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670 Farmington, NM

Form approved.  
OMB No. 1004-0136  
Expires: November 30, 2000

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR REENTER

1a. Type of Work <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		5. Lease Serial No. NMSF-078895
1b. Type of Well: <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input checked="" type="checkbox"/> SINGLE ZONE <input type="checkbox"/> MULTIPLE ZONE		6. If Indian, Allottee or Tribe Name
2. Name of Operator Dominion Oklahoma Texas E&P, Inc.		7. If Unit or CA Agreement, Name and No.
3a. Address 14000 Quail Spgs Parkway, Okla. City, OK 73134	3b. Phone No. (include area code) 405-749-1300	8. Lease Name and Well No. Mudge A, Well #5R
4. Location of Well (Report location clearly and in accordance with any state requirements.) At surface 1560' FSL & 1570' FEL (UL J) NW 1/4 SE 1/4 At proposed prod. zone		9. API Number 3004531983
14. Distance in miles and direction from nearest town or post office* 10.7 miles SW of Bloomfield, NM		10. Field and Pool, or Exploratory Basin Fruit land coal Kutz Pictured Cliffs; West
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drlg. unit line, if any) 1570'		11. Sec., T., R., M., or Blk and Survey or Area J 6-27N-11W
16. No. of Acres in lease 1906.27		12. County of Parish San Juan
17. Spacing Unit dedicated to this well 320.45 F/L 160 SE 1/4		13. State NM
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. 587' from Mudge A #5 *		20. BLM/BIA Bond No. on file 76S 63050 701
21. Elevations (Show whether DF, KDB, RT, GL, etc.) 6058' GL		22. Approximate date work will start* 1-Jan-04
		23. Estimated duration 13 days

24. Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1, shall be attached to this form:

- |   |  |
|---|--|
| 1. Well plat certified by a registered surveyor.  | 4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).    |
| 2. A Drilling Plan.   | 5. Operator certification.   |
| 3. A Surface Use Plan (If the location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office). | 6. Such other site specific information and/or plans as may be required by the authorized officer. |

25. Signature <i>Carla Christian</i>	Name (Printed/Typed) Carla Christian	Date 11/03/03
Title Regulatory Specialist		
Approved by (Signature)	Name (Printed/Typed)	Date
Title Office		

Application approval 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.  
Conditions of approval, if any, are attached.

Title 18 U.S.C. Section 1001, 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 reverse)

\* Well #5 will be plugged if 5R is successful.

This action is subject to technical and procedural review pursuant to 43 CFR 3165.3 and appeal pursuant to 43 CFR 3165.4

DRILLING OPERATIONS ARE SUBJECT TO COMPLIANCE WITH ALL BLM "GENERAL REQUIREMENTS".

NMOC

## District I

P.O. Box 1980, Hobbs, NM 88241-1980

## District II

811 South First, Artesia, NM 88210

## District III

1900 Rio Brazos Rd., Aztec, NM 87418

## District IV

2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico  
Energy, Minerals & Natural Resources Department

## OIL CONSERVATION DIVISION

2040 South Pacheco

Santa Fe, NM 87505

Form C-102

Revised October 18, 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 3005-31983		Pool Code 71629	Pool Name Basin Fruitland Coal
Property Code 5965	Property Name MUDGE		Well Number A-5R
OGRID No. 025773	Operator Name Dominion Oklahoma Texas E&P, Inc.		Elevation 6058.0

## 10 Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
J	6	27N	11W		1560	SOUTH	1570	EAST	SAN JUAN

## 11 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

" Dedicated Acres	" Joint or Infill	" Consolidation Code	" Order No.
320			

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

NORTH	16	2616.57	N 89° 50' E	2616.57	17 OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief  Signature <u>Carla Christian</u> Printed Name <u>Carla CHristian</u> Title <u>Regulatory Specialist</u> Date <u>May 4, 2004</u>
	2640				
	2618.55	N 89° 58' E	2618.55	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.  Date of Survey <u>May 19, 1999</u> Signature <u>Cecil B. Tull</u> <u>Cecil B. Tull</u> <u>REGISTERED PROFESSIONAL SURVEYOR</u> <u>NEW MEXICO</u> Certificate Number <u>2012</u>	

