

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

5. Lease Serial No.

NMSF078463A

6. If Indian, Allottee or Tribe Name

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

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

8. Well Name and No.

Kaufman 1

9. API Well No.

30-045-10174

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

Surface

Unit H (SENE) 1450' FNL & 790' FEL, Sec. 33, T31N, R13W

10. Field and Pool or Exploratory Area

Basin Dakota

11. Country or Parish, State

San Juan

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 <u>Soil Investigation</u>
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<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.)

Please see attached

NMOC

JUN 20 2019

DISTRICT III

**SEE ATTACHED
FOR CONDITIONS
OF APPROVAL**

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

Amanda Walker

Title **Operations/Regulatory Technician - Sr.**

Signature

Date **5/14/2019**

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Title

Supv. M & H Res.

Date

6/18/19

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

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.

(Instruction on page 2)

NMOC

Accepted For Record

4

June 3, 2019

Mr. Adiodun Adeloye (Emmanuel)
Natural Resource Specialist
Bureau of Land Management – Farmington Field Office
6251 College Blvd., Suite A
Farmington, New Mexico

RE: Sundry Notice
Kaufman No. 1 (SE1/4, NE1/4, Sec. 33, T31N, R13W)
San Juan County, New Mexico

Dear Mr. Adeloye,

Hilcorp Energy Company (Hilcorp) submits this Sundry Notice for planned soil investigation activities at the Kaufman No. 1 (Site). The Site is in San Juan County, New Mexico and located on land managed by the Bureau of Land Management (BLM).

Hilcorp directed its contractor (i.e., Timberwolf Environmental, LLC) to conduct site characterization activities in January 2019 following a release from an oil tank. During this investigation, impacted soil, believed to be the result of a historic release, was discovered south, southwest, and west of the tank battery (MW4, MW5, and MW6, respectively). Three off-Site soil borings (i.e., SB3, SB4, and SB5) are required south of the well pad to horizontally delineate the impacted soil as required by New Mexico Administrative Code (NMAC) 19.15.29.10 (Site Assessment/Characterization). The locations of the proposed soil borings are shown in the attached figure. Each proposed boring location is <50 from the pad with total offsite impacted area of ~0.04 acres or 1,700 sq/ft.

Soil borings will be installed using a truck-mounted rotary rig. Soil samples will be collected continuously from the surface to the total depth of each boring (expected to be 15 feet below ground surface). Upon completion, each boring will be sealed using bentonite.

Hilcorp requests BLM authorization to proceed with the above scope of work. Thank you in advance for your assistance in this matter.

