

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED SEP 20 2018
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.

SUBMIT IN TRIPLICATE - Other instructions on page 2

1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		7. If Unit of CA/Agreement, Name and/or No. Huerfano Unit
2. Name of Operator Hilcorp Energy Company		8. Well Name and No. Huerfano Unit 179
3a. Address 382 Road 3100, Aztec, NM 87410	3b. Phone No. (include area code) 505-599-3400	9. API Well No. 30-045-20256
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Surface Unit F (SENW) 1750' FNL & 1650' FWL, Sec. 14, T26N, R10W		10. Field and Pool or Exploratory Area Basin DK / Huerfano PC
		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 recompleate 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 recompleation 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.)

6/20/2018 MIRU. ND WH, NU BOPE. PT BOP, test-good. Pull & LD tbg hanger. Tag 26' of fill @ 6931'. TOO H w/ tbg. PU string mill & TIH to 5119'. TOO H, PU RBP & TIH, set RBP @ 4950'. Load well w/ H2O, circ bottoms up. TOO H w/ retrieving head. Shut in & secure well.

6/21/2018 RU WRLN. Run CBL from 4950' to surface w/ 500 psi on csg. PU retrieving head & TIH. Unload water from Well @ 4900' w/ air unit. Latch & release RBP @ 4950'. TOO H. PU BHA & TIH & land 217 jts, 4.7# J-55 tbg @ 6777'. ND BOPE, NU WH. RDRR @ 20:30 hrs.

7/23/2018 MIRU Baywater 104. ND WH. NU BOP. PT BOP, test-good. Pull tbg hanger. TOH scanning 2-3/8" tbg. PU CIBP & pkr. TOO H & set CIBP @ 2410'. Load csg. Set compression packer & PT CIBP. Unable to test, Unset packer, TOO H w/ tbg. Shut in & secure well. Requested to set bridge plug @ 2400 +/- based off CBL. Recv'd verbal approval by Brandon Powell w/ NMOCD, BLM (William) was sent e-mail notification.

ACCEPTED FOR RECORD

FARMINGTON FIELD OFFICE
By: [Signature]

14. I hereby certify that the foregoing is true and correct. Name (Printed/Typed) Christine Brock		Title Operations/Regulatory Technician - Sr.
Signature [Signature: Christine Brock]		Date 9/19/18

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.

7/24/2018 PU pkr, TIH w/ tbg. Set pkr. PT CIBP to 1000 psi, test-good. Unset pkr. LD tbg. ND BOP & tbg head. Weld stub up on csg. NU tbg head. Test tbg head, test-good. NU BOP. RU WRLN. RIH & **Perf Pictured Cliff** from 2205' – 2246' w/ .34 diam holes, 2 spf = 82 shots. PU pkr & XN nipple. Tally & PU 2-7/8" frac string. Shut in & secure well.

7/25/2018 Land frac string. Pull tbg hanger. Set pkr w/ 6k compression. Land frac string. Load & PT 2-7/8" to 4-1/2" annulus to 500 psi, test-good. BDW. NU frac stack. RU Antelope. Load & PT frac string to 8000 psi, test-good. RU SLKLN. RIH & spear rupture disc. POOH. RIH & pull XN plug. POOH, RD SLKLN. Establish injection rate of 1.5 bpm @ 1300 psi. RU lubricator. Swab fluid down to seat nipple. RD lubricator. RDRR @ 13:00.

8/5/2018 RU Halliburton. **Frac Pictured Cliff:** Acid breakdown w/ 500 gal of 15% HCL. Frac'd w/ 90,720 gal of 70Q Water Gel 20#, 148,010 # 20/40 AZ sd w/ sandwedge max additive, 838,254 scf N2, 13 fluid bbls Flush. Shut in & secure well. RD Halliburton. RU flowback & begin flow back operations.

8/6/2018 MIRU. Open tbg to FB tank. RU wellcheck & set test plug in tbg head. PT blind & pipe rams to 2000 psi (high) & 250 psi (low). Leaking on high press test, low press test was ok. Bull plugged kill spool outer valve & PT, test - good. Pull test plug through lubricator. RD wellcheck. Kill tbg w/ H2O. Release frac pkr. TOOH, Kill tbg w/ H2O. Finish LD frac string & pkr. PU & TIH w/ 2.375" notched collar. Flapper check & 2.375" tbg to 1061'. Pull tbg collar & upset up against btm of pipe ram. Shut in & secure well.

8/7/2018 TIH, tag 22.90' fill from 2387' to 2410' (top of CIBP). R/U High Tech. Unload well w/ air/mist. Blow well w/ air & foam. Kill tbg w/ H2O. PU tbg above top perfs to 2034'. Install TIW valve. Shut in & secure well.

8/8/2018 TIH, tag top of fill @ 2387'. Break circ w/ air/mist. CO 23' fill from 2387' to 2410'. PU to 2387' & blow well w/ air/mist. SD air & flow well natural to flow back tank. Blow well w/ air/mist. Kill tbg w/ H2O. Install TIW valve. Shut in & secure well.

