

Initial Application Part I

Received: 07/24/2019

This application is placed in file for record. It MAY or MAY NOT have been reviewed to be determined Administratively Complete

RECEIVED: 07/24/2019	REVIEWER: MAM	TYPE: DHC	APP NO: pMAM1920549873
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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>Hilcorp Energy Company</u>	OGRID Number: <u>372171</u>
Well Name: <u>Lambe 3M</u>	API: <u>30-045-33680</u>
Pool: <u>Basin Fruitland Coal / Blanco Mesaverde / Basin Dakota</u>	Pool Code: <u>71629/72319/71599</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**DHC-5037****2) NOTIFICATION REQUIRED TO:** Check those which apply.A. ☐ Offset operators or lease holdersB. ☒ Royalty, overriding royalty owners, revenue ownersC. ☐ Application requires published noticeD. ☐ Notification and/or concurrent approval by SLOE. ☐ Notification and/or concurrent approval by BLMF. ☐ Surface ownerG. ☒ For all of the above, proof of notification or publication is attached, and/or,H. ☐ No notice required**FOR OCD ONLY**☐ Notice Complete
☐ 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.

Received by OCD: 7/24/2019 9:45:26 AM Is Jacques

Print or Type Name

Signature

7/23/2019

Date

832.839.4582

Phone Number

tjacques@hilcorp.com

e-mail Address

District I
1625 N. French Drive, Hobbs, NM 88240
District II
811 S. First St., Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-107A
Revised August 1, 2011

Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, New Mexico 87505

APPLICATION TYPE
☐ Single Well
☐ Establish Pre-Approved Pools
EXISTING WELLBORE
☒ Yes ☐ No

APPLICATION FOR DOWNHOLE COMMINGLING

Hilcorp Energy Company 382 Road 3100, Aztec, NM 87410
Operator Address

Lambe #003M O 21 31N 10W San Juan
Lease Well No. Unit Letter-Section-Township-Range County

OGRID No. 372171 Property Code 318603 API No. 3004533680 Lease Type: ☒ Federal ☐ State ☐ Fee

DATA ELEMENT	UPPER ZONE	INTERMEDIATE ZONE	LOWER ZONE
Pool Name	BASIN FRUITLAND COAL	BLANCO-MESAVERDE	BASIN DAKOTA
Pool Code	71629	72319	71599
Top and Bottom of Pay Section (Perforated or Open-Hole Interval)	2717' – 2921'	3994'-5266'	7304'-7420'
Method of Production (Flowing or Artificial Lift)	New Zone	Plunger Lift	Plunger Lift
Bottomhole Pressure (Note: Pressure data will not be required if the bottom perforation in the lower zone is within 150% of the depth of the top perforation in the upper zone)	790 psi	700 psi	2000 psi
Oil Gravity or Gas BTU (Degree API or Gas BTU)	1000 BTU	1000 BTU	1000 BTU
Producing, Shut-In or New Zone	New Zone	Producing	Producing
Date and Oil/Gas/Water Rates of Last Production. (Note: For new zones with no production history, applicant shall be required to attach production estimates and supporting data.)	Date: N/A Rates:	Date: 4/2019 Rates: 5 BO,3048 MCF,10 BW	Date: 4/2019 Rates: 1 BO,339 MCF,9 BW
Fixed Allocation Percentage (Note: If allocation is based upon something other than current or past production, supporting data or explanation will be required.)	Oil Gas Will be supplied upon completion	Oil Gas Will be supplied upon completion	Oil Gas Will be supplied upon completion

ADDITIONAL DATA

Are all working, royalty and overriding royalty interests identical in all commingled zones? Yes ☐ No ☒
If not, have all working, royalty and overriding royalty interest owners been notified by certified mail? Yes ☒ No ☐
Are all produced fluids from all commingled zones compatible with each other? Yes ☒ No ☐
Will commingling decrease the value of production? Yes ☐ No ☒
If this well is on, or communitized with, state or federal lands, has either the Commissioner of Public Lands or the United States Bureau of Land Management been notified in writing of this application? Yes ☒ No ☐
NMOCD Reference Case No. applicable to this well: _____

Attachments:
C-102 for each zone to be commingled showing its spacing unit and acreage dedication.
Production curve for each zone for at least one year. (If not available, attach explanation.)
For zones with no production history, estimated production rates and supporting data.
Data to support allocation method or formula.
Notification list of working, royalty and overriding royalty interests for uncommon interest cases.
Any additional statements, data or documents required to support commingling.

PRE-APPROVED POOLS

If application is to establish Pre-Approved Pools, the following additional information will be required:

List of other orders approving downhole commingling within the proposed Pre-Approved Pools
List of all operators within the proposed Pre-Approved Pools
Proof that all operators within the proposed Pre-Approved Pools were provided notice of this application.
Bottomhole pressure data.

