

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: 11/7/18

Well information:

**HILCORP ENERGY COMPANY**

**30-039-20385 SAN JUAN 28 6 UNIT #107**

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:

- The bottom of the Mesaverde is located at 6018' and the proposed perforations are 5030' - 6050'.
- Because the perforations extend past the bottom of the proposed formation Hilcorp will need to submit a revised Notice of intent (NOI) to include the Mancos formation or resubmit the NOI with revised perforations within the limits of the Mesaverde.
- The Downhole commingle (DHC) will also need to be revised to a trimmingle to include the Mancos or it will need to be revised to include the revised perforations.
- Submit the CBL to the agencies for review and approval prior to any remediation or perforations.

Notify NMOCD 24 hrs  
prior to beginning  
operations

A handwritten signature in black ink, appearing to read "Brandon Bell".

NMOCD Approved by Signature

12/24/18  
Date

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

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

NOV 27 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.*

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		5. Lease Serial No. <b>NMNM02804</b>
2. Name of Operator <b>Hilcorp Energy Company</b>		6. If Indian, Allottee or Tribe Name
3a. Address <b>382 Road 3100, Aztec, NM 87410</b>		7. If Unit of CA/Agreement, Name and/or No.
3b. Phone No. (include area code) <b>505-599-3400</b>		8. Well Name and No. <b>San Juan 28-6 Unit 107</b>
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) <b>Surface Unit M (SWSW) 1150' FSL &amp; 990' FWL, Sec. 23, T28N, R06W</b>		9. API Well No. <b>30-039-20385</b>
		10. Field and Pool or Exploratory Area <b>Blanco Mesaverde/Basin Dakota</b>
		11. Country or Parish, State <b>Rio Arriba, New Mexico</b>

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 C102, recomplete procedure & wellbore schematic. The DHC application will be submitted and approved prior to commingling. A closed loop system will be utilized. Interim reclamation will be performed after surface disturbing activities.**

**\*\*Please note: MV is pending approval of well density hearing\*\***

**HOLD C104 FOR Density exception DHC**

Notify NMOCD 24 hrs prior to beginning operations

NMOCD

DEC 14 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) <b>Tammy Jones</b>		Title <b>Operations/Regulatory Technician - Sr.</b>
Signature <i>Tammy Jones</i>		Date <b>11/7/2018</b>

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by <i>[Signature]</i>	Title <b>PE</b>	Date <b>12/11/18</b>
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 <b>FTO</b>	

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 N

**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 259476

**WELL LOCATION AND ACREAGE DEDICATION PLAT**

1. API Number 30-039-20385	2. Pool Code 72319	3. Pool Name BLANCO-MESAVERDE (PRORATED GAS)
4. Property Code 318710	5. Property Name SAN JUAN 28 6 UNIT	6. Well No. 107
7. OGRID No. 372171	8. Operator Name HILCORP ENERGY COMPANY	9. Elevation 6552

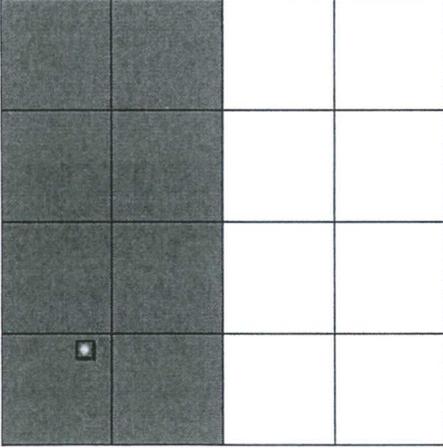
**10. Surface Location**

UL - Lot M	Section 23	Township 28N	Range 06W	Lot Idn	Feet From 1150	N/S Line S	Feet From 990	E/W Line W	County RIO ARRIBA
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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	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**

	<b>OPERATOR CERTIFICATION</b>
	<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>Tammy Jones</i> Title: Operations/Regulatory Technician - Sr. Date: 11/6/2018</p>
	<b>SURVEYOR CERTIFICATION</b>
	<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: David Kilven Date of Survey: 3/10/1971 Certificate Number: 1760</p>



HILCORP ENERGY COMPANY  
SAN JUAN 28-6 UNIT 107  
MESA VERDE RECOMPLETION SUNDRY

JOB PROCEDURES

1. MIRU service rig and associated equipment; test BOP.
2. TOOH with 2-3/8" tubing set at 7,764'.
3. Set a 4-1/2" plug at +/- 6,300' to isolate the **Dakota**.
4. RU Wireline. Run CBL. Record Top of Cement.
5. Load the hole and pressure test the casing.
6. N/D BOP, N/U frac stack and pressure test frac stack.
7. Perforate and frac the **Mesa Verde** formation (Top Perforation @ 5,030'; Bottom Perforation @ 6,050').
8. Isolate frac stages with a plug.
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.
12. Drill out **Dakota** isolation plug and cleanout to PBSD of 7,840'. TOOH.
13. TIH and land production tubing. Get a commingled **Dakota/Mesa Verde** flow rate.



**HILCORP ENERGY COMPANY**  
**SAN JUAN 28-6 UNIT 107**  
**MESA VERDE RECOMPLETION SUNDRY**

**SAN JUAN 28-6 UNIT 107 - CURRENT WELLBORE SCHEMATIC**



**Current Schematic - Version 3**

Well Name: **SAN JUAN 28-6 UNIT #107**

API / UWI 3003920385	Surface Legal Location 023-028N-006W-D	Field Name BASIN DAKOTA (PRORATED GAS)	Route 1303	State/Province NEW MEXICO	Well Configuration Type VERTICAL
Ground Elevation (ft) 6,552.00	Original KB RT Elevation (ft) 6,563.00	KB-Ground Distance (ft) 11.00	KB-Casing Flange Distance (ft)	KB-Tubing Hanger Distance (ft)	

VERTICAL, Original Hole, 11/2/2018 1:14:16 PM

