

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

RECEIVED

JUL 27 2018

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.

Farmington Field Office
Bureau

NMSF-078138

SUBMIT IN TRIPLICATE - Other instructions on page 2.

1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		7. If Unit or CA/Agreement, Name and/or No.
2. Name of Operator Hilcorp Energy Company		8. Well Name and No. Federal B 2
3a. Address 382 Road 3100 Aztec, NM 87410	3b. Phone No. (include area code) 505-599-3400	9. API Well No. 30-045-32860
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Surface Unit I (NESE) 2200' FSL & 665' FEL, Sec. 28, T30N, R11W		10. Field and Pool or Exploratory Area Basin Dakota / Blanco Mesaverde
		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.)

Hilcorp Energy Company plans to recomplete the subject well in the Mesaverde formation and downhole commingle with the existing Dakota. Attached is the MV plat and procedure. A DHC application will be filed prior to commingling. A closed loop system will be utilized for the recompletion.

Notify NMOCD 24 hrs prior to beginning operations

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

SEE ATTACHED FOR CONDITIONS OF APPROVAL

NMOCD

JUL 30 2018

DISTRICT III

14. I hereby certify that the foregoing is true and correct. Name (Printed/Typed) Cherylene Weston		Title Operations/Regulatory Technician - Sr.
Signature <i>Cherylene Weston</i>		Date 7-26-18

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by <i>William Tambekou</i>		Title Petroleum Engineer	Date 7/30/2018
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 FFU	

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.

NMOCD IV

Federal B #2

Section 28-T30N-R11W

API#: 30-045-32860

MV Recompletion Procedure

7/24/2018

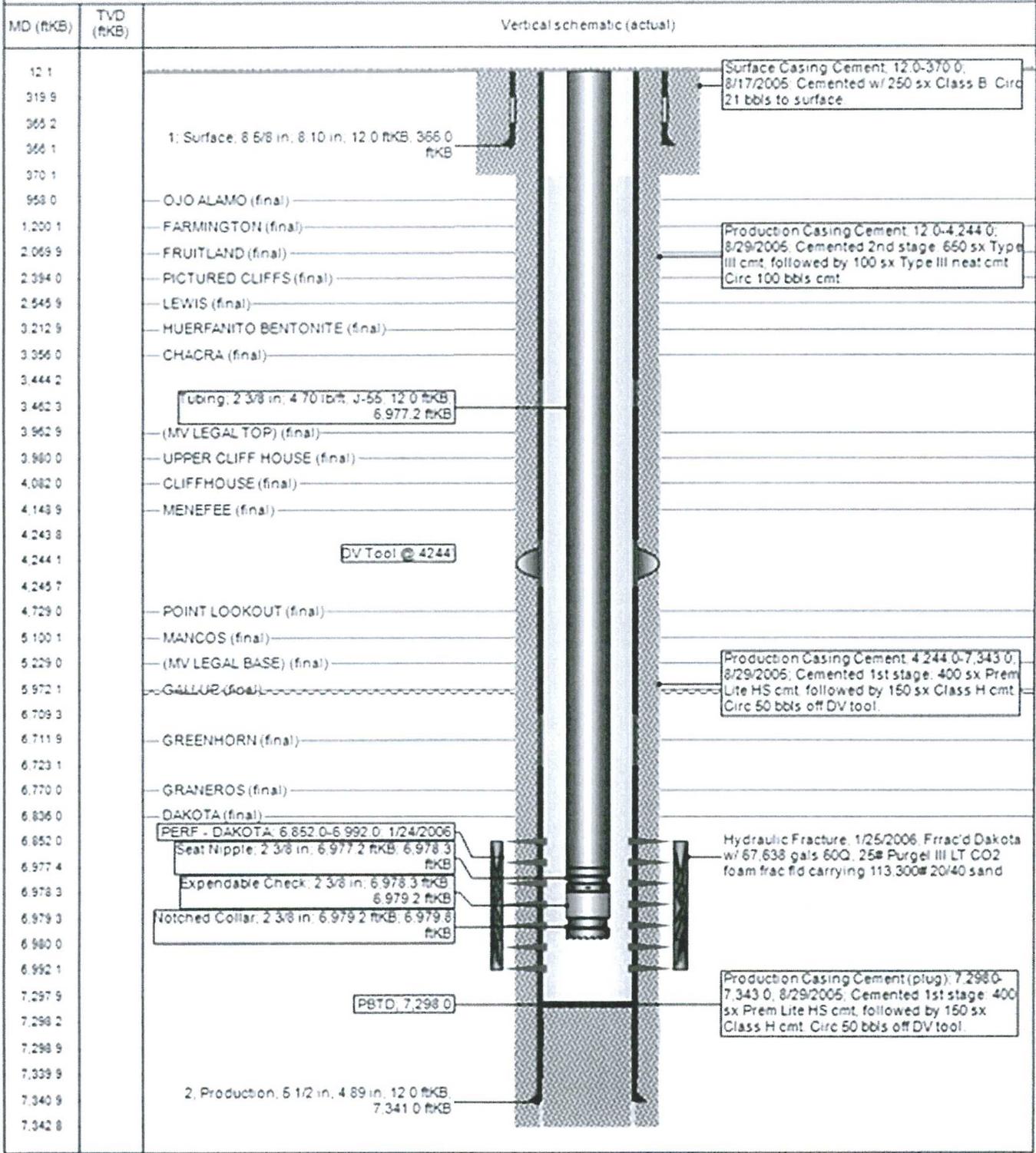
Procedure:

