

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: 5/16/19

Well information:

HILCORP ENERGY COMPANY

30-039-22211 SAN JUAN 30 6 UNIT #088A

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:

- Submit CBL with gamma ray for confirmation of P.C. top prior to perforating the Pictured Cliffs.

NMOCD processed by

7/22/19
Date

RECEIVED

Form 3160-5
(August 2007)UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM APPROVED
OMB No. 1004-0137
Expires: July 31, 20105. Lease Serial No. **NMSF079002** Farmington Field Office
of Land Management

6. If Indian, Allottee or Tribe Name

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.

San Juan 30-6 Unit

8. Well Name and No.

San Juan 30-6 Unit 88A

9. API Well No.

30-039-22211

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

Surface**Unit F (SENW) 1535' FNL & 1660' FWL, Sec. 7, T30N, R06W**

10. Field and Pool or Exploratory Area

Gobernador Pictured Cliffs/Blanco MV

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 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.)

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, recomplete 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 DHCNMOCD
JUL 17 2019
DISTRICT IIISEE ATTACHED FOR
CONDITIONS OF APPROVALNotify NMOCD 24 hrs
prior to beginning
operations

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

Tammy JonesTitle **Operations/Regulatory Technician - Sr.**

Signature

Tammy Jones

Date

5/16/2019

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Title

Office

Date

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.

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)

NMOCD

ACCEPTED FOR RECORD
JUL 15 2019
FARMINGTON FIELD OFFICE

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 267473

WELL LOCATION AND ACREAGE DEDICATION PLAT

1. API Number 30-039-22211	2. Pool Code 77440	3. Pool Name GOVERNADOR PICTURED CLIFFS (GAS)
4. Property Code 318716	5. Property Name SAN JUAN 30 6 UNIT	6. Well No. 088A
7. OGRID No. 372171	8. Operator Name HILCORP ENERGY COMPANY	9. Elevation 6451

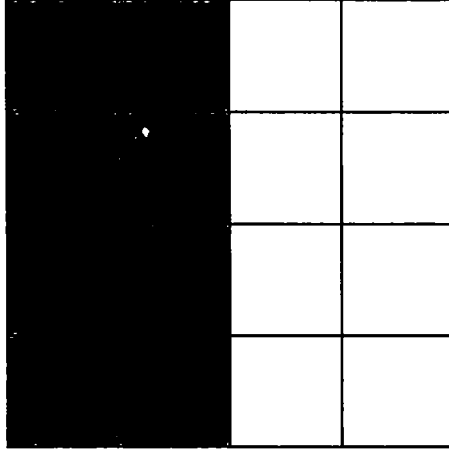
10. Surface Location

UL - Lot F	Section 7	Township 30N	Range 06W	Lot Idn	Feet From 1535	N/S Line N	Feet From 1660	E/W Line W	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

	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>Tammy Jones</i>	
	Title: Operations/Regulatory Technician - Sr. Date: 5/15/2019	
	SURVEYOR CERTIFICATION	
	<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: Fred B. Kerr Jr.	
	Date of Survey: 8/6/1979	
	Certificate Number: 3950	



HILCORP ENERGY COMPANY
SAN JUAN 30-6 UNIT 88A
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 6,023'.
3. Set a 4-1/2" plug at +/- 4,225' to isolate the **Mesaverde**.
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. RU Wireline. Run CBL. Record Top of Cement. Report findings to regulatory agencies.
6. Set a 4-1/2" plug at +/- 3,650'.
7. Load the hole and pressure test the casing to 3,150 psi (84.2% of internal yield pressure for 7.0" - 20.0# - K-55 casing).
8. N/D BOP, N/U frac stack and pressure test frac stack.
9. Perforate and frac the **Pictured Cliffs** formation (Top Perforation @ 3,395'; Bottom Perforation @ 3,609').
10. If needed, isolate frac stage with a plug.
11. Nipple down frac stack, nipple up BOP and test.
12. TIH with a mill and drill out any plugs above the **Mesaverde** isolation plug.
13. Clean out to **Mesaverde** isolation plug.
14. Drill out **Mesaverde** isolation plug and cleanout to PBD of 6,101'. TOOH.
15. TIH and land production tubing. Get a commingled **Mesaverde/Pictured Cliffs** flow rate.



