

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: 2-14-18

Well information:

f												
API WELL #	Well Name	Well #	Operator Name	Type	Stat	County	Surf_Owner	UL	Sec	Twp	N/S	Rng W/E
30-039-82375-00-00	SAN JUAN 28 7 UNIT	128	HILCORP ENERGY COMPANY	G	A	Rio Arriba	F	A	12	27	N	7 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.
- Density exception must be approved prior to producing the Blanco Mesaverde
- A DHC notice must be approved prior to commingling the Blanco Mesaverde and the Basin Dakota.
- Submit CBL to the Agencies for review and approval prior to perforating.

NMOCD Approved by Signature

2/19/18

Date

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

RECEIVED

FEB 14 2018

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.

Farmington Field Office
Bureau of Land Management

5. Lease Serial No. **SF-079298-B**
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 128

2. Name of Operator

Hilcorp Energy Company

9. API Well No.

30-039-82375

3a. Address

PO Box 4700, Farmington, NM 87499

3b. Phone No. (include area code)

505-599-3400

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 A (NENE) 990'FNL & 890' FEL, Sec. 12, 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

☒ Notice of Intent

☐ Acidize

☐ Deepen

☐ Production (Start/Resume)

☐ Water Shut-Off

☐ Subsequent Report

☐ Alter Casing

☐ Fracture Treat

☐ Reclamation

☐ Well Integrity

☐ Final Abandonment Notice

☐ Casing Repair

☐ New Construction

☒ Recomplete

☐ Other

☐ Change Plans

☐ Plug and Abandon

☐ Temporarily Abandon

☐ 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 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 prior to commingling.

OIL CONS. DIV DIST. 3

FEB 15 2018

FEB 15 2018

This well is pending approval of well density exemption.

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

2/14/2018

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

William Tambekou

Title

Petroleum Engineer

Date

2/15/2018

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 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 248494

WELL LOCATION AND ACREAGE DEDICATION PLAT

1. API Number 30-039-82375	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. 128
7. OGRID No. 372171	8. Operator Name HILCORP ENERGY COMPANY	9. Elevation 6529

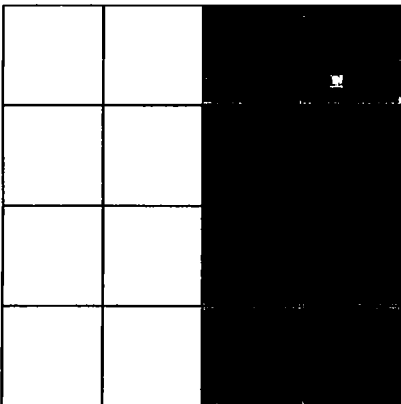
10. Surface Location

UL - Lot A	Section 12	Township 27N	Range 07W	Lot Idn	Feet From 990	N/S Line N	Feet From 890	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 E/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	
	<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: <i>Christopher Brock</i> Title: Operations/Regulatory Tech - Sr. Date: 2/14/2018</p>	
	SURVEYOR CERTIFICATION	
<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: David Kilven Date of Survey: 9/14/1961 Certificate Number: 1760</p>		

San Juan 28-7 Unit #128

Sec 12-27N-7W-A

API# 300-398-2375

Mesa Verde Uphole Recomplete

2/10/2018

Procedure:

1. MIRU Service rig and associated equipment, test BOP.
2. TOOH w/ 2 3/8" tubing set at 7,549'.
3. Run and set 4.5" bridge plug to isolate the Dakota.
4. RU wireline and run Casing Bond Log.
5. Decide if frac string is required. If so, run frac string and packer. Pressure test either casing or frac string, whichever is utilized.
6. ND BOP, NU frac stack and test frac stack to frac pressure.
7. Perforate and frac the Mesaverde. Utilize diversion if frac string necessary. (Proposed top perf at 4,840', proposed bottom perf at 5,800').
8. TIH w/ drill out Mesaverde frac, 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 7,640'. 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 128

API / UWI 3003982375	Surface Legal Location 012-027N-007W-A	Field Name DK	License No.	State/Province NEW MEXICO	Well Configuration Type Vertical
Original KB/RT Elevation (ft) 6,543.00	KB-Tubing Hanger Distance (ft) 13.00	Original Spud Date 10/10/1962 00:00	Rig Release Date 11/14/1962 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 3/7/2002	End Date
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TD: 7,692.0

Vertical, Original Hole, 2/1/2018 1:25:47 PM

