RECEIVED

Form 3160-5 (August 2007)

TYPE OF SUBMISSION

UNITED STATES DEPARTMENT OF THE INTERIOR

TYPE OF ACTION

FORM APPROVED OMB No. 1004-0137

| BUREAU OF LAND MANAGEMEN I | | Expires: July 31, 2010 | |
|--|-----------------------------------|---|--|
| | | 5. Lease Serial No. | |
| MICTALOT III | Farmington Field | Office NMSF078144 | |
| SUNDRY NOTICES AND REPO | ORTS ON WELLS of Land Ma | Findian, Allottee or Tribe Name | |
| Do not use this form for proposals | | | |
| abandoned well. Use Form 3160-3 (A | | | |
| SUBMIT IN TRIPLICATE - Other instructions on page 2. | | 7. If Unit of CA/Agreement, Name and/or No. | |
| 1. Type of Well | | | |
| Oil Well X Gas Well Other | | 8. Well Name and No. | |
| | | Pan American Federal Gas Com B 1E | |
| 2. Name of Operator | | 9. API Well No. | |
| Hilcorp Energy Company | | 30-045-24842 | |
| 3a. Address | 3b. Phone No. (include area code) | 10. Field and Pool or Exploratory Area | |
| 382 Road 3100, Aztec, NM 87410 | 505-599-3400 | Aztec Pictured Cliffs / Basin Dakota | |
| 4. Location of Well (Footage, Sec., T.,R.,M., or Survey Description) | | 11. Country or Parish, State | |
| Surface Unit G (SWNE), 1710' FNL & 1660' FEL, Sec. 31, T30N, R11W | | San Juan , New Mexico | |
| 12. CHECK THE APPROPRIATE BOX(ES |) TO INDICATE NATURE OF NO | TICE. REPORT OR OTHER DATA | |

Notice of Intent Acidize Deepen Production (Start/Resume) Water Shut-Off Well Integrity Alter Casing Fracture Treat Reclamation X Subsequent Report Casing Repair New Construction X Recomplete Other Change Plans Plug and Abandon Temporarily Abandon Plug Back Water Disposal Final Abandonment Notice Convert to Injection 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 recomplete 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 recompletion 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.)

1/7/2019 MIRU Baywater 104. BDW. ND Prod WH. NU & PT BOP assembly, Test-Good. RU Expert SL & set 3-slip stop in tbg @ 6601'. RD SL. SDFN.

1/8/2019 BWD. RU Scan X. Scan 2-3/8" tubing. RD Scan X. PU & TIH w/ 3-7/8' junk mill to 23167'. TOH. LD mill. TIH & set 4.5" CIBP @ 2200'. Load hole w/31 bbls 2% KCL water. PT CIBP & 4.5" csg 2200' - surface to 500# 3 times. Lost 100# in 8 min. TOH w/2-3/8" tbg & LD setting tool. TIH & set 4.5" tension packer @ 2188'. PT CIBP @ 2200' to 650# (test ok). Pull 5 stds. Set packer @ 1867'. PT csg frm 2200' to surface 650# x 15 min (test ok). PU & reset pkr @ 1547'. PT csg from 2200'-1547' to 540# x 15 min (test ok). PT csg from 1547'-surface to 565# x 15 min (test ok). Open bypass on pkr & PT csg from 2200'-surface to 570# x 15 min (test ok). Rel pkr & TOH. SDFN.

1/9/2019 TIH w/30 stds 2-3/8" tbg, TOH, LD 60-its tbg, RD power tongs & rig floor, ND BOP stack & kill spool, NU 9"x11" 3K DSA, PT seals to 2500# (test ok). RU Wellcheck. PT 4.5" csg from 2200' - surface to 2000#; psi drop to 1000# in 10-sec. NU BOP stack & kill spool. RU floor & power tongs. PU 2-3/8" tools. PU & set 4.5" tension packer @ 2062'. Con't Page 2.....

