

STATE OF NEW MEXICO  
DEPARTMENT OF ENERGY, MINERALS AND NATURAL RESOURCES  
OIL CONSERVATION DIVISION

APPLICATION OF DAKOTA RESOURCES, INC.  
TO REINSTATE THE INJECTION AUTHORIZED  
BY ORDER SWD-802, EDDY COUNTY, NEW MEXICO.

2011 MAR 14 P 2:51  
RECEIVED OGD

Case No.: 15676

APPLICATION

Dakota Resources, Inc. ("Dakota"), by and through its undersigned attorneys, seeks an order reinstating the injection authorized by Administrative Order SWD-802. In support of this application, Dakota states:

1. Dakota Resources, Inc. (OGRID 5691) is the lessee of a federal lease underlying the NW/4 SW/4 (Unit L) of Section 7, Township 21 South, Range 28 East, in Eddy County, New Mexico.

2. In 2001, the Oil Conservation Division issued Administrative Order SWD-802, authorizing the injection of produced water into the Bell Canyon member of the Delaware formation from approximately 2,926 feet to 3,315 feet through the Trigg Federal Well No. 1 (API No. 30-015-25006) disposal well.

3. Dakota operated the Trigg Federal Well No. 1 injection well pursuant to this authority for approximately 12 years.

4. On July 15, 2016, the Division notified Dakota that Administrative Order SWD-802 had expired due to Dakota's failure to continually inject over a one-year period of time, pursuant to NMAC 19.15.26.12.C.

5. Dakota's failure to inject was due to remediation associated with a spill. See **Exhibit A**. That remediation is now complete and the well is ready to continue with the previously authorized injection operations.

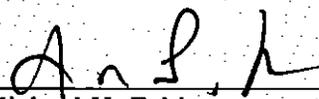
6. In accordance with the Division's notification, Dakota submitted a Form C-108 for authority to reinstate permit SWD-802. Included with this application is fully completed Form C-108. **Exhibit B**.

7. The granting of this application will prevent waste and protect correlative rights.

WHEREFORE, Dakota Resources, Inc. requests that the Division set this matter for hearing before an Examiner of the Oil Conservation Division on April 13, 2017, and that after notice and hearing enter an order reinstating the injection authority authorized by SWD-802.

Respectfully submitted,

HOLLAND & HART LLP

By:   
Michael H. Feldewert  
Jordan L. Kessler  
Post Office Box 2208  
Santa Fe, New Mexico 87504-2208  
(505) 988-4421  
(505) 983-6043 Facsimile  
mfeldewert@hollandhart.com  
jlkessler@hollandhart.com

**ATTORNEYS FOR DAKOTA RESOURCES, INC.**

Case No.: 15676 **Application Of Dakota Resources, Inc. To Reinstate The Injection Authorized By Order Swd-802, Eddy County, New Mexico.** Applicant seeks an order re-approving injection authority pursuant to Administrative Order SWD-802 issued in 2001. Order SWD-802 authorized the disposal of produced water into the Bell Canyon member of the Delaware formation from approximately 2,926 feet to 3,315 feet through the Trigg Federal Well No. 1 (API No. 30-015-25006), located in the NW/4 SW/4 (Unit L) of Section 7, Township 21 South, Range 28 East, in Eddy County, New Mexico. That authority expired on July 15, 2016, due to inactivity associated with remediation efforts at the well site, which are now completed. This area is located 9 miles northeast of Carlsbad, New Mexico.

District I  
 1625 N. French Dr., Hobbs, NM 88240  
 District II  
 811 S. First St., Artesia, NM 88210  
 District III  
 1000 Rio Brazos Road, Aztec, NM 87410  
 District IV  
 1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico  
 Energy Minerals and Natural Resources  
 Oil Conservation Division  
 1220 South St. Francis Dr.  
 Santa Fe, NM 87505

Form C-141  
 Revised August 8, 2011

Submit 1 Copy to appropriate District Office in accordance with 19.15.29 NMAC.

**Release Notification and Corrective Action**

**OPERATOR**

Initial Report  Final Report

Name of Company: Dakota Resources Inc.	Contact: Chris Morphew
Address: 4912 N Midkiff Rd. Midland, TX 79705	Telephone No. 432-697-3420
Facility Name: Trigg Federal #001	Facility Type: SWD
Surface Owner: BLM	Mineral Owner: Federal
API No. 30-015-25006	

**LOCATION OF RELEASE**

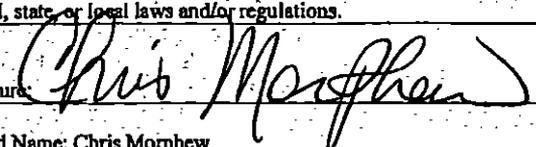
Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
L	7	21S	28E	1980	South	660	West	Eddy

