

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. 30-045-09520
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. B-10796
7. Lease Name or Unit Agreement Name Gonsales State Com
8. Well Number 1
9. OGRID Number 372171
10. Pool name or Wildcat Basin DK / Blanco MV

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>G</u> : <u>1470</u> feet from the <u>North</u> line and <u>1770</u> feet from the <u>East</u> line Section <u>16</u> Township <u>30N</u> Range <u>11W</u> NMPM San Juan County	
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 5720 GL	

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

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>	P AND A <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	MULTIPLE COMPL <input type="checkbox"/>	CASING/CEMENT JOB <input type="checkbox"/>	
DOWNHOLE COMMINGLE <input type="checkbox"/>			
CLOSED-LOOP SYSTEM <input type="checkbox"/>			
OTHER: <input type="checkbox"/>		OTHER: <input checked="" type="checkbox"/> 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.

"See attached detail"

NMOC
MAY 18 2018
DISTRICT III

Spud Date:

Rig Release Date:

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

SIGNATURE Christine Brock TITLE Operations/Regulatory Tech DATE 5/17/18

Type or print name Christine Brock E-mail address: cbrock@hilcorp.com PHONE: 505-324-5155

For State Use Only

APPROVED BY: [Signature] TITLE Deputy Oil & Gas Inspector,
Conditions of Approval (if any): AV District #3 DATE 5/18/18

4/11/18 MIRU. Blow dn well. ND WH, NU BOPE. PT BOP, Test-OK. Pull tbg hanger. TOH & scan tbg. PU string mill & TIH w/ tbg. Shut in & secure well. SDFD.

4/12/18 TIH w/ sting mill & tbg to 4790'. TOH. PU 4-1/2" CIBP & TIH. **Set CIBP @ 4790'**. RU WRLN & run CBL. Shut in & secure well. SDFD. Rcv'd verbal permission w/ NMOCD (Charlie Perrin) to perform squeeze work.

4/13/18 RU WRLN & **set CBP @ 4000'**. RIH & **perforate squeeze holes w/ .42" diam, 3spf @ 3978'-3980'**. TIH w/ pkr, set pkr @ 3958' & establish injection rate, 1500 psi @ 1.7 BPM. Release pkr & LD tbg. Secure well & SDFD.

4/16/18 TOH w/ pkr. PU cement retainer & TIH, set retainer @ 3937'. Circulate well. Cement squeeze w/ 198 sx of class B Neat Cement 41.5 bbls slurry. Estimated top @ 2956'. Leave 4 sacks class b cement .65 bbls of slurry below cement retainer. No cement left on top of retainer. TOH w/ stinger. PU mill & TIH to 3255'. Shut in & secure well & SDFD.

4/17/18 Finish TIH w/ mill. Tag cement retainer @ 3937'. RU Pwr Swivel. Drill cement retainer & 41' of cement. PT csg from 4000' to surface, test-OK. **Drill CBP @ 4000'**. RD swivel. TIH to CIBP @ 4790'. RU WRLN & run CBL. Top of cement @ 3926'. Shut in & secure well. SDFD.

4/18/18 RU WRLN. Submitted CBL to NMOC (Brandon Powell) & recv'd verbal approval to perf. **Perf PT Lookout & Menefee** w/ .38" diam, 1spf @ 4747', 4742', 4705', 4692', 4685', 4673', 4622', 4618', 4592', 4583', 4576', 4572', 4568', 4562', 4549', 4543', 4525', 4511', 4507', 4489', 4467', 4458', 4440', 4407', 4405', 4388', 4385', 4382', 4307', 4303', 4299', 4288', 4289', 4277', 4274', 4271', 4240', 4235', 4223', 4219', 4200', 4197' = 42 holes. POOH w/ WRLN. PU pkr & TIH. Pkr @ 4753' **CIBP @ 4790'**. PT to 520 spi. Test-OK. PT line, establish injection rate. SD pump. Pkr set @ 4428'. Pumped 750 gal 15% HCL, dropped 4 ball sealers every 3 bbls pumped. Flush w/ 22 bbls fresh water. Unset pkr & pulled up to 4168'. Set pkr, leave annulas open to flow back tank. Pump 750 gal 15% HCL, dropped 4 ball sealers every 3 bbls pumped. Flush w/ 29 bbls fresh water. Well flowing up tbg until pkr was released. TIH to 4770', TOH above perfs to 4090'. Secure well & SDFD.

4/19/18 TOH laying down production tbg. PU pkr XN nipple w/ tested plug in place & TIH picking up tbg. Land tbg. Shut in & secure well. SDFD.

4/20/18 NU Completion Spool & frac valve. Change out tbg hanger. PT annulas to 500 psi for 30 min. Test-OK. PT tbg & frac valve to 8000 psi for 30 minutes. Test-OK. RU Expert. RIH & puncture disk. POH and PU retrieving tool. RIH & pull XN Plug. PT annulas to 500 psi to 30 minutes. Test-OK. RD RR @ 16:30.

