



CDX Gas, LLC  
4801 N. Butler Avenue, Suite 2000  
Farmington, NM 87401  
Main: 505-326-3003  
Fax: 505-325-4007

*ESD*

*Rel: 11-30-04*

*SUSA: 12-20-04*

*PME50-436245801*

23.November.2004

Mr. Michael E. Stogner  
Hearing Officer / Engineer  
New Mexico Oil Conservation Division  
Engineering Bureau  
1220 So. St. Francis Drive  
P.O. Box 6429  
Santa Fe, New Mexico 87505

RECEIVED

NOV 30 2004

OIL CONSERVATION  
DIVISION

RE: Administrative Order NSL-5091  
Change of Surface Location  
Jicarilla Apache Tribal 151 #8F  
API No. 30-0397-29204  
Basin Dakota / WC Mancos  
2335' FNL, 1300' FEL, Unit H Sec3-T26N-R5W  
Rio Arriba County, New Mexico

Dear Mr. Stogner;

CDX RIO, LLC received approval to drill the Jicarilla 151 #8F well at an unorthodox Gallup gas well location (2600' FNL and 1215' FEL) under Administrative Order NSL-5091 on Aug, 4, 2004. (See attached C-102)

Further inspection of the site prior to construction revealed archeological artifacts that were not identified on the original Archaeological Survey (Report #CR-2004-806, May, 21, 2004).

The well center of the proposed location was moved 265' North and 85' West to avoid the artifact site. The new location is Unit H, Sec 3, T26N, R5W with footage 2335 FNL & 1300 FEL, and will still be Non-Standard.

CDX RIO hereby request continued administrative approval of the unorthodox Gallup gas well location within the proposed standard 160-acre gas spacing unit comprising the NE/4 equivalent of section 3.

Sincerely

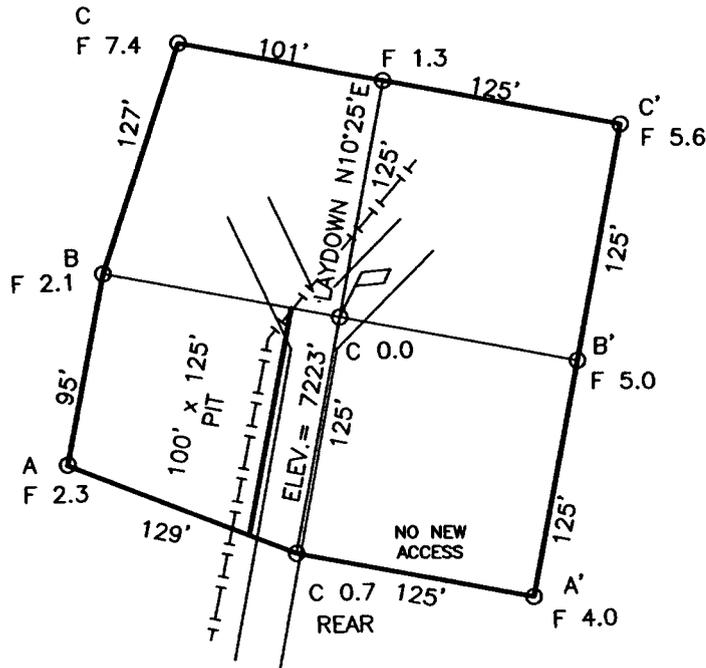
Robert Lemmons  
Drilling / Operations Engineer

CDX GAS, LLC  
505-326-3003 ext 2820  
[rob.lemmons@cdxgas.com](mailto:rob.lemmons@cdxgas.com)

cc BLM, Farmington  
Rich Corcoran, CDX Land  
R. Johnston, CDX Op Mgr.  
Fred Vigil, Jicarilla Oil & Gas Admin.



