

State of New Mexico
Energy, Minerals and Natural Resources Department

Michelle Lujan Grisham
Governor

Sarah Cottrell Propst
Cabinet Secretary

Todd E. Leahy, JD, PhD
Deputy Secretary

Adrienne Sandoval, 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: 3/7/19

Well information:

Hilcorp Energy
Fogelson 2 Com #1, API#30-045-08686

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:

Conditions of Approval:

- The Submitted Notice of Intent filed was incomplete concerning the wells current cement information behind the 4 1/2" casing. Without this information the isolation of the Strata could not be evaluated.
- **To correct the issue, a revised NOI is required to be filed and approved prior to any recomplete work being performed.**

If you have any questions, please contact Brandon Powell.

NMOCD Approved by Signature

2/11/19
Date

RECEIVED

Form 3160-5
(August 2007)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

Farmington Field Office
Bureau of Land Management

5. Lease Serial No.

SF-080469

6. If Indian, Allottee or Tribe Name

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.

1. Type of Well

Oil Well Gas Well Other

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

8. Well Name and No.

Fogelson 2 Com 1

2. Name of Operator

Hilcorp Energy Company

9. API Well No.

30-045-08686

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 / Blanco Mesaverde

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

Surface Unit J (NWSE), 1550' FSL & 1450' FEL, Sec. 02, 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

KP

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 recomplate 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 recomplate 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 recomplate the subject well in the Mesaverde formation and downhole commingle the existing Dakota with the Mesaverde. Attached is the MV plat and procedure. A DHC application will be filed and approved before work proceeds. A Closed Loop system will be utilized. Interim reclamation will be performed after surface disturbing activities.

HOLD C104 FOR DHC

RECORD
MAR 15 2013
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

3/7/19

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

DMankie

Title

AFM

Date

3/13/19

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

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)

52 UNACD

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 264563

WELL LOCATION AND ACREAGE DEDICATION PLAT

1. API Number 30-045-08686	2. Pool Code 72319	3. Pool Name BLANCO-MESAVERDE (PRORATED GAS)
4. Property Code 319021	5. Property Name FOGELSON 2 COM	6. Well No. 001
7. OGRID No. 372171	8. Operator Name HILCORP ENERGY COMPANY	9. Elevation 5759

10. Surface Location

UL - Lot J	Section 2	Township 29N	Range 11W	Lot Idn	Feet From 1550	N/S Line S	Feet From 1450	E/W Line E	County SAN JUAN
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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 305.11 E/2	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

	<p>OPERATOR CERTIFICATION</p> <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>Christine Brock</i> Title: Operations/Regulatory Tech Sr. Date: 3/6/2019</p>
	<p>SURVEYOR CERTIFICATION</p> <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: E. L Goteet Date of Survey: 7/1/1961 Certificate Number: 3084</p>

