

Submit 1 Copy To Appropriate District Office
District I* - (575) 393-6161
1625 N. French Dr., Hobbs, NM 88240
District II - (575) 748-1283
811 S. First St., Artesia, NM 88210
District III - (505) 334-6178
1000 Rio Brazos Rd., Aztec, NM 87410
District IV - (505) 476-3460
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources

Form C-103
Revised July 18, 2013

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

WELL API NO. 30-039-26528
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. E-290-38
7. Lease Name or Unit Agreement Name San Juan 27-5 Unit
8. Well Number 40F
9. OGRID Number 372171
10. Pool name or Wildcat Blanco Mesaverde/Basin Dakota

SUNDRY NOTICES AND REPORTS ON WELLS (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)	
1. Type of Well: Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other	
2. Name of Operator HILCORP ENERGY COMPANY	
3. Address of Operator 382 Road 3100, AZTEC NM 87410	
4. Well Location Unit Letter <u>N</u> <u>1175</u> feet from the <u>South</u> line and <u>1980</u> feet from the <u>West</u> line Section <u>16</u> Township <u>27N</u> Range <u>5W</u> NMPM Rio Arriba County	
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 6527' GR	

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐
TEMPORARILY ABANDON ☐ CHANGE PLANS ☐
PULL OR ALTER CASING ☐ MULTIPLE COMPL ☐
DOWNHOLE COMMINGLE ☐
CLOSED-LOOP SYSTEM ☐
OTHER: ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING OPNS. ☐ P AND A ☐
CASING/CEMENT JOB ☐
OTHER: ☒ Recomplete

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 19.15.7.14 NMAC. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

4/5/18 (Verbal approval from Brandon Powell NMOCD to perf sqz holes & suicide sqz.) MIRU. ND WH. NU BOP & PT, test good. Pull hanger & TOO H w/2-3/8" tbg. TIH w/4.5" CIBP, set @ 4920'. Roll well clean & TOO H. RU W/L. Perf 3 sqz holes @ 4800'. RD W/L. Attempt to pump dwn INT csg up sqz holes and dwn csg, multiple attempts - no gain. SIW w/1000# on INT csg. SDON.

4/6/18 Attempt to pump dwn INT csg up sqz holes and dwn csg, multiple attempts - no gain. Perf sqz holes @ 4570'. TIH w/4.5" CICR, set @ 4750'. PT tbg to 1000#, good. Sting in & est rate through suicide sqz setup @ 1.5 BPM - 300#. Circ holes clean. Mix & pump 60 sx Class G neat (69 cuft). Displace 11.5 bbls, sting out & pump 3.5 bbls. Plug balanced, no vacuum. Reverse w/28 bbls clean. SIW. SDFW.

4/9/18 (Verbal approval from Charlie Perrin NMOCD to MIT top sqz perf only & run CBL from CIBP up.) TOO H w/stinger. TIH w/3-3/4" bit, tag cmt @ 4440'. Swivel up & D/O to 4600'. Recover good cmt returns throughout drill out. PT csg to 620# for 30 mins, good test. Continue to drill out to CICR @ 4750'. Circ well clean. SDON.

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Spud Date:

Rig Release Date:

5/4/2018

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE Tammy Jones TITLE Operations / Regulatory Technician - Sr. DATE 5/10/2018

Type or print name Tammy Jones E-mail address: tajones@hilcorp.com PHONE: 505-324-5185

For State Use Only

APPROVED BY: [Signature] TITLE Deputy Oil & Gas Inspector, District #3 DATE 5/18/18

Conditions of Approval (if any):

3

4/10/18 Run chart NMOCD witnessed PT on csg to 575# for 30 mins, good test (see attached). SDON.

4/11/18 TOO H w/3-3/4" bit. RU W/L. Run CBL from CIRC @ 4750' to 4150'. TIH w/3-3/4" bit. D/O CIRC @ 4750'. TIH to CIBP @ 4920'. TOO H w/bit. RU W/L. Run CBL from CIBP @ 4920' to 4150'. TOC @ 4450'. RD W/L. (Verbal approval from Charlie Perrin NMOCD to proceed with frac, tracer log required). TIH w/3-3/4" bit. D/O CIBP @ 4920'. SDON.

4/12/18 TIH & tag CIRC @ 5680'. TOO H w/bit. ND BOP. NU & RU W/L. Perf Mesaverde @ 5626, 5625, 5599, 5598, 5592, 5591, 5590, 5554, 5553, 5546, 5533, 5532, 5504, 5499, 5498, 5494, 5493, 5489, 5484, 5480, 5476, 5475, 5474, 5471, 5470, 5466, 5465, 5464, 5454, 5451, 5387, 5372, 5371, 5338, 5333, 5328, 5327, 5321, 5279, 5271, 5249, 5242, 5222, 5221, 5199, 5194, 5185, 5176, 5175, 5137, 5131, 5130, 5119, 5106, 5096, 5082, 5074, 5073, 5072, 5060, 5057, 5052, 5047, 5040, 5036, 5028, 5020, 5019, 5018, 5009, 5008, 4988, 4987, 4980, 4979, 4975, 4974, 4965, 4964 w/0.34" dia (1 SPF) holes. RD W/L. Change over BOP rams / handling tools to 2-7/8". TIH w/2-7/8" P-110 Frac string to 3000'. Load tbgs & PT tbgs to 2000#. SIW. SDON.

4/13/18 Finish TIH w/frac string, pkr @ 4839' & set frac string. NU frac stack. Load & PT csg to 500#, ok. PT frac stack to 9000#, all good. SIW. RD. Rig released.

