### State of New Mexico Energy, Minerals and Natural Resources Department

dhcSusana 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: 2-16-18

#### Well information:

API WELL#	Well Name	Well #	Operator Name	Туре	Stat	County	Surf_Owner	UL	Sec	Twp	N/S	Rng	W/E
30-045-26597-00- 00	PIERCE A		HILCORP ENERGY COMPANY	G		San Juan	F	Р	13	30	N	10	W

Application Type:
P&A Drilling/Casing Change Location Change
<ul> <li>Recomplete/DHC (For hydraulic fracturing operations review EPA Underground injection control Guidance #84</li> </ul>
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

8/31/18 Date Form 3160-5 (June 2015)

UNITED STATES DEPARTMENT OF THE INTERIOR

FORM APPROVED OMB NO. 1004-0137 Expires: January 31, 2018

DI	IDEAL OF LAND MANIA	CEMENT				_
SUNDRY	UREAU OF LAND MANA  NOTICES AND REPO  is form for proposals to	RTS ON WELLS		5. Lease Serial No. NMSF078125B		
abandoned wel	II. Use form 3160-3 (API	D) for such proposals.		6. If Indian, Allottee of	or Tribe Name	
SUBMIT IN T	TRIPLICATE - Other inst	ructions on page 2		7. If Unit or CA/Agree	ement, Name and/or No.	
Type of Well	ier			8. Well Name and No. PIERCE A 4		
Name of Operator     HILCORP ENERGY COMPAN	Contact: NY E-Mail: mwalker@	AMANDA WALKER hilcorp.com		9. API Well No. 30-045-26597-0	)0-S1	
3a. Address 1111 TRAVIS STREET HOUSTON, TX 77002		3b. Phone No. (include area code) Ph: 505-324-5122		10. Field and Pool or BASIN DAKOTA	Exploratory Area A	
4. Location of Well (Footage, Sec., T.	, R., M., or Survey Description			11. County or Parish,	State	
Sec 13 T30N R10W SESE 07 36.806763 N Lat, 107.830475				SAN JUAN COL	UNTY, NM	
12. CHECK THE AF	PROPRIATE BOX(ES)	TO INDICATE NATURE O	F NOTICE,	REPORT, OR OTH	HER DATA	
TYPE OF SUBMISSION		TYPE OF	ACTION		2.	
Notice of Intent	☐ Acidize	□ Deepen	☐ Producti	on (Start/Resume)	■ Water Shut-Off	
	☐ Alter Casing	☐ Hydraulic Fracturing	□ Reclama	ntion	■ Well Integrity	
☐ Subsequent Report	□ Casing Repair	■ New Construction	■ Recomp	lete	☐ Other	
☐ Final Abandonment Notice	☐ Change Plans	□ Plug and Abandon	☐ Tempora	arily Abandon		
	☐ Convert to Injection	☐ Plug Back	■ Water D	isposal		
13. Describe Proposed or Completed Opc If the proposal is to deepen directions Attach the Bond under which the wor following completion of the involved testing has been completed. Final Ab determined that the site is ready for fi	ally or recomplete horizontally, it will be performed or provide operations. If the operation resonandonment Notices must be file	give subsurface locations and measur the Bond No. on file with BLM/BIA sults in a multiple completion or reco	red and true ver . Required sub mpletion in a n	rtical depths of all pertin sequent reports must be ew interval, a Form 316	nent markers and zones. filed within 30 days 60-4 must be filed once	
Hilcorp Energy Company plan commingle the existing Dakota procedure and wellbore schen commingling. A Closed Loop s	a with the Mesaverde. Atta natic. A DHC application v	ached please find the MV Plat	, recomplete	wnhole		
*Density Everentian D 14774*			nus/deat	MARADA	etal verikoadishali resittasiy "	

