

State of New Mexico
Energy, Minerals and Natural Resources Department

Susana Martinez
Governor

David Martin
Cabinet Secretary

Brett F. Woods, Ph.D.
Deputy Cabinet Secretary

David R. Catanach, 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 3160-4 or 3160-5 form.

Operator Signature Date: 3-17-15
Well information:

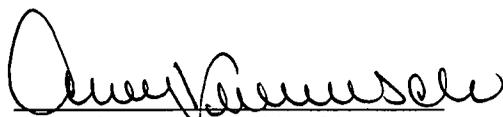
API WELL #	Well Name	Well #	Operator Name	Type	Stat	County	Surf. Owner	UL	Sec	Twp	N/S	Rng	W/E	Feet	NS	Ft	EW
30-045-35490-00-00	TENNECO FEDERAL	001R	RUNNING HORSE PRODUCTION CO.	G	N	San Juan	N	M	8	26	N	12	W	809	S	897	W

Application Type:

- P&A
 Drilling/Casing Change
 Location Change
 Recomplete/DHC (For hydraulic fracturing operations review EPA Underground injection control Guidance #84)
 Other:

Conditions of Approval:

File C104 for change of Well Status to Active


 NMOCD Approved by Signature

5-11-15
 Date

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

RECEIVED

MAR 18 2015

FORM APPROVED
OM B No. 1004-0135
Expires: January 31, 2004

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.
NM-93255

Office Indian, Allottee or Tribe Name
Navajo Indian Tribe

OIL CONS. DIV DIST.
MAR 23 2015

SUBMIT IN TRIPLICATE- Other instructions on reverse side.

1. Type of Well
 Oil Well Gas Well Other

2. Name of Operator
Running Horse Production Company

3a. Address
14933 Hwy 172, P.O. Box 369 Ignacio, CO 81137

3b. Phone No. (include area code)
970-563-5167

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
809'FSL, 897'FWL of Section 8, T26N, R12W

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

8. Well Name and No.
Tenneco Federal #1R

9. API Well No.
30-045-35490

10. Field and Pool, or Exploratory Area
Basin Fruitland Coal

11. County or Parish, State
San Juan, NM

12. CHECK 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 checked="" 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
	<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 shall 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 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

Running Horse Production Co. would like to notify the BLM as to the actual casing and cementing on the referenced well.

- The 20" conductor pipe was set in a 26" hole at 80' and cement was circulated back to surface.
- The 13-3/8" surface casing was set to 410' in a 17-1/2" hole and 500/BondCem cement was circulated back to surface.
- The 9-5/8" production casing was set to 1,530' in a 12-1/2" hole and circulated 510/ElastiCem, and 50/BondCem to surface using an external casing packer and stage tool set at 1,047'.
- The well was drilled down to the Dakota (6,000') for testing and was plugged back into the production casing at 1,364'. See attached CBL for reference. The five cement plugs were set as follows:
 - Cement plug #1 - 5,694'-6,000'
 - Cement plug #2 - 4,667'-4,767'
 - Cement plug #3 - 4,212'-4,312'
 - Cement plug #4 - 1,944'-2,044'
 - Cement plug #5 - 1,364'-1,550'
- The well was perforated in the Fruitland Coal, from 1,161'-1,178' and completed using a 70 quality nitrogen X-Link gel frac with 60,940lbs of proppant, 340,378scf of nitrogen and 459 bbls of water.
- See attached wellbore diagram for further information.

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

Marvin Seale

Title Petroleum Engineer

Signature



Date

03/17/2015

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

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.

Title

Date

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. **ACCEPTED FOR RECORD**

(Instructions on page 2)

MAR 18 2015

NMOCDAV

FARMINGTON FIELD OFFICE
BY: William Tambekou

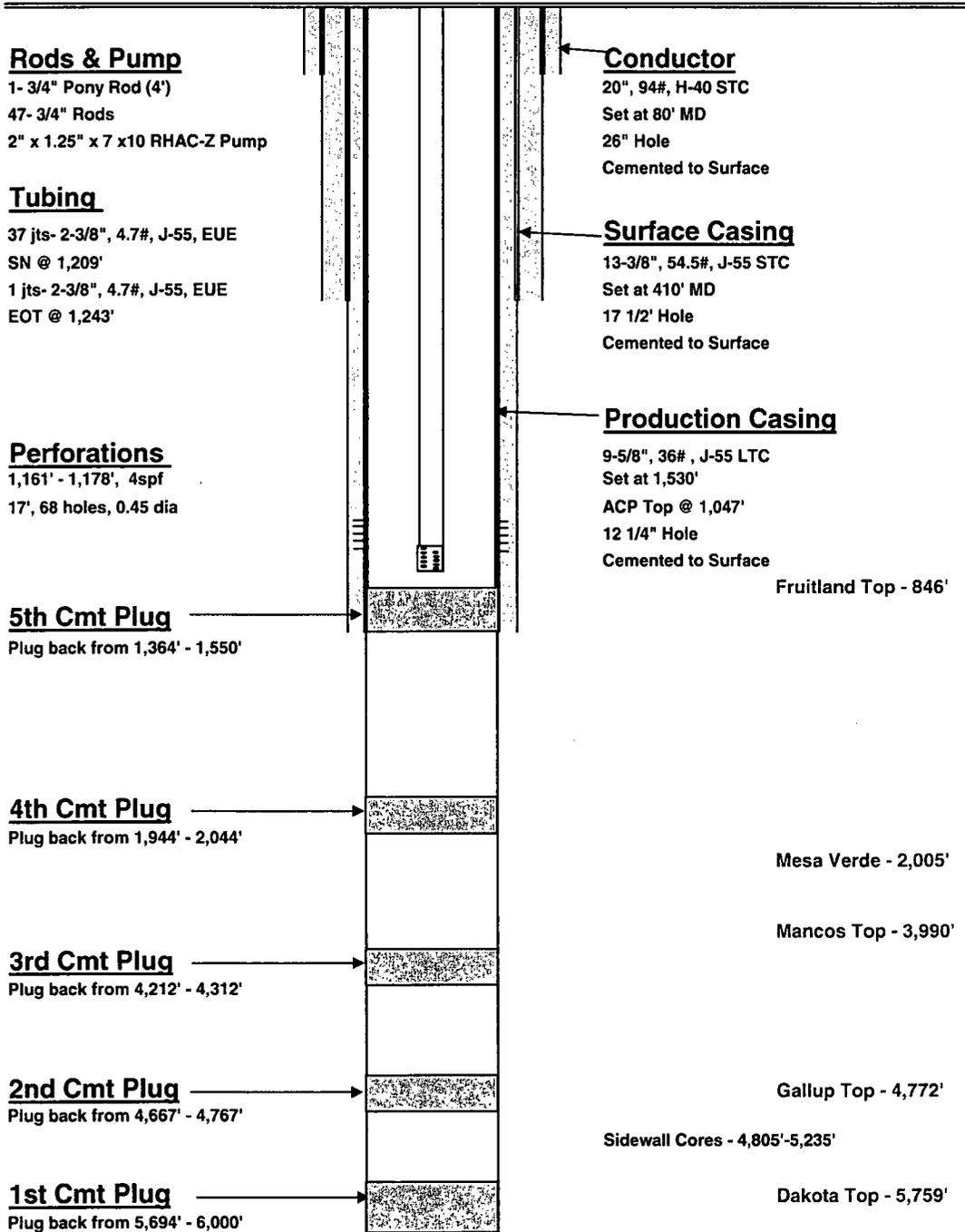
Running Horse Prod. Co., LLC
 Tenneco Federal #1R
 809' FSL & 897' FWL, SW/4 SW/4 Section 8, T26N, R12W
 San Juan County, New Mexico
 SW/4 S. 8, T26N-12W
 API: 30-045-35490
 AFE#: 13-03211.01-01
 Target: Test Mancos/ Produce Fruitland Coal

Actual

WELLBORE SCHEMATIC

Spud Date
 12/10/2014

RKB = 16'



Rods & Pump

1- 3/4" Pony Rod (4')
 47- 3/4" Rods
 2" x 1.25" x 7 x10 RHAC-Z Pump

Tubing

37 jts- 2-3/8", 4.7#, J-55, EUE
 SN @ 1,209'
 1 jts- 2-3/8", 4.7#, J-55, EUE
 EOT @ 1,243'

Perforations

1,161' - 1,178', 4spf
 17', 68 holes, 0.45 dia

5th Cmt Plug

Plug back from 1,364' - 1,550'

4th Cmt Plug

Plug back from 1,944' - 2,044'

3rd Cmt Plug

Plug back from 4,212' - 4,312'

2nd Cmt Plug

Plug back from 4,667' - 4,767'

1st Cmt Plug

Plug back from 5,694' - 6,000'

Conductor

20", 94#, H-40 STC
 Set at 80' MD
 26" Hole
 Cemented to Surface

Surface Casing

13-3/8", 54.5#, J-55 STC
 Set at 410' MD
 17 1/2' Hole
 Cemented to Surface

Production Casing

9-5/8", 36#, J-55 LTC
 Set at 1,530'
 ACP Top @ 1,047'
 12 1/4" Hole
 Cemented to Surface

Fruitland Top - 846'

Mesa Verde - 2,005'

Mancos Top - 3,990'

Gallup Top - 4,772'

Sidewall Cores - 4,805'-5,235'

Dakota Top - 5,759'

8 3/4" Open Hole
 Pilot Hole TD @ 6,000' MD