

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.
NMSF080781

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.
CAIN 10E

9. API Well No.
30-045-24109-00-C1

10. Field and Pool or Exploratory Area
BASIN DAKOTA
OTERO CHACRA

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

SUBMIT IN TRIPLICATE - Other instructions on page 2

1. Type of Well
 Oil Well Gas Well Other

2. Name of Operator
HILCORP ENERGY COMPANY
Contact: CHERYLENE WESTON
E-Mail: cweston@hilcorp.com

3a. Address
1111 TRAVIS STREET
HOUSTON, TX 77002

3b. Phone No. (include area code)
Ph: 505-564-0779

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
Sec 15 T28N R10W SENW 1665FNL 1820FWL
36.664780 N Lat, 107.885220 W Lon

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 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 recomple 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 recomple 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 recomple the subject well in the Mesaverde formation and downhole commingle with the existing Chacra and Dakota. Attached is the MV C-102, recomple procedure and wellbore schematic. The DHC application will be submitted and approved prior to commingling. A closed loop system will be utilized. A Pre-Reclamation site visit was held on 8/28/19 with Bob Switzer/BLM. The reclamation plan is attached.

Notify NMOCD 24 hrs
prior to beginning
operations

NMOCD

OCT 11 2019

DISTRICT III

HOLD C104 FOR DHC

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

**Electronic Submission #481286 verified by the BLM Well Information System
For HILCORP ENERGY COMPANY, sent to the Farmington
Committed to AFMSS for processing by ALBERTA WETHINGTON on 09/03/2019 (19AMW0590SE)**

Name (Printed/Typed) CHERYLENE WESTON Title OPERATIONS/REGULATORY TECH SR.

Signature (Electronic Submission) Date 08/30/2019

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By JOE KILLINS Title ENGINEER Date 10/09/2019

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 Farmington

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.

(Instructions on page 2)

**** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ****

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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) 748-8720

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 271342

WELL LOCATION AND ACREAGE DEDICATION PLAT

| | | |
|--------------------------------------|---|--|
| 1. API Number 30-045-24109 | 2. Pool Code 72319 | 3. Pool Name BLANCO-MESAVERDE (PRORATED GAS) |
| 4. Property Code 318468 | 5. Property Name CAIN | 6. Well No. 010E |
| 7. OGRID No. 372171 | 8. Operator Name HILCORP ENERGY COMPANY | 9. Elevation 5878 |

10. Surface Location

| | | | | | | | | | |
|----------|---------|----------|-------|---------|-----------|----------|-----------|----------|----------|
| UL - Lot | Section | Township | Range | Lot Idn | Feet From | N/S Line | Feet From | E/W Line | County |
| F | 15 | 28N | 10W | | 1665 | N | 1820 | W | 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 320.00 - W/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

| | | |
|--|--|--|
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| | | |
| | | |
| | | |

OPERATOR CERTIFICATION

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.

E-Signed By: *Cherylene Weston*
 Title: Cherylene Weston, Operations/Regulatory Tech-Sr.
 Date: 08/19/2019

SURVEYOR CERTIFICATION

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.

Surveyed By: **FRED B KERR, JR.**
 Date of Survey: **10/29/1979**
 Certificate Number: **3950**



