

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

**RECEIVED**

SEP 15 2004

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

APPLICATION FOR PERMIT TO DRILL OR REENTER

1a. Type of Work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		Bureau of Land Management Farmington Field Office	
1b. Type of Well: <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		<input type="checkbox"/> Single Zone <input checked="" type="checkbox"/> Multiple Zone	
2. Name of Operator <b>DOMINION OKLAHOMA TEXAS EXPLORATION &amp; PRODUCTION, INC.</b>			
3a. Address <b>14000 QUAIL SPRINGS PKWY, #600 OKLAHOMA CITY, OK. 73134-2600</b>		3b. Phone No. (include area code) <b>(405) 749-1300</b>	
4. Location of Well (Report location clearly and in accordance with any State requirements. *) At surface <b>1275' FSL &amp; 1070' FWL</b> At proposed prod. zone <b>SAME</b>		7. If Unit or CA Agreement, Name and No. <b>N/A</b>	
14. Distance in miles and direction from nearest town or post office* <b>13 AIR MILES SSW OF BLOOMFIELD</b>		9. API Well No. <b>30-045-32582</b>	
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) <b>1,070'</b>		10. Field and Pool, or Exploratory <b>BASIN FRUIT. COAL &amp; W. KUTZ PC</b>	
16. No. of Acres in lease <b>1,200</b>		11. Sec., T., R., M., or Blk. and Survey or Area <b>M 5-26n-11w NMPM</b>	
17. Spacing Unit dedicated to this well <b>320.47 W2 (FRUIT.) &amp; SW4 (PC)</b>		12. County or Parish <b>SAN JUAN</b>	
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. <b>2,207'</b>		13. State <b>NM</b>	
19. Proposed Depth <b>2,000'</b>		20. BLM/BIA Bond No. on file <b>765 63050 701 (NATION WIDE)</b>	
21. Elevations (Show whether DF, KDB, RT, GL, etc.) <b>6,170' GL</b>		22. Approximate date work will start* <b>UPON APPROVAL</b>	
23. Estimated duration <b>2 WEEKS</b>			

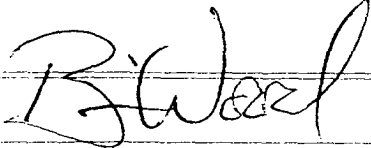
24. Attachments

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. |

Comments

cc:BLM (&OCD), Hammond, Simer, Tribe

25. Signature 	Name (Printed/Typed) <b>BRIAN WOOD</b>	Date <b>9-12-04</b>
Title <b>CONSULTANT</b>	PHONE: <b>505 466-8120</b>	FAX: <b>505 466-9682</b>
Approved by (Signature) <b>Original Signed: Stephen Mason</b>	Name (Printed/Typed)	Date <b>JUN 12 2006</b>
Title	Office	

Application approval does not warrant or certify the 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 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.

This action is subject to technical, legal, 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".

NMOCD

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.*

5. Lease Serial No.

NMSF-078899A

6. If Indian, Allottee or Tribe Name

N/A

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

N/A

8. Well Name and No.

HENERSON 5-2

9. API Well No.

30-045- 32582

10. Field and Pool, or Exploratory Area

BASIN FRUIT. COAL & W KUTZ PC

11. County or Parish, State

SAN JUAN COUNTY, NM

**SUBMIT IN TRIPLICATE- Other instructions on reverse side.**

1. Type of Well

☐ Oil Well

☒ Gas Well

☐ Other

2. Name of Operator

DOMINION OKLAHOMA TEXAS EXPLORATION & PRODUCTION, INC.

3a. Address

14000 QUAIL SPRING PKY , #600, OK CITY, OK 73134

3b. Phone No. (include area code)

405 749-1300

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

1275 FSL & 1070 FWL 5-26N-11W

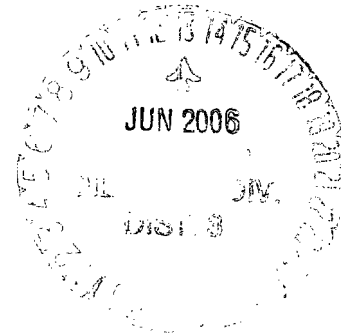
**12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA**

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 C-102
	<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.)