District I  
1400 Box 1980, Hobbs, NM 88241-1980  
District II  
811 South First, Artesia, NM 88210  
District III  
1000 Rio Brazos Rd., Aztec, NM 87410  
District IV  
2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico  
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION  
2040 South Pacheco  
Santa Fe, NM 87505

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NOV 04 1999

Form C-102  
Revised October 18, 1994  
Instructions on back  
Submit to Appropriate District Office  
State Lease - 4 Copies  
Fee Lease - 3 Copies

☐ AMENDED REPORT

BUREAU OF LAND MANAGEMENT  
FARMINGTON FIELD OFFICE

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-045-31983	Pool Code 79680	Pool Name KUTZ PICTURED CLIFFS, WEST (GAS)
Property Code 5965	Property Name MUDGE	Well Number A-5R
OGRID No. 025773	Operator Name LOUIS DREYFUS NATURAL GAS CO.	Elevation 6058.0

10 Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
J	6	27N	11W		1560	SOUTH	1570	EAST	SAN JUAN

11 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

12 Dedicated Acres	13 Joint or Infill	14 Consolidation Code	15 Order No.
160			

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

16	2616.57	N 89° 50' E	2616.57
2640			
2640			
2618.55	N 89° 58' E	2618.55	

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

Signature: *Terrye D. Bryant*  
Printed Name: Terrye D. Bryant  
Title: Regulatory Technician  
Date: November 2, 1999

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.

Date of Survey: 11/2/99  
Signature: *Cecil B. Tullis*  
Certificate Number: 9072

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENTFORM APPROVED  
OMB NO. 1004-0135  
Expires: November 30, 2000**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 <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		7. If Unit or CA/Agreement, Name and/or No.
2. Name of Operator DOMINION OK TX EXPL & PROD INC		8. Well Name and No. MUDGE A 5R
Contact: CARLA CHRISTIAN E-Mail: Carla_M_Christian@dom.com		9. API Well No. 30-045-31983-00-X1
3a. Address 14000 QUAIL SPRINGS PARKWAY, SUITE 600 OKLAHOMA CITY, OK 73134	3b. Phone No. (include area code) Ph: 405.749.5263 Fx: 405.749.6690	10. Field and Pool, or Exploratory WEST KUTZ PICTURED CLIFFS
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 6 T27N R11W NWSE 1560FSL 1570FEL		11. County or Parish, and State SAN JUAN COUNTY, 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 type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	Change to Original A
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	PD

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/BLA. 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.)

Dominion would like to add the Basin Fruitland Coal as a Primary Objective along with the Kutz Pictured Cliffs; West.



14. I hereby certify that the foregoing is true and correct. <b>Electronic Submission #30206 verified by the BLM Well Information System</b> <b>For DOMINION OK TX EXPL &amp; PROD INC, sent to the Farmington</b> <b>Committed to AFMSS for processing by ADRIENNE GARCIA on 05/03/2004 (04AXG2362SE)</b>	
Name (Printed/Typed) CARLA CHRISTIAN	Title AUTHORIZED REPRESENTATIVE
Signature (Electronic Submission)	Date 05/03/2004

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

Approved By <u>/s/ David J. Mankiewicz</u>	Title	MAY - 7 2004
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.

**\*\* BLM REVISED \*\* BLM REVISED \*\* BLM REVISED \*\* BLM REVISED \*\* BLM REVISED \*\*****NMOCD**



November 3, 2003

United States Department of the Interior  
Bureau of Land Management  
Farmington District Office  
1235 La Plata Highway  
Farmington, New Mexico 87401-1808

Re: Application for Permit to Drill  
Dominion Oklahoma Texas E&P, Inc.  
Mudge A Lease, Well No. 5R  
San Juan County, New Mexico  
Lease NMSF – 078895

Gentlemen:

Dominion Oklahoma Texas E&P, Inc. respectfully requests permission to drill our Mudge A Well No. 5R located 1560' FSL and 1570' FEL of Section 6-T27N-R11W, San Juan County, New Mexico, Federal Lease NMSF-078895. The proposed well will be drilled to a TVD of approximately 2,000'. The location and work area have been staked approximately 7.5 miles Southwest of Bloomfield, New Mexico.

