

Initial Application Part I

Received: 05/22/19

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

RECEIVED: 05/22/2019	REVIEWER: MAM	TYPE: DHC	APP NO: pMAM1914235667
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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>Canyon Largo Unit 21 & Canyon Largo Unit 119</u>	API: <u>30-039-60032 / 30-039-05491</u>
Pool: <u>Ballard Pictured Cliffs & Devils Fork Gallup</u>	Pool Code: <u>71439 & 17610</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 PLC-576

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

- ☐ 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.

Etta Trujillo - Operations/Regulatory Tech

Print or Type Name

Etta Trujillo

Signature

May 21, 2019

Date

505-324-5161

Phone Number

ettrujillo@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-107-B
Revised August 1, 2011

OIL CONSERVATION DIVISION
1220 S. St Francis Drive
Santa Fe, New Mexico 87505

Submit the original
application to the Santa Fe
office with one copy to the
appropriate District Office.

APPLICATION FOR SURFACE COMMINGLING (DIVERSE OWNERSHIP)

OPERATOR NAME: Hilcorp Energy Company
OPERATOR ADDRESS: 382 Road 3100, Aztec, NM 87410
APPLICATION TYPE:

☐ Pool Commingling ☐ Lease Commingling ☒ Pool and Lease Commingling ☐ Off-Lease Storage and Measurement (Only if not Surface Commingling)

LEASE TYPE: ☐ Fee ☐ State ☒ Federal

Is this an Amendment to existing Order? ☐ Yes ☒ No If "Yes", please include the appropriate Order No. _____
Have the Bureau of Land Management (BLM) and State Land office (SLO) been notified in writing of the proposed commingling
☒ Yes ☐ No

(A) POOL COMMINGLING

Please attach sheets with the following information

(1) Pool Names and Codes	Gravities / BTU of Non-Commingled Production	Calculated Gravities / BTU of Commingled Production		Calculated Value of Commingled Production	Volumes
Devils Fork Gallup (17610)					
Ballard Pictured Cliffs (71439)					

- (2) Are any wells producing at top allowables? ☐ Yes ☒ No
(3) Has all interest owners been notified by certified mail of the proposed commingling? ☒ Yes ☐ No.
(4) Measurement type: ☒ Metering ☐ Other (Specify)
(5) Will commingling decrease the value of production? ☐ Yes ☒ No If "yes", describe why commingling should be approved

(B) LEASE COMMINGLING

Please attach sheets with the following information

- (1) Pool Name and Code.
(2) Is all production from same source of supply? ☐ Yes ☐ No
(3) Has all interest owners been notified by certified mail of the proposed commingling? ☐ Yes ☐ No
(4) Measurement type: ☐ Metering ☐ Other (Specify)

(C) POOL and LEASE COMMINGLING

Please attach sheets with the following information

- (1) Complete Sections A and E.

(D) OFF-LEASE STORAGE and MEASUREMENT

Please attached sheets with the following information

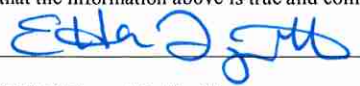
- (1) Is all production from same source of supply? ☐ Yes ☐ No
(2) Include proof of notice to all interest owners.

(E) ADDITIONAL INFORMATION (for all application types)

Please attach sheets with the following information

- (1) A schematic diagram of facility, including legal location.
(2) A plat with lease boundaries showing all well and facility locations. Include lease numbers if Federal or State lands are involved.
(3) Lease Names, Lease and Well Numbers, and API Numbers.

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

SIGNATURE:  TITLE: Operations/Regulatory Tech Sr DATE: 5/21/2019

TYPE OR PRINT NAME: Etta Trujillo TELEPHONE NO.: (505) 324-5161

E-MAIL ADDRESS: ettrujillo@hilcorp.com

NEW MEXICO
OIL CONSERVATION COMMISSION

Form C-128

Well Location and/or Gas Proration Plat

Date November 28, 1956

Operator The Superior Oil Company Lease Skelly-Teel-Government

Well No. 1 - 15 Section 15 Township - 24- N Range - 6- W NMPM

Located 990 Feet From NORTH Line, 990 Feet From WEST Line,

Rio ARRIBA County, New Mexico. G. L. Elevation 6696 (Estimated)

Name of Producing Formation Pictured Cliffs Wildcat
Pool Canyon Large Dedicated Acreage 160

(Note: All distances must be from outer boundaries of Section)

990'			
990' X			

SCALE: 1" = 1000'

1. Is this Well a Dual Comp. ? Yes No X.
2. If the answer to Question 1 is yes, are there any other dually completed wells within the dedicated acreage? Yes No .

