RECEIVED:	REVIEWER:	TYPE:	APP NO:
9/11/2018	MAIN	DHI	nmAmid
	ABOVE	THIS TARLE FOR OCD DIVISION LIKE OF	J. J

NEW MEXICO OIL CO - Geological & Eng 1220 South St. Francis Driv	DNSERVATION DIVISION ineering Bureau – ve, Santa Fe, NM 87505
ADMINISTRATIVE AP	PLICATION CHECKLIST
THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRA	IVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND SING AT THE DIVISION LEVEL IN SANTA FE
Applicant: Hilcorp Energy Company Well Name: EH Pipkin 12E	OGRID Number: 372171
Pool: Wildcat MesaVerde	API: 30-045-23783 Pool Code:
	N REQUIRED TO PROCESS THE TYPE OF APPLICATION
1) TYPE OF APPLICATION: Check those which app A. Location – Spacing Unit – Simultaneous De NSL NSP (PROJECT AREA)	Dly for [A] $DHC-48y$ $OHC-48y$ OH
B. Check one only for [1] or [11] [1] Commingling – Storage – Measureme X DHC CTB PLC PC [11] Injection – Disposal – Pressure Increas WFX PMX SWD IPI	C OLS OLM e - Enhanced Oil Recovery DEOR PPR FOR OCD ONLY
2) NOTIFICATION REQUIRED TO: Check those which A. Offset operators or lease holders B. Royalty, overriding royalty owners, reveal to the proving state of t	h apply. Notice Complete Application Content Complete
3) CERTIFICATION: I hereby certify that the informal administrative approval is accurate and compl understand that no action will be taken on this notifications are submitted to the Division.	ete to the best of my knowledge. Lalso
Note: Statement must be completed by an indiv	ridual with managerial and/or supervisory capacity.
Christine Brock	9/10/2018 Date
Print or Type Name	
	505-324-5155
Cenistine Resork	Phone Number

Signature

cbrock@hilcorp.com e-mail Address

<u>District I</u> 1625 N. French Drive, Hobbs, NM 88240 District II
811 S. First St., Artesia, NM 88210
District III

E-MAIL ADDRESS cbrock@hilcorp.com

State of New Mexico Energy, Minerals and Natural Resources Department

Oil Conservation Division

roum C-10/A
Revised August 1, 2011

APPLICATION TYPE

DISTRICT III 1000 Rio Brazos Road, Aztec, NM 87410	1220 South St. Francis Dr. Single Well Santa Fe, New Mexico 87505 Establish Pre-Approved I					
District IV 1220 S. St. Francis Dr., Santa Fe, NM 87505	EXISTING WELLBORE X Yes No					
Hilcorp Energy Company Operator		ROAD 3100, Aztec NM 87410				
E H Pipkin 12	E	W) – Sec. 12, T27N, R11W	San Juan			
Lease		Section-Township-Range	County			
OGRID No. 372171 Property Co	ode 321863 API No. 30-04	45-23783 Lease Type: X	FederalStateFee			
DATA ELEMENT	UPPER ZONE	INTERMEDIATE ZONE	LOWER ZONE			
Pool Name	WILDCAT MESAVERDE (GAS)	KUTZ GALLUP (GAS)	BASIN DAKOTA (PRORATED GAS)			
Pool Code		36550	71599			
Top and Bottom of Pay Section (Perforated or Open-Hole Interval)	3315' - 3440' - Estimated	5492'-5796'	6290'- 6313'			
Method of Production (Flowing or Artificial Lift)	NEW ZONE	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) Oil Gravity or Gas BTU	1310 psi	1765 psi	2005 psi			
(Degree API or Gas BTU)	BTU 1200	BTU 1200	BTU 1200			
Producing, Shut-In or New Zone	NEW ZONE	PRODUCING	PRODUCING			
Date and Oil/Gas/Water Rates of Last Production. (Note: For new zones with no production history,	Date:	Date: 6/1/2018	Date: 6/1/2018			
applicant shall be required to attach production estimates and supporting data.)	Rates:	Rates: 634 MCF - GAS	Rates: 372 MCF - GAS			
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	Oil Gas Will be supplied upon completion	Oil Gas Will be supplied upon completion			
	ADDITIO	NAL DATA				
Are all working, royalty and overriding f not, have all working, royalty and over	royalty interests identical in all cor	nmingled zones?	Yes_XNo YesNo			
Are all produced fluids from all commi		•	Yes X No			
Will commingling decrease the value of	•	and :				
	•	e Commissioner of Public Lands	YesNoX			
If this well is on, or communitized with, state or federal lands, has either the Commissioner of Public Lands or the United States Bureau of Land Management been notified in writing of this application? Yes X NoNONOCD Reference Case No. applicable to this well:						
Attachments: C-102 for each zone to be comming Production curve for each zone for a For zones with no production histor Data to support allocation method o Notification list of working, royalty Any additional statements, data or d	led showing its spacing unit and act at least one year. (If not available, and see see see and see formula. and overriding royalty interests for and overriding royalty interests for and overriding royalty interests.	attach explanation.) upporting data. uncommon interest cases.				
	PRE-APPRO	VED POOLS				
If application is	to establish Pre-Approved Pools, the	e following additional information will	be required:			
ist of other orders approving downhole ist of all operators within the proposed roof that all operators within the propo- tottomhole pressure data.	Pre-Approved Pools					
hereby certify that the information	above is true and complete to the	ne best of my knowledge and belief	£.			
Λ	id ROUSCK TITLE O		DATE 9/10/2018			
YPE OR PRINT NAME Christin	ne Brock	TELEPHONE NO. (50	5 \ 224-5155			

