

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



4/20/2020

Notice of C-104 Denial and Request for Information

OCD denies your C-104 – *Request for Allowable and Authorization to Transport* because it is incomplete or conflicts with other information provided to OCD.

The sale or transport of product without a C-104 approved by OCD violates the Oil and Gas Act and the implementing rules, including 19.15.7.15 and 19.15.16.19 NMAC.

To avoid an enforcement action, you must submit the indicated information no later than 30 days after receipt of this notice.

30-015-33230

Test Allowable, New Well and Recompleted Well

Amend - C-104

- C-103 (or BLM equivalent) for all casing strings
 - Spud Notice
 - Surface Casing
 - Intermediate Casing (if applicable)
 - Additional Intermediate Casing (if applicable)
 - Production Casing or Liner

Is this a re-completion?
What file type.

Applicable Order (NSL, NSP, Other _____)

Deviation Survey for Vertical Wells

Directional Survey

C-102 (As-Drilled Plat for Horizontal Well)

New Well and Recompleted Well Only

C-103 Completion Sundry (or BLM equivalent)

C-105 Completion Report (or BLM equivalent)

All Logs Run on Well

If you have any questions please contact the local OCD District Office

Once revisions are made, submit electronically through e-docs
ASAP.

District I
1625 N. French Dr., Hobbs, NM 88240
District II
811 S. First St., Artesia, NM 88210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals & Natural Resources

RECEIVED

Form C-104
Revised August 1, 2011

Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

MAR 26 2020

Submit one copy to appropriate District Office

EMNRD-OCDARTESIA

UNDELETED REPORT

I. REQUEST FOR ALLOWABLE AND AUTHORIZATION TO TRANSPORT

¹ Operator name and Address HEXP Operating, LLC 113 Corporate Drive Midland, TX 79705		² OGRID Number 329141	
⁴ API Number 30 - 015-33230		⁵ Pool Name N Seven Rivers; Glorieta-Yeso	
⁷ Property Code 319811		⁸ Property Name Simmental	
		⁶ Pool Code 97565	
		⁹ Well Number 001	
³ Reason for Filing Code/ Effective Date			

II. ¹⁰ Surface Location

Ul or lot no.	Section	Township	Range	Lot Idn	Feet from the 1980'	North/South Line	Feet from the 1980'	East/West line	County
G	22	20-S	25-E			North		East	Eddy

¹¹ Bottom Hole Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
¹² Lse Code	¹³ Producing Method Code	¹⁴ Gas Connection Date	¹⁵ C-129 Permit Number	¹⁶ C-129 Effective Date	¹⁷ C-129 Expiration Date				

III. Oil and Gas Transporters

¹⁸ Transporter OGRID	¹⁹ Transporter Name and Address	²⁰ O/G/W
371631	Ace Energy Solutions 24275 Katy Freeway, Ste 325 Katy, TX 77494	O

IV. Well Completion Data

²¹ Spud Date	²² Ready Date	²³ TD	²⁴ PBTD	²⁵ Perforations	²⁶ DHC, MC
02/08/2004	12/05/2019	9800'	2925'	2728' - 2802'	
²⁷ Hole Size	²⁸ Casing & Tubing Size	²⁹ Depth Set	³⁰ Sacks Cement		
17-1/2"	13-3/8"	353'	713		
12-1/4"	8-5/8"	1483'	650		
7-7/8"	4-1/2"	9800'	1440		

V. Well Test Data

³¹ Date New Oil	³² Gas Delivery Date	³³ Test Date	³⁴ Test Length	³⁵ Tbg. Pressure	³⁶ Csg. Pressure
12/05/2019	12/05/2019	12/05/2019	24		225
³⁷ Choke Size	³⁸ Oil	³⁹ Water	⁴⁰ Gas	⁴¹ Test Method	
open	17	883	2	swabbing	

⁴² I hereby certify that the rules of the Oil Conservation Division have been complied with and that the information given above is true and complete to the best of my knowledge and belief.

