

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)  
**810' FNL & 1850' FWL  
 Unit C, Sec 16, T26N, R5W**

5. Lease Serial No.

**Jicarilla Cont. 109**

6. If Indian, Allottee or Tribe Name

**Jicarilla Apache**

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

8. Well Name and No.

**Jicarilla Contract B #7E**

9. API Well No.

**30-039-22895**

10. Field and Pool, or Exploratory Area

**Dakota-Mesaverde-Charca**

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 checked="" type="checkbox"/> Recomplete	<input type="checkbox"/> Other
	<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 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.)

Proposed operation - to start approximately June 30, 2005

1. Run bit and casing scraper to PBTB.
2. Run GR/CBL log across Mesaverde.
3. Cement squeeze as necessary (notify the BLM before any cementing operations).
4. Set 4 1/2" CIBP at 6550'.
5. Pressure test casing below and above Chacra perfs to 1000 psi. Prepare wellbore to frac down tubing.
6. Fracture stimulate Point Lookout and Lower Menefee (5215-5515, 25 shots).
7. Flowback frac and allow well to log off.
8. Set 4 1/2" BP at 5175'.
9. Fracture stimulate Cliffhouse and Upper Menefee (4819-5125, 25 shots).
10. Flowback frac and allow well to log off.
11. Drill out bridge plug.
12. Flow test the Mesaverde.
13. Drill out BP over Dakota
14. Place on production.

**CONDITIONS OF APPROVAL**  
 Adhere to previously issued stipulations.

2:05 PM 11 PM 1  
 RECEIVED  
 070 FARMINGTON

**SEE ATTACHED FOR**

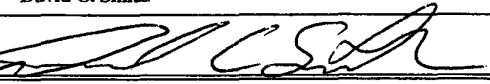
**CONDITIONS OF APPROVAL**

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

**David C. Smith**

Title **Production Engineer**

Signature



Date

**05/09/2005**

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

Approved by

**Original Signed: Stephen Mason**

Title

Date

**MAY 27 2005**

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.

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)

**NR00CD**

District I  
1625 N. French Dr., Hobbs, NM 88240  
District II  
1301 W. Grand Avenue, Artesia, NM 88210  
District III  
1000 Rio Brazos Rd., Aztec, NM 87410  
District IV  
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico  
Energy, Minerals & Natural Resources Department  
**OIL CONSERVATION DIVISION**  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

Form C-102  
Revised June 10, 2003  
Submit to Appropriate District Office  
State Lease - 4 Copies  
Fee Lease - 3 Copies  
 AMENDED REPORT

**WELL LOCATION AND ACREAGE DEDICATION PLAT**

<sup>1</sup> API Number 30-039-22895		<sup>2</sup> Pool Code 72319		<sup>3</sup> Pool Name BLANCO MESAVERDE	
<sup>4</sup> Property Code 33460		<sup>5</sup> Property Name JICARILLA B			<sup>6</sup> Well Number 7E
<sup>7</sup> OGRID No. 222374		<sup>8</sup> Operator Name CDX RIO, LLC			<sup>9</sup> Elevation 6602' GR

<sup>10</sup> Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
C	16	26N	R5W		810	NORTH	1850	WEST	RIO ARRIBA

<sup>11</sup> Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
<sup>12</sup> Dedicated Acres		<sup>13</sup> Joint or Infill		<sup>14</sup> Consolidation Code		<sup>15</sup> Order No.			

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

	<p>Section 16</p>	<p><sup>17</sup> OPERATOR CERTIFICATION</p> <p><i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</i></p> <p><i>[Signature]</i></p> <p>Signature</p> <p>Printed Name</p> <p>David C. Smith</p> <p>Title and E-mail Address</p> <p>Production Engineer, dave.smith@cdxgas.com</p> <p>Date</p> <p>5/4/05</p>
		<p><sup>18</sup> SURVEYOR CERTIFICATION</p> <p><i>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.</i></p> <p>10/1/81</p> <p>Date of Survey</p> <p>Signature and Seal of Professional Surveyor:</p> <p>ON FILE</p> <p>Certificate Number</p>

District I  
1625 N. French Drive, Hobbs, NM 88240

State of New Mexico  
Energy, Minerals and Natural Resources Department

Form C-107A  
Revised June 10, 2003

District II  
1301 W. Grand Avenue, Artesia, NM 88210

Oil Conservation Division  
1220 South St. Francis Dr.  
Santa Fe, New Mexico 87505

APPLICATION TYPE

District III  
1000 Rio Brazos Road, Aztec, NM 87410

Single Well  
Establish Pre-Approved Pools

District IV  
1220 S. St. Francis Dr., Santa Fe, NM 87505

2005 MAY 11 PM 1 03

EXISTING WELLBORE  
 Yes  No

APPLICATION FOR DOWNHOLE COMMINGLING  
RECEIVED

070 FARMINGTON NM

CDX RIO, LLC 4801 North Butler Ave., Suite 2000, Farmington, NM 87401  
Operator Address

