

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: 2/13/18 Well information:

API WELL #	Well Name	Well #	Operator Name	Type	Stat	County	Surf_Owner	UL	Sec	Twp	N/S	Rng	W/E
30-039-22689-00-00	APACHE	001E	HILCORP ENERGY COMPANY	G	A	Rio Arriba	J	A	18	26	N	3	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 NMOCD 24hrs prior to beginning operations.
- Submit CBL to the Agencies for review and approval prior to perforating.
- Trimmingle must be approved through Santa Fe prior to commingling the Mesaverde.

NMOCD Approved by Signature

2/19/18
Date

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

RECEIVED

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

NMOC

FEB 27 2018

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.

Permit Field Office
Management

Jicarilla Apache

5. Lease Serial No.

Contract 98

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.

Apache 1E

9. API Well No.

30-039-22689

10. Field and Pool or Exploratory Area

Blanco MV/Wildhorse Gallup/Basin DK

11. Country or Parish, State

Rio Arriba, New Mexico

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) 810'FNL & 820' FEL, Sec. 18, T26N, R03W

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 with the existing Gallup and Dakota. Attached is the MV C102, recompleate procedure & wellbore schematic. The DHC application will be submitted and approved prior to commingling.

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)

Etta Trujillo

Title Operations/Regulatory Technician - Sr.

Signature

Date

2-13-18

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

William Tambekou

Title Petroleum Engineer

Date 2/23/2018

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)

NMOC

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 248204

WELL LOCATION AND ACREAGE DEDICATION PLAT

1. API Number 30-039-22689	2. Pool Code 72319	3. Pool Name BLANCO-MESAVERDE (PRORATED GAS)
4. Property Code 319675	5. Property Name APACHE	6. Well No. 001E
7. OGRID No. 372171	8. Operator Name HILCORP ENERGY COMPANY	9. Elevation 7140

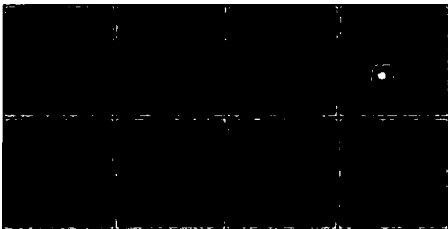
10. Surface Location

UL - Lot A	Section 18	Township 26N	Range 03W	Lot Idn	Feet From 810	N/S Line N	Feet From 820	E/W Line E	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 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

	OPERATOR CERTIFICATION			
	<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>Etta Trujillo</i> Title: Operations/Regulatory Tech Sr Date: 02/12/2018			
	SURVEYOR CERTIFICATION			
	<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: Edgar L. Risenhoover Date of Survey: 2/1/2018 Certificate Number: 5979			



HILCORP ENERGY COMPANY
Apache 1E
MESA VERDE RECOMPLETION SUNDRY

JOB PROCEDURES

1. MIRU service rig and associated equipment; test BOP.
2. TOOH with 2 3/8" tubing set at 8,100'.
3. Set a 4-1/2" cast iron bridge plug at +/- 6,400' to isolate the Gallup/Dakota. Note: TOC Unknown (3 stage Cement No CBL)
4. RIH run a CBL from the CIBP to surface, confirm TOC.
5. Load the hole and pressure test the casing to frac pressure.
6. N/D BOP, N/U frac stack and test frac stack to frac pressure.
7. Perforate and frac the Mesa Verde in two or three stages (Top Perforation @ 5,400'; Bottom Perforation @ 6,200').
8. Isolate frac stages with a composite bridge plug.
9. Nipple down frac stack, nipple up BOP and test.
10. TIH with a mill and drill out top isolation plug and Mesa Verde frac plugs.
11. Clean out to Gallup/Dakota isolation plug and, when water and sand rates are acceptable, flow test the Mesa Verde.
12. Drill out Gallup/Dakota isolation plug and cleanout to PBTD of 8,208'. TOOH.
13. TIH and land production tubing. Get a tri-mingled Gallup/Dakota/Mesa Verde flow rate.



HILCORP ENERGY COMPANY
Apache 1E
MESA VERDE RECOMPLETION SUNDRY

Apache 1E - CURRENT WELLBORE SCHEMATIC



Current Schematic - Version 3

Well Name: APACHE #1E

API / UWI 3003922689	Surface Legal Location 018-028N-003W-A	Field Name GL/DK COM	License No.	State/Province NEW MEXICO	Well Configuration Type Vertical
Ground Elevation (ft) 7,140.00	Original KBT Elevation (ft) 7,152.00	KB-Ground Distance (ft) 12.00	KB-Casing Flange Distance (ft)	KB-Tubing Hanger Distance (ft)	

Vertical, Original Hole, 2/6/2018 8:26:40 AM