Signature: *Courtney Foster*

Printed name: Courtney Foster

Title: Regulatory Analyst

E-mail Address: cfoster@hexpresources.com

Date: 3/2/2020 Phone: 432-661-3573

OIL CONSERVATION DIVISION

Approved by:

Title:

Approval Date:

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
1060 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) 476-3460 Fax: (505) 476-3462

State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, New Mexico 87505

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MAR 24 2020

Form C-102
Revised August 1, 2011

Submit one copy to appropriate District Office
AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-015-33230	Pool Code 97565	Pool Name N. SEVEN RIVERS; GLORIETA-YESO
Property Code 319811	Property Name SIMMENTAL	
OGRID No. 329141	Operator Name HEXP OPERATING, LLC	
		Well Number 1
		Elevation 3445'

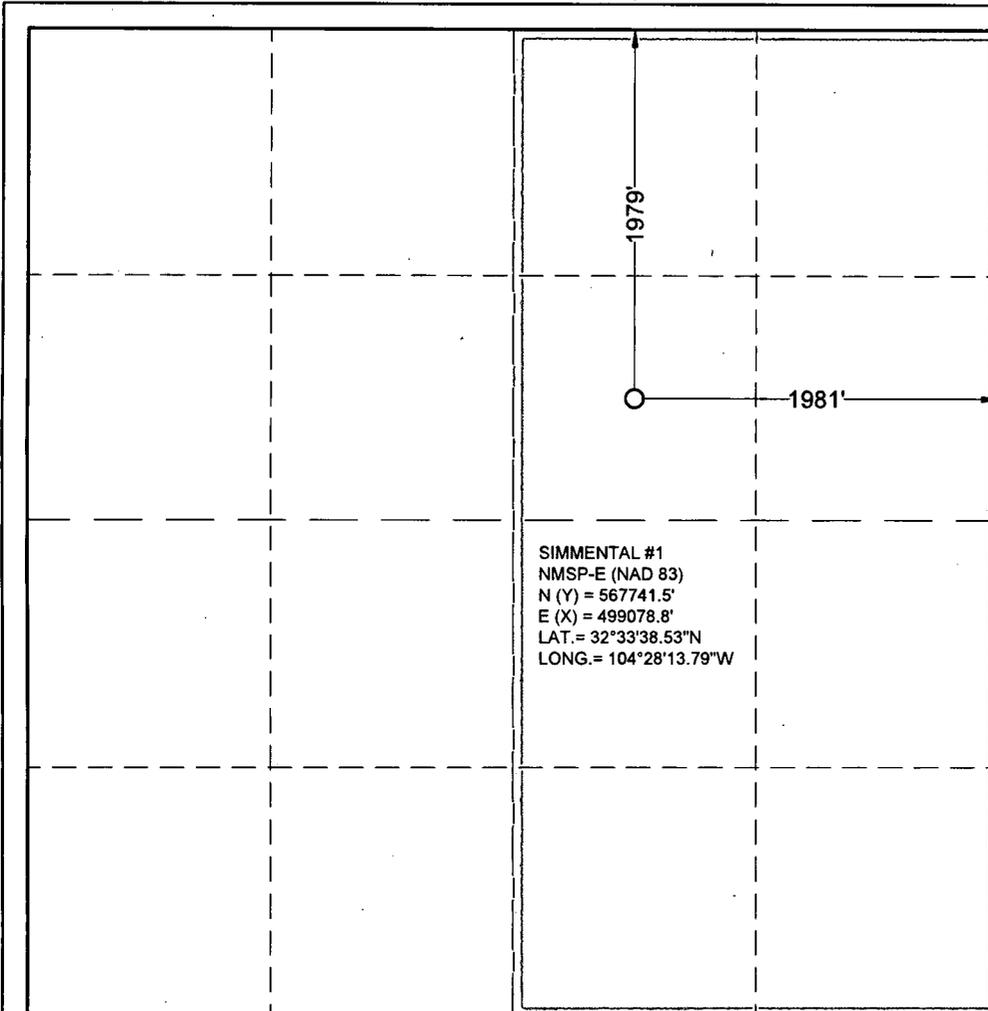
Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
G	22	20S	25E		1979	N	1981	E	EDDY

Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
Dedicated Acres 320		Joint or Infill	Consolidated Code		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

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 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 voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

Courtney Foster 03/11/2020
Signature Date

COURTNEY FOSTER
Print Name

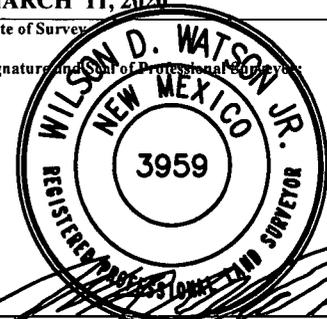
cfoster@hexpresources.com
E-mail Address

SURVEYORS 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.

