RECEIVED:	REVIEWER:	TYPE:	APP NO:
05/01/2018	MAM	DHU	OMAMISI2157770
	ABOVE	THIS TABLE FOR OCD DIVISION USE OF	

ABOVE THIS	is table for ocd division use only
NEW MEXICO OIL CO - Geological & Eng	ONSERVATION DIVISION gineering Bureau –
1220 South St. Francis Driv	ve, Santa Fe, NM 87505
	PPLICATION CHECKLIST
	ATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND ESSING AT THE DIVISION LEVEL IN SANTA FE
Applicant: Hilcorp Energy Company	OGRID Number:372171
Well Name: San Juan 28-7 Unit 99F	API: 30-039-26897
Pool: Blanco P.C. South	Pool Code: 72439
	ON REQUIRED TO PROCESS THE TYPE OF APPLICATION ATED BELOW DHL-3000-A
1) TYPE OF APPLICATION: Check those which app	anly for [A]
A. Location – Spacing Unit – Simultaneous D	Dedication HAY 03. 2013 PMJ-12
■ NSL ■ NSP(project area)	□ NSP (PRORATION UNIT) □ SD
B. Check one only for [1] or [1] [1] Commingling – Storage – Measuremed DHC	PC OLS OLM use - Enhanced Oil Recovery PI EOR PPR ich apply. ich apply. venue owners oval by SLO oval by BLM tion or publication is attached, and/or, mation submitted with this application for
administrative approval is accurate and comp understand that no action will be taken on this notifications are submitted to the Division.	plete to the best of my knowledge. I also is application until the required information and
Note: Statement must be completed by an ind	dividual with managerial and/or supervisory capacity.
	4/26/2018
Kandis Roland	Date
Print or Type Name	
	505-324-5149
1/12/1	Phone Number
ganalis Kallina	kroland@hilcorp.com
Signature	e-mail Address

<u>District I</u> 1625 N. French Drive, Hobbs, NM 88240

<u>District II</u> 811 S. First St., Artesia, NM 88210

<u>District III</u> 1000 Rio Brazos Road, Aztec, NM 87410

District IV 1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico Energy, Minerals and Natural Resources Department

> Oil Conservation Division 1220 South St. Francis Dr. Santa Fe, New Mexico 87505

Form C-107A Revised August 1, 2011

APPLICATION TYPE

Single Well

Establish Pre-Approved Pools EXISTING WELLBORE

APPLICATION FOR DOWNHOLE COMMINGLING X Yes No

Hilcorp Energy Company		PO Box 4700, Farm	ington NM 87499	
Operator		Address		
SAN JUAN 28-7 UNIT	99F	UNIT J-29-27N-07W		Rio Arriba
Lease	Well No.	Unit Letter-Section-Townshi	-	County
OGRID No. 372171 Property O	Code 318432 A	PI No. <u>30-039-26897</u>	Lease Type: X_F	Federal State Fee
DATA ELEMENT	UPPER ZONE	INTERMEDIATE ZONE	INTERMEDIATE ZONE	LOWER ZONE
Pool Name	BLANCO P. C. SOUTH	OTERO CHACRA	BLANCO MESAVERDE	BASIN DAKOTA
Pool Code	72439	82329	72319	71599
Top and Bottom of Pay Section (Perforated or Open-Hole Interval)	2923' – 3139' estimated	3842' – 4068'	5222' - 5472'	7264' – 7381'
Method of Production (Flowing or Artificial Lift)	New Zone	Artificial Lift	Artificial Lift	Artificial Lift
Bottomhole Pressure (Note: Pressure data will not be required if the bottom perforation in the lower zone is within 150% of the depth of the top perforation in the upper zone)	737 psi	914 psi	1183 psi	2971 psi
Oil Gravity or Gas BTU (Degree API or Gas BTU)	BTU 1000	BTU 1000	BTU 1000	BTU 1000
Producing, Shut-In or New Zone	NEW ZONE	PRODUCING	PRODUCING	PRODUCING
Date and Oil/Gas/Water Rates of Last Production. (Note: For new zones with no production history, applicant shall be required to attach production estimates and supporting data.)	Date: Feb 2018 Rates: 861 mcf 25 bbls oil 7 bbls water			
Fixed Allocation Percentage (Note: If allocation is based upon something other than current or past production, supporting data or explanation will be required.)	Oil Gas Will be supplied upon completion			
	<u>.</u>	ADDITIONAL DATA		
Are all working, royalty and overriding If not, have all working, royalty and over				Yes No X Yes No X
Are all produced fluids from all commi	ngled zones compatible	e with each other?		Yes_X No
Will commingling decrease the value o	f production?			Yes NoX
If this well is on, or communitized with or the United States Bureau of Land Ma				Yes_X No
NMOCD Reference Case No. applicable	e to this well: R-10476	6-B – DHC exemption to n	otify interest owners	
Attachments: C-102 for each zone to be comming Production curve for each zone for For zones with no production histor Data to support allocation method of Notification list of working, royalty Any additional statements, data or of the support of	at least one year. (If no ry, estimated production or formula.	ot available, attach explanate in rates and supporting data. interests for uncommon in	ion.)	
	PR	RE-APPROVED POOL	s	
If application is			≃ ditional information will be r	equired:

