| This form is not to<br>used for reporting                       |                 |            | (                                | Dil Co | nservat  | ion Divi    | sion                            |                   |       |                |    |
|---|-----------------|------------|----------------------------------|--------|----------|-------------|---------------------------------|-------------------|-------|----------------|----|
| packer leakage tests<br>in Southeast New Mexico <b>Northwes</b> |                 | orthwest   | t New Mexico Packer-Leakage Test |        |          |             | Page 1<br>Revised June 10, 2003 |                   |       |                |    |
| Operator Hilco  | rp Energy Com   | bany       |                                  | Lea    | ase Name | REAME       | S COM                           |                   |       | Well No.       | 2  |
| Location of We  | II: Unit Letter | В          | Sec                              | 19     | Twp      | 026N        | Rge                             | 006W              | API # | 30-039-231     | 72 |
|   | Name of R       | eservoir o | or Pool                          |        |          | rpe<br>Prod |                                 | Method<br>of Prod |       | Prod<br>Medium |    |
| Upper<br>Completion   | FRC             |            |                                  | G      | as       |             | Flo                             | DW .              | (     | Casing         |    |
| Lower<br>Completion   | DK/MV           |            |                                  | G      | as       |             | Ar                              | tificial Lift     | -     | Tubing         |    |

### **Pre-Flow Shut-In Pressure Data**

|   |            |                     |                        | -              |                        |
|---|------------|---------------------|------------------------|----------------|------------------------|
|   | Upper      | Hour, Date, Shut-In |                        | SI Press. PSIG | Stabilized?(Yes or No) |
|   | Completion | 9/10/2021           | Length of Time Shut-In | 144            | Yes                    |
| Ī | Lower      | Hour, Date, Shut-In | 105                    | SI Press. PSIG | Stabilized?(Yes or No) |
|   | Completion | 9/10/2021           |                        | 275            | Yes                    |

|                         |             | Flo                                    | w Test No. 1 |             |  |  |
|-------------------------|-------------|--|--------------|-------------|--|--|
| Commenced at: 9/14/2021 |             | Zone Producing (Upper or Lower): LOWER |              |             |  |  |
| Time                    | Lapsed Time | PRESSURE                               |              | Prod Zone   |  |  |
| (date/time)             | Since*      | Upper zone                             | Lower zone   | Temperature | Remarks  |  |
| 9/14/2021 8:28 AM       | 0           | 144                                    | 110          |             | Reached 20% crossover  |  |
| 9/14/2021 8:37 AM       | 0           | 144                                    | 95           |             | No drop in upper completion                                      |  |
| 9/14/2021 8:40 AM       | 0           | 144                                    | 88           |             | No drop in upper completion. Well shut in for plunger drop time. |  |
|                         |             |  |              |             |  |  |
| 9/14/2021 9:16 AM       | 1           | 144                                    | 162          |             | DK build up to 162 psi during plunger drop                       |  |
|                         |             |  |              |             | time. John Durham witnessed and approved test via FaceTime       |  |

| Oil: | BOPD Based on:   | Bbls. In           | Hrs. | Grav. | GOR |
|------|------------------|--------------------|------|-------|-----|
| Gas  | MCFPD; Test thru | (Orifice or Meter) |      |       |     |

| Gas | MCFPD; Test thru (Orifice or Meter |
|-----|------------------------------------|
|-----|------------------------------------|

#### Mid-Test Shut-In Pressure Data

| Upper<br>Completion | Hour, Date, Shut-In | Length of Time Shut-In | SI Press. PSIG | Stabilized?(Yes or No) |
|---------------------|---------------------|------------------------|----------------|------------------------|
| Lower<br>Completion | Hour, Date, Shut-In |                        | SI Press. PSIG | Stabilized?(Yes or No) |

(Continue on reverse side)

