

| | | | |
|---------------------------|----------------------|------------------|-------------------------------|
| RECEIVED: 01/16/19 | REVIEWER: LRL | TYPE: NSL | APP NO: pLEL1901636450 |
|---------------------------|----------------------|------------------|-------------------------------|

ABOVE THIS TABLE FOR OCD DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION
 - Geological & Engineering Bureau -
 1220 South St. Francis Drive, Santa Fe, NM 87505



ADMINISTRATIVE APPLICATION CHECKLIST

THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

| | |
|--|-------------------------------------|
| Applicant: <u>TACITUS LLC</u> | OGRID Number: <u>3729 57</u> |
| Well Name: <u>NAVAJO TRIBAL P #6</u> | API: <u>30 - 045 - 21745</u> |
| Pool: <u>TOCITO DOME MISSISSIPPIAN, NORTH</u> | Pool Code: <u>86120</u> |

SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED BELOW

- 1) **TYPE OF APPLICATION:** Check those which apply for [A]
- A. Location – Spacing Unit – Simultaneous Dedication
 NSL NSP (PROJECT AREA) NSP (PRORATION UNIT) SD
- B. Check one only for [I] or [II]
- [I] Commingling – Storage – Measurement
 DHC CTB PLC PC OLS OLM
- [II] Injection – Disposal – Pressure Increase – Enhanced Oil Recovery
 WFX PMX SWD IPI EOR PPR

- 2) **NOTIFICATION REQUIRED TO:** Check those which apply.
- A. Offset operators or lease holders
 B. Royalty, overriding royalty owners, revenue owners
 C. Application requires published notice
 D. Notification and/or concurrent approval by SLO
 E. Notification and/or concurrent approval by BLM
 F. Surface owner
 G. For all of the above, proof of notification or publication is attached, and/or,
 H. No notice required

| |
|---|
| FOR OCD ONLY |
| <input type="checkbox"/> Notice Complete |
| <input type="checkbox"/> Application Content Complete |

3) **CERTIFICATION:** I hereby certify that the information submitted with this application for administrative approval is **accurate** and **complete** to the best of my knowledge. I also understand that **no action** will be taken on this application until the required information and notifications are submitted to the Division.

Note: Statement must be completed by an individual with managerial and/or supervisory capacity.

Peter Kondrat

 Print or Type Name

Peter Kondrat

 Signature

1/14/2019

 Date

970-759-5370

 Phone Number

peter.kondrat@tacituscorporation.com

 e-mail Address



To: Mr Leonard Lowe
Date: January 14, 2019
From: Peter Kondrat

Hello Mr. Leonard Lowe,

This letter accompanies Tacitus's Administrative Application Checklist for the Navajo Tribal P#6 requesting approval for a Non-Standard Location (NSL) and with No Notice Required.

Navajo Tribal P #6, API # 30-045-21745 is located 660 FSL 1980 FEL in Section 7 of T26NR18W. Tacitus plans to abandon and cement squeezed the well's historic Pennsylvanian D producing interval. Tacitus will then deepened and perforated the well in the Mississippian-Aged Leadville Formation targeting Helium. Well became part of the North Tocito Dome Mississippian Pool, Code # 86120 which has no known Spacing or Setback Rules. This well is therefore Wildcat Status to follow NMOCD 19.15.15.10.

The well is located on Tacitus "P" Lease, Contract #14-20-603-5033. By rule this well infringes on the 1200 foot setback for Wildcat wells. Following Exhibits show Tacitus's Common Lease Ownership and Interests for the subject Tribal Indian Land Leases located on the Navajo Nation, San Juan County, New Mexico.

Tacitus requests approval for the Non-Standard Location (NSL) and with No Notice Required due to the Common Lease Ownership including Working Interest and Royalty Interests, plus Utilizing the Existing Wellbore for deepening to Leadville Formation Helium Gas is the Prevention of Waste.

Please contact me with any questions, comments or concerns...Thank You

Sincerely,

Peter Kondrat
Geologist

Peter.Kondrat@tacituscorporation.com

970-759-5370



To: Mr Leonard Lowe
Date: January 23, 2019
From: Peter Kondrat

Hello Mr. Leonard Lowe,

This letter and following map accompanies Tacitus's Administrative Application Checklist for the following wells. All of these wells are located on leases with Common Ownership and identical Working Interests.