In accordance with requirements stipulated in Federal Onshore Oil and Gas Order No. 1 under 43 CFR 3162.1, our Application for Permission to Drill and supporting evidence is hereby submitted.

1. Application for Permit to Drill:
  1. Form 3160.3, Application for Permit to Drill
  2. Form C-102 Location and Acreage Dedication Plat certified by Cecil B. Tullis, Registered Land Surveyor No. 9672 in the State of New Mexico, dated July 19, 1999.
  3. The elevation of the unprepared ground is 6058 feet above sea level.
  4. The geologic name of the surface formation is Shiprock.
  5. Rotary drilling equipment will be utilized to drill the well to TD 2,000' (TVD), and run casing. This equipment will then be rigged down and the well will be completed with a pulling unit.
  6. Proposed total depth is 2,000' TVD.

7. Estimated tops of important geologic markers:

Ojo Alamo	600' TVD
Kirtland Shale	685' TVD
Fruitland Coal	1,750' TVD
Pictured Cliffs	1,770' TVD

8. Estimated depths at which anticipated water, oil, gas or other mineral bearing formations are expected to be encountered:

Primary Objective: Pictured Cliffs 2,000' TVD

9. The proposed casing program is as follows:

Surface: 8 5/8" 32# J-55 casing set at 250'

Production: 5 1/2" 17# J-55 casing set from 0-2,000'.

10. Casing setting depth and cementing program:

- a. 8 5/8" surface casing set at 250' in 11" hole. Circulate cement with 140 sx. Class "H" + 3% CaC12 + .25#/sx. Cello-Seal. Yield = 1.15 cf/sk. Includes 100% excess.

If cement does not circulate, a temperature survey will be run to find the TOC and then finish cementing to surface through 1" using Class H with 3% CaC12.

- b. 5 1/2" production casing set at 2000' in 7 7/8" hole. Cement with 200 sx. Halco Light + 5#/sk. Gilsonite + 1/4#/sk. Floccelle followed by 100 sx. 50/50 POZ A + 2% Gel + 0.5% Halad-322.

Estimated top of cement is surface.

Note: Cement volumes may need to be adjusted to hole caliper.

11. Pressure Control Equipment

0'-250'                      None

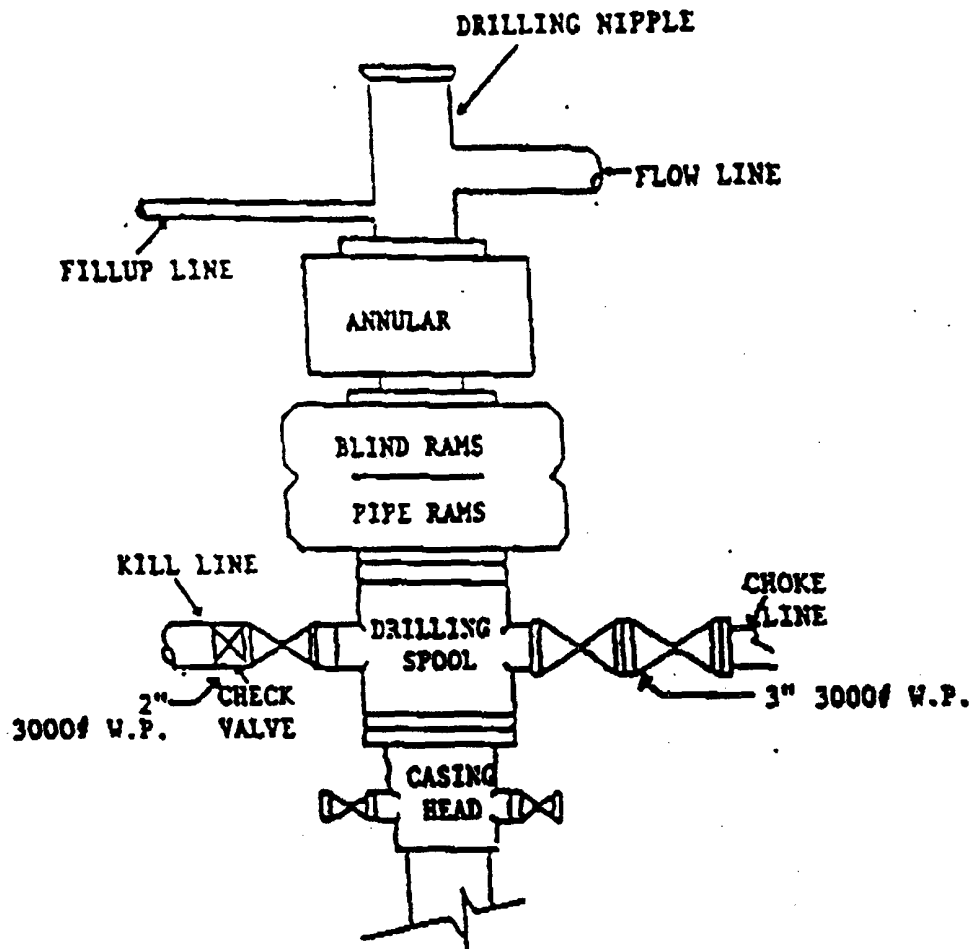
250'-2,000'              Exhibit A, attached to Form 3160-3, is a schematic diagram of the blowout preventer equipment. A 3000# system will be installed, used, maintained and tested in accordance with all requirements specified in Section III A-I of Onshore Order, except where variations are presented in this application.