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE Priscilla Shorty TITLE Operations/Regulatory Technician – Sr. DATE 7/22/2019

TYPE OR PRINT NAME Priscilla Shorty TELEPHONE NO. (505) 324-5188

E-MAIL ADDRESS pshorty@hilcorp.com

District I
1625 N. French Dr., Hobbs, NM 88240
Phone:(575) 393-6161 Fax:(575) 393-0720
District II
811 S. First St., Artesia, NM 88210
Phone:(575) 748-1283 Fax:(575) 748-9720
District III
1000 Rio Brazos Rd., Aztec, NM 87410
Phone:(505) 334-6178 Fax:(505) 334-6170
District IV
1220 S. St Francis Dr., Santa Fe, NM 87505
Phone:(505) 476-3470 Fax:(505) 476-3462

State of New Mexico
Energy, Minerals and Natural
Resources
Oil Conservation Division
1220 S. St Francis Dr.
Santa Fe, NM 87505

Form C-102
August 1, 2011
Permit 269995

WELL LOCATION AND ACREAGE DEDICATION PLAT

1. API Number 30-045-33680	2. Pool Code 71629	3. Pool Name BASIN FRUITLAND COAL (GAS)
4. Property Code 318603	5. Property Name LAMBE	6. Well No. 003M
7. OGRID No. 372171	8. Operator Name HILCORP ENERGY COMPANY	9. Elevation 6188

10. Surface Location

UL - Lot O	Section 21	Township 31N	Range 10W	Lot Idn 15	Feet From 1110	N/S Line S	Feet From 1885	E/W Line E	County SAN JUAN
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11. Bottom Hole Location If Different From Surface

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
12. Dedicated Acres 310.38				13. Joint or Infill	14. Consolidation Code			15. Order No.	

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

<table><tr><td></td><td></td><td></td><td></td></tr><tr><td></td><td></td><td></td><td></td></tr><tr><td></td><td></td><td></td><td></td></tr><tr><td></td><td></td><td>*</td><td></td></tr></table>															*		<p>OPERATOR CERTIFICATION</p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location(s) or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</p> <p>E-Signed By: <i>Priscilla Shorty</i> Title: Operations Regulatory Tech - Sr. Date: 07/18/2019</p> <p>SURVEYOR CERTIFICATION</p> <p>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.</p> <p>Surveyed By: Jason Edwards Date of Survey: 2/6/2006 Certificate Number: 15269</p>
		*															

District I
PO Box 1980, Hobbs, NM 88241-1980
District II
PO Drawer DD, Artesia, NM 88211-0719
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
PO Box 2088, Santa Fe, NM 87504-2088

State of New Mexico
Energy, Minerals & Natural Resources Department

Form C-102
Revised February 21, 1994
Instructions on back
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

OIL CONSERVATION DIVISION
PO Box 2088
Santa Fe, NM 87504-2088

2006 MAR 31 PM 2:53
AMENDED REPORT

RECEIVED

WELL LOCATION AND ACREAGE DEDICATION

*API Number 30-045- 33680		*Pool Code 72319 / 71599	*Pool Name Blanco Mesaverde / Basin Dakota
*Property Code 28917 ✓	*Property Name LAMBE		*Well Number 3M ✓
*OGRID No. 14538 ✓	*Operator Name BURLINGTON RESOURCES OIL & GAS COMPANY, LP		*Elevation 6188' ✓

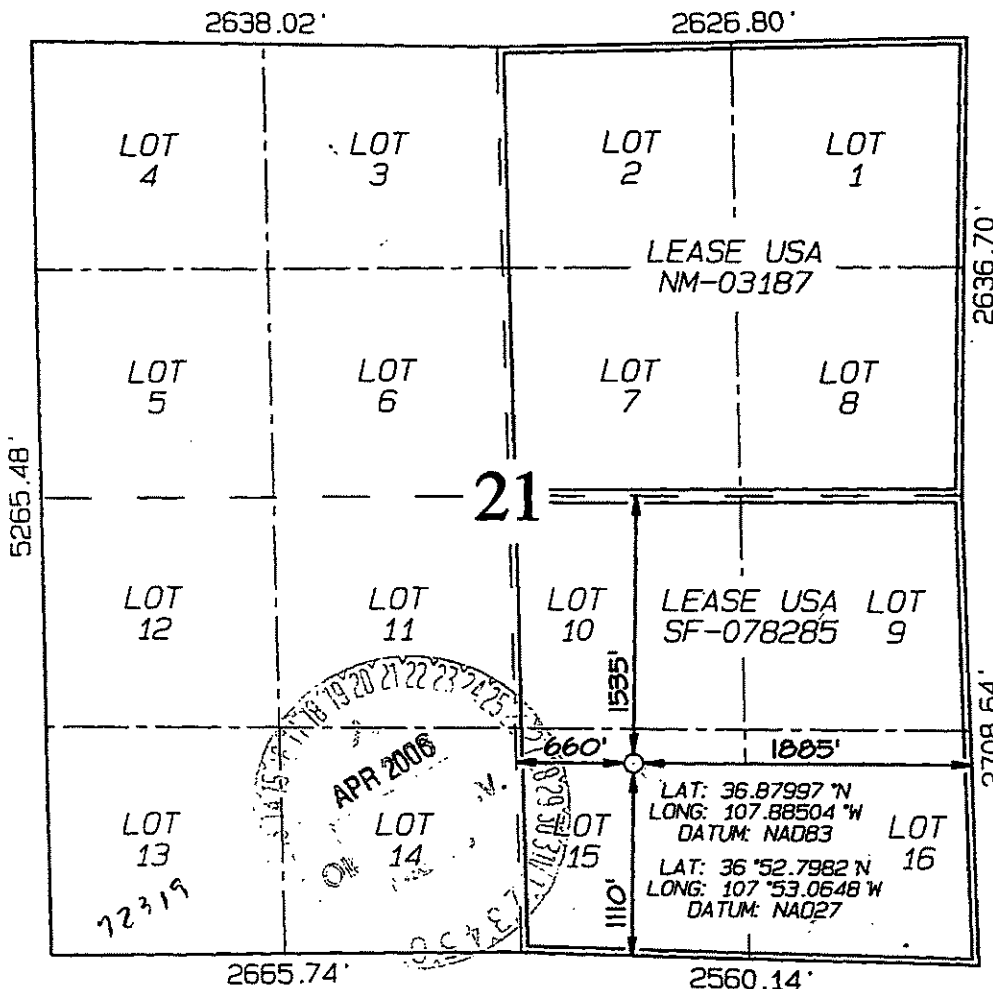
¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
0	21	31N	10W	15	1110	SOUTH	1885	EAST	SAN JUAN ✓

¹¹ Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
0									
*Dedicated Acres MV/DK 310.38 ac E2					*Joint or Infill	*Consolidation Code	*Order No.		

