Form 3160-5
(June 2015)

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.

SUBMIT IN TRIPLICATE - Other instructions on page 2

5. Lease Serial No.
NMSF078741

6. If Indian, Allottee or Tribe Name

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

1. Type of Well
☐ Oil Well ☒ Gas Well ☐ Other

8. Well Name and No.
SAN JUAN 30-6 UNIT 3

2. Name of Operator
HILCORP ENERGY COMPANY
Contact: TAMMY JONES
E-Mail: tajones@hilcorp.com

9. API Well No.
30-039-60098-00-S1

3a. Address
1111 TRAVIS STREET
HOUSTON, TX 77002

3b. Phone No. (include area code)
Ph: 505.324.5185

10. Field and Pool or Exploratory Area
BLANCO MESAVERDE

4. Location of Well *(Footage, Sec., T., R., M., or Survey Description)*
Sec 24 T30N R6W SWSW 0990FSL 0990FWL
36.793340 N Lat, 107.419300 W Lon

11. County or Parish, State
RIO ARRIBA COUNTY, NM

12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
☒ Notice of Intent	☐ Acidize	☐ Deepen	☐ Production (Start/Resume)	☐ Water Shut-Off
☐ Subsequent Report	☐ Alter Casing	☐ Hydraulic Fracturing	☐ Reclamation	☐ Well Integrity
☐ Final Abandonment Notice	☐ Casing Repair	☐ New Construction	☐ Recomplete	☐ Other
	☐ Change Plans	☐ Plug and Abandon	☐ Temporarily Abandon	
	☐ Convert to Injection	☒ Plug Back	☐ 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 to plug & abandon the Mesaverde formation and temporarily abandon the wellbore for future potential in the subject well. If the wellbore MIT does not pass, then Hilcorp Energy Company requests approval to plug and abandon the wellbore. A closed loop system will be used. Attached is the current wellbore schematic, proposed TA schematic, proposed P&A schematic, procedures & reclamation plan - (Preonsite inspection conducted on 8/21/19 w/Bob Switzer, BLM and Bryan Hall, HEC).

NMOCD

OCT 08 2019

DISTRICT III

Notify NMOCD 24 hrs prior to beginning operations

14. I hereby certify that the foregoing is true and correct.
Electronic Submission #480718 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 (19AMW0588SE)

Name *(Printed/Typed)* TAMMY JONES — Title REGULATORY SPECIALIST

Signature (Electronic Submission) — Date 08/27/2019

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By JOHN HOFFMAN — Title PETROLEUM ENGINEER — Date 10/07/2019

