Form 3160-5
(August 2007)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

RECEIVED
SEP 11 2018
Farmington Field Office
Bureau of Land Management

FORM APPROVED
OMB No. 1004-0137
Expires: July 31, 2010

5. Lease Serial No.
SF-078049-A

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.

6. If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE - Other instructions on page 2.

7. If Unit of CA/Agreement, Name and/or No.

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

8. Well Name and No.
Bolin Hardie 1

2. Name of Operator
Hilcorp Energy Company

9. API Well No.
30-045-20126

3a. Address
382 Road 3100, Aztec, NM 87410

3b. Phone No. (include area code)
505-599-3400

10. Field and Pool or Exploratory Area
Basin Dakota

4. Location of Well *(Footage, Sec., T.,R.,M., or Survey Description)*
Surface Unit D (NWNW), 880'FNL & 1170' FWL, Sec. 34, T29N, R08W

11. Country or Parish, State
San Juan , New Mexico

12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
☒ Notice of Intent	☐ Acidize	☐ Deepen	☐ Production (Start/Resume)	☐ Water Shut-Off
	☐ Alter Casing	☐ Fracture Treat	☐ Reclamation	☐ Well Integrity
☐ Subsequent Report	☐ Casing Repair	☐ New Construction	☐ Recomplete	☒ Other **MIT**
	☐ Change Plans	☐ Plug and Abandon	☐ Temporarily Abandon	**w/ Contingent P&A**
☐ Final Abandonment Notice	☐ Convert to Injection	☐ Plug Back	☐ 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 performed 3 squeeze attempts on the subject well. As of 7/31/2018 there was still some leak off. Attached is a procedure to perform an MIT w/ a contingenct P&A procedure.

Notify NMOCD 24 hrs prior to beginning operations

NMOCD
SEP 24 2018
DISTRICT III

14. I hereby certify that the foregoing is true and correct. Name *(Printed/Typed)*
Christine Brock Title **Operations/Regulatory Technician - Sr.**

Signature Christine Brock Date 9/11/18

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by
Chip Harraden Title Geologist Date 9/20/18

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 BLM-FFO

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.

(Instruction on page 2)

NMOCD AV

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SQUEEZE TEST WITH CONTINGENT PLUG AND ABANDONMENT PROCEDURE

August 24, 2018

Bolin – Hardie #1

Basin Dakota

880' FNL / 1170' FWL Section 4, T29N, R8W, San Juan County, New Mexico

API 30-045-20126 / Lat. 36.687300N / Long. 107.669029W

Note: All cement volumes use 100% excess outside pipe and 50' excess inside. The stabilizing wellbore fluid will be 8.3 ppg, sufficient to balance all exposed formation pressures. All cement will be Class G, mixed at 15.8 ppg with a 1.15 cf/sx yield.

1. This project will use a steel tank to handle waste fluids circulated from the well and cement wash up.

2. Install and test location rig anchors. Comply with all NMOCD, BLM, and Operator safety regulations. MOL and RU daylight pulling unit. Conduct safety meeting for all personnel on location. Record casing, tubing and bradenhead pressures. NU relief line and blow down well. Kill well with water as necessary and at least pump tubing capacity of water down the tubing. ND wellhead and NU BOP. Function test BOP.

3. Rods: Yes___ , No ____, Unknown_____.
   Tubing: Yes ____ , No _X___, Unknown_____ , Size _____ , Length _____.
   Packer: Yes____ , No _X___, Unknown_____, Type _____.

   Note: This may be done prior to contingent P&A work.
   - May RIH with bit and/or string mill to ~4294'.
   - May RIH and set 4.5" RBP at ~4294'. Load casing and pressure test to 600# for 30 minutes. Record rates. If the casing fails the MIT then contact CE and P&A the well. If it passes, additional testing may be performed.

4. **Plug #1 (Dakota perforations and top, 7190' – 7090'):** R/T .45" gauge ring or mill to 7190' and tag existing BP at 7190'. PU tubing workstring and RIH. Pressure test tubing to 800#. Circulate hole clean. Mix and pump 12 sxs Class G cement and spot a balanced plug inside casing to isolate the Dakota interval. PUH.

5. **Plug #2 (Gallup and Mancos tops, 6161' - 5557'):** Mix and pump 45 sxs Class G cement and spot a balanced plug inside casing to cover the Gallup and Mancos top. PUH.

6. **Plug #3 (Mesaverde and Chacra top, 4610' – 3860'):** Mix and pump 55 sxs Class G cement and spot a balanced plug inside casing to cover the Mesaverde and Chacra top. PUH.

7. **Plug #4 (7" casing shoe and PC top, 3249' – 2894'):** Mix and pump 28 sxs Class G cement and spot a balanced plug inside casing to cover the 7" shoe and PC top. PUH.

8. **Plug #5 (Fruitland top, 2710' - 2610'):** Mix and pump 12 sxs Class G cement and spot a balanced plug inside casing to cover the Fruitland top. TOH.

9. **Plug #6 (Kirtland and Ojo Alamo tops, 2154' – 1907'):** Perforate 3 deep penetrating squeeze holes at 2154'. Attempt to establish circulation in 7" x 8.75" OH. Set 4.5" CR at 2104'. Mix and pump 78 sxs Class G cement, squeeze 57 sxs outside 7" x 8.75" annulus and leave 21 sxs inside casing. TOH.

10. **Plug #7 (Nacimiento top, 520' – 420'):** Perforate 3 deep penetrating squeeze holes at 520'. Attempt to establish circulation into 4.5" x 7" annulus and 7" x 8.75" OH. Set 4.5" CR at 470'. Mix and pump 53 sxs Class G cement, squeeze 18 sxs into 4.5" x 7" annulus and 23 sxs outside 7" x 8.75" annulus and leave 12 sxs inside casing. TOH and LD tubing.

