

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

RECEIVED

MAR 27 2019

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

Farmington Field Office

Bureau of Land Management

NMNM23047

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

382 Road 3100 Aztec, NM 87410

3b. Phone No. (include area code)

505-599-3400

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

Surface Unit A (NENE) 1050' FNL & 800' FEL, Sec. 03, T29N, R05W

5. Lease Serial No.

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.

Dugan 1

9. API Well No.

30-039-25301

10. Field and Pool or Exploratory Area

Basin Fruitland Coal

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 | | | |
|--|---|---|--|---|
| <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 | Vacuum Pump |
| | <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.)

Hilcorp Energy Company plans to operate the subject well at below atmospheric pressure on a vacuum pump per the attached written agreement with Harvest Four Corners, LLC. The operation will begin within 90 days from the date of this notification.

NMOC

MAR 28 2019

DISTRICT III

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

Etta Trujillo

Title Operations/Regulatory Technician - Sr.

Signature

Etta Trujillo

Date

3/25/2019

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Dave Mankiewicz

Title

AFM

Date

3/28/19

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)

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NMOC

Accepted For Record

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March 25, 2019

Harvest Midstream Company
Harvest Four Corners LLC, OGRID 37388
Attn: Mike Chenoweth, Scheduling Manager
1755 Arroyo Dr.
Bloomfield, NM 87413

RE: Gas Gathering Agreements effective April 1, 2010 – Section 7.3 Oxygen Detection and Vacuum Operations

Notice for Well Operation at Below Atmospheric Pressure - San Juan East Areas
Hilcorp Energy Company, OGRID 372171

Mike Chenoweth,

Enclosed are the referenced Section 7.3 Oxygen Detection and Vacuum Operations of the Gas Gathering Agreements for Ignacio Base Contact and Milagro Base Contract. These executed contracts between Williams Four Corners LLC now Harvest Four Corners LLC and ConocoPhillips Company now Hilcorp Energy Company are in effect as of April 1, 2010.

Hilcorp Energy is providing notice for oxygen detection and vacuum operations for the following well locations in Rio Arriba County, New Mexico:

Well: Carson SRC 100, N (SESW), Sec. 1, T30N, R5W, API# 3003926361, Ignacio Plant
Well: Carson SRC 101, G (SWNE), Sec. 1, T30N, R5W, API# 3003926384, Ignacio Plant
Well: Cat Draw 100, M (SWSW), Sec. 4, T30N, R5W, API# 3003926167, Ignacio Plant
Well: Cat Draw 100S, C (NENW), Sec. 4, T30N, R5W, API# 3003927443, Ignacio Plant
Well: Cat Draw Com 101, G (SWNE), Sec. 4, T30N, R5W, API# 3003926331, Ignacio Plant
Well: Cat Draw Com 101S, P (SESE), Sec. 4, T30N, R5W, API# 3003927303, Ignacio Plant
Well: Dugan 1, A (NENE), Sec. 3, T29N, R5W, API# 3003925301, Ignacio Plant
Well: Dugan Federal 2, K (NESW), Sec. 3, T29N, R5W, API# 3003925354, Ignacio Plant
Well: Dugan Federal 4, O (SWSE), Sec. 3, T29N, R5W, API# 3003927766, Ignacio Plant
Well: Rio Arriba 1, M (SWSW), Sec. 14, T29N, R5W, API# 3003925272, Ignacio Plant
Well: San Juan 28-6 Unit 421, B (NWNE), Sec. 33, T28N, R6W, API# 3003924924, Ignacio Plant
Well: San Juan 28-6 Unit 437S, P (SESE), Sec. 28, T28N, R6W, API# 3003929601, Ignacio Plant
Well: San Juan 28-6 Unit NP 420, A (NENE), Sec. 32, T28N, R6W, API# 3003924992, Ignacio Plant
Well: San Juan 29-6 Unit 220A, O (SWSE), Sec. 11, T29N, R6W, API# 3003929279, Milargo Plant



Notice for Well Operation at Below Atmospheric Pressure - San Juan East Areas
Hilcorp Energy Company, OGRID 372171

Well: San Juan 29-6 Unit 226, G (SWNE), Sec. 14, T29N, R6W, API# 3003924668, Milagro Plant
Well: San Juan 29-7 Unit 544, B (NWNE), Sec. 4, T29N, R7W, API# 3003925007, Milagro Plant
Well: San Juan 30-5 Unit 213R, H (SENE), Sec. 5, T30N, R5W, API# 3003926523, Ignacio Plant
Well: San Juan 30-5 Unit 243, G (SWNE), Sec. 15, T30N, R5W, API# 3003925984, Ignacio Plant
Well: San Juan 30-5 Unit 249, A (NENE), Sec. 23, T30N, R5W, API# 3003925972, Ignacio Plant
Well: San Juan 30-5 Unit 255, M (SWSW), Sec. 14, T30N, R5W, API# 3003925532, Ignacio Plant
Well: San Juan 30-5 Unit 255A, E (SWNW), Sec. 14, T30N, R5W, API# 3003929225, Ignacio Plant
Well: San Juan 30-5 Unit 257, M (SWSW), Sec. 11, T30N, R5W, API# 3003925718, Ignacio Plant
Well: San Juan 30-5 Unit 258, G (SWNE), Sec. 14, T30N, R5W, API# 3003925699, Ignacio Plant
Well: San Juan 30-5 Unit 258A, O (SWSE), Sec. 14, T30N, R5W, API# 3003929228, Ignacio Plant
Well: San Juan 30-5 Unit 259, M (SWSW), Sec. 13, T30N, R5W, API# 3003925705, Ignacio Plant
Well: San Juan 30-5 Unit 259A, F (SENW), Sec. 13, T30N, R5W, API# 3003929227, Ignacio Plant
Well: San Juan 30-5 Unit 263, G (SWNE), Sec. 13, T30N, R5W, API# 3003925982, Ignacio Plant
Well: San Juan 30-5 Unit 263A, J (NWSE), Sec. 13, T30N, R5W, API# 3003929223, Ignacio Plant
Well: San Juan 30-5 Unit 267, G (SWNE), Sec. 24, T30N, R5W, API# 3003926514, Ignacio Plant
Well: San Juan 30-5 Unit 268, K (NESW), Sec. 24, T30N, R5W, API# 3003926508, Ignacio Plant
Well: San Juan 30-5 Unit 268A, F (SENW), Sec. 24, T30N, R5W, API# 3003929250, Ignacio Plant
Well: San Juan 31-6 Unit 201A, O (SWSE), Sec. 1, T30N, R6W, API# 3003927468, Milagro Plant
Well: San Juan 31-6 Unit 203A, P (SESE), Sec. 3, T30N, R6W, API# 3003927469, Milagro Plant
Well: San Juan 31-6 Unit 209, L (NWSW), Sec. 1, T30N, R7W, API# 3003924432, Ignacio Plant
Well: San Juan 31-6 Unit 209A, D (NWNW), Sec. 1, T30N, R7W, API# 3003929453, Ignacio Plant
Well: San Juan 31-6 Unit 210A, P (SESE), Sec. 2, T30N, R6W, API# 3003927481, Milagro Plant
Well: Vaqueros Canyon 1, H (SENE), Sec. 10, T29N, R4W, API# 3003927679, Ignacio Plant

Respectfully,

A handwritten signature in black ink, appearing to read 'Nick Kunze', with a stylized flourish at the end.

Nick Kunze
Area Operations Manager
San Juan East Asset Team

Hilcorp Energy Company 1111 Travis St. Houston, TX 77002
Direct: 713-209-2449 - Email: nkunze@hilcorp.com