

State of New Mexico
Energy, Minerals and Natural Resources Department

Susana Martinez
Governor

Ken McQueen
Cabinet Secretary

Matthias Sayer
Deputy Cabinet Secretary

Heather Riley, Division Director
Oil Conservation Division



New Mexico Oil Conservation Division approval and conditions listed below are made in accordance with OCD Rule 19.15.7.11 and are in addition to the actions approved by BLM on the following 3160-4 or 3160-5 form.

Operator Signature Date: 2/6/18 Well information:

API WELL #	Well Name	Well #	Operator Name	Type	Stat	County	Surf_Owner	UL	Sec	Twp	N/S	Rng	W/E
30-045-24938-00-00	HARDIE	004E	HILCORP ENERGY COMPANY	G	A	San Juan	F	E	24	29	N	8	W

Application Type:

P&A Drilling/Casing Change Location Change

Recomplete/DHC (For hydraulic fracturing operations review EPA Underground injection control Guidance #84; Submit Gas Capture Plan form prior to spudding or initiating recompletion operations)

Other:

Conditions of Approval:

- Notify NMOCD 24hrs prior to beginning operations.
- Density exception must be approved prior to producing the Blanco Mesaverde.
- Submit CBL to the Agencies for review and approval prior to perforating.



NMOCD Approved by Signature

3/12/18

Date

6

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

NMOC D

MAR 05 2018

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

DISTRICT III

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-078502-A**
6. If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE - Other instructions on page 2.

1. Type of Well
 Oil Well Gas Well Other

2. Name of Operator
Hilcorp Energy Company

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

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

7. If Unit of CA/Agreement, Name and/or No.

8. Well Name and No.
Hardie 4E

9. API Well No.
30-045-24938

10. Field and Pool or Exploratory Area
Basin Dakota / Blanco Mesaverde

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			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input checked="" type="checkbox"/> Recomplete	<input type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> 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.)

Plans are to recomplete the subject well in the Mesaverde formation and downhole commingle the existing Dakota with the Mesaverde. Attached is the MV plat and procedure. A DHC application will be submitted and approved before work proceeds.

RECEIVED

FEB 06 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

SEE ATTACHED FOR CONDITIONS OF APPROVAL

Farmington Field Office
Bureau of Land Management

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

Title **Operations/Regulatory Technician - Sr.**

Signature *Christine Brock* Date *2/6/18*

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by *William Tambekou* Title *Petroleum Engineer* Date *3/1/2018*

Office *FFO*

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.

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.

NMOC D IV

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

District IV
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

Form C-102
August 1, 2011

Permit 246204

WELL LOCATION AND ACREAGE DEDICATION PLAT

1. API Number 30-045-24938	2. Pool Code 72319	3. Pool Name BLANCO-MESAVERDE (PRORATED GAS)
4. Property Code 318544	5. Property Name Hardie	6. Well No. 004E
7. OGRID No. 372171	8. Operator Name HILCORP ENERGY COMPANY	9. Elevation 6430

10. Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
E	24	29N	08W		1800	N	790	W	SAN JUAN

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 NONSTANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

<table border="1" style="width: 100%; height: 100%; border-collapse: collapse;"> <tr><td style="width: 25%; height: 25%;"></td><td style="width: 25%; height: 25%;"></td><td style="width: 25%; height: 25%;"></td><td style="width: 25%; height: 25%;"></td></tr> <tr><td style="width: 25%; height: 25%; text-align: center;">■</td><td style="width: 25%; height: 25%;"></td><td style="width: 25%; height: 25%;"></td><td style="width: 25%; height: 25%;"></td></tr> <tr><td style="width: 25%; height: 25%;"></td><td style="width: 25%; height: 25%;"></td><td style="width: 25%; height: 25%;"></td><td style="width: 25%; height: 25%;"></td></tr> <tr><td style="width: 25%; height: 25%;"></td><td style="width: 25%; height: 25%;"></td><td style="width: 25%; height: 25%;"></td><td style="width: 25%; height: 25%;"></td></tr> </table>					■												<p style="text-align: center;">OPERATOR CERTIFICATION</p> <p><i>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.</i></p> <p>E-Signed By: <i>Laudis Roland</i> Title: Operations/Regulatory Technician Date: 12/21/2017</p> <hr/> <p style="text-align: center;">SURVEYOR CERTIFICATION</p> <p><i>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.</i></p> <p>Surveyed By: Jermoe P. McHugh Jr. Date of Survey: 2/3/1981 Certificate Number: 5979</p>
■																	

Hardie 4E

Sec 24-29N-8W-E

API# 30-045-24938

Mesa Verde Uphole Recomplete

2/1/2018

Procedure:

1. MIRU Service rig and associated equipment, test BOP.
2. TOOH w/ 2 3/8" tubing set at 7,424'.
3. Run gauge ring and set 4.5" bridge plug to isolate the Dakota.
4. Load the hole and pressure test to frac pressure.
5. ND BOP, NU frac stack and test frac stack to frac pressure.
6. Perforate and frac the Mesaverde, isolating frac stages w/ frac plugs. (Proposed top perf at 4,693', proposed bottom perf at 5,489')
7. TIH w/ mill and drill out Mesaverde frac plugs.
8. Clean out to Dakota isolation plug and when water and sand rates are acceptable, flow test the Mesaverde.
9. Drill out Dakota isolation plug and cleanout to PBSD of 7,630'. TOOH.
10. TIH and land production tubing. Get a commingled Dakota/Mesaverde flow rate.
11. Release service rig and turn well over to production.