MARCH 11, 2020
Date of Survey

Signature and Seal of Professional Surveyor



Job No.: 203009
WILSON D. WATSON JR. 3959
Certificate Number

WELL NAME: Simmental **FIELD:** Seven Rivers, Yeso **LEASE #:**
STATE: New Mexico **COUNTY:** Eddy **LOCATION:** 1980' FNL 1980' FEL sec. 22-T20S-R25E
API NO: 30-015-33230 **SPUD DATE:** 2/18/2004 **FORMATION:** Yeso
TD: 9800' **PBTD:** 2925' **ELEVATION:** GL 3,445' **KB:** 3464'

PIPE RECORD

CEMENT & HOLE DATA

CSG	OD	GRADE	THD	WT/FT	TOP	BTM	# JTS	BIT SIZE	DEPTH	SK	WT.	TOC
Surf	13.375"	H-80	STC	48.00#	Surf	353'	8	17.500"	353'	713	14.8 ppg	Surf
										cmt - Cl.C w/ 2% CaCl, 1/4# cello flake, circ 10 sx to surf.		
Inter.	8.625"	J-55	STC	24#	Surf	1483'		12.250"	1483'	650	11.6/14.8	surf
										lead 400sx 50:50 PozC w/ 5% salt, 10%gel, tail w/ 250 sx Cl C w/ 1% CaCl, 14.8ppg, circ 90 sx to suf		
Prod	4.500"	L-80	LTC	11.60#	Surf	9800'		7.875"	9800'	460	11.6 ppg	Surf.
										lead w/ 460 sx 50/50 poz. Cl.H w/ 10% gel, 2% salt, 5# gilstone, 11.6 ppg; Tail w/ 750 sx Cl H w/ 0.8% FL-25, 2% KCL + 230 sx Super H + Additives, Circ 34 sx to surf.		
Tbg	2.875"	L-80		6.5#	Surf	2540'	(turned down collars)					

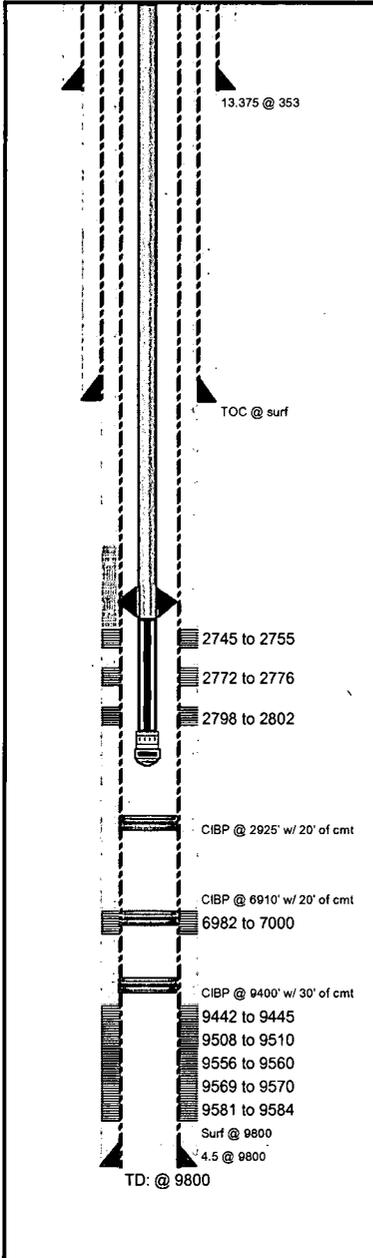
LOGS

Ran CNL/CBL/GR/CCL

PERFORATION RECORD

DATE	TOP	BTM	ZONE	STATUS	spff/phg
5/21/04	9581'	9584'	Morrow	Closed	8/-
5/21/04	9569'	9570'	Morrow	Closed	4/-
5/21/04	9556'	9560'	Morrow	Closed	10/-
5/21/04	9508'	9510'	Morrow	Closed	6/-
5/21/04	9442'	9445'	Morrow	Closed	8/-
12/4/18	6982'	7000'	Wolfcamp	Closed	-
12/4/18	2798'	2802'	Yeso	Open	2/60
12/4/18	2772'	2776'	Yeso	Open	2/60
12/4/18	2745'	2755'	Yeso	Open	2/60
12/4/18	2728'	2735'	Yeso	Open	2/60

