

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB NO. 1004-0137
Expires: January 31, 2018

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.

5. Lease Serial No.
NMSF078389

6. If Indian, Allottee or Tribe Name

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

SUBMIT IN TRIPLICATE - Other instructions on page 2

1. Type of Well
 Oil Well Gas Well Other

8. Well Name and No.
LUCERNE A 2A

2. Name of Operator
HILCORP ENERGY COMPANY
Contact: PRISCILLA SHORTY
E-Mail: pshorty@hilcorp.com

9. API Well No.
30-045-22504-00-D1

3a. Address
1111 TRAVIS STREET
HOUSTON, TX 77002

3b. Phone No. (include area code)
Ph: 505-324-5188

10. Field and Pool or Exploratory Area
BLANCO MESAVERDE ^{CCC}
BLANCO PICTURED CLIFFS ²⁰¹⁵

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
Sec 9 T31N R10W SESE 0800FSL 1180FWL
36.907654 N Lat, 107.882294 W Lon

11. County or Parish, State
SAN JUAN COUNTY, NM

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"/> Hydraulic Fracturing	<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 checked="" type="checkbox"/> Other Workover Operations
	<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 requests permission to trimingle the subject well according to the attached procedure, current and proposed wellbore schematic. The DHC C107A has been submitted for approval.

NMOCB
SEP 05 2019
DISTRICT III

DHC#5058

14. I hereby certify that the foregoing is true and correct.

**Electronic Submission #481503 verified by the BLM Well Information System
For HILCORP ENERGY COMPANY, sent to the Farmington
Committed to AFMSS for processing by JOE KILLINS on 09/04/2019 (19JK0164SE)**

Name (Printed/Typed) PRISCILLA SHORTY	Title OPERATIONS REGULATORY TECH - S
Signature (Electronic Submission)	Date 09/03/2019

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By <u>JOE KILLINS</u>	Title <u>ENGINEER</u>	Date <u>09/04/2019</u>
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 <u>Farmington</u>

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.

AV

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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 271076

WELL LOCATION AND ACREAGE DEDICATION PLAT

1. API Number 30-045-22504	2. Pool Code 98326	3. Pool Name WILDCAT 31N10W9: LEWIS
4. Property Code 318612	5. Property Name LUCERNE A	6. Well No. 002A
7. OGRID No. 372171	8. Operator Name HILCORP ENERGY COMPANY	9. Elevation 6173

10. Surface Location

UL - Lot P	Section 9	Township 31N	Range 10W	Lot Idn 12	Feet From 800	N/S Line S	Feet From 1180	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 157.64			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

<table border="1"> <tr><td> </td><td> </td><td> </td><td> </td></tr> </table>																	<p align="center">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>Priscilla Shorty</i> Title: Operations Regulatory Tech - Sr. Date: 8/13/2019</p>
<p align="center">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: David Kilven Date of Survey: 3/28/1977 Certificate Number: 1760</p>																	



HILCORP ENERGY COMPANY
Lucerne A 2A
Trimingle Wellbore SUNDRY

API #: 3004522504

JOB PROCEDURES

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

Hilcorp Energy executed an approved downhole commingle rig project on the Lucerene A 2A in June 2019. During the work, the 4-1/2" liner top within the 7" intermediate casing was found to be unable to pass a MIT. Through investigation, the MIT failure was due to a small leak in the 4-1/2" liner hanger. In order to seal off the small leak found in the liner hanger, 3 separate cement squeeze treatments were performed. Two types of cement we used and a variety of pumping technics were followed in order to place cement within the liner hanger. All 3 cement attempts failed to seal off this small leak within the wellbore. The liner hanger meets the pressure window within the MIT rules but will not hold a stabilized pressure in the last portion of the charted test.

The 7" intermediate casing ends at 3,327' which is in the middle of the Lewis formation. In assuming the liner hanger leak communicates down to the end of the 7' intermediate casing, Hilcorp Energy would like to make a 1' interval below the bottom of the 7" casing a producing interval of the Lewis formation and trimingle the wellbore.



