

Submit 1 Copy To Appropriate District Office
District I – (575) 393-6161
1625 N. French Dr., Hobbs, NM 88240
District II – (575) 748-1283
811 S. First St., Artesia, NM 88210
District III – (505) 334-6178
1000 Rio Brazos Rd., Aztec, NM 87410
District IV – (505) 476-3460
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources

Form C-103
Revised July 18, 2013

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

WELL API NO. 30-045-09977
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>
6. State Oil & Gas Lease No. FEE
7. Lease Name or Unit Agreement Name Zella Calloway
8. Well Number 1
9. OGRID Number 372171
10. Pool name or Wildcat Basin Dakota / Blanco Mesaverde

SUNDRY NOTICES AND REPORTS ON WELLS
(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)

1. Type of Well: Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other
2. Name of Operator HILCORP ENERGY COMPANY
3. Address of Operator 382 Road 3100, Aztec, NM 87410
4. Well Location Unit Letter <u>A</u> <u>845</u> feet from the <u>North</u> line and <u>835</u> feet from the <u>East</u> line Section <u>03</u> Township <u>30N</u> Range <u>11W</u> NMPM County <u>San Juan</u>
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 5758'

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐
TEMPORARILY ABANDON ☐ CHANGE PLANS ☐
PULL OR ALTER CASING ☐ MULTIPLE COMPL ☐
DOWNHOLE COMMINGLE ☐
CLOSED-LOOP SYSTEM ☐
OTHER: ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING OPNS. ☐ P AND A ☐
CASING/CEMENT JOB ☐
OTHER: ☒ RC Subsequent

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 19.15.7.14 NMAC. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

NMOC

NOV 19 2018

DISTRICT III

Please see attached.

Spud Date:

Rig Release Date:

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE

Amanda Walker

TITLE Operations / Regulatory Technician Sr. DATE 11/12/2018

Type or print name Amanda Walker

E-mail address: mwalker@hilcorp.com

PHONE: 505-324-5122

For State Use Only

APPROVED BY:

Brad Roth

TITLE I & E Supervisor

DATE 11/28/18

Conditions of Approval (if any):

NR

Zella Calloway
30-045-09977
RC Subsequent

9/24/2018: MIRU SLICKLINE UNIT. TRIPPED PLUNGER TO SURFACE. RDMO SLICKLINE. RU SERVICE UNIT. BD WELL. MI WELLCHECK. ND WH. NU BOP. FUNCTION TEST BOP. TEST GOOD. WELLCHECK PT PIPE & BLIND RAMS – TESTS GOOD. PULL TBG HANGER ASSEMBLY. TBG IS FREE. RDR WELLCHECK. TOOHL 219 TBG JTS. SL. SDFN.

9/25/2018: MU MILL/CSG SCRAPER ASSEMBLY. TIH TO 6743'. MU BRIDGE PLUG. TIH AND SET BRIDGE PLUG @ 6675'. PT BRIDGE PLUG & 4 ½" CSG TO 500 PSI FOR 15 MINS. TEST GOOD. TOOHL W/SETTING TOOL. SL. SDFN.

9/26/2018: RU BASIN WL. RUN CBL LOG FROM 6675' (CIBP @ 6675') TO SURFACE. SENT RESULTS TO NMOCD TO REVIEW BEFORE PROCEEDING.

TROUBLE CALL: CALL TO BRANDON POWELL @ NMOCD TO REVIEW CBL. REQUESTING TO PER HOLES BELOW MV TO PREFORM A SUICIDE SQUEEZE AND ADJUST PREVIOUSLY SUBMITTED PERFS. BRANDON AGREED TO CMT WORK, AND APPROVED ADDITIONAL 24' TO THE PERFS. WILL REQUIRE ANOTHER CBL AND MIT ONCE CMT IS DRILLED OUT.