Packer / Tubing Detail as of 02/13/13	ID (in)	OD (in)	Length Feet	Depth Feet
KB			16.00	16.00
84 jts 2-7/8" 6.5# EUE 8rd L80 F/S (TDC - turned down collars)			2643.67	2643.67
2 7/8" Lift Sub			8.10	2651.77
Stater			21.68	2673.45
Tag Bar			1.00	2674.45
1 jt - 2 7/8" tbg			31.50	2705.95
TAC			3.13	2709.08
Slotted Sub			4.00	2713.08
3 jts 2 7/8" tbg			93.50	2806.58
PUMP DETAIL AS OF:	EOT		2822.58	



Management,

The information contained within is for the **HEXP OPERATING LLC, SIMMENTAL #1**.
This job began and completed on **DEC 2, 2019**.

ESO #:IRE9BJH4JA
JOB#:JOB18329BJH4G9

Blender Unit: 26116B

TX Time
Safety meeting was held at 6:15 AM
Lines were tested at 4:20 PM to 4500psi
Max pressure set at 4700 psi

The following chemical loadings was agreed upon after consulting with Company Man

All additives per thousand gallons

Fluids

728,201 gals Slickwater
Additives per 1000 Gallons:
0.30 gal SI-625
0.25 gal B-15
0.50 gal NE-227**
1.00 gal FR-630
2500 gals 15% HCL
Additives per 1000 Gallons:
1.00 lb I-112
1.00 gal NE-227
5.00 gal FE-4

Proppants

30,000 lbs 100 MESH
162,000 lbs 40/70 WT PREMIUM
48,000 lbs 30/50 OTTAWA

Stage 1 – 12/2/2019

****We are pumping VERDE VSFX 1014 at 1.00 gpt instead of NE-227****

CM requested Gel to be delivered and hooked up, wants to get a 6-7 visc. Will run Gel at 3.0 GPT to the blender suction side using pump 10 on chemadd if needed. No Hydration on location.

Crew arrived to location at 7:00 AM, no man lift to finish rigging up risers to wellhead.

Man lift on pad at 10:18 AM.

Having issues with TMV generator, mechanics bringing a back up to location.

TMV generator fixed, ready to pressure test at 4:00 PM.

Stage 1

CM will adjust treatment schedule continuously.

Skipped pre-pad by CM, on acid at. Acid at 15 bpm.

B-15 pump stop working, swapping to pump 5 on LAS.

Pumped all 30K 100-mesh at one step, doing a sweep after.

Adjusting Verde set point to run it all by CM.

Running at 60 bpm by CM.

By CM:

Skip sweeps during 40/70 WT and pump as follow:

20K at 0.50 lbs

60K at 1.00 lbs

50K at 1.5 lbs

32K at 2.00 lbs1717

Running pump 6 and 7 on Verde trying to keep up with rate and new schedule to pump as much as possible. CM is fine if there's some left over.

CM wants to skip sweep between 40/70 and 30/50 staying at 2.00 lb continuous.

All sand and acid downhole.

Total Sand on Frac Recommendation

100 Mesh → 30,000 lbs
40/70 WT PREMIUM → 162,000 lbs
30/50 OTTAWA → 48,000 lbs

Total Sand → 240,000 lbs

Total Sand Delivered

100 Mesh → 30,040 lbs
40/70 WT PREMIUM → 162,020 lbs
30/50 OTTAWA → 47,980 lbs

Total Sand → 240,040 lbs

Total Sand Pumped

100 Mesh → 30,040 lbs
40/70 WT PREMIUM → 162,020 lbs
30/50 OTTAWA → 47,980 lbs

Total Sand → 240,040 lbs

Total Acid

15% HCL → 2500 gal

Total Fluid

Clean volume → 6105 barrels
Slurry volume → 6369 barrels

Original Ticket → \$68,455.84

Total Ticket → \$51,081.94

Additional Charges on Ticket:

- Third Party Pump \$1,500 at 0%
- Shower Trailer
- 2" Manual pop-off

- **SG-15G Hot Shot Fee \$1,000 at 0%**

RECEIVED
MAR 24 2020
HARRIS COUNTY ARTESIA

Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

1. WELL API NO.
30-015-33230

2. Type of Lease
 STATE FEE FED/INDIAN

3. State Oil & Gas Lease No. **319811**

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

4. Reason for filing:
 COMPLETION REPORT (Fill in boxes #1 through #31 for State and Fee wells only)
 C-144 CLOSURE ATTACHMENT (Fill in boxes #1 through #9, #15 Date Rig Released and #32 and/or #33; attach this and the plat to the C-144 closure report in accordance with 19.15.17.13.K NMAC)

