

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

RECEIVED

FORM APPROVED
OMB No. 1004-0137
Expires: July 31, 2010

MAY 16 2018

5. Lease Serial No.

SF-078047

6. If Indian, Allottee or Tribe Name

Farmington Field Office
Bureau of Land Management

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 page 2.

1. Type of Well

☐ Oil Well

☒ Gas Well

☐ Other

2. Name of Operator

Hilcorp Energy Company

3a. Address

PO Box 4700, Farmington, NM 87499

3b. Phone No. (include area code)

505-599-3400

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

8. Well Name and No.

Palluche HZMC 1H

9. API Well No.

30-039-31138

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

Surface Unit B (NWNE), 1042' FNL & 2088' FEL, Sec. 35, T26N, R7W

Bottomhole Unit C (NENW), 790' FNL & 2242' FWL, Sec. 34, T26N, R7W

11. Country or Parish, State

Rio Arriba, New Mexico

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

TYPE OF SUBMISSION

TYPE OF ACTION

☒ Notice of Intent

☐ Subsequent Report

☐ Final Abandonment Notice

☐ Acidize

☐ Alter Casing

☐ Casing Repair

☐ Change Plans

☐ Convert to Injection

☐ Deepen

☐ Fracture Treat

☐ New Construction

☐ Plug and Abandon

☐ Plug Back

☐ Production (Start/Resume)

☐ Reclamation

☐ Recomplete

☐ Temporarily Abandon

☐ Water Disposal

☐ Water Shut-Off

☐ Well Integrity

☒ Other Enlarge Temp

Use Area

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.)

Hilcorp requests enlarging the 320'x320' proposed water pond (APD permitted disturbance: 2.35 acres) to 320'x470'. This request would add 150' to the northeast side of the permitted area toward the permitted well pad, essentially connecting the two permitted areas. See attached drawing. The additional area will be utilized as a temporary water storage area for temporary above-ground frac tanks and/or temporary above-ground ponds. All disturbed surface will be reclaimed after drilling and completion of the well. The area in discussion is all within Federal Lease number NMSF078047.

NMOCD

MAY 16 2018

DISTRICT III

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

Kandis Roland

Title Operations/Regulatory Technician - Sr.

Signature

Kandis Roland

Date 3/16/2018

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Sarah N. Sosa

Title

Supr NPS

Date

5/11/18

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

FFO

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.

(Instruction on page 2)

