

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.
NMSF079394

6. If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE - Other instructions on page 2

7. If Unit or CA/Agreement, Name and/or No.
8910009500

8. Well Name and No.
SAN JUAN 27-5 UNIT 124

1. Type of Well
 Oil Well Gas Well Other

2. Name of Operator
HILCORP ENERGY COMPANY

Contact: ETTA TRUJILLO
E-Mail: ettrujillo@hilcorp.com

9. API Well No.
30-039-20361-00-S1

3a. Address
1111 TRAVIS STREET
HOUSTON, TX 77002

3b. Phone No. (include area code)
Ph: 505-324-5161

10. Field and Pool or Exploratory Area
BASIN DAKOTA

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
Sec 28 T27N R5W SENE 1550FNL 0850FEL
36.547100 N Lat, 107.357130 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			
<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 plans to recomplete the subject well in the Mesaverde formation and downhole commingle the existing Dakota formation. Attached is the MV C102, recomplete procedure & wellbore schematic. The DHC application will be submitted and approved prior to commingling. A closed loop system will be utilized. Interim reclamation will be performed after surface disturbing activities. Onsite inspection was completed with Randy McKee (BLM) and Travis Munkres (HEC) on 11/13/2019.

NMOCD

Notify NMOCD 24 hrs
prior to beginning
operations

JAN 10 2020

DISTRICT III

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

**Electronic Submission #496216 verified by the BLM Well Information System
For HILCORP ENERGY COMPANY, sent to the Farmington
Committed to AFMSS for processing by ALBERTA WETHINGTON on 12/19/2019 (20AMW0113SE)**

Name (Printed/Typed) ETTA TRUJILLO	Title OPERATIONS REGULATORY TECH SR
Signature (Electronic Submission)	Date 12/17/2019

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By <u>JOE KILLINS</u>	Title <u>ENGINEER</u>	Date <u>01/08/2020</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 <u>Farmington</u>

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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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) 476-3462

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 274383

WELL LOCATION AND ACREAGE DEDICATION PLAT

1. API Number 30-039-20361	2. Pool Code 72319	3. Pool Name BLANCO-MESAVERDE (PRORATED GAS)
4. Property Code 318920	5. Property Name SAN JUAN 27 5 UNIT	6. Well No. 124
7. OGRID No. 372171	8. Operator Name HILCORP ENERGY COMPANY	9. Elevation 6454

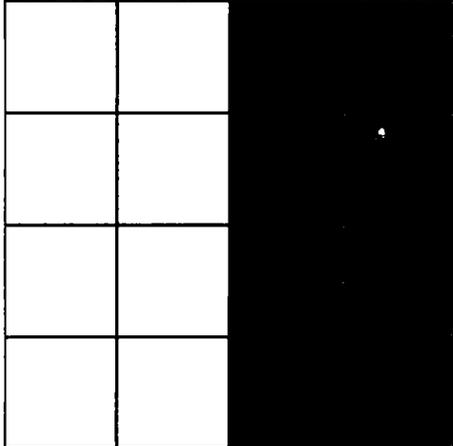
10. Surface Location

UL - Lot H	Section 28	Township 27N	Range 05W	Lot Idn	Feet From 1550	N/S Line N	Feet From 850	E/W Line E	County RIO ARRIBA
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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 295.97 E/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

	<p style="text-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>Etta Trujillo</i> Title: Operations/Regulatory Tech Sr Date: 12/17/2019</p> <hr/> <p style="text-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: David Kilven Date of Survey: 2/16/1971 Certificate Number: 1760</p>
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HILCORP ENERGY COMPANY
SAN JUAN 27-5 UNIT 124
MESA VERDE RECOMPLETION SUNDRY

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 of any anomalous pressure changes.
2. TOOH with 2-3/8" tubing set at 7,563'.
3. Set a 4-1/2" plug at +/- 7,387' to isolate the Dakota.
4. Load the hole and perform MIT (Pressure test to 560 psi). Notify NMOCD and BLM +/-24hr prior to testing (and in the event of a failed test).
5. RU W/L. RUN CBL, record TOC.
6. Set a 4-1/2" plug at +/- 5,900'.
7. Load the hole and pressure test the casing.
8. N/D BOP, N/U frac stack and pressure test frac stack.
9. Perforate and frac the Mesaverde formation (Top Perforation @ 4,800'; Bottom Perforation @ 5,750').
10. If needed, isolate frac stages with a plug.
11. Nipple down frac stack, nipple up BOP and test.
12. TIH with a mill and drill out any plugs above the Dakota isolation plug.
13. Clean out to Dakota isolation plug.
14. Drill out Dakota isolation plug and cleanout to PBSD of 7,641'. TOOH.
15. TIH and land production tubing. Get a commingled Dakota/Mesaverde flow rate.



