



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Farmington District Office
6251 College Blvd., Suite A
Farmington, New Mexico 87402
www.blm.gov/nm



In Reply Refer To: NMNM4457
3162.3-1 (211)

April 2, 2013

RCVD APR 3 '13
OIL CONS. DIV.
DIST. 3

Schalk Development Company
P.O. Box 25825
Albuquerque, NM 87125

Dear Sirs:

Please be advised that the following approved Application for Permit to Drill (APD) has expired effective April 2, 2013. If you wish to drill this well at some later date, you must file another application to permit to drill.

Schalk 57 #200S located 745' FNL & 1615' FWL, Section 12, T.30N., R.5W, Rio Arriba County, New Mexico, Lease NMNM4457, API Number: 30-039-30654

If any surface disturbance was conducted, you must file your plans for reclamation.

Under 43 CFR 3165.3, you may request an Administrative Review of any instructions, orders, or decisions issued by the Authorized Officer. Such a request, including all supporting documents, must be filed in writing within 20 business days of receipt of this notice and must be filed with the State Director, Bureau of Land Management, P.O. Box 27115, Santa Fe, New Mexico 87502-0115. Such a request will not result in a suspension of the instructions, orders, or decisions unless the reviewing official so determines. Procedures governing appeals from the instructions, orders, or decisions are contained in 43 CFR 3165.4 and 43 CFR 4.400 et. Seq.

If you have any questions, contact Virginia Barber at (505) 564-7754.

Sincerely,

Virginia Barber
Petroleum Management Team

CC: Well File

NMOCDAV

AFMSS/ybarber/rtn apd/Schalk/04/02/2013

NOS: 0
 APOP: 1/14/09
 MP: 1/14/09
 SMA: 1/14/09
 BOND: 1/14/09
 CAPA: 1/14/09

Form 3160-3
 (August 1999)

*Burlington
 NWNE NW
 HBP Actual*

UNITED STATES
 DEPARTMENT OF THE INTERIOR
 BUREAU OF LAND MANAGEMENT

RECEIVED

JAN 14 2009

FORM APPROVED
 OMB No. 1004-0136
 Expires November 30, 2000

APPLICATION FOR PERMIT TO DRILL OR REENTER

Bureau of Land Management
 Farmington Field Office

1a. Type of Work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		5. Lease Serial No. NM - 4457
b. 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 Schalk Development Company		7. If Unit of CA Agreement, Name and No.
3A. Address c/o Walsh Engineering, 7415 E. Main, Farmington, NM 87402		8. Lease Name and Well No. Schalk 57 #200S
3b. Phone No. (include area code) (505) 327-4892		9. APL Well No. 30-039-30654
4. Location of Well (Report location clearly and in accordance with any State requirements. *) At surface 745' FNL and 1615' FWL NENW		10. Field and Pool, or Exploratory Basin Fruitland Coal
14. Distance in miles and direction from nearest town or post office* 50 miles east of Farmington, NM		11. Sec., T., R., M., or Blk. and Survey or Area Sec. 12, T30N, R5W
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 745'	16. No. of Acres in lease 200	12. County or Parish Rio Arriba
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. 38'	19. Proposed Depth 3410 ft	13. State NM
20. BLM/BIA Bond No. on file NM1791 SW 25	17. Spacing Unit dedicated to this well N/2 268.63 acres	23. Estimated duration
21. Elevations (Show whether DF, KDB, RT, GL, etc.)	22. Approximate date work will start*	

C. HARRADEN/ January 15, 2009
 SCHALK DEVELOPMENT COMPANY/Schalk 57 #200S APD
 STIPULATION/CONDITION OF APPROVAL

A sump/rathole into the non-productive underlying main P.C. ss is proposed by operator. In order to determine that the P.C. fm. in this wellbore is naturally non-productive, the operator is required to have a mudlogger on location to monitor for gas while drilling the P.C. fm.).

Approved by (Signature) <i>Wayne Townsend</i>	Agent Name (Printed/Typed) Wayne Townsend	Date 3/9/09
Title Acting AFM	Office FFO	ENTERED AFMSS

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. * High Priority: Vulnerable Area
 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.

JAN 15 2009

BLM'S APPROVAL OR ACCEPTANCE OF THIS ACTION DOES NOT BELIEVE THE LESSEE AND OPERATOR FROM OBTAINING ANY OTHER AUTHORIZATION REQUIRED FOR OPERATIONS ON FEDERAL AND INDIAN LANDS

FARMINGTON

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 AUTHORIZED ARE SUBJECT TO COMPLIANCE WITH ATTACHED "GENERAL REQUIREMENTS".