Well Name: HARDIE 004E

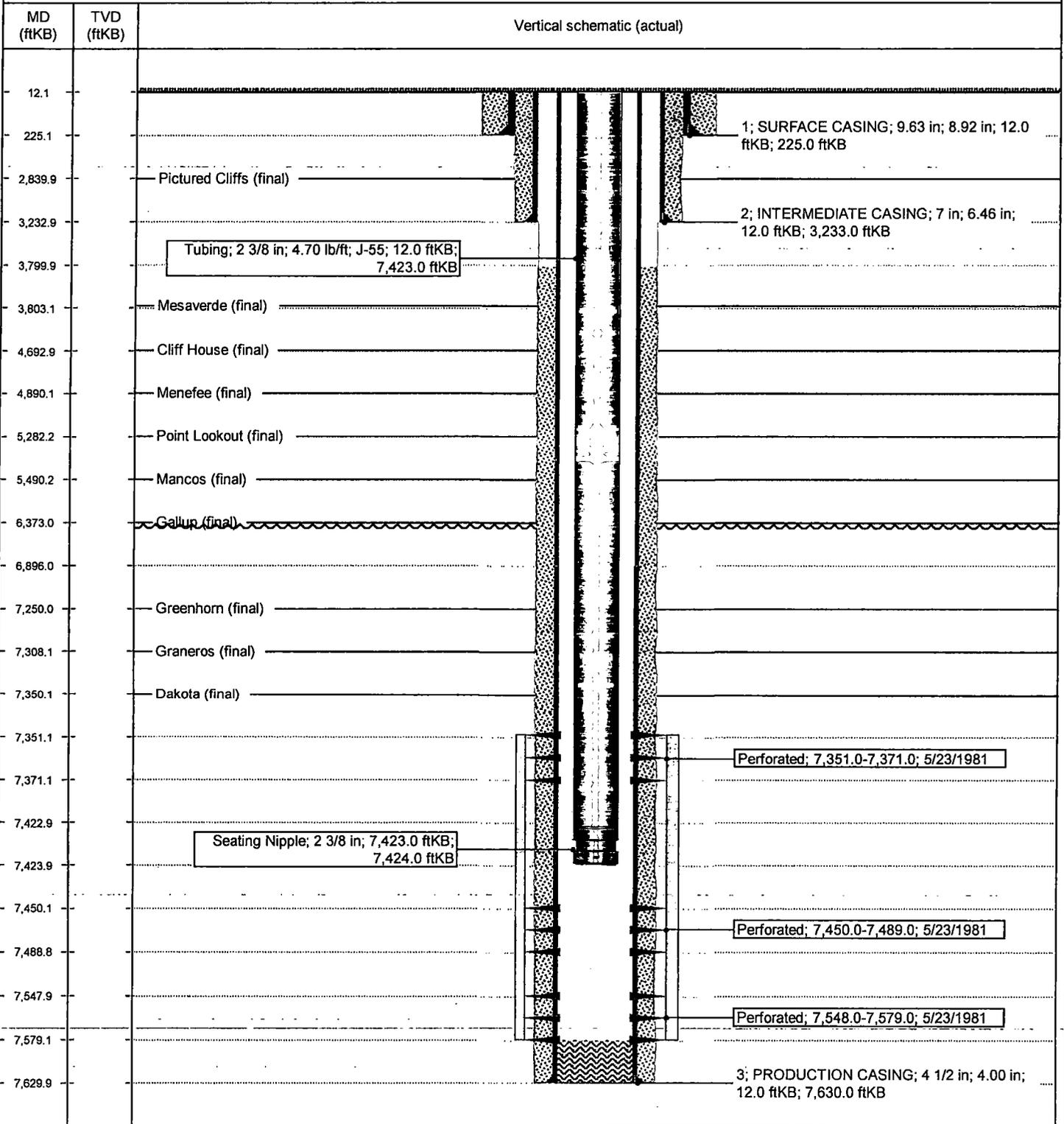
API / UWI 3004524938	Surface Legal Location 024-029N-008W-E	Field Name DK	License No.	State/Province NEW MEXICO	Well Configuration Type Vertical
Original KB/RT Elevation (ft) 6,442.00	KB-Tubing Hanger Distance (ft)	Original Spud Date 4/30/1981 00:00	Rig Release Date 5/8/1981 00:00	PBTD (All) (ftKB)	Total Depth All (TVD) (ftKB)

Most Recent Job

Job Category	Primary Job Type	Secondary Job Type	Actual Start Date	End Date
--------------	------------------	--------------------	-------------------	----------

TD: 7,630.0

Vertical, Original Hole, 2/1/2018 1:18:14 PM





United States Department of the Interior



BUREAU OF LAND MANAGEMENT

Farmington District Office
6251 College Blvd. - Suite A
Farmington, New Mexico 87402
www.blm.gov/nm

RECOMPLETION CONDITION OF APPROVAL

Operator: Hilcorp Energy Company
Lease No.: NMSF 078502-A
Well Name: Hardie 4E
Well Location: Sec.24, T29N, R08W; 1800' FNL & 790' FWL

The Bureau of Land Management Farmington Field Office will require the operator to run a CBL and submit it for verification.

William Tambekou
Petroleum Engineer
Petroleum Management Team