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

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

Form C-103
Revised July 18, 2013

WELL API NO. 30-039-23601

5. Indicate Type of Lease STATE ☒ FEE ☐

6. State Oil & Gas Lease No. B-10037-83

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.)

7. Lease Name or Unit Agreement Name: SAN JUAN 29-7 UNIT

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

8. Well Number 31E

2. Name of Operator: HILCORP ENERGY COMPANY

9. OGRID Number 372171

3. Address of Operator: 382 ROAD 3100, AZTEC NM 87410

10. Pool name or Wildcat: Basin DK / Blanco MV

4. Well Location
Unit Letter A : 800 feet from the North line and 910 feet from the East line
Section 32 Township 29N Range 07W NMPM Rio Arriba County

11. Elevation *(Show whether DR, RKB, RT, GR, etc.)* 6563 GL

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

NOTICE OF INTENTION TO:				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	☐	MULTIPLE COMPL	☐	CASING/CEMENT JOB	☐		
DOWNHOLE COMMINGLE	☐						
CLOSED-LOOP SYSTEM	☐						
OTHER:	☐			OTHER: ☒ RECOMPLETE			

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.

"See attached detail"

NMOCD
MAY 11 2018
DISTRICT III

Spud Date: Rig Release Date:

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

SIGNATURE Christine Brock TITLE Operations/Regulatory Tech DATE 5/10/18

Type or print name Christine Brock E-mail address: cbrock@hilcorp.com PHONE: 505-324-5155

For State Use Only

APPROVED BY: TITLE Deputy Oil & Gas Inspector, District #3 DATE 5/18/18

Conditions of Approval (if any):

4

2/22/18 MIRU Black Hawk 37. Blow dn tbg & csg pressure to flowback tank. ND Prod tree & NU BOPE. Function test blind rams & test to 1000 psi. Test-OK. Pull tbg hanger. Scan tbg out of hole. 5-stands when tbg set in slips parted DN hole. Continued scanning tbg out. Secure well, SDFD.

2/23/18 PU & GIH w/ 3-3/4'" overshot. PU & rabbit in new 2-3/8" tbg. Swallow fish top @ 2573' & work until tbg popped free. POOH, LD tbg. Make a second overshot run. Work DN over fish top @ 4719'. POOH w/ some drag on bottom. No Fish. Secure well, SDFD. Submitted to OCD CBL in the well file. Recv'd verbal approval on 2/23/18 (Brandon Powell) to perforate.

2/24/18 TIH w/ 3-3/4" overshot. Tag fish @ 4718'. Work DN over fish & latch on. Work fish free. TOH w/ fish dragging to surface. TIH w/ overshot. Tag top @ 5058'. Attempt to work DN over fish. Pull up & keep coming off fish top. POOH w/ no fish. Secure well & SDFD.

2/25/18 PU & GIH w/ 3-1/8" box tap on tbg. Work DN over fish top @ 5058'. Kept pulling off @ 6K over string weight. POOH w. No fish. PU & GIH w/ 3-7/8" wash over mill shoe. Jars & 6 3-1/8" DCs on tbg. Tag up @ 5058'. PU off fish. Secure well & SDFD.

2/26/18 RU power swivel & hook up air pkg. PU & GIH w/ 3-3/4" washover shoe & mill. DCs, jars on tbg. Break circ w/ air-mist. Mill on fish from 5058'-5064'. Circ hole clean. POOH w/ mill. MU & GIH w/ 3-7/8" box tap, DCs, jars on tbg. PU swivel & work DN over fish top @ 5064'. Work tbg free pulling as much as 38k. Added 10k wt to string. Secure well & SDFD.

2/27/18 POOH LD remainder of tbg (100% recovery). TIH w/ 6- 3-7/8" DCs & POOH LD collars & load out fishing tools. PU & GIH w/ 3-7/8" bit & csg scraper on 2-3/8" tbg to 5912'. POOH w/ bit & CS. Pu & GIH w/ 4-1/2" CIBP on 2-3/8" tbg. Secure well & SDFD.

2/28/18 Continue in Hole w/ 4-1/2" CIBP on tbg. **Set plug @ 5910'**. Roll hole w/ treated fresh H2O. SI rams & PT csg & plug to 1600 psi. Test – OK. POOH w/ setting tool laying dn all 2-3/8" tbg. ND BOPE & 3K tbg head. Dress off 4-1/2" csg stub. NU 5K tbg head & test seals to 2500 psi. Test-OK. NU 5K Frac Stack. Top load stack w/ treated fresh H2O. PT CIBP, csg & frac stack to 4000 psi for 30 min. Test-OK. Secure well & SDFD. RD RR.