JICARILLA CONTRACT B #7E C-16-T26N-R5W RIO ARRIBA  
Lease Well No. Unit Letter-Section-Township-Range County

OGRID No 222374 Property Code 33460 API No. 30-039-22895 Lease Type:  Federal  State  Fee

DATA ELEMENT	UPPER ZONE	INTERMEDIATE ZONE	LOWER ZONE
Pool Name	OTERO CHACRA	BLANCO MESAVERDE	BASIN DAKOTA
Pool Code	82329	72319	71599
Top and Bottom of Pay Section (Perforated or Open-Hole Interval)	4,064 - 4,148	4,819 - 5,515	7,356 - 7,541
Method of Production (Flowing or Artificial Lift)	Plunger Lift	Plunger Lift	Plunger Lift
Bottomhole Pressure (Note: Pressure data will not be required if the bottom perforation in the lower zone is within 150% of the depth of the top perforation in the upper zone)	550 psi (estimated)	750 psi (estimated)	550 psi (estimated)
Oil Gravity or Gas BTU (Degree API or Gas BTU)	1200 BTU	1200 BTU	1210 BTU
Producing, Shut-In or New Zone	PRODUCING	NEW ZONE	PRODUCING
Date and Oil/Gas/Water Rates of Last Production. (Note: For new zones with no production history, applicant shall be required to attach production estimates and supporting data.)	Date: 5/4/05 Rates: 35 mcf 0 bopd 3 bwpd	Date: Rates: 110 mcf (estimated) 1 bopd (est) 3 bwpd (est)	Date: 5/4/05 Rates: 45 mcf 2 bopd 1 bwpd
Fixed Allocation Percentage (Note: If allocation is based upon something other than current or past production, supporting data or explanation will be required.)	Oil 0% Gas 18%	Oil 34% Gas 58%	Oil 66% Gas 24%

ADDITIONAL DATA

Are all working, royalty and overriding royalty interests identical in all commingled zones?  
If not, have all working, royalty and overriding royalty interest owners been notified by certified mail?

Yes  No   
Yes  No

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1301 W. Grand Avenue, Artesia, NM 88210  
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State of New Mexico  
Energy, Minerals & Natural Resources Department  
**OIL CONSERVATION DIVISION**  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

Form C-102  
Revised June 10, 2003  
Submit to Appropriate District Office  
State Lease - 4 Copies  
Fee Lease - 3 Copies

AMENDED REPORT

**WELL LOCATION AND ACREAGE DEDICATION PLAT**

<sup>1</sup> API Number 30-039-22895		<sup>2</sup> Pool Code 72319		<sup>3</sup> Pool Name BLANCO MESAVERDE	
<sup>4</sup> Property Code 33460		<sup>5</sup> Property Name JICARILLA B			<sup>6</sup> Well Number 7E
<sup>7</sup> OGRID No. 222374		<sup>8</sup> Operator Name CDX RIO, LLC			<sup>9</sup> Elevation 6602' GR

<sup>10</sup> Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
C	16	26N	R5W		810	NORTH	1850	WEST	RIO ARRIBA

<sup>11</sup> Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

<sup>12</sup> Dedicated Acres	<sup>13</sup> Joint or Infill	<sup>14</sup> Consolidation Code	<sup>15</sup> Order No.

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

	<p><b>17 OPERATOR CERTIFICATION</b> <i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</i></p> <p>Signature <i>David C. Smith</i></p> <p>Printed Name David C. Smith</p> <p>Title and E-mail Address Production Engineer, dave.smith@cdxgas.com</p> <p>Date 5/4/05</p>

# OIL CONSERVATION DIVISION

STATE OF NEW MEXICO  
ENERGY AND MINERALS DEPARTMENT

P. O. BOX 2068  
SANTA FE, NEW MEXICO 87501

Form C-107  
Revised 10-1-78

All distances must be from the outer boundaries of the Section.

