

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. 30-045-09991
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name Scott Gas Com
8. Well Number 1
9. OGRID Number 372171
10. Pool name or Wildcat 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 ☐ Gas Well ☐ Other

2. Name of Operator
HILCORP ENERGY COMPANY

3. Address of Operator
382 Road 3100, Aztec, NM 87410

4. Well Location

Unit Letter A 790 feet from the North line and 990 feet from the East line

Section 01 Township 30N Range 12W NMPM County San Juan

11. Elevation (Show whether DR, RKB, RT, GR, etc.)
5783' 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: ☒ Recomplete

SUBSEQUENT REPORT OF:

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

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.

Hilcorp Energy Company requests permission to recomplete the subject well in the Mesaverde formation and downhole commingle the existing Dakota. Please see the attached procedure, wellbore schematic and plat. A DHC application will be filed and approved prior to commingling. A closed loop system will be used.

NMOCD

AUG 06 2018

DISTRICT III

See Attached conditions.

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 Amanda Walker TITLE Operations / Regulatory Technician - Sr. DATE 8/3/2018

Type or print name Amanda Walker E-mail address: mwalker@hilcorp.com PHONE: 505-324-5122

For State Use Only

Deputy Oil & Gas Inspector,
District #3

APPROVED BY: Brandon Bell TITLE Deputy Oil & Gas Inspector, District #3 DATE 8/6/18