This is to certify that the above plat was prepared from field notes of actual surveys made by me or under my supervision and that the same are true and correct to the best of my knowledge and belief.

Name Wm. J. Mathis (Wm. J. Mathis)
Position Petroleum Engineer
Representing The Superior Oil Company
Address Midland, Texas

Date Surveyed SEPTEMBER 16, 1956
Wm. J. Mathis
Registered Professional Engineer and/or
Land Surveyor



NEW MEXICO OIL CONSERVATION COMMISSION
SANTA FE, NEW MEXICO

Form C-110
Revised 7/1/55

(File the original and 4 copies with the appropriate district office)

CERTIFICATE OF COMPLIANCE AND AUTHORIZATION
TO TRANSPORT OIL AND NATURAL GAS

Company or Operator El Paso Natural Gas Company Lease Canyon Largo Unit

Well No. 21 Unit Letter D S 15 T 24N R 6W Pool Otero P.C.

County Rio Arriba Kind of Lease (State, Fed. or Patented) Federal

If well produces oil or condensate, give location of tanks: Unit S T R

Authorized Transporter of Oil or Condensate El Paso Natural Gas Products Company

Address _____

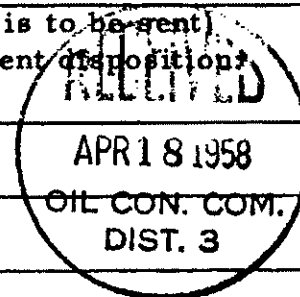
(Give address to which approved copy of this form is to be sent)

Authorized Transporter of Gas El Paso Natural Gas Company

Address Box 997, Farmington, New Mexico

(Give address to which approved copy of this form is to be sent)

If Gas is not being sold, give reasons and also explain its present disposition



Reasons for Filing: (Please check proper box) New Well ()

Change in Transporter of (Check One): Oil () Dry Gas () C'head () Condensate ()

Change in Ownership () Other ()

Remarks: (Give explanation below)

This well was originally drilled by The Superior Oil Company as the Skelly Teel Government #1-15. This well is within the limits of the Canyon Largo unit, therefore El Paso Natural Gas Company will be the operator with name changed to the El Paso Natural Gas Canyon Largo Unit #21.

The undersigned certifies that the Rules and Regulations of the Oil Conservation Commission have been complied with.

Executed this the 11 day of April 1958

By Original Signed D. C. Johns'on

Approved APR 18 1958 1958

Title Petroleum Engineer

OIL CONSERVATION COMMISSION

Company El Paso Natural Gas Company

By Original Signed Emery C. Arnold

Address Box 997

Title Supervisor Dist. # 3

Farmington, New Mexico

NEW MEXICO OIL CONSERVATION COMMISSION

Well Location and Appraise Deformation Plat

Date **APRIL 2, 1963**

Section A.

Operator **EL PASO NATURAL GAS COMPANY** Lease **CANYON LARGO UNIT** SF078628-A
 Well No. **119** Unit Letter **E** Section **15** Township **24-N** Range **6-W** NADW
 Located **1790** Feet From **NORTH** East From **WEST** 1 mi
 County **RIO ARRIBA** G. L. Elevation **6714** 890 Feet From **320** A. M.
 Name of Producing Formation **GALLUP** P. T. **DEVILS FORK GALLUP**

1. Is the Operator the only owner in the tract and a range outlined on the plat below?

Yes ☒ No

2. If the answer to question one is "No", have the interests of all the owners been ascertained by a chain of title agreement or otherwise? Yes No If answer is "Yes", Type of title agreement.

3. If the answer to question two is "No", list all the owners and their respective interests below.

Owner

Land Description



Section B.

This is to certify that the information in Section A above is true and complete to the best of my knowledge and belief.