COMPANY: CDX RIO, LLC  
 LEASE: JIC. APACHE TRIBAL 151 No.8F  
 FOOTAGE: 2335' FNL 1300' FEL  
 SEC.: 3, TWN: 26-N, RNG: 5-W, NMPM  
 ELEVATION: 7223'



ELEV. A-A' C/L

7240					
7230					
7220					
7210					
7200					

ELEV. B-B' C/L

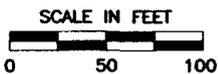
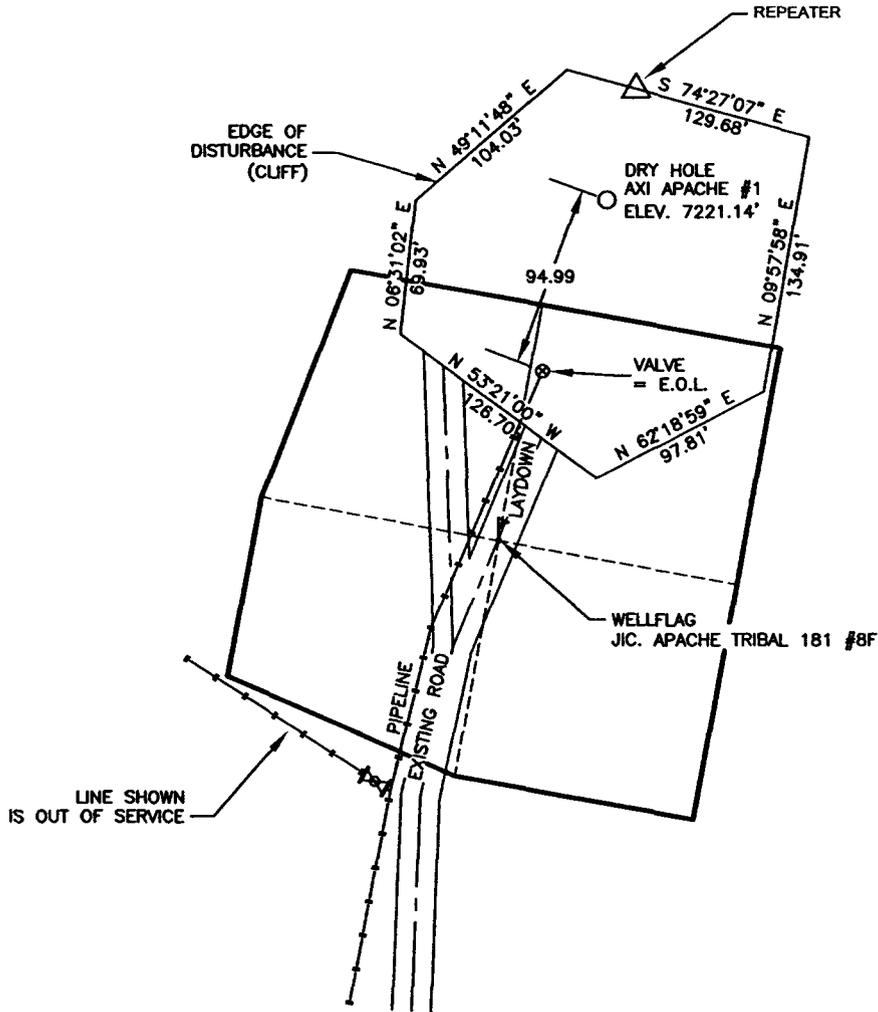
7240					
7230					
7220					
7210					
7200					

**NOTE:**

DAGGETT ENTERPRISES, INC. IS NOT LIABLE FOR UNDERGROUND UTILITIES OR PIPELINES. NEW MEXICO ONE CALL TO BE NOTIFIED 48 HOURS PRIOR TO EXCAVATION OR CONSTRUCTION.