District 1
1625 N. French Dr., Hobbs. NM 88240
Phonax (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 Brazzos Rd., Aztec, NM 87410
Phone: (505) 334-6176 Fax: (505) 334-6170
District IV
1220 S. St. Francis Dr., Senta 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 257096

WELL LOCATION AND ACREAGE DEDICATION PLAT

1. API Number 30-045-23783	2. Pool Code	3. Pool Name
4. Property Code 321863	5. Property Name E H PIPKIN	WILDCAT ;MESAVERDE (G) 6. Weil No. 012E
7. OGRID No. 372171	8. Operator Name HILCORP ENERGY COMPANY	9. Elevation 5956

				10. S	urface Locatio	n			
UL-Lot Se	ection 12	Township 27N	Range 11W	Lot Idn	Feet From 1460	N/S Line N	Feet From 1160	EW Line W	County SAN JUAN

			11. Botto	m Hole Locat	ion If Different	From Surfac	e		
UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	EW Line	County
	l	1	1		1				
12. Dedicated A 160.00	cres		13. Joint or I	nfill	14. Consolida	tion 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 DUSSION

STANDARD UNIT HA	S BEEN APPROVED	BY THE DIVISION
	knowledge and belief, e mineral interest in the la this well at this location interest, or to a voluntar by the division.	OPERATOR CERTIFICATION information contained herein is true and complete to the best of my and that this organization either owns a working interest or unleased in including the proposed bottom hole location(s) or has a right to drill pursuant to a contract with an owner of such a mineral or working by pooling agreement or a compulsory pooling order herelofore entered CSTUL GLOCK gulatory Tech
	I hereby certify that the surveys made by me or of my belief.	SURVEYOR CERTIFICATION well locafion shown on this plet was plotted from field notes of actual under my supervision, and that the same is true and correct to the best
	Surveyed By:	Neale C. Edwards
	Date of Survey:	9/10/2000
	Certificate Number:	6857

Ostrict I 1625 N. French Dr., Hobbs, NM 88240 District II 811 South First, Artesia, NM 88210 District III 1000 Rio Brazos Rd., Aztec, NM 87410 District IV 1220 S. St. F

State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Department
Santa Fe, NM 87505

rtment 7009 ecRevised October 12, 2005
Submitted Appropriate District Office
Fee Lease - 3 Copies
State Lease - 4 Copies