Fogelson 2 Com 1

Section 2-T29N-R11W

API#: 30-045-08686

MV Recompletion Procedure

2/22/2019

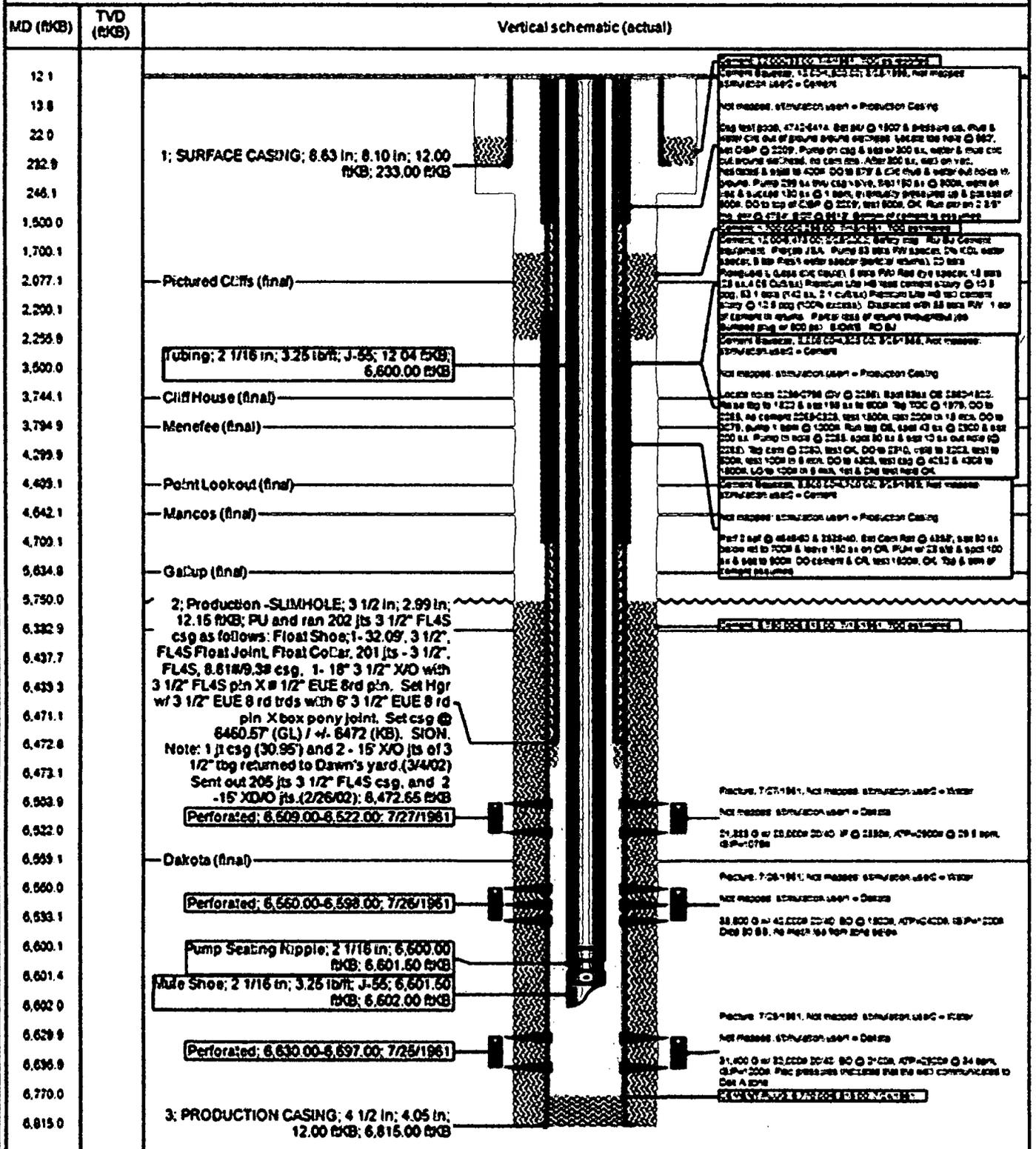
Procedure:

1. MIRU Service rig and associated equipment, test BOP.
2. TOOH w/ 2 1/16" tubing set at 6602'.
3. Set initial CIBP at 6459' or deeper (no higher than 50' above existing perforations)
4. Perform MIT from initial CBP, providing 24 hr notice to agencies.
5. *(Note: 3-1/2" string cement job had cement returns to surface.)*
6. Optionally set bridge plug at approximately 5009'.
7. ND BOP, NU frac stack and test frac stack to frac pressure.
8. Perforate and frac the Mesa Verde. Estimated interval: 3744'-4909' (basal depths are per state rules - 500' below the PTLK top)
9. Cleanout to isolation plug. Flow test MV.
10. Cleanout to PBTD.
11. TIH and land production tubing. Get a commingled flow rate.
12. Release service rig and turn well over to production.