El Paso Natural Gas Company

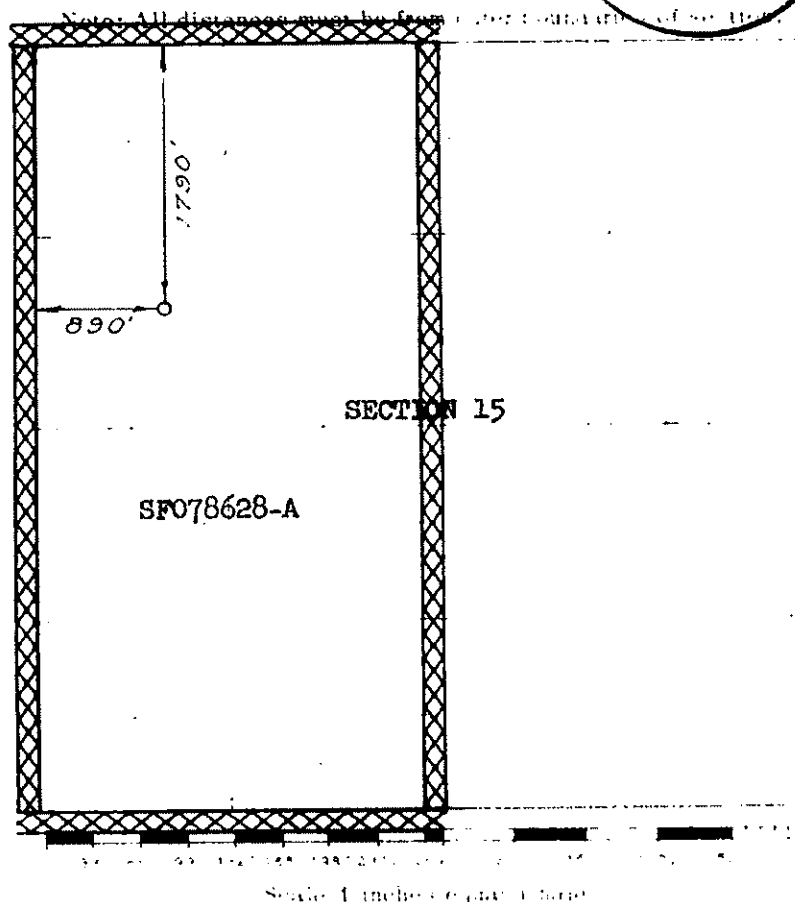
(Operator)

ORIGINAL SIGNED E. S. OBERLY

(Representative)

Box 990

Address

Farmington, New Mexico

This is to certify that the above plat was prepared from field notes of a land survey made by me or under my supervision and that the same are true and correct to the best of my knowledge and belief.

(Seal)

Farmington, New Mexico

Date Surveyed **MARCH 27, 1963**

Edward C. Kinner
 Registered Professional Engineer and a Land Surveyor

HILCORP ENERGY SITE SECURITY PLAN - SITE DIAGRAM						NAME: JAMIE HUFFMAN	
						DATE: 04/24/19	
WELL / SITE NAME:	CANYON LARGO UNIT 21	LEGAL DESCR (U-S-T-R):	D-15-24N-6W				
API No.:	3003960032	PRODUCING ZONE(S):	Pictured Cliffs				
LEASE No.:	1409	LATITUDE:	36.3172	LONGITUDE:	-107.46083		
FOOTAGES:	990' FNL & 990' FWL	COUNTY:	San Juan	STATE:	NM		
Comments:							

INDICATE NORTH DIRECTION

Below ground piping, size, and direction of flow 3"

Below ground drip piping, size, and direction of flow 2"

METER

WELLSITE ENTRANCE

DRAWING NOT TO SCALE
UNDERGROUND LINES ARE ESTIMATES.
DO NOT USE THIS DIAGRAM FOR LINE EXCAVATION.

INDICATE NATURAL DRAINAGE DIRECTION

This Site is subject to- The Hilcorp Energy Company San Juan Site Security Plan for Sale of Oil and Gas, Production Policy.	The Site Security Plans are Located At: Hilcorp Energy Company #9A CR-5793 Farmington, NM 87401
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Per BLM : Condensate Tanks - Indicate Sales and Drain Valves sealed closed during production; Equalizer and Overflow Valves sealed closed during sales.

Per SPCC : Water Tanks - Indicate drain valves .