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 ****

Hilcorp

HILCORP ENERGY COMPANY
SAN JUAN 30-6 UNIT 3
TA or P&A NOI

JOB PROCEDURES

1. Hold pre-job safety meeting. Verify cathodic is off. Comply with all NMOCD, BLM, and HEC safety and environmental regulations.
2. Check casing, tubing, and bradenhead pressures and record them in WellView. If there is pressure on the BH, contact Operations Engineer.
3. MIRU service rig and associated equipment; NU and test BOP.
4. PU tubing/work string, TIH w/ **4.5"** CIBP, and set CIBP @ **+/- 4,647'**.
5. Perform Mechanical Integrity Test (MIT) by pressure testing the **4.5"** casing above the CIBP set @ **4,647'** to **560 psig** for 30 minutes on a 2 hour chart with a 1,000 lb spring.
6. IF the MIT Passes, TOOH w/ tubing/work string, shut in well, and RDMO workover rig. **IF MIT fails, proceed to P&A procedure starting with Step #7.**
7. TIH w/ tubing/work string to **+/- 4,647'**.
8. **Plug #1: MESAVERDE PERFORATIONS (4,547' - 4,647', 8 Sacks of Class G Cement Total):**
   Pump a **+/- 100'** balanced cement plug (8 sacks of Class G cement with an estimated **TOC @ +/- 4,547'** and an estimated **BOC @ +/- 4,647'**).
9. TOOH w/ tubing/work string to **+/- 4,186'**.
10. **Plug #2: INTERMEDIATE (7") SHOE COVERAGE (4,186' - 4,086', 8 Sacks of Class G Cement Total):**
    Pump a **+/- 100'** balanced cement plug (8 sacks of Class G cement with an estimated **TOC @ +/- 4,086'** and an estimated **BOC @ +/- 4,186'**).
11. TOOH w/ tubing/work string to **+/- 3,649'**.
12. **Plug #3: PICTURED CLIFFS AND FRUITLAND FORMATION TOPS (3,229' - 3,649', 32 Sacks of Class G Cement Total):**
    Pump a **+/- 420'** balanced cement plug (32 sacks of Class G cement with an estimated **TOC @ +/- 3,229'** and an estimated **BOC @ +/- 3,649'**).
13. TOOH w/ tubing/work string. TIH and perforate squeeze holes @ **+/- 2,898'**. Establish rate into squeeze holes. RIH w/ **4.5" CICR** and set CICR @ **+/- 2,674'**.
14. **Plug #4: KIRTLAND AND OJO ALAMO FORMATION TOPS (2,624' - 2,898', 49 Sacks of Class G Cement Total):**
    Pump a cement squeeze leaving **+/- 274'** of cement within the **4.5" x 7"** casing annulus (28 sacks of Class G cement with an estimated **TOC @ +/- 2,624'** and an estimated **BOC @ +/- 2,898'**) and a **+/- 224'** cement plug beneath the **4.5" CICR** (17 sacks of Class G cement with an estimated **TOC @ +/- 2,674'** and an estimated **BOC @ +/- 2,898'**). Sting out of retainer, pump **+/- 50'** balanced cement plug (4 sacks of Class G cement with an estimated **TOC @ +/- 2,624'** and an estimated **BOC @ +/- 2,674'**).
