

United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Farmington District Office 6251 College Blvd. - Suite A Farmington, New Mexico 87402



39-30615

IN REPLY, REFER TO: JIC464 3162.3-1 (NMF0110)

December 15, 2015

Elm Ridge Exploration Co, Inc. P.O. Box 156 Bloomfield, NM 87413

Dear Sir or Madam:

Reference is made to your Applications to Permit to Drill (APD) for the following wells: Jicarilla Apache JV KD #11, Jicarilla Apache JV KD #12, Jicarilla 78 PC1, Jicarilla 78 PC2, Jicarilla 78 PC3, Jicarilla 77 PC1, Jicarilla 77 PC2, Jicarilla 77 PC3, Jicarilla 13 PC1, Jicarilla 13 PC2, Jicarilla 13 PC3, Jicarilla 13 PC4, Jicarilla 13 PC6, Jicarilla 40 PC2, Rincon B2, and Jicarilla Apache C 2E.

In view of the foregoing, this office has withdrawn these APDs. In addition, we will require a letter confirming that no surface disturbing activities have been conducted at these well sites. Please file the letter within 30 days of receipt of this notice.

Any surface disturbance conducted must be rehabilitated in accordance with the standards and guidelines established by this office. Please contact Flaniken, Jon M, Environmental Protection Specialist at (505) 564-7702 or email at mflaniken@blm.gov for information or inspections.

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 Abdelgadir Elmadani at (505) 564-7742.

Sincerely.

Abdelgadir Elmadani, Petroleum Engineer

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Petroleum Management Team

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CC: Well File NMOCD

Formation-3, 4 BOND BOND ON UNITED STA	TES Sureau or Land	OMI Expire	M APPROVED B No. 1004-0137 es March 31, 2007	
UNITED STATES Sureau of Cand Management L-25-08 LEWEN DEPARTMENT OF THE INTERIOR Farmington Field Office BUREAU OF LAND MANAGEMENT APPLICATION FOR PERMIT TO DRILL OR REENTER		led Office 5. Lease Serial P	5. Lease Serial No. NMSF-078532	
		6. If Indian, Allo N/A	6. If Indian, Allotee or Tribe Name N/A	
la. Type of work: ✓ DRILL REENTER		N/A		
Ib. Type of Well: Oil Well Gas Well Other	✓ Single Zone Mu	Altiple Zone 8 Lease Name at RINCON B		
2. Name of Operator ELM RIDGE EXPLORATION COMPANY, LLC		9. API Well No. 30-039-	30-039- 306/5	
3a. Address P. O. BOX 156 BLOOMFIELD, NM 87413	3b. Phone No. (include area code) (505) 632-3476		10. Field and Pool, or Exploratory ESCRITO GALLUP (ASSOC	
Location of Well (Report location clearly and in accordance with At surface 1680' FSL & 1865' FWL NE At proposed prod. zone SAME	th any State requirements.*)	11. Sec., T. R. M. o 30-24N-6W	r Blk. and Survey or A	
14. Distance in miles and direction from nearest town or post office 4 AIR MILES NNE OF LYBROOK		12. County or Paris		
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 960'	16. No. of acres in lease	17. Spacing Unit dedicated to the E2SW4 (= 80 acres)	iis well	
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. 2,369' (25 #5)	19. Proposed Depth 5,800'		20. BLM/BIA Bond No. on file BLM STATE WIDE 886201C MM 285	
21. Elevations (Show whether DF, KDB, RT, GL, etc.) 6,674' GL	22 Approximate date work will 12/31/2008	23. Estimated duration 3 WEEKS		
	24. Attachments		1000	
The following, completed in accordance with the requirements of O 1. Well plat certified by a registered surveyor. 2. A Drilling Plan. 3. A Surface Use Plan (if the location is on National Forest Sys SUPO shall be filed with the appropriate Forest Service Office)	4. Bond to cove Item 20 above 5. Operator cert	r the operations unless covered by c). (fication te specific information and/or plans		

Title

Office

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.

Priority: Vulnerable Area

ENTERED

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 page 2)

This action is subject to technical and procedural review pursuant to 43 CFR 3468 7 and appeal pursuant to 42 CPH 3165 4

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

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