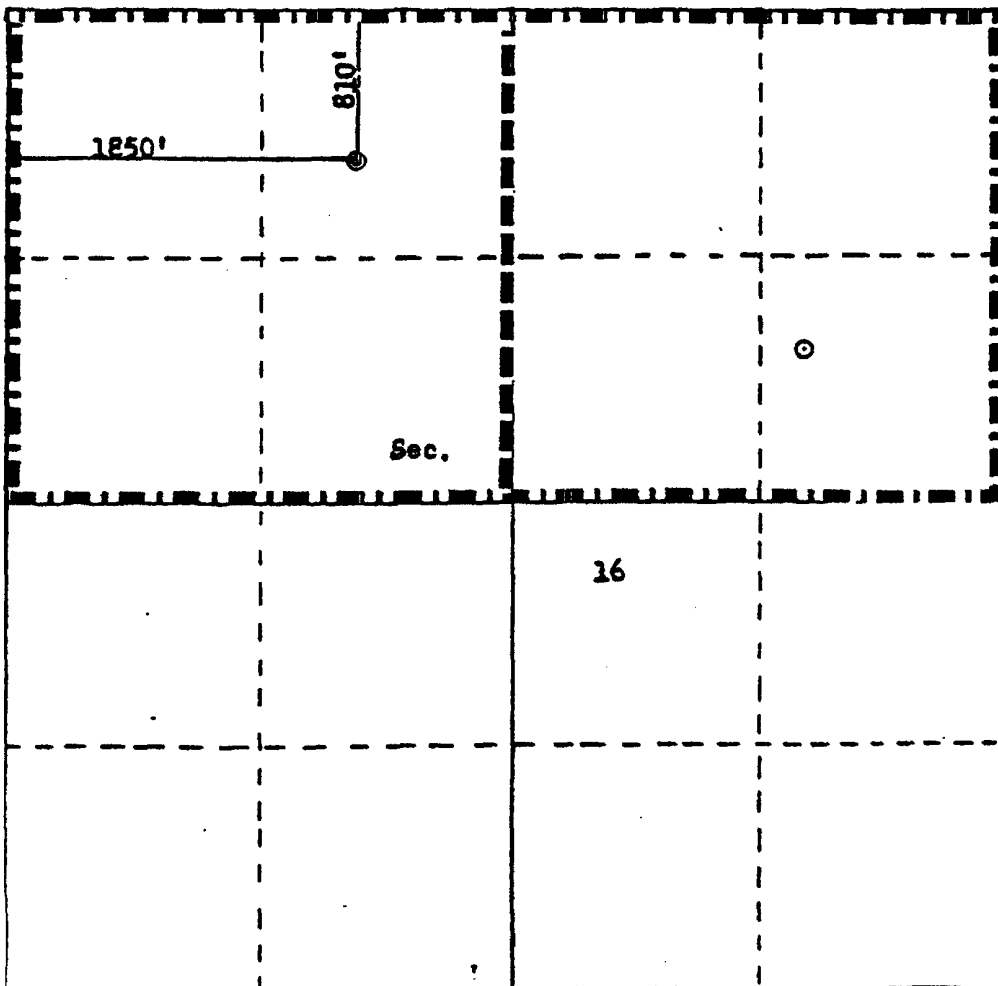
Operator <b>TENNECO OIL COMPANY</b>			Lease <b>JICARILLA "B"</b>		Well No. <b>75</b>
Unit Letter <b>C</b>	Section <b>16</b>	Township <b>26N</b>	Range <b>5W</b>	County <b>Rio Arriba</b>	
Actual Footage Location of Well <b>810</b> feet from the <b>North</b> line and <b>1850</b> feet from the <b>West</b> line					
Ground Level Elev: <b>6602</b>	Producing Formation <b>Dakota</b>	Pool <b>Basin Dakota / Und. Chaco</b>	Dedicated Acreage <b>320/160</b> Acres		

1. Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

Yes    No   If answer is "yes," type of consolidation \_\_\_\_\_

If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) \_\_\_\_\_

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Commission.



### CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

*Donell Morrison*

Name	<b>Donell Morrison</b>
Production Analyst	
Position	
Tenneco Oil Company	
Company	
Date	<b>10-13-81</b>
Date	

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.

Date Surveyed	<b>October 13, 1981</b>
Registered Professional Engineer and Land Surveyor	<i>[Signature]</i>
Professional Engineer No.	<b>10000</b>
Surveyor No.	<b>10000</b>

NEW MEXICO ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION

AD  
JK  
@

ADMINISTRATIVE ORDER DHC-1156

Amoco Production Company  
P.O. Box 800  
Denver, Colorado 80201-0800

RECEIVED  
OCT 11 1955

Attention: Ms. Pamela Staley

OIL CONSERVATION DIVISION

*Jicarilla 'B' Well No. 7E  
Unit C, Section 16, Township 26 North, Range 5 West, NMPM,  
Rio Arriba County, New Mexico.  
Otero Chacra (Gas) and Basin Dakota (Prorated Gas) Pools*

Dear Ms. Staley:

Reference is made to your recent application for an exception to Rule 303-A of the Division Rules and Regulations to permit the subject well to commingle production from both pools in the wellbore.