Latitude 32.493084 Longitude -104.132318

**NATURE OF RELEASE**

Type of Release: Mixed Fluids	Volume of Release: 40bbls	Volume Recovered: 0
Source of Release: Storage Tank	Date and Hour of Occurrence: 8/6/2013	Date and Hour of Discovery: 8/6/2013 9:00am
Was Immediate Notice Given? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom? Randy Dade-NMOCD	
By Whom? LaWayne Day	Date and Hour: 8/6/2013 11:00am	
Was a Watercourse Reached? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	If YES, Volume Impacting the Watercourse.	
If a Watercourse was Impacted, Describe Fully.*		
Describe Cause of Problem and Remedial Action Taken.* A storage tank within the bermed tank battery leaked resulting in the release of 40bbls of mixed fluids. Talon/LPE was contracted to perform soil sampling within the impacted area and draft a remediation work plan.		
Describe Area Affected and Cleanup Action Taken.* The release impacted the bermed tank battery, breached the berms and flowed southeast across the location for approximately 60-feet. No fluid left the location. Talon/LPE conducted soil sampling and developed scope of work that was approved by BLM and NMOCD. The remediation was carried out in accordance with the approved scope of work. All of the excavated soil was hauled to an NMOCD approved solid waste disposal facility. The excavation was backfilled with caliche and contoured to match the surrounding terrain following NMOCD and BLM permission to backfill the excavation.		
I hereby certify that the information given above is true and complete to the best of my knowledge and understand that pursuant to NMOCD rules and regulations all operators are required to report and/or file certain release notifications and perform corrective actions for releases which may endanger public health or the environment. The acceptance of a C-141 report by the NMOCD marked as "Final Report" does not relieve the operator of liability should their operations have failed to adequately investigate and remediate contamination that pose a threat to ground water, surface water, human health or the environment. In addition, NMOCD acceptance of a C-141 report does not relieve the operator of responsibility for compliance with any other federal, state, or local laws and/or regulations.		

**OIL CONSERVATION DIVISION**

Signature: 	Approved by Environmental Specialist: 	
Printed Name: Chris Morphew	Approval Date: 11/7/2016	Expiration Date: N/A
Title: President/CEO	Conditions of Approval:	Attached: <input type="checkbox"/>
E-mail Address: chrism@dakotares.com	<b>FINAL</b>	
Date: 10/28/2016	Phone: 432-697-3420	

\* Attach Additional Sheets If Necessary

2RP-1814

**EXHIBIT**

**A**

DATE IN	SUSPENSE	EN	LOGGED IN	TYPE	APP NO.
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ABOVE THIS LINE FOR DIVISION USE ONLY

**NEW MEXICO OIL CONSERVATION DIVISION**  
 - Engineering Bureau -  
 1220 South St. Francis Drive, Santa Fe, NM 87505



**ADMINISTRATIVE APPLICATION CHECKLIST**

THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

**Application Acronyms:**

- [NSL-Non-Standard Location] [NSP-Non-Standard Proration Unit] [SD-Simultaneous Dedication]
- [DHC-Downhole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling]
- [PC-Pool Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measurement]
- [WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion]
- [SWD-Salt Water Disposal] [IPI-Injection Pressure Increase]
- [EOR-Qualified Enhanced Oil Recovery Certification] [PPR-Positive Production Response]

- [1] **TYPE OF APPLICATION - Check Those Which Apply for [A]**
- [A] Location - Spacing Unit - Simultaneous Dedication  
 NSL  NSP  SD
- Check One Only for [B] or [C]
- [B] Commingling - Storage - Measurement  
 DHC  CTB  PLC  PC  OLS  OLM
- [C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery  
 WFX  PMX  SWD  IPI  EOR  PPR
- [D] Other: Specify \_\_\_\_\_
- [2] **NOTIFICATION REQUIRED TO: - Check Those Which Apply, or  Does Not Apply**
- [A]  Working, Royalty or Overriding Royalty Interest Owners
- [B]  Offset Operators, Leaseholders or Surface Owner
- [C]  Application is One Which Requires Published Legal Notice
- [D]  Notification and/or Concurrent Approval by BLM or SLO  
U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office
- [E]  For all of the above, Proof of Notification or Publication is Attached, and/or,
- [F]  Waivers are Attached
- [3] **SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED ABOVE.**

[4] **CERTIFICATION:** I hereby certify that the information submitted with this application for administrative approval is accurate and complete to the best of my knowledge. I also understand that no action will be taken on this application until the required information and notifications are submitted to the Division.

Note: Statement must be completed by an individual with managerial and/or supervisory capacity.