HILCORP ENERGY COMPANY
SAN JUAN 27-5 UNIT 124
MESA VERDE RECOMPLETION SUNDRY

SAN JUAN 27-5 UNIT 124 - CURRENT WELLBORE SCHEMATIC

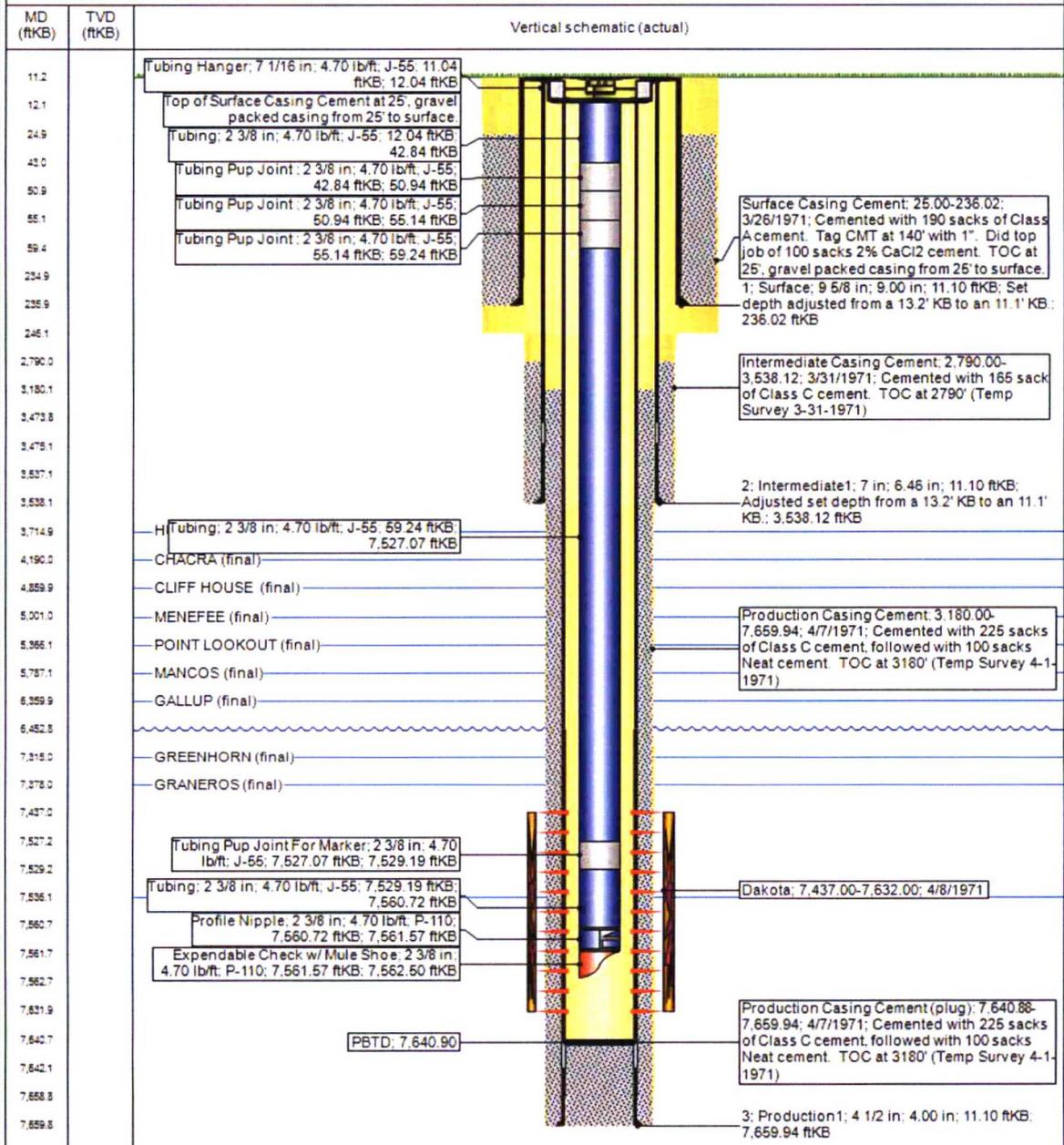


Current Schematic - Version 3

Well Name: SAN JUAN 27-5 UNIT #124

API / UWI 3003920361	Surface Legals Location 028-027N-005W-H	Field Name BASIN DAKOTA (PRORATED GAS)	Route 1402	State/Province NEW MEXICO	Well Configuration Type
Ground Elevation (ft) 6,454.00	Original KB RT Elevation (ft) 6,465.10	KB-Ground Distance (ft) 11.10	KB-Casing Flange Distance (ft)	KB-Tubing Hanger Distance (ft)	

Original Hole, 10/31/2019 2:36:43 PM



Hilcorp Energy
Recomplete Reclamation Plan
SAN JUAN 27-5 UNIT 124
API: 30-039-20361
T27N-R05W-Sec. 28-H
LAT: 36.5471 LONG: -107.35713
Footage: 1550' FNL & 850' FEL
Rio Arriba County, NM

1. PRE- RECLAMATION SITE INSPECTION

A pre-reclamation site inspection was completed with Randy McKee from the BLM and Travis Munkres Hilcorp Energy SJ East Construction Foreman on November 13, 2019.

2. LOCATION RECLAMATION PROCEDURE

1. Reclamation work will begin in late winter / early spring time period.
2. All trash and debris will be removed within a 25' buffer outside of the location disturbance during reclamation.
3. Reclaim all disturbed area being used for recompletion activities.
4. Turn meter to the inside of the location.
5. Facilities can be reset in the same location.

3. SEEDING PROCEDURE

1. A BLM Special seed mix will be used for all reclaimed and disturbed areas of the well pad and lease road.
2. Drill seed 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.
3. Timing of the seeding will be when the ground is not frozen or saturated.

4. WEED MANAGEMENT

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

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

CONDITIONS OF APPROVAL

1. Farmington Office is to be notified at least 24 hours before the operations commence (505) 564-7750.
2. Submit electronic copy of the CBL for verification to the following addresses: jkillins@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.