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Form 3160-5
(August 2007)

OIL CONS. DIV DIST. 3
DEC 05 2017

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

Farmington Field Office
Bureau of Land Management

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

5. Lease Serial No. **SF-078741**

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.

6. If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE - Other instructions on page 2.

7. If Unit of CA/Agreement, Name and/or No. **San Juan 30-6 Unit**

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

8. Well Name and No. **San Juan 30-6 Unit 491S**

2. Name of Operator **Hilcorp Energy Company**

9. API Well No. **30-039-27739**

3a. Address **PO Box 4700, Farmington, NM 87499**

3b. Phone No. (include area code) **505-599-3400**

10. Field and Pool or Exploratory Area **Basin Fruitland Coal**

4. Location of Well *(Footage, Sec., T.,R.,M., or Survey Description)*
Surface Unit F (SENW), 1805' FNL & 1945' FWL, Sec. 25, T30N, R6W

11. Country or Parish, State **Rio Arriba , New Mexico**

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
	☐ Alter Casing	☐ Fracture Treat	☐ Reclamation	☐ Well Integrity
☐ Subsequent Report	☐ Casing Repair	☐ New Construction	☐ Recomplete	☒ Other Wellhead or Bradenhead repair
	☐ Change Plans	☐ Plug and Abandon	☐ Temporarily Abandon	
☐ Final Abandonment Notice	☐ Convert to Injection	☐ Plug Back	☐ Water Disposal	

BL MK

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 recomplete 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 recompletion 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 pressure test the wellhead and evaluate the source of communication between the casing & bradenhead in the subject well per the attached procedure and wellbore schematic.

BLM Wildlife COA Exception Request attached.

Reference: RBDMS MPK1726330083 - NMOCD directive to initiate remedial activity before January 13, 2018

BLM'S APPROVAL OR ACCEPTANCE OF THIS ACTION DOES NOT RELIEVE THE LESSEE AND OPERATOR FROM OBTAINING ANY OTHER AUTHORIZATION REQUIRED FOR OPERATIONS ON FEDERAL AND INDIAN LANDS

14. I hereby certify that the foregoing is true and correct. Name *(Printed/Typed)*
Tammy Jones Title **Operations/Regulatory Technician - Sr.**

Signature Tammy Jones Date 11/9/2017

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by William Tambekou Title Petroleum Engineer Date 11/21/2017

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 FFO

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)

~~OPERATOR~~ NMOCD
AV

Hilcorp
SAN JUAN 30-6 UNIT 491S
Expense - RTP Projects

Lat 36.78571 N Long -107.41607 W

PROCEDURE

1. Hold pre-job safety meeting. Comply with all NMOCD, BLM, and HEC safety and environmental regulations. Scope location for base beam. If base beam can not be used, test rig anchors prior to moving in rig. Verify cathodic is offline.

2. MIRU workover rig. Check casing, tubing, and bradenhead pressures and record them in WellView.

3. Remove existing piping on casing valve. RU blow lines from casing valves and begin blowing down casing pressure. Pressure test tubing to 1,000 psi before unseating the pump. Release pressure.

4. Unseat pump & kill well with produced Fruitland Coal / treated fresh water, as necessary.

5. TOOH with rod string (per pertinent data sheet).

6. ND wellhead, install H-Prep Sub (30 day test) as needed and NU BOPE. Complete Accumulator function/timing test on every well. Screw Test joint into the TBG hanger. Pressure and function test BOPE (pipe rams only), pressure test BOPE with the rig pumps to 250 psi (low) and 1000 psi over well shut in pressure or anticipated well pressure which ever is greater not to exceed 1500 psi. Verify date of last charted BOPE test and ensure 30-day interval will not be exceeded during estimated job duration. If 30-day interval is expected to expire during job, perform charted low and high pressure test on the BOPE (pipes/blinds/safety valve). PU and remove tubing hanger. Tag for fill, adding additional joints as needed. Record pressure test and fill depth in WellView.

7. RU Tuboscope unit to inspect tubing. TOOH with tubing (per pertinent data sheet). LD and replace any bad joints and record findings in WellView. Make note of corrosion, scale, or paraffin and save a sample to give to Engineering for further analysis.

8. PU a 7" Packer and RIH 30' below the WH, set the packer and pressure test the WH to 560 psi and monitor for BH pressure communication. Contact the operations engineer with the test results prior to moving foward. If the WH tests good, no BH communication is observed and the operations engineer approves of the well test, RIH and set the packer at 3,250'. Load the Hole with water and pressure test the CSG and hunt for holes with a 7" RBP. Contact the Operations Engineer prior to hole hunting and cementing operations.

