

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: 12-28-17

Well information:

frmWellFilterSub													
API WELL #	Well Name	Well #	Operator Name	Type	Stat	County	Surf_Owner	UL	Sec	Twp	N/S	Rng	W/E
30-039-30154-00-00	SAN JUAN 28 5 UNIT	062E	HILCORP ENERGY COMPANY	G	A	Rio Arriba	F	A	31	28	N	5	W

Application Type:

- ☐ P&A ☐ Drilling/Casing Change ☐ Location Change
- o ☒ **Recomplete/DHC** (For hydraulic fracturing operations review EPA Underground injection control Guidance #84)
- ☐ Other:

Conditions of Approval:

- Notify OCD 24hrs prior to beginning operations.
- Mesaverde well density exemption must be approved prior to production of the Blanco Mesaverde.

NMOCD Approved by Signature

2/5/18
Date

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

PO Box 4700, Farmington, NM 87499

3b. Phone No. (include area code)

505-599-3400

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

Surface

Unit A (NENE) 90'FNL & 305' FEL, Sec. 31, T28N, R05W

5. Lease Serial No.

NMSF079521A

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.

San Juan 28-5 Unit 62E

9. API Well No.

30-039-30154

10. Field and Pool or Exploratory Area

Blanco Mesaverde/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

☒ Notice of Intent

☐ Subsequent Report

☐ Final Abandonment Notice

TYPE OF ACTION

☐ 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

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 recompleate 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 recompleation 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 recompleate the subject well in the Mesaverde formation and downhole commingle the existing Dakota with the Mesaverde. Attached is the MV C102, recompleate procedure & wellbore schematic. The DHC application will be submitted and approved before the work proceeds. A Closed Loop system will be utilized.

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

RECEIVED

DEC 28 2017

Farmington Field Office
Bureau of Land Management

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

12/28/2017

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

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.

(Instruction on page 2)

NMOCDA

District I1625 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 246319

WELL LOCATION AND ACREAGE DEDICATION PLAT

1. API Number 30-039-30154	2. Pool Code 72319	3. Pool Name BLANCO-MESAVERDE (PRORATED GAS)
4. Property Code 318708	5. Property Name SAN JUAN 28 5 UNIT	6. Well No. 062E
7. OGRID No. 372171	8. Operator Name HILCORP ENERGY COMPANY	9. Elevation 6438

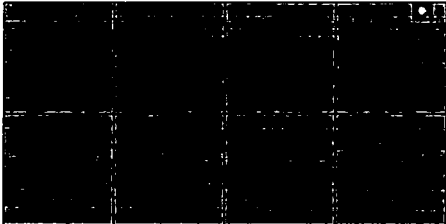
10. Surface Location

UL - Lot A	Section 31	Township 28N	Range 05W	Lot Idn	Feet From 90	N/S Line N	Feet From 305	E/W Line E	County RIO ARRIBA
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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 N/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

	<p 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>12/27/2017</u></p>			
	<p 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>David R. Russell</u> Date of Survey: <u>9/12/2006</u> Certificate Number: <u>102001</u></p>			

Hilcorp
SAN JUAN 28-5 UNIT 62E
Mesaverde Recompletion

Lat 36.62476 N

Long -107.39199 W

PROCEDURE

1. MIRU service rig and associated equipment; test BOP.
2. TOOH with 2 3/8" tubing set at 7,593'.
3. Set a 4-1/2" composite bridge plug at +/- 5,950' to isolate the Dakota. Note: TOC at 2,800' by CBL.
4. Load the hole and pressure test the casing to frac pressure.
5. N/D BOP, N/U frac stack and test frac stack to frac pressure.
6. Perforate and frac the Mesaverde in two or three stages
7. Isolate frac stages with a composite bridge 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 and, when water and sand rates are acceptable, flow test the Mesaverde.
11. Drill out Dakota isolation plug and cleanout to PBTD of 7,688'. TOOH.
12. TIH and land production tubing. Get a commingled Dakota / Mesaverde flow rate.
13. Release service rig and turn well over to production.

Well Name: SAN JUAN 28-5 UNIT #62E

API / UWI 3003930154	Surface Legal Location 031-028N-005W-A	Field Name BASIN DAKOTA (PRORATED GAS)	License No.	State/Province NEW MEXICO	Well Configuration Type VERTICAL
Ground Elevation (ft) 6,428.00	Original KB/RT Elevation (ft) 6,444.00	KB-Ground Distance (ft) 16.00	KB-Casing Flange Distance (ft)	KB-Tubing Hanger Distance (ft)	

VERTICAL, Original Hole, 12/27/2017 3:37:48 PM