1220 S. St. Francis	Dr., Santa		ELL LO	CATIO	N AND AC	REAGE DEDIC	Burgarring CATION PL		NDED REPORT
<u></u>	\Pl Numb			2 Pool Code			³ Pool Na	me .	
30	-045-23	783		Oil					
Property C	ode.			3655	Propert	y Name	- 2 40410/2		Well Number
2285	53				EI	H PIPKIN			#12E
'OGRID	No.				* Operato	r Name			⁷ Elevation
5380)				XTO Ene	rgy. Inc.			5956'
					10 Surface	Location			
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
E	12	27N	11W	}	· 1460'	NORTH	1160'	WEST	SAN JUAN
			11Bot	tom Hole	Location I	f Different Fron	Surface		-h
UI, or lot no.	Section	Township	Range	Lot kin	Feet from the	North/South line	Feet from the	East/West line	County
	l i								
12 Dedicated Acre	Joint e	r Infill	on old ation	Code CO	rder No.			l 	-1
DK 320		ļ		Į					
1GIP 40	ABLE W	/ILL BE AS	SIGNED T	O THIS CO	MPLETION	NTIL ALL INTERE	STS HAVE BEI	N CONSOLIDA	TEO OR A NON-
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	14			120			a tright to drill the	well at this location push metal or working interest	ant to a contract with an
F -	1460		Βź	SIN DAK	OTA		ingresiment of the		rendere emered by the
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}					ł		Date of Si	•	
1					Į		Original S	Survey Signed	By.
1]		NEALE C	WEWARDS	
							6857		

OIL CONSERVATION DIVISION

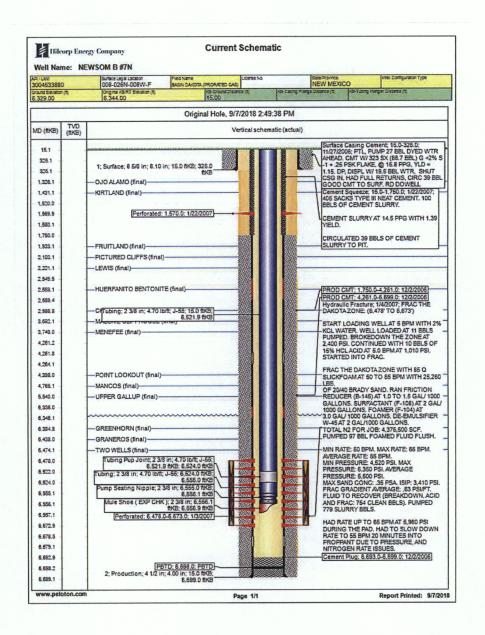
STATE OF NEW MEXICO ENERGY AND MINERALS DEPARTMENT

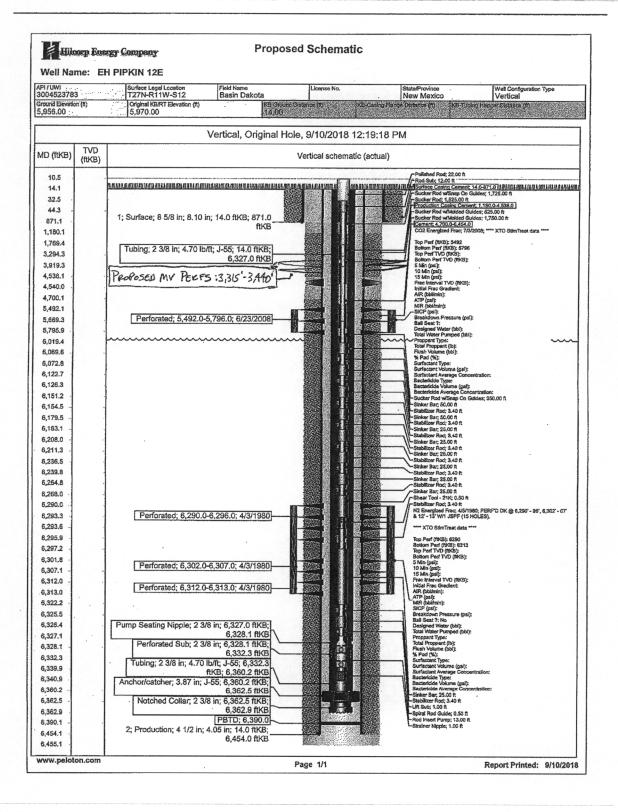
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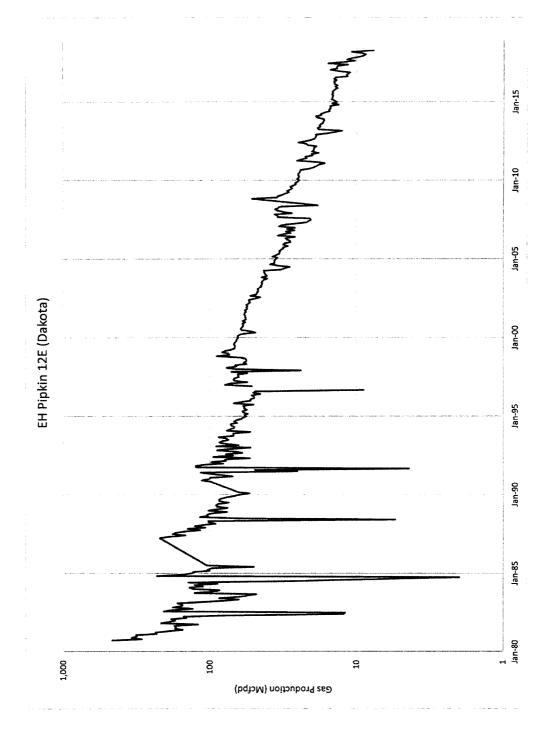
P. O. BOX 2088 SANTA FE, NEW MEXICO 87501