8/9/2018 TOOH w/ tbg. Land 69 jts 2-3/8", 4.7# J-55 tbg @ 2225.28' w/ 2-3/8", 1.78 ID seat nipple @ 2224.18'. ND Kill spool & BOP. NU tree. RDRR @ 16:00 hrs. RU flow line from tbg to flow back tank. Blow well down tbg & up csg. Shut in & secure well.

8/10/2018 Pump 1100 cfm air down tbg & up csg w. hvy water returns. SD air & attempt to flow well up tbg (no flow). Pump 1100 cfm air down tbg & up csg w/ hvy water returns. Shut in & secure well.

8/11/2018 Pump 600 cfm air down tbg & up csg w/hvy water returns. SD air & attempt to flow well up tbg w/ light gas @ wellhead & no water. Pump 600 cfm air down tbg & up csg w/ hvy water returns. Shut in & secure well.

8/12/2018 Pump 600 CFM air down tbg & up csg w/ hvy water returns. SD air & attempt to flow well up tbg w/ light gas @ WH & no water flow. Pump 600 cfm air down tbg & up csg w/ med water rtns. Shut in & secure well.

8/14/2018 Pump 1100 cfm air down tbg & up csg & unloaded well to flow back tank, unloaded 40 bbls water. Pump 600 cfm air down tbg & up csg. Made 363 bbls in 4 hrs. Pump 600 cfm air down tbg & up csg. Made 320 bbls in 6 hrs. Shut in & secure well.

8/15/2018 Catch csg gas sample in bag, check sample w/ LEL meter, 3-5% Gas, Open csg to FB tank, csg surging WTR/Air/Gas, unloaded 13 bbls wtr, recovered 48 bbls fluid in 1-hr, Made 62 bbl total wtr in 2-hr, logged off. Pump 600 cfm air down tbg & up csg. Unloaded 10 bbls Wtr to FB tank, blow well w/ air down tbg & up csg. Recovered 520 bbls wtr in 12-hr.

8/16/2018 Inj pressure dwn tbg: 350-300 psi, circ pressure up csg; 300 psi. BWD tbg & up csg w/ csg w/ air, recovered 300 bbls in 6-hr. SD air, flowing up csg to FB tank, making med gas wtr & sheen of condensate. FCP: 18-30 psi, in first hr flowing make 18-BBL wtr, in 2hr.

8/17/2018 BWD csg & up tbg. SD air & try to flow well up tbg (No flow). Pump air dn csg & up tbg, unloaded 9-bbl wtr, BDW

8/20/2018 RU flow lines to FB tbg to FB tank, 380 psi blew dwn in 20 sec. Leave tbg opened to FB tank w. no rtns. SI tbg, RU csg valve to FB tank. SICP: 380 psi. Open csg to FB tank, blew dn in 1 min w/ no flow to tank. SI tbg & csg. SDFD.

8/24/2018 Communicated to NMOCD & BLM path forward plan to **DO the CIBP @ 2410'** and set a CIBP w/in 50' of the DK perforation. And leave PC producing on its own (if able to flow) to run logs & gather data.

9/4/2018 MIRU BWD #104. Lay flow lines. ND production tree. Install 2-way chk in hanger. NU BOPE. Change out tbg ram rubber. RU wellcheck & chart PT. Test blinds & pipe to 250 psi for 5 min & 1200 psi for 10 min. Test-Good. Unset & pull tbg hanger. POOH w/ 2-3/8" tbg. MU 3-3/4" junk mill on 6 3-1/8" DCs. Strap 2-3/8" tbg in hole. Tag CIBP @ 2410'. PU swivel & hang in derrick. Shut in & secure well, SDFD.

9/5/2018 TIH w/ tbg . PU pwr swivel. KI air/mist. Est circ. **DO CIBP @ 2410'**. L/D DC's. PU CIBP & pkr. TIH & set **CIBP @ 6640'**. Set pkr & PT CIBP. Test-Good. Unset pkr. Begin to LD tbg. Shut in & secure well. SDFD.

9/6/2018 Continue LD tbg. TOH w/ 35 stands. LD pkr. PU production BHA. Drift & TIH w/ tbg. End of tbg @ 2208'. KI air. Unload well with 1350 cfm down csg & returns up tbg. **Land 70 jts, 2-3/8" J-55 @ 2215' with SN @ 2213'**. ND BOP, NU WH, Plum surface equipment. KI air, unload well down csg & returned up tubing. Unloaded well. Bypassed air & flowed tbg. Tbg flowed for 10 minutes. KI air. Repeated process multiple times w/ same results. RDRR @ 18:00.

This well is currently not producing, but when lifted makes a considerable amount of water pending rates/pressures, and for this reason we'd like to leave the Dakota and PC isolated at this time for water incompatibilities and scaling tendencies. Another subsequent report will follow upon Drill Out of the DK plug.