REVISION:	DATE:	REVISED BY:
RESTAKE WELL LOC.	9/24/04	B.L.
 <b>Daggett Enterprises, Inc.</b> Surveying and Oil Field Services P. O. Box 15068 • Farmington, NM 87401 Phone (505) 326-1772 • Fax (505) 326-6019		
DRAWN BY: A.G.	CADFILE: CDXGAS056CF8	
ROW#: CDXGAS056	DATE: 04/17/04	

A SITE SKETCH FOR  
**CDX GAS LLC**  
**JIC. APACHE TRIBAL 151 No. 8F**  
 SEC.3, TOWNSHIP 26 NORTH, RANGE 5 WEST, N.M.P.M.,  
 LOCATED SOUTHWEST OF DULCE,  
 RIO ARRIBA COUNTY, NEW MEXICO



DAGGETT FORM/PHOTO.JAN REV.02/04

REVISION	REV. BY	DATE
CHANGE LAYDOWN DIRECTION	B.L.	11/16/04
 <b>Daggett Enterprises, Inc.</b> Surveying and Oil Field Services P. O. Box 15068 Farmington, NM 87401 Phone (505) 326-1772 Fax (505) 326-6019		
SHEET 1 OF 1		CADFILE: CDXGAS056SK1
DRAWN BY: B.L.	ROW#: CDXGAS056	DATE: 09/28/04

