

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: 2-6-18

Well information:

| API WELL # | Well Name | Well # | Operator Name | Type | Stat | County | Surf_Owner | UL | Sec | Twp | N/S | Rng | W/E |
|--------------------|--------------------|--------|------------------------|------|------|------------|------------|----|-----|-----|-----|-----|-----|
| 30-039-26699-00-00 | SAN JUAN 28 7 UNIT | 133G | HILCORP ENERGY COMPANY | G | A | Rio Arriba | F | L | 35 | 28 | 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)
- ☐ Other:

Conditions of Approval:

- Notify OCD 24hrs prior to beginning operations.
- Density exception must be approved prior to producing the Blanco Mesaverde

NMOCD Approved by Signature

2/14/18
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

5. Lease Serial No.

NMSF-078496

6. If Indian, Allottee or Tribe Name

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 133G

9. API Well No.

30-039-26699

10. Field and Pool or Exploratory Area

Basin Dakota / Blanco Mesaverde

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

Surface Unit L (NWSW), 2170' FSL & 320' FWL, Sec. 35, T28N, 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

☒

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

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 recomplete 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 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 plans to recomplete the subject well in the Mesaverde formation and downhole commingle the existing Dakota with the Mesaverde. Attached is the MV plat and procedure. A DHC application will be filed and approved before work proceeds.

OIL CONS. DIV DIST. 3

FEB 12 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

FEB 06 2018

Farmington Field Office
Bureau of Land Management

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

2/6/2018

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

William Tambekou

Title

Petroleum Engineer

Date

2/9/2018

Office

FFO

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.

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 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 248088

WELL LOCATION AND ACREAGE DEDICATION PLAT

| | | |
|-------------------------------|---|---|
| 1. API Number 30-039-26699 | 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. 133G |
| 7. OGRID No. 372171 | 8. Operator Name HILCORP. ENERGY COMPANY | 9. Elevation 6078 |

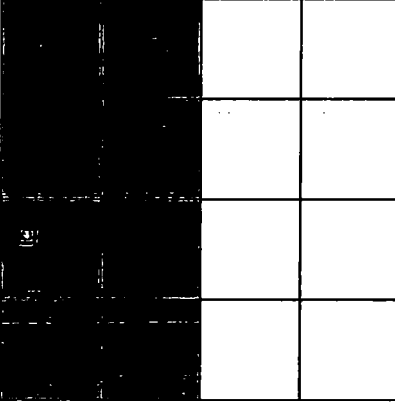
10. Surface Location

| | | | | | | | | | |
|---------------|---------------|-----------------|--------------|---------|-------------------|---------------|------------------|--------------|----------------------|
| UL - Lot L | Section 35 | Township 28N | Range 07W | Lot Idn | Feet From 2170 | N/S Line S | Feet From 320 | EW 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 | EW Line | County |
| 12. Dedicated Acres 324.70 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

| | | |
|--|--|--|
|  | OPERATOR CERTIFICATION | |
| | 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. | |
| | E-Signed By: <i>Christine Brock</i> | |
| | Title: Operations/Regulatory Tech - Sr. Date: 2/6/2018 | |
| | SURVEYOR CERTIFICATION | |
| | 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. | |
| | Surveyed By: Neale C. Edwards | |
| | Date of Survey: 10/29/2000 | |
| | Certificate Number: 6857 | |

San Juan 28-7 Unit #133G

Sec 35-28N-7W-L

API# 30-039-26699

Mesa Verde Uphole Recomplete

2/1/2018

Procedure:

1. MIRU Service rig and associated equipment, test BOP.
2. TOOH w/ 2 3/8" tubing set at 6,938'.
3. Run gauge ring and set 4.5" bridge plug to isolate the Dakota.
4. Load the hole and pressure test to frac pressure.
5. ND BOP, NU frac stack and test frac stack to frac pressure.
6. Perforate and frac the Mesaverde, isolating frac stages w/ frac plugs. (Proposed top perf at 4,330', proposed bottom perf at 5,350')
7. TIH w/ mill and drill out Mesaverde frac plugs.
8. Clean out to Dakota isolation plug and when water and sand rates are acceptable, flow test the Mesaverde.
9. Drill out Dakota isolation plug and cleanout to PBTD of 7,180'. TOOH.
10. TIH and land production tubing. Get a commingled Dakota/Mesaverde flow rate.
11. Release service rig and turn well over to production.

Well Name: SAN JUAN 28-7 UNIT #133G

| | | | | | |
|---|---|---------------------------------------|-------------------------------------|------------------------------|-------------------------------------|
| API / UWI 3003926699 | Surface Legal Location 035-028N-007W-L | Field Name DK | License No. | State/Province NEW MEXICO | Well Configuration Type Vertical |
| Original KB/RT Elevation (ft) 6,091.00 | KB-Tubing Hanger Distance (ft) 13.00 | Original Spud Date 6/19/2001 00:00 | Rig Release Date 6/27/2001 00:00 | PBTD (All) (ftKB) | Total Depth All (TVD) (ftKB) |

Most Recent Job

| | | | | |
|-------------------------------------|-------------------------------|--------------------|--------------------------------|-----------------------|
| Job Category COMPLETION/WORKOVER | Primary Job Type Slickline | Secondary Job Type | Actual Start Date 3/26/2002 | End Date 3/26/2002 |
|-------------------------------------|-------------------------------|--------------------|--------------------------------|-----------------------|

TD: 7,200.0
Vertical, Original Hole, 2/1/2018 1:27:08 PM