List of other orders approving downhole commingling within the proposed Pre-Approved Pools List of all operators within the proposed Pre-Approved Pools

Proof that all operators within the proposed Pre-Approved Pools were provided notice of this application.

Bottomhole pressure data.

	I hereby	certify	that the informat	ion above is true	and complete to	the best of my	knowledge and belief.
--	----------	---------	-------------------	-------------------	-----------------	----------------	-----------------------

TITLE Operations/Regulatory Technician DATE

TYPE OR PRINT NAME Kandis Roland TELEPHONE NO. (505) 324-5149

E-MAIL ADDRESS kroland@hilcorp.com

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

<u>District IV</u>

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

WELL LOCATION AND ACREAGE DEDICATION PLAT

1. API Number 30-039-26897	2. Pool Code 72439	3. Pool Name BLANCO P. C. SOUTH (PRORATED GAS)
4. Property Code 372171	5. Property Name SAN JUAN 28 7 UNIT	6. Well No. 099F
7. OGRID No. 372171	8. Operator Name HILCORP ENERGY COMPANY	9. Elevation 6649

10. Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
J	29	27N	07 W		1590	S	2420	E	RIO ARRIBA

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	13. Joint or Infill		14. Consolidation Code			

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NONSTANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

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OPERATOR CERTIFICATION

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.

E-Signed By:

Title:

Operations/Regulatory Technician

Date

4/26/18

SURVEYOR CERTIFICATION

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.

Surveyed By:

Jason C. Edwards

Date of Survey:

11/12/2001

Certificate Number:

15269

Form C-102

August 1, 2011

Permit 251596

District I 1625 N. French Dr., Hobbs, NM 88240 State of New Mexico Energy, Minerals & Natural Resources Department

Form C-102 Revised August 15, 2000

District II 811 South First, Artesia. NM 88210 District III

OIL CONSERVATION DIVISION 2040 South Pacheco Submit to Appropriate District Office State Lease - 4 Copies Fee Lease - 3 Copies 1000 Rio Brazos Rd., Aztec, NM 87410 Santa Fe, NM 87505 District IV 2040 South Pacheco, Santa Fe, NM 87505 AMENDED REPORT WELL LOCATION AND ACREAGE DEDICATION PLAT API Number 30-039-26897 72319 Blanco Mesaverde · Property Code Property Name Well Number 016608 SAN JUAN 28-7 UNIT 99F OGRID No. · Operator Name Elevation 6649 005073 CONOCO, INC. 10 Surface Location Township Range Lot Idn Feet from the North/South line East/West line 29 27N 7W 1590 south 2420 cast Rio Arriba 11 Bottom Hole Location If Different From Surface North/South line East/West line Lot Idn Feet from the UL or lot no. Section Township Range Feet from the u Dedicated Acres is Joint or Infill " Order No.

