

State of New Mexico  
Energy, Minerals and Natural Resources Department

**Susana Martinez**  
Governor

**Ken McQueen**  
Cabinet Secretary

**Matthias Sayer**  
Deputy Cabinet Secretary

**Heather Riley**, 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: 1-3-18

Well information:

API WELL #	Well Name	Well #	Operator Name	Type	Stat	County	Surf_Owner	UL	Sec	Twp	N/S	Rng	W/E
30-039-20430-00-00	SAN JUAN 28 7 UNIT	155	HILCORP ENERGY COMPANY	G	A	Rio Arriba	F	K	22	27	N	7	W

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 OCD 24hrs prior to beginning operations.
- Submit CBL to the agencies for review and approval prior to perforating.

NMOCD Approved by Signature

1/24/18  
Date

RECEIVED

Form 3160-5  
(August 2007)

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

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

JAN 05 2018

Farmington Field Office  
Bureau of Land Management

**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. **NMSF-078640**  
6. If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE - Other instructions on page 2.

1. Type of Well  
☐ Oil Well ☒ Gas Well ☐ Other

7. If Unit of CA/Agreement, Name and/or No.  
**San Juan 28-7 Unit**

8. Well Name and No.  
**San Juan 28-7 Unit 155**

2. Name of Operator  
**Hilcorp Energy Company**

9. API Well No.  
**30-039-20430**

3a. Address  
**PO Box 4700, Farmington, NM 87499**

3b. Phone No. (include area code)  
**505-599-3400**

10. Field and Pool or Exploratory Area  
**Blanco PC South / Basin DK**

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
**Surface Unit K (NESW) 1650' FSL & 1650' FWL, Sec. 22, T27N, R07W**

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 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 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.)

Plans are to recomple the subject well in the Mesaverde formation and downhole commingle the existing Pictured Cliffs & Dakota with the Mesaverde. Attached is the MV plat and procedure. A DHC application will be submitted and approved before work proceeds.

OIL CONS. DIV DIST. 3

JAN 17, 2018

**BLM'S APPROVAL OR ACCEPTANCE OF THIS ACTION DOES NOT RELIEVE THE LESSEE AND OPERATOR FROM OBTAINING ANY OTHER AUTHORIZATION REQUIRED FOR OPERATIONS ON FEDERAL AND INDIAN LANDS**

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

**Christine Brock**

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

Signature

*Christine Brock*

Date

1/3/2018

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

*William Tambekou*

Title

*Petroleum Engineer*

Date

*1/16/2018*

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

*FFD*

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.

(Instruction on page 2)

