

# How Multiple Leases are recorded in an APD in AFMSS 2 using the Well Location Table

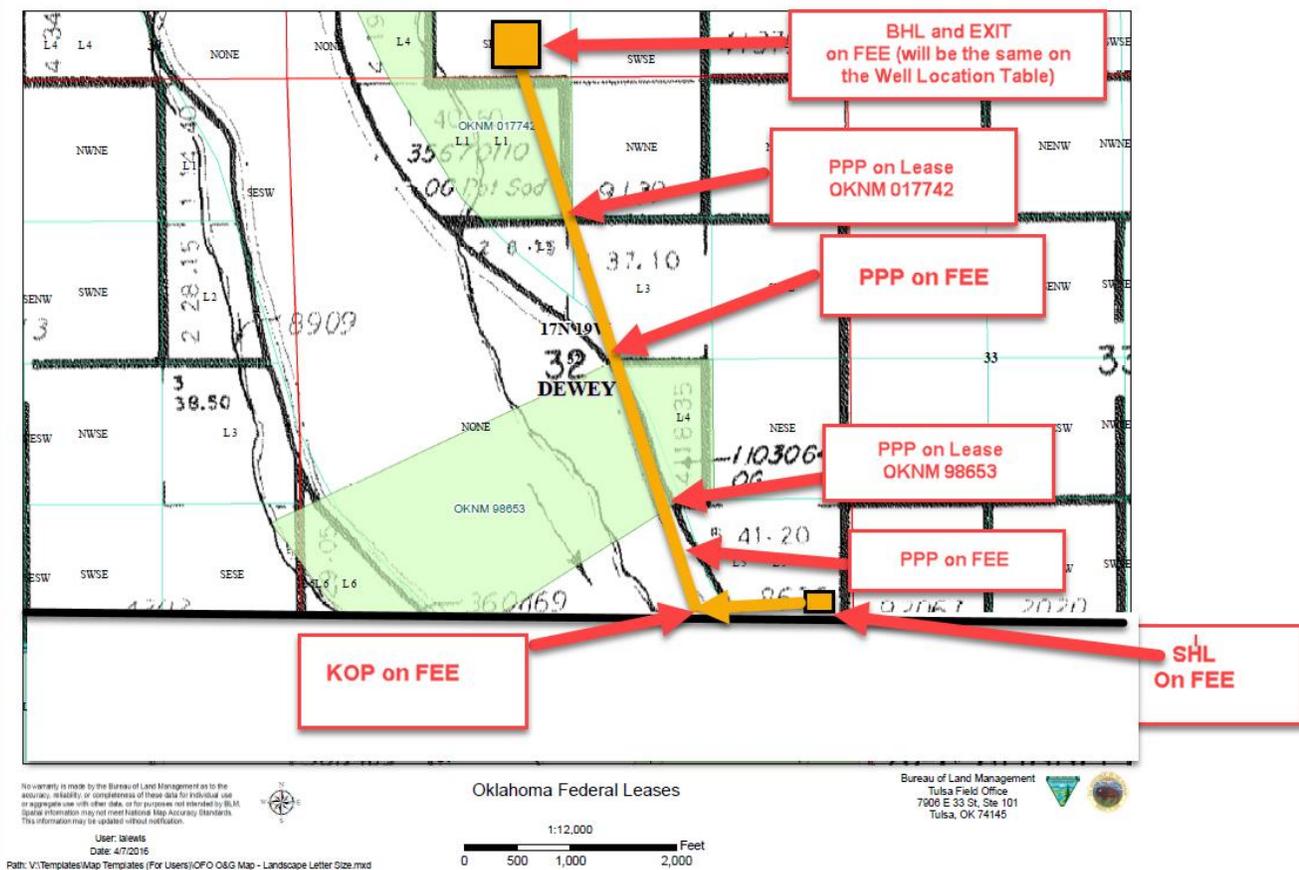
When a well is proposed to be drilled from Federal or Indian Surface, into Federal or Indian Minerals, through Federal or Indian Minerals, or from within the boundary of Federal or Indian Agreement (Unit, Participating Area, or Communitization Agreement) it comes under the jurisdiction of the BLM.

An APD must be filed with the BLM if production is planned from federal or Indian minerals and it must properly show the proposed well bore path from surface to bottom hole location.

The following guidance shows a sample situation of a proposed well bore path through multiple leases with multiple mineral ownerships. In order for the information to display correctly on Form 3160-3 and in the AFMSS base - the following example is provided as minimum documentation of a directional or horizontal well bore drilled through multiple leases.

## Example 1:

On the following lease plat you can see an example of a fictional wellbore path through multiple leases – fee and federal.