It appearing that the subject well qualifies for approval for such exception pursuant to the provisions of Rule 303-C, and that reservoir damage or waste will not result from such downhole commingling, and correlative rights will not be violated thereby, you are hereby authorized to commingle the production as described above and any Division Order which authorized the dual completion and required separation of the two zones is hereby placed in abeyance.

In accordance with the provisions of Rule 303-C-4., total commingled oil production from the subject well shall not exceed 30 barrels per day, and total water production shall not exceed 60 barrels per day. The maximum amount of gas which may be produced daily from the well shall be determined by Division Rules and Regulations or by the gas allowable for each respective prorated pool as printed in the Division's San Juan Basin Gas Proration Schedule.

Assignment of allowable to the well and allocation of production from the well shall be on the following basis:

Otero Chacra (Gas) Pool	Oil 0%	Gas 44%
Basin Dakota (Prorated Gas) Pool	Oil 100%	Gas 56%

*Administrative Order DHC-1156*  
*Amoco Production Company*  
*October 4, 1995*  
*Page 2*

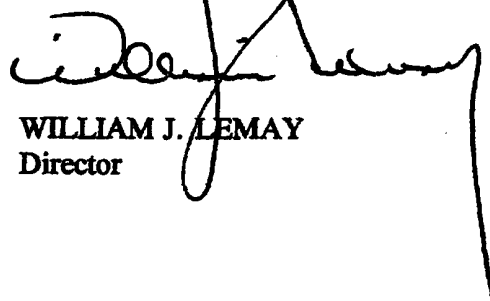
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REMARKS: The operator shall notify the Aztec District Office of the Division upon implementation of the commingling process.

Pursuant to Rule 303-C-5, the commingling authority granted by the order may be rescinded by the Division Director if, in his opinion, conservation is not being best served by such commingling.

Approved at Santa Fe, New Mexico on this 4th day of October, 1995.

STATE OF NEW MEXICO  
OIL CONSERVATION DIVISION



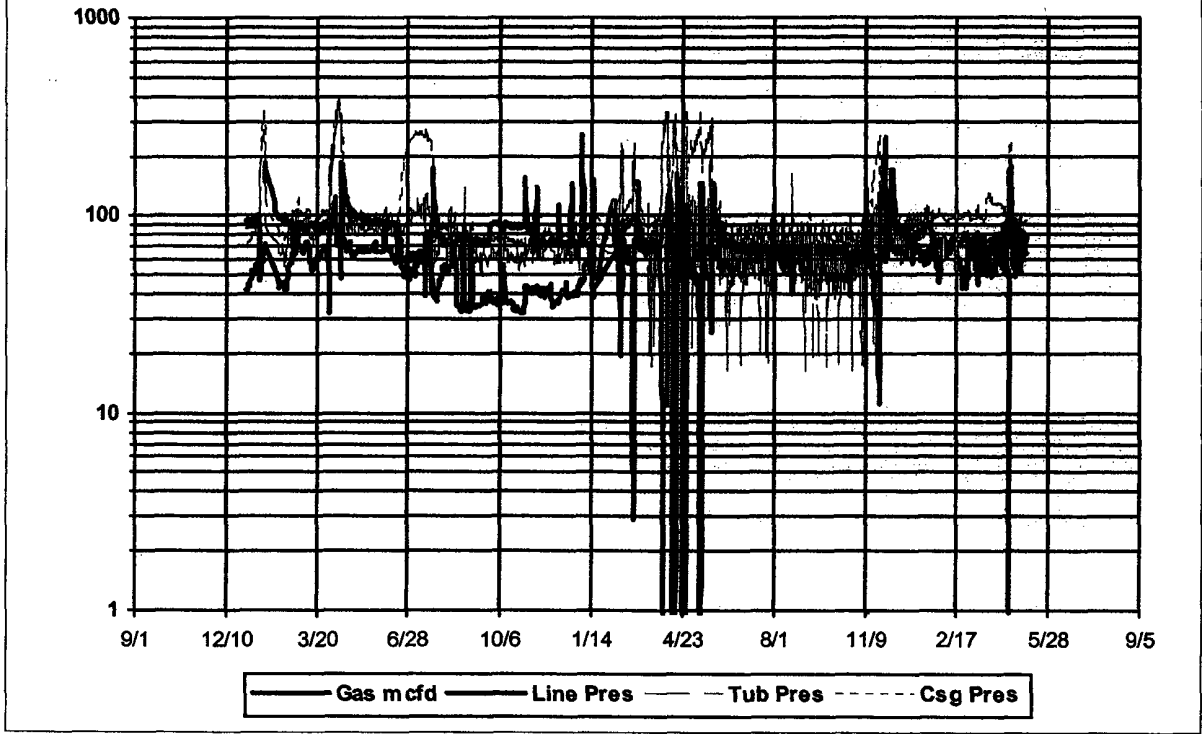
WILLIAM J. LEMAY  
Director

S E A L

WJL/BES

cc: Oil Conservation Division - Aztec ✓  
Bureau of Land Management - Farmington

'JICARILLA B 007E-DK/CH API: 30-039-22895' (11/28/02 - 5/4/05)