107°22'00" W

107°21'00" W

WGS84 107°20'00" W

**CDX RIO, LLC**

**JIC - APACHE TRIBAL 151 #8F**

**NE/4 SEC. 3, T26N, R5W, N.M.P.M.**

**RIO ARRIBA COUNTY, NEW MEXICO**

**2335 FNL 1300 FEL**

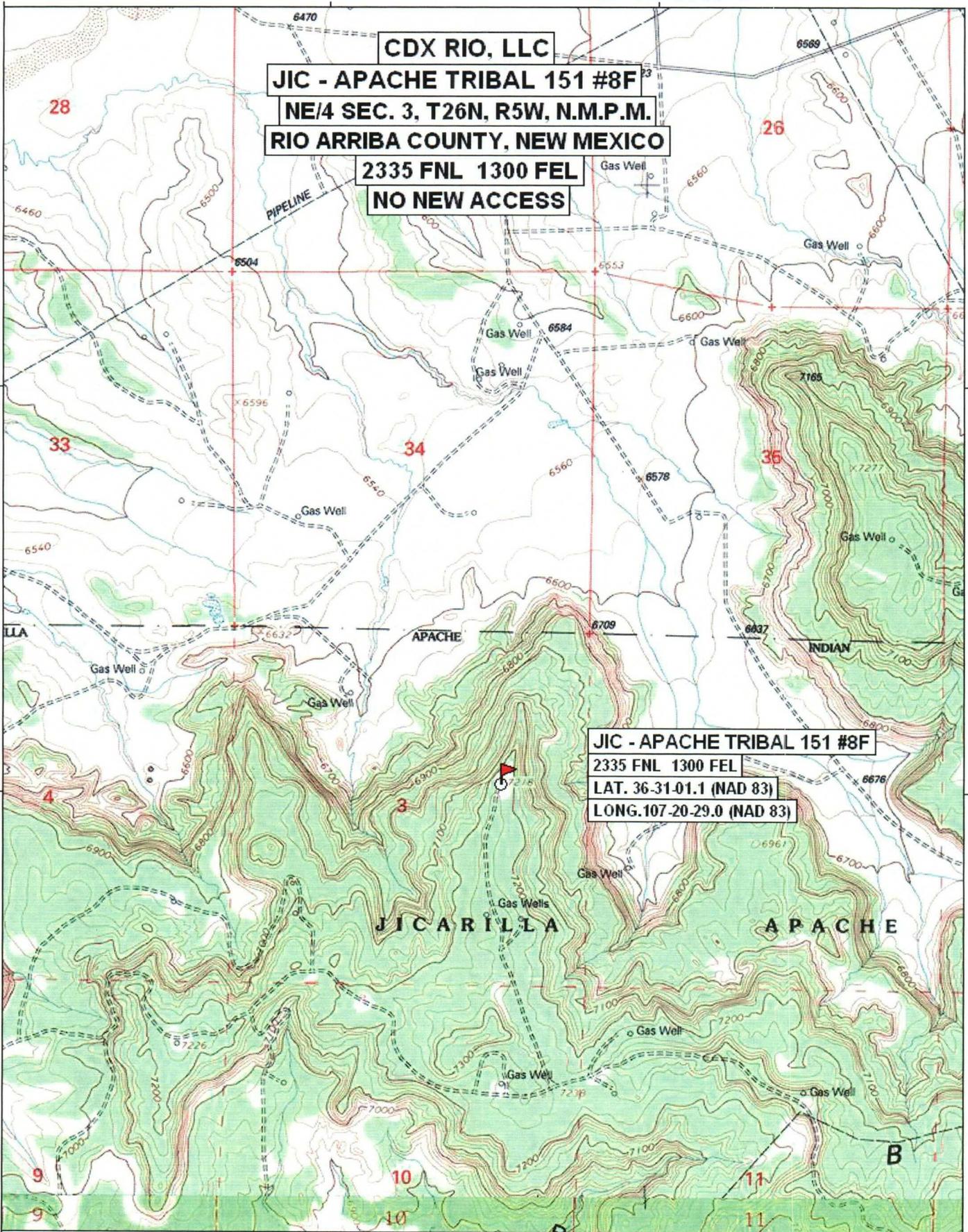
**NO NEW ACCESS**

36°32'00" N

36°32'00" N

36°31'00" N

36°31'00" N



**JIC - APACHE TRIBAL 151 #8F**

**2335 FNL 1300 FEL**

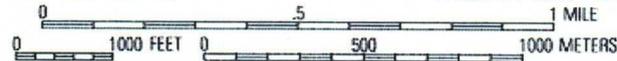
**LAT. 36-31-01.1 (NAD 83)**

**LONG. 107-20-29.0 (NAD 83)**

107°22'00" W

107°21'00" W

WGS84 107°20'00" W



Map created with TOPO!® ©2002 National Geographic ([www.nationalgeographic.com/topo](http://www.nationalgeographic.com/topo))

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
OMB No. 1004-0137  
Expires: March 31, 2007

**SUNDRY NOTICES AND REPORTS ON WELLS**

*Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.*

**SUBMIT IN TRIPLICATE- Other instructions on reverse side.**

1. Type of Well  
 Oil Well     Gas Well     Other

2. Name of Operator  
**CDX RIO, LLC**

3a. Address  
**4801 N. Butler, Suite 2000, Farmington NM 87401**

3b. Phone No. (include area code)  
**505-326-3003**

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
**2335 FNL & 1300 FEL  
 Unit H, Sec 3, T26N, R5W**

5. Lease Serial No.  
**Jicarilla Apache Tribal 151**

6. If Indian, Allottee or Tribe Name  
**Jicarilla Apache Tribe**

7. If Unit or CA/Agreement, Name and/or No.

8. Well Name and No.  
**Jicarilla 151 #8F**

9. API Well No.  
**30-039-29204**

10. Field and Pool, or Exploratory Area  
**Basin Dakota / WC Mancos**

11. County or Parish, State  
**Rio Arriba, NM**

**12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA**

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other
	<input checked="" type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	<b>Move surface</b>
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	<b>Location</b>

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplate horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

**New well location 2600' FNL and 1215' FEL was approved to drill as an unorthodox location for the Gallup under Administrative Order NSL-5091 on Aug. 4, 2004.**

**Further inspection of site prior to construction revealed archological artifacts that were not identified on the original Archaeological Survey (Report #CR-2004-806, May, 21, 2004).**

**The well center of the proposed location was moved 265' North and 85' West to avoid the artifact site. The new location is Unit H, Sec 3, T26N, R5W with footage 2335 FNL & 1300 FEL.**