Contact Operations Engineer to discuss whether cleanout is needed.

9. If necessary, PU 3-3/4" bit and CO to PBTD at 3,719' using the air package. TOOH and LD bit. If unable to CO to PBTD, contact Operations Engineer to inform how much fill was left and confirm/adjust landing depth.

10. TIH with tubing.

Tubing Wt./Grade:	4.7#, J-55
Land Tubing At:	3,658'
Land F-Nipple At:	3,637'
KB:	10'

Tubing and BHA Description	
1	2-3/8" Price-type Cover Joint cut with Mule Shoe
1	2-3/8" F-Nipple (1.78" ID)
+/- 115	2-3/8" Tubing Joints
As Needed	2-3/8" Tubing Pup Joints
1	2-3/8" Tubing Joint

Note: Top of the 5-1/2" liner is at 3,301'.

11. Establish barriers. ND BOP, NU B-1 adapter, ratigan (or rod-lock), and flow tee (place rod ratigan below flow tee). RIH with rod string. Place guided rods where rod wear was found. If possible, put 2' or 4' pony below polished rod.

Rod String Description		Pump Component Description
1	Insert Pump (per description)	**RHAC-Z HVR 2.5"x1.25"x9'x13' Insert Pump with 1"x1' strainer nipple**
1	1" x 1' Lift Sub	
1	3/4" x 8' Guided Rod Sub	**Pump should have: 2 stage HVR with 4' spray metal grooved plunger, 0.006" total clearance, California pattern balls and seats, 0.060" cages, double standing valves, double traveling valves**
1	21K JWD Shear Tool	
6	1-1/4" Sinker Bars	
+/- 139	3/4" Sucker Rods	
As Needed	3/4" Pony Rods	**Do not set pump to tag.**
1	1-1/4" x 22' Polished Rod	

11. Seat pump. Load tubing with water. Pressure test tubing and pump to 1,000 psi. Test for good pump action. Space out pump 1/2" per 1,000' in depth and seat pump.

12. Notify MSO and Specialist that well is ready to be returned to production. Verify cathodic is back online. RDMO.

Hilcorp Energy Company

Current Schematic - Version 3

Well Name: SAN JUAN 30-6 UNIT #491S

API / UWI	Surface Legal Location	Field Name	License No.	State/Province	Well Configuration Type
3003927739	025-030N-006W-F	BASIN (FRUITLAND COAL)		NEW MEXICO	

Ground Elevation (ft)	Original KB/RT Elevation (ft)	KB-Ground Distance (ft)	KB-Casing Flange Distance (ft)	KB-Tubing Hanger Distance (ft)
6,697.00	6,707.00	10.00		

