



CDX Gas, LLC
4801 N. Butler Avenue, Suite 2000
Farmington, NM 87401
Main: 505-326-3003
Fax: 505-325-4007

ESD

Rec: 11-30-04

Sus: 12-20-04

PMF50-436245801

23.November.2004

Mr. Michael E. Stogner
Hearing Officer / Engineer
New Mexico Oil Conservation Division
Engineering Bureau
1220 So. St. Francis Drive
P.O. Box 6429
Santa Fe, New Mexico 87505

RECEIVED

NOV 30 2004

OIL CONSERVATION
DIVISION

RE: Administrative Order NSL-5091
Change of Surface Location
Jicarilla Apache Tribal 151 #8F
API No. 30-0397-29204
Basin Dakota / WC Mancos
2335' FNL, 1300' FEL, Unit H Sec3-T26N-R5W
Rio Arriba County, New Mexico

Dear Mr. Stogner;

CDX RIO, LLC received approval to drill the Jicarilla 151 #8F well at an unorthodox Gallup gas well location (2600' FNL and 1215' FEL) under Administrative Order NSL-5091 on Aug, 4, 2004. (See attached C-102)

Further inspection of the site prior to construction revealed archeological artifacts that were not identified on the original Archaeological Survey (Report #CR-2004-806, May, 21, 2004).

The well center of the proposed location was moved 265' North and 85' West to avoid the artifact site. The new location is Unit H, Sec 3, T26N, R5W with footage 2335 FNL & 1300 FEL, and will still be Non-Standard.

CDX RIO hereby request continued administrative approval of the unorthodox Gallup gas well location within the proposed standard 160-acre gas spacing unit comprising the NE/4 equivalent of section 3.

Sincerely

Robert Lemmons
Drilling / Operations Engineer

CDX GAS, LLC
505-326-3003 ext 2820
rob.lemmons@cdxgas.com

cc BLM, Farmington
 Rich Corcoran, CDX Land
 R. Johnston, CDX Op Mgr.
 Fred Vigil, Jicarilla Oil & Gas Admin.

16	QTR. CORNER FD. 3 1/4" BC. B.L.M. 1957	N 88°54'18" W 2659.3" (M)	SEC. CORNER FD. 3 1/4" BC. B.L.M. 1957
		2335'	
			5287.4' (C)
	3		1300'
			S 01°12'47" W
		LAT.= 36°31'01.1" N (NAD 83) LONG.= 107°20'29.0" W (NAD 83)	
			SEC. CORNER CALC'D BY DBL. PROP. METHOD

17 OPERATOR CERTIFICATION

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

Signature

RICHARD CORCORAN
 Printed Name

LANDMANAGER
 Title

11-22-04
 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.

