

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. 30-039-26528
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. E-290-38
7. Lease Name or Unit Agreement Name San Juan 27-5 Unit
8. Well Number 40F
9. OGRID Number 372171
10. Pool name or Wildcat Blanco Mesaverde/Basin Dakota
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 6527' GR

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
382 Road 3100, AZTEC NM 87410

4. Well Location
 Unit Letter N 1175 feet from the South line and 1980 feet from the West line
 Section 16 Township 27N Range 5W NMPM Rio Arriba County

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

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>	P AND A <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	MULTIPLE COMPL <input type="checkbox"/>	CASING/CEMENT JOB <input type="checkbox"/>	
DOWNHOLE COMMINGLE <input type="checkbox"/>			
CLOSED-LOOP SYSTEM <input type="checkbox"/>			
OTHER: <input type="checkbox"/>		OTHER: <input checked="" type="checkbox"/> 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.

4/5/18 (Verbal approval from Brandon Powell NMOCD to perf sqz holes & suicide sqz.) MIRU. ND WH. NU BOP & PT, test good. Pull hanger & TOO H w/2-3/8" tbg. TIH w/4.5" CIBP, set @ 4920'. Roll well clean & TOO H. RU W/L. Perf 3 sqz holes @ 4800'. RD W/L. Attempt to pump dwn INT csg up sqz holes and dwn csg, multiple attempts - no gain. SIW w/1000# on INT csg. SDON.

4/6/18 Attempt to pump dwn INT csg up sqz holes and dwn csg, multiple attempts - no gain. Perf sqz holes @ 4570'. TIH w/4.5" CICR, set @ 4750'. PT tbg to 1000#, good. Sting in & est rate through suicide sqz setup @ 1.5 BPM - 300#. Circ holes clean. Mix & pump 60 sx Class G neat (69 cuft). Displace 11.5 bbls, sting out & pump 3.5 bbls. Plug balanced, no vacuum. Reverse w/28 bbls clean. SIW. SDFW.

4/9/18 (Verbal approval from Charlie Perrin NMOCD to MIT top sqz perf only & run CBL from CIBP up.) TOO H w/stinger. TIH w/3-3/4" bit, tag cmt @ 4440'. Swivel up & D/O to 4600'. Recover good cmt returns throughout drill out. PT csg to 620# for 30 mins, good test. Continue to drill out to CICR @ 4750'. Circ well clean. SDON.

CONTINUED on Page 2

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 Tammy Jones TITLE Operations / Regulatory Technician - Sr. DATE 5/10/2018

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

For State Use Only

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

Conditions of Approval (if any):

4/10/18 Run chart NMOCD witnessed PT on csg to 575# for 30 mins, good test (see attached). SDON.

4/11/18 TOOH w/3-3/4" bit. RU W/L. Run CBL from CICR @ 4750' to 4150. TIH w/3-3/4" bit. D/O CICR @ 4750'. TIH to CIBP @ 4920'. TOOH w/bit. RU W/L. Run CBL from CIBP @ 4920' to 4150'. TOC @ 4450'. RD W/L. (Verbal approval from Charlie Perrin NMOCD to proceed with frac, tracer log required). TIH w/3-3/4" bit. D/O CIBP @ 4920'. SDON.

4/12/18 TIH & tag CICR @ 5680'. TOOH w/bit. ND BOP. NU & RU W/L. Perf Mesaverde @ 5626, 5625, 5599, 5598, 5592, 5591, 5590, 5554, 5553, 5546, 5533, 5532, 5504, 5499, 5498, 5494, 5493, 5489, 5484, 5480, 5476, 5475, 5474, 5471, 5470, 5466, 5465, 5464, 5454, 5451, 5387, 5372, 5371, 5338, 5333, 5328, 5327, 5321, 5279, 5271, 5249, 5242, 5222, 5221, 5199, 5194, 5185, 5176, 5175, 5137, 5131, 5130, 5119, 5106, 5096, 5082, 5074, 5073, 5072, 5060, 5057, 5052, 5047, 5040, 5036, 5028, 5020, 5019, 5018, 5009, 5008, 4988, 4987, 4980, 4979, 4975, 4974, 4965, 4964 w/0.34" dia (1 SPF) holes. RD W/L. Change over BOP rams / handling tools to 2-7/8". TIH w/2-7/8" P-110 Frac string to 3000'. Load tbg & PT tbg to 2000#. SIW. SDON.

4/13/18 Finish TIH w/frac string, pkr @ 4839' & set frac string. NU frac stack. Load & PT csg to 500#, ok. PT frac stack to 9000#, all good. SIW. RD. Rig released.

4/27/18 RU frac crew. Broke down well with water & 500 gal 15% HCL. Foam FRAC'D Mesaverde w/10,110# 100 Mesh & 292,927# 40/70 sand & 85,667 gal slickwater & 3.03 million SCF N2 70 quality. Avg rate = 49 bpm, avg psi = 5800. ISIP was 2200 psi. Traced with 1 Pro-Technics Isotope. Dropped 20 Bio-balls with 1/4, 1/2, & 3/4 of sand pumped. Pumped another 500 gals of acid with 1/2 of sand pumped. RD frac crew.

4/28/18 MIRU. RU flowback. Start well on flowback.

