

Submit 1 Copy To Appropriate District Office
 District I - (575) 393-6161
 1625 N. French Dr., Hobbs, NM 88240
 District II - (575) 748-1283
 811 S. First St., Artesia, NM 88210
 District III - (505) 334-6178
 1000 Rio Brazos Rd., Aztec, NM 87410
 District IV - (505) 476-3460
 1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
 Energy, Minerals and Natural Resources

Form C-103
 Revised July 18, 2013

OIL CONSERVATION DIVISION
 1220 South St. Francis Dr.
 Santa Fe, NM 87505

SUNDRY NOTICES AND REPORTS ON WELLS (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)		WELL API NO. 30-045-24646
1. Type of Well: Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other		5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>
2. Name of Operator Hilcorp Energy Company		6. State Oil & Gas Lease No. N/A
3. Address of Operator 382 Road 3100, Aztec, NM 87410		7. Lease Name or Unit Agreement Name Haney Gas Com B
4. Well Location Unit Letter <u>M</u> : <u>850</u> feet from the <u>South</u> line and <u>850</u> feet from the <u>West</u> line Section <u>20</u> Township <u>29N</u> Range <u>10W</u> NMPM County <u>San Juan</u>		8. Well Number 1E
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 5469' GL		9. OGRID Number 372171
		10. Pool name or Wildcat Blanco Mesaverde

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK PLUG AND ABANDON
 TEMPORARILY ABANDON CHANGE PLANS
 PULL OR ALTER CASING MULTIPLE COMPL
 DOWNHOLE COMMINGLE
 CLOSED-LOOP SYSTEM
 OTHER: RECOMPLETE

SUBSEQUENT REPORT OF:

REMEDIAL WORK ALTERING CASING
 COMMENCE DRILLING OPNS. P AND A
 CASING/CEMENT JOB
 OTHER:

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 19.15.7.14 NMAC. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

It is intended to recomplete the subject well in the Mesaverde formation and downhole commingle with the existing Dakota formation. Attached is the Mesaverde plat and recomplete procedure. A DHC application will be filed and approved prior to commingling.

Hilcorp Energy plans to use a closed loop system for this recomplete.

See attached conditions of approval

NMOCD

DEC 05 2018

DISTRICT III

Spud Date:

Rig Release Date:

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE Cherylene Weston TITLE Operations/Regulatory Technician DATE 12-5-18

Type or print name Cherylene Weston E-mail address: cweston@hilcorp.com PHONE: 505-564-0779

For State Use Only

APPROVED BY: Bob Bell TITLE Deputy Oil & Gas Inspector, District #3 DATE 12/26/18

Conditions of Approval (if any): *# See attached AV*

District I
 1625 N. French Dr., Hobbs, NM 88240
 Phone:(575) 393-6161 Fax:(575) 393-0720
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 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 260633

WELL LOCATION AND ACREAGE DEDICATION PLAT

1. API Number 30-045-24646	2. Pool Code 72319	3. Pool Name BLANCO-MESAVERDE (PRORATED GAS)
4. Property Code 321773	5. Property Name HANEY GAS COM B	6. Well No. 001E
7. OGRID No. 372171	8. Operator Name HILCORP ENERGY COMPANY	9. Elevation 5469

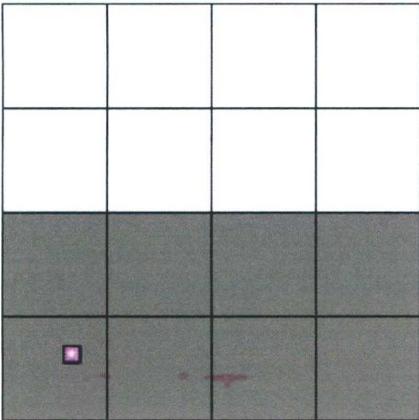
10. Surface Location

UL - Lot M	Section 20	Township 29N	Range 10W	Lot Idn	Feet From 850	N/S Line S	Feet From 850	E/W Line W	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 - S/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>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: 12/04/2018</p>
	<p>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: Fred B. Kerr, Jr. Date of Survey: 9/15/1980 Certificate Number: 3950</p>