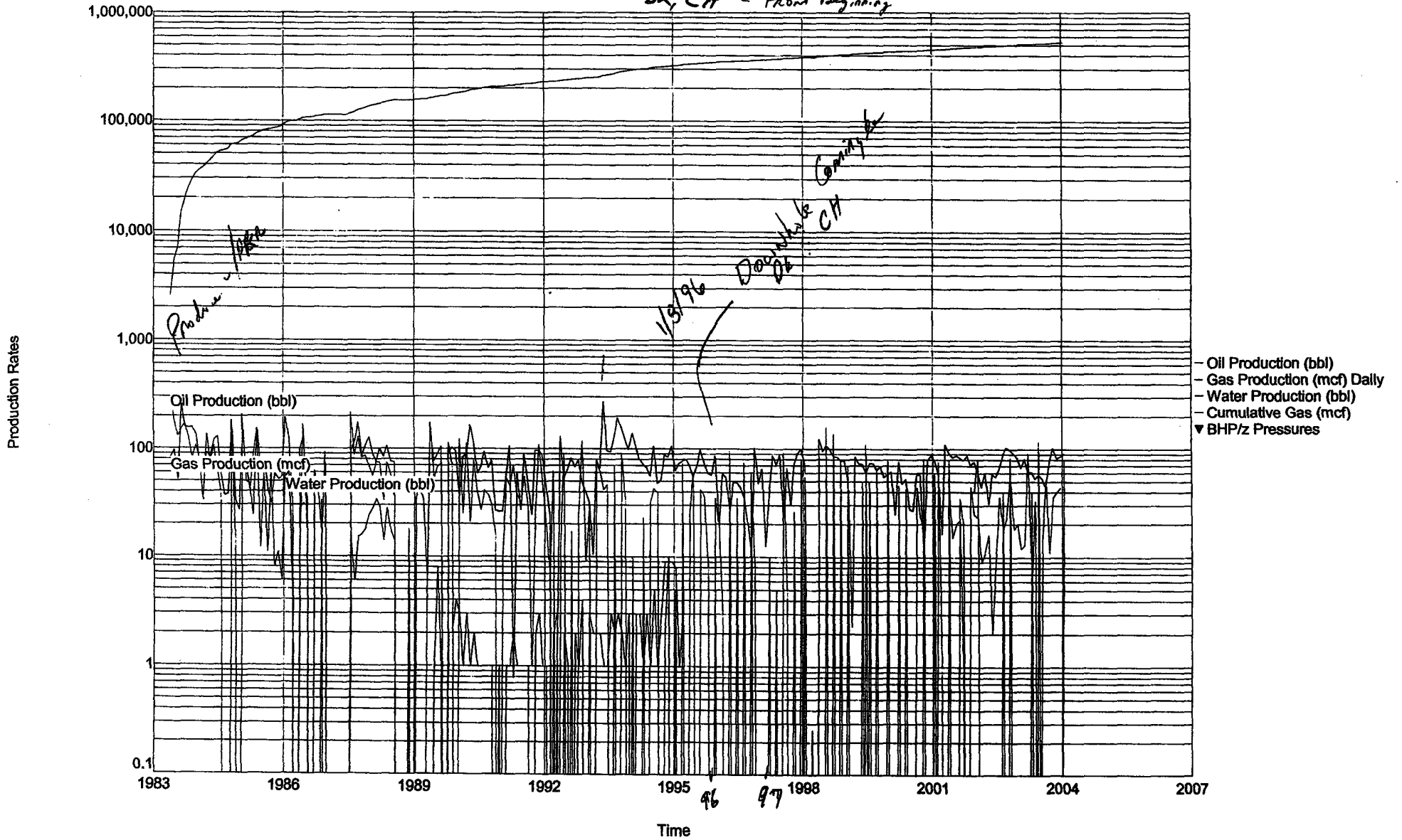
MAX BU psi -  $\frac{Csg}{389}$   $\frac{Tub}{362}$



Lease Name: JICARILLA B - 7E  
County, State: RIO ARBA, NM  
Operator: CDX RIO LIMITED LIABILITY CORPORATIO  
Field: MULTIPLE  
Reservoir: MULTIPLE  
Location:

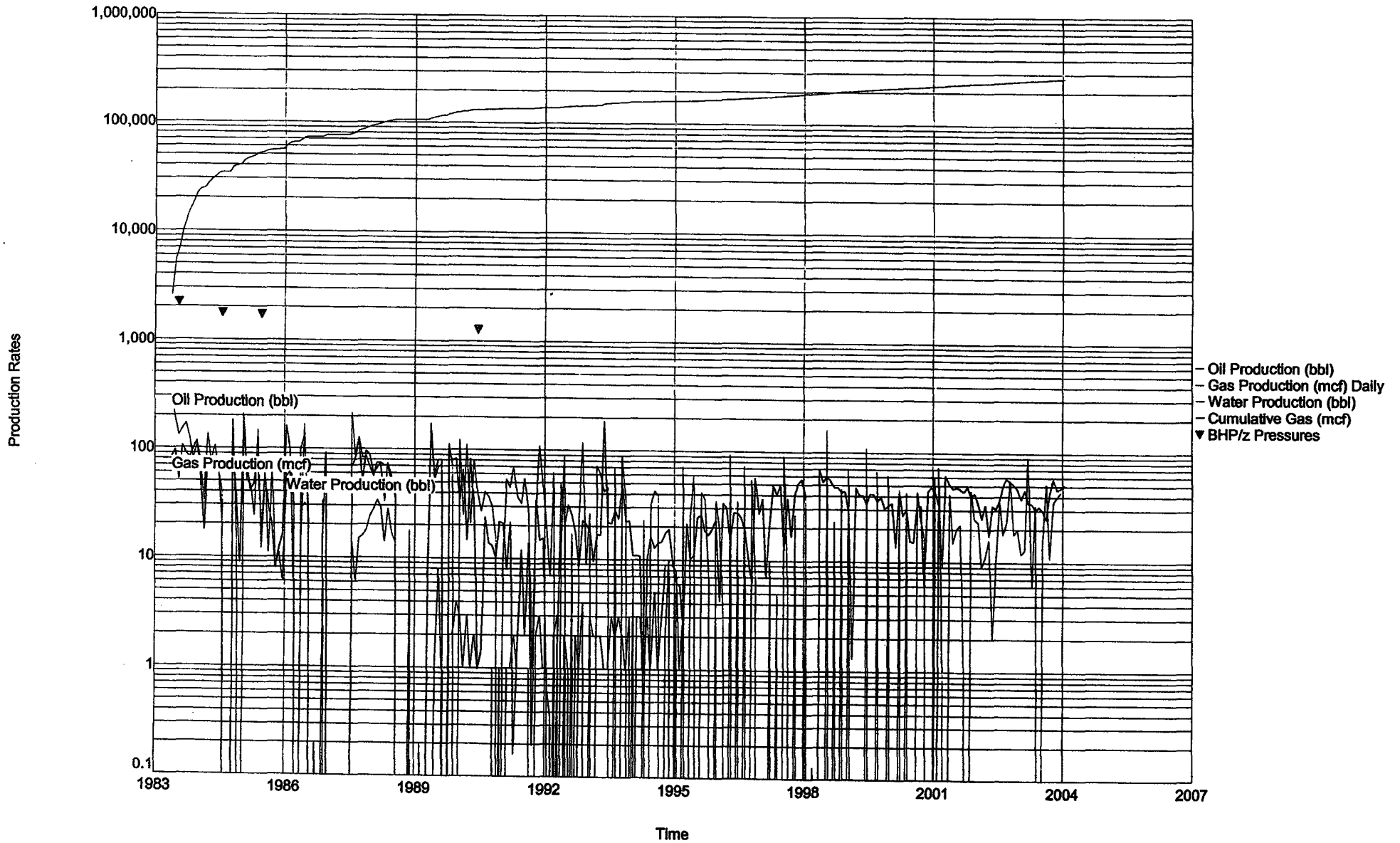
JICARILLA B - (MULTIPLE) B-7E

DK, CH - From Beginning



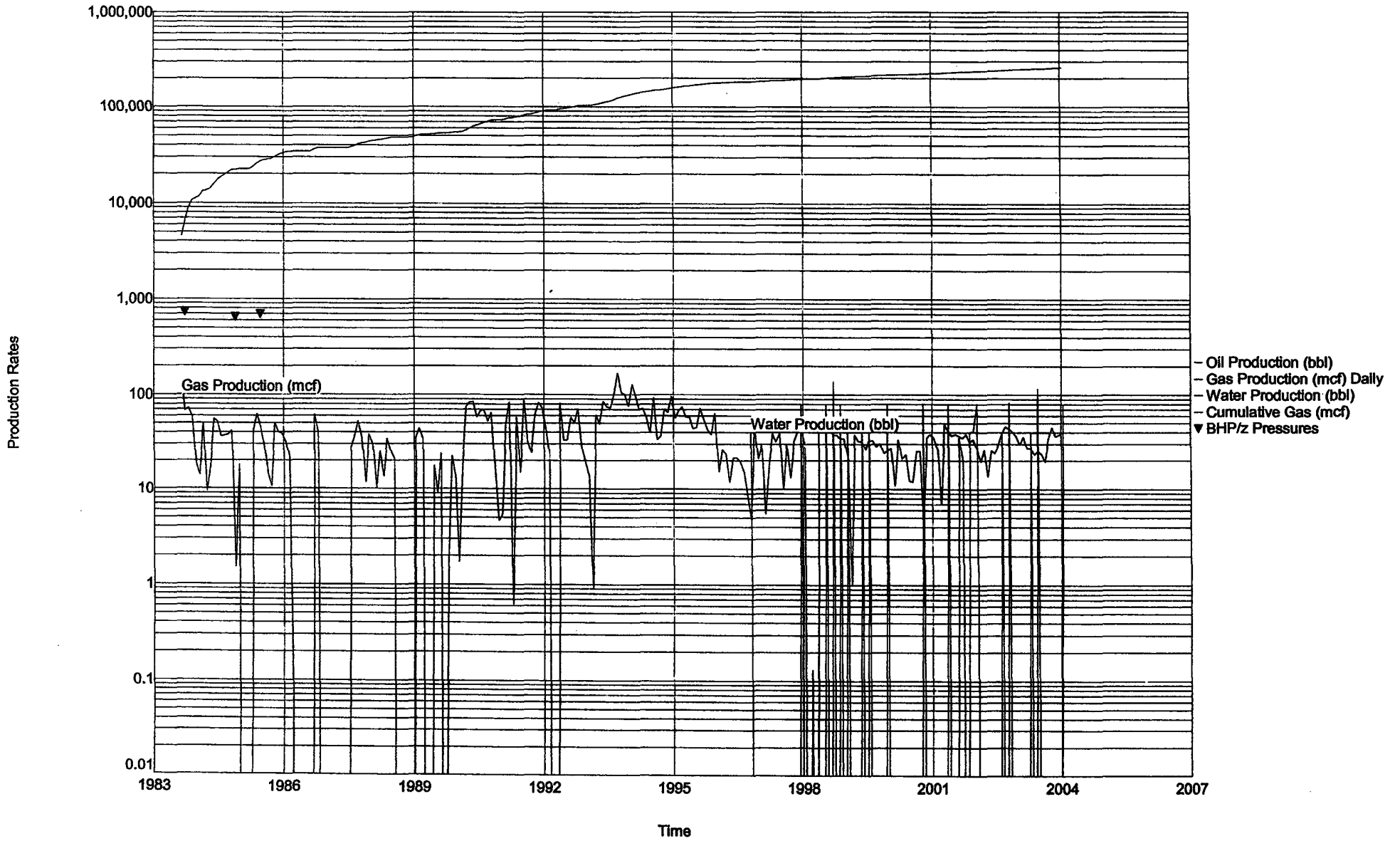
Lease Name: JICARILLA B  
County, State: RIO ARBA, NM  
Operator: CDX RIO LIMITED LIABILITY CORPORATIO  
Field: BASIN  
Reservoir: DAKOTA  