Pam Morphew \_\_\_\_\_  
 Print or Type Name Signature Title Date

*Pam Morphew* \_\_\_\_\_  
 Signature Title Date

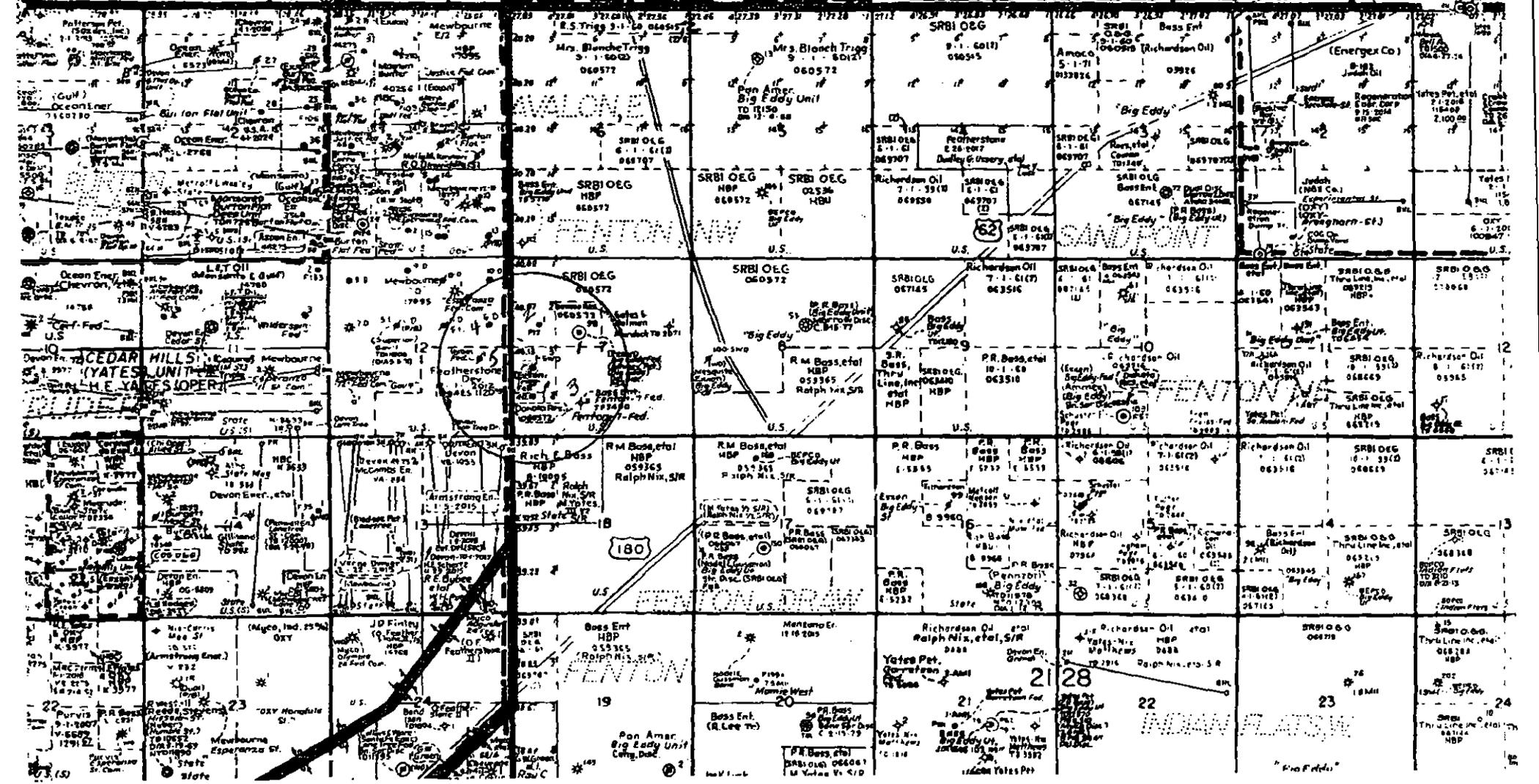
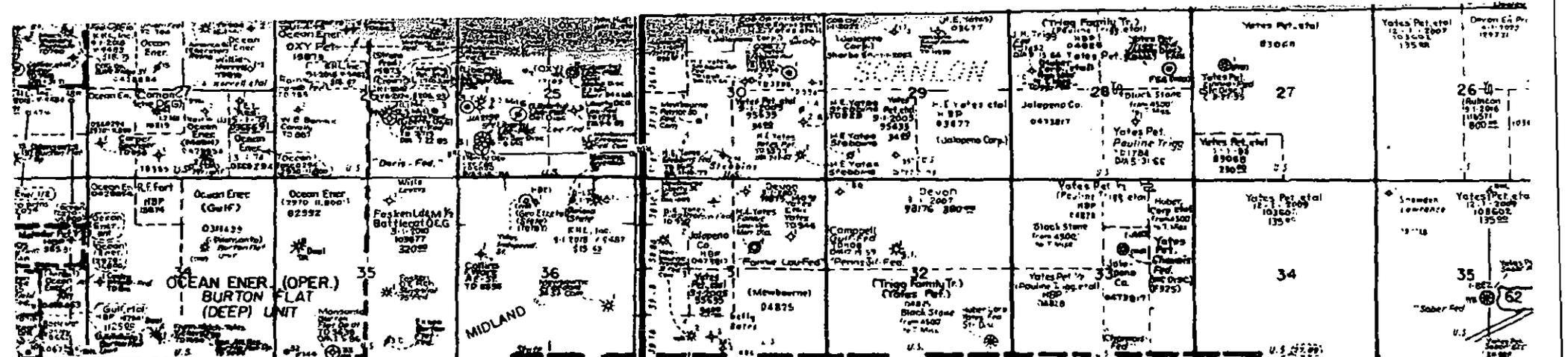
10/27/16  
 Date

