

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

RECEIVED

FORM APPROVED
OMB No. 1004-0137
Expires: July 31, 2010

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. **NMSF-078138**
6. If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE - Other instructions on page 2.

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator

Hilcorp Energy Company

3a. Address

382 Road 3100, Aztec, NM 87410

3b. Phone No. (include area code)

505-599-3400

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

8. Well Name and No.

Marx Federal 1

9. API Well No.

30-045-11898

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

Surface Unit P (SE/SE) 985' FSL & 1160' FEL, Sec. 20, T30N, R11W

10. Field and Pool or Exploratory Area

Blanco Mesaverde / Basin Dakota

11. Country or Parish, State

San Juan, New Mexico

12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input 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 checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<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 recompletable 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 recompletable 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.)

7/13/2018 - MIRU AWS 840. ND wellhead. NU & PT BOP. Found tbq hanger stuck. MIRU WSI. Free hanger. RDMO WSI. Found tbq stuck. Attempt to free tbq w/no results. MIRU Baker Hughes pmp truck. SDFN.

7/16/2018 - Work stuck tbq w/ power swivel w/no results. MIRU cutters WLU. Freepoint tbq, cut tbq @ 5660'. RDMO WLU. TOH & LD 178 jts 2-3/8" tbq. TIH and tag TOF @ 5670'. SDFN.

7/17/2018 - TIH and work over TOF. CO/MO FR/ 5670' - 5919'. Tag TOF @ 5705'. Fish fell 95'. Circ clean. SDFN.

7/18/2018 - TIH and latch onto fish. TOH 172 jts 2-3/8" tbq, BHA & Fish. TIH and tag HD SC @ 6604'. TOH 204 jts tbq & BHA. PU & TIH w/ 4-1/2" CIBP, set @ 6000'. TOH & Circ csg w/ 87 bbls. PT csg to 1000 psg. Press from 1000 to 0 in 3 minutes. TOH. SDFN.

Continued on attached...

14. I hereby certify that the foregoing is true and correct. Name (Printed/Typed)

Priscilla Shorty

Title **Operations/Regulatory Technician - Sr.**

Signature

Priscilla Shorty

Date

8/27/2018

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Title

Date

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

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.

(Instruction on page 2)

ACCEPTED FOR RECORD

FARMINGTON FIELD OFFICE
By: *[Signature]*

NMOCB

SEP 13 2018

DISTRICT III
NMOCB

7/19/2018 – MIRU Basin WL. Run CBL from 6000 to surface. RD WL. TIH Packer & tbg. Set Packer @ 3969'. PT TCA to 550 psig for 15 min. Test ok. Results fr/tst: 6,000' - 4,488' PT to 550 psig, 4,488' - 4,358' press fr/500 - 0 in 6", 4,358' - 4,164' press fr/500 - 0 psig in 3", 4,164' - 4,034' press fr/600 - 400 psig in 5", 4,034' - surf pt to 600 psig. TOH tbg & packer. **Called Brandon Powell, NMOCD, to discuss casing leak at 4034'-4488' and CBL. Agreed that the holes were within the Mesaverde formation and the lowest perforation needed to be above 4670'.** Left message for BLM that a CBL was ran, found holes in legal Mesaverde, and worked with NMOCD for approval on the recomple and no squeeze work will be performed. SDFN.

7/20/2018 – TIH 4-1/2" CIBP & set @ 4720'. TOH LD tbg & setting tool. ND BOP. NU recompletion spool. NU BOP. MIRU Basin WL. **Perf Menefee w/ 3-1/8" select fire csg gun (30 holes) 0.34" dia as follows: 4392', 4391', 4390', 4389', 4388', 4348', 4347', 4346', 4260', 4259', 4258', 4257', 4256', 4255', 4254', 4198', 4197', 4196', 4195', 4194', 4178', 4177', 4176', 4175', 4174', 4150', 4149', 4148', 4147', 4146' . Perforate Point Lookout w/ 3-1/8" select fire csg gun (50 holes) 0.34" dia as follows: 4662', 4661', 4660', 4639', 4638', 4637', 4636', 4635', 4634', 4581', 4580', 4579', 4578', 4557', 4556', 4555', 4554', 4522', 4521', 4520', 4519', 4518', 4506', 4505', 4504', 4503', 4502', 4501', 4500', 4499', 4498', 4497', 4496', 4480', 4479', 4478', 4477', 4476', 4475', 4474', 4473', 4446', 4445', 4444', 4443', 4442', 4441', 4440', 4435', 4434'.** RDMO WLU. SWI. SDFWE.

8/13/2018 – PU & TIH w/ Pkr. Set @ 3991 w/ 15K compression. ND BOP. NU Frac valve. MIRU wellcheck. PT & chart tbg, pkr & frac valve to 7000 psig for 5 min. Incr to 8000 for 5 min. Incr to 9000 for 30 min. Test good. RDMO Wellcheck. RDMO Aztec 840 @ 17:00 hrs on 8/13/2018.

8/14/2018 – RU Halliburton, frac crew. **Foam frac'd Mesaverde with 300,500 lbs 20/40 and 72,293 gal slickwater and 2.54 million SCF N2. 70 quality.** Avg rate = 55 bpm, avg psi = 4611. Isip was 2200 psi (foam flush). Dropped 15 bio-balls with 1/2 of sand pumped. RD release Halliburton frac crew. MIRU flowback crew.

8/17/2018 – MIRU BWD 103. Set tbg plug, ND Frack stack, NU BOPE. PT BOPE. Release packer, blow well down. LD 2-7/8" frac string and packer. MU 3-3/4" mill tally and PU 2-3/8" tbg to 2185'. SDFN.

8/18/2018 – Tally and PU 2-3/8" tbg to 3900'. PU BP set 30' below WH. Test to 500 psi. Test ok. ND BOPE. Remove frac valve spool, NU BOPE test to 700 psi. Test ok. Release BP. Tag fill @ 4655'. Clean out fill to 4720' top of BP. Mill out BP to 4723'. Circ clean PU above perfs. SDFN.

8/19/2018 – PU 2-3/8" tbg, tag fill @ 5990'. Mill CPT out @ 6000'. Chase junk w/ swivel to bottom 6735'. Circ clean, PU to top of perfs @ 4034'. SDFN.

8/20/2018 – POOH LD mill. NU ex-check and seating nipple. **TIH w/ production string 2-3/8" J-55 4.7# tbg 206 jts. EOT @ 6701', SN @ 6699'.** ND BOPE. NU WH and tree. Test tbg to 500 psi. Drop ball. Pump off check w/ 1050 psi. RD RR BWD 103 on 8/20/2018 @ 13:30 hrs.

Well is now producing as Blanco Mesaverde/ Basin Dakota under DHC 4055AZ