

State of New Mexico
Energy, Minerals and Natural Resources Department

Michelle Lujan Grisham
Governor

Sarah Cottrell Propst
Cabinet Secretary

Todd E. Leahy, JD, PhD
Deputy Secretary

Adrienne Sandoval, 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: 3/15/19

Well information:

Hilcorp Energy

San Juan 27-4 Unit #60F, API# 30-039-30203

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:

- See the revised sundry received by the OCD on 6/6/19 which included corrected PC perforations to ensure they were in formation.


NMOCD processed by

6-6-19
Date

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0137
Expires: July 31, 2010

RECEIVED

5. Lease Serial No.

NMSF080674

6. If Indian, Allottee or Tribe Name

Farmington Field Office
Bureau of Land Management

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.

SUBMIT IN TRIPLICATE - Other instructions on page 2.

1. Type of Well

☐ Oil Well

☒ Gas Well

☐ Other

2. Name of Operator

Hilcorp Energy Company

3a. Address

382 Road 3100, Aztec, NM 87410

3b. Phone No. (include area code)

505-599-3400

7. If Unit of CA/Agreement, Name and/or No.

8. Well Name and No.

San Juan 27-4 Unit 60F

9. API Well No.

30-039-30203

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

Surface Unit O (SWSE) 180' FSL & 2060' FEL, Sec. 21, T27N, R04W

10. Field and Pool or Exploratory Area

Tapacito Pictured Cliffs/Basin Dakota

11. Country or Parish, State

Rio Arriba, New Mexico

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. Attached is the PC C102, recompleate procedure & wellbore schematic. The DHC application will be submitted and approved prior to commingling. A closed loop system will be utilized. Interim reclamation will be performed after surface disturbing activities.

HOLD C104 FOR DHC

14. I hereby certify that the foregoing is true and correct. Name (Printed/Typed)

Etta Trujillo

Title Operations/Regulatory Technician - Sr.

Signature

Etta Trujillo

Date

3/15/2019

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Dave Mankiewicz

Title

AFM

Date

4/5/19

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

FFO

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.

(Instruction on page 2)

FARMINGTON NMOC

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

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 265059

WELL LOCATION AND ACREAGE DEDICATION PLAT

1. API Number 30-039-30203	2. Pool Code 85920	3. Pool Name TAPACITO PICTURED CLIFFS (PRO GAS)
4. Property Code 319210	5. Property Name SAN JUAN 27 4 UNIT	6. Well No. 060F
7. OGRID No. 372171	8. Operator Name HILCORP ENERGY COMPANY	9. Elevation 6838

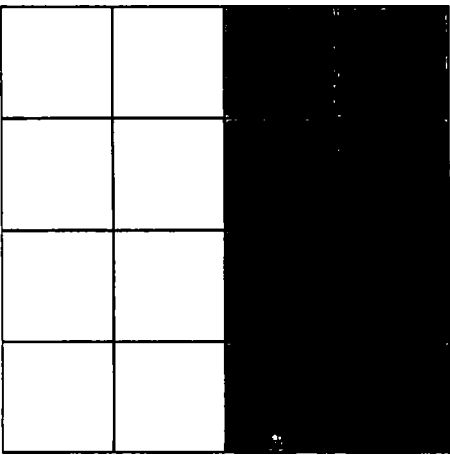
10. Surface Location

UL - Lot O	Section 21	Township 27N	Range 04W	Lot Idn	Feet From 180	N/S Line S	Feet From 2060	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 E/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

	<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>Etta Trujillo</i> Title: Operations/Regulatory Tech Sr Date: 03/15/2019</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: Henry P. Broadhurst Date of Survey: 7/25/2006 Certificate Number: 11393</p>
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HILCORP ENERGY COMPANY
SAN JUAN 27-4 UNIT 60F
PICTURED CLIFFS RECOMPLETION SUNDRY

JOB PROCEDURES

1. MIRU service rig and associated equipment; test BOP.
2. TOOH with 2-3/8" tubing set at 8,032'.
3. Set a 4-1/2" plug at +/- 7,844' to isolate the **Dakota**. (Note: TOC at 2,240' by CBL)
4. Load the hole and perform MIT (Pressure test to 560 psi).
5. Set a 4-1/2" plug at +/- 3,880'.
6. Load the hole and pressure test the casing.
7. N/D BOP, N/U frac stack and pressure test frac stack.
8. Perforate and frac the **Pictured Cliffs** formation (Top Perforation @ 3,704'; Bottom Perforation @ 3,780').
9. Isolate frac stage with a plug.
10. Nipple down frac stack, nipple up BOP and test.
11. TIH with a mill and drill out top isolation plug and **Picture Cliffs** frac plug .
12. Clean out to **Dakota** isolation plug.
13. Drill out **Dakota** isolation plug and cleanout to PBTD of 8,135'. TOOH.
14. TIH and land production tubing. Get a commingled **Dakota/Pictured Cliffs** flow rate.