WH

PROD TANK

WTR TANK

PIT TANK

PUMPING UNIT

RTU

S SALES

D DRAIN

E EQUALIZER

SEP

DBU

METER

COMP

CP

O OVERFLOW

TL TRUCK LOADING

UST U/G STRG TK

LUBE OIL LUBE OIL TK

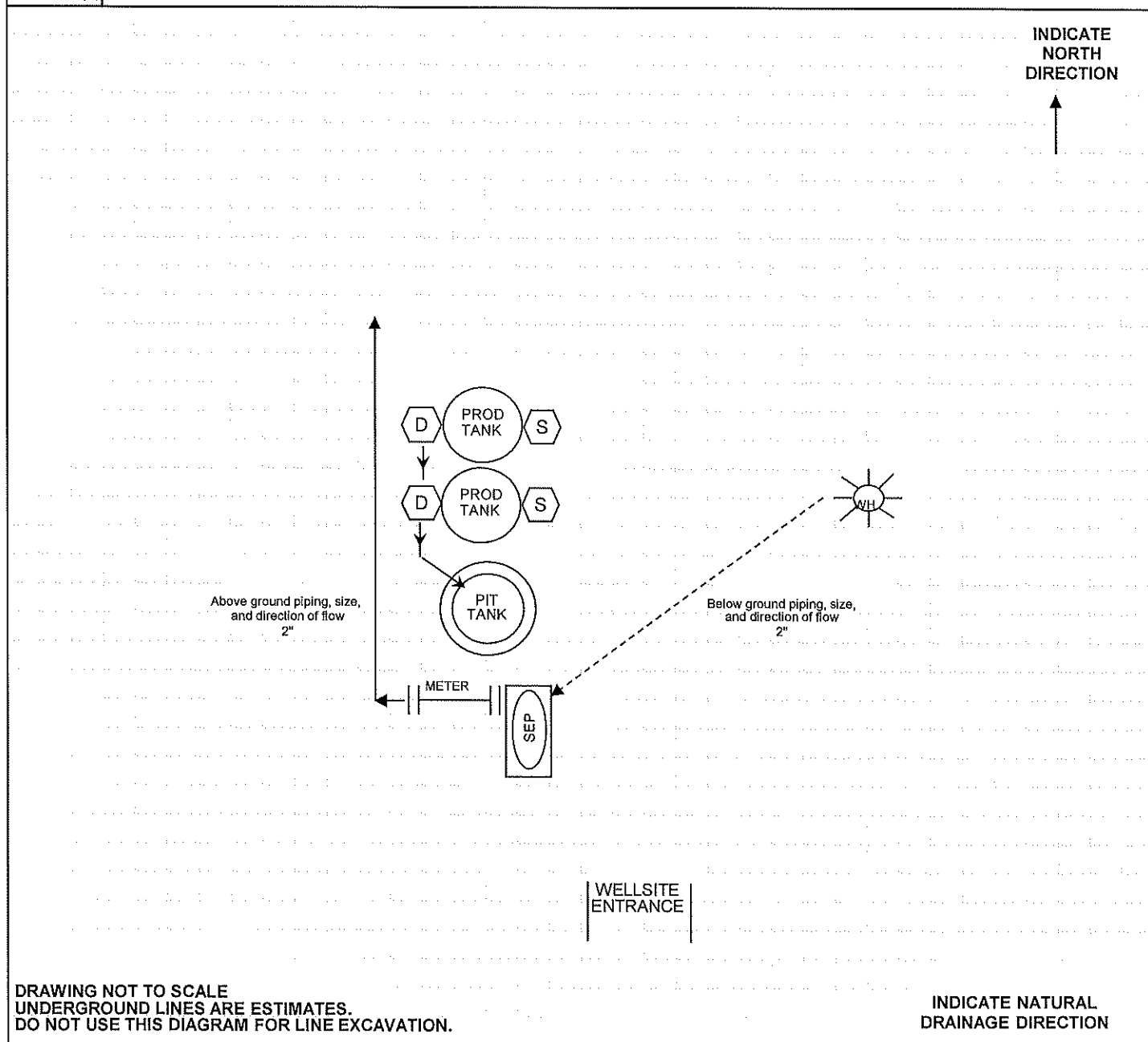
T TRANSFORMER

Above ground piping, size, and direction of flow 3"

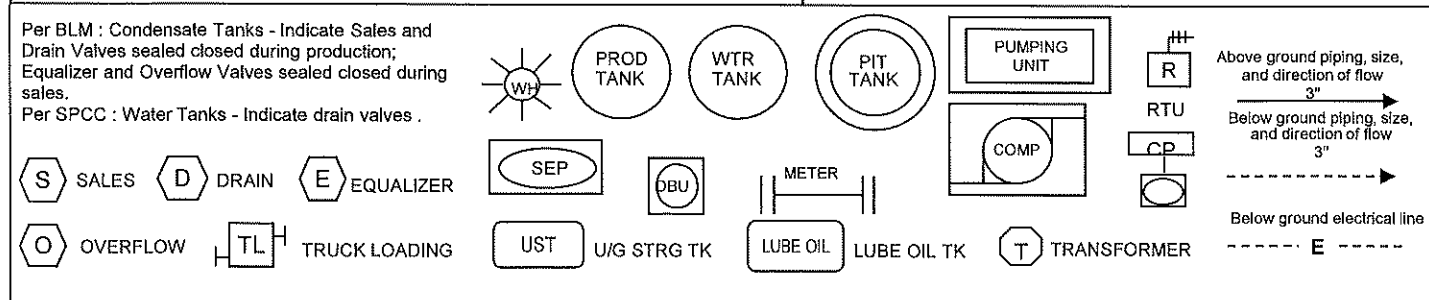
Below ground piping, size, and direction of flow 3"

