

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: 2/14/19

Well information:

Hilcorp Energy

San Juan 27-5 Unit #126E, API# 30-039-30518

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.
- See the amendment approved to provide additional cement isolation. A CBL and possible MIT will be required after the squeeze work.
- The initial CIBP must be placed no higher than 50' above the existing open hole.
- A Mechanical integrity test (MIT) must be performed from the initial CIBP to verify the integrity of the well. The pressure test must meet the requirements of 19.15.25.14 NMAC.
 - 24hr notice is required to be provided to the agencies prior to performing the MIT.
- After the MIT is performed a second temporary isolating device may be set up near the requested recomplete interval without additional OCD approval to protect the casing from the completion pressures.


NMOCD Approved by Signature

6-6-19
Date

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

RECEIVED
FEB 15 2019

5. Lease Serial No.

NMSF079391

6. If Indian, Allottee or Tribe Name

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

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

8. Well Name and No.

San Juan 27-5 Unit 126E

9. API Well No.

30-039-30518

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

Surface Unit L (NWSW) 2626' FSL & 185' FWL, Sec. 7, T27N, R05W

Bottomhole Unit F (SENW) 2614' FNL & 1607' FWL, Sec. 7, T27N, R05W

10. Field and Pool or Exploratory Area

Basin Dakota

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

☐ Acidize

☐ Deepen

☐ Production (Start/Resume)

☐ Water Shut-Off

☐ Subsequent Report

☐ Alter Casing

☐ Fracture Treat

☐ Reclamation

☐ Well Integrity

☐ Casing Repair

☐ New Construction

☒ Recomplete

☐ Other

☐ Change Plans

☐ Plug and Abandon

☐ Temporarily Abandon

☐ Final Abandonment Notice

☐ Convert to Injection

☐ Plug Back

☐ 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 plans to recompleat the subject well in the Mesaverde formation and downhole commingle with the existing Dakota. Attached is the MV C102, recompleat procedure & wellbore schematic. The DHC application will be submitted and approved prior to commingling. A closed loop system will be utilized. Interim reclamation will be performed after surface disturbing activities.

Please cancel previous NOI for Dakota re-frac, this procedure replaces that.

ACCEPTED FOR RECORD

FEB 21 2019

MAR 15 2019

FARMINGTON FIELD OFFICE

By:

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

Tammy Jones

Title Operations/Regulatory Technician - Sr.

Signature

Tammy Jones

Date

2/14/2019

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.

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 263765

WELL LOCATION AND ACREAGE DEDICATION PLAT

1. API Number 30-039-30518	2. Pool Code 72319	3. Pool Name BLANCO-MESAVERDE (PRORATED GAS)
4. Property Code 318920	5. Property Name SAN JUAN 27 5 UNIT	6. Well No. 126E
7. OGRID No. 372171	8. Operator Name HILCORP ENERGY COMPANY	9. Elevation 6636

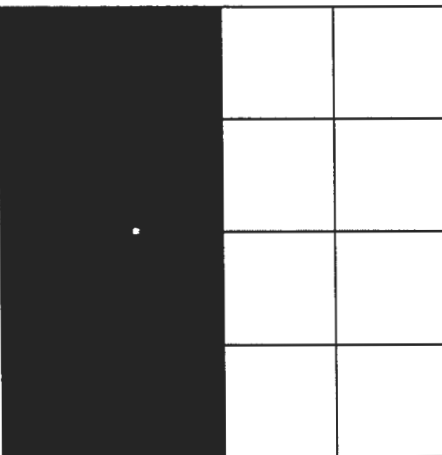
10. Surface Location

UL - Lot L	Section 7	Township 27N	Range 05W	Lot Idn	Feet From 2626	N/S Line S	Feet From 185	E/W Line W	County RIO ARRIBA
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11. Bottom Hole Location If Different From Surface

UL - Lot F	Section 7	Township 27N	Range 05W	Lot Idn	Feet From 2614	N/S Line N	Feet From 1607	E/W Line W	County RIO ARRIBA
12. Dedicated Acres 322.04			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

	<p style="text-align: center;">OPERATOR CERTIFICATION</p> <p><i>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.</i></p> <p>E-Signed By: <u>Tammy Jones</u> Title: <u>Operations/Regulatory Technician - Sr.</u> Date: <u>2/13/2019</u></p> <hr/> <p style="text-align: center;">SURVEYOR CERTIFICATION</p> <p><i>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.</i></p> <p>Surveyed By: <u>Marshall W. Lindeen</u> Date of Survey: <u>3/3/2008</u> Certificate Number: <u>17078</u></p>
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HILCORP ENERGY COMPANY
SAN JUAN 27-5 UNIT HZ 126E
MESA VERDE RECOMPLETION SUNDRY

JOB PROCEDURES

1. MIRU service rig and associated equipment; test BOP.
2. TOOH with 2-3/8" tubing set at 8,389'.
3. Set a 7" plug at +/- 6,145' to isolate the **Dakota**. (Note: TOC at 3,595' by CBL)
4. Load the hole and pressure test the casing.
5. N/D BOP, N/U frac stack and pressure test frac stack.
6. Perforate and frac the **Mesaverde** formation (Top Perforation @ 5,000'; Bottom Perforation @ 6,045').
7. Isolate frac stages with a plug.
8. Nipple down frac stack, nipple up BOP and test.
9. TIH with a mill and drill out top isolation plug and **Mesaverde** frac plugs.
10. Clean out to **Dakota** isolation plug.
11. Drill out **Dakota** isolation plug and cleanout. TOOH.
12. TIH and land production tubing. Get a commingled **Dakota/Mesaverde** flow rate.

Well Name: SAN JUAN 27-5 UNIT HZ #126E

API / UWI 3003930518	Surface Legal Location 007-027N-005W-L	Field Name BASIN DAKOTA	Route 1312	State/Province NEW MEXICO	Well Configuration Type DEVIATED
Ground Elevation (ft) 6,638.00	Original KB/RT Elevation (ft) 6,653.00	KB-Ground Distance (ft) 15.00	KB-Casing Flange Distance (ft)	KB-Tubing Hanger Distance (ft)	

DEVIATED, Original Hole, 2/14/2019 12:09:38 PM