NSL-7818

API #: 30-045-05809
WELL: Navajo Tribal N Well No. 001

NSL-7819

API #: 30-045-21745
WELL: Navajo Tribal P Well No. 006

NSL-7820

API #: 30-045-20583
WELL: Navajo Tribal N Well No. 011

NSL-7821

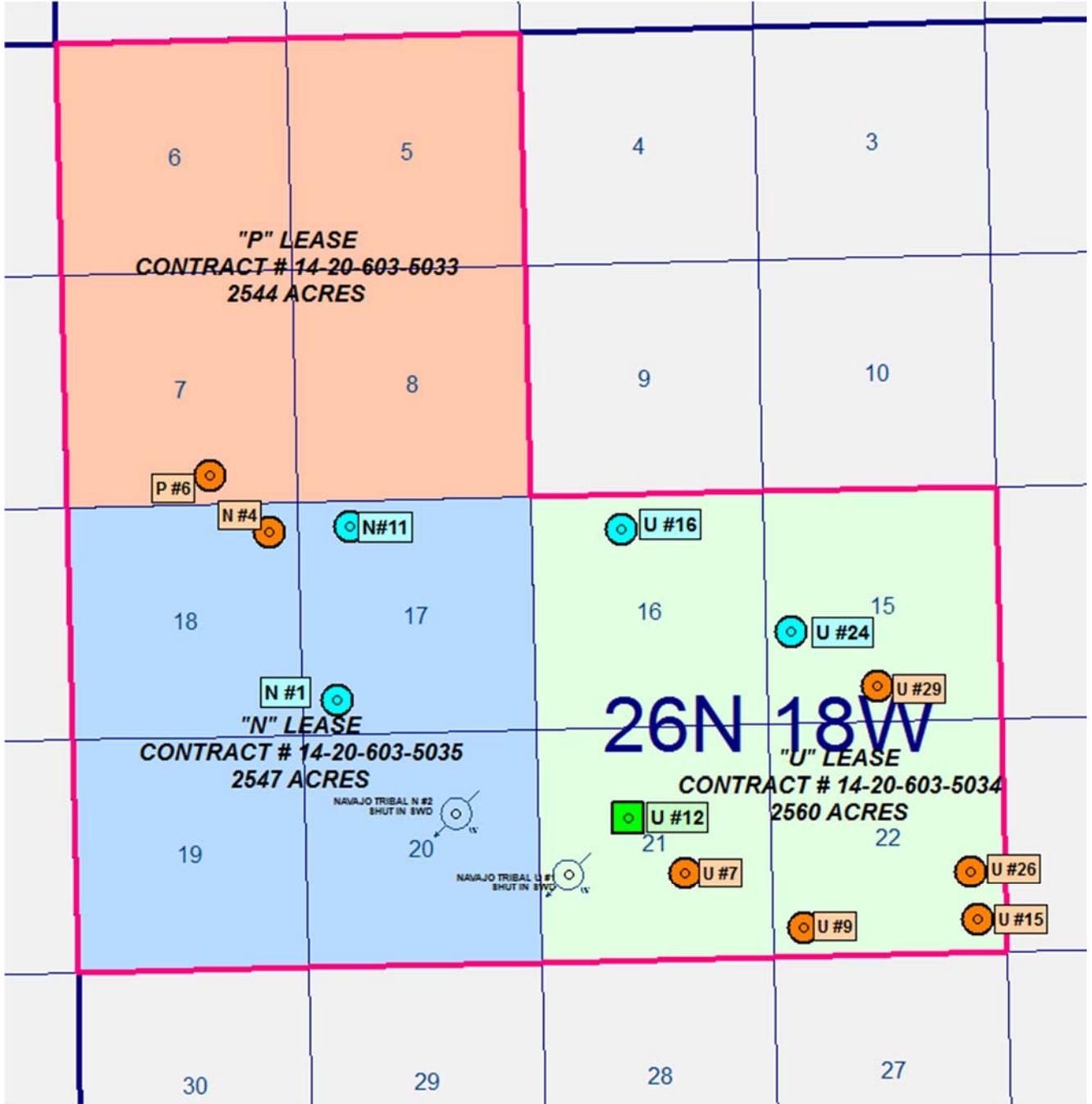
API #: 30-045-21476
WELL: Navajo Tribal U Well No. 024

