

RECEIVED

Form 3160-5
(August 2007)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

Farmington Field Office
Bureau of Land Management

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 | | 7. If Unit of CA/Agreement, Name and/or No. NMNM13103 |
| 2. Name of Operator Hilcorp Energy Company | | 8. Well Name and No. Sunray F 1F |
| 3a. Address PO Box 4700, Farmington, NM 87499 | 3b. Phone No. (include area code) 505-599-3400 | 9. API Well No. 30-045-34450 |
| 4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Surface Unit I (NE/SE) 2565' FSL & 885' FEL, Sec. 26, T30N, R10W | | 10. Field and Pool or Exploratory Area Blanco Mesaverde / Basin Dakota |
| | | 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 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 checked="" 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 recomplate 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 recomplate 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.)

1/3/2019 – MIRU AWS 753. ND WH, NU KILL SPOOL & BOPE. RU FLOOR AND TBG HANDLING TOOLS. RU WELLCHK, PT BLIND & PIPE RAMS. GOOD TEST. PU LD TBG HANGER. TBG PARTED. RU TBG SCANNER. LD 90 BAD JTS. RD TBG SCANNER. SWI. SDFN.

1/4/2019 –SPOT NEW 2-3/8" TBG FLOAT. PU 3-3/4" OVERSHOT AND TALLIED 92 JTS 2-3/8" NEW TBG. LATCHED FISH ON BOTTOM AT 2963'. PULLED AND TBG PARTED. POOH W/ TBG STRING. L/D 6 JTS 187' OF FISH. RUN OVERSHOT W/ NEW GRAPPLE. TIH AND LATCH FISH. PULLED AND PARTED TBG. CALLED OUT WIRELINE. POOH AND L/D 39 JTS (1,216") OF FISH. RUN OVERSHOT AND LATCHED ONTO REMAINING FISH AT 4356'. RU WIRELINE. RIH FREEPOINT. UNABLE TO GET FREEPOINT TOOL PAST 4404'. POOH. RIH W/ JET CUTTER. WORK CUTTER DOWN CORK SCREWED PIPE TO 7112'. TAG OBSTRUCTION IN TBG. ATTEMPT TO FIRE. JET CUTTER MIS FIRED. POOH. R/D WL-SWI. SDFWE.

NMOCD

Continued on attached...

APR 09 2019

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| 14. I hereby certify that the foregoing is true and correct. Name (Printed/Typed) Priscilla Shorty | Title Operations/Regulatory Technician - Sr. |
| Signature <i>Priscilla Shorty</i> | Date 3/6/2019 |

DISTRICT III

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

| | | |
|---|----------------------|-----------------------|
| Approved by Dave Mankiewicz | Title AFM | Date 4/8/19 |
| 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 FFO | |

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.

(Instruction on page 2)

NMOCD

1/7/2019 –RU WIRELINE. RIH W/ JET CUTTER. WORK CUTTER DOWN CORK SCREWED PIPE TO 7112'. TAG OBSTRUCION IN TBG. PULL UP AND SHOOT JET CUTTER AT 7090'. PIPE FREE. POOH. R/D WL. TRIP OUT OF THE HOLE W/ GOOD TBG. L/D OVER SHOT. L/D 98 JTS OF FISH. BOTTOM JOINT IS FLARED OUT. P/U SKIRTED MILL AND DRILL COLLARS. TIH AND TAG TOP OF FISH AT 7087'. R/U POWER SWIVEL. DRESSED FISH NECK UNTIL WE HAD PUMPED TBG CAPACITY AND CAUGHT PRESSURE. MILL OR COLLAR PLUGGED OFF. L/D 2 JTS. TBG IS FULL OF FLUID. CALL OUT SLICKLINE FOR THEMORNING. SWI. SDFN.

