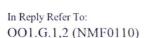


United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Farmington Field Office 6251 College Blvd., Suite A Farmington, New Mexico 87402 www.blm.gov/nm



MAY 2 3 2019

Hilcorp Energy Company 1111 Travis Street Houston, TX 77002

Dear Sir or Madam:

Reference is made to your Application for Permit to Drill (APD) for Thompson, 8N, # 30-045-35371, located 1,915' FNL & 2,095' FEL, Section 28, T. 31 N., R. 12 W., San Juan County, New Mexico.

Per Onshore Order 1.III.G.1, an APD approval is valid for 2 years from the date it is approved, or until lease expiration, whichever occurs first. If the operator submits a written request before the expiration of the original approval, the Bureau of Land Management, may extend the APD's validity for up to two (2) additional years. 2. The operator is responsible for reclaiming any surface disturbance that resulted from its actions, even if a well was not drilled. Please contact Sarah Scott, Supervisory, Natural Resource Specialist at (505) 564-7689 or sscott@blm.gov for additional information or inspections.

The referenced APD was approved on 6/21/2012 and per BLM reinstatement letter (copy attached), final extension was granted to 6/24/2015. Furthermore, Hilcorp's 2019 Plan of Development does not list well for drilling operations. Therefore, APD is rescinded effective to date of this letter.

Under 43 CFR 3165.3 (b), you may request an Administrative Review of any instructions, orders, or decisions issued by the Authorized Officer. Such a request, including all supporting documents, must be filed in writing within 20 business days of receipt of this notice and must be filed with the State Director, Bureau of Land Management, P.O. Box 27115, Santa Fe, New Mexico 87502-0115. Such a request will not result in a suspension of the instructions, orders, or decisions unless the reviewing official determines. Procedures governing appeals from the instructions, orders, or decisions are contained in 43 CFR 3165.4 and 43 CFR 4.400 et. Seq.

If you have any questions, please contact me at (505) 564-7731 or dmankiew@blm.gov

Sincerely,

Dave Mankiewicz

Assistant Field Manager, Minerals

NMOCD

MAY 2 7 2019

DISTRICT III

ENCLOSURE

Bcc: well file





United States Department of the Interior

TAKE PRIDE

BUREAU OF LAND MANAGEMENT

Farmington Field Office 6251 College Blvd., Suite A Farmington, New Mexico 87402

IN REPLY REFER TO: APD Reinstatement

June 24, 2014

Dear Mr. Bruner,

By letter dated May 9 2014, you requested reinstatement of 12 Applications for Permit to Drill (APDs) for wells that were inadvertently rescinded due to an administrative oversight. You indicate that all of these wells are considered essential to commence an active drilling program here in the San Juan Basin.

After due consideration, the APDs on the attached list are hereby reinstated effective June 24, 2014. These APDs are now considered to be in full force and effect and have the remaining time before the original APD expiration or one full year, whichever is greater. The first four wells listed below were refiled as new well proposals and these four will be granted a full two (2) extension.

Please be advised that this is a onetime authorization and further extensions beyond the provisions granted above will be denied. Please ensure that this authorization is attached to each APD and posted onsite during drilled operations. If you have any question please contact me at (505) 564-7731.

Sincerely,

Dave Mankiewicz

Dave Mankiewicz Assistant Field Manager, Minerals

CC: NMOCD

BCC: Well Files (12)

Application for Permit to Drill Reinstatements:

- 1) San Juan 27-4 Unit # 102P, located in D, Section 33-27N-4W., on Federal oil and gas lease NMSF-080675.
- 2) Grenier B # 3P, located in O, Section 5-29N-10W., on Federal oil and gas lease NMNM-03561.
- 3) East # 6N, located in F, Section 23-31N-12W., on Federal oil and gas lease NMSF-077652.
- 4) Hare # 16N, located in G, Section 3-29N-10W., on Federal oil and gas lease NMSF-076958.
 - Note: the above four APDs were approved on June 24, 2014, and have a new expiration date of June 24, 2016.
- 5) San Juan 28-7 Unit # 99N, located in N, Section 29-27N-7W., and has a new expiration date of June 24, 2015.
- 6) San Juan 28-7 Unit #237P, located in J, Section 19-27N-7W., and has a new expiration date of June 24, 2015.
- 7) San Juan 28-7 Unit #100P, located in A, Section 30-27N-7W., and has a new expiration date of June 24, 2015.
- 8) San Juan 27-5 Unit #115P, located in G, Section 23-27N-5W., and has a new expiration date of June 24, 2015.
- 9) San Juan 29-7 Unit #84M, located in O, Section 1-29N-7W., and has a new expiration date of June 24, 2015.
- 10) Jackson Com #1N, located in L, Section 9-28N-9W., and has a new expiration date of June 24, 2015.
- 11) Thompson #8N, located in F, Section 28-31N-12W., and has a new expiration date of June 24, 2015.
- 12) Day #5N, located in O, Section18-29N-8W., and has a new expiration date of June 24, 2015.