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A

	NON-STA	NDARD UNIT HAS E	BEEN APPROVED BY	THE DIVISION
16				17 OPERATOR CERTIFICATION
	•	•		I hereby certify that the information contained herein is
				true and complete to the best of my knowledge and
				Leborah Marbers Signature
				DEBORAH MARBERRY
				Printed Name
·				REGULATORY ANALYST
				03/01/2002
	[Date
				18SURVEYOR CERTIFICATION I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by
		24	20e	me or under my supervision, and that the same is true und correct to the best of my belief.
		0		Date of Survey
		15%		Signature and Seal of Professional Surveyor:
				Certificate Number
				Consider Franço

District I 1625 N. French Dr., Hobbs, NM 88240

State of New Mexico Energy, Minerals & Natural Resources Department

Form C-102 Revised August 15, 2000

811 South First, Artesia, NM 88210 District III

OIL CONSERVATION DIVISION 2040 South Pacheco

Submit to Appropriate District Office State Lease - 4 Copies

District IV 2040 South Pacheco, Santa: Fe, NM 87505	1000 Rio Brazos I	Rd., Aztec, Ni	M 87410					IM 27505			Fee	e Lease - 3 Cop
WELL LOCATION AND ACREAGE DEDICATION PLAT Pool Name	District IV					Salita	.·c, 1	NIVI 01303				
APT Number Pool Name Pool Name Pool Name Pool Name Pool Name Pool Name Property Code O16608 SAN JUAN 28-7 UNIT Property Name Property Name Property Name Property Name Property Name Property Name Pool	2040 South Pacheo	co, Santa Fe, I	NM 87505								AM	ENDED REPO
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District 1 1625 N. French Dr., Hobbs, NM 88240

State of New Mexico Energy, Minerals & Natural Resources Department

Form C-102 Revised August 15, 2000

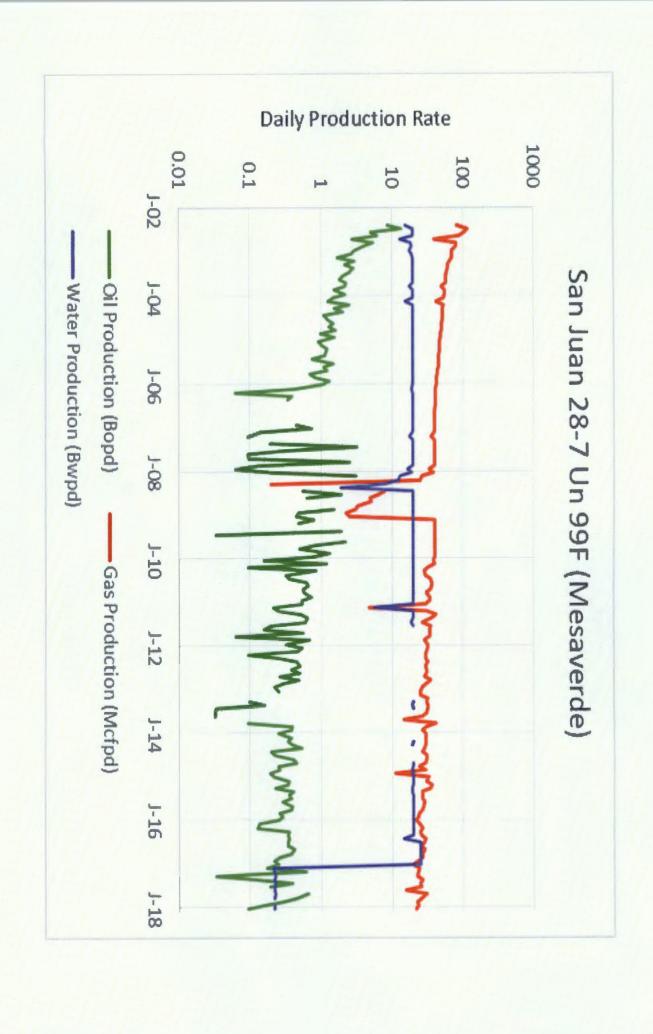
District II 811 South First, Artesia, NM 88210