HILCORP ENERGY COMPANY
SAN JUAN 27-4 UNIT 60F
PICTURED CLIFFS RECOMPLETION SUNDRY

SAN JUAN 27-4 UNIT 60F - CURRENT WELLBORE SCHEMATIC

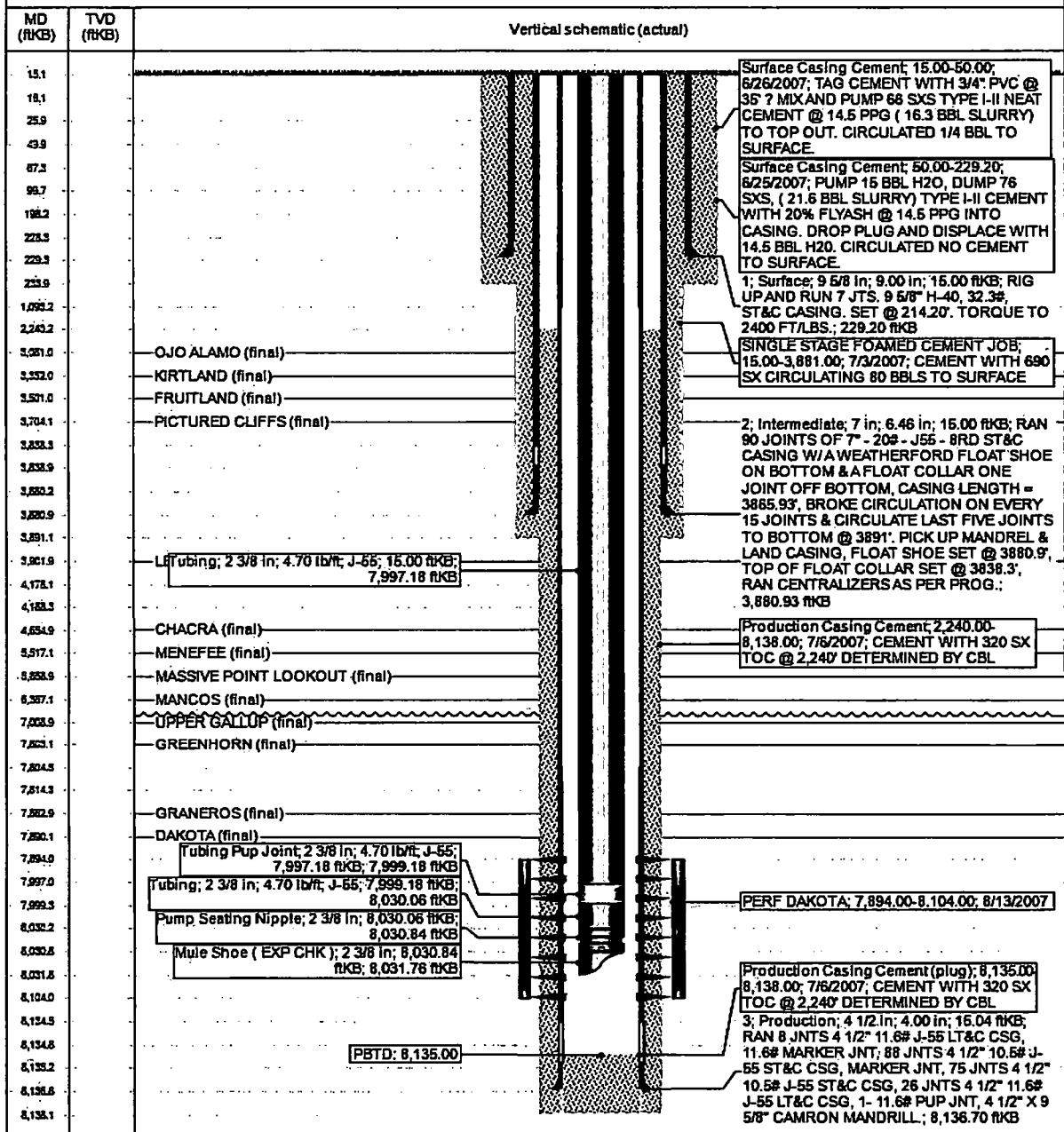


Current Schematic - Version 3

Well Name: SAN JUAN 27-4 UNIT #60F

API/UNW 3003930203	Surface Legal Location 021-027N-004W-O	Field Name BASIN DAKOTA	Route 1401	State/Province NEW MEXICO	Well Configuration Type VERTICAL
Ground Elevation (ft) 6,838.00	Original K5 RT Elevation (ft) 6,853.00	K5-Ground Distance (ft) 15.00	K5-Casing Flange Distance (ft)	K5-Tubing Hanger Distance (ft)	