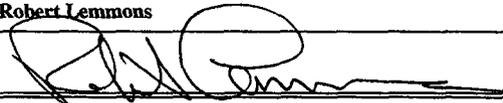
**The new location is still Non-Standard and a copy of letter to Mr. Michael Stogner, NMOCD Hearing Officer/Engineer in Santa Fe is attached along with the revised C-102.**

14. I hereby certify that the foregoing is true and correct  
 Name (Printed/Typed)

**Robert Lemmons**

Title **Operations Engineer**

Signature



Date

**11/23/2004**

**THIS SPACE FOR FEDERAL OR STATE OFFICE USE**

Approved by

Conditions of approval, if any, are attached. Approval of this notice 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.

Title

Date

Office

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)

## GENERAL INSTRUCTIONS

This form is designed for submitting proposals to perform certain well operations, and reports of such operations when completed, as indicated on Federal and Indian lands pursuant to applicable Federal law and regulations. Any necessary special instructions concerning the use of this

form and the number 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 office.

## SPECIFIC INSTRUCTIONS

*Item 4* - Locations on Federal or Indian land should be described in accordance with Federal requirements. Consult the local Federal office for specific instructions.

*Item 13* - Proposals to abandon a well and subsequent reports of abandonment should include such special information as is required by the local Federal office. In addition, such proposals and reports should include reasons for the abandonment; data on any former or

present productive zones, or other zones with present significant fluid contents not sealed off by cement or otherwise; depths (top and bottom) and method of placement of cement plugs; mud or other material placed below, between and above plugs; amount, size, method of parting of any casing, liner or tubing pulled and the depth to top of any left in the hole; method of closing top of well and date well site conditioned for final inspection looking to approval of the abandonment.

## NOTICE

The Privacy Act of 1974 and the regulation in 43 CFR 2.48(d) provide that you be furnished the following information in connection with information required by this application.

**AUTHORITY:** 30 U.S.C. 181 et seq., 351 et seq., 25 U.S.C. 396; 43 CFR 3160.

**PRINCIPAL PURPOSE:** The information is used to: (1) Evaluate, when appropriate, approve applications, and report completion of subsequent well operations, on a Federal or Indian lease; and (2) document for administrative use, information for the management, disposal and use of National Resource lands and resources, such as: (a) evaluating the equipment and procedures to be used during a proposed subsequent well operation and reviewing the completed well operations for compliance with the approved plan; (b) requesting and granting approval to perform those actions covered by 43 CFR 3162.3-2, 3162.3-3, and 3162.3-4; (c) reporting the beginning or resumption of production, as required by 43 CFR 3162.4-1(c) and (d) analyzing future applications to drill or modify operations in light of data obtained and methods used.

**ROUTINE USES:** Information from the record and/or the record will be transferred to appropriate Federal, State, local or foreign agencies, when relevant to civil, criminal or regulatory investigations or prosecutions in connection with congressional inquiries or to consumer reporting agencies to facilitate collection of debts owed the Government.

**EFFECT OF NOT PROVIDING THE INFORMATION:** Filing of this notice and report and disclosure of the information is mandatory for those subsequent well operations specified in 43 CFR 3162.3-2, 3162.3-3, 3162.3-4.

The Paperwork Reduction Act of 1995 requires us to inform you that:

This information is being collected to evaluate proposed and/or completed subsequent well operations on Federal or Indian oil and gas leases.

Response to this request is mandatory.

BLM would like you to know that you do not have to respond to this or any other Federal agency-sponsored information collection unless it displays a currently valid OMB control number.