pamm@dakotares.com  
 e-mail Address



**APPLICATION FOR AUTHORIZATION TO INJECT**

- I. PURPOSE: Secondary Recovery Pressure Maintenance  Disposal Storage  
Application qualifies for administrative approval?  Yes  No
- II. OPERATOR: Dakota Resources, Inc. (I)  
ADDRESS: 4914 N Midkiff, Midland, TX 79705  
CONTACT PARTY: Pam Morphew PHONE: 432-697-3420
- III. WELL DATA: Complete the data required on the reverse side of this form for each well proposed for injection.  
Additional sheets may be attached if necessary.
- IV. Is this an expansion of an existing project?  Yes  No  
If yes, give the Division order number authorizing the project: \_\_\_\_\_
- V. Attach a map that identifies all wells and leases within two miles of any proposed injection well with a one-half mile radius circle drawn around each proposed injection well. This circle identifies the well's area of review.
- VI. Attach a tabulation of data on all wells of public record within the area of review which penetrate the proposed injection zone. Such data shall include a description of each well's type, construction, date drilled, location, depth, record of completion, and a schematic of any plugged well illustrating all plugging detail.
- VII. Attach data on the proposed operation, including:
- Proposed average and maximum daily rate and volume of fluids to be injected;
  - Whether the system is open or closed;
  - Proposed average and maximum injection pressure;
  - Sources and an appropriate analysis of injection fluid and compatibility with the receiving formation if other than reinjected produced water; and,
  - If injection is for disposal purposes into a zone not productive of oil or gas at or within one mile of the proposed well, attach a chemical analysis of the disposal zone formation water (may be measured or inferred from existing literature, studies, nearby wells, etc.).
- \*VIII. Attach appropriate geologic data on the injection zone including appropriate lithologic detail, geologic name, thickness, and depth. Give the geologic name, and depth to bottom of all underground sources of drinking water (aquifers containing waters with total dissolved solids concentrations of 10,000 mg/l or less) overlying the proposed injection zone as well as any such sources known to be immediately underlying the injection interval.
- IX. Describe the proposed stimulation program, if any.
- \*X. Attach appropriate logging and test data on the well. (If well logs have been filed with the Division, they need not be resubmitted).
- \*XI. Attach a chemical analysis of fresh water from two or more fresh water wells (if available and producing) within one mile of any injection or disposal well showing location of wells and dates samples were taken.
- XII. Applicants for disposal wells must make an affirmative statement that they have examined available geologic and engineering data and find no evidence of open faults or any other hydrologic connection between the disposal zone and any underground sources of drinking water.
- XIII. Applicants must complete the "Proof of Notice" section on the reverse side of this form.
- XIV. Certification: I hereby certify that the information submitted with this application is true and correct to the best of my knowledge and belief.
- NAME: Pam Morphew Pammorphew TITLE: Vice President  
SIGNATURE: Pam Morphew DATE: 9/22/16  
E-MAIL ADDRESS: pammc@dakotares.com
- \* If the information required under Sections VI, VIII, X, and XI above has been previously submitted, it need not be resubmitted.  
Please show the date and circumstances of the earlier submittal: \_\_\_\_\_



**Item No.      Response.**

- VII**
- 1. Proposed average injection rate is 1,500 BBL produced water per day with a Maximum rate of 2,000 BHPD.**
  - 2. The system is to be closed**
  - 3. Injection pressure should average 500 psig with a maximum of 1,000 psig.**
  - 4. Source of water is currently from two producing wells-Bass Fenton 7 Federal #1 and Dakota's Big Eddy Unit #98 well. 100% of the fluid will be brine Water produced from oil and gas wells.**
  - 5. The disposal zone is productive of oil and gas in the area.**

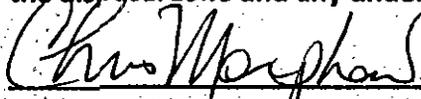
- VIII**
- 1. Delaware Formation-Bell Canyon**
  - 2. Lithology – sandstone**
  - 3. 389 feet thickness overall**
  - 4. 3,120' depth to midpoint of proposed interval (2,926' to 3,315')**
  - 5. Geologic name and depth of drinking water-Quaternary Alluvium-surface water.**

**IX**      **No stimulation program is proposed**

**X**      **Well logs on file. Production test information on file.**

**XI**      **No fresh water wells exist within 1 mile of the proposed well.**

**XII**      **I, Chris Morphew, have examined available geologic and engineering data and find no evidence of open faults or any other hydrologic connection between the disposal zone and any underground source of drinking water.**

