

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: 6/4/18 Well information:

API WELL #	Well Name	Well #	Operator Name	Type	Stat	County	Surf_Owner	UL	Sec	Twp	N/S	Rng	W/E
30-045-26513-00-00	RIDDLE B	005E	HILCORP ENERGY COMPANY	G	A	San Juan	F	G	23	30	N	10	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.
- Set cast iron bridge plug (CIBP) inside of cemented casing and at least 500' below the bottom of the proposed perforations. To show adequate formation/cement isolation.
- Perform and submit a cement bond log (CBL) to the agencies for review and approval prior to perforating the formation.
- If needed, submit proposed remediation to the agencies for review and approval prior to starting remediation.

NMOCD Approved by Signature

7/2/18
Date

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM APPROVED
OMB NO. 1004-0137
Expires: January 31, 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.5. Lease Serial No.
NMSF078200B

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.
RIDDLE B 5E9. API Well No.
30-045-26513-00-S110. Field and Pool or Exploratory Area
BASIN DAKOTA11. County or Parish, State
SAN JUAN COUNTY, NM**SUBMIT IN TRIPLICATE - Other instructions on page 2**

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other2. Name of Operator
HILCORP ENERGY COMPANYContact: AMANDA WALKER
E-Mail: mwalker@hilcorp.com3a. Address
1111 TRAVIS STREET
HOUSTON, TX 770023b. Phone No. (include area code)
Ph: 505-324-5122

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

Sec 23 T30N R10W SWNE 1800FNL 1720FEL
36.799896 N Lat, 107.850159 W Lon**12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA**

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Hydraulic Fracturing	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input checked="" type="checkbox"/> Recomplete	<input type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> 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, recomplete procedure, updated schematic and Gas Capture Plan. A DHC application will be filed and approved prior to commingling. A Closed Loop system will be used.

Please note that 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

SEE ATTACHED
FOR CONDITIONS
OF APPROVAL

NMOC

JUN 25 2018

DISTRICT III

14. I hereby certify that the foregoing is true and correct.

Electronic Submission #424683 verified by the BLM Well Information System

For HILCORP ENERGY COMPANY, sent to the Farmington

Committed to AFMSS for processing by WILLIAM TAMBEKOU on 06/20/2018 (18WMT0918SE)

Name (Printed/Typed) AMANDA WALKER

Title OPERATIONS REGULATORY TECH

Signature (Electronic Submission)

Date 06/19/2018

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By WILLIAM TAMBEKOU

Title PETROLEUM ENGINEER

Date 06/20/2018

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 Farmington

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.

(Instructions on page 2)

**** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ****

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

NMOC
JUN 25 2018
DISTRICT III

WELL LOCATION AND ACREAGE DEDICATION PLAT

1. API Number 30-045-26513	2. Pool Code 72319	3. Pool Name BLANCO-MESAVERDE (PRORATED GAS)
4. Property Code 318683	5. Property Name RIDDLE B	6. Well No. 005E
7. OGRID No. 372171	8. Operator Name HILCORP ENERGY COMPANY	9. Elevation 6291

10. Surface Location

UL - Lot G	Section 23	Township 30N	Range 10W	Lot Idn	Feet From 1800	N/S Line N	Feet From 1720	E/W Line E	County San Juan
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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 315.98				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>Amanda Walker</i> Title: Operations/Regulatory Tech Date: 6/18/2018	
	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: Fred Kerr Jr. Date of Survey: 6/28/1985 Certificate Number: 3950		



HILCORP ENERGY COMPANY
RIDDLE B 5E
MESA VERDE RECOMPLETION SUNDRY

JOB PROCEDURES

1. MIRU service rig and associated equipment; NU and test BOP.
2. TOOH with 1.9" tubing set at 7,431'.
3. Set a 4-1/2" cast iron bridge plug at +/- 5550' to isolate the Dakota.
4. Load hole with fluid and run a CBL on the 4-1/2" casing. Verify cement bond within the Mesa Verde and TOC is above 4000'. (Temp survey shows TOC @ 2700').
5. Load 4-1/2" x 7" annulus with packer fluid and pressure test 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 @ 4,505', Bottom perforation @ 5,548')
8. Isolate frac stages with a composite bridge plug and set top isolation plug once frac is completed.
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 Dakota isolation plug and, when water and sand rates are acceptable, flow test the Mesa Verde.
12. Drill out Dakota isolation plug and cleanout to PBTD of 7,460'. TOOH.
13. TIH and land production tubing. Get a commingled Dakota/Mesa Verde flow rate.