5. Lease Name or Unit Agreement Name
Simmental

6. Well Number:
001

7. Type of Completion:
 NEW WELL WORKOVER DEEPENING PLUGBACK DIFFERENT RESERVOIR OTHER

8. Name of Operator
HEXP Operating, LLC

9. OGRID
329141

10. Address of Operator
113 Corporate Drive
Midland, TX 79705

11. Pool name or Wildcat
N Seven Rivers; Glorieta-Yeso

12. Location	Unit Ltr	Section	Township	Range	Lot	Feet from the	N/S Line	Feet from the	E/W Line	County
Surface:	G	22	20-S	25-E		1980'	North	1980'	East	Eddy
BH:										

13. Date Spudded 02/08/2004	14. Date T.D. Reached 03/11/2004	15. Date Rig Released 12/11/2018	16. Date Completed (Ready to Produce) 12/5/2019	17. Elevations (DF and RKB, RT, GR, etc.) 3445' GR
18. Total Measured Depth of Well 9800'	19. Plug Back Measured Depth 2925'	20. Was Directional Survey Made? no	21. Type Electric and Other Logs Run cement bond, casing inspect.	

22. Producing Interval(s), of this completion - Top, Bottom, Name
2728' - 2802' / Glorieta-Yeso

CASING RECORD (Report all strings set in well)

CASING SIZE	WEIGHT LB./FT.	DEPTH SET	HOLE SIZE	CEMENTING RECORD	AMOUNT PULLED
13 3/8"	45#	353'	17-1/2"	713 sx - Class C	Circ 10sx
8-5/8"	24# J-55	1483'	12-1/4"	650 sx - Prem Plus	Circ 90 sx
4-1/2"	11.6# N-80	9800'	7-7/8"	1140 sx - Prem H	Circ 34 sx

24. LINER RECORD				25. TUBING RECORD			
SIZE	TOP	BOTTOM	SACKS CEMENT	SCREEN	SIZE	DEPTH SET	PACKER SET
					2-7/8" L-80	2559'	
					2-3/8" L-80	2598'	2598'

26. Perforation record (interval, size, and number)
2728' - 2802' .042 56 shots

27. ACID, SHOT, FRACTURE, CEMENT, SQUEEZE, ETC.
DEPTH INTERVAL | AMOUNT AND KIND MATERIAL USED
2728'-2802' | 2500 gals 15% HCL; 30,040, 100 Mesh; 162,020 40/70
47,980 30/50

PRODUCTION

28. Date First Production 12/05/2019		Production Method (<i>Flowing, gas lift, pumping - Size and type pump</i>) Pumping			Well Status (<i>Prod. or Shut-in</i>) Producing		
Date of Test 12/05/2019	Hours Tested 24	Choke Size open	Prod'n For Test Period	Oil - Bbl 17	Gas - MCF 2	Water - Bbl. 883	Gas - Oil Ratio 117-
Flow Tubing Press.	Casing Pressure 225	Calculated 24-Hour Rate	Oil - Bbl.	Gas - MCF	Water - Bbl.	Oil Gravity - API - (<i>Corr.</i>) 37	

29. Disposition of Gas (*Sold, used for fuel, vented, etc.*)
sold

30. Test Witnessed By

31. List Attachments
C-104, C-103, C-102, frac procedure, WBD, Cement Bond Log, Casing Inspection Log

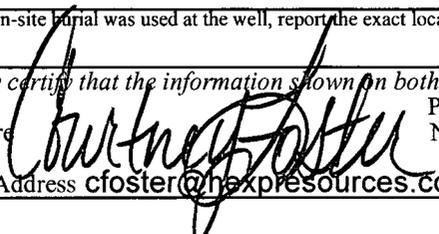
32. If a temporary pit was used at the well, attach a plat with the location of the temporary pit.

33. Rig Release Date:

34. If an on-site burial was used at the well, report the exact location of the on-site burial:

Latitude _____ Longitude _____ NAD83

I hereby certify that the information shown on both sides of this form is true and complete to the best of my knowledge and belief

Signature:  Printed Name: **Courtney Foster** Title: **Regulatory Analyst** Date: **3/2/20**

E-mail Address: **cfoster@hexpresources.com**