HILCORP ENERGY COMPANY
Lucerne A 2A
Trimingle Wellbore SUNDRY

Lucerne A 2A - CURRENT WELLBORE SCHEMATIC

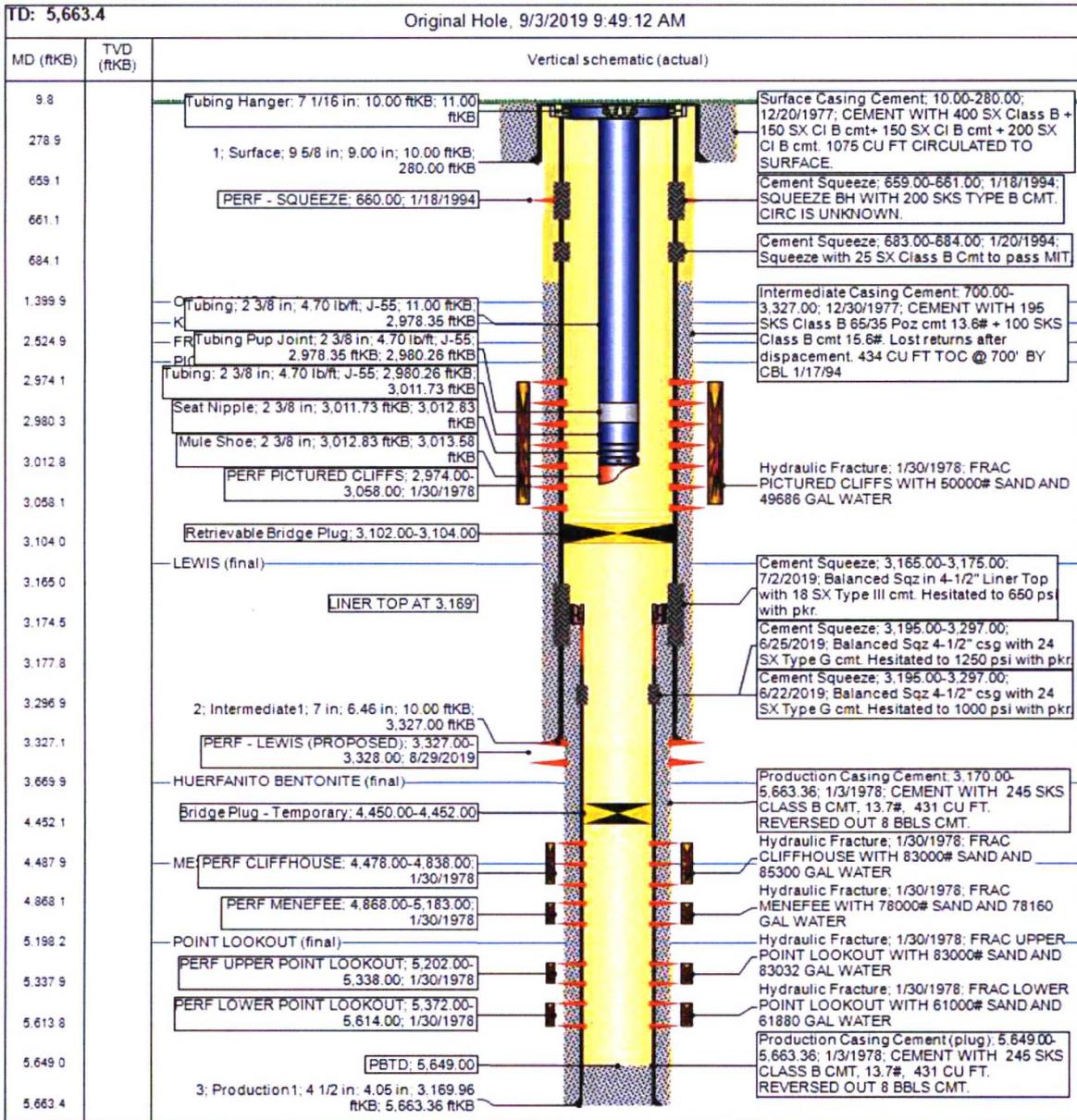


Schematic - Current

Well Name: LUCERNE A #2A

API / UWI 3004522504	Surface Legal Location 009-031N-010W-P	Field Name BLANCO MV (PRO)	#0078	License No. 078389	State/Province NEW MEXICO	Well Configuration Type
Original KB RT Elevation (ft) 6,183.00	KB-Ground Distance (ft) 10.00	Original Spud Date 12/16/1977 00:00	Rig Release Date 11/28/1995 11:00	PBD (ft) (ftKB) Original Hole - 5,649.0	Total Depth (ft) (ftKB)	

Most Recent Job					
Job Category Expense Workover	Primary Job Type COMMINGLE	Secondary Job Type	Actual Start Date 6/18/2019	End Date	



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Most Recent Job				
Job Category Expense Workover	Primary Job Type COMMINGLE	Secondary Job Type	Actual Start Date 6/18/2019	End Date

TD: 5,663.4 Original Hole, 10/1/2019

