Form 3160-5
(August 2007)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

RECEIVED
JAN 24 2018
Farmington Field Office
Bureau of Land Management

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

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.

5. Lease Serial No.: **SF-078161**

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.:

1. Type of Well: [ ] Oil Well [X] Gas Well [ ] Other

8. Well Name and No.: **Shutls Federal 1**

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

9. API Well No.: **30-045-08766**

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 Dakota**

4. Location of Well *(Footage, Sec., T.,R.,M., or Survey Description)*: **Surface Unit F (SENW), 1767'FNL & 1610" FWL, Sec. 1, T29N, R11W**

11. Country or Parish, State: **San Juan, 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
[X] Subsequent Report	[ ] Casing Repair	[ ] New Construction	[ ] Recomplete	[X] Other CSG REPAIR
	[ ] Change Plans	[ ] Plug and Abandon	[ ] Temporarily Abandon	
[ ] Final Abandonment Notice	[ ] Convert to Injection	[ ] Plug Back	[ ] Water Disposal	

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.)

See attached detail.

OIL CONS. DIV DIST. 3
JAN 29 2018

ACCEPTED FOR RECORD
JAN 24 2018
FARMINGTON FIELD OFFICE
By:

14. I hereby certify that the foregoing is true and correct. Name *(Printed/Typed)*: **Christine Brock**

Title: **Operations/Regulatory Technician**

Signature: Christine Brock

Date: **1/24/2018**

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by	Title	Date
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	

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)

NMOCD

3

12/6/17 MIRU AWS # 395. During bleed dn encountered 23 ppm H2S. SI well & WO chem co. Treated dn tbg & csg w/ 10 gal H2S scavenger. Flush tbg. ND tree & NU BOP. Test BOPE – Test- OK. Secure well & SDFD.

12/7/17 ND BOPE. NU WH. RD Rig to temporarily MOE off. Secure well & Move off.

12/9/17 MIRU AWS 395. Bleed dn, pump a kill dn the tbg. ND WH & NU BOPE. Screw tbg sub into tbg hanger & work stuck tbg. Free tbg & LD jts. Secure well, SDFD.

12/11/17 RU Tuboscope, scan 2 3/8" tbg out of hole. PU & GIH w/ 3 7/8" junk mill w/ string mill on top. Strap & rabbit 40 new jts of 2 3/8", J-55, EUE tbg in the hole. Secure well. SDFD.

12/12/17 Rabbit new tgb in hole to 6255'. Using air, attempt to break circulation @ 6255'. Air pressured up to 1500 psi. Bleed off & pull up to 5465' & 4675' w/ same results. Unloaded well @ 3356'. TIH to 4675' & unload, maxed psi out. Pulled up to 4280' & unloaded csg. Established a return rate. Secure well & SDFD.

12/13/17 POOH w/ jnk mill & string mill. MU & GIH w pkr to 6240". Set RBP @ 6240' Pull up & reset pkr @ 6165'. Test RBP to 1000 psi. Test – OK. Pull up & reset pkr @ 4520'. Test dn tbg & dn tbg annulus. Neither test held. Reset pkr @ 4585', 4651' & 4783' & test dn tgb. None of the tests held. POOH w/ pkr. Secure well SDFD.

12/14/17 PU & GIH w/ 4 ½" fullbore pkr. Found leak in csg between 604'-619'. Pressured up to 800 psi & leak would bleed dn to 100 psi & slowly bleed completely off. Could not est pump rate. Csg above 604' tested ok to 800 psi. Continue in hole to find the end of the lower leak in the 4 ½" csg. Csg tested to 750 psi & held ok below 5049'. Lower leak ended between 5028'-5049'. Est injection rate of 1.2BPM @ 800 psi above 5049'. POOH w/ pkr. PU & GIH 4 ½" RBP retrieving head. Latch on to RBP @ 6240' & unset. Reported csg leak to BLM (William Tambekou) & NMOCD (Brandon Powell). Secure well & SDFD.

12/15/17 Pull up jts of tbg & reset 4 ½" RBP @ 5146'. POOH w/ RBP retrieving head. PU & GIH w/ 4 ½" fullbore pkr. Set pkr in tension @ 670'. PT tbg annulus to 500 psi. Bled RT dn to 100 psi immediately & then slowly dn to 0 psi, could not pump into leak. Unset pkr & TI to 1657', reset pkr & PT tbg annulus to 500 psi. Est injection rate of 1.2 bpm @ 450 psi. Shut dn w/ pressure dropping right off to 100 psi & slowly to 0 psi., Unset pkr @ 1657' & POOH. Secure well SDF weekend.

12/19/17 PU & GIH w/ RBP retrieving head. Latch on & release RBP @ 5146'. Pull up & circ the hole @ 2400'. Continue out, no plug. Trip back in & latch on to plug @ 3829'. POOH w/ plug. Secure well & SDFD. Requested permission to isolate lower zones and work from bottom up. Ok'd with AG @ BLM & Brandon Powell w/ OCD (OCD will require CBL to get current schematic & run MIT to surface).

12/20/17 RU WL, run jnk basket fr surface to 5150'. Run & set 4 ½" composite plug @ 5100'. Run MIT & caliper log fr 5098' – surface. Bad spots in csg from approx. 468'-875' & 4616'-4707. Secure well SDFD.

