

State of New Mexico
Energy, Minerals and Natural Resources Department

Susana Martinez
Governor

Ken McQueen
Cabinet Secretary

Matthias Sayer
Deputy Cabinet Secretary

Heather Riley, 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: 1-4-18

Well information:

API WELL #	Well Name	Well #	Operator Name	Type	Stat	County	Surf_Owner	UL	Sec	Twsp	N/S	Rng	W/E
30-045-24057-00-00	SAN JACINTO	006E	HILCORP ENERGY COMPANY	G	A	San Juan	F	A	20	29	N	10	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 OCD 24hrs prior to beginning operations.
- Submit CBL to the agencies for review and approval prior to perforating.

NMOCD Approved by Signature

1/24/18
Date

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

RECEIVED

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

JAN 05 2018

5. Lease Serial No. **SF-078266**

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.

Farmington Field Office
Bureau of Land Management

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. **San Jacinto 6E**

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

9. API Well No. **30-045-24057**

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 A (NENE) 1090'FNL & 640' FEL, Sec. 20, T29N, R10W

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 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 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.)

Plans are to recomplete the subject well in the Mesaverde formation and downhole commingle the existing Dakota with the Mesaverde. An NOI was submitted and approved in July 2001. Attached is the MV plat and an updated procedure. A DHC application was submitted and approved 4/17/2001, DHC371AZ.

OIL CONS. DIV DIST. 3

JAN 17 2018

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) **Christine Brock** Title **Operations/Regulatory Technician - Sr.**
Signature *Christine Brock* Date **1/4/2018**

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by **William Tambekou** Title **Petroleum Engineer** Date **1/16/2018**
Office **FFD**

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)

NMOCD AV

San Jacinto 6E

1090' FNL & 640' FEL. Spot A. Section 20 -T 029N -R 010W

API# 3004524057

Mesa Verde Recomplete Sundry

12/28/2017

History/Justification:

The San Jacinto 6E is a standalone DK well that was drilled and completed in 1981. The well free flowed until 1997 when plunger lift was installed. A tubing repair/cleanout was performed in 2013 due to a stuck plunger and significant sand in tubing. There was sand in last two jts, 127' of fill, half the string was blue, and half scanned green or red. Continued to make sand during cleanout. Rate never came back as strong as expected. The condition of the 4 1/2" 10.5# casing and cement is unknown, but records indicate cement behind casing through the entire zone of interest, and cement behind casing over the Pictured Cliffs through Ojo Alamo. There are zones with no cement between Pictured cliffs and Cliffhouse, and from 500' to surface, so a frac string may be required. The stimulation may be performed in multiple stages. Due to the tubing age, most of the production string should still be good. It will be landed at approximately the same depth, but possibly higher depending on the amount of fill. The well currently makes 20 Mcfd, 0.07 BWPD, and 0.07 BOPD.

This is a capital project to add a two stage MV completion in the Point Lookout and the Menefee.

Procedure:

1. MIRU service rig and associated equipment; NU and test BOP.
2. Tag fill, TOOH and scan 2 3/8" tubing set at 6,455'.
3. Run GR and set a 4 1/2" composite bridge plug at +/- 4800' to isolate the Dakota. POOH.
4. TIH with tubing. Load well and circulate, and PT casing to 1000 psi. POOH.
5. RU wireline and run Casing Bond Log
6. Decide on whether a frac string is required. If so, run 2 7/8" frac string with 4 x 2 3/8" packer and swedge, and set at top of perf interval.
7. ND BOP and NU 5k tubing hanger. PT casing to 3600 psi (~75% of burst for 4 1/2" K55 10.5# casing) or frac string to 9000 psi.
8. N/U frac stack and test frac stack to frac pressure.
9. Perforate and frac the Point Lookout and Mesaverde in two stages (no frac string) or use diversion (with frac string).
10. Nipple down frac stack, nipple up BOP and test.
11. TIH and cleanout to Dakota isolation plug and, when water and sand rates are acceptable, flow test the Mesaverde.
12. Drill out Dakota isolation plug and cleanout to PBTD of 6,543'. TOOH.
13. TIH and land production tubing. Get a commingled Dakota / Mesaverde flow rate.
14. Release service rig and turn well over to production.

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 246574

WELL LOCATION AND ACREAGE DEDICATION PLAT

1. API Number 30-045-24057	2. Pool Code 72319	3. Pool Name BLANCO-MESAVERDE (PRORATED GAS)
4. Property Code 318699	5. Property Name SAN JACINTO	6. Well No. 006E
7. OGRID No. 372171	8. Operator Name HILCORP ENERGY COMPANY	9. Elevation 5658

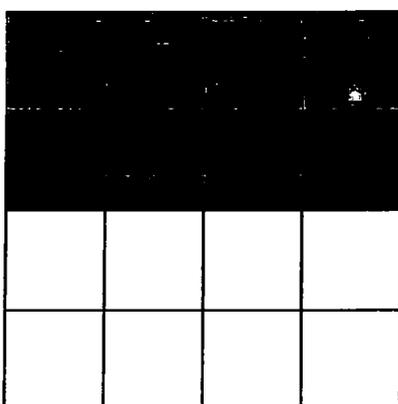
10. Surface Location

UL - Lot A	Section 20	Township 29N	Range 10W	Lot Idn	Feet From 1090	N/S Line N	Feet From 640	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 320.00	N/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

	OPERATOR CERTIFICATION
	<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>Christine Brock</i> Title: Operations/Regulatory Tech - Sr. Date: 1/4/2018</p>
	SURVEYOR CERTIFICATION
	<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: Fred B. Kerr, Jr. Date of Survey: 9/12/1979 Certificate Number: 3950</p>

Well Name: SAN JACINTO #6E

API RWI 3004524057	Surface Legal Location 020-029N-010W-A	Field Name BASIN DAKOTA (PRORATED GAS)	License No.	State/Province NEW MEXICO	Well Configuration Type VERTICAL
Ground Elevation (ft) 5,658.00	Original KBRT Elevation (ft) 5,669.00				

VERTICAL, Original Hole, 12/28/2017 8:56:31 AM

