

State of New Mexico  
Energy, Minerals and Natural Resources Department

**Susana Martinez**  
Governor

**David Martin**  
Cabinet Secretary-Designate

**Brett F. Woods, Ph.D.**  
Deputy Cabinet Secretary

**Jami Bailey, Division Director**  
Oil Conservation Division



New Mexico Oil Conservation Division approval and conditions  
listed below are made in accordance with OCD Rule 19.15.7.11  
and are in addition to the actions approved by BLM on the  
following 3160-4 or 3160-5 form.

Operator Signature Date: 8-15-2013

Application Type:

☐ P&A    ☒ Drilling/Casing Change    ☐ Recomplete/DHC  
☐ Location Change    ☐ Other: \_\_\_\_\_

Well information:

API Well #	Well Name	Well #	Operator Name	Type	Stat	County	Surf. Owner	UL	Sec	Twp	N/S	Rng	W/E	Feet	NS	Ft	EW
30-045-35403-00-00	HOGBACK DEEP 12	034	VISION ENERGY GROUP LLC	O	N	San Juan	N	O	12	29	N	17	W	500	S	1700	E

Conditions of Approval:

\*Notify NMOCD 24hrs prior to beginning operations.

\*Hold C104 for NSL for Hogback Penn

\_\_\_\_\_  
NMOCD Approved by Signature

AUG 27 2013

\_\_\_\_\_  
Date

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

RECEIVED

FORM APPROVED  
OMB No. 1004-0135  
Expires November 30, 2000

SUNDRY NOTICES AND REPORTS ON WELLS **AUG 19 2013**

Do not use this form for proposals to drill or reenter an abandoned well. Use Form 3160-3 (APD) for such proposals.  
Farmington Field Office  
Bureau of Land Management

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

1. Type of Well <input type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other		5. Lease Serial No. <b>I-89-IND-58</b>
2. Name of Operator <b>Vision Energy Group LLC</b>		6. If Indian, Allottee or Tribe Name <b>Navajo Nation</b>
3a. Address <b>7415 East Main, Farmington, NM</b>	3b. Phone No. (include area code) <b>505-327-4892</b>	7. If Unit or CA/Agreement, Name and/or N
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) <b>500' fsl &amp; 1700' fel, Section 12, T29N, R17W</b>		8. Well Name and No. <b>Hogback Deep 12 #34</b>
		9. API Well No. <b>30-045-35403</b>
		10. Field and Pool, or Exploratory Area <b>Hogback Penn &amp; WC Leadville</b>
		11. County or Parish, State <b>San Juan County</b>

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 type="checkbox"/> Other
	<input checked="" 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 Operations (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 recomple 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 recomple 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.)

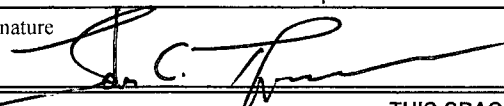
Vision Energy is requesting the following changes to the original drilling plan:

- 1) Utilize a 3M 11" BOP system (see attachment)
- 2) Change casing/cement program (see attachment)

RCVD AUG 21 '13  
OIL CONS. DIV.  
DIST. 3

DATE APPROVAL OR ACCEPTANCE OF THIS ACTION DOES NOT IMPLY THE LESSEE AND OPERATOR FROM OBTAINING ANY OTHER AUTHORIZATION REQUIRED FOR OPERATIONS ON FEDERAL AND BROWN LANDS

**CONDITIONS OF APPROVAL**  
Adhere to previously issued stipulations.

14. I hereby certify that the foregoing is true and correct	
Name (Printed/Typed) <b>John C. Thompson</b>	Title <b>Agent / Engineer</b>
Signature 	Date <b>August 15, 2013</b>

THIS SPACE FOR FEDERAL OR STATE USE

Approved by <b>Troy Salvors</b>	Title <b>Petroleum Engineer</b>	Date <b>8/19/2013</b>
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 <b>FFO</b>

Title 18 U.S.C. Section 1001, 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.