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION



¹⁷ OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Joní Clark

Signature

Joní Clark

Printed Name

Sr. Regulatory Specialist

Title

3/16/2006

Date

¹⁸ SURVEYOR CERTIFICATION

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.

Survey Date: FEBRUARY 6, 2006

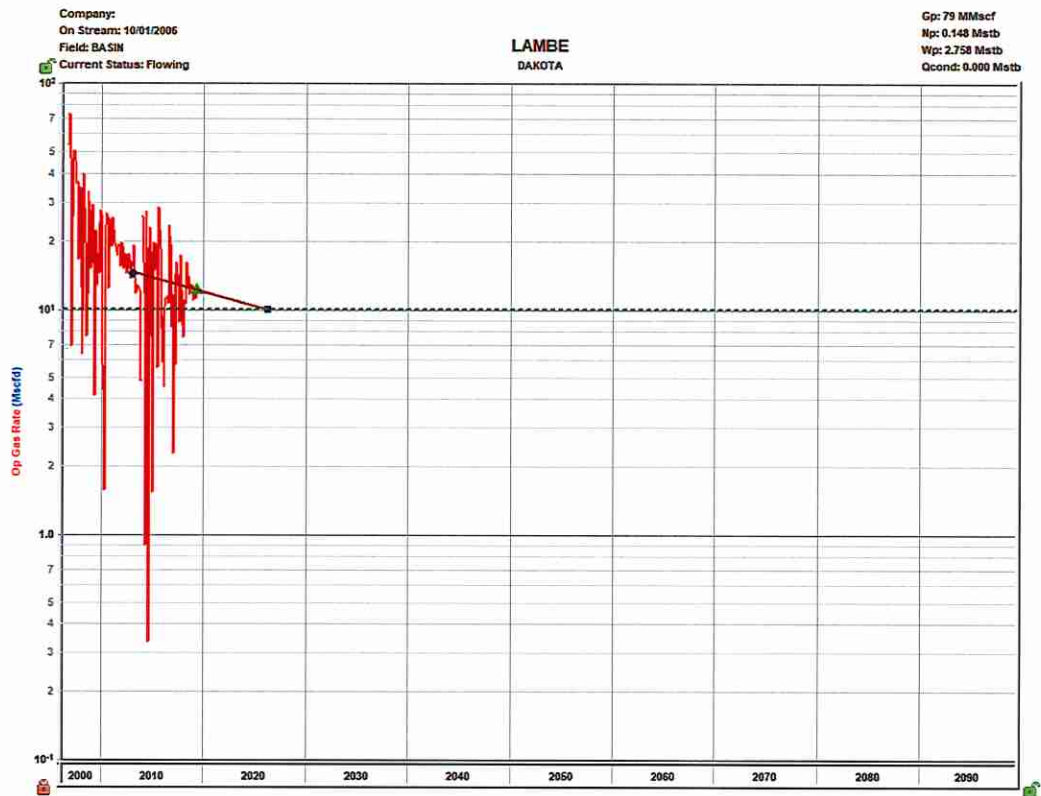
Signature and Seal of Professional Surveyor