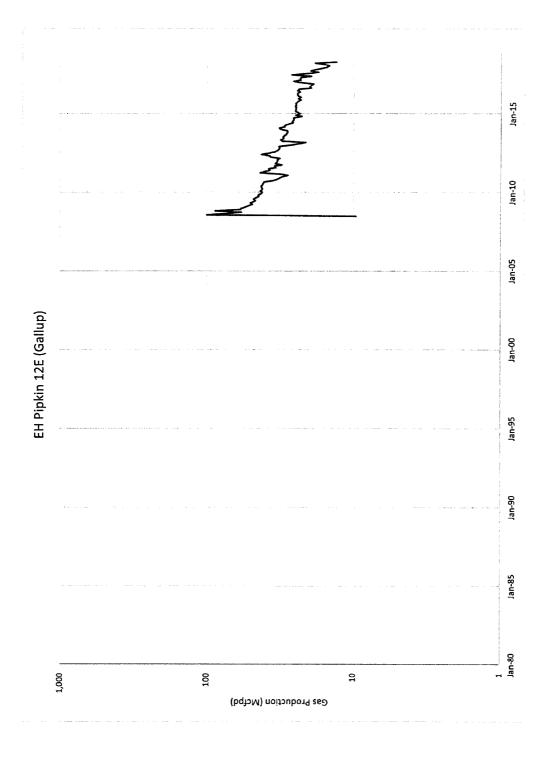
Form C-107 Revised 10-1-78

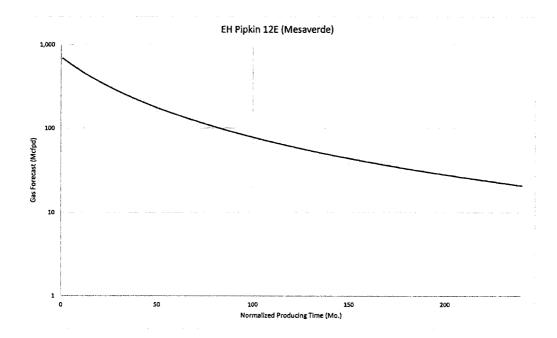
		All distances must be fro	m the cute	r boundartes ef i	the Section			
Operator			Lease				Well No.	
ENERGY RESERV	ES GROUP		E. H. PIPKIN				12E	-
Unit Letter Sec	lion	Township	Range County					
E :	12	27N	1	איבו	San	Juan		
Actual Footage Location	of Wellz							
14:60 fee	t from the Nort	th line and	1160	iee:	t from the	West	line	
Ground Level Elev.	Producing For	nction	Pool				Dedicated Acreage:	
5956	Dakota	1	Bas	sin Dakota			£ (320)	Acres
2. If more than contract and ro	one lease is yalty).	ted to the subject we dedicated to the wel	l, outline	each and ide	ntify the	ownership ti	hereof (both as to	_
dated by comm Yes If answer is " this form if nec	No If an no," list the cossary.)	fferent ownership is nitization, force-pooli swer is "yes," type of owners and tract descriptions.	ng. etc? f consolic riptions v	dation	tually be	en consolida	ated. (Use reverse	side of
No allowable w forced-pooling, sion.	or otherwise)	ed to the well until all or until a non-standar	interests d unit, el	have been c	onsolida h interes	ted (by com	munitization, unit	tization, Commis-
160, 21	1,168 Sec	· *				Name Position Field Sc Company Energy 1	certify that the information is true and comply knowledge and believe the provided that the information is true and comply knowledge and believe that the information is true and comply knowledge and believe that the information is true and the information is true and the information in the information is true and the information is true and the information in the information is true and complete and the information is true and the informatio	istrator
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0 330 660 -90	1320 1650 1986	2310 2640 2000	1500	1000 50		Certificate t		