Please contact me with any questions, comments or concerns...Thank You
Sincerely,

Peter Kondrat
Tacitus LLC Agent & Geologist
Peter.Kondrat@tacituscorporation.com
970-759-5370



TACITUS



UNITED STATES
DEPARTMENT OF THE INTERIOR
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 | | 5. Lease Serial No. |
| 1. Type of Well <input type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other | | 6. If Indian, Allottee or Tribe Name |
| 2. Name of Operator | | 7. If Unit of CA/Agreement, Name and/or No. |
| 3a. Address | 3b. Phone No. (include area code) | 8. Well Name and No. |
| 4. Location of Well (Footage, Sec., T.,R.,M., or Survey Description) | | 9. API Well No. |
| | | 10. Field and Pool or Exploratory Area |
| | | 11. Country or Parish, State |

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

| TYPE OF SUBMISSION | TYPE OF ACTION | | | |
|---|---|---|--|---|
| <input 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"/> Hydraulic Fracturing | <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 type="checkbox"/> Other |
| | <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 recomplete 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 recompletion 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.)

| | |
|---|-------|
| 14. I hereby certify that the foregoing is true and correct. Name (Printed/Typed) | Title |
| Signature | Date |

THE SPACE FOR FEDERAL OR STATE OFFICE USE

| | | |
|---|--------|------|
| Approved by | Title | Date |
| 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 | |

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.

GENERAL INSTRUCTIONS

This form is designed for submitting proposals to perform certain well operations and reports of such operations when completed as indicated on Federal and Indian lands pursuant to applicable Federal law and regulations. Any necessary special instructions concerning the use of this form and the number of copies to be submitted, particularly with regard to local area or regional procedures and practices, are either shown below, will be issued by or may be obtained from the local Federal office.

SPECIFIC INSTRUCTIONS

Item 4 - Locations on Federal or Indian land should be described in accordance with Federal requirements. Consult the local Federal office for specific instructions.

Item 13: Proposals to abandon a well and subsequent reports of abandonment should include such special information as is required by the local Federal office. In addition, such proposals and reports should include reasons for the abandonment; data on any former or present productive zones or other zones with present significant fluid contents not sealed off by cement or otherwise; depths (top and bottom) and method of placement of cement plugs; mud or other material placed below, between and above plugs; amount, size, method of parting of any casing, liner or tubing pulled and the depth to the top of any tubing left in the hole; method of closing top of well and date well site conditioned for final inspection looking for approval of the abandonment. If the proposal will involve **hydraulic fracturing operations**, you must comply with 43 CFR 3162.3-3, including providing information about the protection of usable water. Operators should provide the best available information about all formations containing water and their depths. This information could include data and interpretation of resistivity logs run on nearby wells. Information may also be obtained from state or tribal regulatory agencies and from local BLM offices.

NOTICES

The privacy Act of 1974 and the regulation in 43 CFR 2.48(d) provide that you be furnished the following information in connection with information required by this application.

AUTHORITY: 30 U.S.C. 181 et seq., 351 et seq., 25 U.S.C. 396; 43 CFR 3160.

PRINCIPAL PURPOSE: The information is used to: (1) Evaluate, when appropriate, approve applications, and report completion of subsequent well operations, on a Federal or Indian lease; and (2) document for administrative use, information for the management, disposal and use of National Resource lands and resources, such as: (a) evaluating the equipment and procedures to be used during a proposed subsequent well operation and reviewing the completed well operations for compliance with the approved plan; (b) requesting and granting approval to perform those actions covered by 43 CFR 3162.3-2, 3162.3-3, and 3162.3-4; (c) reporting the beginning or resumption of production, as required by 43 CFR 3162.4-1(c) and (d) analyzing future applications to drill or modify operations in light of data obtained and methods used.