4/27/18 RU frac crew. Broke down well with water & 500 gal 15% HCL. Foam FRAC'D Mesaverde w/10,110# 100 Mesh & 292,927# 40/70 sand & 85,667 gal slickwater & 3.03 million SCF N2 70 quality. Avg rate = 49 bpm, avg psi = 5800. ISIP was 2200 psi. Traced with 1 Pro-Tech Isotope. Dropped 20 Bio-balls with 1/4, 1/2, & 3/4 of sand pumped. Pumped another 500 gals of acid with 1/2 of sand pumped. RD frac crew.

4/28/18 MIRU. RU flowback. Start well on flowback.

4/30/18 ND frac stack. NU BOP & PT, test good. RU 2-7/8" handling tools. Pull hanger & kill frac string w/40 bbls. TOO H & LD frac string. TIH w/3-3/4" bit to 4000'. Flowback well.

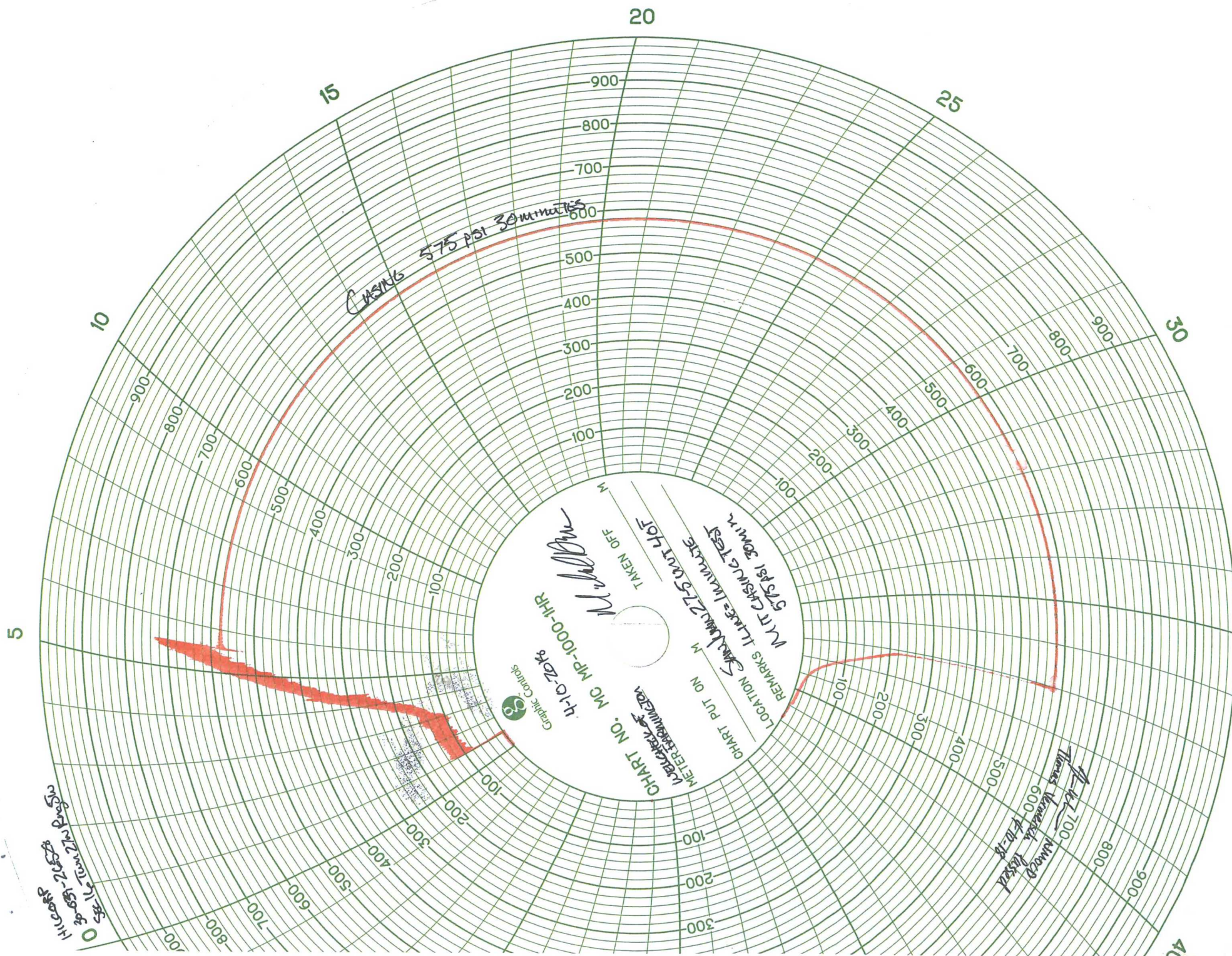
5/1/18 Tag fill @ 5614'. CO to CIRC @ 5680'. TOO H w/3-3/4" bit. TIH w/junk mill. Flowback well.

5/2/18 D/O CIRC @ 5680'. Drill out cement to CIBP @ 5720'. D/O CIBP @ 5720'. TIH & tag fill @ 7744'. Unload & clean out to PBTD @ 7759'. SDON.

5/3/18 TIH & tag PBTD @ 7759'. TOO H w/junk mill. RU W/L. Run Spectra log. RD W/L. SDON.

5/4/18 TIH w/BHA & land 242 jts 2-3/8" 4.7# J-55 EUE T&C upset tubing @ 7702', SN @ 7700'. ND BOP. NU WH. RD. Rig released.

Well is now producing as Blanco Mesaverde/Basin Dakota commingle under DHC3987AZ.



CASING 575 PSI 30WIR

*WIT 100
WIT 600
WIT 4-10-18*

*WIT 100
WIT 600
WIT 4-10-18*