1/8/2019 - RU EXPERT DOWNHOLE. RIH W/GAUGE RING. TAG UP AT 6797'. POOH WITH SLICKLINE. RIH W/ TBG PUNCH. PUNCH HOLE AT 6794'. POOH W/ SLICKLINE. TOO H W/ SKIRTED MILL FROM 7090'. RIH WITH OVERSHOT. TAG TOP OF FISH AT @ 7090'. RU POWER SWIVEL TO DRESS TOP OF FISH OFF W/ MILL CONTROL. WORKED TBG UP AND DOWN SEVERAL TIMES. TOO H WITH OVERSHOT. HAD 9 JTS OF TBG WITH X/CK ON BOTTOM. FISH IS OUT OF THE HOLE. SWI. SDFN.

1/9/2019 – NOTIFIED BLM & OCD ABOUT SQUEEZE WORK. PU 4-1/2" CIBP AND SETTING TOOL. TIH AND SET AT 7122. PT CASING. TEST WAS GOOD. TOO H AND RU BASIN WIRELINE SERVICE. RIH WITH PERF GUN. PERFORATE 3 HOLES AT A DEPTH OF 4440'. PUMP DOWN 4-1/2" CASING. PUMPED 72 BBLS CMT. CIRC HOLE WITH 150 BBLS OF TREATED FRESH WATER. SWI. SDFN.

1/10/2019 - TIH W/ 4-1/2" CMT RETAINER. SET CR AT 4387'. PERF HOLES AT 4440'. RU CMT EQUIP. PUMPED 122 BBLS OF CMT OR 596 SACKS. SQZ CMT FROM 4440' WITH 23 BBLS OF GOOD CMT TO SURFACE. **HEC ENGINEER SENT BRANDON POWELL, NMOCD, EMAIL SUMMARIZING THE SQZ JOB.** RD CMT EQUIP. TOO H W/ 2-3/8" TBG AND CR SETTING TOOL. WOC ON CMT 24 HRS. SWI. SDFN.

1/11/2019 - MU 3-7/8" MILL. TIH AND TAG CMT AT 4300'. RU POWER SWIVEL. EST CIRC W/ RIG PUMP. MILL OUT CMT FROM 4300' TO CR AT 4387'. DID NOT DRILL OUT CR. DRILLED OUT THE LAST 30' TO THE RETAINER IN 21 MINUTES. CIRC HOLE CLEAN AT 4387'. SD RIG PUMP. SWI. SDFWE.

1/14/2019 - RIH TAG CR @ 4387 BREAK DRILL OUT CR & CMT TO 4440. CIRC CLEAN. PSI TEST 1500 5 MINUTE, (HELD). RIH TO 5514. POH LD MILL, PU 4.5 CIBP, RIH & SET @ 5500. POH LD 2 3/8 TBG ON FLOAT 171 JNT. SWI SDFN.

1/15/2019 - POH LD 54 JNT 2 3/8 J-55 TBG. RD TONGS & FLOOR. ND WCE, LOAD HOLE 11 BBL, INSTALL NIGHT CAP. PSI TEST CSG, HELD. LOWER DERRICK. **RR AWS 753 @ 15:00 HRS ON 1/15/2019.**