Date September 24, 2004

Certificate Number 14831

C/L

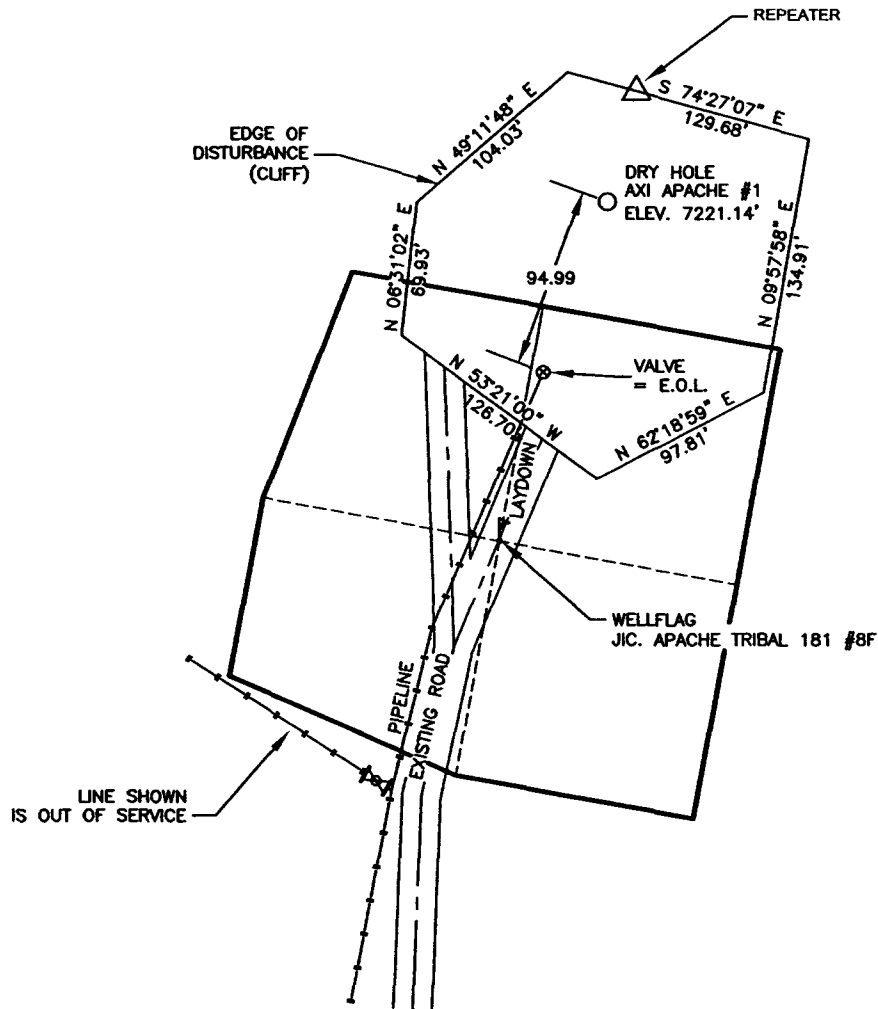
REVISION:	DATE:	REVISED BY:
RESTAKE WELL LOC.	9/24/04	B.L.
 <div style="margin-left: 20px;"> <p>Daggett Enterprises, Inc.</p> <p>Surveying and Oil Field Services</p> <p>P. O. Box 15068 • Farmington, NM 87401</p> <p>Phone (505) 326-1772 • Fax (505) 326-6019</p> </div>		
DRAWN BY: A.G.	CADFILE: CDXGAS056CF8	
ROW#: CDXGAS056	DATE: 04/17/04	