VERTICAL, Original Hole, 3/14/2019 5:17:29 PM



UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0137
Expires: July 31, 2010

5. Lease Serial No.

NMSF080674

6. If Indian, Allottee or Tribe Name

SUNDRY NOTICES AND REPORTS ON WELLS

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SUBMIT IN TRIPLICATE - Other instructions on page 2.

1. Type of Well

☐ Oil Well

☒ Gas Well

☐ Other

7. If Unit of CA/Agreement, Name and/or No.

8. Well Name and No.

San Juan 27-4 Unit 60F

2. Name of Operator

Hilcorp Energy Company

9. API Well No.

30-039-30203

3a. Address

382 Road 3100, Aztec, NM 87410

3b. Phone No. (include area code)

505-599-3400

10. Field and Pool or Exploratory Area

Tapacito Pictured Cliffs/Basin Dakota

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

Surface Unit O (SWSE) 180' FSL & 2060' FEL, Sec. 21, T27N, R04W

11. Country or Parish, State

Rio Arriba, New Mexico

12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT OR OTHER DATA

TYPE OF SUBMISSION

TYPE OF ACTION

☒ Notice of Intent

☐ Subsequent Report

☐ Final Abandonment Notice

☐ Acidize

☐ Alter Casing

☐ Casing Repair

☐ Change Plans

☐ Convert to Injection

☐ Deepen

☐ Fracture Treat

☐ New Construction

☐ Plug and Abandon

☐ Plug Back

☐ Production (Start/Resume)

☐ Reclamation

☒ Recomplete

☐ Temporarily Abandon

☐ Water Disposal

☐ Water Shut-Off

☐ Well Integrity

☒ Other

Revised Perfs

13. Describe Proposed or Completed Operation: Clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof.

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Notify NMOCD 24 hrs
prior to beginning
operations

NMOCD

HOLD C102 FOR DHC

SEE ATTACHED
FOR CONDITIONS
OF APPROVAL

APR 06 2019

DISTRICT III

14. I hereby certify that the foregoing is true and correct. Name (Printed/Typed)

Etta Trujillo

Title Operations/Regulatory Technician - Sr.

Signature

Etta Trujillo

Date

4/12/2019

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Petr. Eng

Title

Petr. Eng

Date

6/4/19

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Form C-102
August 1, 2011

Permit 265059

WELL LOCATION AND ACREAGE DEDICATION PLAT

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	OPERATOR CERTIFICATION	
	<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>	
	E-Signed By: <i>Etta Trujillo</i> Title: Operations/Regulatory Tech Sr Date: 03/15/2019	
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<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>		
Surveyed By: Henry P. Broadhurst Date of Survey: 7/25/2006 Certificate Number: 11393		



HILCORP ENERGY COMPANY
SAN JUAN 27-4 UNIT 60F
PICTURED CLIFFS RECOMPLETION SUNDRY

JOB PROCEDURES

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HILCORP ENERGY COMPANY
SAN JUAN 27-4 UNIT 60F
PICTURED CLIFFS RECOMPLETION SUNDRY