Original Hole, 11/9/2017 12:58:22 PM

MD (ftKB)	TVD (ftKB)	Vertical schematic (actual)
-5.2	-5.2	
9.8	9.8	Polished Rod w/Liner; 22.00 ft
16.7	16.7	Tubing Blue band; 2 3/8 in; 4.70 lb/ft; J-55; 10.0 ftKB; 40.3 ftKB
36.7	36.7	Pony Rods 8', 8', 4'; 20.00 ft
40.4	40.4	Tubing Pup Joints 10', 4', 6'; 2 3/8 in; 4.70 lb/ft; J-55; 40.3 ftKB; 60.5 ftKB
60.4	60.4	Surface Casing Cement; 10.0-126.0; 6/22/2004; Cemented with 50 sacks of Type I -II; circulated 3 bbls of cement to surface.
125.0	125.0	1; Surface; 9 5/8 in; 9.00 in; 10.0 ftKB; Adjusted casing set depth from a 12' KB to a 10' KB.; 126.0 ftKB
126.0	126.0	
135.2	135.2	Tubing Blue band; 2 3/8 in; 4.70 lb/ft; J-55; 60.5 ftKB; 965.9 ftKB
965.9	965.7	Intermediate Casing Cement; 10.0-3,334.0; 6/29/2004; Cemented with 399 sacks of Premium Lite, tailed with 90 sacks of Type III; circulated 21 bbls of cement to surface.
1,299.9	1,299.6	NACIMIENTO (final)
2,796.9	2,796.3	Tubing Yellow band; 2 3/8 in; 4.70 lb/ft; J-55; 965.9 ftKB; 3,637.3 ftKB
		Sucker Rod; 3,425.00 ft
2,895.0	2,894.3	KIRTLAND (final)
3,158.1	3,157.4	FRUITLAND (final)
3,292.0	3,291.3	
3,293.0	3,292.2	
3,301.8	3,301.1	
3,309.4	3,308.6	
3,333.0	3,332.3	
3,334.0	3,333.2	2; Intermediate; 7 in; 6.46 in; 10.0 ftKB; Adjusted casing set depth from a 12' KB to a 10' KB.; 3,334.0 ftKB
3,339.8	3,339.1	
3,348.1	3,347.3	
3,397.0	3,396.2	
3,402.6	3,401.8	
3,424.2	3,423.5	
3,447.2	3,446.4	
3,461.9	3,461.2	
3,477.7	3,476.9	Pony Rods 8', 8'; 16.00 ft
3,512.5	3,511.7	Sinker Bar; 150.00 ft
3,605.0	3,604.2	
3,620.1	3,619.3	
3,626.0	3,625.2	
3,628.0	3,627.2	Shear Coupling; 0.50 ft
3,628.3	3,627.5	Guided Pony Rod 8'; 8.00 ft
3,636.2	3,635.4	PICTURED CLIFFS (final)
3,637.1	3,636.3	Pony Rod 1'; 1.00 ft
3,637.5	3,636.7	Profile Nipple; 2 3/8 in; 3,637.3 ftKB; 3,638.2 ftKB
3,638.1	3,637.3	Price Type BHA w/3/8" hole drilled below upset; 2 3/8 in; 4.70 lb/ft; J-55; 3,638.2 ftKB; 3,658.6 ftKB
3,653.2	3,652.4	Rod Insert Pump; 16.00 ft
3,654.2	3,653.4	Strainer Nipple Open Ended (Hollow); 1.00 ft
3,658.5	3,657.7	
3,718.8	3,718.0	PBTD; 3,719.0
3,719.2	3,718.4	
3,720.8	3,720.0	3; Liner; 5 1/2 in; 0.00 in; 3,302.0 ftKB; 3,720.9 ftKB
3,721.1	3,720.3	

Bureau of Land Management
Farmington Field Office
Wildlife Stipulation Exception
Request Form

Please fill in all fields

Date Requested: 11/9/2017	**Contact Name:** Tammy Jones
Contact Email: tajones@hilcorp.com	**Contact Phone:** 505-324-5185
Address: PO Box 4700, Farmington, NM 87499	
Well Operator or Right-of-Way Holder: Hilcorp Energy Company	
Project Name: San Juan 30-6 Unit 491S Wellhead or Bradenhead Repair	
Legal Description, Township, Range, Section & Quarter: Unit F(SENW), 1805'FNL&1945'FWL, Sec.25, T30N, R6W	
Well/ROW Number: San Juan 30-6 Unit 491S	
Activity Start Date: Initiate remedial before 01/13/2018	**Activity Duration:** 5 days
Wildlife COA's/Stipulations Involved: Rosa Mesa Closure - 12/1 to 3/31	
Activity Description (Include any other associated activity, e.g. gas pipeline): Hilcorp Energy Company requests permission to perform work on the subject well per attached NOI to comply with attached NMOCD directive letter: to initiate remedial activity before January 13, 2018.	
Justification for Request: NMOCD Reference: RBDMS MPK1726330083	
Please Email or Fax this form to Craig Townsend - ctownsen@blm.gov, fax (505)-564-7608 **Office phone: (505)-564-7712**	

State of New Mexico
Energy, Minerals and Natural Resources Department

October 13, 2017

Hilcorp Energy Company
Attn: Jodi-Lyn Curtis
1111 Travis Street
Houston, TX 77002-7002

Re: 2017 Bradenhead Test
Well: San Juan 30 6 Unit #491S, UL F Sec 25 Twn 30N Rge 6W, API # 30-039-27739

Dear Ms. Curtis:

The 2017 Bradenhead test on the above well indicates a failure. In order to comply with Rule 19.15.16.11, prevent waste and protect fresh water, you are hereby directed to submit a plan of action before **November 13, 2017,** and initiate remedial activity before **January 13, 2018**. The initial Surface Casing psi was 43. The initial Production Casing psi was 27. The five-minute Surface Casing shut in pressure was 23. The production casing pressure fell while bradenhead was open indicating there is direct communication between bradenhead and production casing.

The Gas analysis and wellbore schematic were received July 20, 2017. The gas from the surface casing and production casing appears to be from the same source.

Reference: RBDMS MPK1726330083 on future correspondence for this issue.

Notify the Aztec OCD 24 hours before work is initiated.

If you have any questions, please call me at 505-334-6178, ext. 123.

Sincerely yours,

Monica Kuehling

Monica Kuehling
Deputy Oil and Gas Inspector
District III - Aztec

CC: Well File