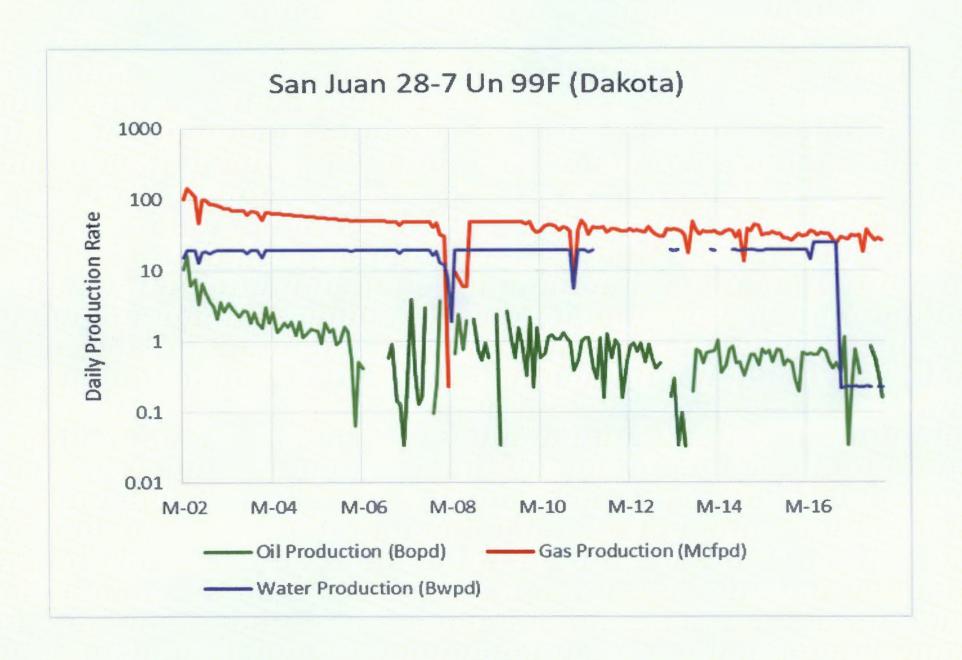
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District JV					Santa Fe,	NM 87505			ree	Lease - 3 Cop
2040 South Pach	eco, Santa F	e, NM 87505						[_] AMI	ENDED REPO
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Dedicated Acr	es 13 Joint	or Infill	Consolidation (Code IS O	rder No.					
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			NON-STA	NDARD	UNIT HAS BE	EEN APPROVED				
Manu William V	T						17 OPE	RATOR	CERT	IFICATION
							I hereby certi	ify that the i	information	contained herein
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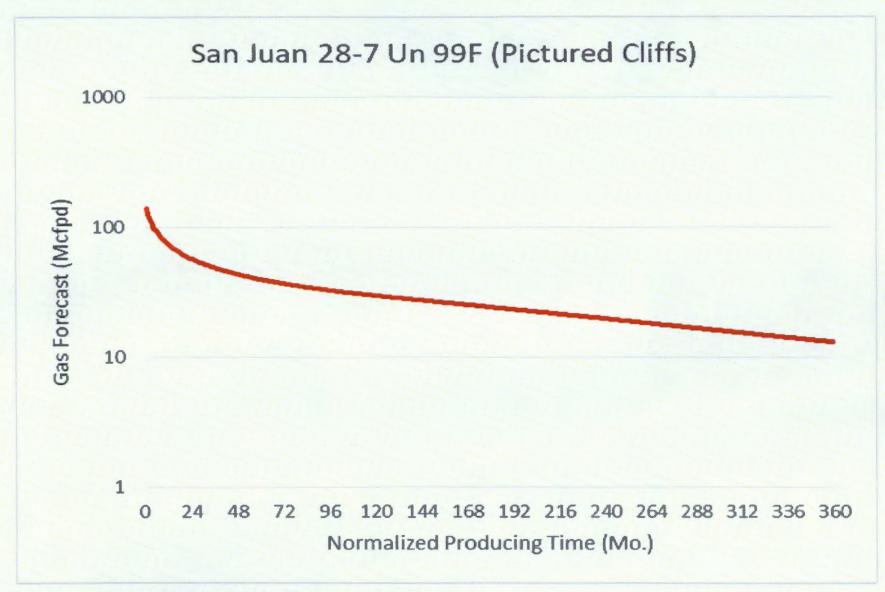
San Juan 28-7 Unit 99F – Production Allocation Method

Production for the downhole commingle will be allocated using the subtraction method in agreement with the BLM. The base formations are the Mesaverde, Chacra and Dakota and the added formation to be commingled is the Pictured Cliffs. The subtraction method applies an average monthly production forecast to the base formations using historic production. All production from this well exceeding the forecast will be allocated to the new formation. After 3 years production will stabilize. A production average will be gathered during the 4th year and will be utilized to create a fixed percentage based allocation. Oil production will be allocated based on average formation yields from offset wells. All documentation will be submitted to the Aztec NMOCD office.









