVD APR 3 '13  
OIL CONS. DIV.  
DIST. 3

Schalk Development Company  
P.O. Box 25825  
Albuquerque, NM 87125

Dear Sirs:

Please be advised that the following approved Application for Permit to Drill (APD) has expired effective April 2, 2013. If you wish to drill this well at some later date, you must file another application to permit to drill.

*Schalk 57 #2008 located 745' FNL & 1615' FWL, Section 12, T.30N., R.5W, Rio Arriba County, New Mexico, Lease NMNM4457, API Number: 30-039-30654*


If any surface disturbance was conducted, you must file your plans for reclamation.

Under 43 CFR 3165.3, you may request an Administrative Review of any instructions, orders, or decisions issued by the Authorized Officer. Such a request, including all supporting documents, must be filed in writing within 20 business days of receipt of this notice and must be filed with the State Director, Bureau of Land Management, P.O. Box 27115, Santa Fe, New Mexico 87502-0115. Such a request will not result in a suspension of the instructions, orders, or decisions unless the reviewing official so determines. Procedures governing appeals from the instructions, orders, or decisions are contained in 43 CFR 3165.4 and 43 CFR 4.400 et. Seq.

If you have any questions, contact Virginia Barber at (505) 564-7754.

Sincerely,

Virginia Barber  
Petroleum Management Team

CC: Well File  
NMOC:   
AFMSS/ybarber/rtn apd/Schalk/04/02/2013

NOS: 0  
APOP: 01-14-09  
MP: 01-14-09  
SMA: 1583  
BOND:   
CAPA:   
NMT

Form 3160-3  
(August 1999)

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

RECEIVED

JAN 14 2009

FORM APPROVED  
OMB No. 1004-0136  
Expires November 30, 2000

APPLICATION FOR PERMIT TO DRILL OR REENTER

|   |                                       |  |
|---|---------------------------------------|--|
| 1a. Type of Work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER  |                                       | 5. Lease Serial No.<br>NM - 4457                                       |
| b. Type of Well: <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input checked="" type="checkbox"/> Single Zone <input type="checkbox"/> Multiple Zone |                                       | 8. Lease Name and Well No.<br>Schalk 57 #200S                          |
| 2. Name of Operator<br>Schalk Development Company   |                                       | 9. API Well No.<br>30-039-30654  |
| 3A. Address<br>c/o Walsh Engineering, 7415 E. Main, Farmington, NM 87402  |                                       | 10. Field and Pool, or Exploratory<br>Basin Fruitland Coal             |
| 3b. Phone No. (include area code)<br>(505) 327-4892   |                                       | 11. Sec., T., R., M., or Blk. and Survey or Area<br>Sec. 12, T30N, R5W |
| 4. Location of Well (Report location clearly and in accordance with any State requirements. *)<br>At surface 745' FNL and 1615' FWL NENW  |                                       | 12. County or Parish<br>Rio Arriba                                     |
| 14. Distance in miles and direction from nearest town or post office*<br>50 miles east of Farmington, NM  |                                       | 13. State<br>NM  |
| 15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any)<br>745'   | 16. No. of Acres in lease<br>200      | 17. Spacing Unit dedicated to this well<br>N/2 268.63 acres            |
| 18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft.<br>38'   | 19. Proposed Depth<br>3410 ft         | 20. BLM/BIA Bond No. on file<br>NM1791 SW 25                           |
| 21. Elevations (Show whether DF, KDB, RT, GL, etc.)   | 22. Approximate date work will start* | 23. Estimated duration   |

C. HARRADEN/ January 15, 2009

SCHALK DEVELOPMENT COMPANY/Schalk 57 #200S APD

STIPULATION/CONDITION OF APPROVAL

A sump/rathole into the non-productive underlying main P.C. ss is proposed by operator. In order to determine that the P.C. fm. in this wellbore is naturally non-productive, the operator is required to have a mudlogger on location to monitor for gas while drilling the P.C. fm.).

|  |   |                  |
|--|---|------------------|
| Approved by (Signature)<br><i>Wayne Townsend</i> | Agent<br>Name (Printed/Typed)<br>Wayne Townsend | Date<br>3/8/09   |
| Title<br>Acting AFM                              | Office<br>FFO                                   | ENTERED<br>AFMSS |

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Conditions of approval, if any, are attached. \* High Priority: Vulnerable Area

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

\*(Instructions on reverse)

This action is subject to technical and procedural review pursuant to 43 CFR 3165.3 and appeal pursuant to 43 CFR 3165.4

DRILLING OPERATIONS AUTHORIZED ARE SUBJECT TO COMPLIANCE WITH ATTACHED "GENERAL REQUIREMENTS".

FARMINGTON

BLM'S APPROVAL OR ACCEPTANCE OF THIS ACTION DOES NOT RELIEVE THE LESSEE AND OPERATOR FROM OBTAINING ANY OTHER AUTHORIZATION REQUIRED FOR OPERATIONS ON FEDERAL AND INDIAN LANDS