Haney Gas Com B 1E

020-029N-010W-M

API#: 3004524646

Mesa Verde Recompletion Procedure

12/3/2018

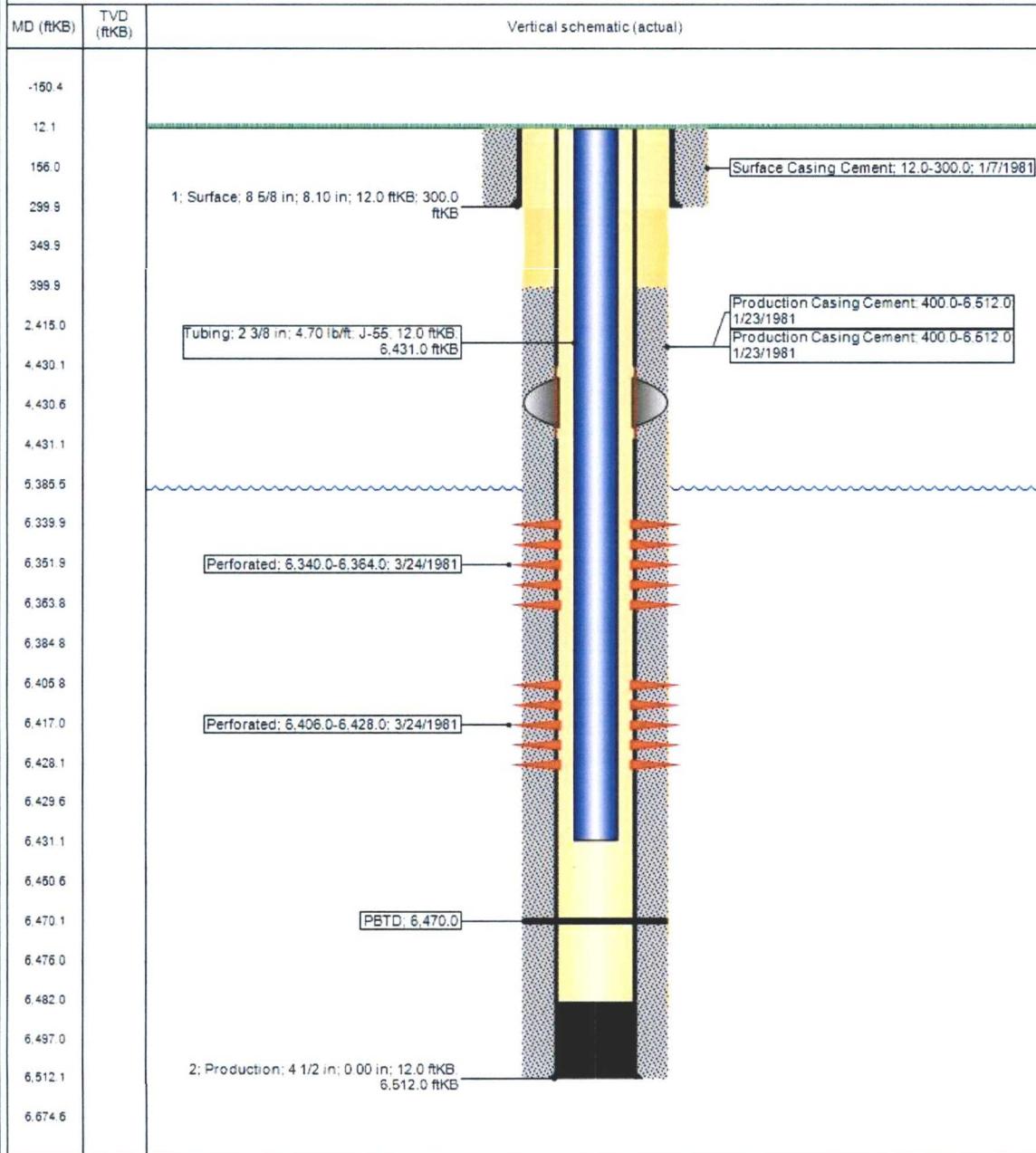
Procedure:

1. MIRU Service rig and associated equipment
2. Test BOP's
3. TOOH with 2-3/8" tubing currently set with EOT at 6,431'
4. Set a CIBP to isolate the Dakota @ $\pm 4,800'$
5. ND BOP's. NU frac stack and test same to maximum frac pressure
6. RDMO Service rig
7. MIRU frac spread
8. Perforate and frac the MV from 3,350' to 4,700'. RDMO frac spread
9. MIRU Service rig
10. Test BOP's
11. PU mill & RIH to clean out to Dakota isolation plug
12. When water and sand rates are acceptable, flow test the MV
13. Drill out Dakota isolation plug & TOOH
14. TIH and land production tubing. Obtain a commingled Dakota flow rate
15. ND BOP's, NU production tree
16. RDMO service rig & turn well over to production.

Well Name: HANEY GAS COM B #1E

API / UWI 3004524646	Surface Log Location T29N-R10W-S20	Field Name Basin Dakota	Route 0705	State/Province New Mexico	Well Configuration Type Vertical
Ground Elevation (ft) 5,469.00	Original KBRT Elevation (ft) 5,481.00	KB-Ground Distance (ft) 12.00	KB-Casing Flange Distance (ft)	KB-Tubing Hanger Distance (ft)	

Vertical. Original Hole, 12/4/2018 10:18:07 AM



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 Conditions of Approval

Well information:

Hilcorp, Haney Gas Com B #1E, API# 30-045-24646

Application Type:

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)

Conditions of Approval:

- Notify the OCD 24hrs prior to beginning operations.
- Set cast iron bridge plug (CIBP) inside of cemented casing and at least 500' below the bottom of the proposed perforations. To show adequate formation/cement isolation.
- Perform and submit a cement bond log (CBL) to the OCD for review and approval prior to perforating the formation.
- If needed, submit proposed remediation plan to the OCD for review and approval prior to starting remediation.