## Northwest New Mexico Packer-Leakage Test

Flow Test No. 2 Commenced at: Zone Producing (Upper or Lower) PRESSURE Time Lapsed Time Prod Zone (date/time) Since\* Temperature Remarks Upper zone Lower zone Production rate during test Oil: BOPD Based on: Bbls. In Hrs. Grav. GOR Gas MCFPD; Test thru (Orifice or Meter) Remarks: NMOCD John Durnam witnessed the test Via FaceTime. Approved and passed the test. I hereby certify that the information herein contained is true and complete to the best of my knowledge. Approved: 20 Operator: Hilcorp Energy Company New Mexico Oil Conservation Division By: Roman Lucero Jr By: Title: Multi-Skilled Operator Date: Tuesday, September 14, 2021 Title: NORTHWEST NEWMEXICO PACKER LEAKAGE TEST INSTRUCTIONS A packer leakage test shall be commenced on each multiply completed well within seven days after actual Flow Test No. 2 shall be conducted even though no leak was indicated during Flow Test No. 1. Procedure completion of the well, and annually thereafter as prescribed by the order authorizing the multiple completion. for Flow Test No. 2 is to be the same as for Flow Test No. 1 except that the previously produced zone shall Such tests shall also be commenced on all multiple completions within seven days following recompletion and/or remain shut-in while the zone which was previously shut-in is produced. chemical or fracture treatment, and whenever remedial work has been done on a well during which the packer or the tubing have been disturbed. Tests shall also be taken at any time that communication is suspected or when requested by the Division. 7. Pressures for gas-zone tests must be measured on each zone with a deadweight pressure gauge at time intervals as follows: 3 hours tests: immediately prior to the beginning of each flow period, at fifteen-minute intervals during the first hour thereof, and at hourly intervals thereafter, including one pressure measurement immediately prior to the conclusion of each flow period. 7-day tests: immediately prior to the beginning of each At least 72 hours prior to the commencement of any packer leakage test, the operator shall notify the Division in writing of the exact time the test is to be commenced. Offset operators shall also be so notified. flow period, at least one time during each flow period (at approximately the midway point) and immediately prior to the conclusion of each flow period. Other pressures may be taken as desired, or may be requested on wells which have previously shown questionable test data. 24-hour oil zone tests: all pressures, throughout the entire test, shall be continuously measured and recorded with recording pressure gauges the accuracy of which must be checked at least twice, once at the beginning and The packer leakage test shall commence when both zones of the dual completion are shut-in for pressure once at the end of each test, with a deadweight pressure gauge. If a well is a gas-oil or an oil-gas dual stabilization. Both zones shall remain shut-in until the well-head pressure in each has stabilized, provided however, that they need not remain shut-in more than seven days.

For Flow Test No. 1, one zone of the dual completion shall be produced at the normal rate of production while the other zone remains shut-in. Such test shall be continued for seven days in the case of a gas well and for 24 hours in the case of an oil well. Note: if, on an initial packer leakage test, a gas well is being flowed to the atmosphere due to lack of a pipeline connection the flow period shall be three hours.

5. Following completion of Flow Test No. 1, the well shall again be shut-in, in accordance with Paragraph 3

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completion, the recording gauge shall be required on the oil zone only, with deadweight pressures as required above being taken on the gas zone.

8. The results of the above-described tests shall be filed in triplicate within 15 days after completion of the test. Tests shall be filed with the Aztec District Office of the New Mexico Oil Conservation Division on Northwest New Mexico Packer Leakage Test Form Revised 10-01-78 with all deadweight pressures indicated thereon as well as the flowing temperatures (gas zones only) and gravity and GOR (oil zones only).

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

CONDITIONS

Action 48392

| CONDITIONS             |  |  |  |  |
|------------------------|--|--|--|--|
| Operator:              | OGRID:   |  |  |  |
| HILCORP ENERGY COMPANY | 372171   |  |  |  |
| 1111 Travis Street     | Action Number:   |  |  |  |
| Houston, TX 77002      | 48392  |  |  |  |
|                        | Action Type:<br>[UF-PLT] Packer Leakage Test (NW) (PACKER LEAKAGE TEST (NW)) |  |  |  |

#### CONDITIONS

| Created By | Condition | Condition Date |
|------------|-----------|----------------|
| kpickford  | None      | 9/14/2021      |