## BURDEN HOURS STATEMENT

Public reporting burden for this form is estimated to average 25 minutes per response, including the time for reviewing instructions, gathering and maintaining data, and completing and reviewing the form. Direct comments regarding the burden estimate or any other aspect of this form to U.S. Department of the Interior, Bureau of Land Management (1004-0137), Bureau Information Collection Clearance Officer, (WO-630), Mail Stop 401 LS, 1849 C St., N.W., Washington D.C. 20240



# NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

**BILL RICHARDSON**

Governor

**Joanna Prukop**

Cabinet Secretary

August 4, 2004

**Mark E. Fesmire, P.E.**

Director

Oil Conservation Division

**CDX Gas, L.L.C.**

**4801 N. Butler Avenue – Suite 2000**

**Farmington, New Mexico 87401**

**Attention: Richard Corcoran**

**Land Manager**

*Rich.Corcoran@cdxgas.com*

**Administrative Order NSL-5091**

Dear Mr. Corcoran:

Reference is made to the following: (i) your application submitted to the New Mexico Oil Conservation Division ("Division") on June 17, 2004 (*administrative application reference No. pSEM0-416948194*); (ii) your telephone conversation with Mr. Michael E. Stogner, Hearing Officer/Engineer with the Division in Santa Fe, on Tuesday afternoon, August 3, 2004; and (iii) the Division's records in Aztec and Santa Fe: all concerning CDX Gas, L.L.C.'s ("CDX") request to drill its proposed Jicarilla 151 Well No. 8-F at an unorthodox Gallup gas well location 2600 feet from the North line and 1215 feet from the East line (Unit H) of Section 3, Township 26 North, Range 5 West, NMPM, Rio Arriba County, New Mexico.

Lots 1 and 2 and the S/2 NE/4 (NE/4 equivalent) of Section 3 is to be dedicated to this well in order to form a standard 159.80-acre gas spacing unit for the Undesignated BS Mesa-Gallup Pool (72920).

This application has been duly filed under the provisions of Division Rule 104.F, revised by Division Order No. R-11231, issued by the New Mexico Oil Conservation Commission in Case No. 12119 on August 12, 1999.

It is the Division's understanding that this well is to be dually completed in the Gallup formation and the Basin-Dakota Pool (71599). Under the rules governing the Basin-Dakota Pool, see the "*Special Rules for the Basin-Dakota Pool*," as promulgated by Division Order No. R-10987-B, issued in Case No. 12290 and dated June 30, 2000, as amended by Division Orders No. R-10987-B (1), dated August 10, 2000, and R-10987-B (2), dated January 29, 2002, this location within an existing standard 319.80-acre stand-up gas spacing and proration unit comprising Lots 1 and 2, the S/2 NE/4, and the SE/4 (E/2 equivalent) of Section 3, is standard.

CDX Gas, L.L.C.  
August 4, 2004  
Page 2

---

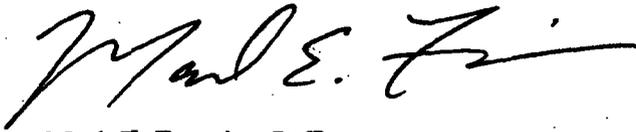
Division Administrative Order NSL-5091

It is further understood that all of Sections 3, 4, 9, and 10, all in Township 26 North, Range 5 West, NMPM, Rio Arriba County, New Mexico comprise a single Jicarilla Apache tribal oil and gas lease (Jicarilla Contract No. 151) with common mineral ownership from the base of the Mesaverde formation to a point 800 feet below the top of the Greenhorn formation in which CDX controls 100% of the operating rights; therefore, there are no adversely effected offset mineral interests to the subject unorthodox Gallup well within the aforementioned 160-acre unit.

By the authority granted me under the provisions of Division Rule 104.F (2), the above-described unorthodox Gallup gas well location within the proposed standard 159.80-acre gas spacing unit comprising the NE/4 equivalent of Section 3 is hereby approved.

Jurisdiction of this cause is retained for the entry of such further orders as the Division may deem necessary.

Sincerely,



Mark E. Fesmire, P. E.  
Director

MEF/mes

cc: New Mexico Oil Conservation Division - Aztec  
U. S. Bureau of Land Management - Farmington