RECEIVED PERMISSION TO PROCEED WITH PLANNED CMT SQUEEZE JOB. RIH W/PERF GUN. SHOT 3 HOLES @ 5100' WLM. PULLED UP & SHOT 3 HOLES @ 4880'. TOTAL OF 6 HOLES. RD BASIN WL. MU CMT RETAINER/SETTING TOOL ASSEMBLY. TIH W/CMT RETAINER. SET CMT RETAINER @ 4948'. RU TO PMP DOWN ANNULUS. ATTEMPT TO PMP DOWN CSG ANNULUS INTO SQUEEZE PERFS @ 4880'. CAUGHT PRESSURE @ 9 BBLS PMPD. UNABLE TO ESTABLISH AN INJECTION RATE. PU TO 500 PSI. RU ONTO TBG. PMP THRU RETAINER INTO SQUEEZE PERFS @ 5100'. 2.5 BPM @ 350 TO 400 PSI. PMPD 90 BBLS OF TREATED WATER. NO BLOW OR FLUID FLOW WAS NOTED FROM CSG ANNULUS. ATTEMPTED TO PMP DOWN CSG ANNULUS AGAIN. PU W/NO LEAK OFF. **EMAIL TO BRANDON POWELL @ NMOCD, PERMISSION GIVEN TO PERF ANOTHER HOLE @ 4910' SINCE HIGHER DEPTH DIDN'T TAKE ANY FLUID.** TOH W/CMT RETAINER STINGER & TBG. SL. SDFN.

9/27/2018: RU BASIN WL. RIH W/PERF GUN. SHOT 3 HOLES @ 4910' WLM. RDR BASIN WL. MU CMT RETAINER. TIH W/RETAINER. MI CMT EQUIPMENT. START CIRC @ 1 BPM @ 400 PSI. CIRC DOWN TO RETAINER AND STUNG INTO CMT RETAINER @ 4948'. HAD RETURNS FROM SQUEEZE HOLES (4910') ABV RETAINER. PMP @ 1 BPM @ 700 PSI. PMP 5 BBLS AND SHUTDOWN. RU CMT LINES. START 10 BBLS WATER AHEAD. HAD CIRC THRU RETAINER & SQUEEZE PERFS @ 4910' & 5100'. START 120 SXS OF CLASS G CMT @ 15.8 PPG, W/1.15 FT3 YIELD. DISPLACED CMT W/18.6 BBLS WATER. STUNG OUT OF RETAINER. PULLED TBG TO 4820'. REVERSED OUT W/40 BBLS OF WATER. CIRC OUT 4 BBLS CMT. RDMO CMT SERVICES. ROOH W/TBG & RETAINER STINGER. SL. SDFN

9/28/2018: MU BHA. TIH W/TBG. TAGGED CMT @ 4920'. LOST 100' OF CMT OVERNIGHT. RU TO TBG. BREAK CIRC ON WELL W/4BBLS WATER. PRESSURE UP TO 600 PSI. LEAKING OFF @ +/- 40 PSI/MIN. MIRU CMT CREW. START 5 BBLS WATER AHEAD TO BREAK CIRC. MIX 22 SXS OF CLASS G CMT @ 15.8 PPG, W/1.15 FT3 YIELD. SPOT CMT W/16.3 BBLS OF WATER. PULLED TBG TO 4758' REVERSED OUT W/25 BBLS OF WATER. CIRC OUT 2 BBLS OF CMT. SI CSG AND SQUEEZED AWAY 1.5 BBLS INTO LEAK. RDMO CMT CREW. SL. SDWE.

10/1/2018: TIH, TAGGED CMT @ 4820'. BREAK CIRC ON WELL W/3 BBLS OF WATER. PRESSURE UP TO 540 PSI. TESTED GOOD. TOOHL W/TBG & BHA. MU MILLING BHA. TIH W/MILLING ASSEMBLY, TAG CMT @ 4820'. RU PWR SWVL. BREAK CIRC AND BEGIN DRILLING HARD CMT TO JUST ABV CMT RETAINER @ 4948'. CIRC UNTIL RETURNS WERE CLEAN. PULLED TBG/TBG MILL TO 4880'. CLOSE PIPE RAMS. TEST 4 ½" CSG TO 580 PSI FOR 30 MINS. LOST 40 PSI IN 30 MINS (+/- 1.3PSI/MIN) SL. SDFN.

10/2/2018: TAGGED CMT @ 4943' (CMT RETAINER @ 4948'). RU PWR SWVL. BREAK CIRC & CONT TO DRILL HARD CMT. DO CMT RETAINER AND WENT THRU @ 5122'. (SQUEEZE PERFS @ 5100') CIRC UNTIL RETURNS WERE CLEAN. HAND BACK PWR SWVL. TIH W/TBG/MILL TO 6500'. SL. SDFN.

