

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: 10/11/18

Well information:

API WELL #	Well Name	Well #	Operator Name	Type	Stat	County	Surf_Owner	UL	Sec	Twp	N/S	Rng	W/E
30-039-20430-00-00	SAN JUAN 28 7 UNIT	155	HILCORP ENERGY COMPANY	G	A	Rio Arriba	F	K	22	27	N	7	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: Casing integrity

Conditions of Approval:

- Notify NMOCD 24 Hours prior to commencing activities.
- Submit the casing integrity log to the agencies within 24hrs for review and approval.
- Notify the Agencies of any issues discovered.
- Provide any proposed remediation to the agencies for review and approval prior to beginning remediation.



NMOCD Approved by Signature

10/25/18
Date

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

NMOCD
OCT 19 2018
DISTRICT III

RECEIVED

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

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.

<p>1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other</p> <p>2. Name of Operator <p style="text-align: center;">Hilcorp Energy Company</p> <p>3a. Address <p style="text-align: center;">382 Road 3100, Aztec, NM 87410</p> <p>3b. Phone No. (include area code) <p style="text-align: center;">505-599-3400</p> <p>4. Location of Well (Footage, Sec., T., R., M., or Survey Description) <p style="text-align: center;">Surface Unit K (NESW) 1650' FSL & 1650' FWL, Sec. 22, T27N, R07W</p> </p></p></p></p>	<p>5. Lease Serial No. <p style="text-align: center;">NMSF-078640</p> <p>6. If Indian, Allottee or Tribe Name <p style="text-align: center;">San Juan 28-7 Unit</p> <p>7. If Unit of CA/Agreement, Name and/or No. <p style="text-align: center;">San Juan 28-7 Unit</p> <p>8. Well Name and No. <p style="text-align: center;">San Juan 28-7 Unit 155</p> <p>9. API Well No. <p style="text-align: center;">30-039-20430</p> <p>10. Field and Pool or Exploratory Area <p style="text-align: center;">Blanco PC S. / Blanco MV / Basin DK</p> <p>11. Country or Parish, State <p style="text-align: center;">Rio Arriba , New Mexico</p> </p></p></p></p></p></p></p>
--	--

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"/> Fracture Treat	<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 type="checkbox"/> Recomplete	<input type="checkbox"/> Other _____
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	MIT
	<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 requests permission to perform an MIT on the subject well per the attached procedure and wellbore schematic.

NMOCD directive to run a Casing Integrity log and perform a MIT on casg from 3143' - 4783'.

BLM'S APPROVAL OR ACCEPTANCE OF THIS ACTION DOES NOT RELIEVE THE LESSEE AND OPERATOR FROM OBTAINING ANY OTHER AUTHORIZATION REQUIRED FOR OPERATIONS ON FEDERAL AND INDIAN LANDS

<p>14. I hereby certify that the foregoing is true and correct. Name (Printed/Typed) <p style="text-align: center;">Christine Brock</p> <p>Signature <i>Christine Brock</i></p> </p>	<p>Title Operations/Regulatory Technician - Sr.</p> <p>Date <i>10/11/18</i></p>
--	--

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

<p>Approved by <i>[Signature]</i></p> <p>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.</p>	<p>Title <i>PE</i></p> <p>Office <i>FTO</i></p>	<p>Date <i>10/16/18</i></p>
--	---	-----------------------------

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.

NMOCD *AY*

San Juan 28-7 Unit #155

022-027N-7W-K

API: 30-039-20430

Plan of Action

10/10/2018

1. MIRU Service rig and associated equipment
2. Test BOP's
3. TOOH with 2-3/8" tubing currently set at 7,409'.
4. TIH w/ retrievable bridge plug at 4,785'
5. TIH w/ test packer and set at 3,140'
 - a. Required test interval: 3,143' to 4,783'
6. Pressure test and confirm integrity, if the well doesn't pass, utilize packer to isolate the issue.
7. Repair and remediate as necessary
8. TIH and land production tubing
9. ND BOP's, NU prod tree
10. RDMO service rig and turn well over to production

Well Name: SAN JUAN 28-7 UNIT #155

API / UWI 3003920430	Surface Legal Location 022-027N-007W-K	Field Name PC/DK DUAL	License No.	State/Province NEW MEXICO	Well Configuration Type Vertical
Ground Elevation (ft) 6,581.00	Original KB/RT Elevation (ft) 6,591.00	KB-Ground Distance (ft) 10.00	KB-Casing Flange Distance (ft) 10.00	KB-Tubing Hanger Distance (ft) 10.00	

Vertical, Original Hole, 10/11/2018 11:33:25 AM