Change acreage dedication from stand up 320 to lay fown 320.

cc: BLM (& OCD), Hammond, Simer



14. I hereby certify that the foregoing is true and correct

Name (Printed/Typed)

BRIAN WOOD

(PHONE 505 466-8120)

Title CONSULTANT

(FAX 505 466-9682)

Signature

*BWood*

Date

01/14/2005

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

Original Signed: Stephen Mason

Approved by

Title

Date

JUN 12 2006

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)

NMOCD

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**

*API Number 30-045-32582	*Pool Code 71629 & 79680	*Pool Name BASIN FRUITLAND COAL & WEST KUTZ PC
*Property Code 30306	*Property Name Henderson	*Well Number 5-2
*OCRID No. 25773	*Operator Name Dominion Oklahoma Texas Exploration & Production Inc.	*Elevation 6170

**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
M	5	26N	11W		1275	South	1070	West	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 320 & 160		*Joint or Infill		*Consolidation Code C		*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

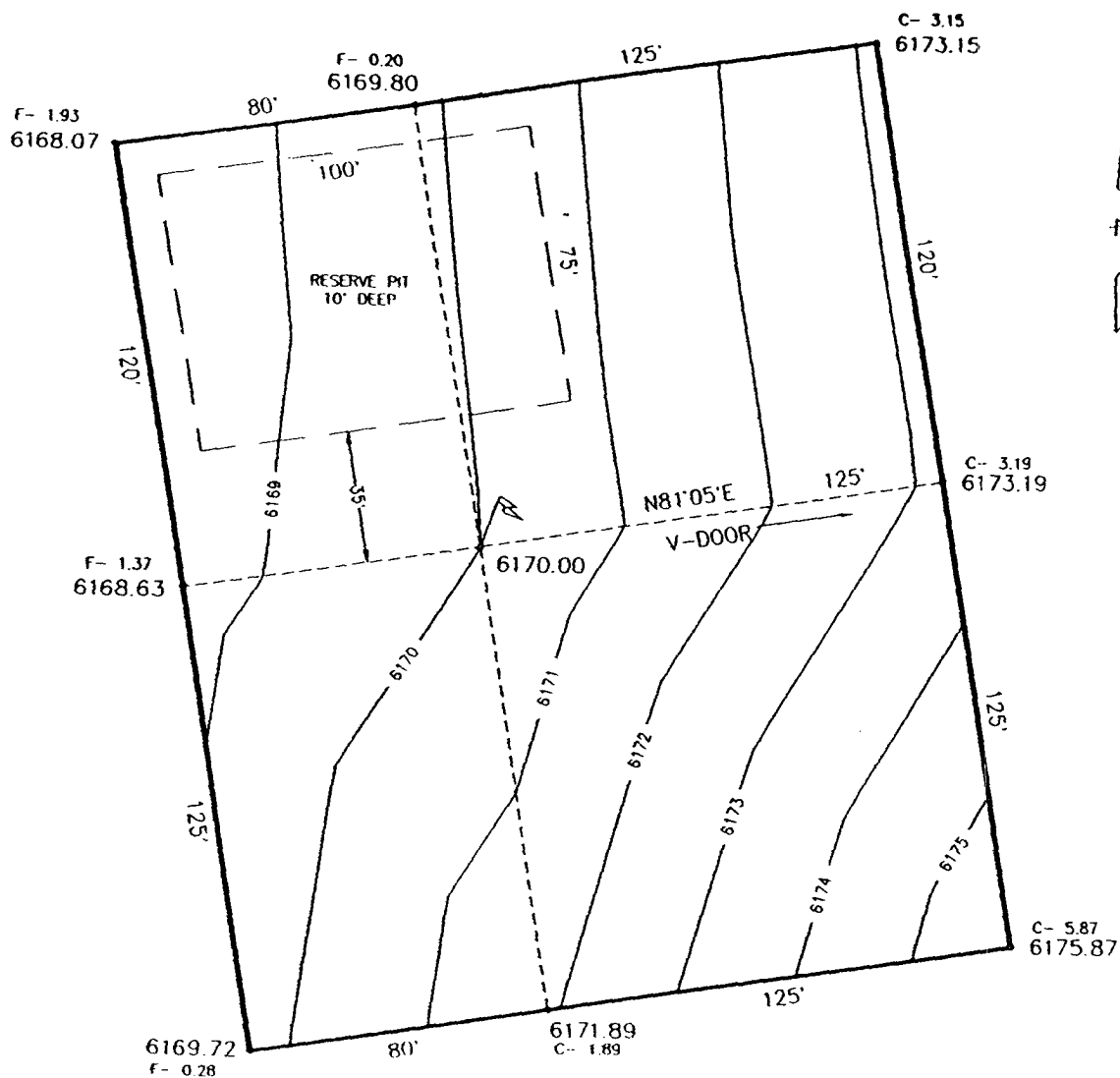
<p>16</p>	<p>17 OPERATOR CERTIFICATION</p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</p> <p>Signature: <i>B. Wood</i></p> <p>Printed Name: BRIAN WOOD</p> <p>Title and E-mail Address: CONSULTANT</p> <p>Date: DEC. 31, 2004</p>
	<p>18 SURVEYOR CERTIFICATION</p> <p>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.</p>
	<p>2003</p> <p>CECIL B. TULLY</p> <p>REGISTERED PROFESSIONAL LAND SURVEYOR</p> <p>NEW MEXICO</p>