SAN JUAN 27-4 UNIT 60F - CURRENT WELLBORE SCHEMATIC

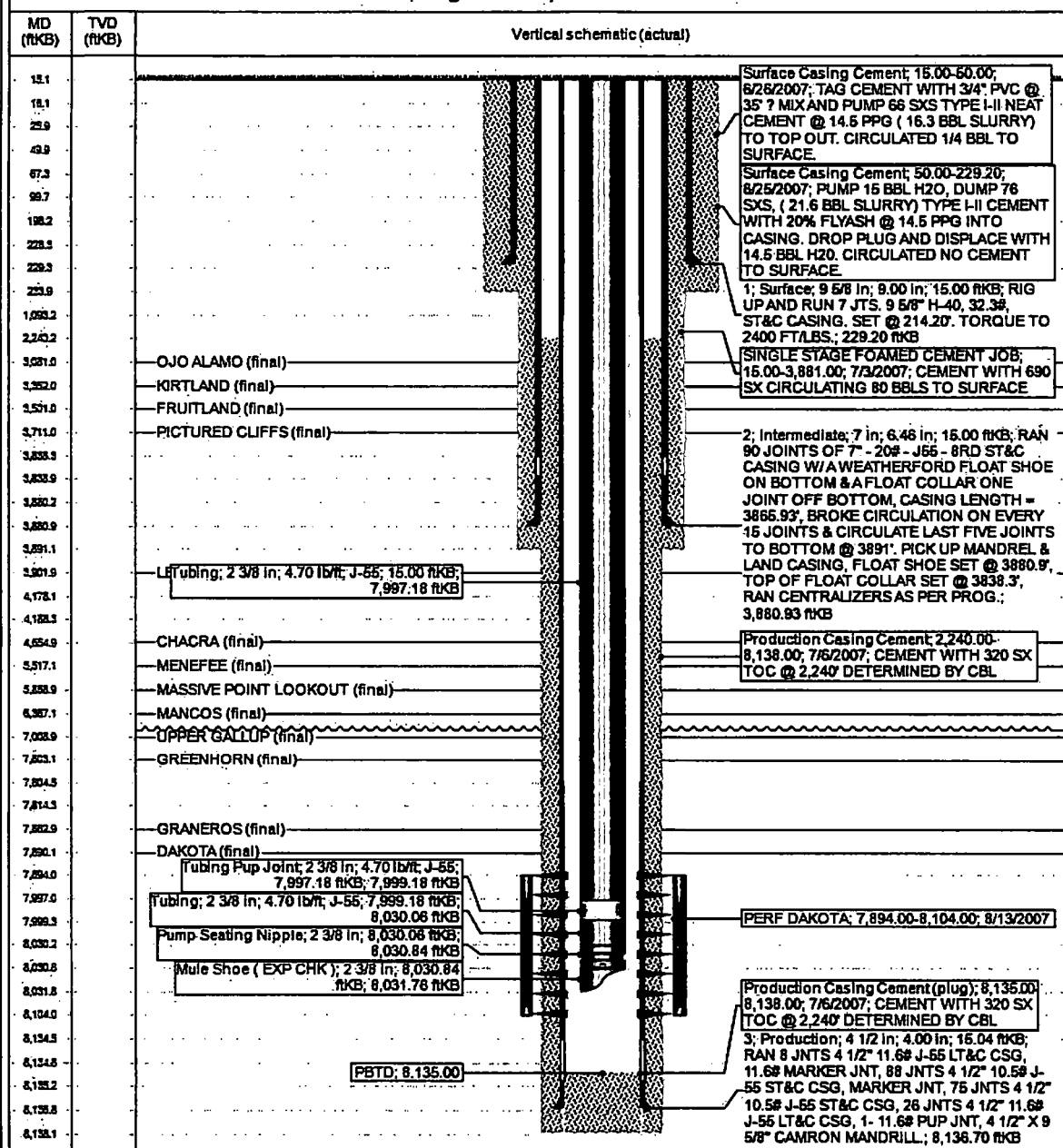


Current Schematic - Version 3

Well Name: SAN JUAN 27-4 UNIT #60F

API/UWI 3003930203	Surface Legal Location 021-027N-004W-O	Field Name BASIN DAKOTA	Route 1401	State/Province NEW MEXICO	Well Configuration Type VERTICAL
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VERTICAL, Original Hole, 4/12/2019 9:55:17 AM



UNITED STATES DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
FARMINGTON DISTRICT OFFICE
6251 COLLEGE BLVD.
FARMINGTON, NEW MEXICO 87402

Attachment to notice of Intent to
Recomplete and Commingle
Well: San Juan 27-4 Unit , #60F
CONDITIONS OF APPROVAL

1. Contact BLM Inspection and Enforcement @ (505) 564-7750, 24 hours prior to conducting MIT work so an Inspector can be present to witness the MIT.

Contact Jim Lovato, Petroleum Engineer @ (505) 564-7746 or Cell # @ (505) 320-7378 to discuss failed MIT results and/or your remedial action and isolation plans.

Submit the electronic copy of the MIT Test Chart and CBL for verification to the following addresses: jlovato@blm.gov and Brandon.Powell@state.nm.us

2. The following modifications to your recompletion program are to be made:
 - a) Upon rigging up, record Bradenhead pressure and monitor same during recompletion operations. Notify BLM and NMOCD if anomalous pressure changes occur. Provide monitoring results on the Subsequent Report of Operations.
 - b) Casing pressure test for fracture stimulation operations cannot exceed the internal yield strength of the casing including a 20% safety factor unless a waiver is granted. Stimulation operations cannot exceed this test pressure.
3. File Well test and Recompletion results within 30 days of completing recompletion operations.

Office Hours: 7:45 a.m. to 4:30 p.m.