HILCORP ENERGY COMPANY

CAIN 10E

MESA VERDE RECOMPLETION PROCEDURE

API #: 30-045-24109

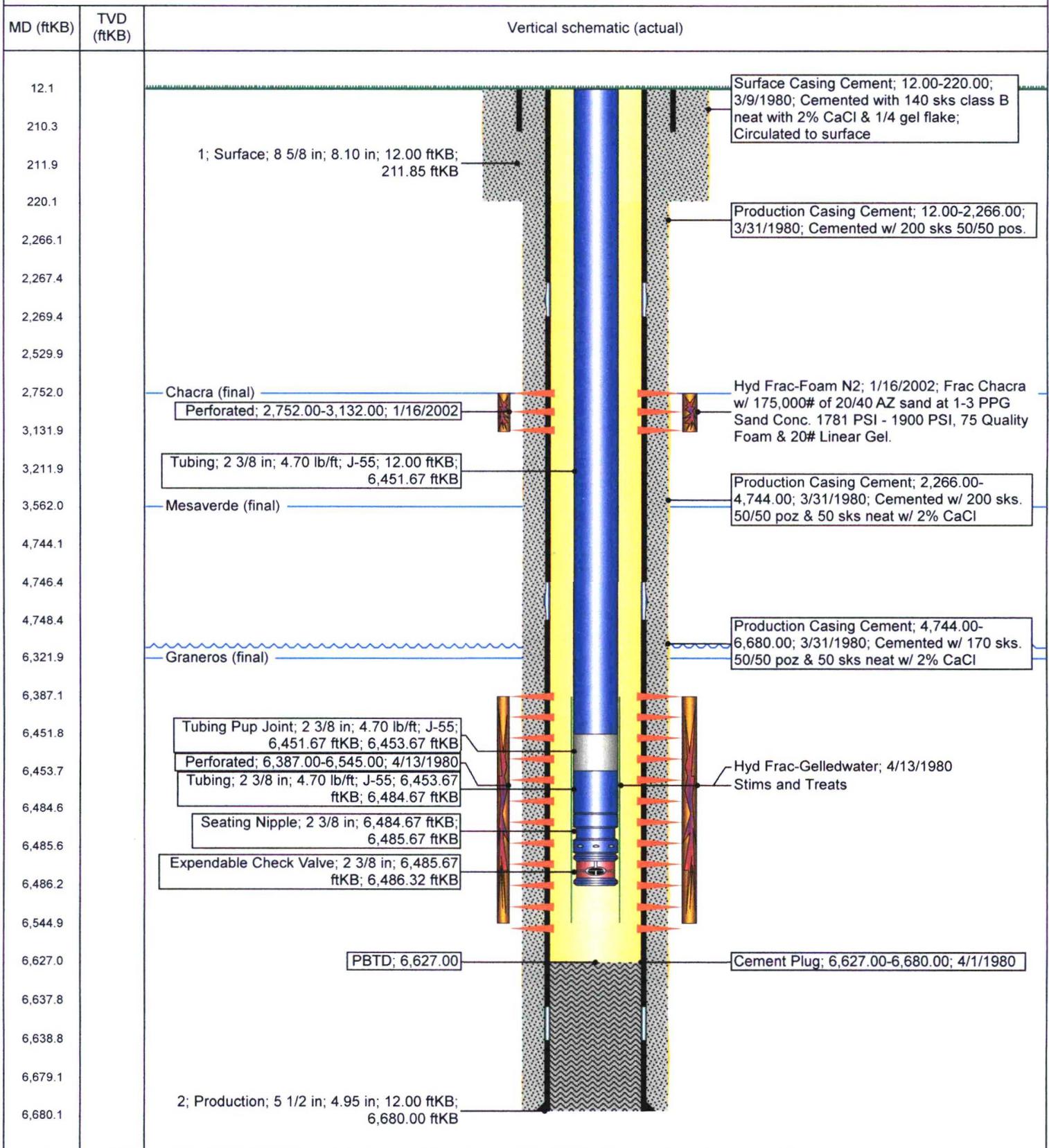
JOB PROCEDURES

1. MIRU Service rig and associated equipment, test BOP. Check Bradenhead pressures daily and record throughout the recomplete project. Notify NMOCD and BLM if any anomalous pressures changes occur on the Bradenhead.
2. TOOH w/ 2 3/8" tubing set at 6486'.
3. Set initial CIBP at 6337' or deeper (no higher than 50' above existing 6387' DK perforations).
4. Run CBL and submit it to NMOCD and BLM.
5. RIH with packer and tubing, setting packer below 3132' deepest CH perforation.
6. Perform MIT from initial CBP, providing 24 hr notice to BLM and NMOCD. Once completed, review and submit the MIT charted test results to both the NMOCD and BLM. If the MIT fails, discuss and gain approval with both the NMOCD and BLM with a plan of action to remediate the wellbore. Perform a 2nd MIT once remediated.
7. Optionally set bridge plug below intended recomplete interval. Perforate the Mesa Verde within 3562'-4800'.
8. RIH with frac sting and packer, setting packer above top Mesa Verde perforation.
9. ND BOP, NU frac stack. Pressure test the frac string and frac stack to maximum frac pressure. The pressure test will not exceed 85% of the internal yield pressure rating of the primary treatment string.
10. Frac the Mesa Verde within 3562'-4800'.
11. ND the frac stack, NU the BOP and test.
12. POOH with frac string. MU and TIH with a mill. Tag and drill out the isolation plug(s) and cleanout to 6627' PBTD.
13. Once water and sand rates are acceptable, TOOH.
14. TIH and land production tubing. Get a commingled Dakota/MV/Chacra flow rate.

Well Name: CAIN #10E

| | | | | | |
|-----------------------------------|---|----------------------------------|--------------------------------|--------------------------------|-------------------------|
| API / UWI 3004524109 | Surface Legal Location 015-028N-010W-F | Field Name OTERO (CHACRA) GAS | Route 0707 | State/Province NEW MEXICO | Well Configuration Type |
| Ground Elevation (ft) 5,878.00 | Original KB/RT Elevation (ft) 5,890.00 | KB-Ground Distance (ft) 12.00 | KB-Casing Flange Distance (ft) | KB-Tubing Hanger Distance (ft) | |

Original Hole, 8/30/2019 8:27:03 AM



Hilcorp Energy
Recomplete Reclamation Plan
Cain 10E
API: 30-045-24109
T28N-R10W-Sec. 15-F
LAT: 36.66478 LONG: -107.88522
Footage: 1665' FNL & 1820' FWL
San Juan County, NM

1. PRE- RECLAMATION SITE INSPECTION

A pre-reclamation site inspection was completed with Bob Switzer from the BLM and Eufracio Trujillo Hilcorp Energy SJ South Construction Foreman on August 28, 2019.

2. LOCATION RECLAMATION PROCEDURE

1. Reclamation work will begin in fall/ early winter time period.
2. All trash and debris will be removed within a 25' buffer outside of the location disturbance during reclamation.
3. Install a rolling water bar to decrease run off into location.
4. Reclaim all disturbed area being used for recompletion activities.
5. Pull dirt from southside of location and fill in around east edge of tank battery.
6. Install diversion ditch from west side of entrance and run along edge of RTU towards separator.

3. SEEDING PROCEDURE

1. A Pinion/Juniper seed mix will be used for all reclaimed and disturbed areas of the well pad and lease road.
2. Drill seed will be done where applicable and all other disturbed areas will be broadcast seeded and harrowed. Broadcast seeding will be applied at a double the rate of seed.
3. Timing of the seeding will be when the ground is not frozen or saturated.

4. WEED MANAGEMENT

1. No action is required at this time for weed management, no noxious weeds were identified during this onsite.