

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: 5/2/18 Well information:

API WELL #	Well Name	Well #	Operator Name	Type	Stat	County	Surf_Owner	UL	Sec	Twp	N/S	Rng	W/E
30-045-26179-00-00	HOUCK COM	001E	HILCORP ENERGY COMPANY	G	A	San Juan	F	M	1	29	N	10	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.
- Submit CBL to the Agencies for review and approval prior to perforating.
- If remedial cement is needed notify the agencies of Hilcorp's proposed plan so it can be reviewed and approved prior to the work being performed.

NMOCD Approved by Signature

5/22/18

Date

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
OMB NO. 1004-0137  
Expires: January 31, 2018

**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.*

**SUBMIT IN TRIPLICATE - Other instructions on page 2**

1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. NMSF077092A
2. Name of Operator HILCORP ENERGY COMPANY Contact: PRISCILLA SHORTY E-Mail: pshorty@hilcorp.com		6. If Indian, Allottee or Tribe Name
3a. Address 1111 TRAVIS STREET HOUSTON, TX 77002	3b. Phone No. (include area code) Ph: 505-324-5188	7. If Unit or CA/Agreement, Name and/or No. NM015P3585C429
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 1 T29N R10W SWSW 0790FSL 0790FWL 36.748901 N Lat, 107.842148 W Lon		8. Well Name and No. HOUCK COM 1E
		9. API Well No. 30-045-26179-00-S1
		10. Field and Pool or Exploratory Area BASIN DAKOTA
		11. County or Parish, State SAN JUAN COUNTY, NM

**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"/> Hydraulic Fracturing	<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.

Hilcorp Energy Company plans to recomplete the subject well in the Mesaverde formation and dowhole commingle the existing Dakota with the Mesaverde. Attached is the Mesaverde plat and recomplete procedure. A DHC application will be filed and approved prior to commingling. A Closed Loop system will be used.

NMOC

MAY 09 2018

DISTRICT III

14. I hereby certify that the foregoing is true and correct. <b>Electronic Submission #413251 verified by the BLM Well Information System For HILCORP ENERGY COMPANY, sent to the Farmington Committed to AFMSS for processing by JACK SAVAGE on 05/09/2018 (18JWS0121SE)</b>	
Name (Printed/Typed) PRISCILLA SHORTY	Title OPERATIONS REGULATORY TECH
Signature (Electronic Submission)	Date 05/02/2018

**THIS SPACE FOR FEDERAL OR STATE OFFICE USE**

Approved By JACK SAVAGE	Title PETROLEUM ENGINEER	Date 05/09/2018
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 Farmington

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.

(Instructions on page 2)

**\*\* BLM REVISED \*\* BLM REVISED \*\* BLM REVISED \*\* BLM REVISED \*\* BLM REVISED \*\***

NMOC

**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 251536

**WELL LOCATION AND ACREAGE DEDICATION PLAT**

1. API Number 30-045-26179	2. Pool Code 72319	3. Pool Name BLANCO-MESAVERDE (PRORATED GAS)
4. Property Code 319030	5. Property Name HOUCK COM	6. Well No. 001E
7. OGRID No. 372171	8. Operator Name HILCORP ENERGY COMPANY	9. Elevation 5884

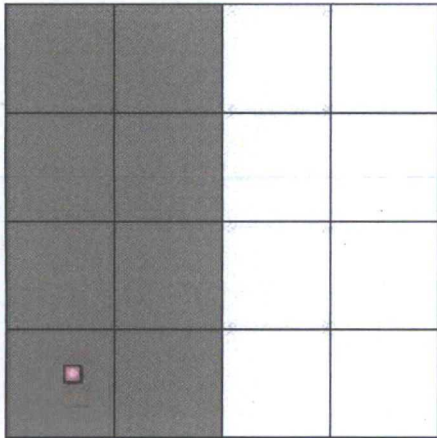
**10. Surface Location**

UL - Lot M	Section 1	Township 29N	Range 10W	Lot Idn	Feet From 790	N/S Line S	Feet From 790	E/W Line W	County SAN JUAN
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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 323.37 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**

	<p style="text-align: center;"><b>OPERATOR CERTIFICATION</b></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: <u>Priscilla Shorty</u> Title: Operations Regulatory Technician Date: 05/02/2018</p> <hr/> <p style="text-align: center;"><b>SURVEYOR CERTIFICATION</b></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: Fred Kerr Date of Survey: 9/25/1978 Certificate Number: 3950</p>
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HILCORP ENERGY COMPANY  
HOUCK COM 1E  
MESA VERDE RECOMPLETION SUNDRY

JOB PROCEDURES

1. MIRU service rig and associated equipment; test BOP.
2. TOOH with 2 3/8" tubing set at 6,764'.
3. Set a 4-1/2" cast iron bridge plug at +/- 6,675' to isolate the Dakota.
4. Load the hole and run CBL.
5. Determine TOC and squeeze if necessary.
6. (If needed) WOC, drill out cement to CIBP.
7. (If needed) Load the hole and run CBL to determine new TOC.
8. Pressure test the casing to frac pressure.
9. N/D BOP, N/U frac stack and test frac stack to frac pressure.
10. Perforate and frac the Mesa Verde in two or three stages. (Top perforation @ 3,740', Bottom perforation @ 5,042')
11. Isolate frac stages with a composite bridge plug and set top isolation plug once frac is completed.
12. Nipple down frac stack, nipple up BOP and test.
13. TIH with a mill and drill out top isolation plug and Mesa Verde frac plugs.
14. Clean out to Dakota isolation plug and, when water and sand rates are acceptable, flow test the Mesa Verde.
15. Drill out Dakota isolation plug and cleanout to PBTD of 6,915'. TOOH.
16. TIH and land production tubing. Get a commingled Dakota/Mesa Verde flow rate.



HILCORP ENERGY COMPANY  
HOUCK COM 1E  
MESA VERDE RECOMPLETION SUNDRY

HOUCK COM 1E - CURRENT WELLBORE SCHEMATIC



Schematic - Current

Well Name: HOUCK COM #1E

API UWI 3004526179	Surface Legal Location 001-029N-010W-M	Field Name CH	License No.	State Province NEW MEXICO	Well Configuration Type Vertical
Original KB/RT Elevation (ft) 5,996.00	KB-Tubing Hanger Distance (ft) 12.00	Original Spud Date 3/14/1985 00:00	Rig Release Date	PSTD (ft) (ftKB) Original Hole - 6,915.0	Total Depth (ft) (ftKB)

Most Recent Job

Job Category	Primary Job Type Gen. Maint & Repair	Secondary Job Type	Actual Start Date 2/20/1998	End Date
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TD: 6,960.0

Vertical, Original Hole, 4/23/2018 2:33:14 PM