12/21/17 MU 4 ½" RBP w 4 ½" pkr in tandem. TIH to 4435'. Set RBP @ 4435'. Set pkr @ 4402' & PT dn tbg to 825 psi. Held ok. Pull & reset pkr approx. every 330' testing csg below the pkr to 800 psi+. Csg tested ok w/ retrievamatic fr 4435' – 1559. POOH & swap out pkrs for a tension pkr. Set fullbore pkr @ 902' & test to 820 psi. Held ok. Pull up & reset @ 836'. Pumped into csg @ 1.3 bpm @ 600 psi. Reset pkr @ 868'. Csg tested ok. Unset pkr @ 868' & POOH. Secure well & SDFD.

12/22 Requested permission to squeeze, ok'd w/ BLM (Jack Savage) & OCD (Brandon Powell) w/ OCD COA to have witnessed MIT & CBL when repair s complete. Continue in hole to 4440'. Circ gas out of hole. Latch RBP @ 4435'. POOH. RU WL. Set 4 ½" cement retainer on WL @ 4430'. PU & GIH w/

stinger. Sting into cement retainer @ 4430'. RU cement ERS w/ fresh water. Est injection rate of 1.2 bpm @ 1000 psi. Pump 400 sks of CL-B cement weighing FR 15.2 ppg to 15.6 ppg. Pumped cement @ rate of 1.2 bpm – 1.4 bpm. Finsihed up w/ tbg on a vacuum. Swapped over to water displacement. Stung out of retainer w/ 1200 psi on retainer. Pulled up 300' & circulated 45 sks of cement to pit. Put 300 sks into formation. POOH w/ stinger. Secure well & SDFD.

12/23/17 PU & GIH to 309' w/ fullbore tension pkr. Circ the hole w/ water. Shut dn & set pkr in tension @ 309'. Using water, est injection rate dn tbg & out holes @ 604' & 838'. Circ fluid UOT braden head @ 1 bpm – 300 psi. Cementers pumped 335 sks of CL-B mixed @ 15.6 ppg. Maintained pump rate of 1.5 bpm w/ psi between 100 & 650. Pumped another 2 bbls into sqz before no drop off in pressure. SI well w/ 1000psi. Claculated cement top in csg @ 400' maintained circ through job til displacement started did not circ any cement to surface. SDF weekend.

12/27/17 Unset FB pkr @ 309' & POOH. PU & GIH w/ 3 7/8" bit, sub, 6-3 1/8" DCS & tbg. Tag cement top @ 352'. PU 2.5 swivel & break ciruculation w/ water. DO hard cement fr 352'-627'. Circ hole clean @627'. PT csg from surface to 627' to 800 psi w/ 5 min bleed off to 350 psi & dn to 250 psi in 10 min. Testing csg leak between 604'-619'. Bleed off pressure. Secure Well & SDFD.

12/28/17 Break circulation w/ water. DO cement from 627'-857' & circ hole clean. PT sqz holes from 838'-42' to 800 psi w. 5 min bleed off to 350 psi. Continued DO cement from 857'-890' w/ stringers dn to 925'. Circ hole clean @ 856' & PT all upper sqz holes to 800 psi. Pressure bled dn to 650 psi in 5 min & 575 psi in 10 min & 350 psi in 20 min. LD drill out jts & hang swivel TIH & tag cement @ 4097'. PU swivel & break circ w/ water. DO cement from 4097'-4215'. Circ hole clean @ 4215". Pull up & secure well, SDFN.

12/29/17 Break circulation w/ water. DO hard cement from 4215'-4430'. DO cement retainer @ 4430'. Hang swivel. Break circ w/ water & DO cement from 4430'-4479'. Circ hole clean @ 4479'. Secure well & SDFD.

1/2/18 PU swivel & break circ w/ water. DO hard cement from 4479'-4874'. Circ the hole clean @ 4874'. Hang swivel. Secure well & SDFD.

1/3/18 PU swivel & continue DO hard dement from 4874'-5050'. LD swivel & POOH w/ drlg assembly. PU & GIH w/ fullbore tension pkr. Set pkr @ 902'. Using water, PT csg from 902'-5095'. Test csg @ 800 psi. PSI bled dn after 15 min to 785 psi & held for an addition 15 min @ 785 psi. Swapped over & PT tbg annulus from 902' – surface. PT csg to 800 psi, pressure bled dn to 600 psi after 20 min & held 600 psi for an additional 15 min. POH w/ pkr. Secure well, SDFD. 24 hour notification to BLM & OCD for MIT test.

1/4/18 Top load csg from surface w/ fluid. Beed off air/foam. PT csg from surface to 5095', test to 560 psi. Bled off & fixed surface leaks before pressure holding to 560 psi for 30-40 min. No leak off. RU WL, run cement bond log from 5095'- surface. Good cement bond across all zones of interest. Secure Well & SDFN.

1/5/18 RU wellcheck. Top load csg. W/ NMOCD on location performed MIT on 4 1/2'" production csg chart pressure for 30 min. Pressured up to 560 psi. Pressure leveled off @ 540 psi. Test was good. Tested braden head. Tested ok. GIH w/ tbg to 4900'. Roll hole w/ fresh water. POOH laying dn all 2 3/8" tbg. Ld & load out 6-1/8" DC. Completed casing repair.