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:

30-045-34471 UTE MOUNTAIN UTE #078

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 2390'-2290'. OCD Graneros pick @ 2340'.
- Add a Gallup plug 1672'-1572'. OCD Gallup pick @ 1622'.

Brandon Dangle

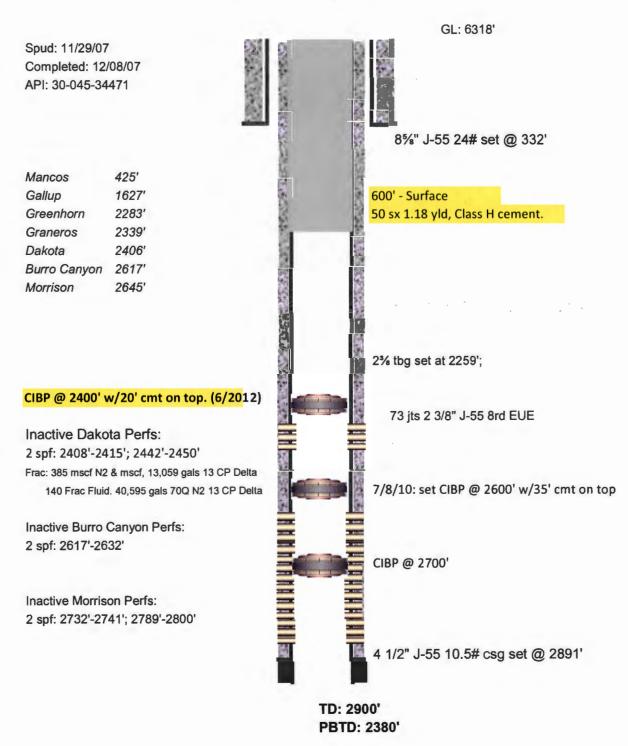
NMOCD Approved by Signature

3/26/2020 Date

Form 3160-5 (June 2015)						FORM APPROVED OMB NO. 1004-0137		
SUBMIT IN TRIPLICATE - Other instructions on page 2						Expires: January 31, 2018 5. Lease Serial No. 1221ND2772		
					6. If Indian, Allotte	6. If Indian, Allottee or Tribe Name UTE MOUNTAIN UTE		
						7. If Unit or CA/Agreement, Name and/or No.		
1. Type of Well Oil Well Gas Well Other 					8. Well Name and No. UTE MTN UTE 78			
2. Name of Operator HUNTINGTON ENERGY LLC E-Mail: csmith@huntingtonenergy.com					9. API Well No. 30-045-34471-00-S1			
3a. Address 908 NW 71ST ST OKLAHOMA CITY, OK 7311		o. (include area code) 40-9876 Ext: 129 0-2011			10. Field and Pool or Exploratory Area BARKER CREEK			
4. Location of Well (Footage, Sec., T., R., M., or Survey Description)			11. County			sh, State		
Sec 16 T32N R14W SESW T 36.983640 N Lat, 108.318970		SAN JUAN COUNTY, NM						
12. CHECK THE A	PPROPRIATE BOX(ES)	TO INDICA	TE NATURE O	FNC	OTICE, REPORT, OR O	THER DATA		
TYPE OF SUBMISSION	TYPE OF ACTION				ΓΙΟΝ			
Notice of Intent	Acidize	Dee	Deepen		Production (Start/Resume)	□ Water Shut-Off		
Subsequent Report	□ Alter Casing	- ·		Reclamation		□ Well Integrity		
	Casing Repair	□ New Construction		_	Recomplete	□ Other		
Final Abandonment Notice			ug and Abandon ug Back		 Temporarily Abandon Water Disposal 			
 following is the procedure: 1) MIRU service rig. ND WH 2) Notify NMOCD/BLM. 3) Load casing. Pressure tes 4) TOOH w/tubing to 600' lay 5) RU cementers. Mix and prest. WOC. 6) ND BOP. Perform hot wor 7) Weld on dry hole marker. 8) RDMO all. Begin reclaiming 	t for 500 psi for 30 mins. ving down. ump 50 sx of 1.18 yld Cla k permit. Cut off WH. RU cementers and top of							
						AD 8 7 200		
	Electronic Submission #	GTON ENERG	Y LLC. sent to the	Duran 01/	ango 14/2020 (20BDT007755) S	TRICT 111		
GATHER	THE REGUL	AIU						
Signature (Electronic	Date 01/13/2020							
	THIS SPACE F	OR FEDER	AL OR STATE	OFF	ICE USE			
Approved By			Title	ns	SC.	2/27/20 Date		
Title 18 U.S.C. Section 1001 and Title 43 States any false, fictitious or fraudulent	U.S.C. Section 1212, make it a statements or representations a	a crime for any p s to any matter v	erson knowingly and within its jurisdiction.	willfi	ully to make to any department	t or agency of the United		
(Instructions on page 2) ** BLM REV	/ISED ** BLM REVISE	D ** BLM R	EVISED ** BLM	A RE	VISED ** BLM REVIS	SED **		
		NMO	CD AV					

Ute Mountain Ute # 78

Proposed P&A San Juan County, New Mexico SESW Sec 16 - 32N - 14W 1075' FSL 1340' FWL



Huntington Energy, LLC. Tribal Lease: I-22-IND-2772 Well: UMU #78 Location: 1075' FSL & 1340' FWL Sec. 16, 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. As per OO#2.G.2.iii, Bridge plugs must have a minimum of 50' of cement placed above them, 35' if a dump bailer is used. The plug at 2400' only has 20' of cement on top of it. This plug must be extended to the proper length. Please advise the BLM of your plans to meet this requirement.

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.