NMOCDP

## **San Juan 28-7 Unit #155**

Sec 22-27N-7W-K

API# 300-392-0430

Mesa Verde Uphole Recomplete

12/20/2017

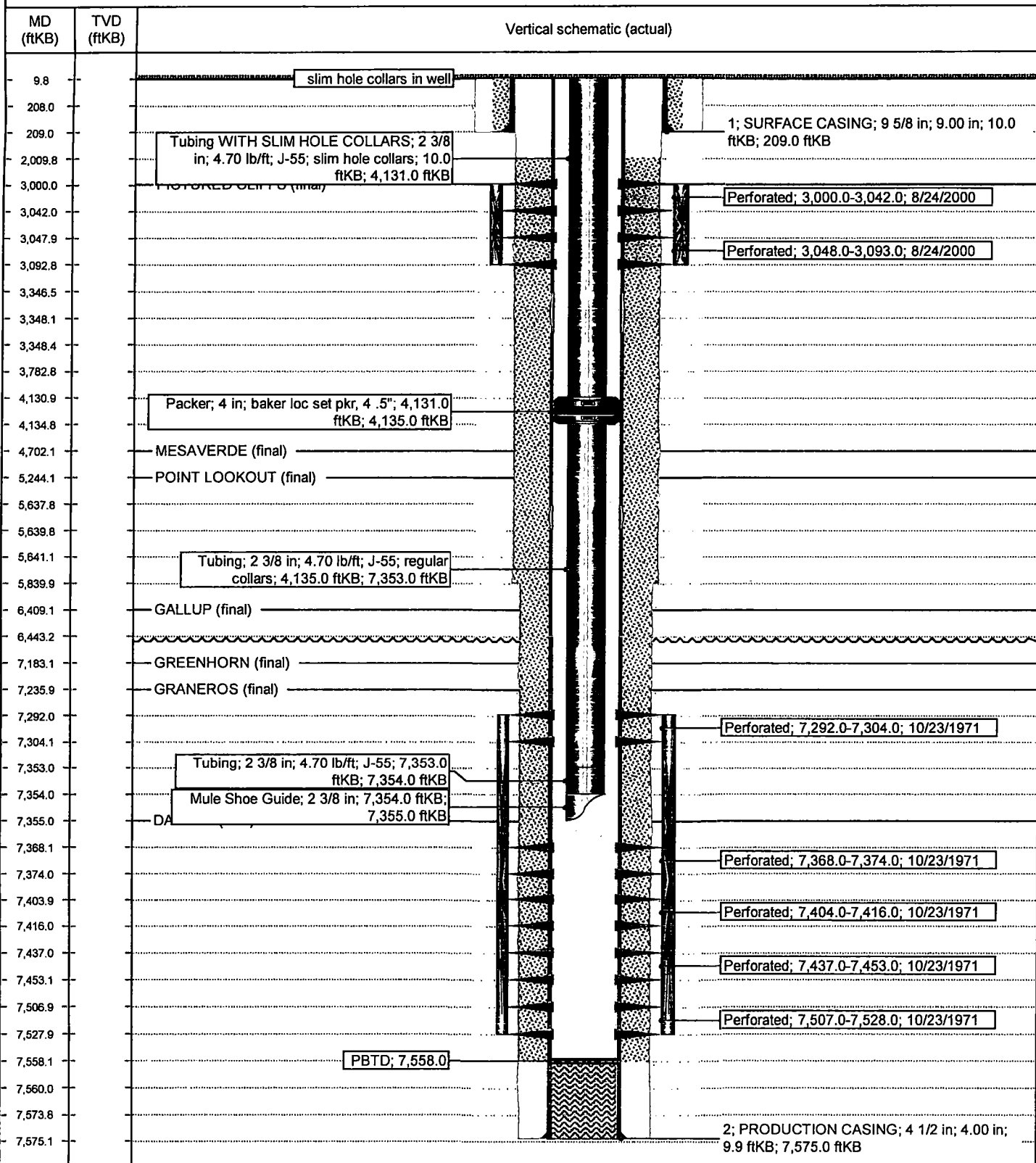
### **Procedure:**

1. MIRU Service rig and associated equipment, test BOP.
2. TOOH w/ 2 3/8" tubing set at 7,354'.
3. Set a 4.5" composite bridge plug at +/- 7,275' to isolate the Dakota/Graneros.
4. Run casing bond log for 4.5"
5. GIH w 2 7/8" workstring and set packer below 4,300'
6. Load the hole and pressure test to frac pressure (testing 4,300' to 7,275')
7. ND BOP, NU frac stack and test frac stack to frac pressure.
8. Perforate and frac the Mesaverde in 3 stages (Point Lookout, Menefee and Cliffhouse)
9. Isolate frac stages w/ frac plugs.
10. Unseat packer and POOH w/ workstring.
11. TIH w/ mill and drill out Mesaverde frac plugs.
12. Clean out to Dakota/Graneros isolation plug and when water and sand rates are acceptable, flow test the Mesaverde.
13. Drill out Dakota isolation plug and cleanout to PBTD of 7,558'. TOOH.
14. TIH and land production tubing. Get a commingled Dakota/Mesaverde/Pictured Cliffhouse flow rate.
15. Release service rig and turn well over to production.

Well Name: SAN JUAN 28-7 UNIT #155

API / UWI 3003920430	Surface Legal Location 022-027N-007W-K	Field Name PC/DK DUAL	License No.	State/Province NEW MEXICO	Well Configuration Type Vertical
Ground Elevation (ft) 6,581.00	Original KB/RT Elevation (ft) 6,591.00	KB-Ground Distance (ft) 10.00	KB-Casing Flange Distance (ft) 10.00	KB-Tubing Hanger Distance (ft) 10.00	

Vertical, Original Hole, 12/20/2017 10:28:28 AM



**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 246508

**WELL LOCATION AND ACREAGE DEDICATION PLAT**

1. API Number 30-039-20430	2. Pool Code 72319	3. Pool Name BLANCO-MESAVERDE (PRORATED GAS)
4. Property Code 318432	5. Property Name SAN JUAN 28 7 UNIT	6. Well No. 155
7. OGRID No. 372171	8. Operator Name HILCORP ENERGY COMPANY	9. Elevation 6581

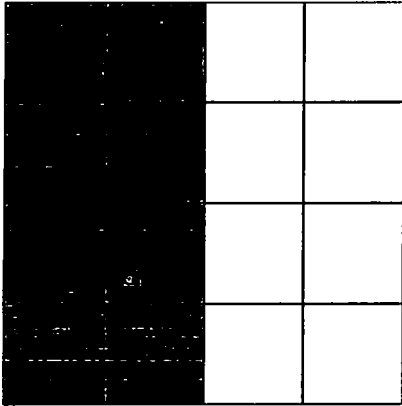
**10. Surface Location**

UL - Lot K	Section 22	Township 27N	Range 07W	Lot Idn	Feet From 1650	N/S Line S	Feet From 1650	E/W Line W	County RIO ARriba
---------------	---------------	-----------------	--------------	---------	-------------------	---------------	-------------------	---------------	----------------------

**11. Bottom Hole Location If Different From Surface**

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
12. Dedicated Acres 320.00 W/2	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**

	<b>OPERATOR CERTIFICATION</b> <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>  E-Signed By: <i>Christine Brock</i> Title: Operations/Regulatory Tech - Sr. Date: 1/3/2018
	<b>SURVEYOR CERTIFICATION</b> <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>  Surveyed By: David O. Kilven Date of Survey: 4/1/1970 Certificate Number: 1760