In the above example you see the following:  
**SHL** (Surface Hole Location) is on FEE

**KOP** (Kick Off Point or turn) is on FEE

**PPP** (Proposed Penetration Point) for the first entry into the producing horizon (or formation) is on FEE

**PPP** (the entry into the lease) is on OKNM 98653

**PPP** on Fee

**PPP** (the entry into the lease) is on OKNM 017742

**EXIT** and **BHL** will be on FEE and the same information should be entered on the Well Location Table because the producing horizon will be all the way to the BHL.

There can be multiple PPPs in a wellbore path depending on how many leases from which the well will produce.

### Example 1 - Application Section 1

In the above case, the *first lease penetrated would be OKNM 98653* and this should be recorded on the Application Section 1.

APD ID 10400014061 Federal/Indian APD  Federal  Indian

Well Name CINDY TEST APD Well Number 1H Well Work Type Drill

Well Type OIL WELL

[Application Report](#) [Drilling Plan Report](#) [SUPO Report](#)

Section 1 - General

APD ID 10400014061

Tie to previous NOS?  Yes  No

APD Operator \* APACHE CORP Permitting Agent?  Yes  No

BLM Office \* TULSA

User Cindy Lewis Title Program Analyst

Federal/Indian APD \*  FEDERAL  INDIAN  Federal  Indian

Lease number \* OKNMS98653 Lease Acres 145.04

Agreement in place? \*  Yes  No

Keep application confidential? \*  Yes  No

Operator letter of designation \* [Add Attachment...](#)

Operator Info

Operator Organization Name Apache Corp

Operator Address 1234 North Streer

Operator PO Box

Operator City Denver State CO Zip 80303

Operator Phone (303) 555-1234

Operator Internet Address apache@apache.com

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Additional leases in the wellbore path or at the BHL should be entered in the Well location tables.

When recording multiple leases in AFMSS 2 for an APD, each lease that will be in the wellbore path must be entered in Well Location Table. This will generate a review for the (BLM) adjudicator for each lease.

\*Please note this generally applies to horizontal or directional wells.

This is how the multiple leases are recorded in the Well Location Table for the lease map example.

**SHL** (Surface Hole Location) is on FEE

**KOP** (Kick Off Point or turn) is on FEE

**PPP** (Proposed Penetration Point) for the first entry into the producing horizon (or formation) is on FEE

**PPP** (the entry into the lease) is on OKNM 98653

**PPP** on Fee

**PPP** (the entry into the lease) is on OKNM 017742

**EXIT** and **BHL** will be on FEE and the same information should be entered on the Well Location Table because the producing horizon will be all the way to the BHL.

1 2 3

Section 3 - Well Location Table

Survey Type \*

Datum \*  NAD 27  NAD 83 Vertical Datum \*  NGVD 29  NAVD 88

Survey number

Based on well class and survey type, the following fields are required

Copy <input type="checkbox"/>	State * OK	Meridian * INDIAN	County * DEWEY
Clear Copy <input checked="" type="checkbox"/>	Latitude * 35.12345	Longitude * -98.12345	
<b>SHL</b>	Elevation (MSL) * 1200	MD (ft.) * 0	TVD (ft.) * 0
	Lease Type * FEE	Lease # * FEE	
	N S-Foot * 200 FSL	EW-Foot * 200	FEL
	Twsp. * 17N	Range * 19W	Section * 32
	Aliquot	Lot	5 Tract
	* Either Aliquot, Lot or Tract is required		

Copy <input type="checkbox"/>	State * OK	Meridian * INDIAN	County * DEWEY
Clear Copy <input checked="" type="checkbox"/>	Latitude * 35.12345	Longitude * -98.12345	
<b>KOP</b>	Elevation (MSL) 200	MD (ft.) * 1000	TVD (ft.) * 1000
	Lease Type * FEE	Lease # * FEE	
	N S-Foot * 190 FSL	EW-Foot * 1900	FEL
	Twsp. * 17N	Range * 19W	Section * 32
	Aliquot	Lot	5 Tract
	* Either Aliquot, Lot or Tract is required		

Copy <input type="checkbox"/>	State * OK	Meridian * INDIAN	County * DEWEY
Clear Copy <input checked="" type="checkbox"/>	Latitude * 35.12222	Longitude * -98.12323	
<b>PPP</b>	Elevation (MSL) -1800	MD (ft.) * 3000	TVD (ft.) *
	Lease Type * FEE	Lease # * FEE	
	N S-Foot * 500 FSL	EW-Foot * 2000	FEL
	Twsp. * 17N	Range * 19W	Section * 32
	Aliquot	Lot	5 Tract
	* Either Aliquot, Lot or Tract is required		

