

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB NO. 1004-0137
Expires: January 31, 2018

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.

5. Lease Serial No.
NMNM01594

6. If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE - Other instructions on page 2

7. If Unit or CA/Agreement, Name and/or No.
8910005690

1. Type of Well
☐ Oil Well ☒ Gas Well ☐ Other

8. Well Name and No.
SAN JUAN 32-9 UNIT 31

2. Name of Operator
HILCORP ENERGY COMPANY
Contact: PRISCILLA SHORTY
E-Mail: pshorty@hilcorp.com

9. API Well No.
30-045-10717-00-S1

3a. Address
1111 TRAVIS STREET
HOUSTON, TX 77002

3b. Phone No. (include area code)
Ph: 505-324-5188

10. Field and Pool or Exploratory Area
BLANCO MESAVERDE

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

Sec 13 T31N R10W NESW 1749FSL 1649FWL
36.895630 N Lat, 107.836670 W Lon

11. County or Parish, State

SAN JUAN COUNTY, NM

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"/> Hydraulic Fracturing	<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 requests permission to recompleate the subject well in the Pictured Cliffs and downhole commingle with the existing Mesaverde formation. Attached is the procedure, wellbore diagram, plat, gas capture plan, and interim reclamation plan. A pre-interim reclamation site inspection was completed by Bob Switzer, BLM, on 8/20/2019. A DHC application will be filed and approved prior to commingling. A closed loop system will be used.

Notify NMOCD 24 hrs
prior to beginning
operations

NMOCD

OCT 11 2019

DISTRICT III

14. I hereby certify that the foregoing is true and correct.

Electronic Submission #480459 verified by the BLM Well Information System

For HILCORP ENERGY COMPANY, sent to the Farmington

Committed to AFMSS for processing by ALBERT A WETHINGTON on 09/03/2019 (19AMW0584SE)

Name (Printed/Typed) PRISCILLA SHORTY

Title OPERATIONS REGULATORY TECH SR

Signature (Electronic Submission)

Date 08/26/2019

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By JOE KILLINS

Title ENGINEER

Date 10/09/2019

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

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.

(Instructions on page 2)

** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED **

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 271483

WELL LOCATION AND ACREAGE DEDICATION PLAT

1. API Number 30-045-10717	2. Pool Code 72359	3. Pool Name BLANCO PICTURED CLIFFS (GAS)
4. Property Code 318718	5. Property Name SAN JUAN 32 9 UNIT	6. Well No. 031
7. OGRID No. 372171	8. Operator Name HILCORP ENERGY COMPANY	9. Elevation 6539

10. Surface Location

UL - Lot K	Section 13	Township 31N	Range 10W	Lot Idn 11	Feet From 1749	N/S Line S	Feet From 1649	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 138.62	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 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: 8/22/2019</p>		
	<p 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: F.H. Wood Date of Survey: 2/12/1973 Certificate Number:</p>		