E H Pipkin 12E - Production Allocation Method

Production for the downhole commingle will be allocated using the subtraction method in agreement with local agencies. The base formations are the Dakota and Gallup and the added formation to be commingled is the Mesaverde. 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.



September 11, 2018

New Mexico Oil Conservation Division Attn: Heather Riley 1220 South St. Francis Drive Santa Fe, New Mexico 87505

Re:

EH Pipkin 012E (30-045-23783) Common Ownership in All Depths San Juan County, New Mexico

Mrs. Riley:

In the subject well, Hilcorp plans to downhole commingle existing pay from the Basin Dakota and Kutz Gallup formations with potential pay from a wildcat Mesaverde formation. In accordance with Subsection C of 19.15.12.11 New Mexico Administrative Code, we have concluded that ownership is the same between all three aforementioned pools. Therefore, this letter serves as Hilcorp Energy's statement that ownership is common throughout all depths in the subject well

This letter represents a good faith effort to adhere with applicable notification requirements. Hilcorp appreciates the opportunity to enhance production from the subject well.

Please contact Brad Pearson by email at <u>bpearson@hilcorp.com</u> or by phone at 713-289-2793 with any questions you may have.

Regards,

Landman

Hilcorp Energy Company

Brudley W. Penson

713-289-2793

Encl.

Submit 3 Copies To Appropriate District Office State of New M Energy, Minerals and Nat	
District.1	WELL API NO.
1625 N French Dr., Hobbs, NM 87240 District.ll OIL CONSEDVATIO	20.045.02502
District.II 1301 W. Grand Ave., Artesia, NM 88210 District III 1220 South St. F	ON DIVISION C. I. I. A. T. A. C.
1000 Rio Brazos Rd, Aztec, NM 87410 Santa Fe, NM	Taileis Di.
District.IV. 1220 S. St. Francis Dr., Santa Fe, NM	6. State Oil & Gas Lease No.
SUNDRY NOTICES AND REPORTS ON WE	ELLS 7. Lease Name or Unit Agreement Name:
(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN DIFFERENT RESERVOIR. UŞE "APPLICATION FOR PERMIT" (FORM C-PROPOSALS)	N OR PLUG BACK TO A FH PTPKTN
1. Type of Well: Oil Well Gas Well X Other	8. Well Number
2. Name of Operator	9. OGRID Number
·	5380
XTO Energy Inc. 3. Address of Operator	10. Pool name or Wildcat
382 CR 3100 AZTEC, NM 87410	BASIN DAKOTA / KUIZ GALLUP
4. Well Location	DEBUTY DEBUTES / MOSE CREEKE
	ORTH line and 1160 feet from the WEST line
Section 12 Township 27N	Range 11W NMPM County SAN JUAN
11. Elevation (Show whether	
	5956'
12. Check Appropriate Box to Indicate NOTICE OF INTENTION TO:	e Nature of Notice, Report, or Other Data SUBSEQUENT REPORT OF:
PERFORM REMEDIAL WORK PLUG AND ABANDON	REMEDIAL WORK ALTERING CASING
TEMPORARILY ABANDON CHANGE PLANS	COMMENCE DRILLING OPNS. P AND A
PULL OR ALTER CASING	CASING/CEMENT JOB CASING/CEMENT JOB
DOWNHOLE COMMINGLE	OIL CONS. DIV.
	DIST. 3
OTHER: DOWNHOLE COMMINGLE	OTHER:
of starting any proposed work). SEE RULE 1103. For Multip or recompletion.	pertinent details, and give pertinent dates, including estimated date ple Completions: Attach wellbore diagram of proposed completion
approval of this . Allocations are based on produc Kutz Gallup: Oil: 92% Water: 90% Gas: 63% Both pools are in the pre-approved pool combination notification to owners was not necessary. DHC will against reservoir damage, waste of reserves and viour intent to DHC by submission of Form 3160-5 on	Basin Dakota: Oil: 8% Water: 10% Gas: 37% ons for SJ County. Ownership is common; therefore,
Spud Date: Rig Rel	ease Date:
I hereby certify that the information above is true and complete to t	he best of my knowledge and belief.
SIGNATURE THE THE AME THE	TILE REGULATORY COMPLIANCE TECH DATE 10/14/08
Type or print hapre LORRI D. BINGHAM E	Lorri_bingham@xtoenergy.com -mail address:PHONE _505-333-3100

