

Submit 1 Copy To Appropriate District Office
District I - (575) 393-6161
1625 N. French Dr., Hobbs, NM 88240
District II - (575) 748-1283
811 S. First St., Artesia, NM 88210
District III - (505) 334-6178
1000 Rio Brazos Rd., Aztec, NM 87410
District IV - (505) 476-3460
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources

Form C-103
Revised July 18, 2013

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

WELL API NO. 30-039-29557
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. E-290-3
7. Lease Name or Unit Agreement Name San Juan 27-5 Unit
8. Well Number 40N
9. OGRID Number 372171
10. Pool name or Wildcat Blanco Mesaverde/Basin Dakota

SUNDRY NOTICES AND REPORTS ON WELLS
(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)

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

2. Name of Operator
HILCORP ENERGY COMPANY

3. Address of Operator
PO BOX 4700, FARMINGTON NM 87499

4. Well Location
Unit Letter F 1540 feet from the North line and 2045 feet from the West line
Section 16 Township 27N Range 5W NMPM Rio Arriba County

11. Elevation (Show whether DR, RKB, RT, GR, etc.)
6596' GR

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐
TEMPORARILY ABANDON ☐ CHANGE PLANS ☐
PULL OR ALTER CASING ☐ MULTIPLE COMPL ☐
DOWNHOLE COMMINGLE ☐
CLOSED-LOOP SYSTEM ☐
OTHER: ☒ Recomplete

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING OPNS. ☐ P AND A ☐
CASING/CEMENT JOB ☐
OTHER: ☐

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 19.15.7.14 NMAC. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

Hilcorp Energy Company plans to recomplete the subject well in the Mesaverde formation and downhole commingle the existing Dakota with the Mesaverde. Attached is the MV C102, recompleting procedure & wellbore schematic. The DHC1992AZ application has been approved on 9/12/2005. A Closed Loop system will be utilized.

OIL CONS. DIV DIST. 3

DEC 28 2017

Notify NMOCD 24 hrs
prior to beginning
operations

File C-104 & C-105 before returning to

Spud Date:

Rig Release Date:

production

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

SIGNATURE Tammy Jones TITLE Operations / Regulatory Technician - Sr. DATE 12/28/2017

Type or print name Tammy Jones E-mail address: tajones@hilcorp.com PHONE: 505-324-5185

For State Use Only

APPROVED BY: Brad Bell TITLE Deputy Oil & Gas Inspector, District #3 DATE 1/2/18

Conditions of Approval (if any):

AV

District I

1625 N. French Dr., Hobbs, NM 88240
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811 S. First St., Artesia, NM 88210
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District IV

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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 246346

WELL LOCATION AND ACREAGE DEDICATION PLAT

1. API Number 30-039-29557	2. Pool Code 72319	3. Pool Name BLANCO-MESAVERDE (PRORATED GAS)
4. Property Code 318920	5. Property Name SAN JUAN 27 5 UNIT	6. Well No. 040N
7. OGRID No. 372171	8. Operator Name HILCORP ENERGY COMPANY	9. Elevation 6596


10. Surface Location

UL - Lot F	Section 16	Township 27N	Range 05W	Lot Idn	Feet From 1540	N/S Line N	Feet From 2045	E/W Line W	County RIO ARRIBA
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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 320.00 W/2				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

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: *Tammy Jones*
 Title: Operations/Regulatory Technician - Sr.
 Date: 12/27/2017

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: 5/11/2005
 Certificate Number: 15269

**Hilcorp
SAN JUAN 27-5 UNIT 40N
Mesaverde Recompletion**

Lat 36.57658 N

Long -107.36527 W

PROCEDURE

1. MIRU service rig and associated equipment; test BOP.
2. TOOH with 2 3/8" tubing set at 7,730'.
3. Set a 4-1/2" composite bridge plug at +/- 6,100' to isolate the Dakota. Note: TOC at 3,080' by CBL.
4. Load the hole and pressure test the casing to frac pressure.
5. N/D BOP, N/U frac stack and test frac stack to frac pressure.
6. Perforate and frac the Mesaverde in two or three stages
7. Isolate frac stages with a composite bridge plug.
8. Nipple down frac stack, nipple up BOP and test.
9. TIH with a mill and drill out top isolation plug and Mesaverde frac plugs.
10. Clean out to Dakota isolation plug and, when water and sand rates are acceptable, flow test the Mesaverde.
11. Drill out Dakota isolation plug and cleanout to PBTD of 7,832'. TOOH.
12. TIH and land production tubing. Get a commingled Dakota / Mesaverde flow rate.
13. Release service rig and turn well over to production.