A SITE SKETCH FOR


CDX GAS LLC

JIC. APACHE TRIBAL 151 No. 8F

SEC.3, TOWNSHIP 26 NORTH, RANGE 5 WEST, N.M.P.M.,
LOCATED SOUTHWEST OF DULCE,
RIO ARriba COUNTY, NEW MEXICO



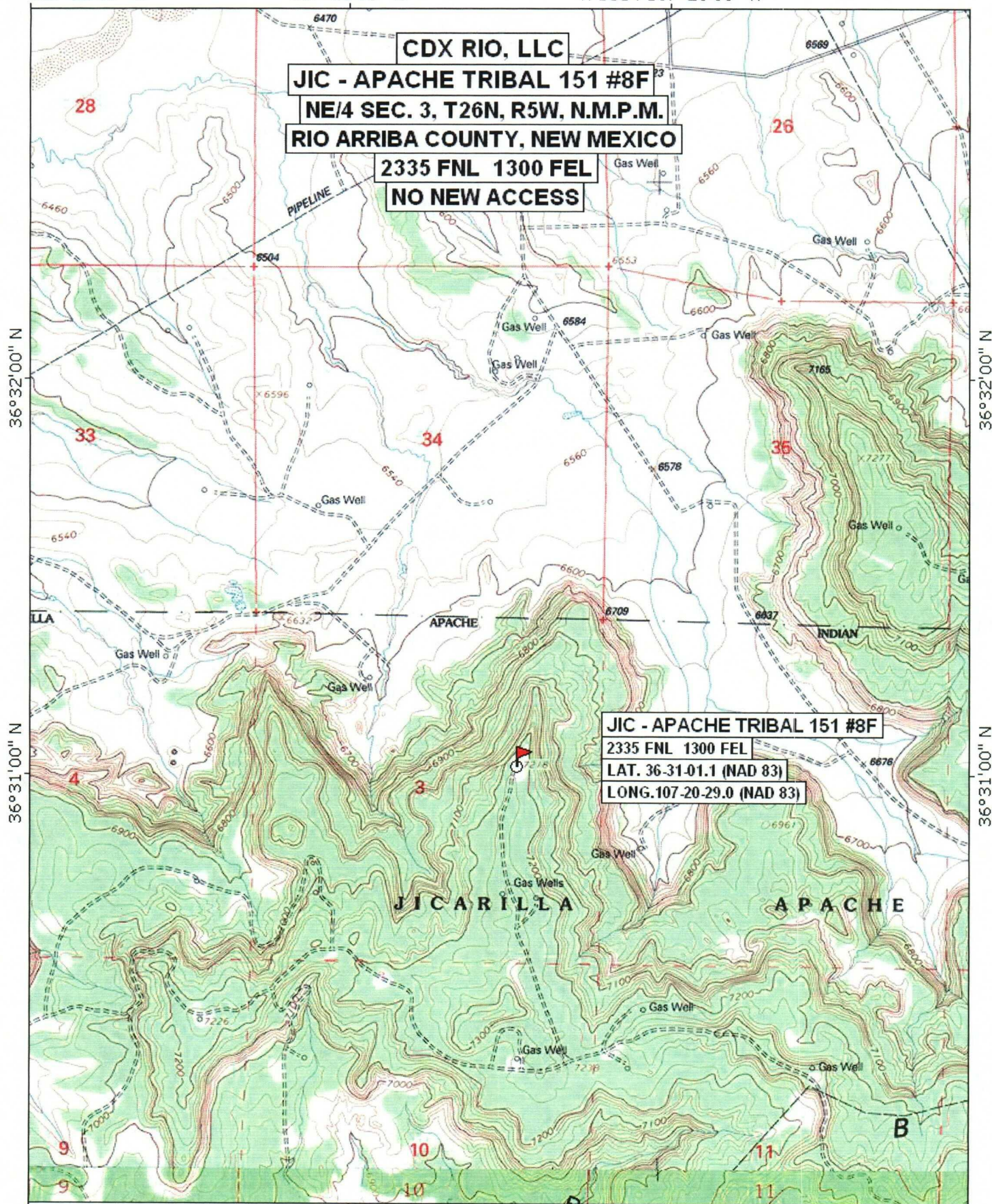
SCALE IN FEET
0 50 100

REVISION	REV. BY	DATE
CHANGE LAYDOWN DIRECTION	B.L.	11/16/04
 Daggett Enterprises, Inc. Surveying and Oil Field Services P. O. Box 15068 Farmington, NM 87401 Phone (505) 326-1772 Fax (505) 326-6019		
SHEET 1 OF 1	CADFILE: CDXGAS056SK1	
DRAWN BY: B.L.	ROW#: CDXGAS056	DATE: 09/28/04

107°22'00" W

107°21'00" W

WGS84 107°20'00" W



CDX RIO, LLC

JIC - APACHE TRIBAL 151 #8F

NE/4 SEC. 3, T26N, R5W, N.M.P.M.

RIO ARriba COUNTY, NEW MEXICO

2335 FNL 1300 FEL

NO NEW ACCESS

JIC - APACHE TRIBAL 151 #8F

2335 FNL 1300 FEL

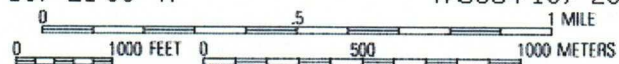
LAT. 36-31-01.1 (NAD 83)

LONG. 107-20-29.0 (NAD 83)

107°22'00" W

107°21'00" W

WGS84 107°20'00" W



Map created with TOPO!® ©2002 National Geographic (www.nationalgeographic.com/topo)

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.

SUBMIT IN TRIPLICATE- Other instructions on reverse side.

1. Type of Well
☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator **CDX RIO, LLC**

3a. Address
4801 N. Butler, Suite 2000, Farmington NM 87401

3b. Phone No. (include area code)
505-326-3003

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

**2335 FNL & 1300 FEL
Unit H, Sec 3, T26N, R5W**

5. Lease Serial No.

Jicarilla Apache Tribal 151

6. If Indian, Allottee or Tribe Name

Jicarilla Apache Tribe

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

8. Well Name and No.

Jicarilla 151 #8F

9. API Well No.

30-039-29204

10. Field and Pool, or Exploratory Area

Basin Dakota / WC Mancos

11. County or Parish, State

Rio Arriba, 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 checked="" type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	Move surface
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	Location

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.)

