

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 3160-5 form.

Operator Signature Date: **Original APD 3/19/2013** Sundry Extension Date **5/22/2015**

API WELL #	Well Name	Well #	Operator Name	Type	Stat	County	Surf_Owner	UL	Sec	Twp	N/S	Rng	W/E
30-045-35485-00-00	HORSESHOE GALLUP	401	BIYA OPERATORS INC.	O	N	San Juan	U	O	35	31	N	16	W

Conditions of Approval:

(See the below checked and handwritten conditions)

- ☒ Notify Aztec OCD 24hrs prior to casing & cement.
- ☒ Hold C-104 for directional survey & "As Drilled" Plat
 - ☐ Hold C-104 for NSL, NSP, DHC
 - ☐ Spacing rule violation. Operator must follow up with change of status notification on other well to be shut in or abandoned
 - ☐ Regarding the use of a pit, closed loop system or below grade tank, the operator must comply with the following as applicable:
 - ☐ A pit requires a complete C-144 be submitted and approved prior to the construction or use of the pit, pursuant to 19.15.17.8.A
 - ☐ A closed loop system requires notification prior to use, pursuant to 19.15.17.9.A
 - ☐ A below grade tank requires a registration be filed prior to the construction or use of the below grade tank, pursuant to 19.15.17.8.C
 - ☐ Once the well is spud, to prevent ground water contamination through whole or partial conduits from the surface, the operator shall drill without interruption through the fresh water zone or zones and shall immediately set in cement the water protection string
- ☒ Regarding Hydraulic Fracturing, review EPA Underground Injection Control Guidance 84
- ☒ Oil base muds are not to be used until fresh water zones are cased and cemented providing isolation from the oil or diesel. This includes synthetic oils. Oil based mud, drilling fluids and solids must be contained in a steel closed loop system.
- ☒ Well-bore communication is regulated under 19.15.29 NMAC. This requires well-bore Communication to be reported in accordance with 19.15.29.8.
- ☒ Comply with current regulations at time of spud
Prior to production operator needs to be in compliance with RULE 19.15.5.9

NMOCD Approved by Signature

6/29/15
Date

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0137
Expires: October 31, 2014

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.**

5. Lease Serial No.
751-08-1035

6. If Indian, Allottee or Tribe Name
Ute Mountain Ute

SUBMIT IN TRIPLICATE – Other instructions on page 2.

1. Type of Well

☒ Oil Well ☐ Gas Well ☐ Other

2. Name of Operator
BIYA Operators, Inc.

3a. Address
PO Box 5226
Farmington NM 87499

3b. Phone No. (include area code)
(505) 334-9312

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

8. Well Name and No.
Horseshoe Gallup #401

9. API Well No.
30-045-354850000

10. Field and Pool or Exploratory Area
Horseshoe

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

Sec 35, T31N, R14W

11. County or Parish, State
San Juan, New Mexico

12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT OR OTHER DATA

TYPE OF SUBMISSION

- ☒ Notice of Intent
☐ Subsequent Report
☐ Final Abandonment Notice

TYPE OF ACTION

- | | | | |
|---|---|--|--|
| <input type="checkbox"/> Acidize | <input type="checkbox"/> Deepen | <input type="checkbox"/> Production (Start/Resume) | <input type="checkbox"/> Water Shut-Off |
| <input type="checkbox"/> Alter Casing | <input type="checkbox"/> Fracture Treat | <input type="checkbox"/> Reclamation | <input type="checkbox"/> Well Integrity |
| <input type="checkbox"/> Casing Repair | <input type="checkbox"/> New Construction | <input type="checkbox"/> Recomplete | <input type="checkbox"/> Other <u>Permit Extension</u> |
| <input 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 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 must 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 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection.)

BIYA operators Inc. respectfully requests the BLM extend this permit for two years.

OIL CONS. DIV DIST. 3

JUN 26 2015

RECEIVED

JUN 01 2015

Bureau of Land Management
Durango, Colorado

**SEE ATTACHED
CONDITIONS OF APPROVAL**

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

Title President

Signature

Date 05/22/2015

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Title

WISC

Date

6/16/2015

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

TRES RIOS FIELD 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.

NMOCDA

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

JUN 26 2015

OIL CONS. DIV.

FORM APPROVED

OMB No. 1004-0136
Expires November 30, 2000

APPLICATION FOR PERMIT TO DRILL OR REENTER

1a. Type of Work ☒ DRILL ☐ REENTER

1b. Type of Well: ☒ Oil Well ☐ Gas Well ☐ Other ☐ Single Zone ☐ Multiple Zone

2. Name of Operator

BIYA OPERATORS, INC.

NM OGRID # 224717

3a. Address c/o Mike Pippin, LLC

3104 N. Sullivan Ave., Farmington, NM 87401

3b. Phone Number

(505) 327-4573

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

At surface: Unit Letter O, 845' FSL, 1775' FEL

At proposed prod. Zone:

14. Distance in miles and direction from nearest town or post office*

~14 Miles Northwest of Kirtland, NM

15. Distance from proposed*

location to nearest 845'

property or lease line, ft.

