

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: 5/29/2019

Well information:

30-045-26112 MCCORD #011E
HILCORP ENERGY COMPANY

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 NMOCD 24hrs prior to beginning operations.
- Add plug 4,290' – 4,190' to cover the Mancos top. OCD Mancos pick @ 4240'.
- Adjust plug #3 to 3,125' - 2,980' to cover the Mesaverde top. OCD Mesaverde pick @ 3,075'.
- Add a plug 2,305' – 2,205' to cover the Chacra top. OCD Chacra pick @ 2,255'
- Adjust plug #4 to 1,550' – 1,415' to cover the Pictured Cliffs top. OCD Pictured Cliffs pick @ 1,465'.
- Add plug 1,145' – 1,045' to cover the Fruitland top. OCD Fruitland pick @ 1,095'.


NMOCD Approved by Signature

10/11/19
Date

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

5. Lease Serial No.

NMSF078212

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.

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

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

8. Well Name and No.

McCord 11E

9. API Well No.

30-045-26112

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

Surface Unit C (NENW) 1007' FNL & 1744' FWL, Sec. 09, T30N, R13W

10. Field and Pool or Exploratory Area

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

☒ Notice of Intent

☐ Subsequent Report

☐ Final Abandonment Notice

TYPE OF ACTION

☐ Acidize

☐ Alter Casing

☐ Casing Repair

☐ Change Plans

☐ Convert to Injection

☐ Deepen

☐ Fracture Treat

☐ New Construction

☒ Plug and Abandon

☐ Plug Back

☐ Production (Start/Resume)

☐ Reclamation

☐ Recomplete

☐ Temporarily Abandon

☐ Water Disposal

☐ Water Shut-Off

☐ Well Integrity

☐ Other

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 recompleat 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 recompleat 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 P&A the subject well per the attached procedures, current and proposed wellbore schematics. The Pre-Disturbance Site Visit was held on 5/14/2019 with Bob Switzer/BLM. The Re-Vegetation Plan is attached. A closed loop system will be used.

CONDITIONS OF APPROVAL

Adhere to previously issued stipulations

14. I hereby certify that the foregoing is true and correct. Name (Printed/Typed)

Amanda Walker

Title Operations/Regulatory Technician - Sr.

Signature

Date 6/27/2019

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Petroleum Engineer

9/26/2019

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

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)

NMOC

PLUG AND ABANDONMENT PROCEDURE

April 14, 2018

McCord #11E

Basin Dakota

1007' FNL & 1744' FWL, Section 9, T30N, R13W, San Juan County, New Mexico

API 30-045-26112 / Lat: _____ / Long: _____

Note: This procedure is revised based on the approved P&A sundry. All cement volumes use 100% excess outside pipe and 50' excess inside pipe. The stabilizing wellbore fluid will be 8.3 ppg, sufficient to balance all exposed formation pressures. All cement will be Class G, mixed at 15.8 ppg with a 1.15 cu/sx yield.

1. This project will use an A-Plus steel tank to handle waste fluids circulated from the well and cement wash up.
2. Install and test location rig anchors. Comply with all NMOCD, BLM, and Operator safety regulations. MOL and RU daylight pulling unit. Conduct safety meeting for all personnel on location. Record casing, tubing and bradenhead pressures. NU relief line and blow down well. Kill well with water as necessary and at least pump tubing capacity of water down the tubing. NO wellhead and NU BOP. Function test BOP.
3. Rods: Yes _____, No _____, Unknown _____.
Tubing: Yes _____, No _____, Unknown _____, Size _____, Length _____.
Packer: Yes _____, No X, Unknown _____, Type _____.
If this well has rods or a packer, then modify the work sequence in step #2 as appropriate.

NOTE: NEED TUBING WORKSTRING.