4/30/18 ND frac stack. NU BOP & PT, test good. RU 2-7/8" handling tools. Pull hanger & kill frac string w/40 bbls. TOOH & LD frac string. TIH w/3-3/4" bit to 4000'. Flowback well.

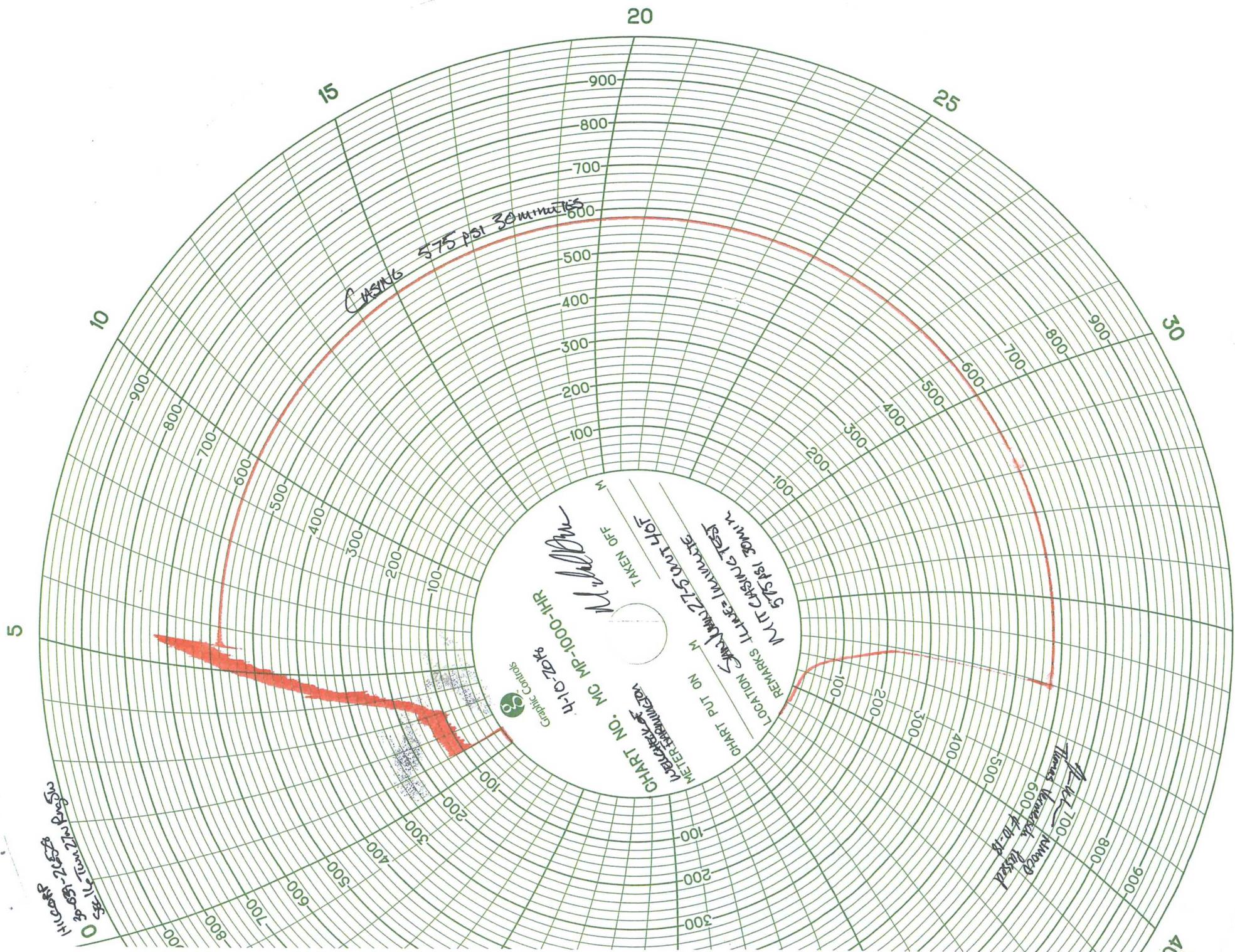
5/1/18 Tag fill @ 5614'. CO to CICR @ 5680'. TOOH w/3-3/4" bit. TIH w/junk mill. Flowback well.

5/2/18 D/O CICR @ 5680'. Drill out cement to CIBP @ 5720'. D/O CIBP @ 5720'. TIH & tag fill @ 7744'. Unload & clean out to PBTD @ 7759'. SDON.

5/3/18 TIH & tag PBTD @ 7759'. TOOH w/junk mill. RU W/L. Run Spectra log. RD W/L. SDON.

5/4/18 TIH w/BHA & land 242 jts 2-3/8" 4.7# J-55 EUE T&C upset tubing @ 7702', SN @ 7700'. ND BOP. NU WH. RD. Rig released.

Well is now producing as Blanco Mesaverde/Basin Dakota commingle under DHC3987AZ.



CASING 575 psi 30mm dia

CHART NO. MC MP-1000-IHR
 h-10-20R
 Graphic Controls
 METERING
 LOCATION SANDHURST 750 FT LOT
 REMARKS LAMEL LAMINATE
 W/T CASING TEST
 575 PSI 30MM DIA
 TAKEN OFF
 M
 CHART PUT ON
 M
 M. J. [Signature]

H-10-100
 Thomas Van der
 600
 4-10-18

0
 H-10-100
 Thomas Van der
 600
 4-10-18