Leg# 1-1

Add PPP

Copy  State \* OK Meridian \* INDIAN County \* DEWEY  
 Clear Copy  Latitude \* 35.13555 Longitude \* -98.13333  
 Elevation (MSL) -1800  
 MD (ft.) \* 4000 TVD (ft.) \* 3000  
 Lease Type \* FEDERAL  
 Lease # \* OKNM98653  
 Leg# 1-2  
 NS-Foot \* 750 FSL EW-Foot \* 2000 FEL  
 Twsp. \* 17N Range \* 19W Section \* 32  
 Aliquot Lot 5 Tract  
 \* Either Aliquot, Lot or Tract is required

Copy  State \* OK Meridian \* INDIAN County \* DEWEY  
 Clear Copy  Latitude \* 35.12222 Longitude \* -98.12323  
 Elevation (MSL) -3800  
 MD (ft.) \* 5000 TVD (ft.) \* 5000  
 Lease Type \* FEE  
 Lease # \* FEE  
 Leg# 1-3  
 NS-Foot \* 1200 FSL EW-Foot \* 2400 FEL  
 Twsp. \* 17N Range \* 19W Section \* 32  
 Aliquot Lot 3 Tract  
 \* Either Aliquot, Lot or Tract is required

Copy  State \* OK Meridian \* INDIAN County \* DEWEY  
 Clear Copy  Latitude \* 35.133333 Longitude \* -98.12444  
 Elevation (MSL) -3800  
 MD (ft.) \* 6500 TVD (ft.) \* 5000  
 Lease Type \* FEDERAL  
 Lease # \* OKNM017742  
 Leg# 1-4  
 NS-Foot \* 50 FSL EW-Foot \* 2500 FEL  
 Twsp. \* 17N Range \* 19W Section \* 29  
 Aliquot SESE Lot Tract  
 \* Either Aliquot, Lot or Tract is required

Copy  State \* OK Meridian \* INDIAN County \* DEWEY  
 Clear Copy  Latitude \* 35.12222 Longitude \* -98.12323  
 Elevation (MSL) -3800  
 MD (ft.) \* 8000 TVD (ft.) \* 5000  
 Lease Type \* FEE  
 Lease # \* FEE  
 Leg# 1  
 NS-Foot \* 500 FSL EW-Foot \* 2000 FEL  
 Twsp. \* 17N Range \* 19W Section \* 29  
 Aliquot NWNW Lot Tract  
 \* Either Aliquot, Lot or Tract is required

Copy  State \* OK Meridian \* INDIAN County \* DEWEY  
 Clear Copy  Latitude \* 35.12222 Longitude \* -98.12323  
 Elevation (MSL) -3800  
 MD (ft.) \* 8000 TVD (ft.) \* 5000  
 Lease Type \* FEE  
 Lease # \* FEE  
 Leg# 1  
 NS-Foot \* 500 FSL EW-Foot \* 2000 FEL  
 Twsp. \* 17N Range \* 19W Section \* 29  
 Aliquot NWNW Lot Tract  
 \* Either Aliquot, Lot or Tract is required

## Example 2 - Application Section 1

Below is an example where the first lease that will be penetrated is NMNM112955.

The "first" Federal or Indian lease that will show up on the Form 3160 should be the "first" lease that the well will penetrate as recorded by the operator on the application section 1.

**Application for Permit to Drill**

APD ID	10400010693	Federal/Indian APD	<input checked="" type="checkbox"/> Federal <input type="checkbox"/> Indian		
Well Name	CINDY TEST WLT LEASES	Well Number	1H	Well Work Type	Drill
Well Type	OIL WELL				

[Application Report](#) [Drilling Plan Report](#) [SUPO Report](#)

**Section 1 - General**

APD ID: 10400010693

Tie to previous NOS?  Yes  No

APD Operator \* ALBERTA GAS CO Permitting Agent?  Yes  No

BLM Office \* FARMINGTON

User: Cindy Lewis Title: Program Analyst

Federal/Indian APD \*  FEDERAL  INDIAN  IS the first lease penetrated for production Federal or Indian?  Federal  Indian

Lease number \* NMNM112955 Lease Acres: 1761.69

Agreement in place? \*  Yes  No

Keep application confidential? \*  Yes  No

Operator letter of designation \* [Add Attachment...](#)

**Operator Info**

Operator Organization Name	ALBERTA GAS CO				
Operator Address					
Operator PO Box	P O BOX 123				
Operator City	FARMINGTON	State	NM	Zip	87432
Operator Phone	(505) 432-1234				
Operator Internet Address					

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**Application Progress:**

- Application: 50%
- Drilling Plan: 0%
- Surface Use Plan of Operations: 0%
- Produced Water Disposal: 0%
- Bonds: 0%
- Operator Certification: 0%
- Application Fee: 0%

[APD Print Report](#) [APD Attachments](#) [3160 Form](#)

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Additional leases in the wellbore path or at the BHL should be entered in the Well location tables.