HILCORP ENERGY COMPANY
SAN JUAN 32-9 UNIT 31
PICTURED CLIFFS RECOMPLETION SUNDRY

API #: 3004510717

JOB PROCEDURES

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

1. MIRU service rig and associated equipment; NU and test BOP.
2. TOOH with **2 3/8"** tubing set at **5,492'**.
3. MU a **7"** cast iron bridge plug and RIH with work string; set CIBP at +/- **5,000'** to isolate the Mesa Verde Formation.
4. Load hole with fluid and TOOH with the work string. MIRU E-line truck. Run a CBL on the 7" casing. Verify cement bond within the Picture Cliffs. Review CBL results with NMOCD.
5. (If needed). Perform a backside cement suicide squeeze with Type G cement based on the CBL results. Work with both the BLM and NMOCD to determine existing cement top and squeeze perforation intervals. Perform a new CBL after the squeeze work is performed. Review CBL results with BLM and NMOCD to gain approval before moving forward on the recompletion project.
6. RU pressure test truck. Perform a Mechanical Integrity Test on wellbore. Chart record the MIT test (Notify BLM & NMOCD +24hr before actual test). Review and submit the MIT test results to the BLM & NMOCD. If the MIT fails, discuss with both the BLM & NMOCD on a plan of action to remediate the wellbore. Perform 2nd MIT once remediated.
7. PU and RIH with a second CIBP and set at +/- **3,475'** to provide a base for the frac.
8. RU E-line crew. Perforation the Pictured Cliffs formation. (Top perforation @ 3,350', Bottom perforation @ 3,432') RD E-line.
9. RIH with 2-7/8" frac string and 7" packer, land packer at +/- **3,300'**.
10. N/D BOP, N/U frac stack and pressure test the frac string & frac stack to 9000#, pressure test the frac string backside to 300#. RDMO service rig.
11. RU stimulation crew and equipment. Frac the **Pictured Cliffs** in one or two stages. RD stimulation crew and equipment.
12. RU flowback equipment and flow back the well until pressures diminish.
13. MIRU service rig. Nipple down frac stack, nipple up BOP and test.
14. POOH w/ 2-7/8" frac string and 7" packer.
15. Clean out to the top of the first isolation plug. When water and sand rates are acceptable, drill out the plug.
16. Clean out to the top of the Mesa Verde isolation plug. When water and sand rates are acceptable, drill out the plug.
17. Attempt to clean out the wellbore the PBTD of **5,797'**, pending tubing tight spots in the Mesa Verde open hole completion. TOOH.
18. TIH and land 2-3/8" production tubing. Run new insert pump and rodstring. Get a commingled **Pictured Cliffs/Mesa Verde** flow rate.

All formation tops have been reviewed by Hilcorp Energy for the San Juan 32-9 Unit #31. The formation top adjustments are as follows: Fruitland at 2,797', Pictured Cliffs at 3,350', Lewis at 3,432', Huerfano Bentonite at 4,060', Point Lookout at 5,594'.



