



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Farmington Field Office
1235 La Plata Highway, Suite A
Farmington, New Mexico 87401

IN REPLY REFER TO
NMSF-03605A
3162.3-1 (111)

December 22, 2009

Western Minerals and Oil, LLC
Attn.: Cindy Atanasoff
PO Box 1228
Farmington, NM 87499

RCVD DEC 29 '09
OIL CONS. DIV.
DIST. 3

30-045-33116

Dear Ms. Atanasoff:

Reference is made to your Application for Permit to Drill (APD) the **No. 5B Marron** well, located **1910' FNL and 1920' FEL, Section 27, T27N, R8W, San Juan County, New Mexico**. This APD was approved on September 14, 2005 with an expiration date of September 14, 2009. According to our records, no known activity has taken place at this location.

In view of the foregoing, this office is rescinding the approval due to the expiration of this APD. In addition, we will require a letter confirming that no surface disturbing activities have been conducted at this well site. Please file letter within 30 days of receipt of this notice. Any surface disturbance conducted must be rehabilitated in accordance with the standards and guidelines established by this office.

If you have any questions regarding the above contact Shea Valdez at (505) 599-8969

Sincerely,

Shea Valdez
Petroleum Engineering Asst.

Petroleum Management Team

cc: NMOCD

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UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

NOS-10/20/04
may posted - 05/10/05
NM0320-SW

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

APPLICATION FOR PERMIT TO DRILL OR REENTER

5. Lease Designation and Serial No.
NM03605A
6. If Indian, Allottee or Tribe Name

1a. Type of Work ☒ DRILL ☐ REENTER
1b. Type of Well: ☐ Oil Well ☒ Gas Well ☐ Other ☐ Single Zone ☐ Multiple Zone

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

2. Name of Operator
WESTERN MINERALS & OIL NM OGRID # 24942

8. Lease Name and Well No.
MARRON #5B

3a. Address c/o Mike Pippin LLC
3104 N. Sullivan, Farmington, NM 87401
3b. Phone Number (505) 327-4573

9. API Well No.
30-045-3311k

4. Location of Well (Footage, Sec, T, R., M, or Survey Description)
At surface: Unit G, 1910' FNL, 1920' FEL SWNE
At proposed prod. Zone: Same

10. Field and Pool, or Exploratory
BLANCO MESAVERDE

11. Sec., T., R., M., or Blk. and Survey or Area

Sec 27, T-27-N, R-8-W

14. Distance in miles and direction from nearest town or post office*
~25 Miles South of Blanco, NM

12. County or Parish, San Juan
13. State New Mexico

15. Distance from proposed*
location to nearest 1910'
property or lease line, ft.
(Also to nearest drlg. Unit line, if any)

16. No of Acres in lease

17. Spacing Unit dedicated to this well

320 Acres E/2

18. Distance from proposed*
location to nearest well 1172'

19. Proposed Depth
5360'

20. BLM/BIA Bond No. on file
2332

21. Elevation (Show whether DF, KDB, RT, GL, etc.)
6694'

22. Approximate date work will start*
April 10, 2006

23. Estimated duration
30 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:

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

SEE ATTACHED FOR
CONDITIONS OF APPROVAL

| Size of Hole | Grade, Size of Casing | Weight per Foot | Setting Depth | Quantity of Cement |
|--------------|-----------------------|-----------------|---------------|--------------------------------|
| 12-1/4" | 9-5/8" H-40 | 32.3# | 320' | 106 Sxs, 125 ft3 - 100% Excess |
| 8-3/4" | 7" K-55 | 20# | 2500' | 286 Sxs, 545 ft3 - 45% Excess |
| 6-1/4" | 4-1/2" K-55 | 11.6# | 5360' | 356 Sxs, 717 ft3 - 45% Excess |

The on-site inspection was on 4/14/05 by Roger Herrera
Archy is by DCA.
EA is by Nelson

SEE ATTACHED APD INFORMATION

Latitude: 36 Deg, 32 Min, 47 Sec N
Longitude: 107 Deg, 40 Min, 6.5 Sec W

| | | |
|---|-------------------------------------|----------------------|
| 25. Signature <i>Mike Pippin</i> | Name (Printed/Typed) Mike Pippin | Date May 23, 2005 |
| Title Petroleum Engineer | | |
| Approved by (Signature) <i>Jim Lovel</i> | Name (Printed/Typed) | Date 5/14/05 |
| Title Field Manager - Minerals | Office | |

Application approval does not warrant or certify 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.

*(Instructions on reverse)

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".