When recording multiple leases in AFMSS 2 for an APD, each lease that will be in the wellbore path must be entered in Well Location Table. This will generate a review for the (BLM) adjudicator for each lease.

In the Farmington example, I entered have multiple leases in the wellbore path for a horizontal well. In this example there are 3 different federal leases:

- **SHL** and **KOP**: NMNM112955
- **PPP**: FEE
- **PPP**: NMSF080537
- **PPP, EXIT, and BHL**: NMNM03560

Section 3 - Well Location Table

Survey Type \*

Datum \*  NAD 27  NAD 83 Vertical Datum \*  NGVD 29  NAVD 88

Survey number

Based on well class and survey type, the following fields are required

Copy <input type="checkbox"/>	State * NM Meridian * NEW MEXICO PRINCIPAL County * SAN JUAN
Clear Copy <input checked="" type="checkbox"/>	Latitude * 37.12345 Longitude * -103.11111
	Elevation (MSL) * 2500
	MD (ft.) * 0 TVD (ft.) * 0
<b>SHL</b>	Lease Type * FEDERAL Lease # * NMNM112955
	NS-Foot * 200 FSL EW-Foot * 200 FWL
	Twsp. * 24N Range * 9W Section * 24
	Aliquot SWSW Lot Tract
	* Either Aliquot, Lot or Tract is required
Copy <input type="checkbox"/>	State * NM Meridian * NEW MEXICO PRINCIPAL County * SAN JUAN
Clear Copy <input checked="" type="checkbox"/>	Latitude * 37.12345 Longitude * -103.11111
	Elevation (MSL) 2300
	MD (ft.) * 200 TVD (ft.) * 200
<b>KOP</b>	Lease Type * FEDERAL Lease # * NMNM112955
Leg# 1	NS-Foot * 225 FSL EW-Foot * 200 FWL
	Twsp. * 24N Range * 9W Section * 24
	Aliquot SWSW Lot Tract
	* Either Aliquot, Lot or Tract is required
Copy <input type="checkbox"/>	State * NM Meridian * NEW MEXICO PRINCIPAL County * SAN JUAN
Clear Copy <input checked="" type="checkbox"/>	Latitude * 37.12345 Longitude * -103.11111
	Elevation (MSL) -500
	MD (ft.) * 3200 TVD (ft.) * 3000
<b>PPP</b>	Lease Type * FEE Lease # * FEE
Leg# 1-1	NS-Foot * 300 FSL EW-Foot * 200 FWL
<b>Add PPP</b>	Twsp. * 24N Range * 9W Section * 24
	Aliquot SWSW Lot Tract
	* Either Aliquot, Lot or Tract is required

Copy <input type="checkbox"/>	State * NM Meridian * NEW MEXICO PRINCIPAL County * SAN JUAN
Clear Copy <input checked="" type="checkbox"/>	Latitude * 37.155555 Longitude * -103.111122
	Elevation (MSL) -500
	MD (ft.) * 4000 TVD (ft.) * 3000
PPP	Lease Type * FEDERAL
	Lease # * NMSF080537
Leg# 1-2	
	NS-Foot * 1600 FSL EW-Foot * 200 FWL
	Twsp. * 24N Range * 9W Section * 24
	Aliquot SWSW Lot Tract
	* Either Aliquot, Lot or Tract is required
Copy <input type="checkbox"/>	State * NM Meridian * NEW MEXICO PRINCIPAL County * SAN JUAN
Clear Copy <input checked="" type="checkbox"/>	Latitude * 37.133333 Longitude * -103.13333
	Elevation (MSL) -500
	MD (ft.) * 5000 TVD (ft.) * 3000
PPP	Lease Type * FEDERAL
	Lease # * NMNM03560
Leg# 1-3	
	NS-Foot * 2000 FSL EW-Foot * 200 FWL
	Twsp. * 24N Range * 9W Section * 24
	Aliquot SWSW Lot Tract
	* Either Aliquot, Lot or Tract is required
Copy <input type="checkbox"/>	State * NM Meridian * NEW MEXICO PRINCIPAL County * SAN JUAN
Clear Copy <input checked="" type="checkbox"/>	Latitude * 37.133333 Longitude * -103.13333
	Elevation (MSL) -500
	MD (ft.) * 5500 TVD (ft.) * 3000
EXIT	Lease Type * FEDERAL
	Lease # * NMNM03560
Leg# 1	
	NS-Foot * 2500 FSL EW-Foot * 200 FWL
	Twsp. * 24N Range * 9W Section * 24
	Aliquot SWSW Lot Tract
	* Either Aliquot, Lot or Tract is required
Copy <input type="checkbox"/>	State * NM Meridian * NEW MEXICO PRINCIPAL County * SAN JUAN
Clear Copy <input checked="" type="checkbox"/>	Latitude * 37.133333 Longitude * -103.13333
	Elevation (MSL) -500
	MD (ft.) * 5500 TVD (ft.) * 3000
BHL	Lease Type * FEDERAL
	Lease # * NMNM03560
Leg# 1	
	NS-Foot * 2500 FSL EW-Foot * 200 FWL
	Twsp. * 24N Range * 9W Section * 24
	Aliquot SWSW Lot Tract
	* Either Aliquot, Lot or Tract is required