Conditions of Approval (if any): # Attached



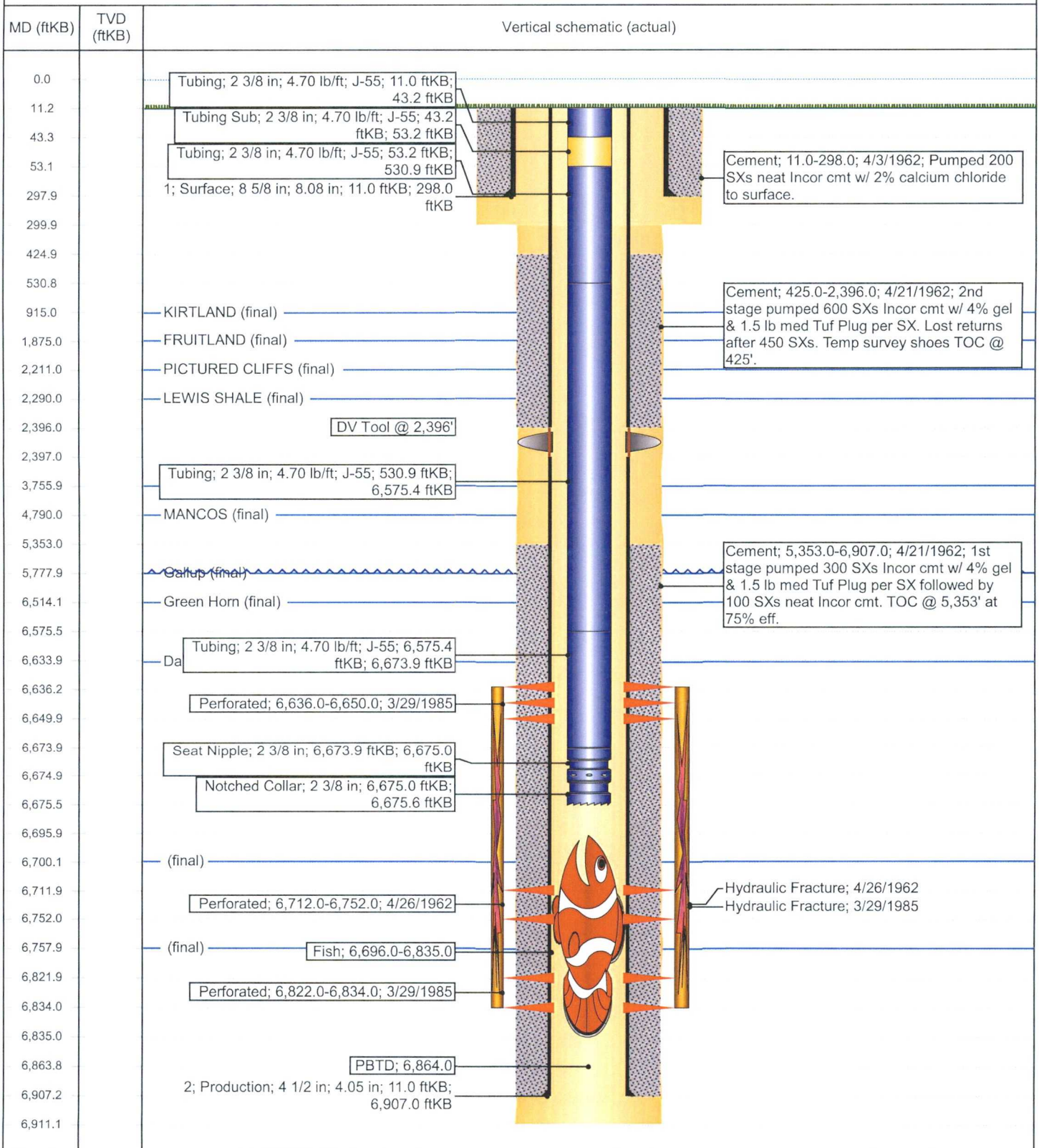
HILCORP ENERGY COMPANY
SCOTT GAS COM 1
MESA VERDE RECOMPLETION SUNDRY

JOB PROCEDURES

1. MIRU service rig and associated equipment; NU and test BOP.
2. TOOH with **2 3/8"** tubing set at **6,675'**.
3. Set a **4-1/2"** cast iron bridge plug at +/- **6,000'** to isolate the Dakota.
4. Load hole with fluid and run CBL to verify TOC is above 3,256'. Review CBL log with NMOCD.
5. (If needed) Perforate hole(s) in 4-1/2" casing based on CBL results, set a 4-1/2" cmt retainer below perforations, and squeeze cement behind the 4-1/2" casing in the Mesa Verde.
6. (If needed) WOC, tag cement, and drill out cement to CIBP.
7. (If needed) Run CBL to determine cement behind 4-1/2" casing. Review CBL log with NMOCD.
8. TIH and land frac tubing string and packer. Pressure test frac tubing string to frac pressure.
9. N/D BOP, N/U frac stack and test frac stack to frac pressure.
10. Perforate and frac the **Mesa Verde** in one stage. (Top perforation @ 3,756', Bottom perforation @ 4,788')
11. N/D frac stack, N/U BOP and test.
12. TOOH with frac tubing string and packer. TIH with a mill and drill out Dakota isolation CIBP.
13. Clean out to Dakota isolation plug and, when water and sand rates are acceptable, flow test the Mesa Verde.
14. Drill out Dakota isolation plug and cleanout to PBTD of **6,675'**. TOOH.
15. TIH and land production tubing. Get a commingled **Dakota/Mesa Verde** flow rate.

Well Name: SCOTT GAS COM #1

API / UWI 3004509991	Surface Legal Location 001-030N-012W-A	Field Name BASIN DAKOTA (PRORATED GAS)	License No.	State/Province NEW MEXICO	Well Configuration Type
Ground Elevation (ft) 5,783.00	Original KB/RT Elevation (ft) 5,794.00	KB-Ground Distance (ft) 11.00	KB-Casing Flange Distance (ft)	KB-Tubing Hanger Distance (ft)	

Original Hole, 7/31/2018 10:57:25 AM


District I1625 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

WELL LOCATION AND ACREAGE DEDICATION PLAT

1. API Number 30-045-09991	2. Pool Code 72319	3. Pool Name BLANCO-MESAVERDE (PRORATED GAS)
4. Property Code 319216	5. Property Name SCOTT GAS COM	6. Well No. 001
7. OGRID No. 372171	8. Operator Name HILCORP ENERGY COMPANY	9. Elevation 5783

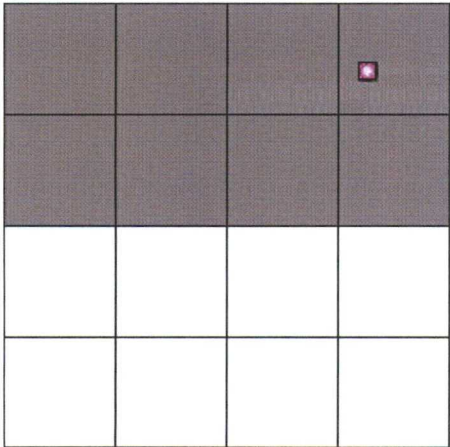
10. Surface Location

UL - Lot A	Section 1	Township 30N	Range 12W	Lot Idn 1	Feet From 790	N/S Line N	Feet From 990	E/W Line E	County SAN JUAN
---------------	--------------	-----------------	--------------	--------------	------------------	---------------	------------------	---------------	--------------------

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 317.84				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

	<p style="text-align: center;">OPERATOR CERTIFICATION</p> <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>Amanda Walker</i> Title: Operations/Regulatory Tech. - Sr. Date: 7/31/2018</p> <hr/> <p style="text-align: center;">SURVEYOR CERTIFICATION</p> <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: James P. Leese Date of Survey: 12/11/1961 Certificate Number: 1463</p>
--	---

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
Conditions of Approval**

Well information:

API WELL #	Well Name	Well #	Operator Name	Type	Stat	County	Surf_Owner	UL	Sec	Twp	N/S	Rng	W/E
30-045-09991-00-00	SCOTT GAS COM	001	HILCORP ENERGY COMPANY	G	A	San Juan	P	A	1	30	N	12	W

Application Type:

☒ **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)

Conditions of Approval:

- Notify the OCD 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 OCD for review and approval prior to perforating the formation.
- If needed, submit proposed remediation plan to the OCD for review and approval prior to starting remediation.