ROUTINE USES: Information from the record and/or the record will be transferred to appropriate Federal, State, local or foreign agencies, when relevant to civil, criminal or regulatory investigations or prosecutions in connection with congressional inquiries or to consumer reporting agencies to facilitate collection of debts owed the Government.

EFFECT OF NOT PROVIDING THE INFORMATION: Filing of this notice and report and disclosure of the information is mandatory for those subsequent well operations specified in 43 CFR 3162.3-2, 3162.3-3, 3162.3-4.

The Paperwork Reduction Act of 1995 requires us to inform you that:

The BLM collects this information to evaluate proposed and/or completed subsequent well operations on Federal or Indian oil and gas leases.

Response to this request is mandatory.

The BLM would like you to know that you do not have to respond to this or any other Federal agency-sponsored information collection unless it displays a currently valid OMB control number.

BURDEN HOURS STATEMENT: Public reporting burden for this form is estimated to average 8 hours per response, including the time for reviewing instructions, gathering and maintaining data, and completing and reviewing the form. Direct comments regarding the burden estimate or any other aspect of this form to U.S. Department of the Interior, Bureau of Land Management (1004-0137), Bureau Information Collection Clearance Officer (WO-630), 1849 C St., N.W., Mail Stop 401 LS, Washington, D.C. 20240

Lowe, Leonard, EMNRD

From: Peter Kondrat <Peter.Kondrat@tacituscorporation.com>
Sent: Monday, January 14, 2019 9:03 AM
To: Lowe, Leonard, EMNRD
Subject: [EXT] Tacitus Navajo Tribal P #6 Non-Standard Location Application & supporting Exhibits
Attachments: TACITUS NAVAJO TRIBAL P #6 NSL PACKET.pdf

Follow Up Flag: Follow up
Flag Status: Flagged

Hello Mr. Leonard Lowe

Attached includes **Signed** Tacitus Navajo Tribal **P #6** Non-Standard Location Application & supporting Exhibits.

Please let me know of any questions, comments and status of application, Thank You

Best Regards,

Peter Kondrat
Geologist
Peter.Kondrat@tacituscorporation.com
970-759-5370

Tacitus Corporation
2100 Cortland Drive
Farmington, NM 87401
Office 801-980-7277

This e-mail, including any attached files, may contain confidential and privileged information for the sole use of the intended recipient. Any review, use, distribution, or disclosure by others is strictly prohibited. If you are not the intended recipient (or authorized to receive information for the intended recipient), please contact the sender by reply e-mail and delete all copies of this message.

Lowe, Leonard, EMNRD

From: Lowe, Leonard, EMNRD
Sent: Wednesday, January 23, 2019 9:20 AM
To: 'Peter Kondrat'
Cc: Powell, Brandon, EMNRD (Brandon.Powell@state.nm.us); Vermersch, Amy H, EMNRD; Pickford, Katherine, EMNRD; 'lisa@rwbyram.com'; Jones, William V, EMNRD; Goetze, Phillip, EMNRD; Dawson, Scott, EMNRD; McMillan, Michael, EMNRD; Pickford, Katherine, EMNRD; 'jglover@blm.gov'; s_prince@frontier.com; Sanchez, Daniel J., EMNRD
Subject: Approved NSL-7818 -7819 -7820 -7821_Tacitus LLC_Navajo Tribal Wells_26N 18W
Importance: High

Mr. Peter Kondrat

The following administrative orders have been issued and will soon be available on the Division's web site:
<http://ocdimage.emnrd.state.nm.us/Imaging/Default.aspx>

Tacitus LLC

POOL: TOCIT DOME MISS, NO (GAS) [# 86120]

NSL-7818

API #: 30-045-05809

WELL: Navajo Tribal N Well No. 001

NSL-7819

API #: 30-045-21745

WELL: Navajo Tribal P Well No. 006

NSL-7820

API #: 30-045-20583

WELL: Navajo Tribal N Well No. 011

NSL-7821

API #: 30-045-21476

WELL: Navajo Tribal U Well No. 024

Leonard Lowe

Engineering Bureau

Oil Conservation Division

Energy Minerals and Natural Resources Department

1220 South St. Frances

Santa Fe, New Mexico 87004

Office: 505-476-3492