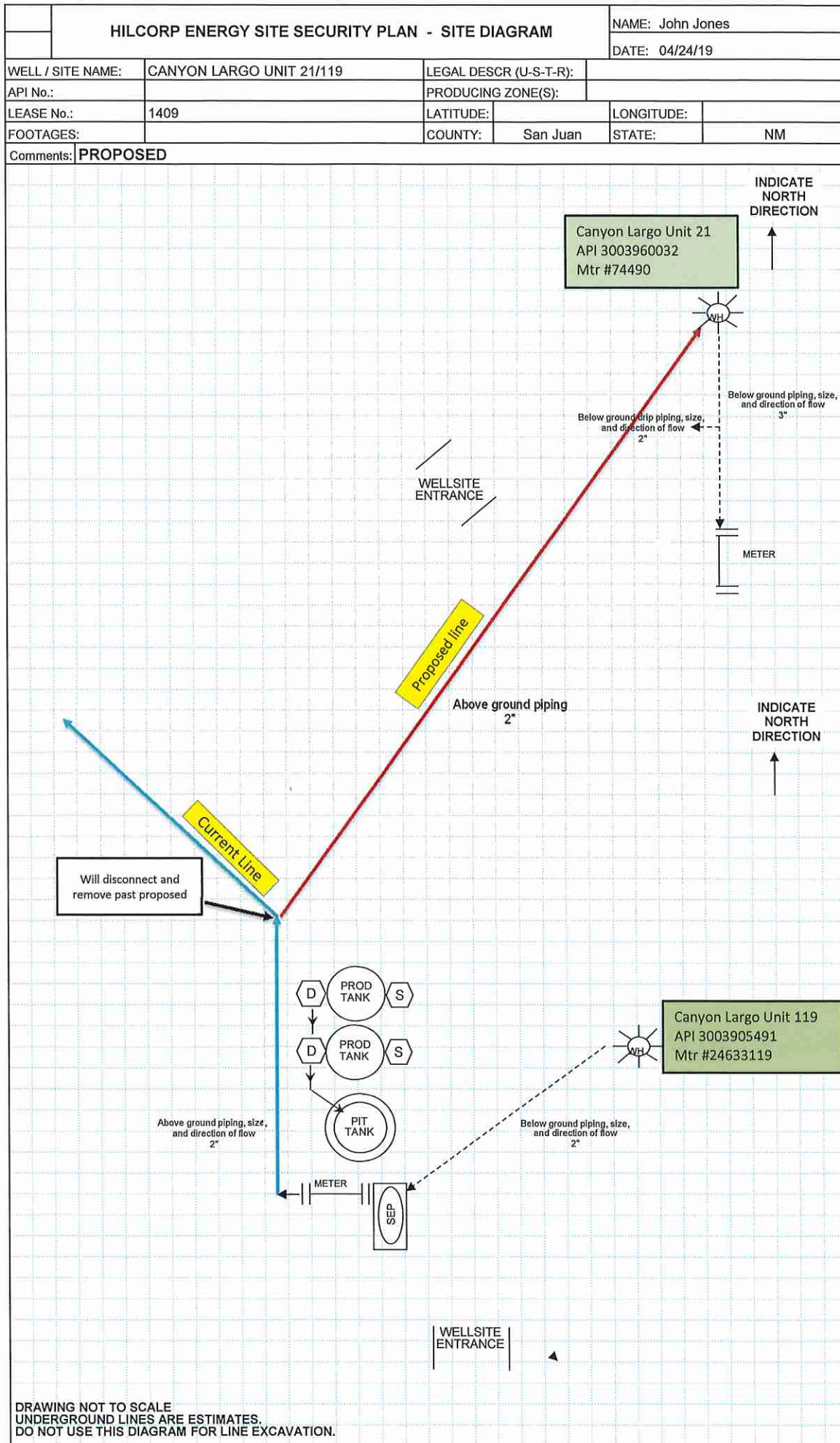
Below ground electrical line ----- E -----

HILCORP ENERGY SITE SECURITY PLAN - SITE DIAGRAM				NAME: JAMIE HUFFMAN	
				DATE: 04/24/19	
WELL / SITE NAME:	CANYON LARGO UNIT 119	LEGAL DESCR (U-S-T-R):	E-15-24N-6W		
API No.:	3003905491	PRODUCING ZONE(S):	Gallup		
LEASE No.:	1409	LATITUDE:	36.31503	LONGITUDE:	-107.46125
FOOTAGES:	1790' FNL & 890' FWL	COUNTY:	Rio Arriba	STATE:	NM
Comments:					



