This form is not to be used for reporting packer leakage tests in Southeast New Mexico

Oil Conservation Division

Northwest New Mexico Packer-Leakage Test

Page 1 Revised June 10, 2003

Operator Hilc	orp Energy Co	ompany		Lease	Name	CANY	ON LA	RGO U	NIT NP	Well No. 89
Location of W	ell: Unit Lette	r M S	ec	17	Twp	024N	R	ge	006W AP	I# 30-039-05441
	Name of Reservoir or Pool			Type of Prod			Method of Prod		Prod Medium	
Upper Completion	DK			Gas			Flow		Tubing	
Lower Completion	GL			Gas			Flow		Tubing	
			Pre	-Flow Sh	nut-In F	Pressu	re Data	a		
Upper Completion	Hour, Date, Shut-In 5/21/2018			Length of Time Shut-In 77 hours			SI Press. PSIG			
Lower Completion	Hour, Date, Shut-In 5/21/2018			Length of Time Shut-In 48 hours			SI Press. PSIG		Stabilized?(Yes or No) Yes	
				Flov	v Test	No. 1				
Commenced	at:	5/23/2018					oducing	(Upper	or Lower): Lo	OWER
Time (date/time)		apsed Time Since*	PRESSURE Upper zone Lowe		SURE Lower	zone	Prod Zone Temperature			Remarks
5/24/2018 5:	5/24/2018 5:53 AM		1	137 79		9				
Production rat	e during test		,	'			,	,		
Oil: BPOD Based on: Bbl			Bbls	s. InHrs			Grav.		GOR	
Gas		MCFPD; Test th	nru (Orif	ice or Me	eter)					
			Mid	l-Test Sh	uıt-ln F	Pressu	re Data			
Upper Completion	Hour, Date, Shut-In			Length of Time Shut-In				SI Press. PSIG		Stabilized?(Yes or No)
Lower Completion				Length of Time Shut-In			SI Press. PSIG		Stabilized?(Yes or No)	

(Continue on reverse side)

NMOCD
MAY 2 9 2018
DISTRICT 111

Northwest New Mexico Packer-Leakage Test

Flow Test No. 2

Commenced at:			Zone Pro	Zone Producing (Upper or Lower)							
Time	Lapsed Time	PRES	SURE	Prod Zone							
(date/time)	Since*	Upper zone	Lower zone	Temperature	Remarks						
Production rate during Oil: BPOI	g test D Based on:	Bbls. In	Hrs.	Gı	rav. GOR						
Gas	MCFPD; Test thru (Orifice or Meter)										
Remarks:											
I hereby certify that th	e information herein o	contained is true	and complete	to the best of m	y knowledge.						
Approved: 1 June 20 18 Operator: HEC											
	onservation Division	20 10		•							
New Mexico Oli Co			Ву:	By: Larry Nelson Jr							
By:	Lusan		Title:	Title: Multi-Skilled Operator							
Title: Deput	ty Oil & Gas Insp District #3	ector,	Date:	Date: Tuesday, May 29, 2018							

NORTHWEST NEWMEXICO PACKER LEAKAGE TEST INSTRUCTIONS

- A packer leakage test shall be commenced on each multiply completed well within seven days after actual
 completion of the well, and annually thereafter as prescribed by the order authorizing the multiple completion.
 Such tests shall also be commenced on all multiple completions within seven days following recompletion and/or
 chemical or fracture treatment, and whenever remedial work has been done on a well during which the packer or
 the tubing have been disturbed. Tests shall also be taken at any time that communication is suspected or when
 requested by the Division.
- 2. At least 72 hours prior to the commencement of any packer leakage test, the operator shall notify the Division in writing of the exact time the test is to be commenced. Offset operators shall also be so notified.
- 3. The packer leakage test shall commence when both zones of the dual completion are shut-in for pressure stabilization. Both zones shall remain shut-in until the well-head pressure in each has stabilized, provided however, that they need not remain shut-in more than seven days.
- 4. For Flow Test No. 1, one zone of the dual completion shall be produced at the normal rate of production while the other zone remains shut-in. Such test shall be continued for seven days in the case of a gas well and for 24 hours in the case of an oil well. Note: if, on an initial packer leakage test, a gas well is being flowed to the atmosphere due to lack of a pipeline connection the flow period shall be three hours.
- 5. Following completion of Flow Test No. 1, the well shall again be shut-in, in accordance with Paragraph 3

- 6. Flow Test No. 2 shall be conducted even though no leak was indicated during Flow Test No. 1. Procedure for Flow Test No. 2 is to be the same as for Flow Test No. 1 except that the previously produced zone shall remain shut-in while the zone which was previously shut-in is produced.
- 7. Pressures for gas-zone tests must be measured on each zone with a deadweight pressure gauge at time intervals as follows: 3 hours tests: immediately prior to the beginning of each flow period, at fifteen-minute intervals during the first hour thereof, and at hourly intervals thereafter, including one pressure measurement immediately prior to the conclusion of each flow period. 7-day tests: immediately prior to the beginning of each flow period, at least one time during each flow period (at approximately the midway point) and immediately prior to the conclusion of each flow period. Other pressures may be taken as desired, or may be requested on wells which have previously shown questionable test data.

24-hour oil zone tests: all pressures, throughout the entire test, shall be continuously measured and recorded with recording pressure gauges the accuracy of which must be checked at least twice, once at the beginning and once at the end of each test, with a deadweight pressure gauge. If a well is a gas-oil or an oil-gas dual completion, the recording gauge shall be required on the oil zone only, with deadweight pressures as required above being taken on the gas zone.

8. The results of the above-described tests shall be filed in triplicate within 15 days after completion of the test. Tests shall be filed with the Aztec District Office of the New Mexico Oil Conservation Division on Northwest New Mexico Packer Leakage Test Form Revised 10-01-78 with all deadweight pressures indicated thereon as well as the flowing temperatures (gas zones only) and gravity and GOR (oil zones only).