2/13/2019 - SPOT IN FRAC EQUIP AND RU. RIH WIRELINE TO PERF SCHEDULE. TAGGED CIBP AT 5426'. 4 INTENDED SHOTS COVERED F/ 5441 TO 5444'. R/U TO PRTST AGAIN PLUG. CALLED HEC REPS FOR PLAN FORWARD. CONTINUE W/ PERF SCHEDULE REPLACING 4 SHOT F/ 5518' TO 5115'. PERFORATE STAGE 1 (PT LOOKOUT) AS FOLLOWS: **5405', 5404', 5403', 5402', 5338', 5337', 5302', 5301', 5300', 5252', 5251', 5250', 5235', 5234', 5233', 5232', 5177', 5176', 5175', 5174', 5169', 5168', 5167', 5166', 5160', 5159', 5158', 5144', 5143', 5142', 5141', 5140', 5139', 5138', 5137', 5136', 5118', 5117', 5116', 5115', 5100', 5099', 5098', 5097', 5096'.** POOH W/ WIRELINE TOOLS. FRAC STAGE 1 (PT LOOKOUT) AS FOLLOWS: BROKE DOWN WELL WITH WATER AND 500 GAL 15% HCL. **FOAM FRAC'D PT LOOKOUT WITH 165,986 LBS 40/70 AND 47,223 GAL SLICKWATER AND 1.4 MILLION SCF N2. 70 QUALITY.** AVG RATE = 54 BPM, AVG PSI = 1763. ISIP WAS 0 PSI. DROPPED 15 BIO-BALLS WITH 1/2 OF SAND PUMPED. R/U BASIN WIRELINE. RIH AND SET FRAC PLUG AT 5060'. POOH. TEST FRAC PLUG TO 3000 PSI. TEST FAILED. MAKE UP 2ND FRAC PLUG. RIH AND SET AT 5055'. TEST FRAC PLUG TO 3000 PSI. TEST FAILED. DROPPED 10 GAL FRAC SAN ON TOP OF PLUG AND RE-PRESSURE TESTED W/ SAME RESLUTS. PRESSURE TEST TO 1300 PSI BEFORE ESTABLISHING A RATE AT 6 BPM. CONTACTED HEC REPS. SUSPENDED FRAC OPS ON SUNRAY F1F. WILL MOVE WORKOVER RIG TO LOCATION TO ISOLATE CSG LEAK AND VERIFY IT IS IN ZONE. R/D HALLIBURTON EQUIPMENT AND WIRELINE CREW. RELEASED AT 1900 HRS.

2/14/2019 – MIRU BWD 102. ND FRAC Y, NU BOPE ON FRAC MASTER VALVE. RU FLOOR. PT BOPE, 2000 PSI. PU FULL BORE PACKER AND TIH W/ 134 JOINTS OF 2 3/8" TBG TO 4354'. SWI, SDFN.

2/15/2019 - VERIFY CASING LEAK IS THE SQUEEZE HOLES AT 4440' WITHIN THE MESA VERDE FORMATION. SET PACKER AND TEST CASING. TOO H WITH TBG, LD PACKER. TIH, PU TBG, TAG CIBP AT 5055', NO FILL ON PLUG. TOO H LD TBG. RD FLOOR, ND BOPE, NU FRAC Y. RD RR BWD 102 AT 19:00 HOURS. SWI SDFN. **HEC ENGR SPOKE WITH BRANDON POWELL AND RECEIVED APPROVAL TO MOVE FORWARD WITH THE RECOMPLETE PROJECT.**

2/23/2019 - SPOT IN HALLIBURTON FRAC EQUIP AND RU. RIH BASIN WIRELINE TO PERF SCHEDULE. TAGGED FRAC PLUG AT 5055'. **PERFORATE STAGE 2 (MENELEE) AS FOLLOWS: 5031', 5030', 5029', 5028', 5027', 5026', 4996', 4995', 4994', 4944', 4943', 4942', 4941', 4940', 4939', 4907', 4906', 4905', 4842', 4841', 4840', 4814', 4813', 4812', 4811', 4795', 4794', 4793', 4792', 4714', 4713', 4712', 4698', 4697', 4696', 4695', 4694', 4672', 4671', 4670', 4669', 4668', 4660', 4659', 4658'.** FRAC STAGE 2 (MENELEE) AS FOLLOWS: DROPPED 5 BIO-BALLS TO DIVERT FRAC F/ SQUEEZE HOLES. BROKE DOWN WELL WITH WATER AND 500 GAL 15% HCL. **FOAM FRAC'D MENELEE WITH 198,425 LBS 40/70 AND 53,334 GAL SLICKWATER AND 2.1 MILLION SCF N2. 70 QUALITY.** R/U BASIN WIRELINE. RIH AND TO SET FRAC PLUG AT 4598'. **PERFORATE STAGE 3 (CLIFFHOUSE) AS FOLLOWS: 4576', 4575', 4574', 4573', 4563', 4562', 4561', 4560', 4559', 4554', 4553', 4552', 4538', 4537', 4536', 4535', 4534', 4524', 4523', 4522', 4521', 4520', 4519', 4501', 4500', 4494', 4493', 4492', 4491', 4490', 4471', 4470', 4469', 4468', 4467', 4466', 4444', 4443', 4442', 4441', 4440', 4439', 4438', 4437', 4436'.** FRAC STAGE 3 (CLIFFHOUSE) AS FOLLOWS: BROKE DOWN WELL WITH WATER AND 500 GAL 15% HCL. PRESSURED UP TO 3500 PSI. LOWERED RATE UNTIL ACID HIT PERFS AND LEVELED OUT. **FOAM FRAC'D CLIFFHOUSE WITH 153,775 LBS 40/70 AND 38,254 GAL SLICKWATER AND 1.12 MILLION SCF N2. 70 QUALITY.** RIH AND TO SET FINAL CIBP AT 4200'. POOH. PT CIBP. TEST GOOD. R/D HALLIBURTON AND BASIN WL. RELEASE FRAC CREW.

