

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

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

Form C-103
Revised July 18, 2013

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.)		WELL API NO. 30-045-09822
1. Type of Well: Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other		5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>
2. Name of Operator HILCORP ENERGY COMPANY		6. State Oil & Gas Lease No. FEE
3. Address of Operator 382 Road 3100, Aztec, NM 87410		7. Lease Name or Unit Agreement Name CLAYTON
4. Well Location Unit Letter <u>N</u> <u>990</u> feet from the <u>South</u> line and <u>1850</u> feet from the <u>West</u> line Section <u>02</u> Township <u>30N</u> Range <u>12W</u> NMPM San Juan County		8. Well Number 1
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 5769'		9. OGRID Number 372171
		10. Pool name or Wildcat Blanco Mesaverde/Flora Vista Gallup/ Basin Dakota

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: ☒ RECOMPLETION

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 requests permission to recomplete the subject well in the Mesaverde and downhole trimingle with the existing Gallup and Dakota formations. Attached is the procedure, wellbore diagram and plat. A DHC application will be filed and approved prior to trimingling. A closed loop system will be used.

Density Exception Order Approval R-20508

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 Priscilla Shorty TITLE Operations Regulatory Technician Sr. DATE 5/28/2019

Type or print name Priscilla Shorty E-mail address: pshorty@hilcorp.com PHONE: 505-324-5188

For State Use Only

APPROVED BY: Branch Roll TITLE SUPERVISOR DISTRICT #3 DATE 6/6/19

Conditions of Approval (if any):

RV

District I

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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 267856

WELL LOCATION AND ACREAGE DEDICATION PLAT

1. API Number 30-045-09822	2. Pool Code 72319	3. Pool Name BLANCO-MESAVERDE (PRORATED GAS)
4. Property Code 325065	5. Property Name CLAYTON	6. Well No. 001
7. OGRID No. 372171	8. Operator Name HILCORP ENERGY COMPANY	9. Elevation 5769

10. Surface Location

UL - Lot N	Section 2	Township 30N	Range 12W	Lot Idn	Feet From 990	N/S Line S	Feet From 1850	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	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; width: 100%; height: 100%; position: relative;"><div style="position: absolute; top: 0; left: 0; width: 100%; height: 100%; background-color: black; opacity: 0.5;"></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>Priscilla Shorty</i> Title: Operations Regulatory Tech - Sr. Date: 5/28/2019</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: James Leese Date of Survey: 6/23/1961 Certificate Number: 1463</p>
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HILCORP ENERGY COMPANY
CLAYTON 1
MESA VERDE RECOMPLETION SUNDRY

API #: 3004509822

JOB PROCEDURES

☒ NMOCD **Contact OCD and BLM (where applicable) 24 hrs prior to MIRU or running MITs. Record and document all casing pressures**
☐ BLM **daily, including BH, IC (if present) and PC. Comply with all NMOCD, BLM (where applicable), and HEC safety and environmental regulations.**

1. MIRU workover rig and associated equipment; NU and test BOP.
2. TOOH with **2 3/8"** tubing set at **6,467'**.
3. Set a **5-1/2"** cast iron bridge plug at +/- **5,904'** to isolate the **Gallup / Dakota**
4. Load hole with fluid, PT the csg to 600 psi and run a CBL on the 5-1/2" casing. Verify cement bond within the **Mesa Verde** and confirm TOC. Review CBL results with the regulatory agencies, perform cmt remediation and re-log, as required.
5. Perform a witnessed MIT test on the csg with the appropriate regulatory agencies to 600 psi
6. Set a **5-1/2"** cast iron bridge plug at +/- **4,893'** to provide a **base for the frac.**
7. Perforate the **Mesa Verde**. (Top perforation @ 3,715', Bottom perforation @ 4,793')
8. RIH w/ BHA (frac string, packer, burst disc sub), set packer @ ~3,615'.
9. ND BOPs, NU frac stack. PT frac stack to 9,000#. PT frac string to 9,000#, PT backside to 300# (to insure packer is set).
 NOTE: frac string is 2-7/8" 6.5# P110 with BTS-8 connections. PT is to max anticipated treating pressure (~60% of burst)
10. Break disc with slickline
11. Frac the **Mesa Verde** in 1-2 stages down the frac string.
12. Flowback well for 1-3 days as required. Collect a MV only gas sample for analysis.
13. MIRU workover rig. Nipple down frac stack, nipple up BOPs and test.
14. Release packer and POOH w/ frac string
15. TIH w/ mill and clean down to the top of the **base of frac plug** at **4,893'**. Take **Mesa Verde** gas samples and send for analysis
16. Drill out **base of frac plug** and cleanout to Gallup/DK isolation plug at **5,904'**. POOH.
17. Drill out Dakota isolation plug and cleanout to PBTD of **6,510' (TOF)**. TOOH.
18. TIH and land production tubing. ND BOPs and NU tree. Pump off expendable check.
19. RDMO. Get a trimingled **Dakota/Gallup/Mesa Verde** flow rate.



HILCORP ENERGY COMPANY
CLAYTON 1
MESA VERDE RECOMPLETION SUNDRY

CLAYTON 1 - CURRENT WELLBORE SCHEMATIC



Schematic - Current

Well Name: (PRE-IMPORT) CLAYTON #1

API: LWN: 3004509822	Surface Legal Location N-2-30N-12W	Field Name	License No.	State/Province NEW MEXICO	Well Configuration Type Vertical
Original KB RT Elevation (ft): 5,781.00	KB-Ground Distance (ft): 11.00	Original Spud Date 6/27/1961 20:00	Rig Release Date	PSTD (Alt) (ftKB): Original Hole - 6,687.0	Total Depth Alt (TVD) (ftKB)

Most Recent Job

Job Category	Primary Job Type	Secondary Job Type	Actual Start Date	End Date
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TD: 6,701.0

Vertical, Original Hole, 5/24/2019 1:09:13 PM