4. Plug #1 (Dakota perforations and top, 6015' - 5912'): TIH with gauge ring and RIH to 6015'. RIH w/ 4.5" CR and set at 6015'. Load casing with water and circulate well clean. Mix 12 sxs Class G cement. TOH with tubing.
5. Plug #2 (Gallup top, 5242' - 5142'): Mix and pump 12 sxs Class G cement and spot a balanced plug inside casing to cover the Gallup top. TOH
6. Plug #3 (Mesaverde top, 3080' - 2980'): Mix and pump 12 sxs Class G cement and spot a balanced plug inside casing to cover the Mesaverde top. TOH.
7. Plug #4 (Pictured Cliffs, 1550' - 1450'): Mix and pump 12 sxs Class G cement and spot a balanced plug inside casing to cover the Pictures Cliffs top.
8. Plug #5 (8-5/8" Surface casing shoe and Fruitland Coal top, 367' - Surface): Attempt to pressure test the bradenhead annulus to 300 PSI; note the volume to load. If the BH annulus holds pressure, then establish circulation out casing valve with water. Mix approximately 58 sxs cement and spot a balanced plug from 367' to surface, circulate good cement out casing valve. TOH and LD tubing. Shut well in and WOC. If the BH annulus does not test, then perforate at the appropriate depth and attempt to circulate cement to surface filling the casing and annulus from the squeeze holes to surface. Shut in well and WOC.
9. ND BOP and cut off wellhead below surface casing flange. Install P&A marker with cement to comply with regulations. Record GPS coordinate for P&A marker on tower report. Photograph P&A marker in place. Cut off anchors and clean up location. Restore location per BLM stipulations.