10/3/2018: TOOHL W/TBG, DRILL COLLARS & MILL ASSEMBLY. RU WIRELINE. RUN CBL LOG FROM 5500' (CIBP @ 6675') TO 4500'. SEND RESULTS TO HEC ENGINEER. WAIT ON NMOCD TO REVIEW PRIOR TO CONTINUING. RECEIVED APPROVAL FROM NMOCD TO PROCEED AS PROPOSED. RDR BASIN WL. MIRU WELLCHECK SERVICES FOR CHARTED PT. ATTEMPT TO PT 4 ½" CSG. PRESSURED UP TO 590 PSI. LOST 40 PSI IN 38 MINS. +/- 1.1 PSI/MIN. PRESSURE DID NOT LEVEL OFF IN LAST 10 MINS. TEST CHARTED BY WELLCHECK. CALL FOR BRIDGE PLUG & PACKER. RDR WELLCHECK. MU BRIDGE PLUG ASSEMBLY, SET @ 495'. TOOHL W/TBG SETTING TOOL ASSEMBLY. SL. SDFN.

10/4/2018: MU COMPRESSION SET PKR. TIH W/PKR & TBG. SET PKR @ 4552'. ATTEMPT TO PMP DOWN TBG. PRESSURE UP TO 1100 PSI. NO LEAK OFF. TIE ONTO CSG BACKSIDE ABV PKR. PRESSURED UP TO 600 PSI. LEAKING OFF @ 1.2 PSI/MIN. UNSET & MOVED PKR AND SET AT SEVERAL DIFFERENT INTERVALS. FOUND CSG LEAK BETWEEN 4100' TO 4133'. UNSET PKR AND BEGIN TOOHL. MU RETRIEVING HEAD ASSEMBLY. TIH W/TBG & RETRIEVING HEAD. CIRC SAND OFF OF BRIDGE PLUG. LATCH ONTO PLUG AND UNSET. TRIP TBG & RBP TO 4162'. TOOHL W/TBG/RETRIEVING HEAD. MU PKR & RETRIEVING HEAD ASSEMBLY. TIH W/PKR & TBG. SET PKR @ 4065'. PMP DOWN TBG INTO CSG LEAK. PRESSURED UP TO 1100 PSI. LEAK OFF @ 25 TO 30 PSI/MIN. SL. SDFN.

10/5/2018: UNSET PKR, TIH TO BRIDGE PLUG & UNSET. TOOHL W/TOOLS. MU MULE SHOE BHA ASSEMBLY. TIH W/TBG TO 4158'. RU CMT CREW. CIRC WELL W/60 BBLS OF WATER. MIX 20 SXS OF CLASS G CMT @ 15.8 PPG, W/1.15 FT3 YIELD. SPOT CMT W/15 BBLS OF WATER, PULLED TBG OUT OF WELL. SQUEEZED AWAY 0.5 BLS INTO LEAK. RDR CMT CREW. SL. SDWE.

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10/7/2018: MEASURE & MU MILLING BHA. TIH W/MILLING ASSEMBLY & TBG. TAG CMT @ 3960'. RU PWR SWVL. BREAK CIRC AND BEGIN DRILLING HARD CMT. WENT THRU CMT @ 4170' CIRC UNTIL RETURNS WERE CLEAN. TOO H W/TBG/MILL ASSEMBLY. LOADED 4 ½" CSG. CLOSED BLIND RAM. PT TO 610 PSI FOR 30 MINS. TESTED GOOD. NO LEAK OFF. SL. SDFN.

10/8/2018: TIH W/WORK STRING. TOO H LD 221 JTS. CHANGE OUT PIPE RAMS FOR 2 7/8" TBG. FUNCTION TEST – TEST GOOD. SL. SDFN.