  
**Chris Morphew**

**XIII**      **Proof of Notice for surface owner, offset operators and proof of publication is attached.**



INJECTION WELL DATA SHEET

Tubing Size: 2 7/8" Lining Material: Due-Lined

Type of Packer: Watson AD-1 Nickel Plated

Packer Setting Depth: 2844'

Other Type of Tubing/Casing Seal (if applicable): \_\_\_\_\_

Additional Data

1. Is this a new well drilled for injection? \_\_\_\_\_ Yes x No  
If no, for what purpose was the well originally drilled? Production

2. Name of the Injection Formation: Delaware

3. Name of Field or Pool (if applicable): SWD Delaware 96100

4. Has the well ever been perforated in any other zone(s)? List all such perforated intervals and give plugging detail, i.e. sacks of cement or plug(s) used. none

5. Give the name and depths of any oil or gas zones underlying or overlying the proposed injection zone in this area: \_\_\_\_\_

no overlying/underlying oil or gas zones have been found in area of review

Section VI of C-108						
Well Data in Area of Review						
Application for Authority to Inject						
Federal Trigg #1 7-21S-28E						
Eddy Co., NM-NM Fenton Delaware						
<u>Operator</u>	<u>Well Name/#</u>	<u>Status</u>	<u>Spud Date</u>	<u>Location</u> <u>Q-Q-Sec</u>	<u>Total Depth</u>	<u>Perfs</u>
Dakota Resources, Inc.	Big Eddy Unit #98	Producing	1/18/1984	SE NW 7	9050'	2942'-3160'
BOPCO LP	Fenton Federal 7 Federal #1	Producing	6/28/1994	SW NW 7	3300'	3116'-3140'
BOPCO LP	Fenton 7 Federal #3	P&A'd	2/4/1996	SE SW 7	3400'	Dry hole
Chevron USA	Government D #6	Producing	9/27/1985	SE NE 12	5735'	3114'-3136'
J.M. Huber	Federal 12 #1	P&A'd	6/3/1985	NW SW 12	3211'	2590'-2592'-Plugged 12/22/87

# Bass - Fenton 7 Federal 3

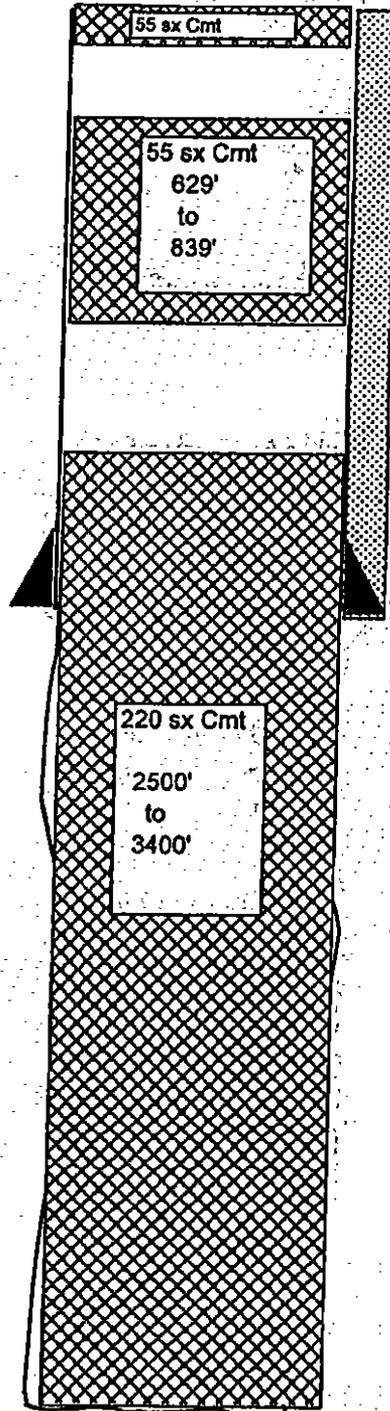
990' FSL & 2280' FWL ( N )

Sec 7, T-21-S, R-28-E

Eddy Co., NM

NW Fenton Field

Surface  
to 200'