This Site is subject to- The Hilcorp Energy Company San Juan Site Security Plan for Sale of Oil and Gas, Production Policy.	The Site Security Plans are Located At: Hilcorp Energy Company #9A CR-5793 Farmington, NM 87401
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[illegible]

WELL INFORMATION

[illegible]

Well	Canyon Largo Unit 21	Canyon Largo Unit 119
Formation	Ballard Pictured Cliffs	Devils Fork Gallup
Production (mcf/d)		
October	10.5	28
November	10.3	27
December	10.1	24
January	8.6	28
February	9.2	2
March	10	2

Canyon Largo Unit 21 Surface Commingle with Canyon Largo Unit 119

Hilcorp Energy proposes to run a 2" surface line from the Canyon Largo Unit #119 (Meter #24633119) to the Canyon Largo Unit #21 (Meter #74490) to create a surface commingle (CDP) to Enterprise.

Allocation Meter #24633119 will remain at the Canyon Largo Unit #119 to measure gas. Enterprise sales meter 74490 will measure the total flow for the 2 wells.

The gas volume for the Canyon Largo Unit #21 will be calculated by subtracting the allocation meter volume from the sales meter.



April 26, 2019

Transmitted Via
Certified Mail

RE: Application for Surface Commingling
Canyon Largo Unit 119 (API # 30-039-05491)
Canyon Largo Unit 021 (API # 30-039-60032)
Rio Arriba County, New Mexico

Hilcorp plans to surface commingle existing pay from the Canyon Largo 119 and Canyon Largo Unit 021. As required by Subsection C of 19.15.12.10 New Mexico Administrative Code, we have enclosed a copy of the Commingling Application for your review. No action is required by you unless you object our commingling proposal.

Any objection to this application must be filed in writing within twenty (20) days from this date with the applicant and the New Mexico Oil Conservation Division, 1220 South St. Francis Drive, Santa Fe, New Mexico, 87505. If the 20 day waiting period expires, the Division will conclude that your company has no objection to the application.

This letter represents a good faith effort to adhere with applicable notification requirements. However, 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 Wells and we are thankful for your support.

Regards,

Etta Trujillo

Operations/Regulatory Technician
Hilcorp Energy Company
505-324-5161

Encl.