15. TOOH w/ tubing/work string. TIH and perforate squeeze holes @ **+/- 1,469'**. Establish rate into squeeze holes. RIH w/ **4.5" CICR** and set CICR @ **+/- 1,419'**.
16. **Plug #5: NACIMIENTO FORMATION TOP (1,369' - 1,469', 31 Sacks of Class G Cement Total):**
    Pump a cement squeeze leaving **+/- 100'** of cement within the **7" x 8-3/4"** casing - open hole annulus (13 sacks of Class G cement with an estimated **TOC @ +/- 1,369'** and an estimated **BOC @ +/- 1,469'**), pump a cement squeeze leaving **+/- 100'** of cement within the **4.5" x 7"** casing annulus (10 sacks of Class G cement with an estimated **TOC @ +/- 1,369'** and an estimated **BOC @ +/- 1,469'**), and a **+/- 50'** cement plug beneath the **4.5" CICR** (4 sacks of Class G cement with an estimated **TOC @ +/- 1,419'** and an estimated **BOC @ +/- 1,469'**). Sting out of retainer, pump **+/- 50'** balanced cement plug (4 sacks of Class G cement with an estimated **TOC @ +/- 1,369'** and an estimated **BOC @ +/- 1,419'**).
17. TOOH w/ tubing/work string. TIH and perforate squeeze holes @ **+/- 224'**. Establish rate into squeeze holes.
18. **Plug #6: SURFACE PLUG (0' - 224', 105 Sacks of Class G Cement Total):**
    Pump a cement squeeze leaving **+/- 224'** of cement within the **7" x 10-3/4"** casing annulus (66 sacks of Class G cement with an estimated **TOC @ +/- 0'** and an estimated **BOC @ +/- 224'**), pump a cement squeeze leaving **+/- 224'** of cement within the **4.5" x 7"** casing annulus (22 sacks of Class G cement with an estimated **TOC @ +/- 0'** and an estimated **BOC @ +/- 224'**), and a **+/- 224'** cement plug in the **4.5" casing** from surface (17 sacks of Class G cement with an estimated **TOC @ +/- 0'** and an estimated **BOC @ +/- 224'**).
19. TIH and tag cement top within **7" x 10-3/4"** casing annulus. If no cement: cement from surface to fill annular volume.
20. ND BOP, cut off casing below casing flange. Top off cement in surface casing annulus, if needed. Install a P&A marker with cement to comply with regulations. Rig down, move off location, cut off anchors, and restore location.