JASON C. EDWARDS
NEW MEXICO
15269
REGISTERED PROFESSIONAL SURVEYOR

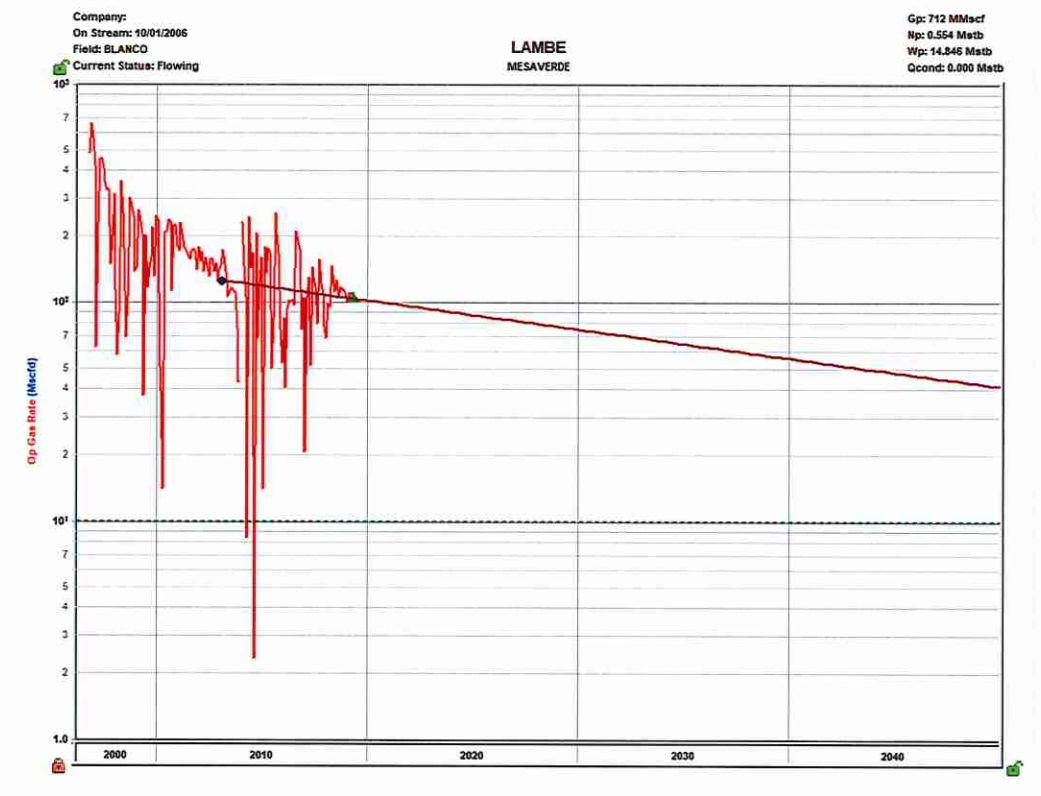
JASON C. EDWARDS

Certificate Number 15269

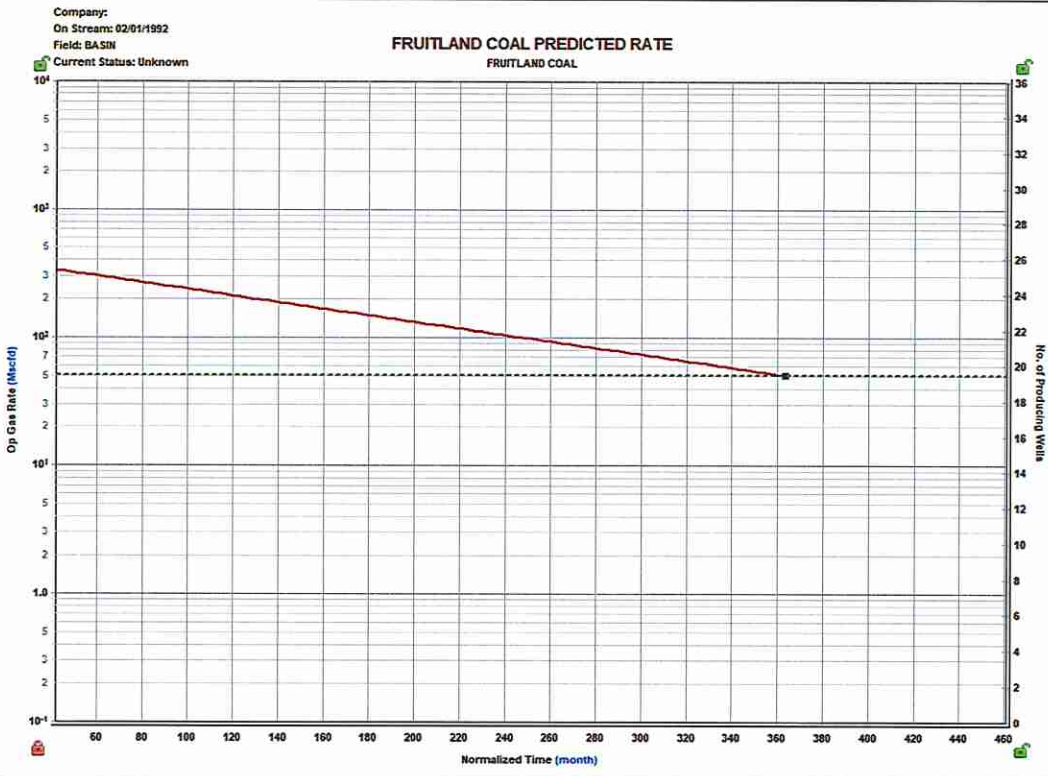
Lambe #3M Basin Dakota Forecast



Lambe #3M Blanco-Mesaverde Forecast



Lambe #3M Predicted Basin Fruitland Coal Forecast



The Lambe #3M predicted Basin Fruitland Coal rate is based on type well and volumetric analysis of offset Basin Fruitland Coal producers. The reservoir fluids of the commingled completions are compatible.

Production Allocation Methos

Hilcorp requests that production for the downhole commingle be allocated using the subtraction method. The base formations are the Basin Dakota and Blanco-Mesaverde and the added formation to be commingled is the Basin Fruitland Coal. The subtraction method applies an average monthly production forecast to the base formation(s) using historic production. All production from this well exceeding the forecast will be allocated to the new formation(s). A fixed percentage based allocation will be submitted after the fourth year of production. See attached documents for production forecast. The Basin Fruitland Coal will not produce oil. All oil produced will be allocated to the Blanco-Mesaverde and Basin Dakota using the current oil allocation.



July 23, 2019

To: ALL INTEREST OWNERS

RE: Notice to Recomplete & Downhole Commingle
Lambe 003M (Blanco Mesaverde/Basin Dakota/Basin Fruitland Coal)
Section 21, Township 31 North – Range 10 West NMPM
API: 30-045-33680
San Juan County, New Mexico

Ladies and Gentlemen:

Hilcorp San Juan, L.P., a subsidiary of Hilcorp Energy Company (“Hilcorp”) and Operator of the referenced well, recently acquired the assets of Burlington Resources Oil & Gas Company, LP throughout the San Juan Basin, including leases, wells and other facilities. As successor operator, we are actively evaluating various development strategies to extend the productive life of the basin. Our initial efforts are focused on returning existing wells to production and adding additional gas pay through downhole commingling.