Elev - KB  
GL  
KB-to-GL

API NO. 30-015-28713

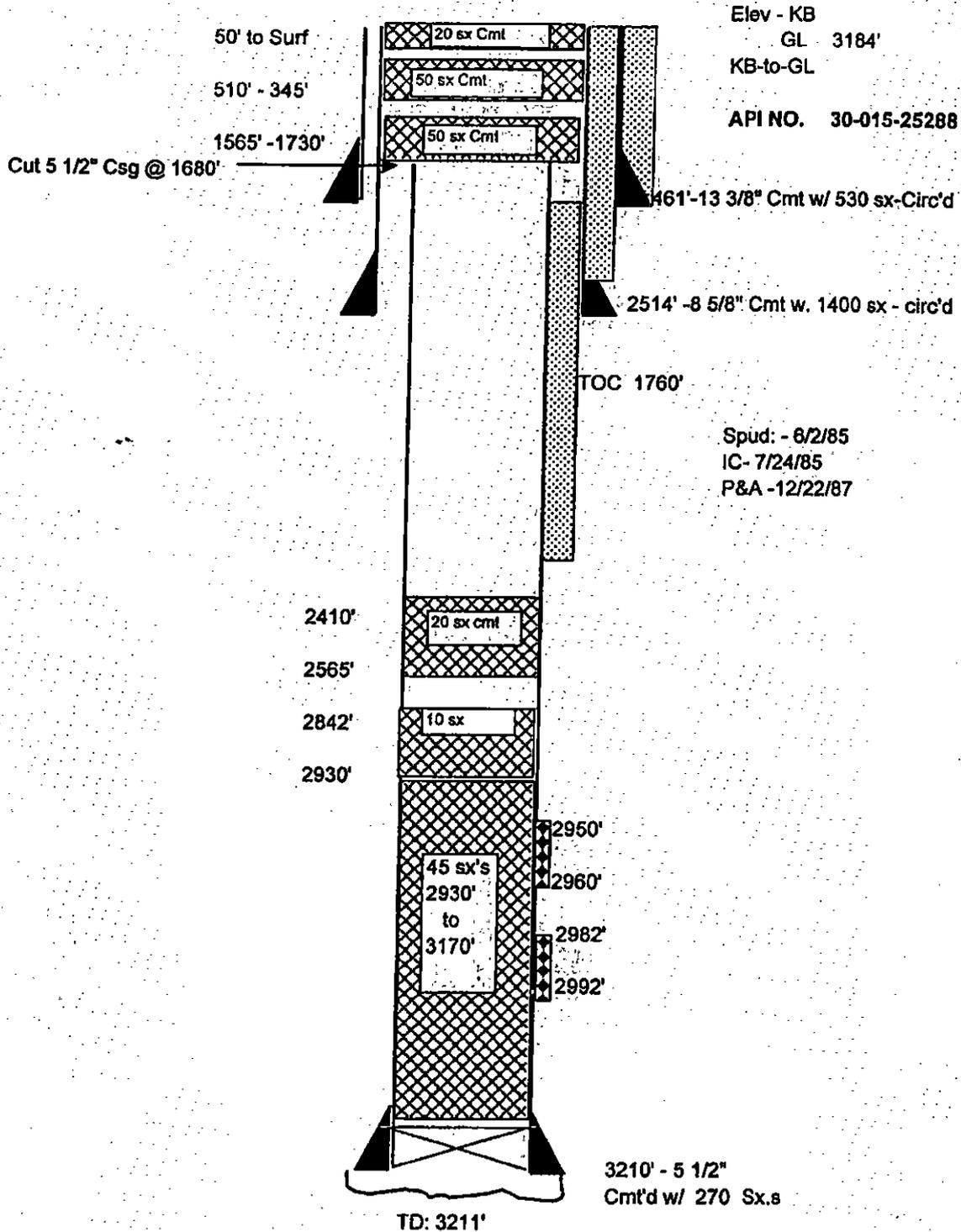
2793' - 8 5/8" Cmt w. 615 sx - circ'd

Spud: - 2/1/96  
P&A - 2/5/96

TD: 3400'

# JM Huber- Federal 12 # 1

2310' FSL & 990' FEL  
Sec 12, T-21-S, R-27-E  
Eddy Co., NM  
NW Fenton Field



**CERTIFIED STATEMENT**

**Federal Trigg #1 Lease  
OFFSET PRODUCER LIST**

**BOPCO, L.P.  
P.O. Box 2760  
Midland, TX 79702**

**Chevron USA Inc.  
Attn: Permitting Team  
6301 Deauville Blvd.  
Midland, TX 79706**

**SURFACE OWNER**

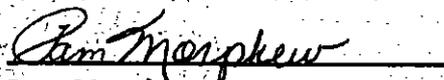
**Bureau of Land Management  
620 E. Greene Street  
Carlsbad, NM 88220**

**NEWSPAPER**

**Current-Argus  
P.O. Box 1629  
Carlsbad, NM 88220**

A letter and a copy of form C-108 were mailed today, 9/23/2016, to the above named offset operators and landowner. The newspaper notification was printed on 9/2/16. I certify this to be true and correct.

**Dakota Resources, Inc. (I)**



**Pam Morphew  
Vice President  
432-697-3420**

**Affidavit of Publication**

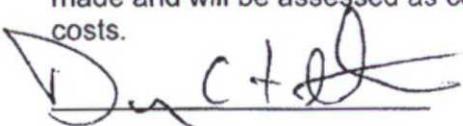
State of New Mexico,  
County of Eddy, ss.