Hilcorp

HILCORP ENERGY COMPANY
SAN JUAN 30-6 UNIT 3
TA or P&A NOI

SAN JUAN 30-6 UNIT 3 - CURRENT WELLBORE SCHEMATIC

Hilcorp Energy Company

Current Schematic - Version 3

Well Name: SAN JUAN 30-6 UNIT #3

API / UWI	Surface Legal Location	Field Name	Route	State/Province	Well Configuration Type
3003960098	024-030N-006W-M	BLANCO MV (PRO #0078	1106	NEW MEXICO	

Ground Elevation (ft)	Original KB/RT Elevation (ft)	KB-Ground Distance (ft)	KB-Casing Flange Distance (ft)	KB-Tubing Hanger Distance (ft)
6,663.00	6,675.00	12.00		

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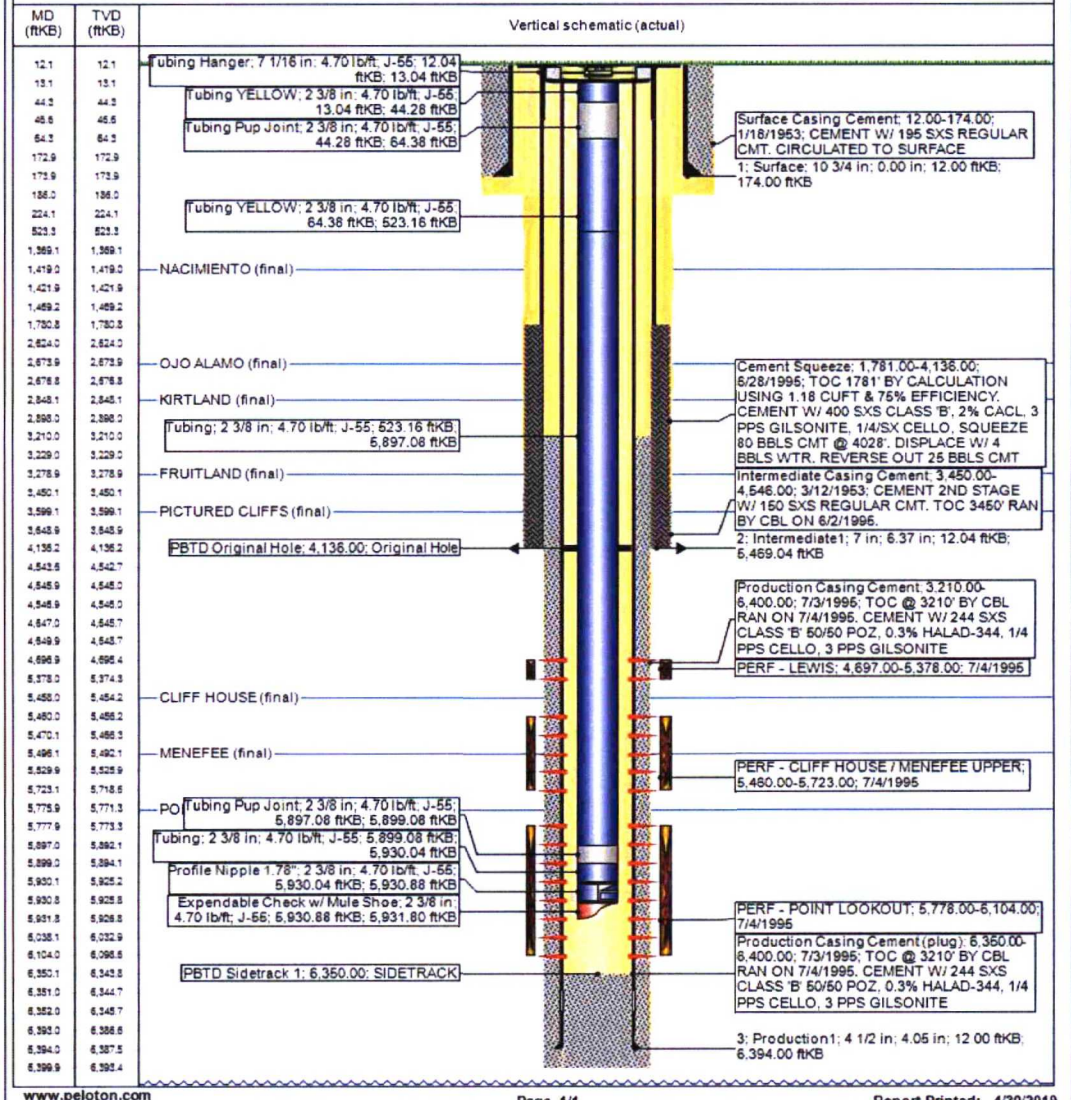

