

Submit 1 Copy To Appropriate District Office
 District I - (575) 393-6161
 1625 N. French Dr., Hobbs, NM 88240
 District II - (575) 748-1283
 811 S. First St., Artesia, NM 88210
 District III - (505) 334-6178
 1000 Rio Brazos Rd., Aztec, NM 87410
 District IV - (505) 476-3460
 1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
 Energy, Minerals and Natural Resources

Form C-103
 Revised July 18, 2013

OIL CONSERVATION DIVISION
 1220 South St. Francis Dr.
 Santa Fe, NM 87505

WELL API NO. 30-045-09822
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>
6. State Oil & Gas Lease No. FEE
7. Lease Name or Unit Agreement Name CLAYTON
8. Well Number 1
9. OGRID Number 372171
10. Pool name or Wildcat Blanco Mesaverde/Flora Vista Gallup/ Basin Dakota

SUNDRY NOTICES AND REPORTS ON WELLS
 (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)

1. Type of Well: Oil Well Gas Well Other

2. Name of Operator
HILCORP ENERGY COMPANY

3. Address of Operator
382 Road 3100, Aztec, NM 87410

4. Well Location
 Unit Letter N 990 feet from the South line and 1850 feet from the West line
 Section 02 Township 30N Range 12W NMPM San Juan County

11. Elevation (Show whether DR, RKB, RT, GR, etc.)
5769'

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>	P AND A <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	MULTIPLE COMPL <input type="checkbox"/>	CASING/CEMENT JOB <input type="checkbox"/>	
DOWNHOLE COMMINGLE <input checked="" type="checkbox"/>		OTHER: <input type="checkbox"/>	
CLOSED-LOOP SYSTEM <input type="checkbox"/>			
OTHER: <input checked="" type="checkbox"/>	RECOMPLETION		

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 19.15.7.14 NMAC. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

Hilcorp Energy Company requests permission to recomplete the subject well in the Mesaverde and downhole trimingle with the existing Gallup and Dakota formations. Attached is the procedure, wellbore diagram and plat. A DHC application will be filed and approved prior to trimingling. A closed loop system will be used.

Density Exception Order Approval R-20508






Spud Date:

Rig Release Date:

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE Priscilla Shorty TITLE Operations Regulatory Technician Sr. DATE 5/28/2019

Type or print name Priscilla Shorty E-mail address: pshorty@hilcorp.com PHONE: 505-324-5188

For State Use Only

APPROVED BY: Branch Bell TITLE SUPERVISOR DISTRICT #3 DATE 6/6/19
 Conditions of Approval (if any): RV

District I1625 N. French Dr., Hobbs, NM 88240
Phone:(575) 393-6161 Fax:(575) 393-0720**District II**811 S. First St., Artesia, NM 88210
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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 267856

WELL LOCATION AND ACREAGE DEDICATION PLAT

1. API Number 30-045-09822	2. Pool Code 72319	3. Pool Name BLANCO-MESAVERDE (PRORATED GAS)
4. Property Code 325065	5. Property Name CLAYTON	6. Well No. 001
7. OGRID No. 372171	8. Operator Name HILCORP ENERGY COMPANY	9. Elevation 5769

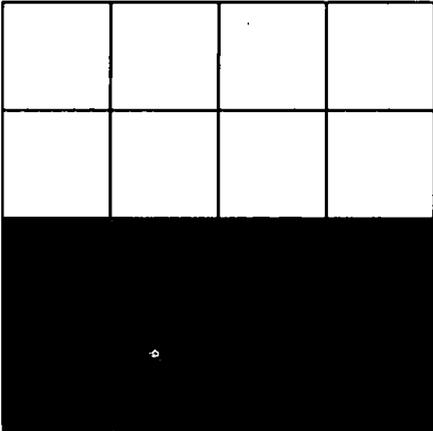
10. Surface Location

UL - Lot N	Section 2	Township 30N	Range 12W	Lot Idn	Feet From 990	N/S Line S	Feet From 1850	E/W Line W	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 320.00	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>Priscilla Shorty</i> Title: Operations Regulatory Tech - Sr. Date: 5/28/2019</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: James Leese Date of Survey: 6/23/1961 Certificate Number: 1463</p>



HILCORP ENERGY COMPANY
CLAYTON 1
MESA VERDE RECOMPLETION SUNDRY

API #: 3004509822

JOB PROCEDURES

NMOCD **Contact** OCD and BLM (where applicable) 24 hrs prior to MIRU or running MITs. Record and document all casing pressures
 BLM **daily**, including BH, IC (if present) and PC. Comply with all NMOCD, BLM (where applicable), and HEC safety and environmental regulations.

1. MIRU workover rig and associated equipment; NU and test BOP.
2. TOOH with **2 3/8"** tubing set at **6,467'**.
3. Set a **5-1/2"** cast iron bridge plug at +/- **5,904'** to isolate the **Gallup / Dakota**
4. Load hole with fluid, PT the csg to 600 psi and run a CBL on the 5-1/2" casing. Verify cement bond within the **Mesa Verde** and confirm TOC. Review CBL results with the regulatory agencies, perform cmt remediation and re-log, as required.
5. Perform a witnessed MIT test on the csg with the appropriate regulatory agencies to 600 psi
6. Set a **5-1/2"** cast iron bridge plug at +/- **4,893'** to provide a **base for the frac**.
7. Perforate the **Mesa Verde**. (Top perforation @ 3,715', Bottom perforation @ 4,793')
8. RIH w/ BHA (frac string, packer, burst disc sub), set packer @ ~3,615'.
9. ND BOPs, NU frac stack. PT frac stack to 9,000#. PT frac string to 9,000#, PT backside to 300# (to insure packer is set).
NOTE: frac string is 2-7/8" 6.5# P110 with BTS-8 connections. PT is to max anticipated treating pressure (~60% of burst)
10. Break disc with slickline
11. Frac the **Mesa Verde** in 1-2 stages down the frac string.
12. Flowback well for 1-3 days as required. Collect a MV only gas sample for analysis.
13. MIRU workover rig. Nipple down frac stack, nipple up BOPs and test.
14. Release packer and POOH w/ frac string
15. TIH w/ mill and clean down to the top of the **base of frac plug** at **4,893'**. Take **Mesa Verde** gas samples and send for analysis
16. Drill out **base of frac plug** and cleanout to Gallup/DK isolation plug at **5,904'**. POOH.
17. Drill out Dakota isolation plug and cleanout to PBTD of **6,510' (TOF)**. TOOH.
18. TIH and land production tubing. ND BOPs and NU tree. Pump off expendable check.
19. RDMO. Get a trimingled **Dakota/Gallup/Mesa Verde** flow rate.



**HILCORP ENERGY COMPANY
CLAYTON 1
MESA VERDE RECOMPLETION SUNDRY**

CLAYTON 1 - CURRENT WELLBORE SCHEMATIC



Schematic - Current

Well Name: (PRE-IMPORT) CLAYTON #1

API LUV# 3004509822	Surface Legal Location N-2-30N-12W	Field Name	License No	State/Province NEW MEXICO	Well Configuration Type Vertical
Original KB RT Elevation (ft) 5,781.00	KB-Ground Distance (ft) 11.00	Original Spud Date 6/27/1961 20:00	Rig Release Date	PBTD (Alt) (ftKB) Original Hole - 6,687.0	Total Depth Alt (TVD) (ftKB)

Most Recent Job				
Job Category	Primary Job Type	Secondary Job Type	Actual Start Date	End Date

TD: 6,701.0 Vertical, Original Hole, 5/24/2019 1:09:13 PM

