State of New Mexico Energy, Minerals and Natural Resources Department

Michelle Lujan Grisham Governor

Sarah Cottrell Propst Cabinet Secretary

Todd E. Leahy, JD, PhD Deputy Secretary Adrienne Sandoval, 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>3160-4 or 3160-5</u> form.

Operator Signature Date: 1/13/2020 Well information:

30-045-34366 UTE MOUNTAIN UTE #081

HUNTINGTON ENERGY, LLC

Application Type:

🖂 P&A 🔄 Drilling/Casing Change 🗌 Location Change

Recomplete/DHC (For hydraulic fracturing operations review EPA Underground injection control Guidance #84; Submit Gas Capture Plan form prior to spudding or initiating recompletion operations)



Conditions of Approval:

• Notify NMOCD 24hrs prior to beginning operations.

In addition to the BLM approved plugs:

- Add a Graneros/Dakota plug 2220'-2120'. OCD Graneros pick @ 2250'.
- Add a Gallup plug 1490'-1390'. OCD Gallup pick @ 1440'.

NMOCD Approved by Signature

3/20/20

1 - G		DECEN			
	E UNITED STATES EPARTMENT OF THE INTERIO UREAU OF LAND MANAGEMENT		OMB	FORM APPROVED OMB NO. 1004-0137 Expires: January 31, 2018 5. Lease Serial No.	
SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill on to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals ANAGEMENT			1221ND2772	1221ND2772	
			6. If Indian, Allotted UTE MOUNT		
SUBMIT IN	TRIPLICATE - Other instructions	s on page 2	7. If Unit or CA/Ag	greement, Name and/or No.	
. Type of Well		8. Well Name and No. UTE MTN UTE 81			
2. Name of Operator HUNTINGTON ENERGY LLC Contact: CATHERINE SMITH E-Mail: csmith@huntingtonenergy.com			9. API Well No. 30-045-34366	9. API Well No. 30-045-34366-00-S1	
a. Address 908 NW 71ST ST OKLAHOMA CITY, OK 7311	Ph: 40	ne No. (include area code) 5-840-9876 Ext: 129 5-840-2011	10. Field and Pool or Exploratory Area BARKER CREEK		
Location of Well (Footage, Sec., 7			11. County or Parisl	h, State	
Sec 20 T32N R14W NESE Tr 36.970610 N Lat, 108.325960			SAN JUAN CO	OUNTY, NM	
12. CHECK THE A	PPROPRIATE BOX(ES) TO IND	ICATE NATURE OF	NOTICE, REPORT, OR OT	ΓHER DATA	
TYPE OF SUBMISSION	TYPE OF ACTION				
 Notice of Intent Subsequent Report Final Abandonment Notice 	□ Alter Casing □ □ Casing Repair □	Deepen Hydraulic Fracturing New Construction Plug and Abandon	 Production (Start/Resume) Reclamation Recomplete Temporarily Abandon 	Water Shut-OffWell IntegrityOther	
BP		Plug Back	U Water Disposal		
Attach the Bond under which the wo following completion of the involved testing has been completed. Final A determined that the site is ready for f Huntington Energy L.L.C. resp following is the procedure:	ally or recomplete norizontarity, give subju- rk will be performed or provide the Bond N d operations. If the operation results in a m bandonment Notices must be filed only after inal inspection. Dectfully requests to Plug and Abar bing and casing to pit. Have water t	No. on file with BLM/BIA. ultiple completion or recoi er all requirements, includi ndon the above refere	Required subsequent reports must mpletion in a new interval, a Form 3 ng reclamation, have been complete	be filed within 30 days 160-4 must be filed once	
 Unset packer and TOOH s PU setting tool, CIBP and Set CIBP @ 2487'. Notify NMOCD/BLM. RU pump truck and load c 	TIH. asing. Pressure test casing to 500	psi for 30 min.	SEE ATTACHED CONDITIONS OF APPROVAL		
 TOOH laying down to 600' RU cementers. Mix and pt 	ent.	Addition of the Research	NMOCD		
	s true and correct. Electronic Submission #498873 ve For HUNTINGTON ENE nitted to AFMSS for processing by B NE SMITH	RGY LLC, sent to the	Durango 01/14/2020 (20BDT0078S	MAR 0 2 2020 Strict 111	
Signature (Electronic Submission)					
	THIS SPACE FOR FEDI	ERAL OR STATE (OFFICE USE		
Approved By Approved of this notice does not warrant or Conditions of approval, if any, are attached. Approval of this notice does not warrant or ertify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.		nt or	Slé	2/27/2 Date	
	U.S.C. Section 1212, make it a crime for a statements or representations as to any mat		willfully to make to any department	or agency of the United	
structions on page 2)					
** BLM REV	ISED ** BLM REVISED ** BLM	REVISED ** BLM	REVISED ** BLM REVIS	ED **	

NMOCDPY

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Additional data for EC transaction #498873 that would not fit on the form

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32. Additional remarks, continued

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- 10) TOOH laying down rest. WOC.
 11) Perform hot work permit.
 12) ND BOP and cut off wellhead. Weld on dry hole marker.
 13) Top off casing and annulus w/cement.
 14) RDMO all. Begin reclaiming location.