In the subject well, Hilcorp plans to downhole commingle existing pay from the Blanco Mesaverde and Basin Dakota formation with potential pay from the Basin Fruitland Coal formation. As a good faith effort to adhere to the notification requirements outlined in Subsection C of 19.15.12.11 New Mexico Administrative Code, this letter serves as notification of Hilcorp’s intent to downhole commingle and includes a copy of the C-107-A for your reference.

No action is required by you nor must you sign/return any paperwork unless you object to this notification.

Should you have an objection, you are required to send notice within twenty (20) days from the date of this letter. Your objection should reference the well details provided above. Please mail your objection to the following address: Hilcorp Energy Company, Attn: Rob Carlson, 1111 Travis, Houston, TX 77002. Separately, please email me a copy of your objection letter to ensure receipt and call me to discuss any particular concerns you have using the contact information below. Should we be unable to overcome your concerns, the matter will be set for hearing with the New Mexico Oil & Conservation Division in Santa Fe, NM.

If your ownership interest in the Subject Well has recently changed (i.e., new burdens created or you have sold or transferred your interest) please contact Hilcorp immediately to update your file.

Hilcorp appreciates this opportunity to enhance production from the Subject Well and we are thankful for your support.

Sincerely,

A handwritten signature in blue ink, appearing to read 'R Carlson', is written over a horizontal line.

Robert Carlson
Landman
(832) 839-4596
rcarlson@hilcorp.com

RTC:dkp
Enclosures

Company	Address1	Address2	City	State	Zip	AddresseeCode	AddresseeCode2	InternalCode
OFFICE OF NATURAL RESOURCES REVENUE			DENVER	CO	80225-0627	LAMBE 3M C107	MV, FC, DK	1029016
EMILY JANICE LEACH	PO BOX 52198		ALBUQUERQUE	NM	87181	LAMBE 3M C107	MV, FC, DK	1141012
R R HINKLE COMPANY INC	PO BOX 2292		ROSWELL	NM	88202-2292	LAMBE 3M C107	MV, FC, DK	1142154
PATRICIA PARKER	3900 CAPRICORN CT		PLANO	TX	75023-1112	LAMBE 3M C107	MV, FC, DK	1142629
TED E DUFF TRUST	PO BOX 398		RUIDOSO	NM	88355-0398	LAMBE 3M C107	MV, FC, DK	1143376
COMPOUND PROPERTIES LLC	PO BOX 2990		RUIDOSO	NM	88355-2990	LAMBE 3M C107	MV, FC, DK	1144603
JEREMIAH C DUFF-LEACH	PO BOX 30396		ALBUQUERQUE	NM	87190	LAMBE 3M C107	MV, FC, DK	1146494
TIERRA OIL COMPANY LLC	PO BOX 700968		SAN ANTONIO	TX	78270-0968	LAMBE 3M C107	MV, FC, DK	1150468
MARK MCCLELLAN & WIFE PAULA MCCLELL	PO BOX 730		ROSWELL	NM	88202	LAMBE 3M C107	MV, FC, DK	1157951
JACK AUSTIN RICHARDSON	PO BOX 20100		ALBUQUERQUE	NM	87154	LAMBE 3M C107	MV, FC, DK	1159400
JOHN MICHAEL AND MARION RICHARDSON	3660 HIGHWAY 41		STANLEY	NM	87056	LAMBE 3M C107	MV, FC, DK	1159401
GUADALUPE LAND & MINERALS LLC	17521 ARRATIA		EL PASO	TX	79938	LAMBE 3M C107	MV, FC, DK	1159402
SPINNAKER INVESTMENTS LP	PO BOX 3488		MIDLAND	TX	79702	LAMBE 3M C107	MV, FC, DK	1159403
ESCONDIDO OIL & GAS LLC	PO BOX 51390		MIDLAND	TX	79710	LAMBE 3M C107	MV, FC, DK	1159404

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\$1.60

\$0.00

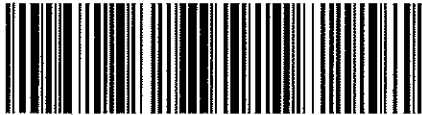
\$5.600

Electronic Return Receipt Requested

R R HINKLE COMPANY INC
PO BOX 2292
ROSWELL, NM 88202-2292

7/23/2019 4:03:31 PM

Code: LAMBE 3M C107
Code2: MV, FC, DK



9214 8969 0099 9790 1777 3901 24

R R HINKLE COMPANY INC
PO BOX 2292
ROSWELL, NM 88202-2292

Batch #: 610,470
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\$1.60

\$0.00

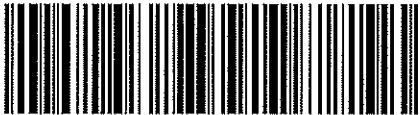
\$5.600

Electronic Return Receipt Requested

EMILY JANICE LEACH
DBA EJL OIL and GAS COMPANY LLC
PO BOX 52198
ALBUQUERQUE, NM 87181

7/23/2019 4:03:31 PM

Code: LAMBE 3M C107
Code2: MV, FC, DK



9214 8969 0099 9790 1777 3901 17

EMILY JANICE LEACH
DBA EJL OIL and GAS COMPANY LLC
PO BOX 52198
ALBUQUERQUE, NM 87181

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\$1.60

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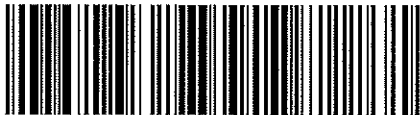
\$5.600