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SAN JUAN 30-6 UNIT 3
TA or P&A NOI

SAN JUAN 30-6 UNIT 3 - PROPOSED TA WELLBORE SCHEMATIC

Hilcorp Energy Company

Well Name: SAN JUAN 30-6 UNIT #3

API / UWI	Surface Legal Location	Field Name	Route	State/Province	Well Configuration Type
3003960096	024-030N-006W-M	BLANCO MV (PRO #0078	1106	NEW MEXICO	

Ground Elevation (ft)	Original KB/RT Elevation (ft)	KB-Ground Distance (ft)	KB-Casing Flange Distance (ft)	KB-Tubing Hanger Distance (ft)
6,663.00	6,675.00	12.00		

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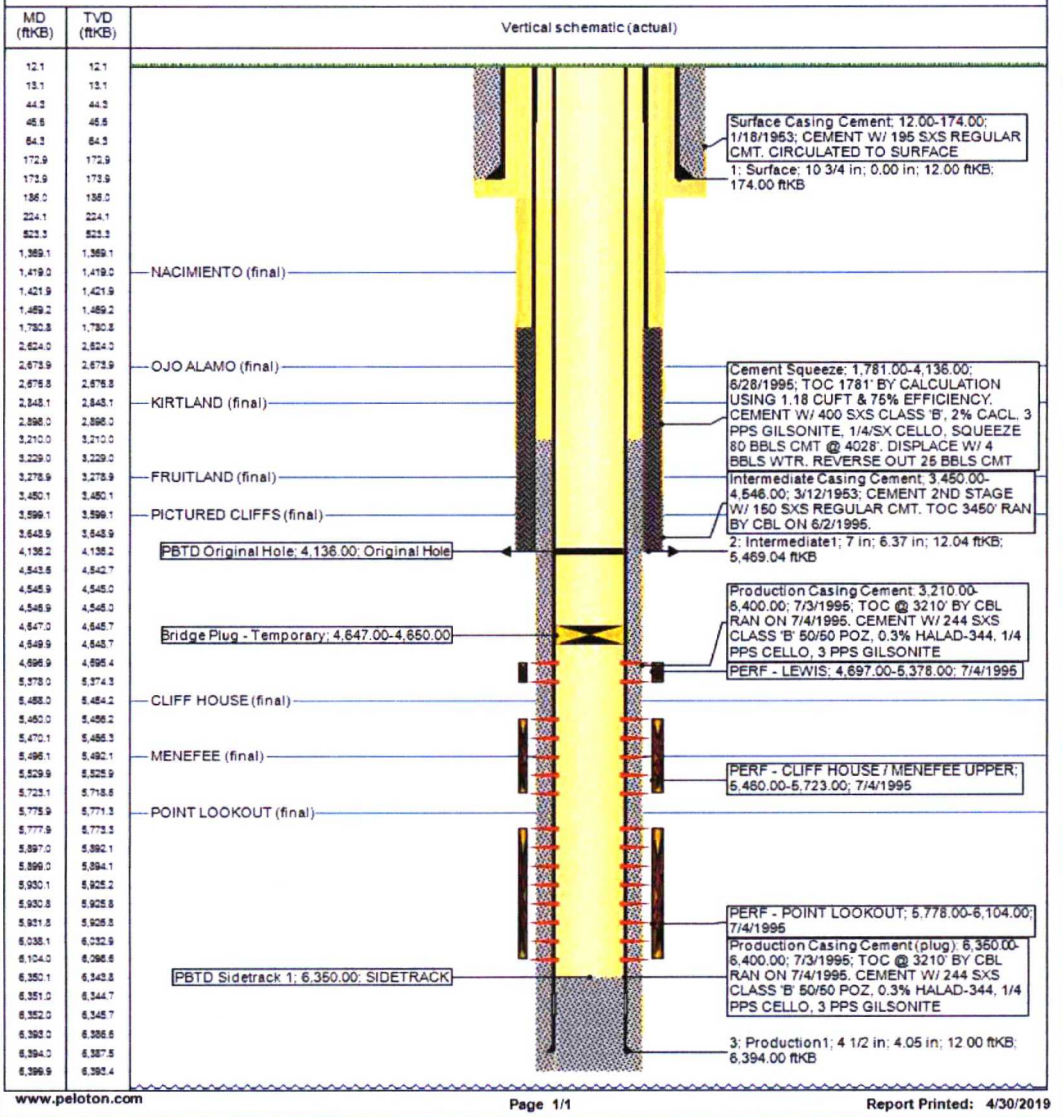

Hilcorp

HILCORP ENERGY COMPANY
SAN JUAN 30-6 UNIT 3
TA or P&A NOI

SAN JUAN 30-6 UNIT 3 - PROPOSED P&A WELLBORE SCHEMATIC

Hilcorp Energy Company

3

Well Name: SAN JUAN 30-6 UNIT #3

API / UWI	Surface Legal Location	Field Name	Route	State/Province	Well Configuration Type
3003960096	024-030N-006W-M	BLANCO MV (PRO #0078	1106	NEW MEXICO	

Ground Elevation (ft)	Original KB/RT Elevation (ft)	KB-Ground Distance (ft)	KB-Casing Flange Distance (ft)	KB-Tubing Hanger Distance (ft)
6,663.00	6,675.00	12.00		