10/9/2018: RU WELLCHECK. PT CSG TO 600 PSI. W/JOHN DURHAN FROM NMOC D PRESENT, CHART TEST FOR 30 MINS. ALSO CONDUCT BRADENHEAD TEST AS WELL. BOTH TESTED OKAY. RU BASIN PERFORATORS. SET 4 ½" CIBP ON WL @ 4850'. USING THE RIG PMP. TEST CIBP TO 500 PSI. HELD 15 MINS – OKAY. PERFORATED THE MESA VERDE (80 SHOTS - .34" HOLES, 1 SPF) AS FOLLOWS: RUN #1- 4824', 23', 22', 21', 4820', 4819', 4788', 87', 86', 4716', 15', 14', 13', 12', 11', 10', 4673', 72', 71', 4670', 69', 68', 4651', 50', 49', 4640', 39', 38', 37', 36', 35', 34', 33', 32', 31', 4630', 4595', 94', 93', 92'. RUN #2 - 4591', 90', 4577', 76', 75', 74', 73', 72', 4544', 43', 42', 4510', 09', 08', 07', 06', 4454', 53', 52', 4446', 45', 44', 43', 42', 41', 4440', 4379', 78', 77', 76', 75', 4345', 44', 43', 42', 4308', 07', 06', 05' & 4304'. TOTAL OF 80-SHOTS. MU 2 7/8" XO, NIPPLE, XO & 4 ½" AS 1X FRAC PKR ON 1 JT OF 2 7/8", 6.4#, P-110 PU -8 TBG. STRAP, PU & RABBIT 123 – JTS OF ADDITIONAL TBG IN HOLE. SL. SDFN.

10/10/2018: MI BIG RED TOOLS. INSTALL TBG HANGER ASSEMBLY. SPACE OUT PKR & SET. TBG LANDED @ 3899.44'. TOP OF X NIPPLE @ 3890.93'. ND BOP. NU FRAC STACK. TESTED TO 500 PSI. TEST GOOD. RELEASED BIG RED TOOLS. MIRU EXPERT SLICKLINE. BREAKOUT RUPTURE DISC. RDMO SLICKLINE. SL. SD WAIT FOR FRAC.

10/25/2018: MIRU FRAC CREW. BROKE DOWN WELL WITH WATER AND 1000 GAL 15% HCL. FOAM FRAC'D MESAVERDE WITH 305,150 LBS 20/40 AND 74,747 GAL SLICKWATER AND 2.20 MILLION SCF N2. 70 QUALITY. AVG RATE = 61 BPM, AVG PSI = 4053. ISIP WAS 1650 PSI (FOAM FLUSH). DROPPED 20 BIO-BALLS WITH 1/2 OF SAND PUMPED. RD FRAC CREW. TURN WELL OVER TO FLOWBACK CREW.

10/30/2018: MIRU. NS AND REMOVE FRAC STACK. NU BOP. PT BLIND RAMS – OKAY. UNLAND HANGER. RELEASE FRAC PKR. STRIP HANGER OUT OF BOP'S. TOH AND LD 2 7/8" RTS-8 TBG F/3899 – T/2900'. SWI. SL. SDFN.

10/31/2018: MU 3 7/8" TWISTER BIT AND TIH ON 2 3/8" WRK STRING. TAG FILL @ 4672' (178' OF FILL). BREAK CIRC W/AIR MIST. CO T/4800', WELL MAKING HEAVY SAND. PMP SWEEP AND CIRC CLEAN. TOH T/4250'. SWI. SL. SDFN.

11/1/2018: TIH W/3 7/8" BIT. TAG FILL @ 4863' (25' NEW FILL OVERNIGHT). SWVL UP BREAK CIRC W/AIR MIST. CO T/CIBP @ 4863'. DO CIBP T/4865'. CONT TIH W/BIT. TAG FILL @ 6638' (37' FILL). CO SAND AND PLUG REMNANTS T/CIBP @ 6675'. DO CIBP T/6687'. TOH W/3 7/8" BIT T/4250' (ABV TOP PERFS). SWI. SL. SDFN.

11/2/2018: TIH W/3 7/8" BIT F/4250'. TAG PLUG DEBRIS @ 6687'. DO AND CHANGE CIBP AND DEBRIS T/6932'. NEW PBTD @ 6932'. CIR CLEAN. TOH W/3 7/8" BIT. MY 2 3/8" PROD BHA. TIH W/214 JTS TBG 2 3/8" 4.70#, J-55 PROD TBG. LAND TBG @ 6776'. SN @ 6674'. RD TBG HNDLNG EQUIP. ND BOP. NU WH AND TREE. PMP 2 BBLS AND DROP BALL. PT TBG T/500 PSI. TEST OKAY. SWI. RDRR ON 11/2/2018 @ 1830 HRS.

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