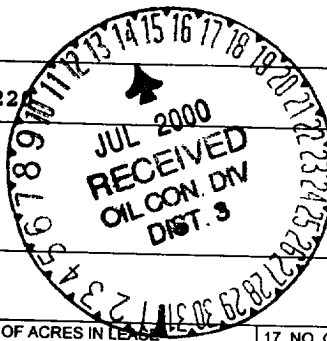


**UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT**

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1a. TYPE OF WORK DRILL <input checked="" type="checkbox"/> DEEPEN <input type="checkbox"/>		5. LEASE DESIGNATION AND SERIAL NO. SF078243	
b. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER <input type="checkbox"/>		6. IF INDIAN, ALLOTTEE OR TRIBE NAME	
2. NAME OF OPERATOR Roddy Production Company Inc.		7. UNIT AGREEMENT NAME	
3. ADDRESS AND TELEPHONE NO. P. O. Box 2221, Farmington, NM 87499 (505) 325-5221		8. FARM OR LEASE NAME, WELL NO. Owen No. 2R	
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.) At surface 955' FNL - 1810' FWL At proposed prod. zone Same		9. API WELL NO. 30-045-30293	
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE 7 miles northwest of Flora Vista, NM		10. FIELD AND POOL, OR WILDCAT Blanco Mesa Verde	
15. DISTANCE FROM PROPOSED LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. 1000' (Also to nearest ddg. unit line, if any)		11. SEC., T., R., M., OR BLK AND SURVEY OR AREA Section 19, T31N, R12W, NMPM	
16. NO. OF ACRES IN LEASE 318.24		12. COUNTY San Juan	
17. NO. OF ACRES ASSIGNED TO THIS WELL 318.24		13. STATE New Mexico	
18. DISTANCE FROM PROPOSED LOCATION TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 2700'		19. PROPOSED DEPTH 4900'	
20. ROTARY OR CABLE TOOLS Rotary		21. ELEVATIONS (Show whether DF, RT, GR, etc.) 5914' GR	
22. APPROX. DATE WORK WILL START As soon as approved		23. PROPOSED CASING AND CEMENTING PROGRAM	



SIZE OF HOLE	GRADE, SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12.250"	9.625", J-55	36	300'	188.80cf, circulate to surface
7.875"	4.500", J-55	10.5	4900' ✓	Stage 1: 841.20 cf, circ. to DV tool @ 2440'
				Stage 2: 836.60 cf, circ. to surface ✓

Roddy Production Company Inc. will spud in the Nacimiento formation. Will drill a 12.250" surface hole to 300' using a fresh water mud. Run and cement surface casing with cement returns to surface. WOC 12 hours. Nipple up casing head and BOPE. Test BOPE and surface casing to a minimum of 600 psig for 15 minutes. Drill 7.875" hole to Total Depth of 4900' using fresh water mud. No abnormal pressure or poisonous gas is anticipated. Run production casing with a mechanical DV tool at 2440'. Cement in two stages with cement returns to surface. Release drilling rig. Move in completion rig. Run cased hole correlation logs. Pressure test casing to 3000 psig. Perforate select Mesa verde intervals and stimulate with a fresh water base fluid and 1500 # of sand per foot of pay. Install production equipment.

Surface is Federal; BLM.

This APD requests an existing road right of way as outlined in the original surface use plan.

This APD is to drill a replacement well bore. The original plan to re enter the Snyder Oil, Southern Union # 2E has been abandoned.

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured true vertical depths. Give blowout preventer program, if any.

SIGNED

TITLE Business ManagerDATE June 28, 2000

(This space for Federal or State office use)

PERMIT NO. J.L.APPROVAL DATE 7-12-00

NMOCD

District II
PO Drawer DD, Artesia, NM 88211-0719

District III
1000 Rio Brazos Rd., Aztec, NM 87410

District IV
PO Box 2088, Santa Fe, NM 87504-2088

State of New Mexico
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION
PO Box 2088
Santa Fe, NM 87504-2088

Form C-102
Revised February 21, 1994
Instructions on back
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-045-30293	Pool Code 72319	Pool Name BLANCO MESAVERDE
Property Code 25717	Property Name OWEN	Well Number 2R
GRID No. 036845	Operator Name RODDY PRODUCTION COMPANY INC.	Elevation 5914'