2/25/2019 – MIRU BWD 102. ND FRAC STACK. INSTALL TBG HANGER. NU BOPE. RU FLOOR. PT BLIND AND PIPE RAMS. GOOD TEST. LD TBG. PICK UP 4 1/2" JUNK MILL AND TIH. TAG 24' OF FILL AT 4176'. CO 24' OF FILL 4176' TO 4200'. DRILL CIBP ISOLATION PLUG #1. SWI. SDFN.

2/26/2019 - FLOW WELL. TIH TO 4598'. EST CIRC. DRILL CIBP PLUG #2 AT 4598'. TIH PU TBG, TAG AT 5034'. EST CIRC AT 4598'. CO 21' OF FILL. DRILL CIBP PLUG #3 AT 5055'. DRILL CIBP PLUG #4 AT 5060'. CIRC WELL. TOO H. SWI. SDFN.

2/27/2019 - NATURAL FLOW WELL. TIH TO 4590'. START UP AIR WITHOUT MIST. TIH, TAG AT 5313'. START UP AIR WITHOUT MIST. EST CIRC AT 5313'. GOOD CIRC. DO PLUG CARCASS AT 5313' AND CHASE TO CIBP AT 5500'. DRILL CIBP PLUG #5 AT 5500'. TIH, TAG AT 7081'. UNLOAD WATER. NATURAL FLOW WELL. SWI. SDFN.

2/28/2019 – NATURAL FLOW WELL. TIH TO 7101'. START UP AIR WITHOUT MIST, UNLOAD WATER. NATURAL FLOW WELL. START UP AIR WITHOUT MIST, UNLOAD WATER. NATURAL FLOW WELL. TOO H 39 STANDS. SWI. SDFN.

3/1/2019 - NATURAL FLOW WELL. TIH TO 7101'. START UP AIR WITHOUT MIST, UNLOAD WATER. PU POWER SWIVEL. EST CIRC WITH AIR MIST. DRILL CIBP PLUG #6. JUNK FROM 5 PLUGS AND CEMENT RETAINER ON TOP OF CIBP. HANG SWIVEL, TOO H. SWI. SDFN.

3/2/2019 - TIH 39 STANDS TO 7101'. PU POWER SWIVEL. EST CIRC WITH AIR MIST. DRILL CIBP PLUG #6. CO 19' OF FILL TO PBTD. 7374' TO 7391'. TOO H WITH TBG, LD JUNK MILL. PICK UP BHA AND TIH. NO FILL TAGGED. LAND TBG AS FOLLOWS: **1- 2 3/8" X .95 EXP CK. 1- 2 3/8" X 1.10 SN. 1.78 ID. 1- 2 3/8" X 32.28' TBG 4.7# J-55. 1- 2 3/8" X 2.00 MARKER PUP JNT. 222- 2 3/8" X 7197.04' TBG 4.7# J-55. EOT @ 7250'. SN @ 7249'.** RD FLOOR, ND BOPE, NU WH. PUMP OFF EXP CK AT 1175 PSI. RD RR BWD 102 @ 21:00 HRS.

WELL IS NOW PRODUCING AS BLANCO MESAVERDE/ BASIN DAKOTA UNDER DHC 4064 AZ AND DENSITY EXCEPTION R-14714