

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB NO. 1004-0137
Expires: January 31, 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.

5. Lease Serial No.
NMSF078200A

6. If Indian, Allottee or Tribe Name

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

SUBMIT IN TRIPLICATE - Other instructions on page 2

8. Well Name and No.
GRAMBLING C 3B

1. Type of Well
 Oil Well Gas Well Other

9. API Well No.
30-045-33131-00-C1

2. Name of Operator
HILCORP ENERGY COMPANY
Contact: AMANDA WALKER
E-Mail: mwalker@hilcorp.com

3a. Address
1111 TRAVIS STREET
HOUSTON, TX 77002

3b. Phone No. (include area code)
Ph: 505-324-5122

10. Field and Pool or Exploratory Area
BASIN DAKOTA
BLANCO MESAVERDE

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
Sec 12 T30N R10W NESE 1800FSL 660FEL
36.824156 N Lat, 107.829458 W Lon

11. County or Parish, State
SAN JUAN COUNTY, NM

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"/> Hydraulic Fracturing	<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 requests permission to recomplete the subject well in the Fruitland Coal and downhole commingle with the existing Mesaverde/Dakota. Please see the attached procedure, wellbore diagram, plat and gas capture plan. A closed loop system will be used. Interim reclamation will be performed after surface disturbing activities using the following attached plan.

NMOCD

OCT 11 2019

DISTRICT III

HOLD C104 FOR DHC

Notify NMOCD 24 hrs prior to beginning operations

14. I hereby certify that the foregoing is true and correct.

Electronic Submission #480416 verified by the BLM Well Information System For HILCORP ENERGY COMPANY, sent to the Farmington Committed to AFMSS for processing by ALBERTA WETHINGTON on 09/03/2019 (19AMW0582SE)

Name (Printed/Typed) AMANDA WALKER	Title OPERATIONS REGULATORY TECH
Signature (Electronic Submission)	Date 08/26/2019

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By <u>JOE KILLINS</u>	Title <u>ENGINEER</u>	Date <u>10/09/2019</u>
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 Farmington

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.

(Instructions on page 2)

**** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ****

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HILCORP ENERGY COMPANY
GRAMBLING C 3B
FRUITLAND COAL RECOMPLETION SUNDRY

API #: 3004533131

JOB PROCEDURES

- NMOCD **Contact** OCD 24 hrs prior to MIRU. Record and document all casing pressures daily, including BH, IC (if present) and PC. Comply with all NMOCD, BLM, and HEC safety and environmental regulations.
- BLM

1. MIRU service rig and associated equipment; NU and test BOP.
2. TOOH with **2-3/8"** tubing set at **7,352'**.
3. PU a **4-1/2"** cast iron bridge plug and RIH with work string; set CIBP at +/- **3,950'** to isolate the existing Mesa Verde and Dakota commingled formations.
4. Load wellbore with fluid. 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. If the MIT fails, discuss with both the NMOCD on a plan of action to remediate the wellbore. Perform 2nd MIT once remediated.
5. TOC at **2,250'** per CBL run 09/27/2005, top proposed perf at **2,781'**. Cement to surface on 7" intermediate casing string. No squeeze work necessary.
6. Load the 7" x 4-1/2" annulus with packer fluid. Top of the casing with fluid and pressure test the casing to at least frac pressure, but not more than 80% of casing yield strength.

Weakest casing is 4-1/2" J-55 10.5#/ft. Maximum test pressure = 0.8 x 4790 psi = 3,832 psig.
7. N/D BOP, N/U frac stack and test frac stack to frac pressure. RDMO service rig.
8. RU E-line crew. Perforate the **Fruitland Coal**. (Top perforation @ 2,781', Bottom perforation @ 2,980').
9. RU stimulation crew. Frac the **Fruitland Coal** in one or two stages. (Top perforation @ 2,781', Bottom perforation @ 2,980').
10. RIH and set a final 4-1/2" plug at +/- **2,735'** to isolate the frac.
11. MIRU service rig. Nipple down frac stack, nipple up BOP and test.
12. Clean out to the top of the first isolation plug at +/- **2735'**. Drill out the plug.
13. Clean out to the top of the Mesa Verde/Dakota isolation plug at +/- **3,950'**. When water and sand rates are acceptable, drill out the plug.
14. Clean out the wellbore to top of existing CIBP at **7,425'**, do not drill out final plug (existing), TOOH.
15. TIH and land 2-3/8" production tubing. Get a commingled **Fruitland/Mesa Verde/Dakota** flow rate.

