## State of New Mexico Energy, Minerals and Natural Resources Department

Susana Martinez Governor

Ken McQueen Cabinet Secretary

Matthias Sayer Deputy Cabinet Secretary David R. Catanach, 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 <u>3160-5</u> form. Operator Signature Date: **Original APD 2/16/2015** Sundry Extension Date 9/22/2017

API WELL #	Well Name	Well #	Operator Name	Туре	Stat	County	Surf_Owner				
30-045-35671-00-00	DRAGONFLY	112H	LOGOS OPERATING, LLC	0	Ν	San Juan	F	D	12	24 N	8 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,
- O 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

Submit Gas Capture Plan form prior to spudding or initiating recompletions operations.

Regarding Hydraulic Fracturing, review EPA Underground Injection Control Guidance 84

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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

Kothin PM

NMOCD Approved by Signature

<u>10/10/17</u> Date

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Form 3160-5 (June 2015) DEF	UNITED STATES PARTMENT OF THE INTERIOI	RECEIVE		FORM APPROVED OMB No. 1004-0137 Expires: January 31, 2018				
BUR	EAU OF LAND MANAGEMEN		5. Lease Serial No. NM47167					
SUNDRY N Do not use this f abandoned well.	IOTICES AND REPORTS ON form for proposals to drill or Use Form 3160-3 (APD) for	WELLS Farmington Fiel to re-enter an reall of Land Ma uch proposals	d Office	6. If Indian, Allottee of nt	r Tribe Name			
	TRIPLICATE - Other instructions on p				ement, Name and/or No.			
1. Type of Well	Vell Other	8. Well Name and No. Dragonfly 112H						
2. Name of Operator LOGOS Operati	ng, LLC			9. API Well No. 30-045-35671				
3a. Address 2010 Afton Place Farmington, NM 87401	3b. Phone N	lo. <i>(include area code</i> 4145		10. Field and Pool or Exploratory Area Dufers Point-Gallup Dakota				
4. Location of Well (Footage, Sec., T., R 965 FNL & 808 FWL, NW/NW, D S			11. Country or Parish, State San Juan County, NM					
12. CHE	CK THE APPROPRIATE BOX(ES) TO	INDICATE NATURE	OF NOTI	CE, REPORT OR OTH	IER DATA			
TYPE OF SUBMISSION TYPE OF ACTION								
✓ Notice of Intent		eepen ydraulic Fracturing		uction (Start/Resume)	Water Shut-Off			
Subsequent Report		ew Construction ug and Abandon		mplete oorarily Abandon	Other			
Final Abandonment Notice	Convert to Injection Pl	ug Back	Wate	Disposal				
completed. Final Abandonment Not is ready for final inspection.)	ns. If the operation results in a multiple c ices must be filed only after all requirement tension for the BLM approved APD d CONDI Adhere to	ents, including reclam	nation, have	been completed and th				
APD extension		<u>l lo</u>	2c		~ 2017			
14. I hereby certify that the foregoing is to Tamra Sessions	rue and correct. Name (Printed/Typed)	Regulatory Title	/ Specialis	t				
Signature Tamb	enins	Date		09/22/20	17			
	THE SPACE FOR FE	DERAL OR ST	ATE OFI	CEUSE				
Approved by					1. t. 1			
AC Conditions of approval, if any, are attach certify that the applicant holds legal or ex which would entitle the applicant to cond	quitable title to those rights in the subject	ant or	FF	<u>م</u>	ate <b>19 10</b> 4/17			
Title 18 U.S.C Section 1001 and Title 43 any false, fictitious or fraudulent statemet			y and willf	ully to make to any dep	partment or agency of the United States			
(Instructions on page 2)		NMOCI	DAV					

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