

**UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT**

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APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1a. TYPE OF WORK DRILL <input checked="" type="checkbox"/> DEEPEN <input type="checkbox"/>		5. LEASE DESIGNATION AND SERIAL NO. NM96184	
b. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input type="checkbox"/>		6. IF INDIAN, ALLOTTEE OR TRIBE NAME	
2. NAME OF OPERATOR Roddy Production Company		7. UNIT AGREEMENT NAME 23903	
3. ADDRESS AND TELEPHONE NO. P. O. Box 2221, Farmington, NM, 87499 505 - 325 - 5220		8. FARM OR LEASE NAME, WELL NO. Tidal Federal No. 2	
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.) At surface 1990' FSL - 1455' FWL At proposed prod. zone Same		9. API WELL NO. 30-045-29725	
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE 10.5 miles Southeast of Farmington, New Mexico		10. FIELD AND POOL, OR WILDCAT Basin Dakota 71599	
15. DISTANCE FROM PROPOSED LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drilg. unit line, if any) 650'		11. SEC., T., R., M., OR BLK AND SURVEY OR AREA Section 9, T27N, R12W, NMPM	
16. NO. OF ACRES IN LEASE 320		12. COUNTY San Juan	
17. NO. OF ACRES ASSIGNED TO THIS WELL 320		13. STATE NM	
18. DISTANCE FROM PROPOSED LOCATION TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 2700'		19. PROPOSED DEPTH 6055'	
20. ROTARY OR CABLE TOOLS Rotary		21. APPROX. DATE WORK WILL START February, 1998	
22. ELEVATIONS (Show whether DF, RT, GR, etc.) 5751' GL		23. PROPOSED CASING AND CEMENTING PROGRAM	

SIZE OF HOLE	GRADE, SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12.250"	8.625", J-55	24	325'	265.5 cu. ft.
7.875"	4.500", J-55	10.5	6055'	2158.1 cu. ft. in three stages

Roddy Production Company proposes to spud in the Nacimiento Formation. Drill a 12 1/4" surface hole to 325'. Run and cement surface casing, with cement returns to surface. WOC 12 hours. Test BOPE and surface casing to 600 psig for 15 minutes. Drill a 7 7/8" hole to a TD of 6055' using fresh water mud. No abnormal pressures or poisonous gases are anticipated. Run logs at TD. Run and cement production casing in three stages with cement returns to surface. Move out drilling rig. Move in completion unit. Run cased hole correlation logs. Test production casing to 3000 psig. Perforate and stimulate select Dakota intervals using fresh water based fluid. Surface ownership is Federal (NAPI). An existing and new access road right of way is included with this application. Although a portion of the flowline to connect this proposed well to EPFS gathering system is on lease (approximately 600 - 700'), the flowline is being submitted as a separate application for paperwork consolidation. The environmental assessment covers both projects (APD and Pipeline ROW).

This action is taken in accordance with the provisions of the Federal Land Management and Policy Act, 43 U.S.C. 1601, et seq., and the Department of the Interior Manual, 51 CFR 101.10, et seq.

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BUREAU OF LAND MANAGEMENT
FARMINGTON, NEW MEXICO

**SEE ATTACHED FOR
CONDITIONS OF APPROVAL**

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured true vertical depths. Give blowout preventer program, if any.

24
SIGNED [Signature] TITLE Agent DATE January 19, 1998
(This space for Federal or State office use.)

PERMIT NO. /S/ Duane W. Spencer APPROVAL DATE NOV 10 1998

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

APPROVED BY _____ TITLE _____ DATE _____

HOLD 2-104 FOR N3L @ 10/10/98

PO Box 1980, Hobbs, NM 88241-1980

STATE OF NEW MEXICO
Energy, Minerals & Natural Resources Department

Revised February 21, 1994

Instructions on back

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

District II
PO Drawer 90, Artesia, NM 88211-0719

District III
1000 Rio Brazos Rd., Aztec, NM 87410

District IV
PO Box 2088, Santa Fe, NM 87504-2088

OIL CONSERVATION DIVISION

PO Box 2088
Santa Fe, NM 87504-2088

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☐ AMENDED REPORT

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WELL LOCATION AND ACREAGE DEDICATION PLAT

*API Number 30-045-29725	*Pool Code 71599	*Pool Name BASIN DAKOTA
*Property Code 23903	*Property Name TIDAL FEDERAL	*Well Number 2
*GRID No. 36845	*Operator Name RODDY PRODUCTION, INC.	*Elevation 5751'

10 Surface Location


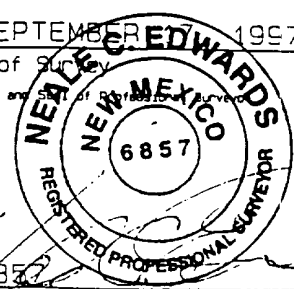
UL or lot no. K	Section 9	Township 27N	Range 12W	Lot Idn	Feet from the 1990	North/South line South	Feet from the 1455	East/West line West	County SAN JUAN
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11 Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
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12 Dedicated Acres 320	13 Joint or Infill	14 Consolidation Code	15 Order No.
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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 5283.96'	17 OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.  Signature John D. Steuble Printed Name AGENT Title 1-19-98 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. SEPTEMBER 1997 Date of Survey  Signature and Seal of Registered Surveyor 6857 Certificate Number	

1455'

1061'

NM 032925-A
5282.64'

**RODDY PRODUCTION COMPANY, INC.
TIDAL FEDERAL NO. 2
1990' FSL & 1455' FWL
SECTION 9 T27N R12W, NMPM
BASIN DAKOTA FIELD
SAN JUAN COUNTY, NEW MEXICO**

TEN POINT PROGRAM

1. **Surface Formation:** Nacimiento
2. & 3. **Estimated Formation Tops of Important Geologic Markers and Anticipated Production and Pressures:**

<u>FORMATION</u>	<u>ESTIMATED TOP</u>	<u>ANTICIPATED PRODUCTION</u>
Nacimiento	Surface	
Ojo Alamo	85'	Water
Kirtland	185'	
Fruitland	975'	
Basal Fruitland Coal	1285'	Gas
Pictured Cliffs	1300'	Gas
Cliffhouse	2187'	
Point Lookout	3748'	
Gallup	4888'	
Graneros	5796'	
Dakota	5905'	Gas
Total Depth	6055'	

4. **Casing and Cementing Program:**

SURFACE CASING: A string of 8 $\frac{5}{8}$ " 24# K or J-55 ST&C will be run to a depth of $\pm 325'$ KB in a 12 $\frac{1}{4}$ " hole. Hardware run in conjunction with this string will include: a Texas pattern or cement nosed guide shoe, a bow spring centralizer on each of the bottom two joints, one turbolizers immediately below the base of the Ojo Alamo, one turbolizer immediately above the base of the Ojo Alamo, and a bow spring centralizer at $\pm 100'$. This string will be cemented to the surface with 225 sacks of Class B containing 2% CaCl_2 and $\frac{1}{4}$ #/sx celloflake (yield = 1.18 ft³/sx). This slurry will be preceded by a dyed water preflush. Should cement fall back or fail to circulate to the surface, 1" pipe will be run down the annulus and sufficient cement will be pumped to bring the cement top to the surface. Prior to drilling out the casing shoe, this string and the BOPE will be tested to a minimum of 600 psi.

