

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. 30-045-24155
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. FEE
3. Address of Operator 382 Road 3100, Aztec, NM 87410		7. Lease Name or Unit Agreement Name LESTER
4. Well Location Unit Letter <u>D</u> <u>880</u> feet from the <u>North</u> line and <u>930</u> feet from the <u>West</u> line Section <u>3</u> Township <u>30N</u> Range <u>11W</u> NMPM San Juan County		8. Well Number 1A
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 5639'		9. OGRID Number 372171
		10. Pool name or Wildcat Blanco Mesaverde/Basin Fruitland Coal

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

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>	P AND A <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	MULTIPLE COMPL <input type="checkbox"/>	CASING/CEMENT JOB <input type="checkbox"/>	
DOWNHOLE COMMINGLE <input type="checkbox"/>			
CLOSED-LOOP SYSTEM <input type="checkbox"/>			
OTHER: <input type="checkbox"/> RECOMPLETION		OTHER: <input checked="" type="checkbox"/> RECOMPLETION	

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.

Hilcorp obtained approval from NMOCD on 11/2/2018 to produce the well as a Fruitland Coal only for 30 days to temporarily test the reservoir. Hilcorp was granted an extension to keep it as a Fruitland Coal well on 11/28/2018 due to frac complication. Extension was granted until 2/28/2019 for refrac opportunity. On 1/4/2019, NMOCD was notified that the refrac was canceled and well will be commingled. On 3/1/2019, NMOCD was notified that due to the unexpected winter conditions, the rig was unable to move onto location and a 60-day extension was granted. The rig moved on 4/1/2019 and the CIBPs were drilled out. The well was downhole commingled as follows:

4/1/2019 – MIRU BWD 103. BD well. ND WH. NU & PT BOP. TOH 66 jts 2-3/8" tbg, 2-3/8" x 4' tbg sub, 1 jt 2-3/8" tbg, SN & expendable chk. PU & TIH junk mill, bit sub & 2-3/8" tbg. TG fill @ 2,125' (65' fill). RU pwr swl. Brk circ w/ AFU. Att to CO fill w/no results. Mill on TI spot @ 2,125' for 45 min. Circ cln. TOH 2-3/8" tbg & BHA. TIH string mill, bit sub & 2-3/8" tbg. RU pwr swl. Brk circ w/ AFU. Mill out TI spots fr/2,125' - 2,126' & 2,128' - 2,131'. Circ cln. TOH 2-3/8" tbg & BHA. TIH junk mill, bit sub & 2-3/8" tbg. SWI. SDFN.

(continued on Page 2)

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 Priscilla Shorty TITLE Operations Regulatory Technician Sr. DATE 04/08/2019

Type or print name Priscilla Shorty E-mail address: pshorty@hilcorp.com PHONE: 505-324-5188

For State Use Only

APPROVED BY: [Signature] TITLE I+E Supervisor DATE 4/22/19
 Conditions of Approval (if any): AV

4/2/2019 - TIH 4 jts 2-3/8" tbg. RU pwr swl. Brk circ w/ AFU. Tag CIBP @ 2,190'. Do CIBP. Circ cln. TIH 26 jts 2-3/8" tbg. Push remainder of CIBP down (hanging in csg collars). Tag remainder of CIBP @ 2,998' (CIBP @ 3,000'). DO remainder of CIBP & CIBP @ 3,000'. Circ cln. TIH 52 jts 2-3/8" tbg. Tag @ 4,648' (6' fill). TOH & LD 3 jts 2-3/8" tbg. TOH 144 jts 2-3/8" tbg & BHA. SWI. SDFN.

4/3/2019 - TIH expendable chk w/mule shoe, SN, 1 jt 2-3/8" tbg, 2-3/8" x 2' tbg sub & 143 jts 4.7# J-55 2-3/8" tbg. LD tbg. EOT @ 4,588'. SN @ 4,587'. ND BOP. NU WH w/B-2 adpt. Pump 5 bbl pad. Drop ball. Pt tbg to 500 psig. Test ok. Pump off chk @ 750 psig. RD RR BWD 103 @ 12:00 hrs.

The CIBPs @ 2190' and 3000' were drilled out. The well is now a Fruitland Coal/Mesaverde commingled well per DHC 4847.

Well Name: LESTER #1A

API / UWI 3004524155	Surface Legal Location 003-030N-011W-D	Field Name BLANCO MV (PRO #0078	Route 0303	State/Province NEW MEXICO	Well Configuration Type
Ground Elevation (ft) 5,639.00	Original KB/RT Elevation (ft) 5,651.00	KB-Ground Distance (ft) 12.00	KB-Casing Flange Distance (ft)	KB-Tubing Hanger Distance (ft)	

Original Hole, 4/8/2019 1:55:47 PM