New well location 2600' FNL and 1215' FEL was approved to drill as an unorthodox location for the Gallup under Administrative Order NSL-5091 on Aug. 4, 2004.

Further inspection of site prior to construction revealed archological artifacts that were not identified on the original Archaeological Survey (Report #CR-2004-806, May, 21, 2004).

**The well center of the proposed location was moved 265' North and 85' West to avoid the artifact site.
The new location is Unit H, Sec 3, T26N, R5W with footage 2335 FNL & 1300 FEL.**

The new location is still Non-Standard and a copy of letter to Mr. Michael Stogner, NMOCD Hearing Officer/Engineer in Santa Fe is attached along with the revised C-102.

14. I hereby certify that the foregoing is true and correct
Name (Printed/Typed)

Robert Lemmons

Title **Operations Engineer**

Signature

Date

11/23/2004

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

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.

Title

Date

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)

GENERAL INSTRUCTIONS

This form is designed for submitting proposals to perform certain well operations, and reports of such operations when completed, as indicated on Federal and Indian lands pursuant to applicable Federal law and regulations. Any necessary special instructions concerning the use of this

form and the number of copies to be submitted, particularly with regard to local area, or regional procedures and practices, either are shown below or will be issued by, or may be obtained from the local Federal office.

SPECIFIC INSTRUCTIONS

Item 4 - Locations on Federal or Indian land should be described in accordance with Federal requirements. Consult the local Federal office for specific instructions.

Item 13 - Proposals to abandon a well and subsequent reports of abandonment should include such special information as is required by the local Federal office. In addition, such proposals and reports should include reasons for the abandonment; data on any former or

present productive zones, or other zones with present significant fluid contents not sealed off by cement or otherwise; depths (top and bottom) and method of placement of cement plugs; mud or other material placed below, between and above plugs; amount, size, method of parting of any casing, liner or tubing pulled and the depth to top of any left in the hole; method of closing top of well and date well site conditioned for final inspection looking to approval of the abandonment.

NOTICE

The Privacy Act of 1974 and the regulation in 43 CFR 2.48(d) provide that you be furnished the following information in connection with information required by this application.

AUTHORITY: 30 U.S.C. 181 et seq., 351 et seq., 25 U.S.C. 396; 43 CFR 3160.

PRINCIPAL PURPOSE: The information is used to: (1) Evaluate, when appropriate, approve applications, and report completion of subsequent well operations, on a Federal or Indian lease; and (2) document for administrative use, information for the management, disposal and use of National Resource lands and resources, such as: (a) evaluating the equipment and procedures to be used during a proposed subsequent well operation and reviewing the completed well operations for compliance with the approved plan; (b) requesting and granting approval to perform those actions covered by 43 CFR 3162.3-2, 3162.3-3, and 3162.3-4; (c) reporting the beginning or resumption of production, as required by 43 CFR 3162.4-1(c) and (d) analyzing future applications to drill or modify operations in light of data obtained and methods used.

ROUTINE USES: Information from the record and/or the record will be transferred to appropriate Federal, State, local or foreign agencies, when relevant to civil, criminal or regulatory investigations or prosecutions in connection with congressional inquiries or to consumer reporting agencies to facilitate collection of debts owed the Government.

EFFECT OF NOT PROVIDING THE INFORMATION: Filing of this notice and report and disclosure of the information is mandatory for those subsequent well operations specified in 43 CFR 3162.3-2, 3162.3-3, 3162.3-4.

The Paperwork Reduction Act of 1995 requires us to inform you that:

This information is being collected to evaluate proposed and/or completed subsequent well operations on Federal or Indian oil and gas leases.

Response to this request is mandatory.

BLM would like you to know that you do not have to respond to this or any other Federal agency-sponsored information collection unless it displays a currently valid OMB control number.