The forecast for Pictured Cliffs production has been generated using a type curve of PC gas production in the surrounding production trend.



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON

Governor

Betty Rivera

Cabinet Secretary

Lori Wrotenbery
Director
Oil Conservation Division

ADMINISTRATIVE ORDER DHC-3000

Conoco, Inc. PO Box 2197 Houston, Texas 77252

Attention: Ms. Deborah Marberry

San Juan 28-7 Unit No. 99F
API No. 30-039-26897
Unit J, Section 29, Township 27 North, Range 7 West, NMPM, Rio Arriba County, New Mexico.
Otero-Chacra (Gas - 82329),
Basin-Dakota (Gas - 71599),
Blanco-Mesaverde (Gas - 72319) Pools

Dear Ms. Marberry:

Reference is made to your recent application for an exception to Rule 303.A. of the Division Rules and Regulations to permit the above described well to commingle production from the subject pools in the wellbore.

It appearing that the subject well qualifies for approval for such exception pursuant to the provisions of Rule 303.C., and that reservoir damage or waste will not result from such downhole commingling, and correlative rights will not be violated thereby, you are hereby authorized to commingle the production as described above and any Division Order which authorized the dual completion and required separation of the zones is hereby placed in abeyance.

The maximum amount of gas which may be produced daily from the well shall be determined by Division Rules and Regulations or by the gas allowable for each respective prorated pool as printed in the Division's Gas Proration Schedule.

The applicant shall consult with the supervisor of the Aztec District Office of the Division upon completion and testing of the well in order to determine a fixed allocation of production from each of the commingled zones. Upon approval by the Division's Aztec District Office, the applicant shall submit the allocation formula to the Santa Fe Office of the Division.

REMARKS: The operator shall notify the Aztec District Office of the Division upon implementation of commingling operations.

Pursuant to Rule 303.C.(2), the commingling authority granted herein may be rescinded by the Division Director if conservation is not being best served by such commingling.

Approved at Santa Fe, New Mexico on this 12th day of April 2002.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION

LORI WROTENBERY

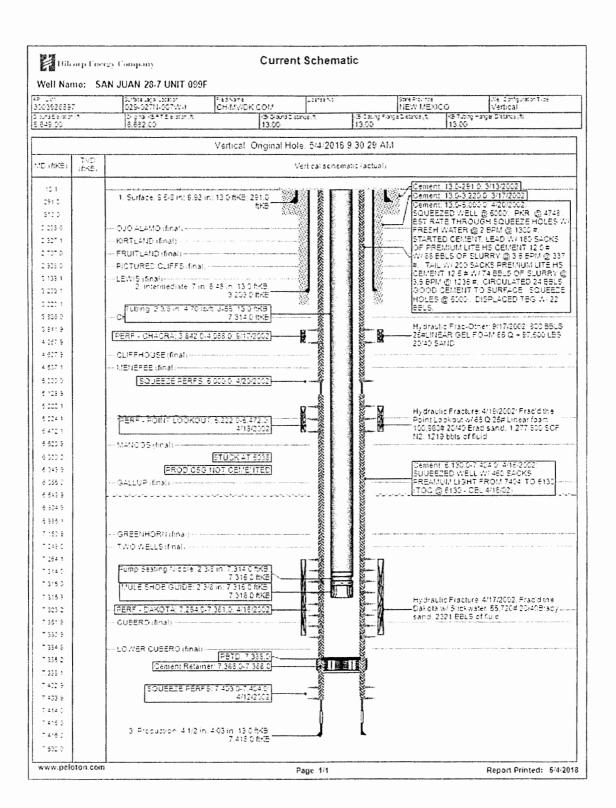
Director

SEAL

LW/WVJ

cc: Oil Conservation Division - Aztec

Bureau of Land Management - Farmington



Propresal Schematic -Gurrent Schematic Hilcorp Energy Company Well Name: SAN JUAN 28-7 UNIT 099F 95/918 LB38 LB1815* 029-027N-007W-1 Lirath: CH/MV/DK COM NEW MEXICO Wer Configuration Type Vertical 3003926897 KB-Casing Flange Catance (f) 13.00 373/73 Eav3137 (1 6.649.00 Crights 45 47 Elements 6,662.00 Vertical, Original Hole, 5/4/2018 9:30:29 AM MD (fiKB) Vertical schematic (actual) Cement; 13.0-291.0: 3/13/2002]...
Cement; 13.0-3,220.0: 3/17/2002]
Cement; 13.0-5,000.0; 4/20/2002;
SQUEEZED WELL @ 5000. PKR @ 4745.
EST RATE THROUGH SQUEEZE HOLES W/
FRESH WATER @ 2 BPM @ 1300 #.
STARTED CEMENT. LEAD W/ 150 SACKS
OF PREMIUM LITE HS CEMENT 12.0 #
W/ 66 BBLS OF SLURRY @ 3.6 BPM @ 337
#, TAIL W/ 200 SACKS PREMIUM LITE HS
CEMENT 12.6 # W/ 74 BBLS OF SLURRY @
3.5 BPM @ 1236 #. CIRCULATED 24 BBLS
GOOD CEMENT TO SURFACE. SQUEEZE
HOLES @ 5000. DISPLACED TBG W/ 22 13.1 1; Surface; 9 5/8 in; 8.92 in; 13.0 ftKB: 291.0 ftKB 291.0 310.0 2,208.0 - OJO ALAMO (final) -2,927.1 - KIRTLAND (final) 2,707.0 - FRUITLAND (final) PICTURES CLISTS (1931) 5 (272-3-3137)
LEWIS ((Indi)
2: Intermediate: 7 in: 5.46 in: 13.0 fk/s;
3,203.0 fk/s 2.333.0 3,139 1 3,203 1 HOLES @ 5000'. DISPLACED TBG WI 22 3 220 1 fubing: 2 3/8 in: 4,70 lb/h, J-65: 13.0 ftKB. 3,836 D Hydraulic Frac-Other: 9/17/2002: 800 BBLS -26#LINEAR GEL FOAM 85 Q + 97,600 LBS 20/40 SAND 3 241 9 PERF - CHACRA; 3.842.0-4.068.0; 9/17/2002 4.067.9 4.607.6 - CLIFFHOUSE (final) 4,637 1 -- MENEFEE (final) -SQUEEZE PERFS: 5,000.0; 4/20/2002 6,000.0 5 129.9 5,222 1 PERF - POINT LOOKOUT; 5,222.0-5,472.0; 4/18/2002 Hydraulic Fracture: 4/19/2002; Frac'd the Point Lookout w/ 55 Q 25# Linear foam, 160,960# 20/40 Erad sand, 1,277,600 SCF 5,224.1 5,472 1 N2, 1219 bbls of fluid 5.523.9 - MANCOS (final) STUCK AT 5038 6.000 0 Cement; 6,130.0-7,404.0; 4/16/2(02); SUUJEZZED WELL WI 450 SACKS PREAMUM LIGHT FROM 7404° TO 6130 (TOC @ 6130 - CBL 4/16/02) € 943 9 PRODICSG NOT CEMENTED 6.355 D - GALLUP Ifinali-6.648 9 6.534 9 6 955 1 7.150.5 - GREENHORN (final) 7 249 6 - TWO WELLS (final) 7,264 1 ump Seating Nipple, 2 3/8 in; 7,314,0 ft/d. 7 314 0 7.315.0 flKB 7,315 0 MULE SHOE GUIDE; 2 3/8 7,315.0 ftKB, 7,315.0 ftKB 7.315 5 Hydraulic Fracture: 4/17/2002; Frac'd the -Dakota w/ Stickwater, 55,720# 20/40Brady. sand, 2321 BBLS of fluid. 7,323.2 PERF - DAKOTA: 7.264.0-7.381.0; 4/15/2002 7.361 9 - CUBERO (final) -7.380 9 7,334 8 -LOWER CUBERO (final)-PBTD: 7.385.0 7,386.2 Cement Relainer: 7,386.0-7.388.0 **%** 7.398 1 7,402 5 SQUEEZE PERFS: 7,403,0-7,404,0 4/12/2002 7,403 9 7,414.0 7.415 0 3; Production: 4 1/2 in; 4 03 in; 13.0 ftXB, 7,415.0 ftXB 7 416 0 7,502.0 www.peloton.com Page 1/1 Report Printed: 5/4/2018