McCord 11E

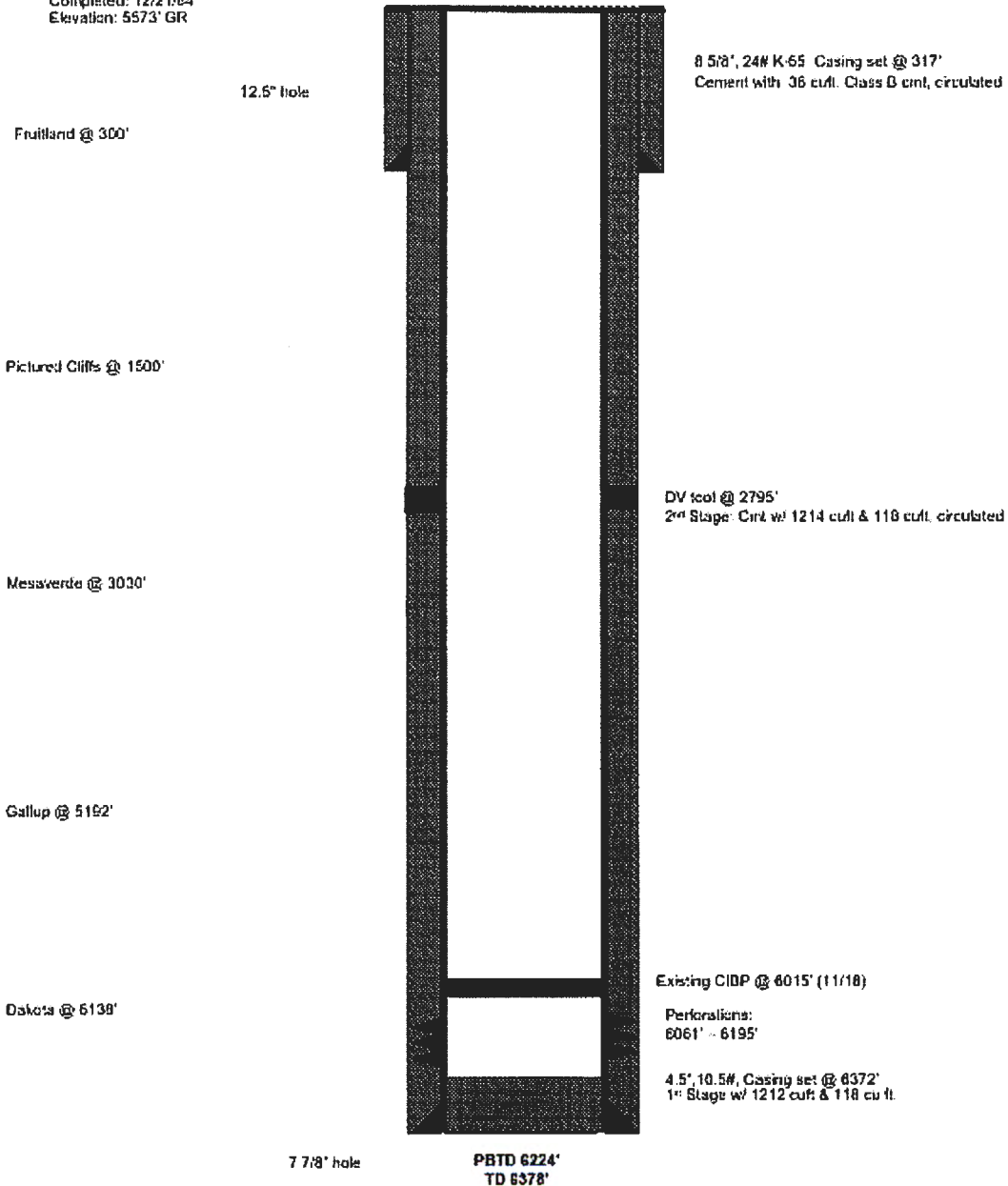
Current

Basin Dakota

1007' FNL & 1744' FWL, Section 9, T30N, R13W, NMPH
San Juan County, New Mexico
APH# 30-045-26112

