

RECEIVED

Form 3160-5
(August 2007)UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM APPROVED
OMB No. 1004-0137
Expires: July 31, 2010

5. Lease Serial No.

NMSE078198

Farmington Field Office
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.

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

8. Well Name and No.

NYE SRC 13E

9. API Well No.

30-045-29605

10. Field and Pool or Exploratory Area

Blanco Mesaverde/Basin Dakota

11. Country or Parish, State

San Juan, New Mexico

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

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

Surface Unit L (NW/SW) 1595' FSL & 1165' FWL, Sec. 12, T30N, R11W

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

TYPE OF SUBMISSION

TYPE OF ACTION

☒ Notice of Intent☐ Acidize☐ Deepen☐ Production (Start/Resume)☐ Water Shut-Off☐ Subsequent Report☐ Alter Casing☐ Fracture Treat☐ Reclamation☐ Well Integrity☐ Final Abandonment Notice☐ Casing Repair☐ New Construction☒ Recomplete☐ Other☐ Change Plans☐ Plug and Abandon☐ Temporarily Abandon☐ Convert to Injection☐ Plug Back☐ 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 requests permission to recompleate the subject well in the Mesaverde and downhole commingle with the existing Dakota formation. Attached is the procedure, wellbore diagram, plat, and gas capture plan. A DHC application will be filed and approved prior to commingling. A closed loop system will be used. Interim reclamation will be performed after surface disturbing activities

Density Approval Order R-20511

NMOC

JUL 02 2019

DISTRICT III

SEE ATTACHED FOR
CONDITIONS OF APPROVAL

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

Priscilla Shorty

Title Operations/Regulatory Technician - Sr.

Signature

Date 5/20/2019

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

ACCEPTED FOR RECORD

Title

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

FARMINGTON FIELD OFFICE

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)

NMOC

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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 267650

WELL LOCATION AND ACREAGE DEDICATION PLAT

1. API Number 30-045-29605	2. Pool Code 72319	3. Pool Name BLANCO-MESAVERDE (PRORATED GAS)
4. Property Code 318650	5. Property Name NYE SRC	6. Well No. 013E
7. OGRID No. 372171	8. Operator Name HILCORP ENERGY COMPANY	9. Elevation 5925

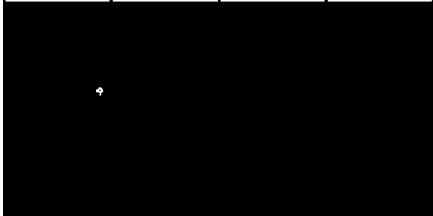
10. Surface Location

UL - Lot L	Section 12	Township 30N	Range 11W	Lot Idn	Feet From 1595	N/S Line S	Feet From 1165	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 320.68			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>Priscilla Shorty</i> Title: Operations Regulatory Technician - Sr. Date: 5/20/2019
	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: Neale Edwards Date of Survey: 1/13/1998 Certificate Number: 6857



HILCORP ENERGY COMPANY
NYE SRC 13E
MESA VERDE RECOMPLETION SUNDRY

API #: 3004529605

JOB PROCEDURES

- ☒ NMOCD Contact OCD and BLM 24 hrs prior to MIRU. Record and document all casing pressures daily.
- ☒ BLM including BH, IC (if present) and PC. Comply with all applicable NMOCD, BLM, City of Aztec,
- ☒ City of Aztec and HEC safety and environmental regulations.

1. MIRU service rig and associated equipment; NU and test BOP.
2. TOOH with **2 3/8"** tubing set at **7,066'**.
3. MU a **4-1/2"** cast iron bridge plug and RIH with work string; set CIBP at +/- **6,800'** to isolate the existing Dakota Formation.
4. Load wellbore full of water and circulate the wellbore clean.
5. RU pressure test truck. Perform a Mechanical Integrity Test on the wellbore. Chart record the MIT test (Notify NMOCD & BLM +24hr before actual test). Review and submit the MIT test results to the NMOCD and BLM. If the MIT fails, discuss with both the NMOCD and BLM on a plan of action to remediate the wellbore. Perform 2nd MIT once remediated.
6. MU a **4-1/2"** cast iron bridge plug and RIH with work string; set +/-50' below the lowest perf interval picked for the Mesa Verde frac interval.
7. TOOH and LD the work string. ND the BOP, NU a 5K Frac stack.
8. Pressure test the production casing and the frac stack to frac pressure. The pressure test will not exceed **83.5%** of the internal yield strength of the casing string.
9. RDMO service rig. MIRU completion crew and equipment.
10. Perforate and frac the **Mesa Verde** in two or three stages. (Top perforation @ **4,063'**, Bottom perforation @ **5,025'**)
11. Isolate frac stages with a composite bridge plug and set a top isolation plug once frac is completed.
12. RDMO completion crew/equipment. MIRU service rig.
13. ND the frac stack, NU the BOP and test.
14. MU and RIH with a mill and drill out top isolation plug and Mesa Verde frac plugs.
15. Clean out the wellbore to top of the Dakota isolation plug.
16. Once water and sand rates are at an acceptable rate, drill out Dakota isolation plug and cleanout to PBTD of **7,110'**. TOOH.
17. TIH and land production tubing. Get a commingled **Dakota/Mesa Verde** flow rate.