NMOCD

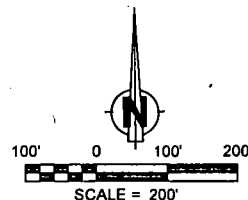
3

Palluche HZMC 1H
30-039-31138



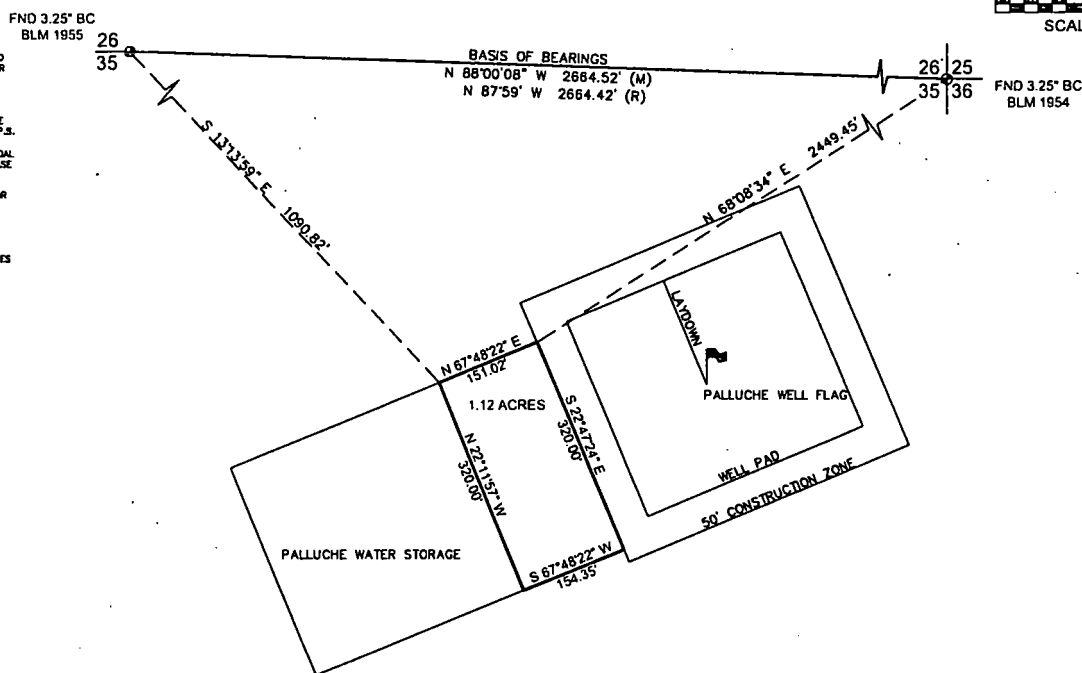
WELL FLAG
 LATITUDE: 36.44717° N
 LONGITUDE: 107.54296° W
 DATUM: NAD83

HILCORP
PALLUCHE HZMC #1H
TEMPORARY USE AREA
 LOCATED IN THE W/2 OF THE NE/4 OF SECTION 35.
 T26N, R7W, N.M.P.M.,
 RIO ARriba COUNTY, NEW MEXICO



NOTES:

- 1.) BASIS OF BEARING: BETWEEN FOUND MONUMENTS AT THE NORTHEAST CORNER AND THE NORTH QUARTER CORNER OF SECTION 35, TOWNSHIP 26 NORTH, RANGE 7 WEST, RLM.P.M., RIO ARriba COUNTY, NEW MEXICO. LINE BEARS: N 88°00'00" W A DISTANCE OF 2664.52 FEET AS MEASURED BY G.P.S.
- 2.) LATITUDE, LONGITUDE AND ELLIPSOIDAL HEIGHT BASED ON AZTEC CORPS L1 PHASE CENTER. DISTANCES SHOWN ARE GROUND DISTANCES USING A TRAVERSE MERCATOR PROJECTION FROM A WGS84 ELLIPSOID, CONVERTED TO NAD83. NAVD83 ELEVATIONS AS PREDICTED BY GEND003.
- 3.) LOCATION OF UNDERGROUND UTILITIES DEPICTED ARE APPROXIMATE. PRIOR TO EXCAVATION UNDERGROUND UTILITIES SHOULD BE FIELD VERIFIED. ALL CONSTRUCTION ACTIVITIES SHOULD BE FIELD VERIFIED WITH NEW MEXICO ONE-CALL AUTHORITIES AT LEAST 48 HOURS PRIOR TO CONSTRUCTION.



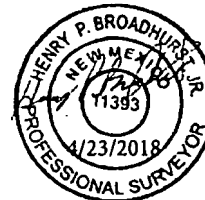
~ SURFACE OWNERSHIP ~
 BUREAU OF LAND MANAGEMENT

TEMPORARY USE AREA
 320' x 152' = 1.12 ACRES
 SCALE: 1" = 200'

Hilcorp

DATE: 04/23/18
 DRAWN BY: GRR

I, HENRY P. BROADHURST, JR., A NEW MEXICO REGISTERED PROFESSIONAL SURVEYOR CERTIFY THAT I CONDUCTED AND AM RESPONSIBLE FOR THIS SURVEY, THAT THIS SURVEY IS TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF, AND THAT THIS SURVEY AND PLAT MEET THE MINIMUM STANDARDS FOR SURVEYING IN NEW MEXICO.



CCI

CHENHAULT CONSULTING INC.

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 SUITE 200
 FARMINGTON, NM 87402
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