HILCORP ENERGY COMPANY
SAN JUAN 32-9 UNIT 31
PICTURED CLIFFS RECOMPLETION SUNDRY

SAN JUAN 32-9 UNIT 31 - CURRENT WELLBORE SCHEMATIC



Schematic - Current

Well Name: SAN JUAN 32-9 UNIT #31

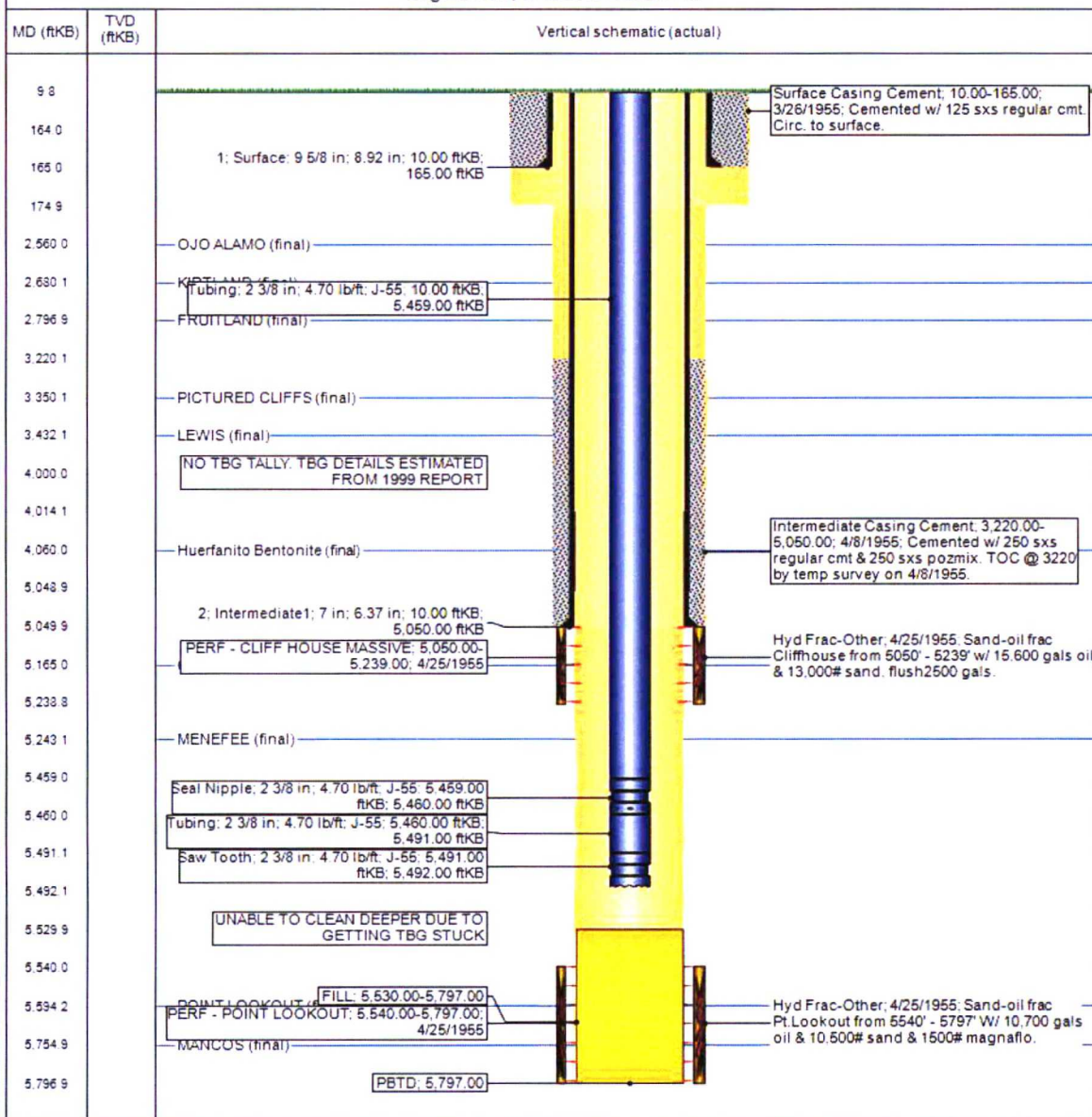
API / UWI 3004510717	Surface Legal Location 013-031N-010W-K	Field Name BLANCO MESA VERDE PROTECTED ONE	License No.	State/Province NEW MEXICO	Well Configuration Type
Original KB RT Elevation (ft) 6,551.00	KB-Ground Distance (ft) 10.00	Original Spud Date 3/25/1955 00:00	Rig Release Date 7/29/1999 00:00	PSTD (Alt) (ftKB) Original Hole - 5,797.0	Total Depth Alt (TVD) (ftKB)

Most Recent Job

Job Category FACILITIES	Primary Job Type TUBING REPAIR	Secondary Job Type TUBING REPAIR	Actual Start Date 7/23/1999	End Date 7/29/1999
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TD: 5,797.0

Original Hole, 8/12/2019 2:00:54 PM



Hilcorp Energy
Interim Reclamation Plan
San Juan 32-9 Unit #31
API: 30-045-10717
K – Sec.13-T031N-R010W
Lat: 36.89563, Long: -107.83667
Footage: 1749' FSL & 1649' FWL
San Juan County, NM

1. PRE- INTERIM RECLAMATION SITE INSPECTION

- 1.1) A pre-interim reclamation site inspection was completed by Bob Switzer with the BLM and Chad Perkins construction Foreman for Hilcorp Energy on August 20, 2019.

2. LOCATION INTERIM RECLAMATION PROCEDURE

- 2.1) Interim reclamation work will be completed after well recompletion in the fall of 2019 or spring of 2020.
2.2) Location tear drop will be re-defined as applicable during interim reclamation.
2.3) A new diversion ditch will be established on northern cut slope to control cut slope erosion.
2.4) All disturbed areas will be seeded, any disturbed areas that are compacted will be ripped before seeding.
2.5) All trash and debris will be removed within 50' buffer outside of the location disturbance during reclamation.