HEC has reviewed and agree with all reservoir formation tops as per NMOCD website for the wellbore. The Huerfanito Bentonite top is at 3,205'. The wellbore is North of the Chacra Line.



HILCORP ENERGY COMPANY
NYE SRC 13E
MESA VERDE RECOMPLETION SUNDRY

NYE SRC 13E - CURRENT WELLBORE SCHEMATIC



Schematic - Current

Well Name: NYE SRC #13E

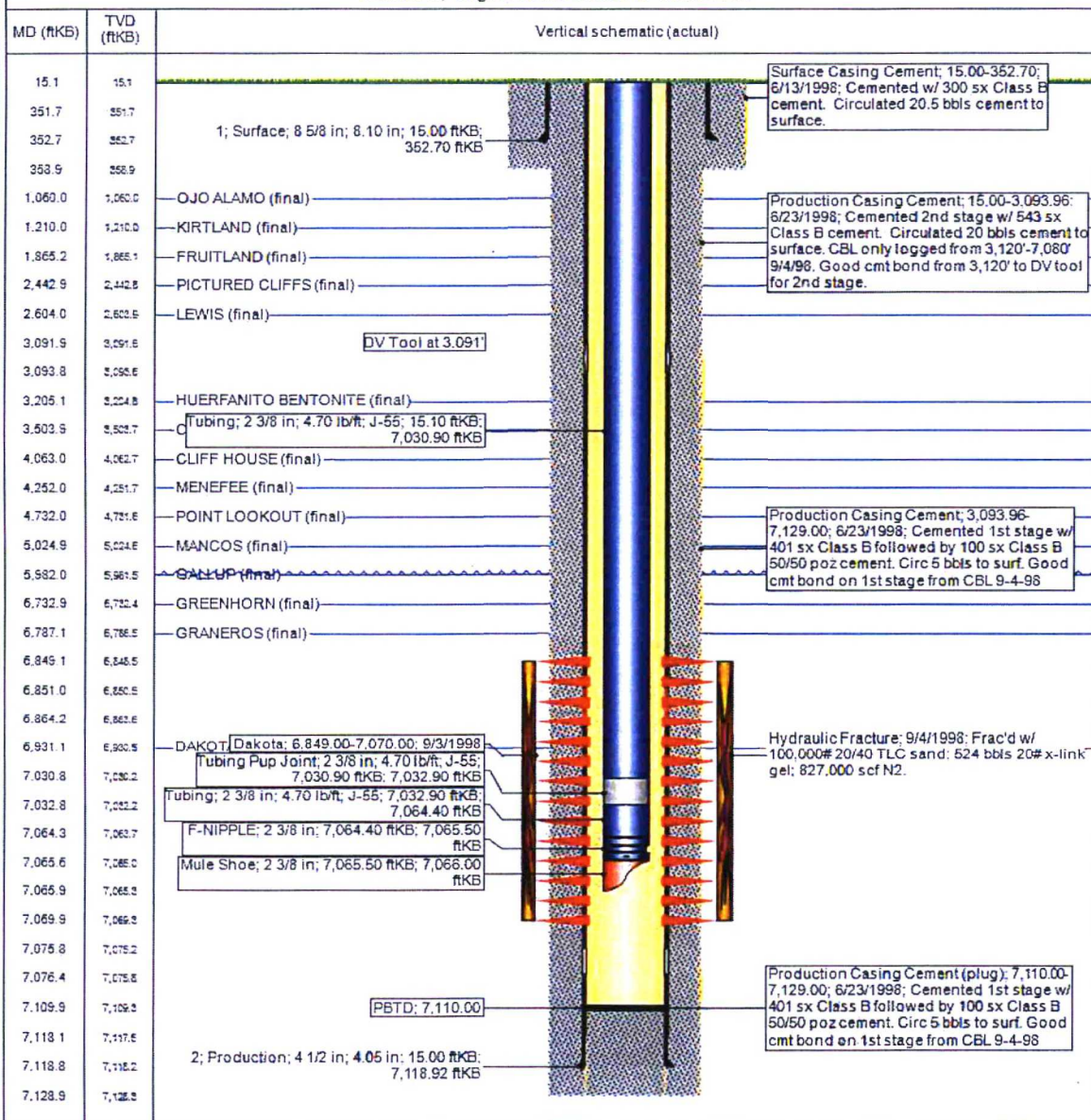
API / UWI 3004529605	Surface Legal Location 012-030N-011W-L	Field Name BASS IN DAKOTA (PRODUCED 3 ROOST)	License No.	State/Province NEW MEXICO	Well Configuration Type VERTICAL
Original KB RT Elevation (ft) 5,940.00	KB-Ground Distance (ft) 15.00	Original Spud Date 6/12/1998 20:00	Rig Release Date 9/8/1998 13:45	PSTD (ft) (ftKB) Original Hole - 7,110.0	Total Depth At (TVD) (ftKB)

Most Recent Job

Job Category WELL INTERVENTION	Primary Job Type TUBING REPAIR	Secondary Job Type	Actual Start Date 6/18/2008	End Date 8/20/2008
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TD: 7,129.0

VERTICAL, Original Hole, 5/17/2019 1:03:34 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: NYE SRC 13E 30-045-29605

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 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.