Form 3160-5 (August 2007)

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

OIL CONS. DIV DIST. 3

FORM APPROVED OMB No. 1004-0137

| | Expires: July 31, 2010 | | | | |
|---------------------|------------------------|--|--|--|--|
| 5. Lease Serial No. | | | | | |

| SUNDRY | NOTICES AND REPORTS ON WELLS |
|-----------------|---|
| Do not use this | form for proposals to drill or to re-enter an |
| ahandanad wall | Hen Form 2160-2 (APD) for such proposals |

NM-6890 6. If Indian, Allottee or Tribe Name

| apandoned | Well. Use Fulli 3100-3 [A | (PD) for such proposals. | | | | |
|---|---|---|--|---|--|--|
| SUBMIT IN TRIPLICATE - Other instructions on page 2. | | | 7. If Unit of CA/Agreement, N | 7. If Unit of CA/Agreement, Name and/or No. | | |
| 1. Type of Well | | | | | | |
| Oil Well | K Gas Well Other | | 8. Well Name and No. | 8. Well Name and No. | | |
| | | | Red | ese Mesa 4 | | |
| 2. Name of Operator | | | 9. API Well No. | | | |
| | Hilcorp Energy Compa | iny | 30-0 | 30-045-21301 | | |
| 3a. Address 3b. Phone No. (include area code) 1 | | Field and Pool or Explorate | 10. Field and Pool or Exploratory Area | | | |
| PO Box 4700, Farmingto | on, NM 87499 | 505-599-3400 | Blanco Mesa | verde / Basin Dakota | | |
| 4. Location of Well (Footage, Sec., T.,R,M., or Survey Description) | | | 11. Country or Parish, State | | | |
| Surface Unit K (NESW) 2500'FSL & 1820' FWL, Sec. 11, T32N, R08W | | San Juan | , New Mexico | | | |
| | | | | | | |
| 12. CHECK T | HE APPROPRIATE BOX(ES) | TO INDICATE NATURE OF N | NOTICE, REPORT OR OTH | ER DATA | | |
| TYPE OF SUBMISSION | | TYPE OF ACTION | | | | |
| X Notice of Intent | Acidize | Deepen | Production (Start/Resume) | Water Shut-Off | | |
| | Alter Casing | Fracture Treat | Reclamation | Well Integrity | | |
| Subsequent Report | Casing Repair | New Construction | Recomplete | Other Commingle | | |
| 2 | Change Plans | Plug and Abandon | Temporarily Abandon | | | |
| Final Abandonment Notice | Convert to Injection | Plug Back | Water Disposal | | | |
| 13. Describe Proposed or Completed Ope | eration: Clearly state all pertinent deta | ils, including estimated starting date of | of any proposed work and approxim | nate duration thereof. | | |
| If the proposal is to deepen direction | nally or recomplete horizontally, give | subsurface locations and measured an | d true vertical depths of all pertiner | nt 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.)

Hilcorp Energy Company requests permission to remove the packer and commingle the subject well according to the attached procedure and current wellbore schematic. The DHC will be submitted prior to any work being performed.

> Notify NMOCD 24 hrs prior to beginning operations

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

RECEIVED

JAN 16 2013

Farmington Field Office Bureau of Land Management

| 14. I hereby certify that the foregoing is true and correct. Name (Printed/Typed) | | |
|---|-------------|---|
| Priscilla Shorty | Title | Operations/Regulatory Technician - Sr. |
| Signature Augulla Shrity | Date | 1/15/2018 |
| THIS SPACE FOR FED | ERAL O | R STATE OFFICE USE |
| Approved by William Tambekon | | Title Petroleum Engineer Date 1/18/2018 |
| 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 we | would | Office FFO |
| entitle the applicant to conduct operations thereon. | | 110 |
| Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any p | person knov | wingly 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)

Hilcorp REESE MESA 4 Expense - Commingle

Lat 36.99754 N

Long -107.6449 W

Tubing and BUA Departuries

PROCEDURE

- 1. Hold pre-job safety meeting. Verify cathodic is off. Comply with all NMOCD, BLM, and HEC safety and environmental regulations. Scope location for base beam. If unable to use base beam, test rig anchors prior to moving in rig. Before RU, run slickline to check for and remove any downhole equipment. If an obstruction is found and cannot be recovered, set a locking 3-slip-stop above the obstruction in the tubing.
- 2. MIRU workover rig. Check casing, tubing, and bradenhead pressures and record them in WellView. If there is pressure on the BH, contact Ops Engineer.
- 3. Remove existing piping on casing valve. RU blow lines from casing valves and begin blowing down casing pressure. Kill well with treated fresh water as necessary.
- 4. ND wellhead and NU BOPE. Test and chart BOPs as per regulations. PU and remove tubing hanger. Tag for fill, adding additional joints as needed. Record pressure test and fill depth in WellView.
- 5. TOOH with tubing strings and packer (per pertinent data sheet). Do not scan. LD tubing and record findings in WellView. Make note of corrosion, scale, or paraffin and save a sample to give to engineering for further analysis.
- 6. If necessary, PU bit and CO to TOC at 8625' using the air package. TOOH and LD bit. If unable to CO to TOC, contact Engineer to inform how much fill was left and confirm/adjust landing depth.
- 7. TIH and drift tubing.

| | | rubing and | Tubing and BHA Description | | | |
|---------------------------|------------|------------|-----------------------------|--|--|--|
| Tubing Wt./Grade: | 4.7#, J-55 | 1 | 2-3/8" Expendable Check | | | |
| Tubing Drift ID: | 1.901" | 1 | 2-3/8" (1.78" ID) F-Nipple | | | |
| | | 1 | 2-3/8" Tubing Joint | | | |
| Land Tubing At: | 8,550' | 1 | 2-3/8" Pup Joint (2' or 4') | | | |
| KB: | 10' | +/- 270 | 2-3/8" Tubing Joints | | | |
| | | As Needed | 2-3/8" Pup Joints | | | |
| Note: Top of 4-1/2" liner | at 6397'. | 1 | 2-3/8" Tubing Joint | | | |

8. Ensure barriers are holding. ND BOPE, NU Wellhead. Pressure test tubing slowly with an air package as follows: pump 3 bbl. pad, drop steel ball, pressure tubing up to 500 psi, and bypass air. Monitor pressure for 15 min., then complete the operation by pumping off the expendable check. Note in WellView the pressure in which the check pumped off. Purge air as necessary. Notify MSO & A/L Tech that well is ready to be turned back online. RDMO.

Hilcorp Energy Company

Current Schematic

Well Name: REESE MESA #4

| | Surface Legal Location 011-032N-008W-K | Field Name BASIN DAKOTA (| PRORATED GAS) | License No. | | State/Province NEW MEXICO | | Well Configuration Type |
|-----------------------------------|---|------------------------------|----------------------------|-------------|------------------|------------------------------|----------------|-------------------------|
| Ground Elevation (ft) 7,048.00 | Original KB/RT Elevation (ft) 7,058.00 | | KB-Ground Distant 10.00 | ice (ft) | KB-Casing Flange | e Distance (ft) | KB-Tubing Hang | ger Distance (ft) |