3/01/18 Contacted NMOCD (Charlie Perrin) requesting permission to extend original per interval from 4970'-5700' to 4920'-5829'. Recv'd verbal approval.

3/3/18. MIRU Halliburton Acid crew & Blue Jet perforators. PT lines and WH equipment to 4900 psi. Test-OK. **Perforate PT. Lookout** w/ 3-1/8" HSC select fire gun, .34 diam @ 1 spf, 5829', 5816', 5805', 5789', 5764', 5748', 5676', 5665', 5624', 5620', 5607', 5595', 5594', 5552', 5539', 5529', 5516', 5514', 5495', 5490', 5485', 5479', 5459' = **23 holes**. Acidize PT Lookout w. 1000 gals 15% HCL Acid w/ additives & 45 – 7/8" 1.3 SG RCN ball sealers. Displace w/ treated water. RD release Halliburton.

3/22/18 MIRU Halliburton & Blue Jet perforators. PT line to 4950#, test backside line to 2200 # to ball valve. Load 7" 4-1/2" csg w/ .5 bbl water. Install additional valves on intermediate annulus line. Retest annular line to 1500#. Open downhole. Commence initial pre-pad stimulation on **PT Lookout** w/ 7,338 gals 70Q Foam, 20# Linear Base Gel, 22.8 BPM. Pressure on 7" intermediate csg. (7" shoe @ 3629'). Shut down to evaluate. RD release Halliburton & Blue Jet. Secure well, SDFD.

3/28/2018 – Reported to NMOCD (Brandon Powell) pressure on intermediate. Recv'd verbal permission to trouble shoot and potentially squeeze if needed.

4/02/18 MIRU. ND frac stack. NU BOP. PT BOP, Test-OK. PU pkr & set @ 30'. PT csg & tbg head from 30' to surface to 1500 psi w/ air. Test-OK, no communication w/ intermediate csg. Pump 160 bbls down csg @ 6 BPM. No communication w/ intermediate. Intermediate csg has slight vacuum during test. Unset pkr. PU 4-1/2" RBP & pkr. Tally & PU tbg. **Set RBP @ 5409'**. Set pkr. PT RBP to 1250 psi. Test-OK. Unset pkr. Load csg & PT to 1000 psi. Test-OK. TOOH w/ tbg, LD pkr. Shut in well, SDFD.

4/03/18 RU Basin WRLN. Run CBL under 500 psi from 5409' to surface. Good cement bond from 5409' to 3434'. Load intermediate csg w/ ¼ bbl. PT to 110 psi. Test-OK. Pumped hot water & PT w/ air. PU retrieving head. TIH w/ 61 stands to 3961'. Shut in well, SDFD.

4/4/18 RU Mo-Te Hot Oil Circulate hot water to 100 degrees in wellbore. Monitored intermediate csg during circulation. 39 degree water – 0 psi, 80 degree water – 64 psi, 85 degree water – 71 psi, 100 degree water – 93 psi. RD Mo-Te Hot Oil Truck. RU pressure charts on csg & intermediate csg. PT csg to 2000 psi w/ water – intermediate showed 40 psi. BDW. Tested tbg head seal to 2500 psi, Test-OK. Unloaded well w/ air. BDW. PT csg to 1500 psi w. air – intermediate showed 35 psi. BDW. Test proved no intermediate communication. Pull RBP. ND BOP, land hanger in tbg head, NU wellhead. RD RR @ 18:00.

4/18/18 Reported to NMOCD that we plan to continue forward with stimulation and sent in new CBL to confirm our cement top @ 3434'. Tests concluded that there was no communication from the frac up the annulus of the intermediate to surface. And pressure changes on the intermediate annulus during frac where due to thermal effects and expansion of the inner string.

