

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

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 checked="" type="checkbox"/> Other	7. Lease Name or Unit Agreement Name Huerfano Unit
2. Name of Operator Hilcorp Energy Company	8. Well Number 228
3. Address of Operator 382 Road 3100, Aztec, NM 87410	9. OGRID Number 372171
4. Well Location Unit Letter <u>C</u> : <u>840</u> feet from the <u>North</u> line and <u>1750</u> feet from the <u>West</u> line Section <u>32</u> Township <u>27N</u> Range <u>10W</u> NMPM County <u>San Juan</u>	10. Pool name or Wildcat Angels Peak Gallup/Basin DK
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 6100' GL	

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: ☒ RECOMPLETE

SUBSEQUENT REPORT OF:

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

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.

Hilcorp Energy Company plans to recomplete the subject well in the Gallup formation and downhole commingle with the existing Dakota. Attached is the Gallup plat, recomplete procedure and wellbore schematic. A DHC application will be filed and approved prior to work commencing. A closed loop system will be utilized for the recompletion.

MMOCD

JAN 18 2019

DISTRICT III

Spud Date:

Rig Release Date:

Completion paperwork & C-104 for Gallup required

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

SIGNATURE Cherylene Weston TITLE Operations/Regulatory Technician DATE 1-17-19

Type or print name Cherylene Weston E-mail address: cweston@hilcorp.com PHONE: 505-564-0779

For State Use Only

APPROVED BY: Brandon Russell TITLE Deputy Oil & Gas Inspector, District #3 DATE 2/6/19

Conditions of Approval (if any):

A

Huerfano Unit 228

032-027N-010W-C

API: 3004520844

Gallup Recomplete

01/14/2019

Proposed Procedure

1. MIRU Service rig and associated equipment
2. Test BOP's
3. TOOH with 2-3/8" tubing set @ 6,483'
4. Set CIBP @ 5,930" to isolate the Dakota perfs
5. Load the hole
6. ND BOP's. NU frac stack
7. RDMO Service rig
8. MIRU frac spread
9. Perforate and frac the Gallup from 5,295' to 5,830'. RDMO frac spread
10. MIRU Service rig
11. Test BOP's
12. PU mill & RIH to clean out to Dakota isolation plug
13. When water and sand rates are acceptable, flow test the Gallup
14. Drill out Dakota isolation plug & TOOH
15. TIH and land production tubing. Obtain a commingled Gallup-Dakota flow rate
16. ND BOP's, NU production tree
17. RDMO service rig & turn well over to production