FARMINGTON

DISTRICT I
1625 N. French Dr., Hobbs, N.M. 88240

DISTRICT II
1301 W. Grand Ave., Artesia, N.M. 88210

DISTRICT III
1000 Rio Brazos Rd., Aztec, N.M. 87410

DISTRICT IV
1220 South 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

| | | |
|---------------------------------|--|--|
| ¹ API Number | ² Pool Code 72319 | ³ Pool Name BLANCO MESAVERDE |
| ⁴ Property Code | ⁵ Property Name MARRON | ⁶ Well Number 5B |
| ⁷ OGRID No. 24942 | ⁸ Operator Name WESTERN MINERALS AND OIL | ⁹ Elevation 6694' |

¹⁰ Surface Location

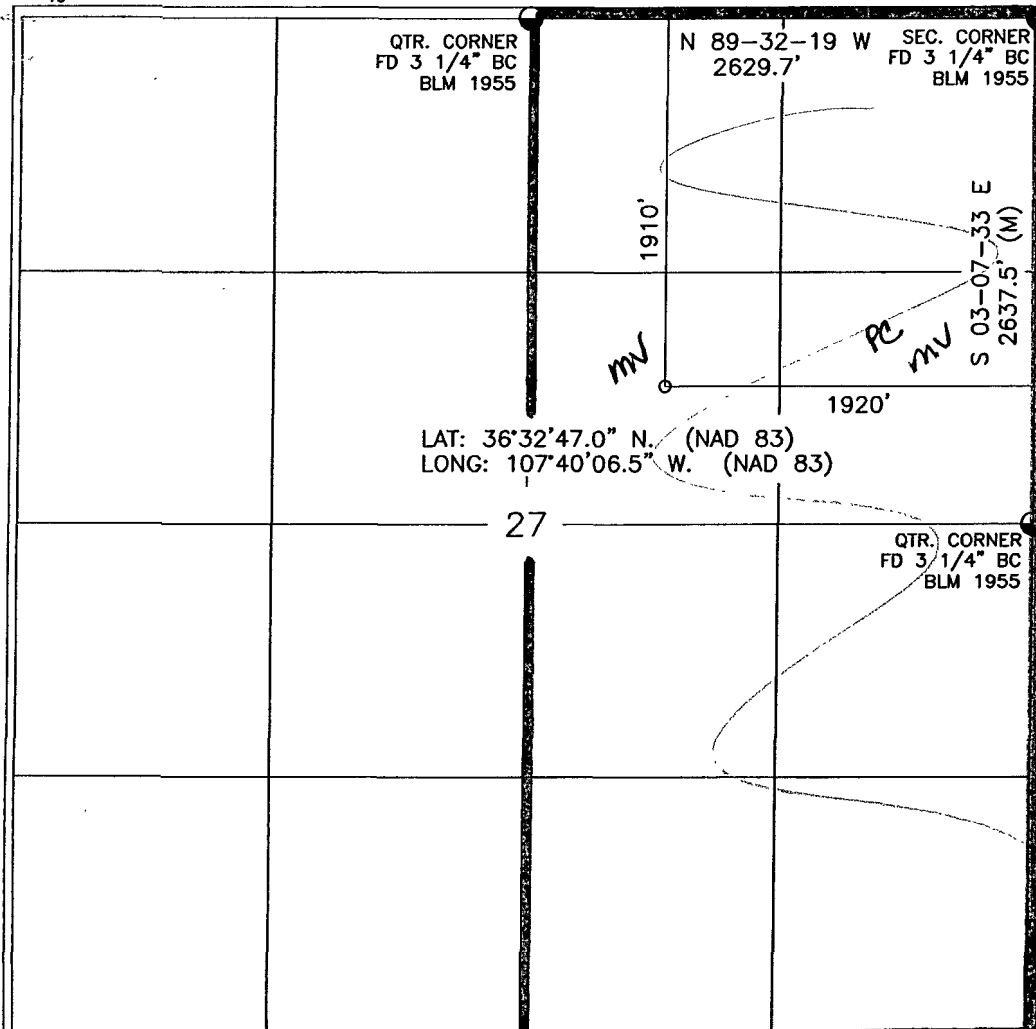
| | | | | | | | | | |
|--------------------|---------------|------------------|--------------|---------|-----------------------|---------------------------|-----------------------|------------------------|--------------------|
| UL or lot no. G | Section 27 | Township 27-N | Range 8-W | Lot Idn | Feet from the 1910 | North/South line NORTH | Feet from the 1920 | East/West line EAST | County 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 320 E/2 | | | | | ¹³ Joint or Infill Y | | ¹⁴ Consolidation Code | | ¹⁵ 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

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17 OPERATOR CERTIFICATION

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

Mike Pippin
Signature
MIKE PIPPIN
Printed Name
AGENT-PETR. ENGR.
Title
MAY 23, 2005
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

JOHN A. VUKONICH
Signature and Seal of Professional Surveyor
14831
REGISTERED PROFESSIONAL SURVEYOR
14831

Certificate Number