4/28/18. MIRU Frac crew. Check well pressure. Test fluid lines, Test-OK. Test N2 pump/lines, Test-OK. **Frac PT Lookout & Menefee** w/ 227,220 gals of 70Q Foam, 20# Linear base gel @ 25 BPM, Ran 27 RCN balls for diversion, 301,250 #'s 20/40 AZ sand w/ sandwedge max additive on 2.5 ppa sand stages. Traced sand stages w/ scanium-46, antimony-124 & Ifidium-192. 2,852,499 scf N2, 25 bbs Flush. Shut in & secure well. RD RR frac & N2 equipment.

4/29/18 RU flowback. Begin flowback.

4/30/2018 – SD well flowback operations. RDMO flowback equipment. RU air unit. MIRU for frac stack removal & BOP test. Check well pressures. Kill tbg w/ 20 bbls of water. Install 2-way check into frac

hanger. ND upper frac stack assembly. NU BOP assembly. Function test BOP, Test-OK. PT blind & pipe rams 250 psi (low) & 1200 psi (high). Test-OK. Pull up on frac spool & unset frac pkr. Lubricate 2-way check out of frac spool hanger assembly. TOH w/ 10 jnts of frac string. Install thread protector on tbg. Install & close TIW valve. Close & lock pipe rams. Secure well & SDFD.

5/1/18 Check well pressures. Kill tbg pressure w/ 20 bbls H₂O. Continue TOH frac pkr. Well unloading. Close pipe rams, let well unload to flowback tank. Kill csg w/ 60 bbls H₂O. TOOH w/ frac pkr, removed pkr. MI 2-3/8" well tbg string. Make up milling assembly. Kill csg pressure w/ 60 bbls H₂O. Begin Tripping tbg/mill into well. Tagged 90' of fill @ 4700'. DK CIBP @ 4790'. RU Pwr Swivel. Test air unit lines & start mist @ 1,150 cfm w/ 14 BPH of mist. Clean down to DK CIBP. Well unloading making 1/4 bucket down to 2 cups of sand per 5 gallon bucket. Circ until returns were clean. Shut down air/mist. Pull tbg/mill to 4740' for Flow test. Flow test MV zone. Restart air/mist @ 1150 cfm with 14 BPH of mist. Mill out **DK CIBP @ 4790'**. Trip tbg/mill above MV perms to 4070'. Shut in & secure well, SDFD.

5/2/18 Check well pressure. Trip tbg/mill into well. Tagged plug pieces/sand fill @ 6775', PBTD @ 6800". RU Pwr Swivel, start milling & cleaning out to PBTD. Well unloading frac fluid & making about 1/4 bucket down to 1/20 cup of sand per 5 gallon bucket. Circ until returns were cleaner. RD Pwr Swivel assembly. Trip tbg/mill out of well. Kill well with 60 bbl H₂O. Make up BHA. Being TIH w/ production tbg. Make up S.O.T 4-1/2" retrievable bridge plug onto tbg string & run into well. Set at 90'. Tailpipe 5940'. Bleed off pressure above RBP. Plug is holding pull out with setting tool. ND BOP Assembly. ND Spool. NU BOP assembly back onto well. Function test BOP BOP assembly, Test-OK. RIH w/ setting tool. Latch onto RBP & open unloader. Unset RBP & let well flow to pi & reduce pressure. Kill well with 60 bbls of water & pull RBP out of well. Shut in & secure well, SDFD.

5/3/18 Blow down well to flowback tank, unloading fluid & gas. Kill tbg pressure w/ 20 bbls H₂O. TOH tbg/BHA. Kill well w/ 60 bbls H₂O. MIRU WRLN & RIH w/ CBP. **Set plug @ 4090'**. Bleed off csg pressure. Plug holding. RD RR WRLN MIRY wellhead services. Change out csg valves. Make up milling assembly. TIH w/ tbg/mill, **tagged CBP @ 4090'**. **Mill out CBP**. Shut down air unit, hang back pwr swivel. Pull tbg/mill to 4000'. Shut in & secure well. SDFD.

5/4/18 TIH w. tbg/mill. Tagged plug pieces/sand fill @ 6795'. PBTD @ 4800'. Start air/mist @ 1150 cfm w/ 14 bph of mist. Mill & clean to PBTD @ 5800'. TOH w. tbg/mill. Kill well w/ 60 bbls water. Make up Production BHA, TOH w. production tbg. **Land tbg @ 6735 w/ 207 jnts, 4.7# J-55, seat nipple set @ 6733'**. ND BOP assembly, NU WH. Start air unit circ, pump 4 bbls water missed w/ 4 gals of CRW-152A corrosion inhibitor. Drop expendable check ball. PT tbg, test-OK. Pumped out exp check @ 1250 psi. Circ w/ air to unload any fluid. Flow csg & tbg to flowback tank. RD RR @ 19:00.

*Tubing
Size? 8*

This well is currently producing as a MV/DK with an approved Test Allowable C-104 & is waiting on RC C-104 approval.

Well is now a MV/DK commingled per DHC 4002 AZ.