

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



September 12, 2018

HILCORP ENERGY COMPANY

Attn: Jodi-Lyn Curtis

1111 Travis Street

Houston, TX 77002-7002

Re: 2018 Bradenhead Test

Well: Frost #501, UL B Sec 25 Twn 27N Rge 10W, API # 30-045-28448

Dear Ms. Curtis,

The 2018 Bradenhead test on the above well indicates a failure. In order to comply with Rule 19.15.16.11, prevent waste and protect fresh water, you are hereby directed to submit a plan of action before **October 12, 2018**, and initiate remedial activity before **December 11, 2018**. The initial Surface Casing psi was 8. The initial Production Casing psi was 8. The five minute Surface Casing shut in pressure was 8. The bradenhead pressure did not fall and followed the production casing pressure for the full 30 minute test indicating there is direct communication between bradenhead and production casing.

Gas analysis and wellbore schematic have been received. Gas analysis shows same gas on all strings.

Reference: RBDMS MPK1815655587 on future correspondence for this issue.

Notify the Aztec OCD 24 hours before work is initiated.

If you have any questions, please call me at 505-334-6178, ext. 123.

Sincerely yours,

Monica Kuehling
Deputy Oil and Gas Inspector
District III - Aztec

CC: Well File