| 14. I hereby certify that the foregoing is true and correct. Name (Printed/Typed) | Т | | | | | |
|--|------------|--------------|------------------------|-------------|--|--|
| | | | | | | |
| Cherylene Weston | Title | Operations/R | egulatory Technician - | · Sr. | | |
| Signature Whoryleve Who | Date | 2-21-1 | 9 | | | |
| THIS SPACE FOR FEDERAL OR STATE OFFICE USE | | | | | | |
| Approved by | -11 | | | | | |
| Dave Mankiewicz | DIM | Title | AFM | Date 4/5/19 | | |
| Conditions of approval, if any, are attached. Approval of this notice does not warrant of | or certify | | | | | |
| that the applicant holds legal or equitable title to those rights in the subject lease which | h would | Office | FEA | | | |
| entitle the applicant to conduct operations thereon | | | 1 7 0 | | | |

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.

Recomplete summary con't....

01/09/2019 PT annulus 2062' – surface to 560# x 15 min, test ok. PU & set pkr @ 2091'. PT dwn tbg from 2091'-2200' to 560#, test ok. **Isolated casing leaks from 2062'-2091'.** Rel pkr. PU pkr above csg leaks. Secure well. SDFN. **Verbal approval from Brandon Powell, NMOCD & Jack Savage, BLM to proceed with setting frac string & perforating as planned and not repair casing holes, as they are within the proposed PC perforations.**

01/10/2019 TOH & LD 2-3/8" tbg & test pkr. RU Basin WL. **Run CBL 2200' – surface**. RD WL. Spot in frac string. SDFN.

01/11/2018 MIRU Basin WL. Perf Pictured Cliffs from 2071'-2089', 4 SPF, .41" dia = 72 holes. RD Basin WL. Land frac string @ 1989'. PT annulus from 2200' — surface to 590#; good test. ND BOP stack & kill spool. NU frac valve & stack. PT frac string/stack 8100# x 30 min; good test. RU SL, RIH w/ K-bars & knock out ceramic discs. RR @ 1700 hrs. WO frac.

01/31/2019 MIRU Halliburton frac & N2 equip. Test fluid lines to 9000#, test good. Test N2 pump/lines to 9200#, test good. Acidize & frac PC from 2071'-2089' w/1000 gal 15% HCL acid, 59,808 gals 70 Q water gel #20 @ 35 BPM, 183,160 # 20/40 AZ sand w/sandwedge max additive and 338,615 SCF total N2, flushed w/11 foam bbls. Recovered 425 clean bbls. Pumped 489 slurry bbls. RD Halliburton.

02/01/2019 - MIRU Ideal Flowback Services. Flowback well 24 hrs & flow test.

02/02/2019 — MIRU BH #37. ND frac stack. Set 2-way check in hanger & NU BOPE. RU floor. PT blind/pipe rams 250# low & 2000# high; tests good. LD frac packer. MU 3-7/8" junk mill, TIH PU 63 jts to 2100'. Break circ w/1050 CFM air. Est circ, well flowed 34 BPH fluid. Pull up above perfs @ 1956'; well making steady stream of heavy foam. SDFN.

02/03-02/05/2019 Con't cleanout and fluid recovery.

02/06-02/07/2019 TIH PU tbg. Tag CIBP @ 2200'. Pull up to 2126'. Cont flowback well.

02/08/2019 TIH w/ 2-jts tbg to 2030'. Flow well w/800 CFM air 2 hrs. Cont unload well, then flow naturally w/little foam returns. POOH w/mill. Circ hole clean. Land 64 jts 2-3/8", 4.7#, J-55 prod tubing @ 2091' (SN @ 2090'). ND BOP & NU tree. RR @ 1800 hrs.

2/21/2019 Obtained BLM & OCD (Brandon Powell) approval to isolate the DK w/CIBP @ 2200' for 90-days for further PC testing and evaluation.

This well is currently not producing and will be flow tested as a single PC producer on a test allowable C-104 and is waiting on RC C-104 approval.

The well will be downhole commingled per DHC-4908 when the PC is turned on to production and the DK CIBP is drilled out.