Recording the leases in the Well Location Table generate the reviews for the leases for the BLM adjudicator. If the leases are not recorded in the Well Location Table,

- The reviews will *not* be generated.
- If it is only listed on the Application Section 1, it will not generate reviews
- It may appear the APD is not really an APD and appear to be FEE

The first PPP-proposed point of penetration of the producing horizon may be FEE and that should be recorded in the wellbore path. However, if there is a lease in the wellbore path after the initial entry into the producing zone then the lease or leases must be listed as PPP entry points into the lease(s). The Exit and the BHL can be the same lease or the exit could be different.

An Exit point is when the wellbore is exiting the producing horizon not necessarily exiting the lease. The producing horizon could go across multiple leases. The BHL and Exit could be the same or different. So a new PPP for an additional could also show the exit from one lease to the next.

The "first" lease will also be populated into the Form 3160-3 sec. 5 block. However the additional leases in the wellbore path will appear in the APD Print Report in the Well Location Tables and not in that block on the Form 3160-3.

**Form 3160-3**

On the Form 3160-3, the "first" lease is recorded from the Application sec. 1 as seen in the image below:

Form 3160-3 (March 2012)		FORM APPROVED OMB No. 1004-0137 Expires October 31, 2014	
UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT		5. Lease Serial No. <b>NMNM112955</b>	
<b>APPLICATION FOR PERMIT TO DRILL OR REENTER</b>		6. If Indian, Allottee or Tribe Name	
1a. Type of work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		7. If Unit or CA Agreement, Name and No.	
1b. Type of Well: <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other <input checked="" type="checkbox"/> Single Zone <input type="checkbox"/> Multiple Zone		8. Lease Name and Well No. CINDY TEST WLT LEASES 1H	
2. Name of Operator ALBERTA GAS CO		9. API Well No.	
3a. Address FARMINGTON NM 87432	3b. Phone No. (include area code) (505)432-1234	10. Field and Pool, or Exploratory Wildcat	
4. Location of Well (Report location clearly and in accordance with any State requirements.)* At surface SWSW / 200 FSL / 200 FWL / LAT 37.12345 / LONG -103.111111 At proposed prod. zone SWSW / 2500 FSL / 200 FWL / LAT 37.133333 / LONG -103.13333		11. Sec., T. R. M. or Blk. and Survey or Area SEC 24 / T24N / R9W / NMP	
14. Distance in miles and direction from nearest town or post office* 4 miles		12. County or Parish SAN JUAN	13. State NM
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drng. unit line, if any) 200 feet	16. No. of acres in lease 1761.69	17. Spacing Unit dedicated to this well 160	
18. Distance from proposed location* to nearest well, drilling, completed, 1000 feet applied for, on this lease, ft.	19. Proposed Depth 3000 feet / 5500 feet	20. BLM/BIA Bond No. on file	
21. Elevations (Show whether DF, KDB, RT, Gl., etc.) 2500 feet	22. Approximate date work will start* 05/31/2017	23. Estimated duration 45 days	
24. Attachments			
The following, completed in accordance with the requirements of Onshore Oil and Gas Order No.1, must 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 must be filed with the appropriate Forest Service Office).		6. Such other site specific information and/or plans as may be required by the BLM.	
25. Signature		Name (Printed/Typed) Cindy Lewis / Ph: (405)579-7100	Date
Title Program Analyst			
Approved by (Signature)		Name (Printed/Typed)	Date
Title		Office FARMINGTON	
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.			
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.			
(Continued on page 2)		*(Instructions on page 2)	

The leases will also appear in the APD Print Report and Application Data Report.