\*Density Exemption R-14774\*

NMUCD

AUG 2 4 2018

DISTRICT III

14. I hereby certify that t	ne foregoing is true and correct.  Electronic Submission #431540 verifie  For HILCORP ENERGY COMF  Committed to AFMSS for processing by WILLIA	ANY, s	ent to the Farmington	
Name (Printed/Typed)	AMANDA WALKER	Title	OPERATIONS REGULATORY TECH	
Signature	(Electronic Submission)	Date	08/16/2018	
	THIS SPACE FOR FEDERA	L OR	STATE OFFICE USE	
certify that the applicant ho	1 TAMBEKOU		ETROLEUM ENGINEER Farmington	Date 08/21/2018
Title 18 U.S.C. Section 100	1 and Title 43 U.S.C. Section 1212, make it a crime for any per or fraudulent statements or representations as to any matter w	rson kno	wingly and willfully to make to any department or agen	cy of the United

(Instructions on page 2) \*\* BLM REVISED \*\* BLM REVISED \*\* BLM REVISED \*\* BLM REVISED \*\*





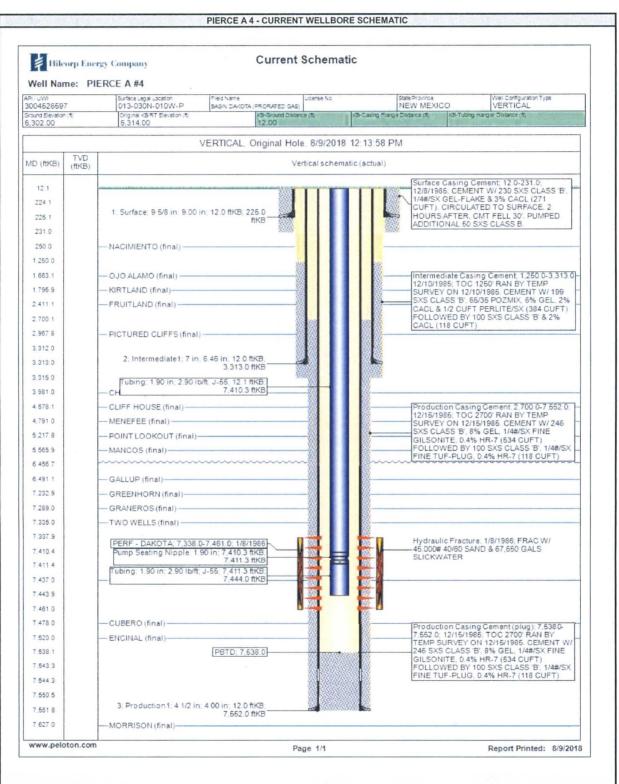
## HILCORP ENERGY COMPANY PIERCE A 4 MESA VERDE RECOMPLETION SUNDRY

#### JOB PROCEDURES

- 1. MIRU service rig and associated equipment; NU and test BOP.
- 2. TOOH with 1.9" tubing set at 7,444'.
- 3. Set a 4-1/2" cast iron bridge plug at +/- 6225' to isolate the Dakota.
- 4. Load hole with fluid and run a CBL on the 4-1/2" casing. Verify cement bond within the Mesa Verde and TOC is above 4100'. (Temp survey shows TOC @ 2700').
- 5. Load 4-1/2" x 7" annulus with packer fluid and pressure test casing to frac pressure.
- 6. N/D BOP, N/U frac stack and test frac stack to frac pressure.
- 7. Perforate and frac the Mesa Verde in two or three stages. (Top perforation @ 4,590', Bottom perforation @ 5,720')
- 8. Isolate frac stages with a composite bridge plug and set top isolation plug once frac is completed.
- 9. Nipple down frac stack, nipple up BOP and test.
- 10. TIH with a mill and drill out top isolation plug and Mesa Verde frac plugs.
- 11. Clean out to Dakota isolation plug and, when water and sand rates are acceptable, flow test the Mesa Verde.
- 12. Drill out Dakota isolation plug and cleanout to PBTD of 7,538'. TOOH.
- 13. TIH and land production tubing. Get a commingled Dakota/Mesa Verde flow rate.