11. **Plug #8 (9-5/8" Surface casing shoe, 259' - Surface)**: Perforate 4 squeeze holes at 259'. Establish circulation out bradenhead with water and circulate the BH annulus clean. Mix approximately 100 sxs cement and pump down the 4.5" casing to circulate good cement out bradenhead. Shut in well and WOC.

12. ND cementing valves and cut off wellhead. Fill annuli with cement as necessary. Install P&A marker to comply with regulations. Record GPS coordinate for P&A marker on tower report. Photograph P&A marker in place. RD, MOL and cut off anchors. Restore location per BLM stipulations

Bolin – Hardie #1

Proposed P&A

Basin Dakota

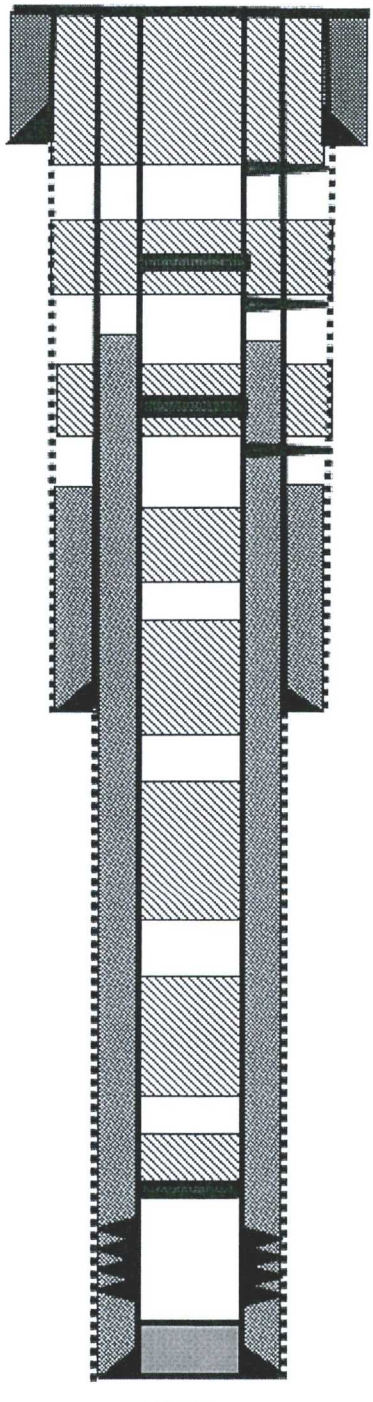
Today's Date: **8/23/18**

Spud: 8/15/67
Comp: 9/9/67

Elevation: 6402' GR
6415' KB

880' FNL / 1170' FWL Section 4, T-29-N, R-8-W,

San Juan County, NM, API #30-045-20126



13.75" hole

9.625", 32.3#, Casing set @ 209'
Cement with 140 sxs, circulate to surface

Perforate @ 259'

Plug #8: 259' – 0'
Class B cement, 100 sxs

Nacimiento @ 470'

CR @ 470'

Perforate @ 520'

Plug #7: 520'- 420'
Class B cement, 53 sxs:
12 inside and 18 sxs in 4.5":
x 7" annulus and 23 sxs
7" x 8-3/4" annulus

Ojo Alamo @ 1957'

Kirtland @ 2104'

4.5" TOC @ 1490' (CBL '18).
Note: multiple squeezes detailed on current WB diagram

CR @ 2104'

Perforate @ 2154'

Plug #6: 2154' – 1907'
Class G cement, 78 sxs:
21 inside; 57 sxs outside 7"
x 8-3/4" annulus

7" TOC @ 2353' (Calc)

Fruitland @ 2660'

Plug #5: 2710' - 2610'
Class G cement, 12 sxs

Pictured Cliffs @ 2944'

8-3/4" hole

Plug #4: 3249' - 2894'
Class G cement, 28 sxs

7" 17/ 20#, casing set @ 3199'
Cemented with 635 cf

Chacra @ 3910'

Plug #3: 4610' - 3860'
Class G cement, 55 sxs

Mesaverde @ 4560'

Mancos @ 5607'

Plug #2: 6161' - 5557'
Class G cement, 45 sxs

Gallup @ 6111'

Plug #1: 7190' – 7090'
Class G cement, 12 sxs

Existing CIBP @ 7190'

Dakota Perforations:
7221' – 7470'

Dakota @ 7222'

.4.5" 10.5/ 11.6# casing set @ 7529'
Cemented with 700 cf

6.25" hole

TD 7529'
PBTD 7518'

UNITED STATES DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
FARMINGTON DISTRICT OFFICE
6251 COLLEGE BLVD.
FARMINGTON, NEW MEXICO 87402

Attachment to notice of
Intention to Abandon:

Re: Permanent Abandonment
Well: Bolin Hardie 1

CONDITIONS OF APPROVAL

1. Plugging operations authorized are subject to the attached "General Requirements for Permanent Abandonment of Wells on Federal and Indian Lease."

2. Farmington Office is to be notified at least 24 hours before the plugging operations commence (505) 564-7750.

3. The following modifications to your plugging program are to be made:

a) Set Plug #7 (684 – 584) ft. to cover the Nacimiento top. BLM picks top of Nacimiento at 634 ft.

Operator must run CBL to surface to identify TOC. Submit electronic copy of the log for verification to the following addresses: jwsavage@blm.gov brandon.powell@state.nm.us

Low concentrations of H2S (4 ppm GSV) have been reported in wells within a 1 mile radius of this location.

You are also required to place cement excesses per 4.2 and 4.4 of the attached General Requirements.

Office Hours: 7:45 a.m. to 4:30 p.m.

NMOCD
OCT 01 2018
DISTRICT III