

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

RECEIVED
FORM APPROVED
OMB No. 1004-0137
Expires July 31, 2010
MAY 23 2019

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 <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. SF080724A
2. Name of Operator Hilcorp Energy Company		6. If Indian, Allotment or Tribal Name Bureau of Land Management
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. Zachry 16E
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Surface Unit P (SESE) 830' FSL & 830' FEL, Sec. 33, T29N, R10W		8. Well Name and No. 30-045-24434
		9. API Well No. Blanco MV / Otero CH / Basin DK
		10. Field and Pool or Exploratory Area San Juan, New Mexico
		11. Country or Parish, State

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 Mesaverde formation and downhole commingle with the existing Chacra and Dakota. Attached is the MV C-102, 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.

Notify NMOCD 24 hrs
prior to beginning
operations

NMOCD

JUN 23 2019

DISTRICT III

14. I hereby certify that the foregoing is true and correct. Name (Printed/Typed) Cherylene Weston		Title Operations/Regulatory Technician - Sr.
Signature <i>Cherylene Weston</i>		Date 5-23-19

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by <i>[Signature]</i>	Petroleum Engineer Title	20 Jun 2019 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.	Office FEO	

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.

NMOCD

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 267725

WELL LOCATION AND ACREAGE DEDICATION PLAT

1. API Number 30-045-24434	2. Pool Code 72319	3. Pool Name BLANCO-MESAVERDE (PRORATED GAS)
4. Property Code 318769	5. Property Name ZACHRY	6. Well No. 016E
7. OGRID No. 372171	8. Operator Name HILCORP ENERGY COMPANY	9. Elevation 5781

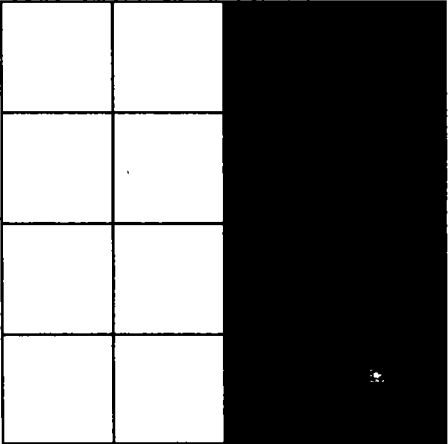
10. Surface Location

UL - Lot P	Section 33	Township 29N	Range 10W	Lot Idn	Feet From 830	N/S Line S	Feet From 830	E/W Line E	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 - 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

	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>Cherylene Weston</i>	
	Title: Cherylene Weston, Operations/Regulatory Tech - Sr. Date: 05/22/2019	
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: JAMES P. LEESE		
Date of Survey: 2/20/1980		
Certificate Number: 1463		



HILCORP ENERGY COMPANY
ZACHRY #16E
MESAVERDE PROCEDURE

API #: 30-045-24434

JOB PROCEDURES

1. MIRU Service rig and associated equipment, test BOP. Check Bradenhead pressures daily and record throughout the recomple project. Notify NMOCD and BLM if any anomalous pressures changes occur on the Bradenhead.
2. TOOH w/ 2 3/8" tubing set at 6,580'.
3. MU 4.5" CIBP and set at ~6,350' or deeper (no higher than 50' above existing perforations, which are currently located at 6,400')
4. There is no CBL on file, so we will run one. Roll hole. RU E-line truck and equipment, MU CBL tools and RIH. Log well with a CBL from the CIBP to Surface. Submit CBL results to NMOCD and BLM. Confirm if found cement top gives adequate coverage of newly requested perforations with BLM and NMOCD. Remediate cement top if necessary to get adequate cement coverage. If remedial cement is required, keep in communication with BLM and NMOCD regarding pressure testing and path forward until coverage is accepted by both.
5. Go in hole w/ packer and tubing and set packer beneath 3,084'.
6. Perform MIT down tubing to CBP to ~6,350', providing 24 hr notice to BLM and NMOCD. Once completed, review and submit the MIT charted test results to both the NMOCD and BLM. If the MIT fails, discuss and gain approval with both the NMOCD and BLM with a plan of action to remediate the wellbore. Perform a 2nd MIT once remediated.
7. Once passed and all approvals are in, perforate Mesaverde zone from 3,557'-4,775' (This is requested interval)
8. RIH w/ frac string and packer and set packer above top Mesaverde perf.
9. ND BOP, NU frac stack. Pressure test the frac string and frac stack to maximum frac pressure. The pressure test will not exceed 85% of the internal yield pressure rating of the primary treatment string (frac string). Break ceramic disc in frac string. Well is ready to frac.
10. Frac Mesaverde formation from 3,557'-4,775' (This is requested interval)
11. ND the frac stack, NU the BOP and test.
12. TOOH w/ frac string. TIH with a mill. Tag and drill out the isolation plug set at ~6,350'. Clean out to PBTD of 6,618'.
13. Once water and sand rates are acceptable. TOOH.
14. TIH and land production tubing. Get a commingled Dakota/MV/Chacra flow rate.

Well Name: ZACHRY #16E

API / UWI 3004524434	Surface Legal Location 033-029N-010W-P	Field Name BSN DK(PRO GAS)	#0068	Route 0707	State/Province NEW MEXICO	Well Configuration Type
Ground Elevation (ft) 5,781.00	Original KB/RT Elevation (ft) 5,794.00	KB-Ground Distance (ft) 13.00	KB-Casing Flange Distance (ft)	KB-Tubing Hanger Distance (ft)		

Original Hole, 5/23/2019 10:13:37 AM