NMOCDA

# Well Control Equipment Schematic for 3M Service

Attachment to Drilling Technical Program

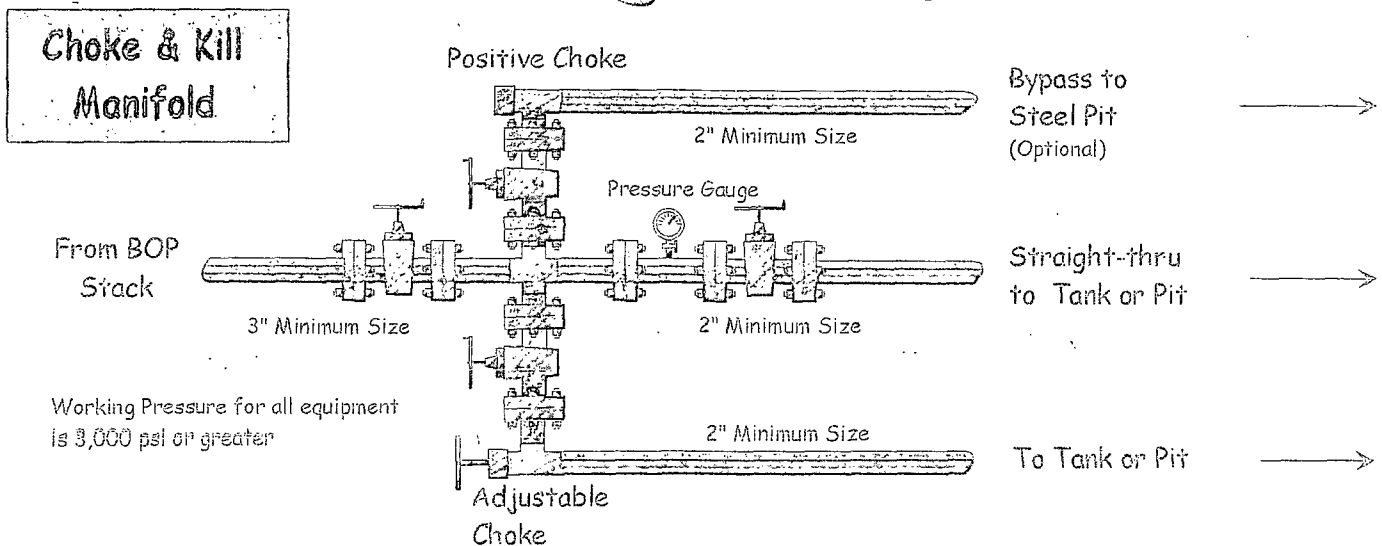
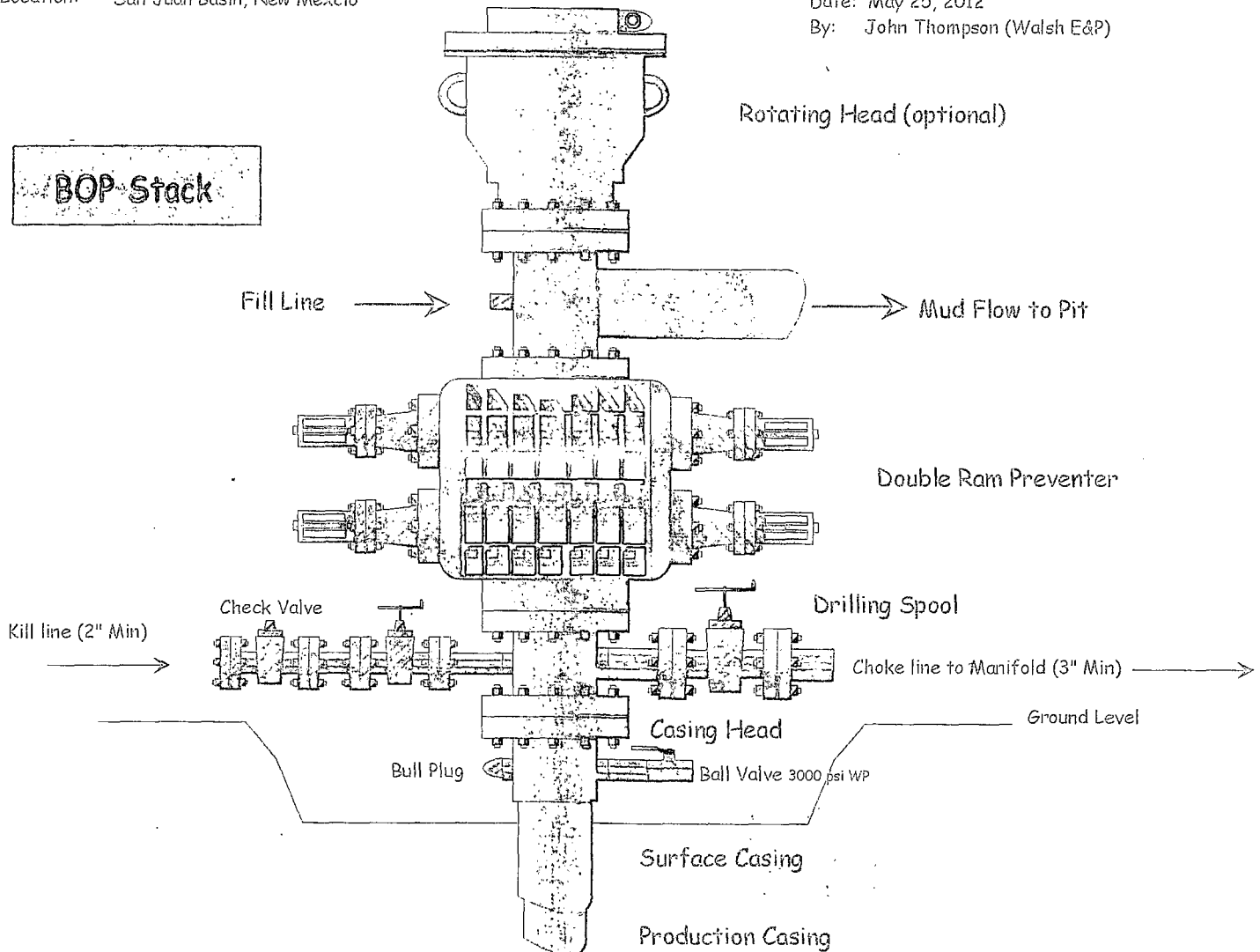


## Exhibit #1 Typical BOP setup

Location: San Juan Basin, New Mexico

Date: May 25, 2012

By: John Thompson (Walsh E&P)



**Vision Energy Group LLC**  
**Hogback Deep 12 #34**  
**Sec 12., T29N, R17W**

**Surface**

Bit: 12-1/4"  
Casing: 9-5/8" (J55 or K55), 40 ppf  
Depth: ~ 1130'

Cement Slurry: Type III or equivalent type of cement w/ additives. 515 sx (711 cf) at 14.6 ppg. Volume based on 100% excess. Volumes and additives may vary based on actual drilling conditions.

**Production**

Bit: 8-3/4"  
Casing: 5-1/2", P110, 17 ppf  
Depth: ~ 7500'

Stage Tool at ~ 4300'

Cement Slurry: Stage #1) Premium Lite FM HS. 614 sx (1216 cf) at 12.5 ppg. Stage #2) Lead: Premium Lite FM HS. 725 sx (1436 cf), Tail: Type III or equivalent type of cement. 50 sx (69 cf) at 14.6 ppg. Volume based on 50% excess in open hole & 10% excess in casing overlap. Volumes and additives may vary based on actual drilling conditions.