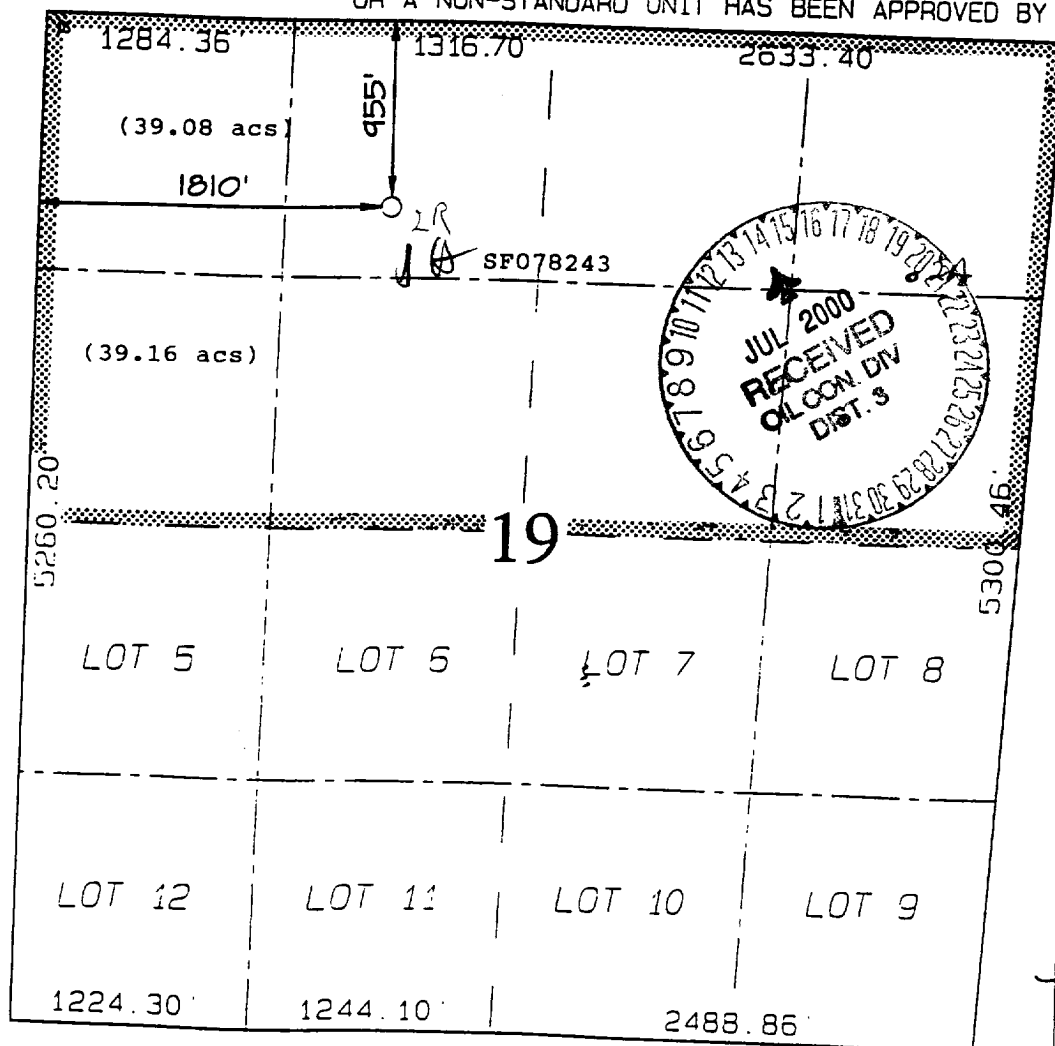
10 Surface Location

UL or lot no.	Section	Township	Range	Lot 10	Feet from the	North/South line	Feet from the	East/West line	County
C	19	31N	12W		955	NORTH	1810	WEST	SAN JUAN

11 Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot 10	Feet from the	North/South line	Feet from the	East/West line	County
Dedicated Acres 318.24		Joint or Infill Y		Consolidation Code		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



17 OPERATOR CERTIFICATION

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

R. E. Fielder
Signature

R. E. Fielder
Printed Name

Business Manager
Title

June 21, 2000
Date

18 SURVEYOR CERTIFICATION

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

JUNE 15, 2000
Date of Survey

Signature and Seal
NEALE C. EDWARDS

6857
Certificate Number

Roddy Production Company

Ten Point Program

Owen No. 2R

Page Two

4. Casing and Cementing Program: continued

A 4½", 10.5 ppf, J or K - 55, ST&C production casing string will be run to Total Depth in a 7⅞" hole. This string will be cemented to surface in two stages with a DV tool at 2440 '±. Stage One will be cemented with 110 sacks of Class B with 3 % Econolite, 0.5 pps flocele, and 5 pps gilsonite (yield = 2.88 cf / sack) followed with 380 sacks of 50 / 50 Class B Poz with 2 % gel, 0.25 pps flocele, 5 pps gilsonite, 0.2 % dispersant, 0.4 % fluid loss additive, and 0.1 % retarder. Yield of the tail slurry = 1.38 cf / sack. Volume is 50 % excess over gauge hole volume to circulate to the DV tool. Circulate and WOC 4 hours between stages. Cement Stage Two with 270 sacks Class B with 3 % Econolite, 0.5 pps flocele, and 5 pps gilsonite (yield = 2.88 cf / sack) followed by 50 sacks Class B with 2 % CaCl₂ and 0.25 pps flocele. Yield of tail slurry = 1.18 cf / sack. Volume is 50 % excess over gauge hole volume to circulate to surface. Cement volume is subject to review after review of open hole caliper log. If cement does not circulate the top will be determined by a cement bond log run during completion operations. Minimum clearance between the couplings and hole is 1.4375". Safety factors used in the design of this string are: Burst = 1.1; Collapse = 1.125; and tension = 1.8 or 100,000 # overpull, whichever is greater.