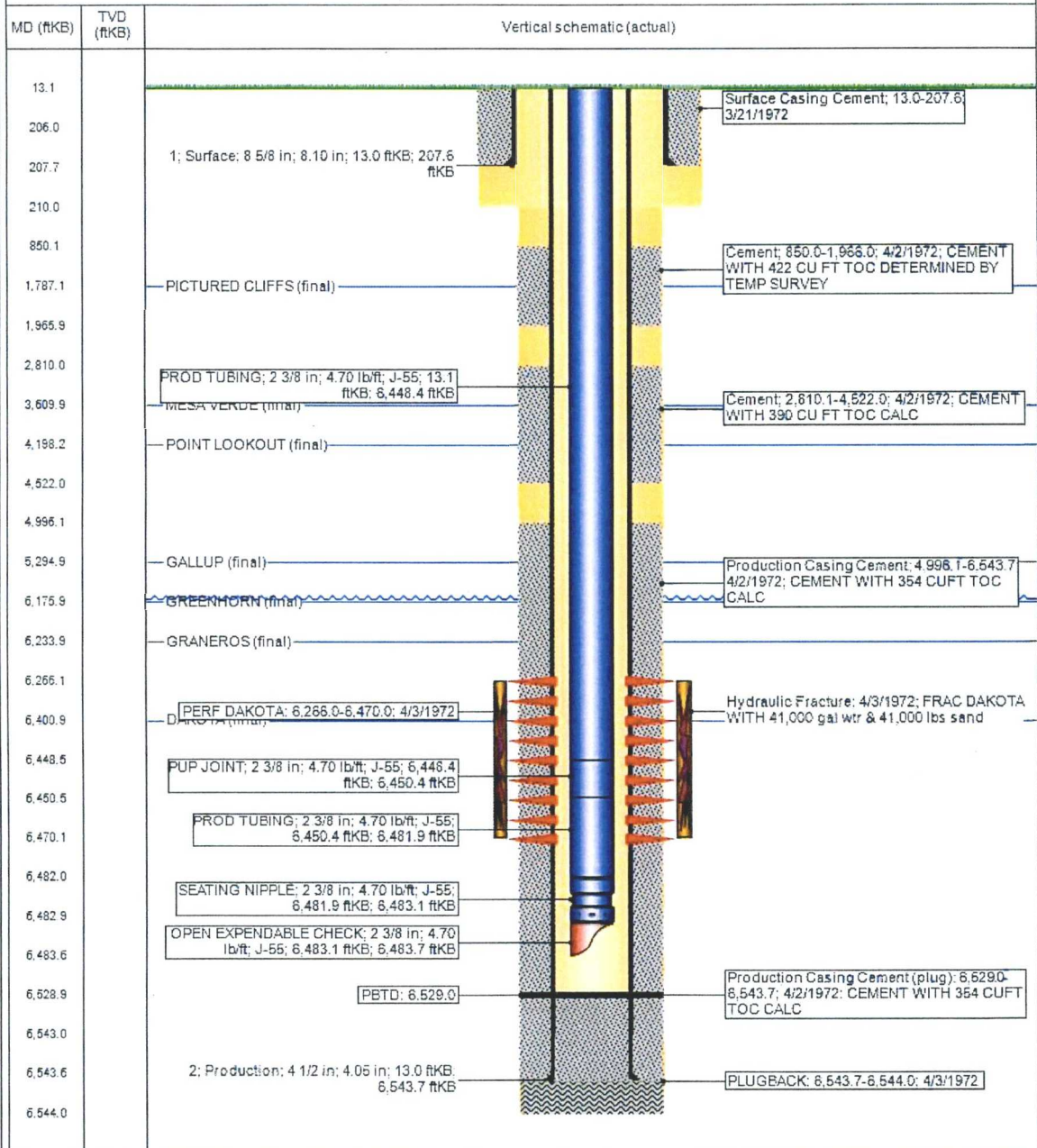


Current Schematic

Well Name: HUERFANO UNIT #228

API Well 3004520844	Surface Label Location 032-027N-010W-C	Field Name BASIN DAKOTA (PRORATED GAS)	Route 0604	State/Province NEW MEXICO	Well Configuration Type
Ground Elevation (ft) 6,100.00	Original K5 RT Elevation (ft) 6,113.00	K5-Ground Distance (ft) 13.00	K5-Casing Flange Distance (ft)	K5-Tubing Hanger Distance (ft)	

Original Hole, 1/16/2019 11:05:24 AM



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State of New Mexico
Energy, Minerals and Natural
Resources
Oil Conservation Division
1220 S. St Francis Dr.
Santa Fe, NM 87505

Form C-102
August 1, 2011

Permit 262299

WELL LOCATION AND ACREAGE DEDICATION PLAT

1. API Number 30-045-20844	2. Pool Code 2170	3. Pool Name ANGELS PEAK-GALLUP (ASSOCIATED)
4. Property Code 318578	5. Property Name HUERFANO UNIT	6. Well No. 228
7. OGRID No. 372171	8. Operator Name HILCORP ENERGY COMPANY	9. Elevation 6100

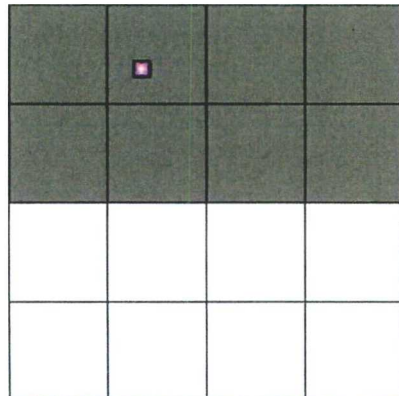
10. Surface Location

UL - Lot C	Section 32	Township 27N	Range 10W	Lot Idn	Feet From 840	N/S Line N	Feet From 1750	E/W Line W	County SAN JUAN
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11. Bottom Hole Location If Different From Surface

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
12. Dedicated Acres 320.00 - N/2	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

**OPERATOR CERTIFICATION**

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.

E-Signed By: *Cherylene Weston*
Title: Cherylene Weston, Operations/Regulatory Tech-Sr.
Date: 01-15-2019

SURVEYOR CERTIFICATION

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.

Surveyed By: DAVID KILVEN
Date of Survey: 11/26/1971
Certificate Number: 1760

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
Conditions of Approval**

Well information:

Hilcorp, Huerfano Unit #228, API# 30-045-20844

Application Type:

☒ **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)

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.