HILCORP ENERGY COMPANY
RIDDLE B 5E
MESA VERDE RECOMPLETION SUNDRY

RIDDLE B 5E - CURRENT WELLBORE SCHEMATIC



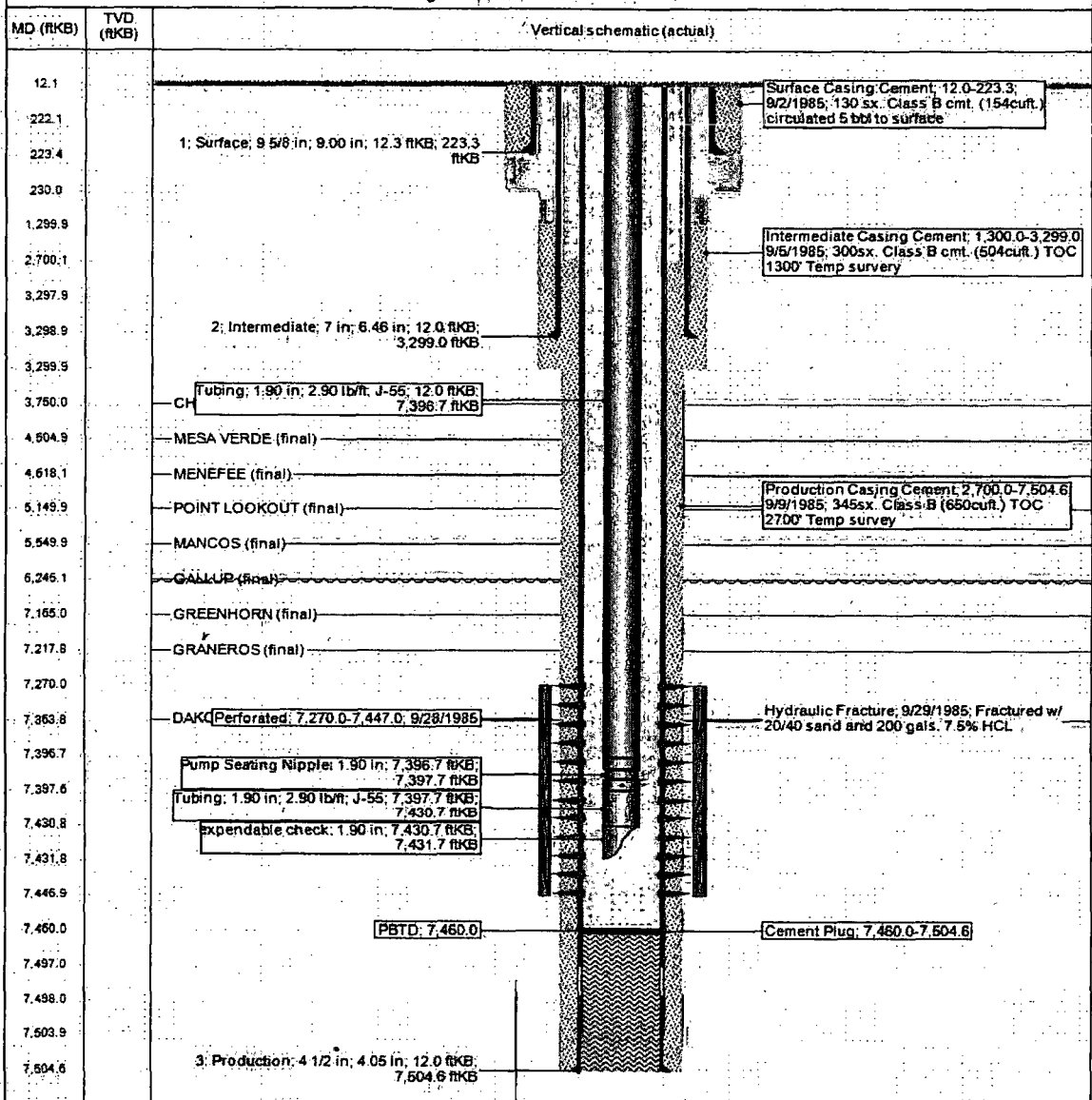
Hilcorp Energy Company

Current Schematic

Well Name: RIDDLE B 5E

API/ UWI: 3004525513	Surface Leg # Location: 023-030N-010W-G	Field Name: BASIN DAWOTA (PRODUCED GAS)	License No:	State/Province: NEW MEXICO	Well Configuration Type:
Ground Elevation (ft): 6,291.00	Original KB RT Elevation (ft): 6,303.00	KB-Ground Distance (ft): 12.00	KB-Casing Head Elevation (ft):	KB-Tubing Head Elevation (ft):	

Original Hole, 6/13/2018 2:40:35 PM





United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Farmington District Office
6251 College Blvd. - Suite A
Farmington, New Mexico 87402
www.blm.gov/nm



CASING REPAIR, WORKOVER, AND RECOMPLETION CONDITION OF APPROVAL

1. If casing repair operations are needed, obtain prior approval from this office before commencing repairs.
2. If a CBL or other logs are run, provide this office with a copy.
3. After any casing repair operations, test cement squeeze to a minimum of 500# for 30 minutes with no more than 10 % pressure fall off in the 30 minutes test period. Provide test chart with your subsequent report of operations.
4. A properly functioning BOP and related equipment must be installed prior to commencing workover, casing repair, and/or recompletion operations.
5. Contact this office at (505) 564-7750 prior to conducting any cementing operations

SPECIAL STIPULATIONS:

1. Pits will be fenced during work-over operation.
2. All disturbance will be kept on existing pad.
3. All pits will be pulled and closed immediately upon completion of the recompletion and work-over activities.
4. Pits will be lined with an impervious material at least 12 mils thick.