

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM APPROVED
OMB NO. 1004-0135
Expires: July 31, 2010**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 <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. NMNM113426
2. Name of Operator HPOC, LLC		6. If Indian, Allottee or Tribe Name
3a. Address P.O. BOX 5046 BUENA VISTA, CO 81211		7. If Unit or CA/Agreement, Name and/or No.
3b. Phone No. (include area code) Ph: 719-395-8059		8. Well Name and No. OJO ENCINO 21 FEDERAL DWS 2
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 21 T20N R5W NESW 2621FSL 2360FWL 36.949160 N Lat, 107.372000 W Lon		9. API Well No. 30-031-21111-00-S1
		10. Field and Pool, or Exploratory OJO UNKNOWN
		11. County or Parish, and State MCKINLEY COUNTY, 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 type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	Suspension of Operations and/or Production
	<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 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.)

HPOC, LLC is operating with Bond No. NMB 000457.

HPOC, LLC hereby requests long-term shut-in status for the subject well due to continuing low oil prices.

OIL CONS. DIV DIST. 3

SEP 06 2016

At current prices, HPOC loses about \$5,000 per month to produce this well. Our high-volume lift operation works well at higher oil prices. We have 4 producers in our Entrada program capable of making about 70 BOPD. These wells are not stripper producers. We need about \$60 per barrel WTI oil price to break even at our oil cuts in the 1% to 2% range. There is a lot of future royalty to be paid to ONRR and production tax to be paid to the State of NM when higher oil prices return.

Regarding mechanical integrity of the well, last month, Monica Kuehling with NM OCD came out and we

* Shut in approved until 8/23/2017

14. I hereby certify that the foregoing is true and correct.	
Electronic Submission #349736 verified by the BLM Well Information System For HPOC, LLC, sent to the Farmington Committed to AFMSS for processing by WILLIAM TAMBEKOU on 09/01/2016 (16WMT0424SE)	
Name (Printed/Typed) BUTCH BUTLER	Title MANAGER
Signature (Electronic Submission)	Date 08/31/2016

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By WILLIAM TAMBEKOU	Title PETROLEUM ENGINEER	Date 09/01/2016
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 Farmington

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.

**** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ******Accepted For Record****NMOCD**

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NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
AZTEC DISTRICT OFFICE
1000 RIO BRAZOS ROAD
AZTEC NM 87410
(505) 334-6178 FAX: (505) 334-6170
<http://emnr.state.nm.us/ocd/District/3/district.htm>

OIL CONS. DIV DIST. 3
JUL 20 2016

BRADENHEAD TEST REPORT

(submit 1 copy to above address)

Date of Test 7-20-16 Operator HPOC LLC API #30-0 31-21111
Property Name OSO ENCLINO 21 Fed DWS Well No. 2 Location: Unit K Section 21 Township 20 Range 5
Well Status (Shut-In or Producing) Initial PSI: Tubing 0 Intermediate N/A Casing 0 Bradenhead 0

OPEN BRADENHEAD AND INTERMEDIATE TO ATMOSPHERE INDIVIDUALLY FOR 15 MINUTES EACH

Testing	PRESSURE			INTERM	
	BH	Int	Csg	Int	Csg
TIME	<u>0</u>		<u>0</u>		
5 min	<u>0</u>		<u>0</u>		
10 min	<u>0</u>		<u>0</u>		
15 min	<u>0</u>		<u>0</u>		
20 min					
25 min					
30 min					

FLOW CHARACTERISTICS	
BRADENHEAD	INTERMEDIATE
Steady Flow	
Surges	
Down to Nothing	
Nothing	<u>/</u>
Gas	<u>/</u>
Gas & Water	
Water	

If bradenhead flowed water, check all of the descriptions that apply below:

CLEAR _____ FRESH _____ SALTY _____ SULFUR _____ BLACK _____

5 MINUTE SHUT-IN PRESSURE

BRADENHEAD 0

INTERMEDIATE N/A

REMARKS:

Nothing when opened. Nothing when
opened after 5 min shut in

By Jim Hatter
Dumper
(Position)

Witness Monica Kuehling

E-mail address _____