For State_Use_Only

APPROVED BY Conditions of Approval (if any):

Deputy Oil & Gas Inspector,

TITLE District #3 DATE OCT 2 4 2008

Form 3160-5 (August 2007)

UNITED STATES DEPARTMENT OF THE INTERIOR **BUREAU OF LAND MANAGEMENT**

FORM APPROVED
OMB NO. 1004-0137
Expires July 31, 2010

SUNDRY NOTICES AND REPORTS ON WELLS

NMSF-078019

Do not use this form for papardoned well. Use Form	proposals to drill (n 3160-3 (APD) for			6. If Indian, Allot gement	tee or Tribe Name
SUBMIT IN TRIPLICATE - Other instructions on page 2 1. Type of Well Oil Well X Gas Well Other 2. Name of Operator				7. If Unit or CA/Agreement, Name and/or No 8. Well Name and No. EH PIPKIN #12E	
4 Location of Well (Footage, Sec., T., R., M., or Survey L., 1460' FNL & 1160' FWL Sec. 12E-T	BASIN DAKOTA W. KUTZ GALLUP 11. County or Parish, State SAN JUAN		UP		
12. CHECK APPROPRIATE	E BOX(ES) TO INI	DICATE NATURE OF NO	OTICE, REPO		
TYPE OF SUBMISSION	TYPE OF ACTION				
X Notice of Intent	Acidize Alter Casing	Deepen Fracture Treat	Production Reclamatio	(Start/Resume)	Water Shut-Off Well Integrity
Subsequent Report	Casing Repair Change Plans	New Construction Plug and Abandon	Recomplete Temporaril	e X	Other DOWNHOLE
Final Abandonment Notice		Convert to Injection Plug Back Water Di		COMMINGE	
Describe Proposed or Completed Operation (clearly the proposal is to deepen directionally or recomp Attach the Bond under which the work will be per following completion of the involved operations. I testing has been completed. Final Abandonment Metermined that the final site is ready for final inspect XTO Energy Inc. proposes to downing Gallup (36550) upon approval of the as follows:	plete horizontally, give siformed or provide the fifthe operation results in Notices shall be filed on ection) note commingle particles.	ubsurface locations and measu Bond No on file with BLM/F n a multiple completion or rec ly after all requirements, inclu- roduction from the 1	red and true ver BIA. Required stompletion in a n ading reclamation	tical depths of all pubsequent reports shew interval, a Form, have been comportal (71599) are coduction and	ertment markers and zones hall be filed within 30 days in 3160-4 shall be filed once leted, and the operator has in the Kutz
as lollows.				OIL C	ONS. DIV.
	Water: 90% Water: 10%	Gas: 63% Gas: 37%		D	IST. 3
Both pools are in the pre-approve therefore, owner notification was while protecting against reservoi NMOCD was notified of our intent documents are attached.	not necessary. r damage, waste	Downhole commings: of reserves and via	ing will of clation of	fer economic correlative	al production rights. The
	N	U DI4C 101	122/08		
14. I hereby certify that the foregoing is true and correct Name (Printed/Typed) LORRI P. BINCHAM		Title REGULAT	ORY COMPLIA	ANCE TECH	
Signature Date 10/14/2008					
THIS	S SPACE FOR FED	ERAL OR STATE OFF	ICE USE		
Approved by Jue Hewill	and there are the second	Title Geo		Date	p-21-0A
Conditions of approval, Pany, are attached. Approval of this notified applicant holds legal or equitable title to those rights in the sub-		office CC0			

Title 18 U.S.C. Section 1001, and Title 43 U.S.C. Section 1212, makes it a crime for any person the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction