

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 3160-4 or 3160-5 form.

Operator Signature Date: 2/19/19

Well information:

**Tacitus, LLC**

**Navajo Tribal N# 4, API#30-045-05876**

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)

**Other:**

Conditions of Approval:

- Notify NMOCD 24 Hours prior to commencing activities
- Submit a plugging plan for the original vertical section of the well for review and approval.
- Submit a wellbore schematic with the subsequent reports.
- Oil base muds are not to be used until fresh water zones are cased and cemented providing isolation from the oil or diesel. This includes synthetic oils. Oil based mud, drilling fluids and solids must be contained in a steel closed loop system.
- Hold C-104 for directional survey & "As Drilled" Plat

A handwritten signature in black ink, appearing to read "Brandi Bell", is written over a horizontal line.

NMOCD Approved by Signature

4/18/19

Date

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.*

<b>SUBMIT IN TRIPLICATE - Other instructions on page 2</b>		5. Lease Serial No. 14-20-603-5035
1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		6. If Indian, Allottee or Tribe Name NAVAJO
2. Name of Operator TACITUS LLC		7. If Unit of CA/Agreement, Name and/or No.
3a. Address 2100 CORTLAND DRIVE FARMINGTON, NM 87401		8. Well Name and No. NAVAJO TRIBAL N #4
3b. Phone No. (include area code) (801) 980-7277		9. API Well No. 30-045-05876
4. Location of Well (Footage, Sec., T.R.M., or Survey Description) 660 FNL, 660 FEL SEC 18, T26NR18W NMPM. LAT/LONG 36.4935646,-108.7934494 NAD83		10. Field and Pool or Exploratory Area TOCITO DOME MISSISSIPPIAN, NORTH
		11. Country or Parish, State SAN JUAN, NEW MEXICO

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.)

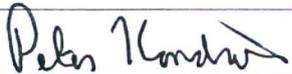
Tacitus LLC intends to cement squeeze existing Pennsylvanian D perforations 6378-6388', 6420-6436' & 6388-6394'. Then intends to complete a slot recovery of existing 4 1/2" & 8 5/8" casing, and leave existing 13 3/8" casing in-place set 73' ft deep. Then spot kick off cement plug and WOC for 24 hours. With a Closed Loop drilling system, next dress of cement and drill 12 1/4" hole to approximately 1600' MD, followed by running 9 5/8" casing and cement, WOC for 24 hours, nipple up BOP, test casing witnessed by Navajo Nation inspector. Then drill 8 3/4" hole to 7261' MD, 6747' TVD then run 7" casing and cement, WOC for 24 hours, test casing witnessed by Navajo Nation inspector. Then pick up 6 1/8" directional tools and drill 4 laterals horizontally in the Mississippian Leadville Formation, leaving laterals open hole. Proposed directional survey accompanying sundry. Depths may vary depending on CBL and slot recovery results. Initial plan is:

- 1) P&A existing Penn perms: set CICR at 6328' w/ 50' of cement on top. Run CBL in 4-1/2" and determine TOC. Cut off and retrieve 4-1/2".
- 2) Set CIBP in 8-5/8" just above 4-1/2" stub, run CBL and determine TOC & free point of 8-5/8". Cut off & retrieve 8-5/8".
- 3) Drill new 12-1/4" hole w/ LSND mud and set 9-5/8", 36#, J55 casing & cement in place.
- 4) Drill 8-3/4" curve section to 7261' (6747' MD) w/ LSND mud and set 7", J55, 26# casing and cement back to surface.
- 5) Drill 4 each 6-1/8" horizontal laterals w/ air/mist. Each lateral will be ~ 6000' and left open hole.
- 6) Run 2-7/8" tubing and test for He.

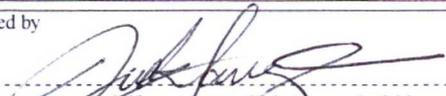
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FEB 28 2019

DISTRICT III

14. I hereby certify that the foregoing is true and correct. Name (Printed Typed) PETER KONDRAT	TACITUS AGENT & GEOLOGIST
Signature 	Title
	Date 02/19/2019

THE SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by 	Title PE	Date 2/23/19
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 FFO	

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)

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