

State of New Mexico
Energy, Minerals and Natural Resources Department

Michelle Lujan Grisham
Governor

Sarah Cottrell Propst
Cabinet Secretary

Todd E. Leahy, JD, PhD
Deputy Secretary

Adrienne Sandoval, 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: 4/15/2019

Well information:

HILCORP ENERGY COMPANY
30-045-20116 ROELOFS #001

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:

- Notify the OCD 24hrs prior to beginning operations.
- Based on the information provided in the sundry, the bottom of the Mesaverde is located at 5690' and the proposed perforations are 4682' -5770'.
- If the provided information is correct, the perforations extend below the bottom of the proposed formation, and 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. If the information is incorrect, Hilcorp will need to submit a revised NOI with the correct information.
- If the provided information is correct, 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.

A handwritten signature in black ink, appearing to read "Adrienne Sandoval".

NMOCD Approved by Signature

5/23/19

Date

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

RECEIVED

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

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. NMSF078415A |
| 2. Name of Operator Hilcorp Energy Company | | 6. If Indian, Allottee or Tribe Name |
| 3a. Address 382 Road 3100, Aztec, NM 87410 | 3b. Phone No. (include area code) 505-599-3400 | 7. If Unit of CA/Agreement, Name and/or No. |
| 4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Surface Unit N (SESW) 920' FSL & 1480' FWL, Sec. 22, T29N, R08W | | 8. Well Name and No. Roelofs 1 |
| | | 9. API Well No. 30-045-20116 |
| | | 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 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 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 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 recomplate the subject well in the Mesaverde formation and downhole commingle with the existing Dakota. Attached is the Mesaverde C-102, recomplate procedure & wellbore schematic. A DHC application will be filed and approved before work proceeds. A closed loop system will be utilized. Interim reclamation will be performed after surface disturbing activities.

HOLD C104 FOR Density exception



NMOCD
MAY 14 2013
DISTRICT III

| | | |
|--|--|---|
| 14. I hereby certify that the foregoing is true and correct. Name (Printed/Typed) Cherylene Weston | | Title Operations/Regulatory Technician - Sr. |
| Signature <i>Cherylene Weston</i> | | Date 4-15-19 |

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

| | | |
|---|------------------------|--------------------|
| Approved by <i>[Signature]</i> | Title Petr. Eng | Date 5/3/19 |
| 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 |

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 *bp* *AV*

District I1625 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) 476-3462Form C-102
August 1, 2011

Permit 266078

State of New Mexico
Energy, Minerals and Natural
Resources
Oil Conservation Division
1220 S. St Francis Dr.
Santa Fe, NM 87505

WELL LOCATION AND ACREAGE DEDICATION PLAT

| | | |
|-------------------------------|--|---|
| 1. API Number 30-045-20116 | 2. Pool Code 72319 | 3. Pool Name BLANCO-MESAVERDE (PRORATED GAS) |
| 4. Property Code 318689 | 5. Property Name ROELOFS | 6. Well No. 001 |
| 7. OGRID No. 372171 | 8. Operator Name HILCORP ENERGY COMPANY | 9. Elevation 6424 |

10. Surface Location

| UL - Lot | Section | Township | Range | Lot Idn | Feet From | N/S Line | Feet From | E/W Line | County |
|----------|---------|----------|-------|---------|-----------|----------|-----------|----------|----------|
| N | 22 | 29N | 08W | | 920 | S | 1480 | W | 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 Acres 320.00 - W/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

| | |
|--|---|
| | OPERATOR CERTIFICATION |
| | <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: 04/12/2019</p> |
| | SURVEYOR CERTIFICATION |
| | <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: E. L. POTEET Date of Survey: 7/8/1967 Certificate Number: 3084</p> |



HILCORP ENERGY COMPANY

ROELOFS 1

MESA VERDE RECOMPLETION SUNDRY

API #: 30-045-20116

JOB PROCEDURES

1. MIRU Service rig and associated equipment, test BOP. Check Bradenhead pressures daily and record throughout the recomplete project. Notify NMOCD and BLM if any anomalous pressures changes occur on the Bradenhead.
2. TOO H w/ 2 3/8" tubing set at 7400'.
3. Set initial CIBP at 7224' or deeper (no higher than 50' above existing perforations)
4. Perform MIT from initial CBP, providing 24 hr notice to BLM and NMOCD. Once completed, review and submit the MIT charted test results to both the NMOCD and BLM If the MIT fails, discuss and gain approval with both the NMOCD and BLM with a plan of action to remediate the wellbore. Perform a 2nd MIT once remediated.
5. Run CBL and submit it to NMOCD and BLM.
6. Optionally set bridge plug below intended recomplete interval.
7. ND BOP, NU frac stack. Pressure test the production casing or frac string and frac stack to maximum frac pressure. The pressure test will not exceed 85% of the internal yield pressure rating of the primary treatment string.
8. Perforate and frac the Mesa Verde within 4682'-5770'.
 - a. Note: Based is determined as 500' from top of Point Lookout.
9. Optionally set a kill plug above recomplete interval for casing fracs.
10. ND the frac stack, NU the BOP and test.
11. MU and TIH with a mill. Tag and drill out the top isolation plug and Mesa Verde frac plugs if applicable.
12. Clean out the wellbore to the top of the Dakota isolation plug.
13. Once water and sand rates are acceptable, drill out the Dakota isolation plug and cleanout to PBTD of 7637'. TOO H.
14. TIH and land production tubing. Get a commingled Dakota/MV flow rate.

Well Name: ROELOFS #1

| | | | | | |
|----------------------------------|---|---------------------------------|-------------------------------|-------------------------------|-------------------------------------|
| API Well 3004520116 | Surface Legal Location 022-029N-008W-N | Field Name DK | Route 1000 | State/Province NEW MEXICO | Well Configuration Type Vertical |
| Ground Elevation ft. 6,424.00 | Original RBRT Elevation ft. 6,436.00 | RB-Ground Distance ft. 12.00 | RB-Casing Hanger Distance ft. | RB-Tubing Hanger Distance ft. | |

Vertical Original Hole: 4/11/2019 10:13:04 AM