All formation tops have been reviewed by Hilcorp Energy for the Grambling C 3B. The proposed formation tops agree with those shown on the NMOCD website.



HILCORP ENERGY COMPANY
GRAMBLING C 3B
FRUITLAND COAL RECOMPLETION SUNDRY

GRAMBLING C 3B - CURRENT WELLBORE SCHEMATIC

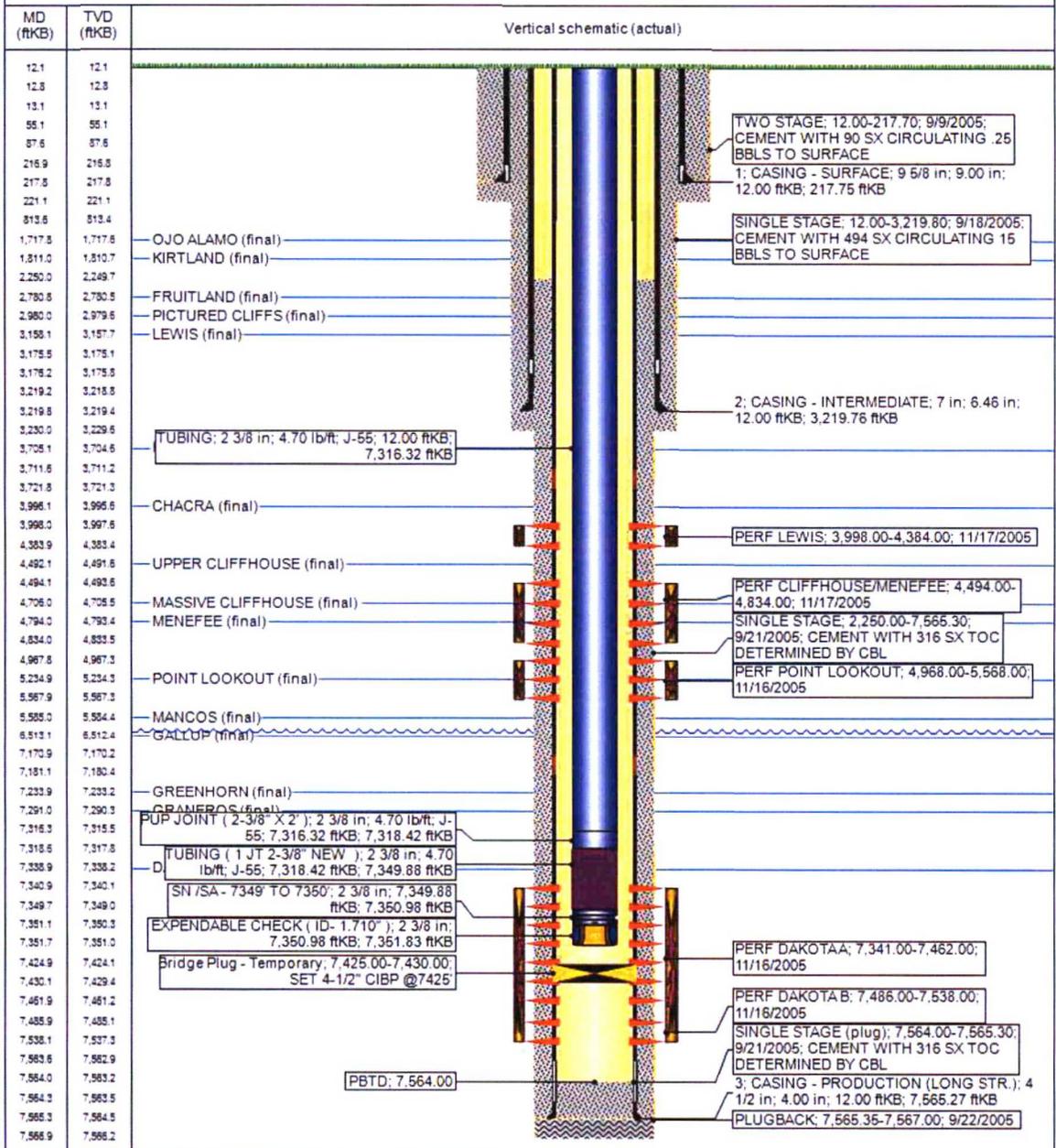


Current Schematic - Version 3

Well Name: GRAMBLING C #3B

API / UWI 3004533131	Surface Legal Location 012-030N-010W-1	Field Name BLANCO MESAVERDE (PRORATED GAS)	Route 0410	State/Province NEW MEXICO	Well Configuration Type
Ground Elevation (ft) 6,287.00	Original KBRT Elevation (ft) 6,299.00	KB-Ground Distance (ft) 12.00	KB-Casing Flange Distance (ft)	KB-Tubing Hanger Distance (ft)	

Original Hole, 8/22/2019 12:58:47 PM



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**

WELL LOCATION AND ACREAGE DEDICATION PLAT

1. API Number 30-045-33131	2. Pool Code 71629	3. Pool Name BASIN FRUITLAND COAL (GAS)
4. Property Code 318534	5. Property Name GRAMBLING C	6. Well No. 003B
7. OGRID No. 372171	8. Operator Name HILCORP ENERGY COMPANY	9. Elevation 6287

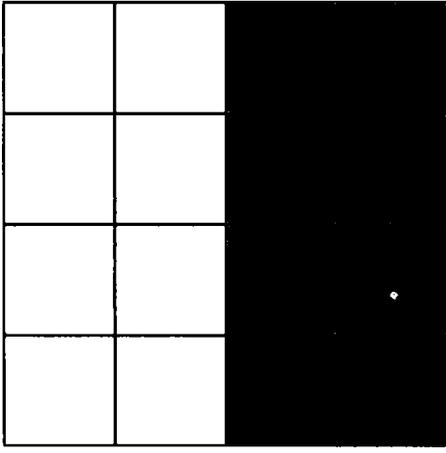
10. Surface Location

UL - Lot 1	Section 12	Township 30N	Range 10W	Lot Idn 9	Feet From 1800	N/S Line S	Feet From 660	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 296.00			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

	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>Amanda Walker</i> Title: Operations / Regulatory Tech Sr. Date: 8/26/2019</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: Jason Edwards Date of Survey: 3/7/2005 Certificate Number: 15269</p>

Hilcorp Energy
Interim Reclamation Plan
Grambling C #3B
API: 30-045-33131
I – Sec.12-T030N-R010W
Lat: 36.82416, Long: -107.82886
Footage: 1800' FSL & 660' FEL
San Juan County, NM

1. PRE- INTERIM RECLAMATION SITE INSPECTION

1.1) A pre-interim reclamation site inspection was completed by Bob Switzer with the BLM and Chad Perkins construction Foreman for Hilcorp Energy on August 20, 2019.

2. LOCATION INTERIM RECLAMATION PROCEDURE

- 2.1) Interim reclamation work will be completed after well recompletion in the fall of 2019 or spring of 2020.
- 2.2) New inner tear drop v-ditch diversion will be install to define location tear drop.
- 2.3) New outer tear drop v-ditch diversion will be install to define location tear drop.
- 2.4) All disturbed areas will be seeded, any disturbed areas that are compacted will be ripped before seeding.
- 2.5) All trash and debris will be removed within 50' buffer outside of the location disturbance during reclamation.

