

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: 10/11/18

Well information:

API WELL #	Well Name	Well #	Operator Name	Type	Stat	County	Surf_Owner	UL	Sec	Twp	N/S	Rng	W/E
30-045-05733-00-00	HODGES	007	HILCORP ENERGY COMPANY	G	A	San Juan	F	K	22	26	N	8	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: Bradenhead repair

Conditions of Approval:

- Notify NMOCD 24 Hours prior to commencing activities.
- Notify the Agencies of any issues discovered.
- Provide any proposed remediation to the agencies for review and approval prior to beginning remediation.

NMOCD Approved by Signature

10/25/18

Date

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

NMOC
OCT 19 2018
DISTRICT III

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

☐ 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

5. Lease Serial No.

SF-078432

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.

Hodges 7

9. API Well No.

30-045-05733

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

Surface Unit K (NESW) 1750' FSL & 1770' FWL, Sec. 22, T26N, R08W

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 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"/> 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 type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	Bradenhead Repair
	<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 recompleat 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 recompleat 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 requests permission to repair the bradenhead on the subject well per the attached procedure.

Reference; RBDMS MPK1824339551 - NMOC directive to initiate remedial activity before December 11, 2018.

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

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

Christine Brock

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

Signature

Christine Brock

Date

10/11/18

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

[Signature]

Title

PE

Date

10/16/18

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

FTO

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.

Hodges 7

022-026N-008W-K

API: 3004505733

Bradenhead Remediation Plan of Action

10/09/2018

Proposed Procedure

1. MIRU Service rig and associated equipment
2. Test BOP's
3. TOOH with 2-3/8" tubing currently set with EOT at 2,755'
4. TIH w/ 4-1/2" packer and RBP in tandem. Set RBP @ 60', pressure test the wellhead.
 - a. If wellhead does not test good, repair wellhead seals and/or upgrade wellhead. Pressure test wellhead.
 - b. If wellhead tests good, pressure test casing to identify any potential leaks in the production casing that could be the source of the bradenhead pressure/gas.
 - i. Repair and remediate as necessary
5. TIH and land production tubing.
6. ND BOP's, NU production tree
7. RDMO service rig & turn well over to production

Well Name: HODGES #7

API / UWI 3004505733	Surface Legal Location 022-026N-008W-K	Field Name PC	License No.	State/Province NEW MEXICO	Well Configuration Type
Ground Elevation (ft) 6,894.00	Original KB/RT Elevation (ft) 6,904.00	KB-Ground Distance (ft) 10.00	KB-Casing Flange Distance (ft)	KB-Tubing Hanger Distance (ft)	

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