Certified Number	Sender	Recipient	Date Mailed	Delivery Status
92148969009997901773220913	Brenda Guzman	, ALLAYNALEE K COYLE, 4800 PONDEROSA AVE NE, ALBUQUERQUE, NM, 87110 Code: Canyon Largo Unit 21_119 Surface Commingle	4/26/2019	Departed USPS Destination Facility April 29, 2019 Signature Pending
92148969009997901773220920	Brenda Guzman	, AMANDA BARCLAY, 10201 EDITH BLVD NE, ALBUQUERQUE, NM, 87113 Code: Canyon Largo Unit 21_119 Surface Commingle	4/26/2019	Departed USPS Destination Facility April 29, 2019 Signature Pending
92148969009997901773220937	Brenda Guzman	, AMMO INVESTMENTS LTD, 3161 WEBB AVE, DALLAS, TX, 75205 Code: Canyon Largo Unit 21_119 Surface Commingle	4/26/2019	Departed USPS Regional Facility April 29, 2019 Signature Pending
92148969009997901773220944	Brenda Guzman	, BANK ONE TEXAS NA, GMPF OIL ACCOUNT #3153 PO BOX 99084, FORT WORTH, TX, 76199 Code: Canyon Largo Unit 21_119 Surface Commingle	4/26/2019	Arrived at Unit April 29, 2019 Signature Pending
92148969009997901773220951	Brenda Guzman	, CAROLYN BEAMON TILLEY, 5225 PRESTON HAVEN, DALLAS, TX, 75229 Code: Canyon Largo Unit 21_119 Surface Commingle	4/26/2019	Departed USPS Regional Facility April 29, 2019 Signature Pending
92148969009997901773220968	Brenda Guzman	, CB LIFELINE PARTNERSHIP, 5225 PRESTON HAVEN DR, DALLAS, TX, 75229 Code: Canyon Largo Unit 21_119 Surface Commingle	4/26/2019	Departed USPS Regional Facility April 29, 2019 Signature Pending
92148969009997901773220975	Brenda Guzman	, CLAUDIA MARCIA LUNDELL GILMER, 723 W UNIVERSITY AVE STE 300-371, GEORGETOWN, TX, 78626 Code: Canyon Largo Unit 21_119 Surface Commingle	4/26/2019	In Transit, Arriving Late April 28, 2019 Signature Pending
92148969009997901773220982	Brenda Guzman	, DUGAN PRODUCTION CORP, PO BOX 420, FARMINGTON, NM, 87499 Code: Canyon Largo Unit 21_119 Surface Commingle	4/26/2019	Departed USPS Destination Facility April 28, 2019 Signature Pending
92148969009997901773220999	Brenda Guzman	, JAMES R BEAMON, 6140 HWY 6 SUITE 154, MISSOURI CITY, TX, 77459 Code: Canyon Largo Unit 21_119 Surface Commingle	4/26/2019	Departed USPS Regional Facility April 28, 2019 Signature Pending
92148969009997901773221002	Brenda Guzman	, JOE F ELLEDGE, PO BOX 111, FARMINGTON, NM, 87499 Code: Canyon Largo Unit 21_119 Surface Commingle	4/26/2019	Departed USPS Destination Facility April 28, 2019 Signature Pending
92148969009997901773221019	Brenda Guzman	, KIMBELL OIL CO OF TEXAS, 777 TAYLOR ST, SUITE PII-A, FORT WORTH, TX, 76102 Code: Canyon Largo Unit 21_119 Surface Commingle	4/26/2019	In Transit, Arriving Late April 28, 2019 Signature Pending
92148969009997901773221026	Brenda Guzman	, LELAND FIKES FOUNDATION INC, 3161 WEBB AVE, DALLAS, TX, 75205 Code: Canyon Largo Unit 21_119 Surface Commingle	4/26/2019	Departed USPS Regional Facility April 29, 2019 Signature Pending
92148969009997901773221033	Brenda Guzman	, LINDA JEANNE LUNDELL LINDSEY, PO BOX 631565, NACOGDOCHES, TX, 75963 Code: Canyon Largo Unit 21_119 Surface Commingle	4/26/2019	Departed USPS Regional Facility April 28, 2019 Signature Pending
92148969009997901773221040	Brenda Guzman	, MERRION OIL and GAS CORP, 610 REILLY AVE, FARMINGTON, NM, 87401-2634 Code: Canyon Largo Unit 21_119 Surface Commingle	4/26/2019	Departed USPS Destination Facility April 28, 2019 Signature Pending
92148969009997901773221057	Brenda Guzman	, OMIMEX PETROLEUM, 7950 JOHN T WHITE ROAD, FORT WORTH, TX, 76120 Code: Canyon Largo Unit 21_119 Surface Commingle	4/26/2019	Departed USPS Regional Destination Facility April 28, 2019 Signature Pending
92148969009997901773221064	Brenda Guzman	, PATRICK LANCE, PO BOX 192, JEMEZ SPRINGS, NM, 87025 Code: Canyon Largo Unit 21_119 Surface Commingle	4/26/2019	In Transit, Arriving Late April 28, 2019 Signature Pending
92148969009997901773221071	Brenda Guzman	, PAUL LANCE, 816 DOUGLAS MACARTHUR NW, ALBUQUERQUE, NM, 87107 Code: Canyon Largo Unit 21_119 Surface Commingle	4/26/2019	Departed USPS Destination Facility April 29, 2019 Signature Pending
92148969009997901773221088	Brenda Guzman	, PHILLIP LANCE, 1459 ARROYO LN, BERNALILLO, NM, 87004 Code: Canyon Largo Unit 21_119 Surface Commingle	4/26/2019	In Transit, Arriving Late April 28, 2019 Signature Pending
92148969009997901773221095	Brenda Guzman	, ROBERT E BEAMON III, C/O JAMES R BEAMON 6140 HWY 6, SUITE 154, MISSOURI CITY, TX, 77459 Code: Canyon Largo Unit 21_119 Surface Commingle	4/26/2019	Departed USPS Regional Facility April 28, 2019 Signature Pending
92148969009997901773221101 Request Signature via Email	Brenda Guzman	, ROBERT WALTER LUNDELL, 2450 FONDREN STE 304, HOUSTON, TX, 77063-2318 Code: Canyon Largo Unit 21_119 Surface Commingle	4/26/2019	Delivered, Front Desk/Reception/Mail Room April 27, 2019 Signature Pending
92148969009997901773221118	Brenda Guzman	, SHARON BEAMON BURNS, 200 BISCAYNE BOULEVARD WAY APT 3411, MIAMI, FL, 33131 Code: Canyon Largo Unit 21_119 Surface	4/26/2019	Arrived at USPS Regional Destination Facility April 28, 2019

		Code: Canyon Largo Unit 21_119 Surface Commingle		Signature Pending
92148969009997901773221149	Brenda Guzman	, WM TRUST, SAM HARVEY TRUSTEE 596 SHOSHONE ST, GRAND JUNCTION, CO, 81504 Code: Canyon Largo Unit 21_119 Surface Commingle	4/26/2019	In Transit, Arriving Late April 28, 2019 Signature Pending

