

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
OMB No. 1004-0135  
Expires July 31, 1996

**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

LOUIS DREYFUS NATURAL GAS CORP.

3a. Address 14000 Quail Springs Parkway  
Suite 600, Oklahoma City, OK 73134

3b. Phone No: (include area code)  
(405) 749-5287

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

660' FNL & 2310' FEL  
NW/4 NE/4 (B) Sec. 33-T22S-R26E

5. Lease Serial No.  
NM 34247

6. If Indian, Allottee or Tribe Name

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

NMNM 87881

8. Well Name and No.

Sheep Draw Fed. Com. #1

9. API Well No.

30-015-26847

10. Field and Pool, or Exploratory Area

Sheep Draw; Strawn (Gas)  
Happy Valley; Morrow (Gas)

11. County or Parish, State

Eddy County, NM

**12. CHECK 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 <u>Commingling</u>
	<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 recompleat 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 recompleat 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.)

The New Mexico EMNRD Oil Conservation Division has approved Louis Dreyfus Natural Gas Corp. application to commingle production in the wellbore of the Sheep Draw Fed. Com. #1 well (copy of Order DHC-2480 attached.) As stated in the application, communication has developed between the Strawn and Morrow. The Strawn has been producing through the tubing due to a leak in the sliding sleeve since January 3, 1999.

All production has been incorrectly reported to the Morrow. When LDNGC became aware of the problem, we applied for approval to continue commingling. The production reporting will be corrected with all production since January 3, 1999 being allocated 83% to the Happy Valley, Morrow and 17% to the Sheep Draw pools.

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

Terrye D. Bryant

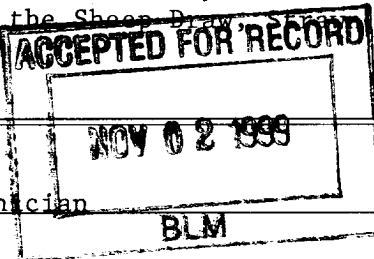
Signature

Title

Regulatory Technician

Date

10/20/99



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

Approved by

Title

Date

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, makes 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.