Location: 16 26N 5W SW NE NW

JICARILLA B - 7E ( DAKOTA)



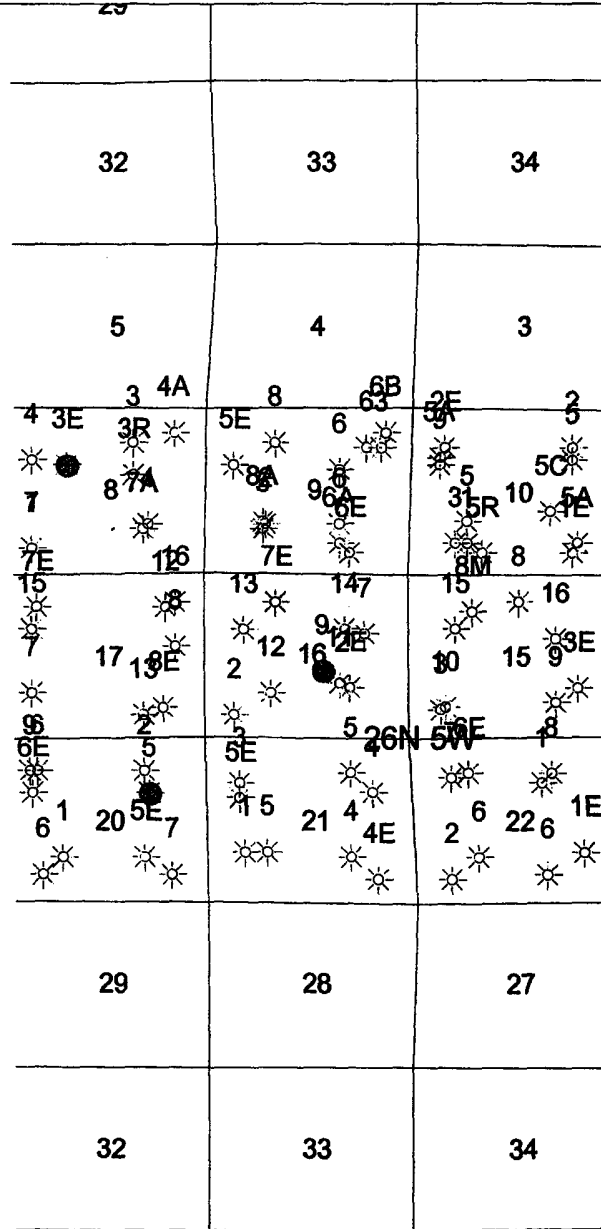
Lease Name: JICARILLA B  
County, State: RIO ARBA, NM  
Operator: CDX RIO LIMITED LIABILITY CORPORATIO  
Field: OTERO  
Reservoir: CHACRA  
Location: 16 26N 5W SW NE NW

