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Form 3160-5
(August 2007)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

Farmington Field Office
Bureau of Land Management

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

5. Lease Serial No.
NMNM020505

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.
Mexico Federal N 2

2. Name of Operator

Hilcorp Energy Company

9. API Well No.
30-045-25548

3a. Address

382 Road 3100, Aztec, NM 87410

3b. Phone No. (include area code)

505-599-3400

10. Field and Pool or Exploratory Area
Aztec Pictured Cliffs/Otero Chacra

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

Surface Unit F (SENW) 1850' FNL & 1460' FWL, Sec. 15, T29N, R11W

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

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

AP

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 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 Pictured Cliffs formation and downhole commingle with the existing Chacra Attached is the Pictured Cliffs C-102, recomplete procedure & wellbore schematic. The DHC application will be submitted and approved prior to commingling. A closed loop system will be utilized. Interim reclamation will be performed after surface disturbing activities.

Notify NMOCD 24 hrs prior to beginning operations

NMOCD
FEB 01 2019
DISTRICT III

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

14. I hereby certify that the foregoing is true and correct. Name (Printed/Typed)

Cherylene Weston

Title **Operations/Regulatory Technician - Sr.**

Signature

Cherylene Weston

Date

1-18-19

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

[Signature]

Title

PE

Date

1/31/19

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

FED

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 A

4

Mexico Federal N #2

Section 15-T29N-R11W

API#: 30-045-25548

PC Recompletion Procedure

1/16/2019

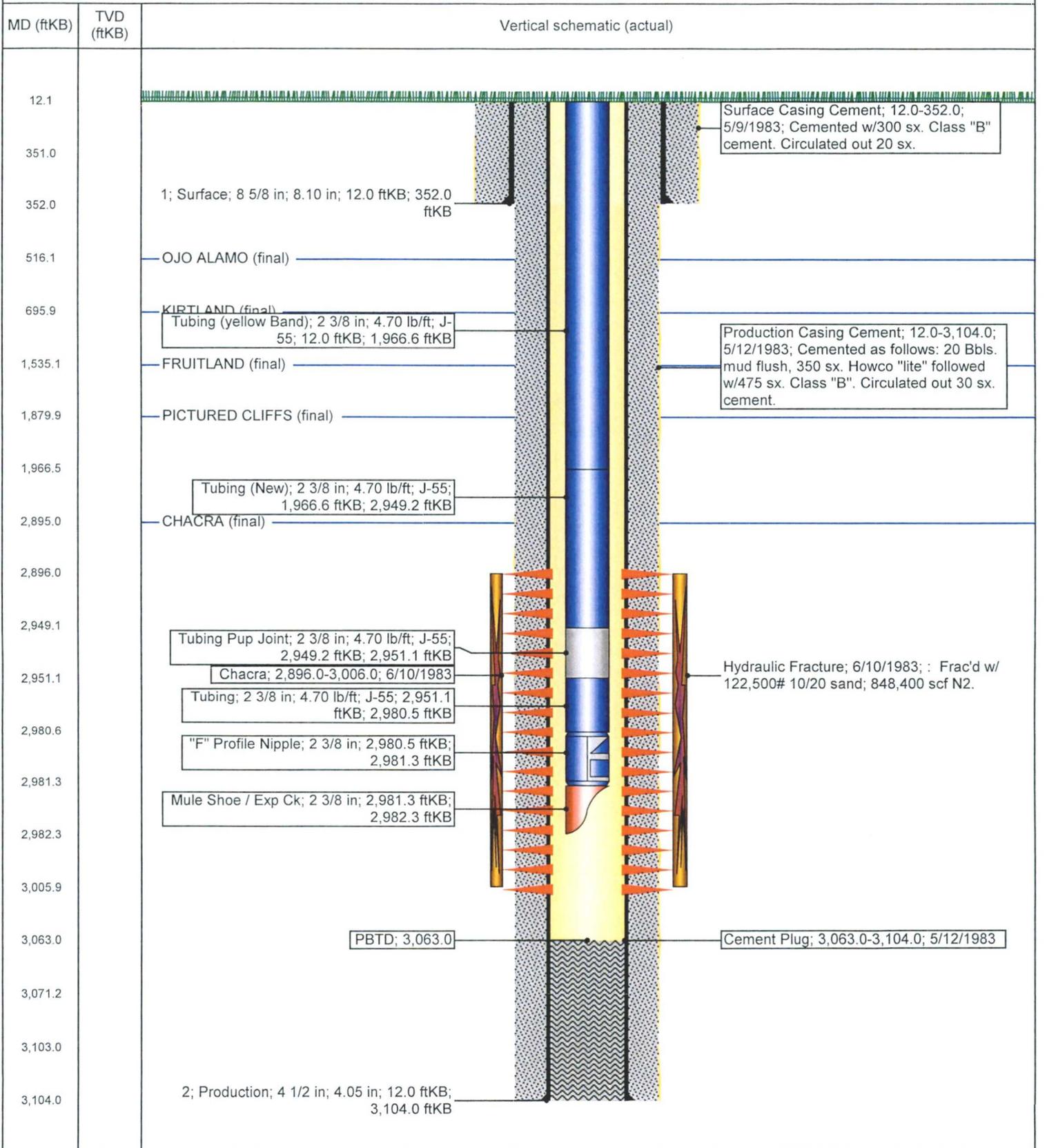
Procedure:

1. MIRU Service rig and associated equipment, test BOP.
2. TOOH w/ 2 3/8" tubing set at 2982'.
3. Set bridge plug at approximately 2040' to isolate existing perforations.
4. ND BOP, NU frac stack and test frac stack to frac pressure.
5. Perforate and frac the Pictured Cliffs. Estimated interval: 1882'-1940'.
6. Cleanout to isolation plug. Flow test PC.
7. Cleanout to PBTD.
8. TIH and land production tubing. Get a commingled flow rate.
9. Release service rig and turn well over to production.

Well Name: MEXICO FEDERAL N #2

| | | | | | |
|-----------------------------------|---|----------------------------------|--------------------------------|--------------------------------|-------------------------------------|
| API / UWI 3004525548 | Surface Legal Location 015-029N-011W-D | Field Name OTERO (CHACRA) GAS | Route 0704 | State/Province NEW MEXICO | Well Configuration Type VERTICAL |
| Ground Elevation (ft) 5,631.00 | Original KB/RT Elevation (ft) 5,643.00 | KB-Ground Distance (ft) 12.00 | KB-Casing Flange Distance (ft) | KB-Tubing Hanger Distance (ft) | |

VERTICAL, Original Hole, 1/17/2019 12:14:46 PM



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 262479

WELL LOCATION AND ACREAGE DEDICATION PLAT

| | | |
|-------------------------------|--|---|
| 1. API Number 30-045-25548 | 2. Pool Code 71280 | 3. Pool Name AZTEC PICTURED CLIFFS (GAS) |
| 4. Property Code 319323 | 5. Property Name MEXICO FEDERAL N | 6. Well No. 002 |
| 7. OGRID No. 372171 | 8. Operator Name HILCORP ENERGY COMPANY | 9. Elevation 5631 |

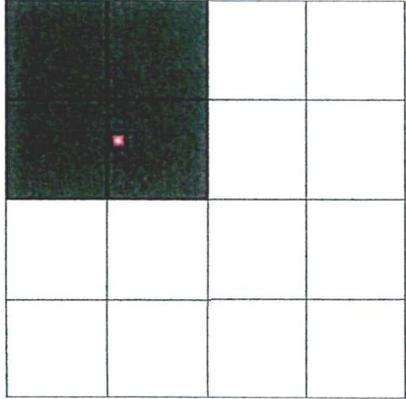
10. Surface Location

| | | | | | | | | | |
|---------------|---------------|-----------------|--------------|---------|-------------------|---------------|-------------------|---------------|--------------------|
| UL - Lot F | Section 15 | Township 29N | Range 11W | Lot Idn | Feet From 1850 | N/S Line N | Feet From 1460 | E/W Line W | County SAN JUAN |
|---------------|---------------|-----------------|--------------|---------|-------------------|---------------|-------------------|---------------|--------------------|

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 160.00 NW/4 | 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

| | |
|---|---|
|  | OPERATOR CERTIFICATION |
| | <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: <i>Cherylene Weston</i> Title: Cherylene Weston, Operations/Regulatory Tech-Sr. Date: 01/17/2019</p> |
| | SURVEYOR CERTIFICATION |
| | <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 B. KERR, JR. Date of Survey: 3/15/1983 Certificate Number: 3950</p> |