HILCORP ENERGY COMPANY
SAN JUAN 30-6 UNIT 88A
PICTURED CLIFFS RECOMPLETION SUNDRY

SAN JUAN 30-6 UNIT 88A - CURRENT WELLBORE SCHEMATIC



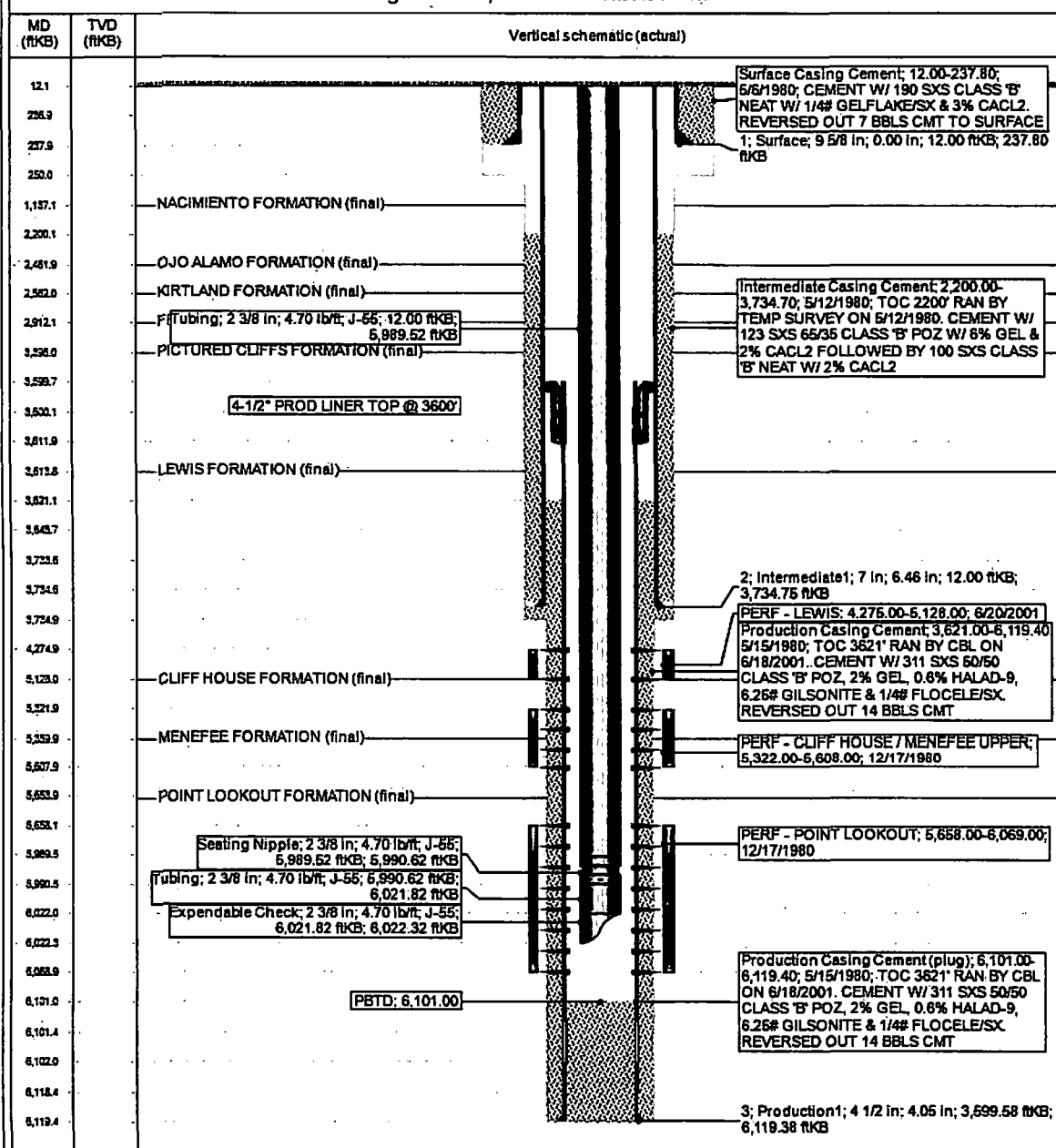
Hilcorp Energy Company

Current Schematic - Version 3

Well Name: SAN JUAN 30-6 UNIT #88A

API Well 3003922211	Surface Legal Location 007-030N-006W-F	Field Name WILDCAT;30N6W7FPC	Route 1103	State/Province NEW MEXICO	Well Configuration Type
Ground Elevation (ft) 8,451.00	Original KS RT Elevation (ft) 6,483.00	KS-Ground Distance (ft) 12.00	KS-Casing Plug Distance (ft)	KS-Tubing Plug Distance (ft)	

Original Hole, 5/13/2019 1:28:36 PM



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 & Commingle

Well: San Juan 30-6 Unit 88A 30-039-22211

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 John Hoffman, Petroleum Engineer @ (505) 564 – 7742 to discuss any 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: jhoffman@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 in 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.
- c) CIBP for base of fracture stimulation to be set less 50' above top existing perforation.

3. File well test and recompletion results within 30 days of completing recompletion operations.