3. ACCESS ROAD RECLAMATION PROCEDURE:

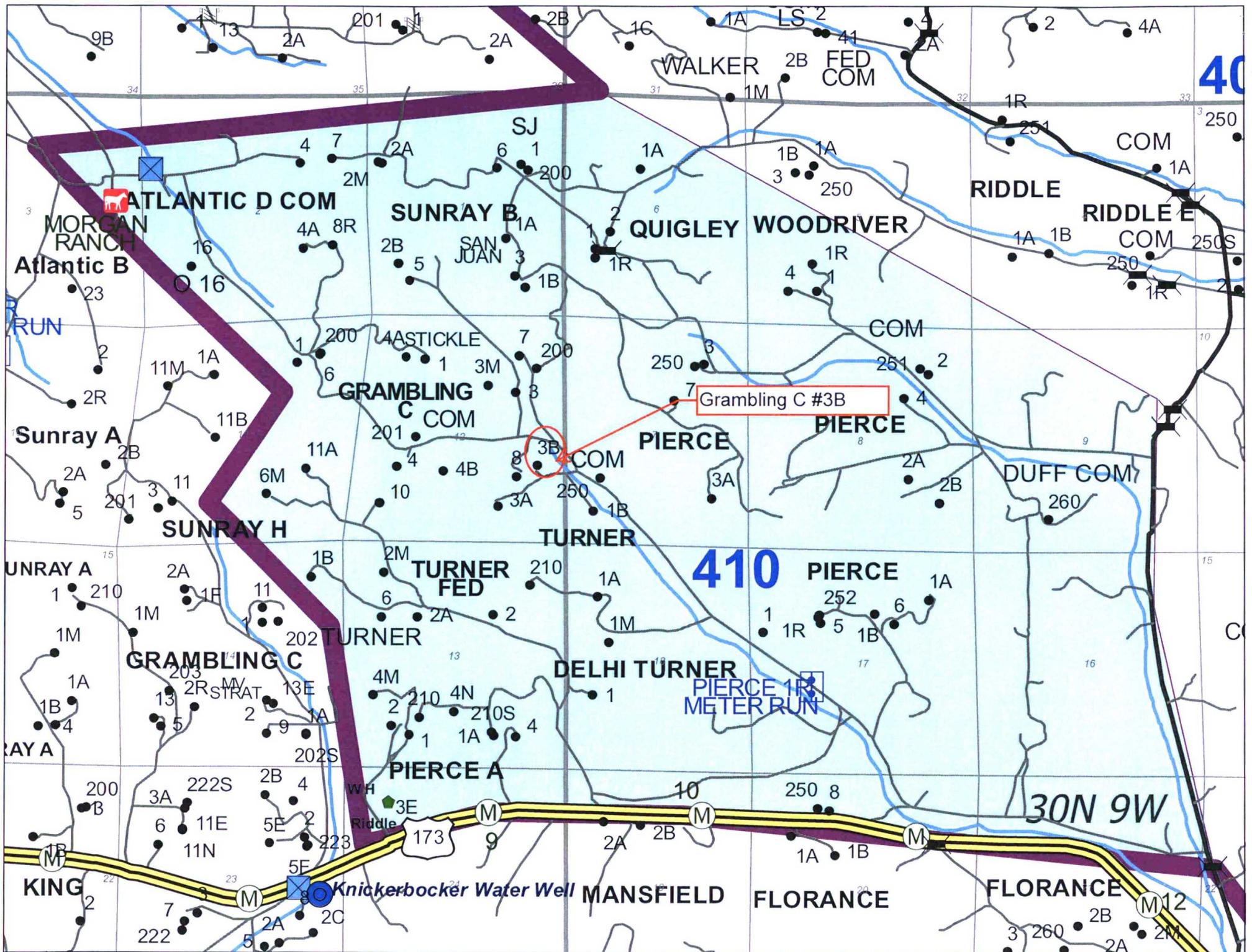
3.1) No lease access road issues were identified at the time of onsite.

4. SEEDING PROCDURE

- 4.1) A Pinion/Juniper seed mix will be used for all reclaimed and disturbed areas of the location.
- 4.2) Drill seeding will be done where applicable and all other disturbed areas will be broadcast seeded and harrowed, broadcast seeding will be applied at a double the rate of seed.
- 4.3) Timing of the seeding will take place when the ground is not frozen or saturated.

5. WEED MANAGEMENT

5.1) No action is required at this time for weed management, no noxious weeds were identified during the onsite.





New outer tear drop
v-ditch diversion.

New inner tear drop
v-ditch diversion.

GRAMBLING
C 3B