AMENDED TO CHANGE FROM STAND UP 320 TO LAYDOWN 320

# Dominion Oklahoma Texas Exploration & Production Inc. Henderson 5-2

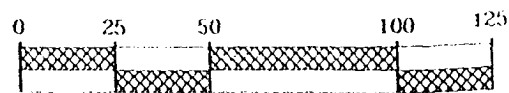
## WELL PAD LAYOUT AND TOPOGRAPHY

HENDERSON 5-2  
1275 F/SL & 1070 F/WL  
SECTION 5 T26N R11W N.M.P.M.  
SAN JUAN COUNTY, NEW MEXICO



CONTOUR INTERVAL = 1'

  
HIGH  
COUNTRY  
SURVEYS  
101 W 32ND STREET  
FARMINGTON, NEW MEXICO  
(505) 376-2959



SCALE 1" = 50'

Dominion Oklahoma Texas Exploration & Production, Inc.  
Henderson 5 #2  
1275' FSL & 1070' FWL  
Sec. 5, T. 26 N., R. 11 W.  
San Juan County, New Mexico

PAGE 1

## Drilling Program

### 1. ESTIMATED FORMATION TOPS

<u>Formation Name</u>	<u>GL Depth</u>	<u>KB Depth</u>	<u>Elevation</u>
Nacimiento	000'	14'	+6,170'
Ojo Alamo Sandstone	350'	364'	+5,900'
Kirtland Shale	751'	765'	+5,500'
Fruitland	1,166'	1,180'	+5,075'
Pictured Cliffs	1,696'	1,710'	+4,550'
Total Depth (TD)*	2,000'	2,014'	+4,170'

\* all elevations reflect the ungraded ground level of 6,242'

### 2. NOTABLE ZONES

#### Gas Zones

Ojo Alamo  
Fruitland  
Pictured Cliffs

#### Water Zones

Nacimiento  
Ojo Alamo  
Fruitland

#### Coal Zones

Kirtland  
Fruitland

Water zones will be protected with casing, cement, and weighted mud. Fresh water encountered during drilling will be recorded by depth, cased, and cemented. Oil and gas shows will be tested for commercial potential based on the well site geologist's recommendations.

