

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

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

<p>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.)</p> <p>1. Type of Well: Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other</p>		<p>WELL API NO. 30-039-29646</p>
<p>2. Name of Operator HILCORP ENERGY COMPANY</p>		<p>5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/></p>
<p>3. Address of Operator 382 Road 3100, AZTEC NM 87410</p>		<p>6. State Oil & Gas Lease No. E-289-36</p>
<p>4. Well Location Unit Letter <u>O</u> <u>500</u> feet from the <u>South</u> line and <u>2600</u> feet from the <u>East</u> line Section <u>16</u> Township <u>29N</u> Range <u>5W</u> NMPM Rio Arriba County</p>		<p>7. Lease Name or Unit Agreement Name San Juan 29-5 Unit</p>
<p>11. Elevation (Show whether DR, RKB, RT, GR, etc.) 6670' GR</p>		<p>8. Well Number 23C</p>
<p>9. OGRID Number 372171</p>		<p>10. Pool name or Wildcat Gobernador PC/Blanco MV</p>

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 Pictured Cliffs formation and downhole commingle with the existing Mesaverde. Attached is the PC C102, recompleting procedure & wellbore schematic. The DHC application will be submitted and approved prior to commingling. A closed loop system will be utilized.

NMOC

JUN 05 2019

DISTRICT III

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 Tammy Jones TITLE Operations / Regulatory Technician – Sr. DATE 6/4/2019

Type or print name Tammy Jones E-mail address: tajones@hilcorp.com PHONE: 505-324-5185

For State Use Only

APPROVED BY: [Signature] TITLE SUPERVISOR DISTRICT #3 DATE 6/17/19

Conditions of Approval (if any):

[Signature]

District I1625 N. French Dr., Hobbs, NM 88240
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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

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 268143

WELL LOCATION AND ACREAGE DEDICATION PLAT

1. API Number 30-039-29646	2. Pool Code 77440	3. Pool Name GOVERNADOR PICTURED CLIFFS (GAS)
4. Property Code 318837	5. Property Name SAN JUAN 29 5 UNIT	6. Well No. 023C
7. OGRID No. 372171	8. Operator Name HILCORP ENERGY COMPANY	9. Elevation 6670

10. Surface Location

UL - Lot O	Section 16	Township 29N	Range 05W	Lot Idn	Feet From 500	N/S Line S	Feet From 2600	E/W Line E	County RIO ARRIBA
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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	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

<div style="border: 1px solid black; height: 150px; width: 100%; background-color: black; position: relative; margin-top: 10px;"><div style="position: absolute; top: 0; left: 0; width: 100%; height: 100%;"></div></div>	<p style="text-align: center;">OPERATOR CERTIFICATION</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>Tammy Jones</i> Title: Operations/Regulatory Technician - Sr. Date: 6/4/2019</p> <hr/> <p style="text-align: center;">SURVEYOR CERTIFICATION</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: Jason Edwards Date of Survey: 8/10/2005 Certificate Number: 15269</p>
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HILCORP ENERGY COMPANY
SAN JUAN 29-5 UNIT 23C
PICTURED CLIFFS RECOMPLETION SUNDRY

JOB PROCEDURES

1. MIRU service rig and associated equipment; test BOP. Check bradenhead pressures daily and record throughout the recomplete project. Notify NMOCD and BLM of any anomalous pressure changes.
2. TOOH with 2-3/8" tubing set at 5,687'.
3. Set a 4-1/2" plug at +/- 4,584' to isolate the Mesaverde. Note: TOC at 3,260' by CBL.
4. Load the hole and perform MIT (Pressure test to 560 psi). Notify NMOCD and BLM +/-24hr prior to testing (and in the event of a failed test).
5. Set a 4-1/2" plug at +/- 3,800'.
6. Load the hole and pressure test the casing to 4,000 psi (83.5% of internal yield pressure for 4.5" - 10.5# - J-55 casing).
7. N/D BOP, N/U frac stack and pressure test frac stack.
8. Perforate and frac the Pictured Cliffs formation (Top Perforation @ 3,613'; Bottom Perforation @ 3,680').
9. If needed, isolate frac stage with a plug.
10. Nipple down frac stack, nipple up BOP and test.
11. TIH with a mill and drill out any plugs above the Mesaverde isolation plug.
12. Clean out to Mesaverde isolation plug.
13. Drill out Mesaverde isolation plug and cleanout to PBTD of 6,138'. TOOH.
14. TIH and land production tubing. Get a commingled Mesaverde/Pictured Cliffs flow rate.

Well Name: SAN JUAN 29-5 UNIT #23C

API / UWI 3003929646	Surface Legal Location 016-029N-005W-O	Field Name MV	Route 1208	State/Province NEW MEXICO	Well Configuration Type Vertical
Ground Elevation (ft) 6,670.00	Original KB/RT Elevation (ft) 6,685.00	KB-Ground Distance (ft) 15.00	KB-Casing Flange Distance (ft)	KB-Tubing Hanger Distance (ft)	

Vertical, Original Hole, 6/4/2019 10:15:52 AM