Electronic Return Receipt Requested

OFFICE OF NATURAL RESOURCES REVENUE
LAKEWOOD ACCTG CENT ONSHORE
P O BOX 25627
DENVER, CO 80225-0627

7/23/2019 4:03:31 PM

Code: LAMBE 3M C107
Code2: MV, FC, DK



9214 8969 0099 9790 1777 3901 00

OFFICE OF NATURAL RESOURCES REVENUE
LAKEWOOD ACCTG CENT ONSHORE
P O BOX 25627
DENVER, CO 80225-0627

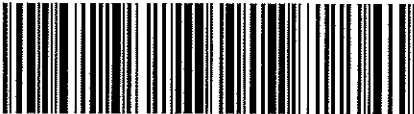
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Internal File #:
Internal Code: 1029016

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\$0.500
\$3.50
\$1.60
\$0.00
\$5.600
PATRICIA PARKER
LIFE ESTATE
3900 CAPRICORN CT
PLANO, TX 75023-1112
Electronic Return Receipt Requested
7/23/2019 4:03:31 PM

Code: LAMBE 3M C107
Code2: MV, FC, DK



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PATRICIA PARKER
LIFE ESTATE
3900 CAPRICORN CT
PLANO, TX 75023-1112

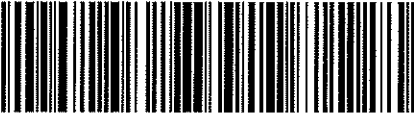
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\$3.50
\$1.60
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TED E DUFF TRUST
TED E DUFF TRUSTEE
PO BOX 398
RUIDOSO, NM 88355-0398
Electronic Return Receipt Requested
7/23/2019 4:03:31 PM

Code: LAMBE 3M C107
Code2: MV, FC, DK



9214 8969 0099 9790 1777 3901 48

TED E DUFF TRUST
TED E DUFF TRUSTEE
PO BOX 398
RUIDOSO, NM 88355-0398

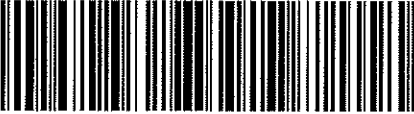
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\$5.600
COMPOUND PROPERTIES LLC
PO BOX 2990
RUIDOSO, NM 88355-2990
Electronic Return Receipt Requested
7/23/2019 4:03:31 PM

Code: LAMBE 3M C107
Code2: MV, FC, DK



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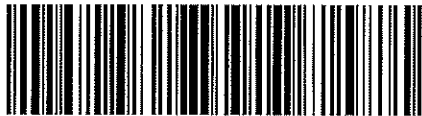
COMPOUND PROPERTIES LLC
PO BOX 2990
RUIDOSO, NM 88355-2990

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Code2: MV, FC, DK

Internal File #:
Internal Code: 1144603

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\$3.50
\$1.60
\$0.00
\$5.600
MARK MCCLELLAN and WIFE PAULA MCCLELL
PO BOX 730
ROSWELL, NM 88202
7/23/2019 4:03:31 PM

Code: LAMBE 3M C107
Code2: MV, FC, DK



9214 8969 0099 9790 1777 3901 86

MARK MCCLELLAN and WIFE PAULA MCCLELL
PO BOX 730
ROSWELL, NM 88202

Batch #: 610,470
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Code2: MV, FC, DK

Internal File #:
Internal Code: 1157951

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TIERRA OIL COMPANY LLC
PO BOX 700968
SAN ANTONIO, TX 78270-0968
7/23/2019 4:03:31 PM

Code: LAMBE 3M C107
Code2: MV, FC, DK



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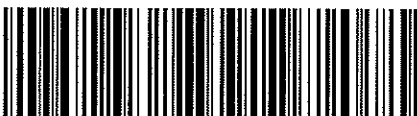
TIERRA OIL COMPANY LLC
PO BOX 700968
SAN ANTONIO, TX 78270-0968

Batch #: 610,470
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Internal File #:
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JEREMIAH C DUFF-LEACH
DBA JCDL OIL and GAS COMPANY LLC
PO BOX 30396
ALBUQUERQUE, NM 87190
7/23/2019 4:03:31 PM

Code: LAMBE 3M C107
Code2: MV, FC, DK



9214 8969 0099 9790 1777 3901 62

JEREMIAH C DUFF-LEACH
DBA JCDL OIL and GAS COMPANY LLC
PO BOX 30396
ALBUQUERQUE, NM 87190

Batch #: 610,470
Article #: 92148969009997901777390162
Date/Time: 7/23/2019 4:03:31 PM
Code: LAMBE 3M C107
Code2: MV, FC, DK

Internal File #:
Internal Code: 1146494

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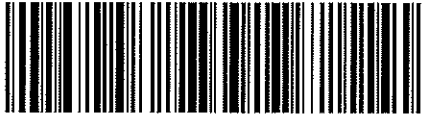
\$0.500
\$3.50
\$1.60
\$0.00
\$5.600

Electronic Return Receipt Requested

GUADALUPE LAND and MINERALS LLC
17521 ARRATIA
EL PASO, TX 79938

7/23/2019 4:03:31 PM

Code: LAMBE 3M C107
Code2: MV, FC, DK



9214 8969 0099 9790 1777 3902 16

GUADALUPE LAND and MINERALS LLC
17521 ARRATIA
EL PASO, TX 79938

Batch #: 610,470
Article #: 92148969009997901777390216
Date/Time: 7/23/2019 4:03:31 PM
Code: LAMBE 3M C107
Code2: MV, FC, DK

Internal File #:
Internal Code: 1159402

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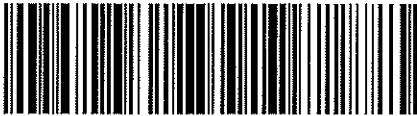
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\$3.50
\$1.60
\$0.00
\$5.600