## HILCORP ENERGY COMPANY PIERCE A 4 MESA VERDE RECOMPLETION SUNDRY



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 256197

#### WELL LOCATION AND ACREAGE DEDICATION PLAT

1. API Number	2. Pool Code 72319	3. Pool Name BLANCO-MESAVERDE (PRORATED GAS)
4. Property Code 318659	5. Property Name PIERCE A	6. Well No. 004
7. OGRID No. 372171	8. Operator Name HILCORP ENERGY COMPANY	9. Elevation 6302

#### 10. Surface Location

Γ	UL - Lot	П	Section	П	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County	
1		P		13	30N	10W	. 16	790	S	1160	E		SAN
												JUAN	

#### 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 A			13. Joint or Infill		14. Consolidatio	n 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

		I hereby certify that the knowledge and belief mineral interest in the this well at this locatic interest, or to a volumby the division.  E-Signed By: Title:	f, and that this e land includir on pursuant to
		Date:	SUR
		surveys made by me of my belief.	or under my
		Surveyed By:	Fred B.
		Date of Survey:	10/18/19
			2050

#### ERATOR CERTIFICATION

n contained herein is true and complete to the best of my s organization either owns a working interest or unleased ng the proposed bottom hole location(s) or has a right to drill o a contract with an owner of such a mineral or working agreement or a compulsory pooling order heretofore entered

#### RVEYOR CERTIFICATION

on shown on this plat was plotted from field notes of actual supervision, and that the same is true and correct to the best

Kerr, Jr.

985

Certificate Number

3950

#### DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT CASE RECORDATION

Run Date/Time: 8/21/2018 12:43 PM

(LIVE) Serial Register Page

Total Acres:

Page 1 Of 2 Serial Number

01 02-25-1920;041STAT0437;30USC181

Case Type 318310: O&G COMMUNITZATION AGRMT

640.000

NMNM-- - 138727

Commodity 459: OIL & GAS

Case Disposition: AUTHORIZED

Case File Juris:

Serial Number: NMNM--- 138727

Name & Address					Int Rel	% Interest
BLM FARMINGTON FO	6251 COLLEGE BLVD STE A	FARMINGTON	NM	874021738	OFFICE OF RECORD	0.000000000
HILCORP ENERGY I LP	1111 TRAVIS ST	HOUSTON	TX	770025924	<b>OPERATOR</b>	100.000000000

Serial Number: NMNM-- - 138727

M	er Twp	Rng Sec	SType	Nr Suff	Subdivision	District/ Field Office	County	Mgmt Agency
23	0290N	0060W 008	ALIQ		N2;	FARMINGTON FIELD OFFICE	RIO ARRIBA	BUREAU OF LAND MGMT
23	0290N	0060W 009	ALIQ		N2;	FARMINGTON FIELD OFFICE	RIO ARRIBA	BUREAU OF LAND MGMT

Serial Number: NMNM-- - 138727

Relinquished / Withdrawn Lands

Act Date	Act Co	de Action Txt	Serial Number: NMNM Action Remarks Pendi	138727 ng Office
08/07/2018	580	PROPOSAL RECEIVED	,	
08/21/2018	334	AGRMT APPROVED		
08/21/2018	387	CASE ESTABLISHED		
08/21/2018	516	FORMATION	MNCS 03;MANCOS;	
08/21/2018	525	ACRES-NONFEDERAL	40.00;6.2500%FEE;	
08/21/2018	526	ACRES-FED INT 100%	600.00;93.7500%FED;	
08/21/2018	690	AGRMT VALIDATED		
08/21/2018	868	EFFECTIVE DATE	/A/	
08/20/2020	763	EXPIRES		

Serial Number: NMNM-- - 138727

Line Number	Rema	ırk Text		
			640.00	100.0000
0001	/A/	RECAPITULATION EN	FFECTIVE DATE 08/23	1/18
0002	TR#	LEASE SERIAL NO	AC COMMITTED	%INTEREST
0003	1	FEE	40.00	6.2500
0004	2	NMSF 080379A	320.00	50.0000
0005	3	NMSF 080377	200.00	31.2500
0006	4	NMSF 080180	80.00	12.5000

NO WARRANTY IS MADE BY BLM FOR USE OF THE DATA FOR PURPOSES NOT INTENDED BY BLM



### **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.