McMillan, Michael, EMNRD

From: McMillan, Michael, EMNRD
Sent: Wednesday, May 22, 2019 9:53 AM
To: Etta Trujillo
Cc: JD Lorence; Tammy Jones; John Jones; Pamela Harper
Subject: RE: Surface Commingle C-107B: Canyon Largo Unit 21 (API - 3003960032)

I did not see that the BLM was notified.
Your application will be suspended until you notify them

Mike

From: Etta Trujillo <ettrujillo@hilcorp.com>
Sent: Wednesday, May 22, 2019 8:35 AM
To: McMillan, Michael, EMNRD <Michael.McMillan@state.nm.us>
Cc: JD Lorence <jlorence@hilcorp.com>; Tammy Jones <tajones@hilcorp.com>; John Jones <johjones@hilcorp.com>; Pamela Harper <pharper@hilcorp.com>
Subject: [EXT] Surface Commingle C-107B: Canyon Largo Unit 21 (API - 3003960032)

Mr. McMillan,

Please find attached, a surface commingle C-107B application for the above well and adjacent well; Canyon Largo Unit 119 (API 3003905491).

The affected interest owners were also notified by certified mail.

Thanks,

Etta Trujillo
Operations/Regulatory Tech - San Juan East
Hilcorp Energy
(505) 324-5161
ettrujillo@hilcorp.com

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While all reasonable care has been taken to avoid the transmission of viruses, it is the responsibility of the recipient to ensure that the onward transmission, opening or use of this message and any attachments will not adversely affect its systems or data. No responsibility is accepted by the company in this regard and the recipient should carry out such virus and other checks as it considers appropriate.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0137
Expires: July 31, 2010

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.

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator

Hilcorp Energy Company

3a. Address

382 Road 3100, Aztec, NM 87410

3b. Phone No. (include area code)

505-599-3400

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

Surface Unit D (NW/NW) 990' FNL & 990' FWL, Sec. 15, T24N, R06W

5. Lease Serial No.

NMSF078628A

6. If Indian, Allottee or Tribe Name

Canyon Largo Unit

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

8. Well Name and No.

Canyon Largo Unit 21

9. API Well No.

30-039-60032

10. Field and Pool or Exploratory Area

Ballard Pictured Cliffs

11. Country or Parish, State

Rio Arriba , 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"/> 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	Surface Commingle
	<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 recompleat 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 recompleat 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 request to run a 2" surface line from the Canyon Largo Unit #119 (Meter #24633119) to the Canyon Largo Unit #21 (Meter #74490) to create a surface commingle (CDP) to Enterprise.

Allocation Meter #24633119 will remain at the Canyon Largo Unit #119 to measure gas. Enterprise sales meter 74490 will measure the total flow for the 2 wells.

The gas volume for the Canyon Largo Unit #21 will be calculated by subtracting the allocation meter volume from the sales meter.

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

Etta Trujillo

Title **Operations/Regulatory Technician - Sr.**

Signature



Date

5/21/2019

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.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0137
Expires: July 31, 2010

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.

1. Type of Well

☐ Oil Well

☒ Gas Well

☐ Other

2. Name of Operator

Hilcorp Energy Company

3a. Address

382 Road 3100, Aztec, NM 87410

3b. Phone No. (include area code)

505-599-3400

4. Location of Well (*Footage, Sec., T., R., M., or Survey Description*)

Surface Unit E (SW/NW) 1790' FNL & 890' FWL, Sec. 15, T24N, R06W

5. Lease Serial No.

NMSF078628A

6. If Indian, Allottee or Tribe Name

Canyon Largo Unit

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

8. Well Name and No.

Canyon Largo Unit 119

9. API Well No.

30-039-05491

10. Field and Pool or Exploratory Area

Devils Fork Gallup

11. Country or Parish, State

Rio Arriba, New Mexico

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

TYPE OF SUBMISSION

TYPE OF ACTION

☒ Notice of Intent

☐ Subsequent Report

☐ Final Abandonment Notice

☐ Acidize

☐ Alter Casing

☐ Casing Repair

☐ Change Plans

☐ Convert to Injection

☐ Deepen

☐ Fracture Treat

☐ New Construction

☐ Plug and Abandon

☐ Plug Back

☐ Production (Start/Resume)

☐ Reclamation

☐ Recomplete

☐ Temporarily Abandon

☐ Water Disposal

☐ Water Shut-Off

☐ Well Integrity

☒ Other

Surface Commingle

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 recomple 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 recomple 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.)

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(Instruction on page 2)