Electronic Return Receipt Requested

JOHN MICHAEL AND MARION RICHARDSON
3660 HIGHWAY 41
STANLEY, NM 87056

7/23/2019 4:03:31 PM

Code: LAMBE 3M C107
Code2: MV, FC, DK



9214 8969 0099 9790 1777 3902 09

JOHN MICHAEL AND MARION RICHARDSON
3660 HIGHWAY 41
STANLEY, NM 87056

Batch #: 610,470
Article #: 92148969009997901777390209
Date/Time: 7/23/2019 4:03:31 PM
Code: LAMBE 3M C107
Code2: MV, FC, DK

Internal File #:
Internal Code: 1159401

9214 8969 0099 9790 1777 3901 93

\$0.500
\$3.50
\$1.60
\$0.00
\$5.600

Electronic Return Receipt Requested

JACK AUSTIN RICHARDSON
PO BOX 20100
ALBUQUERQUE, NM 87154

7/23/2019 4:03:31 PM

Code: LAMBE 3M C107
Code2: MV, FC, DK



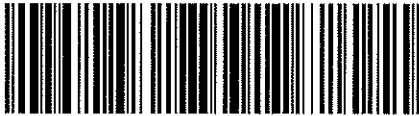
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JACK AUSTIN RICHARDSON
PO BOX 20100
ALBUQUERQUE, NM 87154

Batch #: 610,470
Article #: 92148969009997901777390193
Date/Time: 7/23/2019 4:03:31 PM
Code: LAMBE 3M C107
Code2: MV, FC, DK

Internal File #:
Internal Code: 1159400

9214 8969 0099 9790 1777 3902 47
Electronic Return Receipt Requested
\$0.500
\$3.50
\$1.60
\$0.00
\$5.600
7/23/2019 4:03:31 PM



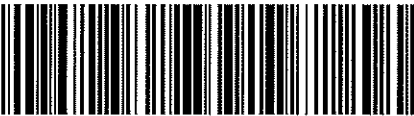
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Electronic Return Receipt Requested
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\$3.50
\$1.60
\$0.00
\$5.600
ESCONDIDO OIL and GAS LLC
PO BOX 51390
MIDLAND, TX 79710
7/23/2019 4:03:31 PM

Code: LAMBE 3M C107
Code2: MV, FC, DK



9214 8969 0099 9790 1777 3902 30

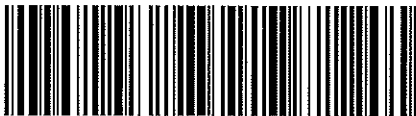
ESCONDIDO OIL and GAS LLC
PO BOX 51390
MIDLAND, TX 79710

Batch #: 610,470
Article #: 92148969009997901777390230
Date/Time: 7/23/2019 4:03:31 PM
Code: LAMBE 3M C107
Code2: MV, FC, DK

Internal File #:
Internal Code: 1159404

9214 8969 0099 9790 1777 3902 23
Electronic Return Receipt Requested
\$0.500
\$3.50
\$1.60
\$0.00
\$5.600
SPINNAKER INVESTMENTS LP
PO BOX 3488
MIDLAND, TX 79702
7/23/2019 4:03:31 PM

Code: LAMBE 3M C107
Code2: MV, FC, DK



9214 8969 0099 9790 1777 3902 23

SPINNAKER INVESTMENTS LP
PO BOX 3488
MIDLAND, TX 79702

Batch #: 610,470
Article #: 92148969009997901777390223
Date/Time: 7/23/2019 4:03:31 PM
Code: LAMBE 3M C107
Code2: MV, FC, DK

Internal File #:
Internal Code: 1159403

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB NO. 1004-0137
Expires: January 31, 2018

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.

5. Lease Serial No.
NMSF078285

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.
LAMBE 3M

9. API Well No.
30-045-33680

10. Field and Pool or Exploratory Area
BLANCO MV/BASIN DK

11. County or Parish, State
SAN JUAN COUNTY, NM

SUBMIT IN TRIPLICATE - Other instructions on page 2

1. Type of Well
☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator
HILCORP ENERGY COMPANY
Contact: PRISCILLA SHORTY
E-Mail: pshorty@hilcorp.com

3a. Address
382 ROAD 3100
AZTEC, NM 87410
3b. Phone No. (include area code)
Ph: 505-324-5188

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
Sec 21 T31N R10W Mer NMP SWSE 1110FSL 1885FEL

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"/> 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 checked="" 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.

Hilcorp Energy Company requests permission to recomplete the subject well in the Fruitland Coal and downhole trimingle with the existing Mesaverde and Dakota formations. Attached is the procedure, wellbore diagram, plat, and gas capture plan. A DHC application will be filed and approved prior to commingling. A closed loop system will be used. Interim reclamation will be performed after surface disturbing activities.

14. I hereby certify that the foregoing is true and correct.

Electronic Submission #474453 verified by the BLM Well Information System
For HILCORP ENERGY COMPANY, sent to the Farmington

Name (Printed/Typed) PRISCILLA SHORTY

Title OPERATIONS REGULATORY TECH

Signature (Electronic Submission)

Date 07/22/2019

THIS 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.

