

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: 10/4/18

Well information:

API WELL #	Well Name	Well #	Operator Name	Type	Stat	County	Surf_Owner	UL	Sec	Twp	N/S	Rng	W/E
30-045-20052-00-00	HUERFANO UNIT	169	HILCORP ENERGY COMPANY	G	A	San Juan	F	O	24	26	N	10	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:

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.

NMOCD Approved by Signature

10/25/18  
Date

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

RECEIVED

OCT 05 2013

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.*

Farming of the Office  
Bureau of Land Management

SUBMIT IN TRIPLICATE - Other instructions on page 2.		5. Lease Serial No. <b>SF-079942</b>
1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		6. If Indian, Allottee or Tribe Name <b>Huerfano Unit</b>
2. Name of Operator <b>Hilcorp Energy Company</b>		8. Well Name and No. <b>Huerfano Unit 169</b>
3a. Address <b>382 Road 3100, Aztec, NM 87410</b>		9. API Well No. <b>30-045-20052</b>
3b. Phone No. (include area code) <b>505-599-3400</b>		10. Field and Pool or Exploratory Area <b>Basin DK / Huerfano PC</b>
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) <b>Surface Unit O (SWSE) 990' FSL &amp; 1650' FEL, Sec. 24, T26N, R10W</b>		11. Country or Parish, State <b>San Juan, New Mexico</b>

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 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.)

Hilcorp Energy Company plans to recompleate the subject well in the Pictured Cliffs formation and downhole commingle the existing Dakota with the Pictured Cliffs. Attached is the PC C-102, recompleate procedure & wellbore schematic. The DHC application will be submitted and approved before the work proceeds. A Closed Loop system will be utilized.

HOLD C104 FOR DHC

14. I hereby certify that the foregoing is true and correct. Name (Printed/Typed) <b>Cherylene Weston</b>		Title <b>Operations/Regulatory Technician - Sr.</b>
Signature <i>Cherylene Weston</i>		Date <b>10-4-18</b>

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by <i>[Signature]</i>	Title <b>PE</b>	Date <b>10/10/18</b>
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 <b>FEO</b>	

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.

NMOCDA



**District I**

1625 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

Form C-102

August 1, 2011

Permit 252709

**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 30-045-20052	2. Pool Code 78840	3. Pool Name HUERFANO PICTURED CLIFFS (GAS)
4. Property Code 318578	5. Property Name HUERFANO UNIT	6. Well No. 169
7. OGRID No. 372171	8. Operator Name HILCORP ENERGY COMPANY	9. Elevation 6564

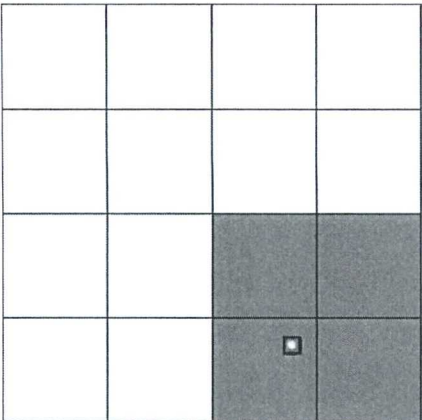
**10. Surface Location**

UL - Lot O	Section 24	Township 26N	Range 10W	Lot Idn	Feet From 990	N/S Line S	Feet From 1650	E/W Line E	County SAN JUAN
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**11. Bottom Hole Location If Different From Surface**

UL - Lot O	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
12. Dedicated Acres 160.00				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;"><b>OPERATOR CERTIFICATION</b></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>Cherylene Weston</i>          Title: Cherylene Weston, Operations/Regulatory Tech-Sr.          Date: May 22, 2018</p> <hr/> <p style="text-align: center;"><b>SURVEYOR CERTIFICATION</b></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: David Kilven          Date of Survey: 1/5/1967          Certificate Number: 1760</p>
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## **Huerfano Unit 169**

024-026N-010W-O

API: 3004520052

Pictured Cliffs Zone Add

08/28/2018

### **Proposed Procedure**

1. MIRU Service rig and associated equipment
2. Test BOP's
3. TOO H with 2-3/8" tubing currently set with EOT at 6,545'
4. Set a CIBP to isolate the Dakota
5. Load the hole
6. Pressure test casing to maximum frac pressure
7. ND BOP's. NU frac stack and test same to maximum frac pressure
8. RDMO Service rig
9. MIRU frac spread
10. Perforate and frac the Pictured Cliffs from 2,050' to 2,091'. RDMO frac spread
11. MIRU Service rig
12. Test BOP's
13. PU mill & RIH to clean out to Dakota isolation plug
14. When water and sand rates are acceptable, flow test the Pictured Cliffs
15. Drill out Dakota isolation plug & TOO H
16. TIH and land production tubing. Obtain a commingled Dakota flow rate
17. ND BOP's, NU production tree
18. RDMO service rig & turn well over to production

**Well Name: HUERFANO UNIT #169**

API / UWI 3004520052	Surface Legal Location 024-026N-010W-O	Field Name BASIN DAKOTA (PROCEATED GAS)	License No	State/Province NEW MEXICO	Well Configuration Type VERTICAL
Ground Elevation (ft) 6,564.00	Original KB RT Elevation (ft) 6,576.00	KB-Ground Distance (ft) 12.00	KB-Casing Flange Distance (ft)	KB-Tubing Hanger Distance (ft)	

VERTICAL, Original Hole, 8/28/2018 4:11:12 PM