Centralizers: Surface String: 3 - 9⅝" X 12¼" bowspring run in middle of shoe joint and then spaced evenly between shoe joint and 100 '.

Production String: 11 - 4½" X 7⅞" bowspring and 5 - 4½" X 7⅞" turbolizers. Turbolizers to be spaced from below DV tool to Fruitland Coal and one at top of Kirtland.

Float Equipment: Surface string: Cement nose guide shoe. Production string: Cement nose guide shoe and self fill float collar. Mechanical DV tool run 40 ' below Lewis top. Two metal petal cement baskets, one on each of two joints below DV tool.

Following the completion of each cementing operation, a sundry notice detailing the cement volume and density will be submitted.

5. Pressure Control Equipment:

A minimum of a 3M psi BOP well control system will be utilized. BOPE will be installed and pressure tested to a minimum of 600 psig before drilling the surface casing shoe and then will be checked daily for correct mechanical operation. Blind rams will be operated on each trip out of the hole.

A full opening drill pipe safety valve will be on the drill floor at all times and will be capable of fitting all connections.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir.

Use "APPLICATION FOR PERMIT--" for such proposals

SUBMIT IN TRIPLICATE

1. Type of Well
☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator

Roddy Production Company, Inc.

3. Address and Telephone No.

P.O. Box 2221, Farmington, NM 87499 (505) 325-5220

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

955' FNL - 1810' FWL, Section 19, T31N, R12W, NMPM

5. Lease Designation and Serial No.

SF078243

6. If Indian, Allottee or Tribe Name

7. If Unit or CA, Agreement Designation

8. Well Name and No.

Owen No. 2R

9. APN Well No.

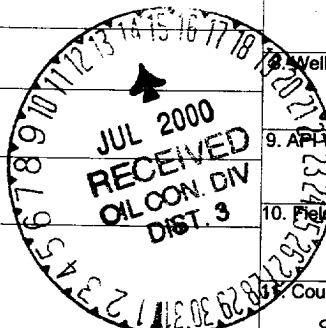
30-045-30293

10. Field and Pool, or Exploratory Area

Blanco Mesa Verde

County or Parish, State

San Juan, New Mexico



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

TYPE OF SUBMISSION

- ☒ Notice of Intent
☐ Subsequent Report
☐ Final Abandonment Notice

TYPE OF ACTION

- ☐ Abandonment
☐ Recompletion
☐ Plugging Back
☐ Casing Repair
☐ Altering Casing
☐ Other
☒ Change of Plans
☐ New Construction
☐ Non-Routine Fracturing
☐ Water Shut-Off
☐ Conversion to Injection
☐ Dispose Water

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)

SUNDRY TO ABANDON RE-ENTRY AND DRILL NEW REPLACEMENT WELLBORE.

Roddy Production Company was unable to obtain an adequate pressure test on the upper 52' of the 4 1/2 casing in this proposed re-entry. Top of cement inside the 4 1/2 was tagged at 52'. Top of cement in the 8 5/8 x 4 1/2 annulus was tagged at 30'. The casing was pressured to 3050 psig and bled off to 1970 psig during a 15 minute test. It was still losing 20 psig/minute at the end of the test period. No steady pump in rate could be attained. The 8 5/8 x 4 1/2 annulus was filled (from surface) with 17 sacks (11.39 cf) of Qikcrete. Roddy proposes to abandon this re-entry attempt by filling the top 52' of 4 1/2" casing with cement. The casing will be cut off below ground level until completion of the proposed new wellbore and then the So. Union #2E dry hole marker will be put back on.

Roddy has staked a replacement wellbore at the above footages and will drill and complete this well as outlined in the attached 10 point drilling program. When the So. Union #2E was originally drilled a 300' x 300' area was surveyed for cultural resources and cleared. Roddy proposes to use the existing pad and amend the Surface Use Plan of the existing APD to construct a 60' x 100' unlined reserve pit as shown on the attached Wellsite Layout-Cut/Fill section in the old reserve pit area. After completion of this new wellbore, Roddy will rehab the reserve pit area and re-install the So. Union # 2E dry hole marker.

14. I hereby certify the foregoing is true and correct

Signed

Robert E. Fiddle

Title Business Manager

Date June 28, 2000

(This space for Federal or State office use)

Approved by

Conditions of approval, if any:

Title

Date

NMOC