1. MIRU Service rig and associated equipment, test BOP.
2. TOOH w/ 2 3/8" tubing set at 6980'.
3. Run gauge ring or string mill.
4. Set 5.5" bridge plug at approximately 5229'.
 - a. Note: Cement was circulated above DV tool and to surface.
5. Decide if frac string is required. If so, run frac string and packer. Pressure test either casing or frac string, whichever is utilized.
6. ND BOP, NU frac stack and test frac stack to frac pressure.
7. Perforate and frac the Mesaverde. Estimated interval: 3963'-5050'.
8. Cleanout to plug at base of MV. Flow test MV. Cleanout to PBTD.
9. TIH and land production tubing. Get a commingled Dakota/Mesaverde flow rate.
10. Release service rig and turn well over to production.

Well Name: FEDERAL B 02

API/UVI 3004532860	Surface Legal Location T30N-R11W-S28	Field Name Basin Dakota	License No	State/Province New Mexico	Well Configuration Type Vertical
Ground Elevation (ft) 6,076.00	Original KBRT Elevation (ft) 6,088.00	KB-Ground Distance (ft) 12.00	KB-Casing Flange Distance (ft)	KB-Tubing Hanger Distance (ft)	

Vertical, Original Hole, 7/25/2018 10:35:22 AM



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 255190

WELL LOCATION AND ACREAGE DEDICATION PLAT

1. API Number 30-045-32860	2. Pool Code 72319	3. Pool Name BLANCO-MESAVERDE (PRORATED GAS)
4. Property Code 321981	5. Property Name FEDERAL B	6. Well No. 002
7. OGRID No. 372171	8. Operator Name HILCORP ENERGY COMPANY	9. Elevation 6076

10. Surface Location

UL - Lot I	Section 28	Township 30N	Range 11W	Lot Idn	Feet From 2200	N/S Line S	Feet From 665	E/W Line E	County SAN JUAN
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11. Bottom Hole Location If Different From Surface

UL - Lot 8	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
12. Dedicated Acres 320.08 E/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

	<p style="text-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: <i>Cherylene Weston</i> Title: Cherylene Weston, Operations/Regulatory Tech-Sr. Date: July 26, 2018</p> <hr/> <p style="text-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: JOHN A. VUKONICH Date of Survey: 10/21/2004 Certificate Number: 14881</p>
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United States Department of the Interior



BUREAU OF LAND MANAGEMENT

Farmington District Office
6251 College Blvd. - Suite A
Farmington, New Mexico 87402
www.blm.gov/nm

CASING REPAIR, WORKOVER, AND RECOMPLETION CONDITION OF APPROVAL

1. If casing repair operations are needed, obtain prior approval from this office before commencing repairs.
2. If a CBL or other logs are run, provide this office with a copy.
3. After any casing repair operations, test cement squeeze to a minimum of 500# for 30 minutes with no more than 10 % pressure fall off in the 30 minutes test period. Provide test chart with your subsequent report of operations
4. A properly functioning BOP and related equipment must be installed prior to commencing workover, casing repair, and/or recompletion operations.
5. **Contact this office at (505) 564-7750 prior to conducting any cementing operations**

SPECIAL STIPULATIONS:

1. **Pits will be fenced during work-over operation.**
2. **All disturbance will be kept on existing pad.**
3. **All pits will be pulled and closed immediately upon completion of the recompletion and work-over activities.**
4. **Pits will be lined with an impervious material at least 12 mils thick.**