**Danny Fletcher**, being first duly  
sworn, on oath says:

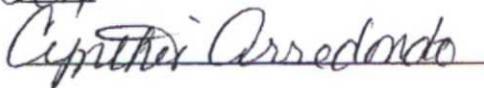
That he is the Publisher of the  
Carlsbad Current-Argus, a  
newspaper published daily at the  
City of Carlsbad, in said county of  
Eddy, state of New Mexico and of  
general paid circulation in said  
county; that the same is a duly  
qualified newspaper under the laws  
of the State wherein legal notices  
and advertisements may be  
published; that the printed notice  
attached hereto was published in the  
regular and entire edition of said  
newspaper and not in supplement  
thereof on the date as follows, to wit:

September 2 2016

That the cost of publication is **\$68.15**  
and that payment thereof has been  
made and will be assessed as court  
costs.

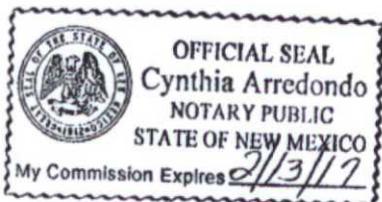


Subscribed and sworn to before me  
this 2 day of September,  
2016



My commission Expires  
2/13/17

Notary Public



**September 2, 2016**  
**Public Notice**  
**NOTICE OF APPLICATION FOR FLUID INJECTION WELL PERMIT**  
Dakota Resources, Inc. (I), 4914 N. Midkiff, Midland, TX, 79705 is applying to the Oil Conservation Division, New Mexico for a permit to inject fluid into a formation which is productive of oil and gas. The contact person is Chris Morpew at 432-697-3420 or the above address.  
The applicant proposes to inject fluid into the Delaware formation in the Federal Trigg #1. The proposed injection well is located 1980' FSL & 660' FWL (Unit letter L) Sec 7, T-21-S, R-28-E, Eddy County, New Mexico, NW Fenton Delaware Field. Injection will be through perforations 2926' to 3315'. The maximum rate will be 2000 BWPD with a maximum pressure of 1000 psi.  
Interested parties must file objections or requests with the Oil Conservation Division within 15, 1220 South St. Francis Drive, Santa Fe, New Mexico 87505.

<p><b>SENDER: COMPLETE THIS SECTION</b></p> <ul style="list-style-type: none"> <li>Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.</li> <li>Print your name and address on the reverse so that we can return the card to you.</li> <li>Attach this card to the back of the mailpiece, or on the front if space permits.</li> </ul> <p>1. Article Addressed to:</p> <p style="text-align: center;">Chevron USA Inc. Permitting Team 6301 Deauville Blvd Midland, TX 79706</p> <p>2. Article Number (Transfer from service label)</p>	<p><b>COMPLETE THIS SECTION ON DELIVERY</b></p> <p>A. Signature X <i>[Signature]</i> <input type="checkbox"/> Agent <input type="checkbox"/> Addressee</p> <p>B. Received by (Printed Name) <i>C. Lawrence</i> C. Date of Delivery <i>9-26-16</i></p> <p>D. Is delivery address different from item 1? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If YES, enter delivery address below:</p> <p>3. Service Type  <input type="checkbox"/> Certified Mail <input type="checkbox"/> Express Mail  <input type="checkbox"/> Registered <input checked="" type="checkbox"/> Return Receipt for Merchandise  <input type="checkbox"/> Insured Mail <input type="checkbox"/> C.O.D.</p> <p>4. Restricted Delivery? (Extra Fee) <input type="checkbox"/> Yes</p>
PS Form 3811, August 2001 Domestic Return Receipt 102595-02-M-1035	

<p><b>SENDER: COMPLETE THIS SECTION</b></p> <ul style="list-style-type: none"> <li>Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.</li> <li>Print your name and address on the reverse so that we can return the card to you.</li> <li>Attach this card to the back of the mailpiece, or on the front if space permits.</li> </ul> <p>1. Article Addressed to:</p> <p style="text-align: center;">Bureau of Land Mgmt 620 E. Greene Street Carlsbad, NM 88220</p> <p>2. Article Number (Transfer from service label)</p>	<p><b>COMPLETE THIS SECTION ON DELIVERY</b></p> <p>A. Signature X <i>[Signature]</i> <input type="checkbox"/> Agent <input type="checkbox"/> Addressee</p> <p>B. Received by (Printed Name) <i>T. Woods</i> C. Date of Delivery <i>9/26/16</i></p> <p>D. Is delivery address different from item 1? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If YES, enter delivery address below:</p> <p>3. Service Type  <input type="checkbox"/> Certified Mail <input type="checkbox"/> Express Mail  <input type="checkbox"/> Registered <input type="checkbox"/> Return Receipt for Merchandise  <input type="checkbox"/> Insured Mail <input type="checkbox"/> C.O.D.</p> <p>4. Restricted Delivery? (Extra Fee) <input type="checkbox"/> Yes</p>
PS Form 3811, August 2001 Domestic Return Receipt 102595-02-M-1035	