4/22/18 MIRU Halliburton & Basin WRLN. Test Frac & N2 lines to 5500 psi. Test-OK. **Frac PT. Lookout** w/ 100,800 gals 70Q foam, 20# Linear based gel @ 50 bpm, 106,076 #'s of 20/40 AZ sand, 1,179,700 scf N2, 86 bbls Flush. RU, run into well w/ 4-1/2" **CFP and set @ 5445'. Perf Menefee Zone** w/ .34 diam holes, 1spf @ 5432', 5429', 5407', 5399', 5394', 5383', 5378', 5306', 5293', 5212', 5206', 5199', 5163', 5155', 5151', 5147', 5116', 5111', 5091', 5088', 5068', 5064' = **22 shots.** Acidize Menfee w/ 36 bbls HCL Acid & 50 – 7/8" 1.3 SG RCN ball sealers. **Frac Menefee** w/ 96,720 gals 65Q foam, 20# linear based gel, 88,751 #'s 20/40 AZ sand, 903,383 scf N2. 81 bbls flush. RIW w/ 4-1/2" CFP, **set @ 5055'.Perf Cliffhouse** w/ .34 daim holes, 1 spf @ 5049', 5044', 5039', 5034', 5025', 5017', 5006', 4980', 4976', 4973', 4965', 4963', 4958', 4954', 4945', 4942', 4939', 4934', 4928', 4924' = **20 holes**. Acidize Cliffhouse w/ 36 bbls HCL Acid & 50 – 7/8" 1.3 SG RCN ball sealers. **Frac Cliffhouse** w/ 115,780 gals of 70Q foam, #20 linear based gel, 118,224 #'s 20/40 AZ sand, 1,093,032 scf N2, 64 bbls Flush. RU, run into well with 4-1/2"**CBP & set @ 4000'**. SIW, secure well & SDFD.

4/23/18 MIRU Blackhawk 37. ND frac stack. Install tbg hanger. NU BOPE. RU well check. Install 2-way in hanger. PT blind rams to 250 psi and hold for 5 min. Bring pressure up to 1500 psi and hold for 120 min. Both test- OK. Test 2-3/8" tbg rams to 205 psi & hold for 5 min. Bring pressure up to 1550 psi and hold for 120 min. Both test-OK. Bleed off pressure & pull tbg hanger. MU 3-7/8" twister bit & bit sub w/ float. Strap, PU & rabbit in hole an addition 118 jts in hole. Tag up @ 3866'. PU power swivel & hang back. Secure well & SDFD.

4/24/18 NU Washington Stripping head assembly. Test air unit line. Unloaded well fluid with air unit @ 1500 psi. Start milling on isolation CBP @ 4000'. Continue in with tbg/mill. Tagged 1st MV CFP @ 5055'.

Start milling on CFP. Hang back power swivel. TOH w/ tbg to put mill @ 4010'. Trip back down to 1st MV CFP @ 5060'. RU power swivel assembly. Continue milling on CFP. Hang back power swivel. Continue down to 2nd MV CFP. Tagged sand fill @ 5435' (CFP @ 5445"). RU power swivel assembly. Mill on 2nd MV CFP. Hang back power swivel. TOH with mill/tbg to 4570'. Close & lock pipe rams. Shut in csg valves. Well secured, SDFD.

4/25/2018 Continue in w/ tbg/mill. Tagged fill on DK CIBP @ 5870'. RU Power swivel assembly. Start air/mist and clean out sand fill & plug pieces down to Dakota CIBP @ 5910'. Well unloading frac fluid and making about 1 cup of sand per 5 gal bucket. Circulated until returns were reduced. SD air unit. Pull mill/tbg to 5870'. Flow test MesaVerde Zone. Start milling on DK CIBP. Well unloading frac fluid & making about 3 cups down to ½ cup of sand per 5 gal bucket. Circulated until returns were clean. SD air unit. Hang back power swivel. Continue tripping into well with mill/tbg. Tagged plug pieces/sand fill @ 7730'. (PBTD @ 7763'). RU power swivel assembly. Start air/mist and clean out sand fill & plug pieces down to well PBTD @ 7763'. Unloading frac fluid & making about 2 cups of sand per 5 gal bucket. Circ until returns were reduced. Begin Tripping mill/tbg out of well. Kill csg w/ 30 bbls of water. Trip out remaining tbg. Make up production BHA. TIH w/ production tbg. Close & lock pipe rams. Install & close TIW valve. Shut in csg valves. Well secured, SDFD.

4/26/18 Continue TIH w. production tubing. Drift tbg on trip in. No new fill @ 7763' (PBTD). RU tbg swivel assembly. Start air/mist & unloaded fluid from well. Circ until returns were reduced. SD air unit, RD lines off tbg. Land tbg @ 7674' w/ 236 jts of 2-3/8', 4.7# J-55 and seat nipple @ 7672'. ND BOP assembly, NU Wellhead. Pump 4 bbls water mixed w/ 4 gals of CRW-152A corrosion inhibitor. Drop expandable check ball. Test tbg to 500 psi, test-OK. Pumped out exp check @ 1050 psi. Continue to circ with air to unload any fluid. RD RR @ 13:30.

This well is currently producing as a MV/DK with an approved Test Allowable C-104 & is waiting on RC C-104 approval.

Well is now a MV/DK commingled per DHC 3975 AZ.