Jennifer Deal, Environmental Specialist
Hilcorp Energy Company

cc: Cory Smith, NMOCD District 3

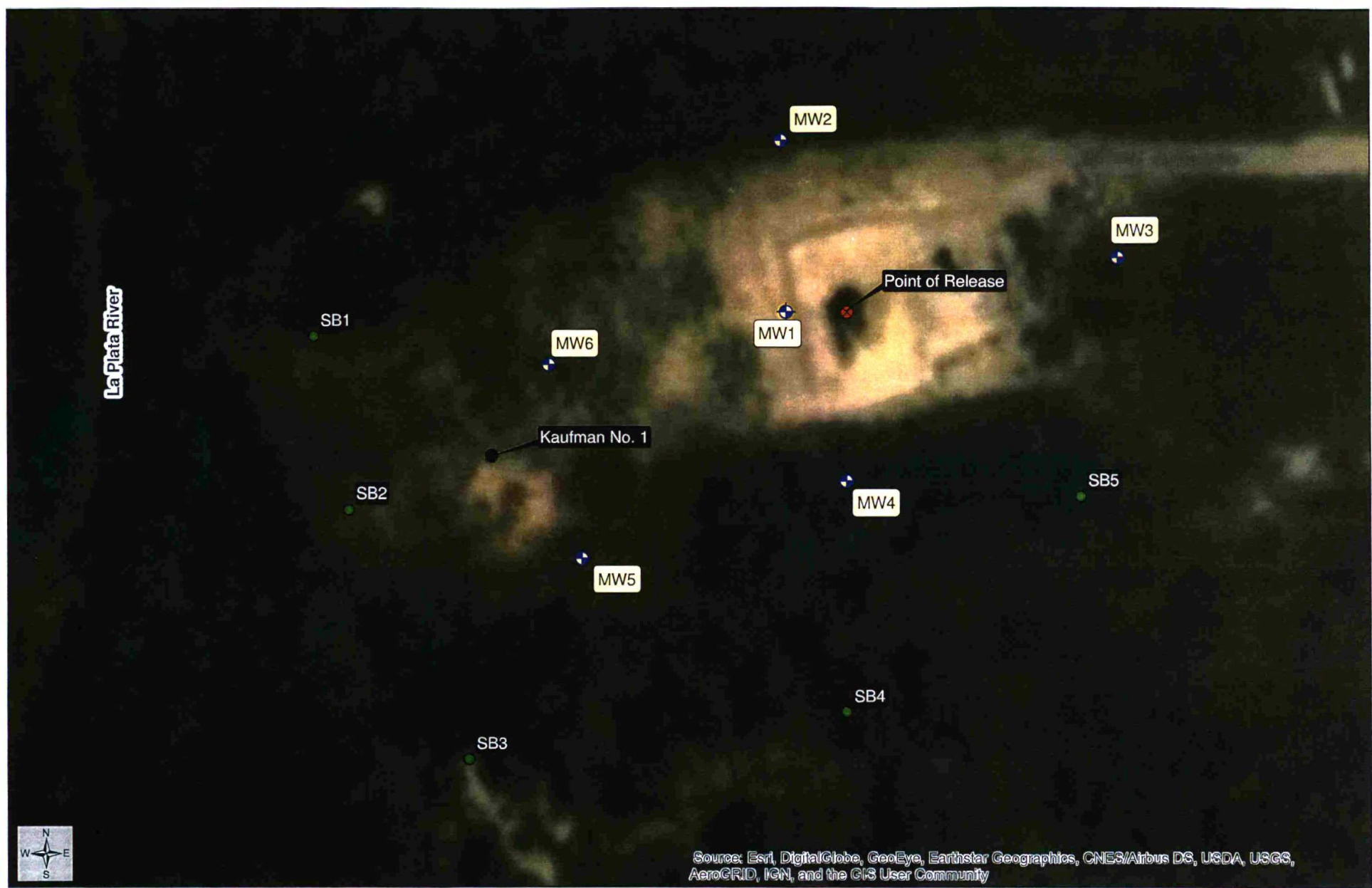


Figure
Proposed Soil Boring Locations

Sundry Notice

May 9, 2019



Created By:
Kevin Cole
TE Project No.: HEC-180061

Kaufman No. 1 Release (SE1/4 NE1/4, Sec. 33, T31N, R13W)
Hilcorp Energy Company
San Juan County, New Mexico

Datum: NAD83
Imagery Source: ESRI
Vector Source: TE

- Point of Release
- ⊕ Monitor Well
- Proposed Soil Boring
- Kaufman No. 1 Well Head

Operator: Hilcorp
Well Name: Kaufman No. 1
Legal Description: T31N R13W Sec 33

Conditions of Approval

Disclaimers: BLM's approval of this remediation plan does not relieve the lessee and operator from obtaining any other authorizations that may be required by other jurisdictional entities.

1. ConocoPhillips will notify the BLM at least 24 hours prior to any conformation soil sampling event.
2. Hilcorp is only approved to move forward with delineation of the contaminated area with the coring rig no other motorized vehicle is acceptable to be off of the well pad location.
3. Once the affected area has been delineated Hilcorp will submit a sundry with an attached remediation plan.
4. Construction, construction maintenance or any other activity outside the approved areas will require additional approval and may require a new cultural survey and clearance. If Hilcorp needs to move beyond the surveyed area call the FFO-BLM as soon as possible to expedite the process. Contact Whitney Thomas at (505)564-7680 or (505)635-9796.
5. All employees of the project, including the Project Sponsor and its contractors and sub-contractors will be informed that cultural sites are to be avoided by all personnel, personal vehicles and company equipment. This includes all personnel associated with construction, use, maintenance and abandonment of the well pad, well facilities, access and pipeline. They will also be notified that it is illegal to collect, damage, or disturb cultural resources, and that such activities are punishable by criminal and or administrative penalties under the provisions of the Archaeological Resources Protection Act (16U.S.C. 470aa-mm).
6. If, in its operations, operator/holder discovers any previously unidentified historic or prehistoric cultural resources, then work in the vicinity of the discovery will be suspended and the discovery promptly reported to BLM Field Manager. The BLM will then specify what action is to be taken. If there is an approved "discovery plan" in place for the project, then the plan will be executed. In the absence of an approved plan, the BLM will evaluate the significance of discovery and consult with the State Historic Preservation Officer in accordance with 36 CFR Section 800.11. Minor recordation, stabilization, or data recovery may be performed by a BLM or permitted cultural resources consultant. If warranted, more extensive treatment by a permitted cultural resources consultant may be required of the operator/holder prior to allowing the project to proceed. Further damage to significant cultural resources will not be allowed until any required treatment is completed. Failure to notify the BLM about a discovery may result in civil or criminal penalties in accordance with the Archeological Resources Protection Act of 1979 (as amended).
7. If monitoring confirms the presence of previously unidentified cultural resources, then work in the vicinity of the discovery will be suspended and the monitor will promptly report the discovery to the BLM Field Manager. The BLM will then specify what action is to be taken. If there is an approved "discovery plan" in place for the project, then the plan will be executed. In the absence of an approved plan, the BLM will evaluate the significance of the discovery and consult with the