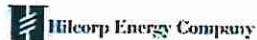
(Instructions on page 2)

**** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ****



HILCORP ENERGY COMPANY
LAMBE 3M
FRUITLAND COAL RECOMPLETION SUNDRY

LAMBE 3M - CURRENT WELLBORE SCHEMATIC



Schematic - Current

Well Name: LAMBE #3M

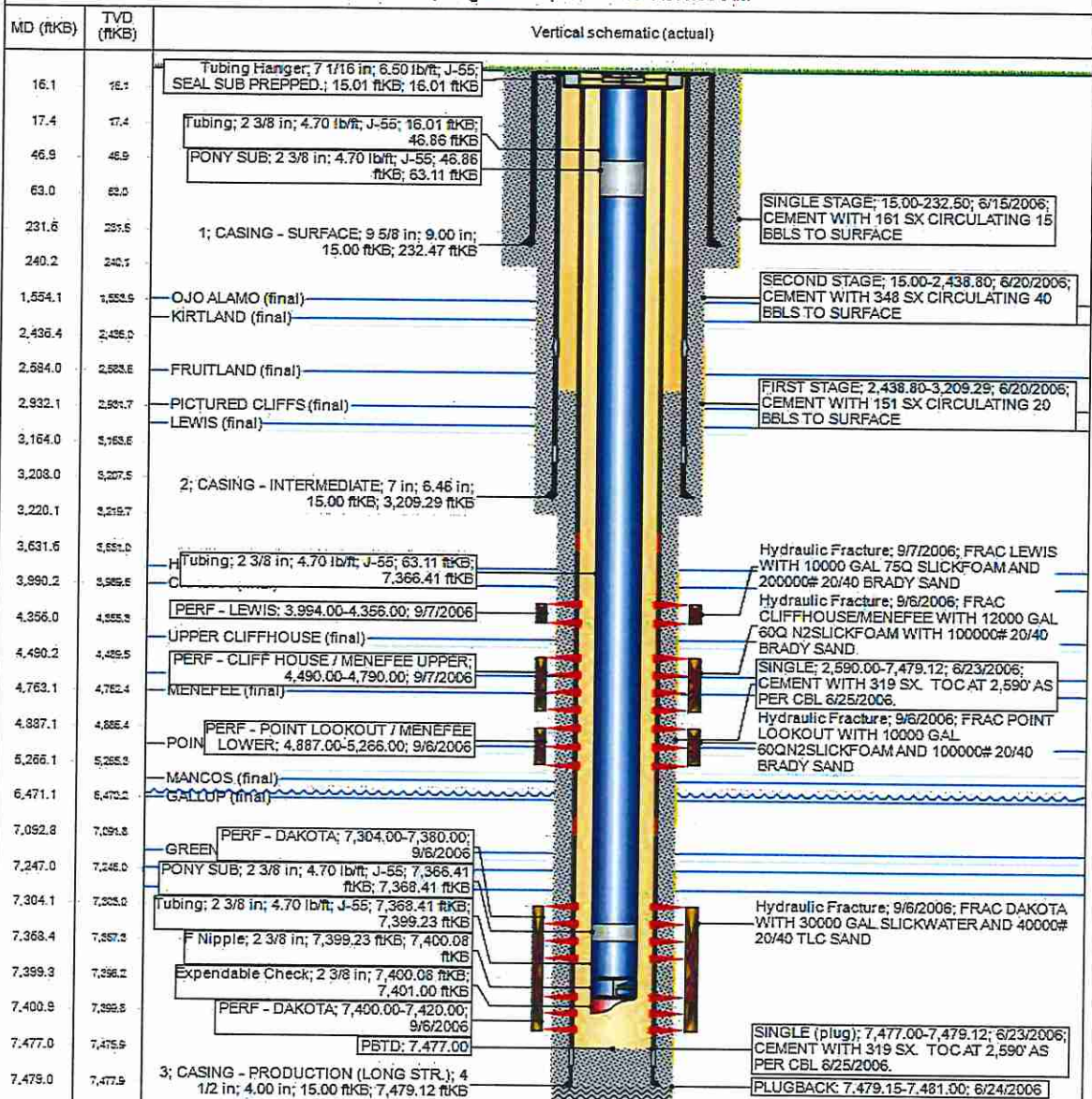
API UWI 3004533660	Surface Legal Location 021-031N-010W-0	Field Name BLANCO MESA ALERDE PROTECTED OIL	License No.	State/Province NEW MEXICO	Well Configuration Type VERTICAL
Original KBRT Elevation (ft) 6,210.00	KB-Ground Distance (ft) 15.00	Original Spud Date 6/13/2006 23:00	Rig Release Date 9/15/2006 12:00	PSTD (A) (ft) (ft) Original Hole - 7,477.0	Total Depth (ft) (ft) (ft)

Most Recent Job

Job Category WELL INTERVENTION	Primary Job Type TUBING REPAIR	Secondary Job Type TUBING REPAIR	Actual Start Date 6/1/2014	End Date 8/14/2014
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TD: 7,481.0

VERTICAL, Original Hole, 7/12/2019 11:41:56 AM



www.peloton.com

State of New Mexico
Energy, Minerals and Natural Resources Department
Oil Conservation Division



Receipt of Fee Application Payment

PO Number: HRKAB-190724-C-107A

Payment Date: 7/24/2019 9:48:27 AM

Payment Amount: \$150.00

Payment Type: Credit Card

Application Type: Application for administrative approval of a downhole commingle.

Fee Amount: \$150.00

Application Status: Under OCD Review

OGRID: 372171

First Name: Priscilla

Last Name: Shorty

Email: pshorty@hilcorp.com

IMPORTANT: If you are mailing or delivering your application, you must print and include your receipt of payment as the first page on your application. All mailed and delivered applications must be sent to the following address: 1220 S. St. Francis Dr., Santa Fe, NM 87505. For inquiries, reference the PO Number listed above.