Well Name: FOGELSON 2 COM #1

API/UPN 3004506586	Surface Log # Location 002-0291-011W-J	Field Name DK	State 0702	County NEW MEXICO	Well Configuration Type Vertical
Ground Elevation (ft) 5,769.00	Original KB/M Depth (ft) 5,771.00	Ground Distance (ft) 12.00	Casing Gauge Distance (ft)	Tubing Gauge Distance (ft)	

Vertical, Original Hole, 2/21/2019 7:47:06 AM



Powell, Brandon, EMNRD

From: Christine Brock <cbrock@hilcorp.com>
Sent: Thursday, April 18, 2019 9:10 AM
To: Powell, Brandon, EMNRD
Cc: Cheryl Weston; Kandis Roland
Subject: [EXT] FW: [EXTERNAL] Fogelson 2 Com #1 API# 30-045-08686

Good morning Brandon –
Please see reply from David regarding the subject well.

Thank you,
Christine

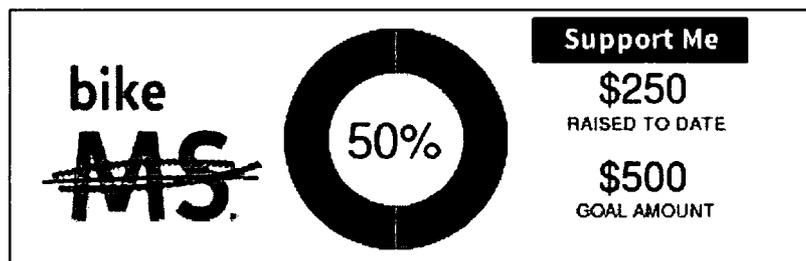
From: David Garza
Sent: Thursday, April 18, 2019 9:04 AM
To: Christine Brock <cbrock@hilcorp.com>; Cheryl Weston <cweston@hilcorp.com>; Kandis Roland <kroland@hilcorp.com>
Cc: Virgil Chavez <vchavez@hilcorp.com>; Daniel Donovan <ddonovan@hilcorp.com>; Kevin Eichinger <keichinger@hilcorp.com>; Tyler Teykl <tteykl@hilcorp.com>; Rosie Fryer <rfryer@hilcorp.com>
Subject: RE: [EXTERNAL] Fogelson 2 Com #1 API# 30-045-08686

We are searching for a vendor that may have a tool that can read through 2 strings of casing. This isn't something that appears to be available in the Basin currently.

We are exploring other vendors to provide said tool.

Until we have something that can accomplish this for us we will have to put it in inventory.

David Garza



From: Christine Brock
Sent: Wednesday, April 03, 2019 4:27 PM
To: David Garza <dgarza@hilcorp.com>; Daniel Donovan <ddonovan@hilcorp.com>; Kevin Eichinger <keichinger@hilcorp.com>
Cc: Cheryl Weston <cweston@hilcorp.com>; Kandis Roland <kroland@hilcorp.com>; Virgil Chavez <vchavez@hilcorp.com>
Subject: FW: [EXTERNAL] Fogelson 2 Com #1 API# 30-045-08686

Please see Brandon's note below. Brandon also called and mentioned this was the same issue as the Davis A Federal #1. He discussed with me making sure that the outer most casing string is looked at when the wells are being reviewed.

Can one of you please review the well file and see if we have any records that he is needing?

Thank you,
Christine

From: Powell, Brandon, EMNRD [<mailto:Brandon.Powell@state.nm.us>]
Sent: Wednesday, April 3, 2019 2:18 PM
To: Christine Brock <cbrock@hilcorp.com>
Cc: Virgil Chavez <vchavez@hilcorp.com>
Subject: [EXTERNAL] Fogelson 2 Com #1 API# 30-045-08686

Good afternoon Christine,

On the above well do you have any records showing the cement coverage on the outside of the 4 ½ casing? In the well file I observed several documents about casing leaks and squeezes but couldn't find any CBLs. Please note the sundry indicated the cement on the outside of the 3 ½ casing as being circulated however since the 4 ½ casing is the outermost casing it is the cement on the outside of this casing that would provide the isolation.

Thank You

Brandon Powell
I & E Supervisor
New Mexico Oil Conservation
Office: (505) 334-6178 ext. 116

"He who wishes to gain knowledge is wiser than he who thinks he has knowledge (unknown)"