

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.
NMSF078604

6. If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE - Other instructions on page 2

7. If Unit or CA/Agreement, Name and/or No.
NMNM133172

1. Type of Well
 Oil Well Gas Well Other

8. Well Name and No.
MARCOTTE 2

2. Name of Operator
HILCORP ENERGY COMPANY
Contact: MANDI RAY
E-Mail: mray@hilcorp.com

9. API Well No.
30-045-29466-00-S9

3a. Address
1111 TRAVIS STREET
HOUSTON, TX 77002

3b. Phone No. (include area code)
Ph: 505-324-5122

10. Field and Pool or Exploratory Area
BASIN DAKOTA

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
Sec 8 T31N R10W NESE 1540FSL 935FEL
36.909710 N Lat, 107.899550 W Lon

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

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 permanently abandon the Dakota formation. Attached is the MV plat, recomple procedure and wellbore schematic. A Closed Loop system will be utilized.

NMOCD

MAR 16 2018

DISTRICT III

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

Notify NMOCD 24 hrs prior to beginning operations

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

Electronic Submission #407188 verified by the BLM Well Information System

For HILCORP ENERGY COMPANY, sent to the Farmington

Committed to AFMSS for processing by WILLIAM TAMBEKOU on 03/12/2018 (18WMT0611SE)

Name (Printed/Typed) MANDI RAY

Title OPERATIONS REGULATORY TECH

Signature (Electronic Submission)

Date 03/09/2018

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By WILLIAM TAMBEKOU

Title PETROLEUM ENGINEER

Date 03/12/2018

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 ****

NMOCD

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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) 748-9720

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**

WELL LOCATION AND ACREAGE DEDICATION PLAT

1. API Number 30-045-29466	2. Pool Code 72319	3. Pool Name BLANCO-MESAVERDE (PRORATED GAS)
4. Property Code 319189	5. Property Name MARCOTTE	6. Well No. 002
7. OGRID No. 372171	8. Operator Name HILCORP ENERGY COMPANY	9. Elevation 5987

10. Surface Location

UL - Lot I	Section 8	Township 31N	Range 10W	Lot Idn	Feet From 1540	N/S Line S	Feet From 935	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 318.74	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

	<p align="center">OPERATOR CERTIFICATION</p> <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: Amanda Ray Title: Operations / Regulatory Tech Date: 3/8/2018</p>
	<p align="center">SURVEYOR CERTIFICATION</p> <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: NEALE EDWARDS Date of Survey: 2/16/1997 Certificate Number: 6857</p>



HILCORP ENERGY COMPANY
MARCOTTE 2
MESA VERDE RECOMPLETION SUNDRY

JOB PROCEDURES

1. MIRU service rig and associated equipment; test BOP.
2. TOOH with 2 3/8" tubing set at 7,017'.
3. Pick up retrieving head and TIH to Weatherfod RBP set at 7,079'.
4. Latch onto RBP, equalize, un-set, and TOOH.
5. Set a 7" CIBP at +/- 7,120' (top Dakota perforation at 7,138'). CMT from 3000' to 7,550' by CBL.
6. TIH with open-ended 2 3/8" tubing to +/- 7,118'.
7. Rig up cement crew and spot a balanced plug from 7,118' to 7,000' (pipe out top of plug, 7.8 bbls).
8. TOOH to +/-6,950', reverse circulate, WOC, TIH and tag plug, record solid tag depth. TOOH.
9. Load the hole and pressure test the casing to 4,000 psi.
10. N/D BOP, N/U frac stack and test frac stack to frac pressure.
11. Perforate and frac the Mesa Verde in two or three stages (Top Perforation @ 4,184'; Bottom Perforation @ 5,324').
12. Isolate frac stages with a composite bridge plug and set top isolation plug once frac is completed.
13. Nipple down frac stack, nipple up BOP and test.
14. TIH with a mill and drill out top isolation plug and Mesa Verde frac plugs.
15. Clean out wellbore, when water and sand rates are acceptable, flow test the Mesa Verde. TOOH.
16. TIH and land 2 3/8" production tubing. Release service rig and turn well over to production.



**HILCORP ENERGY COMPANY
MARCOTTE 2
MESA VERDE RECOMPLETION SUNDRY**

MARCOTTE 2 - CURRENT WELLBORE SCHEMATIC



Current Schematic

Well Name: MARCOTTE #2

API / UWI 3004529466	Surface Leg # Location 008-031N-D10W-1	Field Name WILDCAT	License No. #0900	State/Province NEW MEXICO	Well Configuration Type
Ground Elevation (ft) 5,984.00	Original KB/R/T Elevation (ft) 6,012.00	KB-Base Distance (ft) 28.00	KB-Casing Flange Distance (ft)	KB-Tubing Hanger Distance (ft)	

Original Hole, 3/7/2018 10:39:15 AM