3. ACCESS ROAD RECLAMATION PROCEDURE:

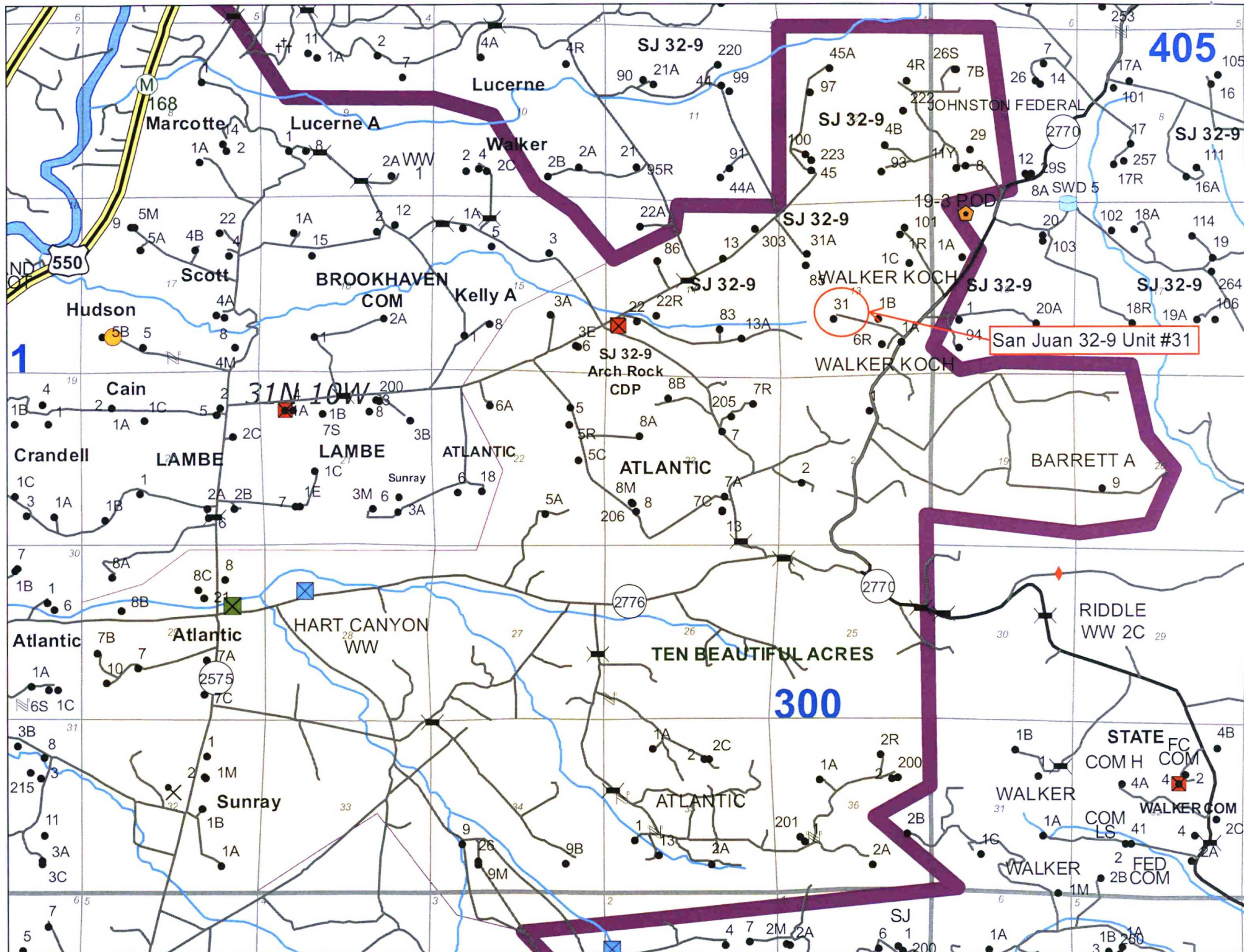
- 3.1) No lease access road issues were identified at the time of onsite.

4. SEEDING PROCEDURE

- 4.1) A Pinion/Juniper seed mix will be used for all reclaimed and disturbed areas of the location.
4.2) Drill seeding will be done where applicable and all other disturbed areas will be broadcast seeded and harrowed, broadcast seeding will be applied at a double the rate of seed.
4.3) Timing of the seeding will take place when the ground is not frozen or saturated.

5. WEED MANAGEMENT

- 5.1) No action is required at this time for weed management, no noxious weeds were identified during the onsite.





New diversion will be established on cut slope to prevent cut slope erosion.

SJ 329
UNIT 31