

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

RECEIVED
APR 11 2019

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

Farmington Field Office
Bureau of Land Management

5. Lease Serial No. **NMSF078138A**
6. If Indian, Allottee or Tribe Name

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.

7. If Unit of CA/Agreement, Name and/or No.

8. Well Name and No. **CURRENT 2**

9. API Well No. **30-045-22647**

10. Field and Pool or Exploratory Area **Blanco Mesaverde/Basin Dakota**

11. Country or Parish, State **San Juan, New Mexico**

1. Type of Well
 Oil Well Gas Well Other

2. Name of Operator **Hilcorp Energy Company**

3a. Address **382 Road 3100, Aztec, NM 87410**
3b. Phone No. (include area code) **505-599-3400**

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
Surface Unit G (SW/NE) 1750' FNL & 1450' FEL, Sec. 11, T30N, R11W

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 recompleate 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 recompleation 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 procedure, wellbore diagram, C-102 plat, and gas capture plan. A DHC application will be filed and approved prior to commingling. A closed loop system will be used. Interim reclamation will be performed after surface disturbing activities.

Notify NMOCD 24 hrs
prior to beginning
operations

SEE ATTACHED
FOR CONDITIONS
OF APPROVAL

NMOCD
APR 23 2019
DISTRICT III

14. I hereby certify that the foregoing is true and correct. Name (Printed/Typed) **Priscilla Shorty**
Title **Operations/Regulatory Technician - Sr.**
Signature *Priscilla Shorty*
Date **4/11/2019**

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by *[Signature]*
Title **Petr. Eng.** Date **4/19/19**
Office **BLM-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

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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 266023

WELL LOCATION AND ACREAGE DEDICATION PLAT

1. API Number 30-045-22647	2. Pool Code 72319	3. Pool Name BLANCO-MESAVERDE (PRORATED GAS)
4. Property Code 318881	5. Property Name CURRENT	6. Well No. 002
7. OGRID No. 372171	8. Operator Name HILCORP ENERGY COMPANY	9. Elevation 5922

10. Surface Location

UL - Lot G	Section 11	Township 30N	Range 11W	Lot Idn 3	Feet From 1750	N/S Line N	Feet From 1450	E/W Line E	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 319.80	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

<table border="1"> <tr><td> </td><td> </td><td> </td></tr> <tr><td> </td><td> </td><td> </td></tr> <tr><td> </td><td> </td><td> </td></tr> <tr><td> </td><td> </td><td> </td></tr> </table>													<p align="center">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>Priscilla Shorty</i> Title: Operations Regulatory Technician Date: 4/11/2019</p>
<p align="center">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 Kerr Date of Survey: 6/24/1977 Certificate Number: 3950</p>													



HILCORP ENERGY COMPANY
CURRENT 2
MESA VERDE RECOMPLETION SUNDRY

API #:

3004522647

JOB PROCEDURES

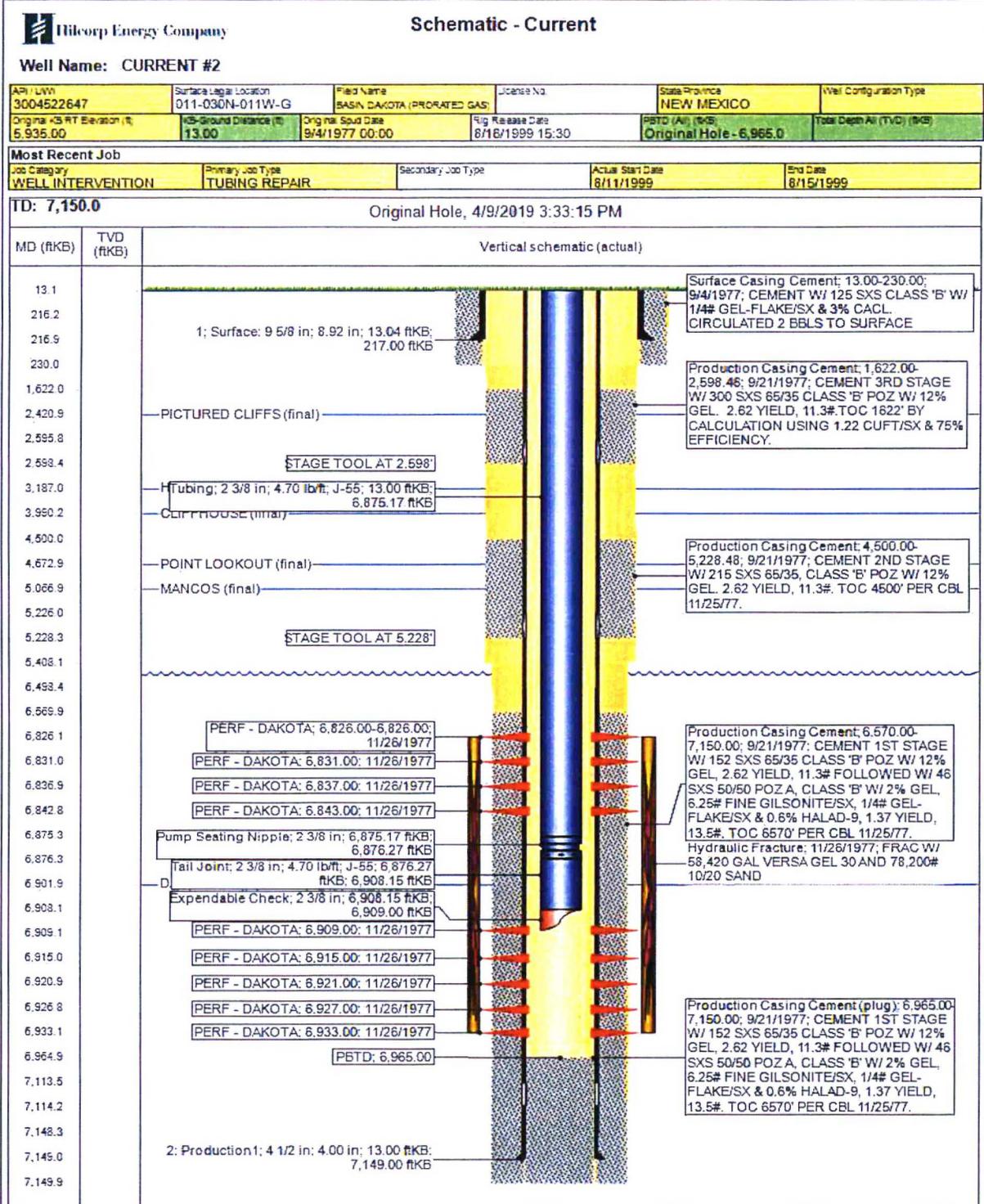
1. MIRU workover rig and associated equipment; NU and test BOP.
2. TOOH with **2 3/8"** tubing set at **6,909'**.
3. MU a **4-1/2"** cast iron bridge plug and RIH with work string; set CIBP at +/- **6,790'** to isolate the Dakota Formation (top perf 6,826') . TOOH with work string.
4. RD BOP and existing 2,000 psi rated wellhead. RU new a 3,000 psi rated wellhead, NU BOP and test.
5. MIRU E-line truck. Run a CBL on the 4-1/2" casing from 6,790' to surface. Verify cement bond within the Mesa Verde. Review CBL results with NMOCD.
6. RU pressure test truck. Perform a Mechanical Integrity Test on wellbore. Chart record the MIT test (Notify NMOCD +24hr before actual test). Review and submit the MIT test results to the NMOCD.
7. (If MIT fails) RIH with a 4-1/2" packer and RBP to search for a possible casing leaking. Pump a hesitated cement squeeze if a leak is found.
8. Set a 2nd CIBP at +/- **5,125'** to provide a base for the frac job.
9. (If needed) Based on CBL results, perforate the 4-1/2" casing and pump Type 'G' cement in a backside cement squeeze to verify there is adequate cement is both within and above the Mesa Verde formation.
10. (If needed) Run a 2nd CBL after the backside squeeze work to verify cement bond in the wellbore.
11. Perforate the Mesa Verde formation. (Top perforation @ 3,990' and bottom perforation @ 5,067')
12. ND BOP, NU 10K tbg head. NU BOP, change pipe rams, and test. MU a 4-1/2" 10K packer (includes ceramic disk) and RIH with 2-7/8" frac string pipe. Set packer +/-50' above the top MV perforation. Pressure test the backside of the frac string to verify packer is set correctly.
13. ND BOP, NU 10K frac stack, pressure test the frac string and frac stack to +/-9,000 psi.
14. RU wireline, RIH and break the ceramic disk in the packer assembly. RDMO workover rig.
15. MI Frac crew and equipment. Frac the **Mesa Verde** formation in 1-2 stages down the 2-7/8" frac string.
16. Flowback the well for 1-3 days until pressures and sand production diminish.
17. MIRU workover rig. ND frac stack, NU BOP and test.
18. Release packer and TOOH with frac string. LD all equipment.
19. MU 2-3/8" work string and RIH with a mill to cleanout the wellbore to the top of the base frac plug.
20. Once sand and water rates diminish, drill out both CIBPs and cleanout to PBTD of **6,965'**. TOOH.
21. TIH and land production tubing. ND BOP and NU wellhead. RDMO workover rig. Get a commingled **Dakota/Mesa Verde** flow rate.

The Current #2 is North of the area Chacra Line. The formation tops were reviewed by HEC and agree with the current approved formation tops. Through our evaluation, we define the Mancos formation top to be 5067' and the Huerfanito Bentonite formation top to be 3,187'.



HILCORP ENERGY COMPANY
CURRENT 2
MESA VERDE RECOMPLETION SUNDRY

CURRENT 2 - CURRENT WELLBORE SCHEMATIC



UNITED STATES DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
FARMINGTON DISTRICT OFFICE
6251 COLLEGE BLVD.
FARMINGTON, NEW MEXICO 87402

Attachment to notice of Intent to
Recomplete and Commingle
Well: **Current #2**

CONDITIONS OF APPROVAL

1. Farmington Office is to be notified at least 24 hours before any required Casing Repair operations are conducted (505) 564-7750.

2. The following modifications to your recompletion program are to be made:

Submit the electronic copy of the CBL for verification to the following addresses: jlovato@blm.gov
and Brandon.Powell@state.nm.us

3. File Well test and Recompletion results within 30 days of completing recompletion operations.

Office Hours: 7:45 a.m. to 4:30 p.m.