BURDEN HOURS STATEMENT

Public reporting burden for this form is estimated to average 25 minutes per response, including the time for reviewing instructions, gathering and maintaining data, and completing and reviewing the form. Direct comments regarding the burden estimate or any other aspect of this form to U.S. Department of the Interior, Bureau of Land Management (1004-0137), Bureau Information Collection Clearance Officer, (WO-630), Mail Stop 401 LS, 1849 C St., N.W., Washington D.C. 20240



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON

Governor

Joanna Prukop

Cabinet Secretary

August 4, 2004

Mark E. Fesmire, P.E.

Director

Oil Conservation Division

CDX Gas, L.L.C.

4801 N. Butler Avenue – Suite 2000

Farmington, New Mexico 87401

Attention: Richard Corcoran

Land Manager

Rich.Corcoran@cdxgas.com

Administrative Order NSL-5091

Dear Mr. Corcoran:

Reference is made to the following: (i) your application submitted to the New Mexico Oil Conservation Division ("Division") on June 17, 2004 (*administrative application reference No. pSEM0-416948194*); (ii) your telephone conversation with Mr. Michael E. Stogner, Hearing Officer/Engineer with the Division in Santa Fe, on Tuesday afternoon, August 3, 2004; and (iii) the Division's records in Aztec and Santa Fe: all concerning CDX Gas, L.L.C.'s ("CDX") request to drill its proposed Jicarilla 151 Well No. 8-F at an unorthodox Gallup gas well location 2600 feet from the North line and 1215 feet from the East line (Unit H) of Section 3, Township 26 North, Range 5 West, NMPM, Rio Arriba County, New Mexico.

Lots 1 and 2 and the S/2 NE/4 (NE/4 equivalent) of Section 3 is to be dedicated to this well in order to form a standard 159.80-acre gas spacing unit for the Undesignated BS Mesa-Gallup Pool (72920).

This application has been duly filed under the provisions of Division Rule 104.F, revised by Division Order No. R-11231, issued by the New Mexico Oil Conservation Commission in Case No. 12119 on August 12, 1999.

It is the Division's understanding that this well is to be dually completed in the Gallup formation and the Basin-Dakota Pool (71599). Under the rules governing the Basin-Dakota Pool, see the "*Special Rules for the Basin-Dakota Pool*," as promulgated by Division Order No. R-10987-B, issued in Case No. 12290 and dated June 30, 2000, as amended by Division Orders No. R-10987-B (1), dated August 10, 2000, and R-10987-B (2), dated January 29, 2002, this location within an existing standard 319.80-acre stand-up gas spacing and proration unit comprising Lots 1 and 2, the S/2 NE/4, and the SE/4 (E/2 equivalent) of Section 3, is standard.

CDX Gas, L.L.C.

August 4, 2004

Page 2

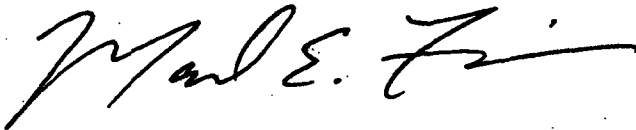
Division Administrative Order NSL-5091

It is further understood that all of Sections 3, 4, 9, and 10, all in Township 26 North, Range 5 West, NMPM, Rio Arriba County, New Mexico comprise a single Jicarilla Apache tribal oil and gas lease (Jicarilla Contract No. 151) with common mineral ownership from the base of the Mesaverde formation to a point 800 feet below the top of the Greenhorn formation in which CDX controls 100% of the operating rights; therefore, there are no adversely effected offset mineral interests to the subject unorthodox Gallup well within the aforementioned 160-acre unit.

By the authority granted me under the provisions of Division Rule 104.F (2), the above-described unorthodox Gallup gas well location within the proposed standard 159.80-acre gas spacing unit comprising the NE/4 equivalent of Section 3 is hereby approved.

Jurisdiction of this cause is retained for the entry of such further orders as the Division may deem necessary.

Sincerely,



Mark E. Fesmire, P. E.
Director

MEF/mes

cc: New Mexico Oil Conservation Division - Aztec
U. S. Bureau of Land Management - Farmington