(Also to nearest drlg. Unit line, if any)

16. No of Acres in lease

40

18. Distance from proposed*

location to nearest well 1135'

19. Proposed Depth

1650'

12. County or Parish,

San Juan

13. State

New Mexico

17. Spacing Unit dedicated to this well

SWSE

20. BLM/BIA Bond No. on file

RLB0011899

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

5575' Ground Level

22. Approximate date work will start*

6/10/13

23. Estimated duration

6 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:

1. Well plat certified by a registered surveyor.

2. A Drilling Plan

3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office.

4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).

5. Operator certification.

6. Such other site specific information and/or plans as may be required by the authorized officer

Size of Hole	Grade, Size of Casing	Weight per Foot	Setting Depth	Quantity of Cement
12-1/4"	8-5/8" H-40	24#	300'	177 Sxs, 248 ft3 - 100% Excess
7-7/8"	4-1/2" J-55	10.5#	1650'	270 Sxs, 526 ft3 - 40% Excess

This well was formerly named Horseshoe Gallup Unit #301

On site inspection with Dave Swanson (BLM), Scott Clow (Ute Tribe), Bernice Clayton (BIA) - 12/15/10

Archy by LaPlata

EA & TE by Nelson.

SEE ATTACHED APD INFORMATION

Latitude: 36.85262 N

Longitude: -108.49140 W

25. Signature <i>Mike Pippin</i>	Name (Printed/Typed) Mike Pippin	Date 3/19/2013
Title Agent - Petroleum Engineer	APPROVED FOR A PERIOD NOT TO EXCEED 2 YEARS	
Approved by (Signature) <i>/s/ BRAD DODD</i>	Name (Printed/Typed) /s/ BRAD DODD	Date JUN 19 2013
Title TRES RIOS FIELD OFFICE	Office ASSOCIATE FIELD MANAGER	

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.

Venting / Flaring approved for 30 days

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)

Approval of this agreement does not warrant or certify that the operator thereof and other holders of operating rights hold legal or equitable title to those rights in the subject lease which are committed herein

JUN 26 2013

SEE ATTACHED
CONDITIONS OF APPROVAL

Bureau of Land Management

Durango, Colorado

RCVD JUN 27 '13
OIL CONS. DIV.
DIST. 3

District I
1625 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720
District II
811 S. First St., Artesia, NM 88210
Phone: (575) 748-1283 Fax: (575) 748-9720
District III
1000 Rio Arriba Road, Aztec, NM 87410
Phone: (505) 334-6178 Fax: (505) 334-6170
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505
Phone: (505) 476-3460 Fax: (505) 476-3462

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 August 1, 2011
Submit one copy to
appropriate
District Office

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-045-35485	² Pool Code 32870	³ Pool Name HORSESHOE GALLUP
⁴ Property Code 305250 39986	⁵ Property Name HORSESHOE GALLUP	
⁷ OGRID No. 224717	⁶ Operator Name BIYA OPERATORS, INC.	⁸ Well Number 401
		⁹ Elevation 5574'

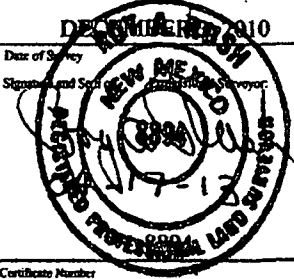
10 Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
0	35	31-N	16-W	3000	845	SOUTH	1775	EAST	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 39.13			¹³ Joint or Infill		¹⁴ Consolidation Code		¹⁵ Order No.		

¹⁶ No allowable will be assigned to this completion until all interest have been consolidated or a non-standard unit has been approved by the division.

<p>LOT 1 39.33</p> <p>LOT 2 39.23</p> <p>LOT 3 39.13</p> <p>LOT 4 39.03</p> <p>SURFACE: LAT: 36.85262° N. (NAD 83) LONG: 108.49140° W. (NAD 83)</p> <p>FD. 3 1/4" AC. 1987 BLM</p> <p>FD. 3 1/4" AC. 1987 BLM</p> <p>FD. 3 1/4" AC. 1987 BLM</p> <p>FD. 3 1/4" AC. 1987 BLM</p> <p>N 00°06'18" W 2605.84' (M) S 00°06' E 2606.34' (R)</p> <p>S 89°52'49" W 2643.07' (M) N 89°51' E 2643.96' (R)</p>		<p>17 OPERATOR CERTIFICATION</p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or undivided mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</p> <p><i>Mike Pippin</i> 6/25/13 Signature Date MIKE PIPPIN Printed Name MIKE@PIPPINLLC.COM E-mail Address</p>	
		<p>18 SURVEYOR CERTIFICATION</p> <p>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.</p> <p>DECEMBER 2010 Date of Survey Signature and Seal of Registered Surveyor  Certificate Number</p>	

BIYA Operators, Inc.

3160

Tribal IMDA: 751-08-1035

Well: Horseshoe Gallup # 401

Surface Location: 845' FSL & 1775' FEL

Sec. 35, T. 31 N., R. 16 W.

San Juan County, New Mexico

Conditions of Approval, APD Extension:

- 1) This APD is extended for a period of one year and the extension will expire on 19 June 2016.