JICARILLA B - 7E ( CHACRA)



# PI/Dwights PLUS on CD Map Report

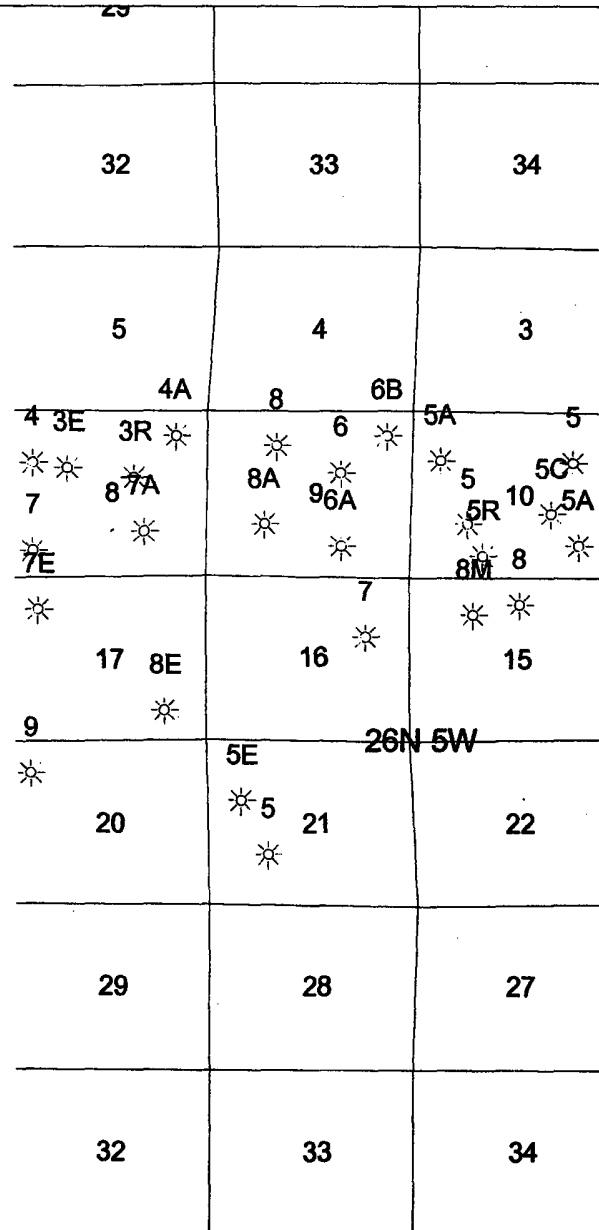
*ALL WELLS*





**PI/Dwights PLUS on CD Map Report**

MESAVERDE



**PI/Dwights PLUS on CD Map Report**

CHACRA

32	33	34
5	4	3
8	9	10
	7E	
17 8E	16 2E	15
9	26N 5W	
20	21	22
29	28	27
32	33	34

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## **Bureau of Land Management Conditions of Approval:**

- 1) If cement squeeze work is necessary, contact Matt Halbert of the BLM Farmington Field Office @ (505) 599-6350.**
- 2) If this well is located in a Specially Designated Area (SDA), compliance with the appropriate seasonal closure requirements will be necessary.**
- 3) Pits must be lined with an impervious material at least 12 mils thick. The pit must be fenced on three (3) sides during workover operations and on the 4<sup>th</sup> side after the rig moves off location. Pits must be closed within 90 days of completion of the workover operations. Prior to closing the pit the liner must be cut off at mud level.**