

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

RECEIVED

NOV 03 2017

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

5. Lease Serial No. **NMSF-078813**

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.

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

1. Type of Well
 Oil Well Gas Well Other

8. Well Name and No. **McDaniel B 1E**

2. Name of Operator **Hilcorp Energy Company**

9. API Well No. **30-045-24435**

3a. Address **PO Box 4700, Farmington, NM 87499**

3b. Phone No. (include area code) **505-599-3400**

10. Field and Pool or Exploratory Area **Basin Dakota**

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
Surface Unit D (NWNW), 1190' FNL & 1190' FWL, Sec. 17, 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

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 type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other <u>Water Shut Off</u>
	<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 Company requests permission to perform remedial work on the subject well per the attached procedure and wellbore schematic.

OIL CONS. DIV DIST. 3
NOV 09 2017

BLM'S APPROVAL OR ACCEPTANCE OF THIS ACTION DOES NOT RELIEVE THE LESSEE AND OPERATOR FROM OBTAINING ANY OTHER AUTHORIZATION REQUIRED FOR OPERATIONS ON FEDERAL AND INDIAN LANDS

14. I hereby certify that the foregoing is true and correct. Name (Printed/Typed)

Kandis Roland

Title **Operations/Regulatory Technician - Sr.**

Signature *Kandis Roland*

Date *11/2/17*

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by *[Signature]*

Title **PE**

Date *11/6/17*

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)

Hilcorp
MCDANIEL B 1E
Expense - Repair Tubing

Lat 36.72969 N

Long -108.01915 W

PROCEDURE

1. Hold pre-job safety meeting. Verify cathodic is off. Comply with all NMOC, BLM, and HEC safety and environmental regulations. Scope location for base beam. If unable to use base beam, test rig anchors prior to moving in rig. Before RU, run slickline to check for and remove any downhole equipment. If an obstruction is found and cannot be recovered, set a locking 3-slip-stop above the obstruction in the tubing.

2. MIRU workover rig. Check casing, tubing, and bradenhead pressures and record them in WellView. If there is pressure on the BH, contact Ops Engineer.

3. Remove existing piping on casing valve. RU blow lines from casing valves and begin blowing down casing pressure. Kill well with treated produced Fruitland Coal / fresh water as necessary.

4. ND wellhead and NU BOPE. Test and chart BOPs as per regulations. PU and remove tubing hanger. Tag for fill, adding additional joints as needed. Record pressure test and fill depth in WellView.

5a. RU Tuboscope unit to inspect tubing. TOOH with tubing (per pertinent data sheet). LD and replace any bad joints and record findings in WellView. Make note of corrosion, scale, or paraffin and save a sample to give to engineering for further analysis.

5b. Set retrievable plug and test casing for possible hole. Contact Operations Engineer for path forward.

5c. Contact Operations Engineer to discuss whether cleanout is needed.

6. If necessary, PU 4-7/8" bit and CO to PBTD at 6,393' using the air package. TOOH and LD bit. If unable to CO to PBTD, contact Wells Engineer to inform how much fill was left and confirm/adjust landing depth.

7. TIH and drift tubing.

Tubing Wt./Grade: 4.7#, J-55
Tubing Drift ID: 1.901"
Land Tubing At: 6,347'
KB: 11'

Tubing and BHA Description		
	1	2-3/8" Expendable Check
	1	2-3/8" (1.78" ID) F-Nipple
	1	2-3/8" Tubing Joint
	1	2-3/8" Pup Joint (2' or 4')
	+/- 200	2-3/8" Tubing Joints
	As Needed	2-3/8" Pup Joints
	1	2-3/8" Tubing Joint

Note: Top of XXXXXXXX liner hanger at X,XXX'.

8. Ensure barriers are holding. ND BOPE, NU Wellhead. Pressure test tubing slowly with an air package as follows: pump 3 bbl. pad, drop steel ball, pressure tubing up to 500 psi, and bypass air. Monitor pressure for 15 min., then complete the operation by pumping off the expendable check. Note in WellView the pressure in which the check pumped off. Purge air as necessary. Notify MSO & A/L Tech that well is ready to be turned back online. RDMO.

Well Name: MCDANIEL B #1E

API Well No 3004524435	Surface Legal Location 017-029N-011W-D	Field Name BRAIN DAKOTA (PRODUCED GAS)	License No.	State Province NEW MEXICO	Well Construction Type
Ground Elevation (ft) 5,623.00	Original KBRT Elevation (ft) 5,834.00				

Original Hole, 11/1/2017 3:41:16 PM