Ute Mountain Ute # 81

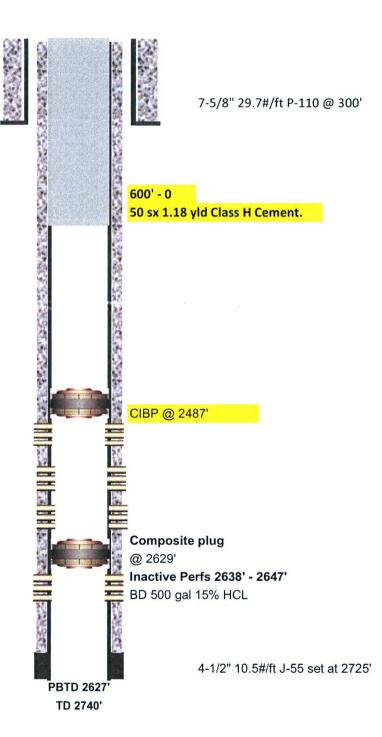
PROPOSED P&A San Juan County, New Mexico Sec 20 Township 32 N Range 14 W 1610' FSL and 705' FEL

API: 30-045-34366

*Note: Top set of perfs are behind packer and test wet during original completion

Inactive Perfs: 2537-2548

Active Perfs: 2586-2595 2602-2606



Huntington Energy, LLC. Tribal Lease: I-22-IND-2772 Well: UMU #81 Location: 1610' FSL & 705' FEL Sec. 20, T. 32 N, R. 14 W. San Juan County, New Mexico

Downhole Conditions of Approval – Plugging of Well:

1. Notify this office at least 72 hours prior to commencing plugging operations.

2. Approval is for down hole plugging only.

3. Materials used will be accurately measured.

4. A tank or approved pit must be used for containment of any fluids from the wellbore during plugging operations. All unattended pits are to be fenced.

5. Pits are not to be used for disposal of any unauthorized materials.

6. All cement plugs are to be placed through a work string. Cement caps on top of bridge plugs or cement retainers may be placed by dump bailer.

6a. Cement plugs placed inside casing shall have sufficient volume to fill a minimum of 100 ft. of the casing or annular void(s) between casings, plus 10% excess volume per 1000 ft. of depth. Onshore Order #2.III.G.2.ii.

6b. Surface plugs must be a minimum of 50 ft. within casing and annular voids. Onshore Order #2.III.G.6.

6c. Cement plugs placed to fill an open hole shall have sufficient volume to fill a minimum of 100 ft. of open hole, plus 10% excess volume per 1000 ft. of depth. Onshore Order #2.III.G.2.

6d. The bridge plug is (to be) capped with 50 feet of cement. If a bailer is used to cap this plug, 35 feet of cement shall be sufficient. Onshore Order #2.III.G.2.iii.

6e. All bridge plugs must be topped off with a minimum of 50' of cement. Top off the Composite plug at 2629 feet and the one to be placed at 2487 feet. (See 6d)

7. The well must be filled with a wellbore fluid sufficient to stabilize the wellbore. This fluid is to be corrosion inhibited. In the absence of any formation pressure data provided by the operator, this fluid will have a minimum weight of **9 ppg**. The fluid must be left between all plugs.

Continued on Page 2.

8. A blowout preventer and related equipment shall be installed and tested prior to working in a wellbore with any exposed zones (a) that are overpressured, (b) where pressures are unknown, or (c) known to contain H_2S .

9. Within 30 days after plugging of the well, file 3 copies of a Subsequent Report of Abandonment Sundry Notice to this office. This report should include the following information:

- a. Date(s) of plugging operations.
- b. Procedure used to plug the well.
- c. Depth of plugs.
- d. Type and volume of plugs set.
- e. Casing types/lengths left in the well.

SURFACE COAs For NOI to Plug and Abandon

Surface Reclamation COAs:

- Prior to completing downhole plugging operations, the operator shall contact Tanner Nygren (970) 385-1353 / Jen Jardine (970) 385-1242 or other BLM Oil and Gas Environmental Inspector to schedule a field meeting at the location to discuss the operator's reclamation procedures and BLM's success standards.
 - a. Ideally, this initial field meeting should take place prior to the downhole plugging operations, but if that fails to occur, the meeting shall be conducted prior to facility/equipment removal or any other surface reclamation.
 - b. BLM will invite BIA and Tribal representatives for wells located on Indian oil and gas leases. (optional to include in COAs)
- 2. During the field meeting, the BLM will inform the operator to either (1) move forward with the previously approved final reclamation plan, (2) revise/amend a previously approved final reclamation plan, or (3) propose a final reclamation plan, if one was not approved. A request to revise an approved plan or propose a new plan will be submitted through a Sundry Notice NOI.
- 3. Earthwork for final reclamation must be completed within 6 months of the downhole plug date as require by Section XII.B. of Onshore Oil and Gas Order No. 1, unless the operator has BLM-written approval (i.e., APD or Sundry Notice) to modify this date in advance of the 6-month deadline.