Susana Martinez Governor

Ken McQueen Cabinet Secretary

Matthias Sayer Deputy Cabinet Secretary

September 12, 2018

Hilcorp Energy Co Attn: Jodi-Lyn Curtis 1111 Travis Street Houston, TX 77002-7002 Heather Riley, Division Director Oil Conservation Division



Re: 2018 Bradenhead Test Well: MCCORD #11E, UL C Sec 9 Twn 30N Rge 13W, API # 30-045-26112

Dear Ms. Curtis,

The June 12, 2018 Bradenhead test on the above well indicates a failure. In order to comply with Rule 19.15.16.11, prevent waste and protect fresh water, you are hereby directed to submit a plan of action before **October 12, 2018**, and initiate remedial activity before **December 11, 2018**. The initial Surface Casing psi was 187. The initial Production Casing psi was 365. The five minute Surface Casing shut in pressure was 5. The production casing pressure fell while bradenhead was open indicating there is direct communication between bradenhead and production casing.

The workover operations were performed in April 2018 did not appear to remedy the pressure issue.

The gas analysis and wellbore schematic have been received. The gas appears to be the same on all strings.

Reference: RBDMS MPK1816356888 on future correspondence for this issue. Notify the Aztec OCD 24 hours before work is initiated.

If you have any questions, please call me at 505-334-6178, ext. 123.

Sincerely yours,

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Monica Kuehling Deputy Oil and Gas Inspector District III – Aztec CC: Well File