Today's Date: 4/13/2019

Spud: 11/14/84
Completed: 12/21/84
Elevation: 5573' GR



McCord 11E

Proposed P&A Basin Dakota

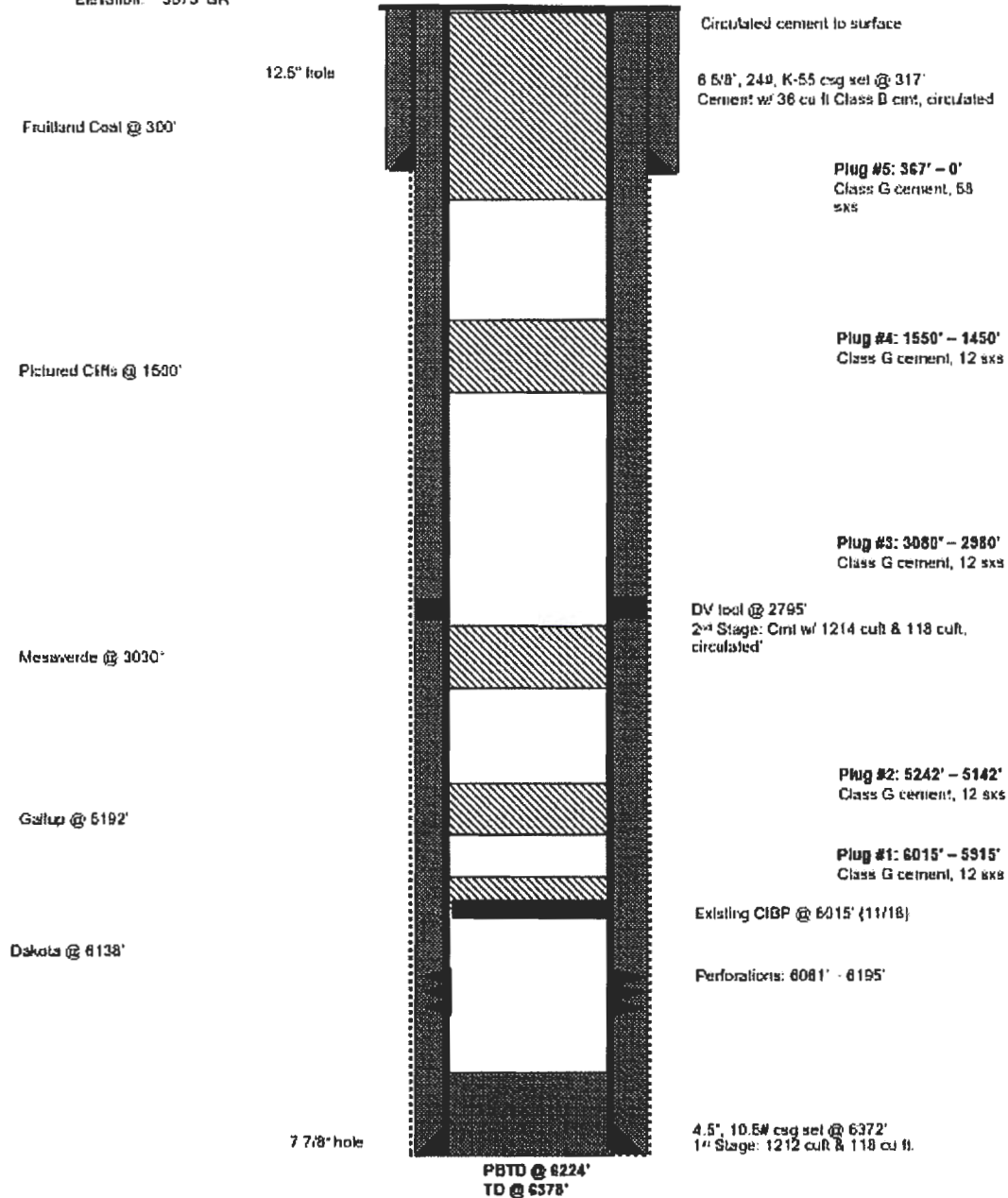
Today's Date: 4/13/2019

Spud: 11/14/84

Completed: 12/21/84

Elevation: 5573' GR

1007' FNL & 1744' FWL, Section 9, T30N, R13W, NMPM
San Juan County, NM, API #30-045-26112



Hilcorp Energy
P&A Final Reclamation Plan
McCord #11E
API: 30-045-26112
C – Sec.09-T030N-R013W
Lat: 36.83218, Long: -108.21272
Footage: 1007' FNL & 1744' FWL
San Juan County, NM

1. PRE-RECLAMATION SITE INSPECTION

- 1.1) A pre-reclamation site inspection was done by Bob Switzer with the BLM and Chad Perkins construction Foreman for Hilcorp Energy on May 14, 2019.

2. LOCATION RECLAMATION PROCEDURE

- 2.1) Reclamation work will begin in the spring/summer of 2019.
- 2.2) Remove all equipment and strip all piping.
- 2.3) All trash and debris will be removed within 50' buffer outside of the location disturbance during reclamation.
- 2.4) Rip compacted soil and walk down entire well pad.
- 2.5) Pull soil from fill slope and push to cut slope, re-contour into shallow swales or silt traps to create rolling terrain that matches natural drainage features to limit erosion.

3. ACCESS ROAD RECLAMATION PROCEDURE:

- 3.1) The main lease access road is approximately four tenths of a mile long and has zero culverts that need to be removed.
- 3.2) All trash and debris will be removed within 50' buffer outside of the road disturbance during reclamation.
- 3.3) Re-contour lease road with shallow swells, berms, or silt traps as needed to match natural drainage features.

4. SEEDING PROCEDURE

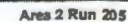
- 4.1) A Pinion/Juniper seed mix will be used for all reclaimed and disturbed areas of the location and lease road.
- 4.2) Drill seeding will be done where applicable and all other disturbed areas will be broadcast seeded and harrowed, broadcast seeding will be applied at a double the rate of seed.
- 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.







**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: McCord 11E

CONDITIONS OF APPROVAL

1. Plugging operations authorized are subject to the attached "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. 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.
4. Add an additional plug (818'-918') to cover BLM pick for Fruitland top at 868'.