### 3. PRESSURE CONTROL

The drilling contract has not yet been awarded, thus the exact BOP model to be used is not yet known. A typical 2,000 psi model is on PAGE 3. It will be installed once the surface casing is cemented.

Dominion Oklahoma Texas Exploration & Production, Inc.  
Henderson 5 #2  
1275' FSL & 1070' FWL  
Sec. 5, T. 26 N., R. 11 W.  
San Juan County, New Mexico

PAGE 2

Onshore Order 2 standards will be followed for BOP, choke manifold, accumulator system, closing unit power, and locking devices installation, operation, maintenance, and tests. Hydraulic controls will be located on the rig floor. Manual controls will be hand wheels. Remote control for the accumulator will be  $\geq 100'$  from the drill hole. Kill line will not be used as a fill line.

Ram type preventers and associated equipment (choke manifold, kelly cocks, etc.) will be tested to 100% of their rated working pressure (BOP stack isolated from casing by a test plug) for 10 minutes. Annular preventers will be tested to 50% of rated working pressure for 10 minutes. Tests will be run after initial installation, before 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 BOP equipment will be noted on daily drilling reports.

#### 4. CASING & CEMENT

<u>Hole Size</u>	<u>O. D.</u>	<u>Weight (lb/ft)</u>	<u>Grade</u>	<u>Age</u>	<u>GL Setting Depth</u>
12-1/4"	8-5/8"	24	J-55	New	250'
7-7/8"	5-1/2"	15.5	J-55	New	2,000'

Surface casing will be cemented to surface with  $\approx 212$  cubic feet (140 sacks) Class III + 2%  $\text{CaCl}_2$  + 1/4 pound per sack cello flake. Yield = 1.52 cubic feet per sack. Weight = 14.5 pounds per gallon. Excess = 100%. At least 3 centralizers will be set.

Production casing will be cemented to the surface with 536 cubic feet ( $\geq 50\%$  excess). Volumes to be determined by caliper. About 10 centralizers will be set. Lead cement will be  $\approx 200$  sacks Class B light cement (65% cement/35% Poz with 6% gel) with 5 pounds per sack gilsonite + 1/4 pound per sack cello flake. Yield = 1.99 cubic feet per sack. Weight = 12.4 pounds per gallon.

Dominion Oklahoma Texas Exploration & Production, Inc.  
Henderson 5 #2  
1275' FSL & 1070' FWL  
Sec. 5, T. 26 N., R. 11 W.  
San Juan County, New Mexico

PAGE 4

Tail cement will be  $\approx$ 100 sacks 50/50 Class B Poz with 2% gel + 1/4 pound per sack cello flake + 0.5% Halad-9. Yield = 1.38 cubic feet per sack. Weight = 13.5 pounds per gallon.

#### 5. MUD PROGRAM

<u>RANGE</u>	<u>MUD TYPE</u>	<u>WEIGHT</u>	<u>VISCOSITY</u>	<u>WATER LOSS</u>	<u>ADDITIVES</u>
0' - 250'	Fresh	8.3-8.7	28-35	NC	Paper, lime (pH 9-10)
250' -1600'	Fresh	8.3-8.7	28-30	NC	Paper, lime (pH 10-10.5)
1600' - TD	Quil-Gel	8.6-8.9	40-70	<8 cc	

#### 6. CORING, TESTING, & LOGGING

Side wall rotary cores may be cut. No drill stem tests are planned. GR-PEF-Litho-Density logs will be run from TD to bottom of surface casing. Microlog will be run from TD to top of Fruitland.

#### 7. DOWN HOLE CONDITIONS

No abnormal pressures, temperatures, nor hydrogen sulfide are expected. Maximum pressure will be  $\approx$ 500 psi.

#### 8. OTHER INFORMATION

The anticipated spud date is upon approval. It is expected it will take one week to drill and one week to complete the well.

