

State of New Mexico
Energy, Minerals and Natural Resources Department

Susana Martinez
Governor

Ken McQueen
Cabinet Secretary

Matthias Sayer
Deputy Cabinet Secretary

David R. Catanach, Division Director
Oil Conservation Division



New Mexico Oil Conservation Division approval and conditions listed below are made in accordance with OCD Rule 19.15.7.11 and are in addition to the actions approved by BLM on the following 3160-4 or 3160-5 form.

Operator Signature Date: July 25th, 2017
Well information:

| frmWellFilterSub | | | | | | | | | | | | | |
|--------------------|-----------|--------|------------------------|------|------|----------|-------------|----|-----|-----|-----|-----|-----|
| API WELL # | Well Name | Well # | Operator Name | Type | Stat | County | Surf. Owner | UL | Sec | Twp | N/S | Rng | W/E |
| 30-045-22711-00-00 | DAY | 001A | HILCORP ENERGY COMPANY | G | A | San Juan | F | F | 17 | 29 | N | 8 | W |

Application Type:

- P&A
 Drilling/Casing Change
 Location Change
 Recomplete/DHC (For hydraulic fracturing operations review EPA Underground injection control Guidance #84; Submit Gas Capture Plan form prior to spudding or initiating recompletion operations)
 Other:

Conditions of Approval:

Notify NMOCD 24hrs prior to beginning operations.

If perforations after work extend beyond range of existing perforations, operator must supply a new C-104 and completion report prior to production.

NMOCD Approved by Signature

12/14/17
Date

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

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. **SF-078414A**

6. If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE - Other instructions on page 2.

1. Type of Well
 Oil Well Gas Well Other

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

8. Well Name and No. **Day 1A**

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

9. API Well No. **30-045-22711**

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

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

10. Field and Pool or Exploratory Area **Blanco Mesaverde**

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
Surface Unit F (SENW), 1750' FNL & 1500' FWL, Sec. 17, T29N, R08W

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>Restimulation</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 recomplate 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
DEC 14 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

RECEIVED

NOV 06 2017

Notify NMOCD 24 hrs prior to beginning operations

Farmington Field Office
Bureau of Land Management

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

Kandis Roland

Title **Operations/Regulatory Technician**

Signature

Kandis Roland

Date

11/3/17

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

[Signature]

Title **PE**

Date *11/8/17*

Office **FFO**

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.

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.

OIL CONS. DIV DIST. 3

DEC 14 2017

Day #1A

Sec 17-029N-008W-F

API# 3004522711

Mesa Verde Re-Frac

11/2/2017

Procedure:

1. MIRU Service rig and associated equipment, test BOP
2. TOOH w/ 2 3/8" tubing set at 5,521'
3. Set retrievable bridge plug at 4,600' to isolate and test casing. *Note TOC at 1,850' by efficiency calculations.
4. Load the hole and pressure test the casing to frac pressure.
5. Retrieve bridge plug.
6. ND BOP, NU frac stack and test frac stack to frac pressure.
7. Re-Perforate existing Mesaverde perforations and refrac well.
8. ND frac strack, NU BOP and test.
9. TIH and land production tubing.
10. Release service rig and turn well over to production.



Schematic - Current

DEC 14 2017

Well Name: DAY #1A

| | | | | | |
|--|---|---|-------------------------------------|--|------------------------------|
| API / UWI 3004522711 | Surface Legal Location 017-029N-008W-F | Field Name BLANCO MESAVERDE (PRORAT #0078) | License No. | State/Province NEW MEXICO | Well Configuration Type |
| Original KB/RT Elevation (R) 6,409.00 | KB-Tubing Hanger Distance (ft) | Original Spud Date 1/10/1978 00:00 | Rig Release Date 9/16/1998 18:30 | PBTD (All) (ftKB) Original Hole - 5,685.0 | Total Depth All (TVD) (ftKB) |

| Most Recent Job | | | | |
|-----------------------------------|-----------------------------------|--------------------|--------------------------------|-----------------------|
| Job Category WELL INTERVENTION | Primary Job Type TUBING REPAIR | Secondary Job Type | Actual Start Date 9/14/1998 | End Date 9/17/1998 |

TD: 5,702.0 Original Hole, 10/18/2017 1:59:21 PM