Minimum standards outlined in Onshore Order 2 will be met for BOP, choke manifold, accumulator system and power for closing unit, and locking devices. Hydraulic controls will be located on the rig floor. Manual controls will be handwheels. Remote control for the accumulator will be 100 – 120 feet from the drill hole. The kill line will not be used as a fill-up line.

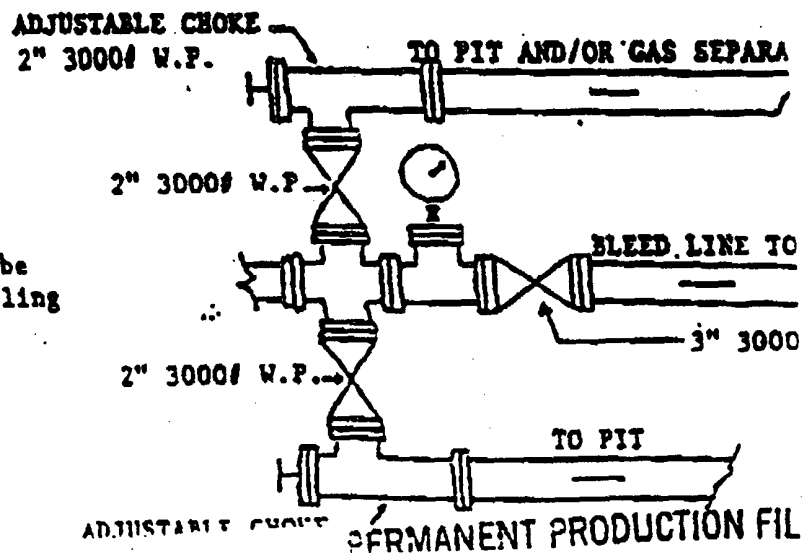
Ram type preventers and associated equipment (choke manifold, Kelly cocks, etc.) shall be pressure tested to 100% of their rated working pressure (with BOP stack isolated from casing by a test plug) for a period of 10 minutes. Annular preventers shall be tested to 50% of rated working pressure for 10 minutes. Tests will be run after initial installation, prior to drilling out of each casing shoe and after any use under pressure, or a minimum of once every 14 days. Pipe rams will be operationally checked each 24-hour period, as will blind rams and annular preventer each time pipe is pulled out of the hole. Annular preventers will be functionally operated at least weekly. Such checks of BOPE will be noted on daily drilling reports.

EXHIBIT "A"

BOP STACK



NOTE: BOP side outlets may be used in place of drilling spool.





# LOUIS DREYFUS NATURAL GAS CORP.

## MUDGE A-5R

EXHIBIT 2  
1560 F/SL & 1570 F/EL  
SECTION 6 T27N R11W N.M.P.M.  
SAN JUAN COUNTY, NEW MEXICO

### PAD LAYOUT AND TOPOGRAPHY