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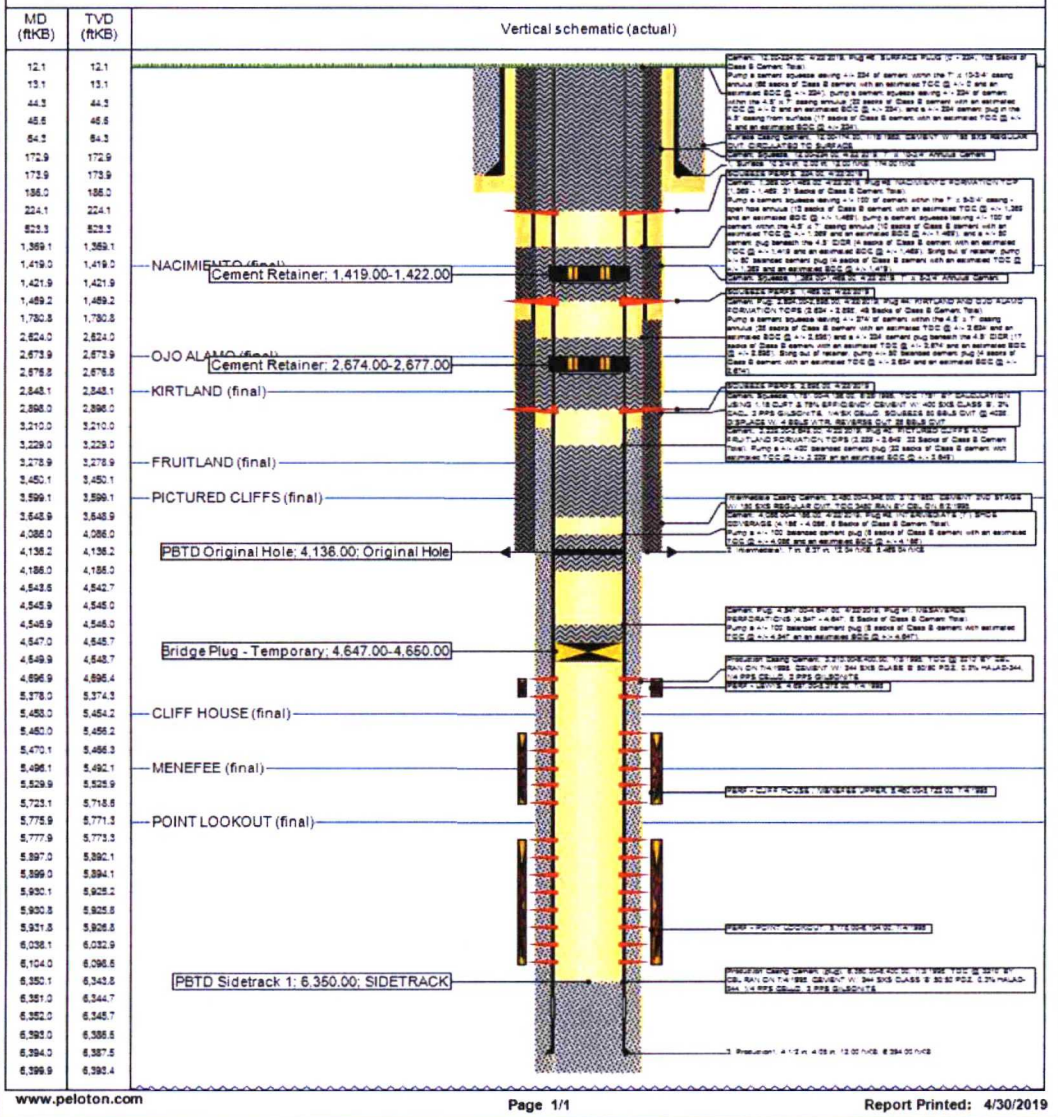

UNITED STATES DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
FARMINGTON DISTRICT OFFICE
6251 COLLEGE BLVD.
FARMINGTON, NEW MEXICO 87402

Attachment to notice of
Intention to Abandon:

Re: Permanent Abandonment
Well: San Juan 30-6 #3 API: 30-039-60098

CONDITIONS OF APPROVAL

1. Plugging operations authorized are subject to the "General Requirements for Permanent Abandonment of Wells on Federal and Indian Lease."

2. Farmington Office is to be notified at least 24 hours before the plugging operations commence (505) 564-7750.

3. CBL required after setting CIBP from 4647' to surface to confirm TOC. Submit electronic copy of the log for verification to the following addresses: jhoffman@blm.gov and Brandon.Powell@state.nm.us . Based on CBL results inside/outside plugs and volumes will be adjusted accordingly. Please review the General Requirements document to ensure volumes meet required excess inside and outside casing.

4. BLM picks formation tops as indicated in the table below for use in determining TOC for all plugs.

	Top
Nacimiento	1419
Ojo Alamo	2574
Kirtland	2750
Fruitland	3211
Pictured Cliffs	3600