<p><b>SENDER: COMPLETE THIS SECTION</b></p> <ul style="list-style-type: none"> <li>Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.</li> <li>Print your name and address on the reverse so that we can return the card to you.</li> <li>Attach this card to the back of the mailpiece, or on the front if space permits.</li> </ul> <p>1. Article Addressed to:</p> <p style="text-align: center;">BOPCO, L.P. P.O. Box 2760 Midland, TX 79702</p> <p>2. Article Number (Transfer from service label)</p>	<p><b>COMPLETE THIS SECTION ON DELIVERY</b></p> <p>A. Signature X <i>Robert Forre</i> <input type="checkbox"/> Agent <input type="checkbox"/> Addressee</p> <p>B. Received by (Printed Name) <i>R. Forre</i> C. Date of Delivery <i>10-5-16</i></p> <p>D. Is delivery address different from item 1? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If YES, enter delivery address below:</p> <p>3. Service Type  <input type="checkbox"/> Certified Mail <input type="checkbox"/> Express Mail  <input type="checkbox"/> Registered <input type="checkbox"/> Return Receipt for Merchandise  <input type="checkbox"/> Insured Mail <input type="checkbox"/> C.O.D.</p> <p>4. Restricted Delivery? (Extra Fee) <input type="checkbox"/> Yes</p>
PS Form 3811, August 2001 Domestic Return Receipt 102595-02-M-1035	

Public Notice

**NOTICE OF APPLICATION FOR FLUID INJECTION WELL PERMIT**

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The applicant proposes to inject fluid into the Delaware formation in the Federal Trigg #1. The proposed injection well is located 1980' FSL & 660' FWL, (Unit letter L) Sec. 7, T-21-S, R-28-E, Eddy County, New Mexico, NW Fenton Delaware Field. Injection will be through perforations 2926' to 3315'. The maximum rate will be 2000 BWPD with a maximum pressure of 1000 psi.

Interested parties must file objections or requests with the Oil Conservation Division within 15 , 1220 South St. Francis Drive, Santa Fe, New Mexico 87505.

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

OCD-ARTESIA

FORM APPROVED  
OMB No. 1064-0137  
Expires July 31, 2010



**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.*

5. Lease Serial No  
NFALCD00572A

6. If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE - Other instructions on page 2.

1. Type of Well <input type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other Salt Water Disposal		7. If Unit of CA/Agreement, Name and/or No
2. Name of Operator Dakota Resources, Inc. (I)		8. Well Name and No Trigo Federal #1 DEC 16 2008
3a. Address 4914 N. MOUNTAIN Midland, TX 79705		9. API Well No 30-015-25006 <b>OCD-ARTESIA</b>
3b. Phone No. (include area code) 432-697-3420		10. Field and Pool or Exploratory Area Fenton Delaware NE
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 1900' E 1/4 & 1061' W 1/4, Section 7 T. 21 S., R. 28 E., 106PM		11. Country or Parish, State Eddy County, New Mexico

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

TYPE OF SUBMISSION	TYPE OF ACTION			
<input 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 checked="" 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 repair (bq leak)
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

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 recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Road under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports must 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 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection.

Repair tubing part at packer.

11/17/08

MIRU Mesa Rig #218. ND WH, NU BOP. POOH W/ B2 Jls. 2 7/8" DUO-Line tbg and 2 7/8" X 2 3/8" Swadge, w/ 2 3/8" Collar. RU Hydrostatic testers, PU Nickel plated 5 1/2" AD-1 Watson Packer, 2 7/8" SN (plated) and test tbg in hole to 2500 PSI below slips. ND BOP. Strip off WH, replace 5 1/2" collar, install WH, packoff WH. RU I & W. Circulate 55 BBL packer fluid. ND WH. Set packer w/ 15K tension. NU WH. Test Packer and Casing to 500 PSI. Hold 15 Min. Well tests good. RU Kodiak. Release pressure on tb to truck. Remove 2 7/8" sub, install orbit valve. NU WH. Lease well ready for injection. RDPU.

Rig released 11/19/08

MIT last performed on 12/02/2008. Pressure up to 400#, hold for 30 min. Test witnessed by Richard Ingo of the OCD.

ACCEPTED FOR RECORD

CHART ON FILE

DEC 17 2008

14. I hereby certify that the foregoing is true and correct. Name (Printed/Typed) Rodney Long		Title Foreman Gerry Guye, Deputy Field Inspector NMOCD-District II ARTESIA	
Signature <i>Rodney Long</i>		Date 12/04/2008	

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by	Title	Date
		DEC 14 2008
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.		
BUREAU OF LAND MANAGEMENT		

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)

**Additional Notifications for Trigg SWD, Eddy County, New Mexico**

**Devon Energy Production Company LP  
333 West Sheridan Avenue  
Oklahoma City, OK 73102-5015**

**SRBI Oil & Gas  
201 Main Street, #2700  
Ft. Worth, TX 76102-3131**

**Featherstone Development Corp.  
601 N. Marienfeld Street, #202  
Midland, TX 79701**

**Mewbourne Oil Co.  
P.O. Box 5270  
Hobbs, NM 88241**