

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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.

FORM APPROVED
OMB NO. 1004-0137
Expires: January 31, 2018

5. Lease Serial No.
NMNM010468

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.
NMNM80129

8. Well Name and No.
HOWELL COM J 301

9. API Well No.
30-045-26896-00-S1

10. Field and Pool or Exploratory Area
BASIN FRUITLAND COAL

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

SUBMIT IN TRIPLICATE - Other instructions on page 2

1. Type of Well
☐ Oil Well ☐ Gas Well ☒ Other: COAL BED METHANE

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

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

Sec 11 T30N R8W NENE 0595FNL 1085FEL
36.830444 N Lat, 107.638672 W Lon

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 type="checkbox"/> Recomplete	<input type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input checked="" 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 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 requests permission to permanently plug and abandon the subject well according to the attached procedure and current wellbore schematic.

Notify NMOCD 24 hrs
prior to beginning
operations

NMOCD
OCT 25 2018
DISTRICT III

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

Electronic Submission #439717 verified by the BLM Well Information System
For HILCORP ENERGY COMPANY, sent to the Farmington
Committed to AFMSS for processing by JACK SAVAGE on 10/24/2018 (19JWS0013SE)

Name (Printed/Typed) AMANDA WALKER

Title OPERATIONS REGULATORY TECH

Signature (Electronic Submission)

Date 10/15/2018

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By JACK SAVAGE

Title PETROLEUM ENGINEER

Date 10/24/2018

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 ****

NMOCD

PLUG AND ABANDONMENT PROCEDURE

10/2/2018

Howell Com J 301

Basin Fruitland Coal

595' FNL / 1085' FEL, Section 11, T30N, R8W, San Juan County, New Mexico

API 30-045-26896 / Lat 36.83044 /Long -107.63867

Note: All cement volumes use 100% excess outside pipe and 50' excess inside. 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 cf/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. ND wellhead and NU BOP. Function test BOP.
3. Rods: Yes X , No _____, Unknown_____.
Tubing: Yes X , No _____, Unknown_____, Size 2-3/8" , Length 3037.5'.

Packer: Yes _____, No X , Unknown_____, Type _____.

NOTE: BLM requires a CBL log to be run on all wells where the cement did not circulate to surface or a CBL log was not previously run. This procedure is prepared with the understanding that it may be modified based on the TOC from the CBL

4. **Plug #1 (Fruitland perforations and top, 2836' – 2710'):** R/T 7" gauge ring or mill to 2836' or as deep as possible. Set 7" CR at 2836'. Pressure test tubing to 800#. Circulate hole clean. ***Attempt to pressure test casing to 500#. If casing does not test then spot or tag subsequent plugs as appropriate.*** Mix and pump 35 sxs Class G cement and spot a balanced plug inside casing to isolate the Fruitland interval. PUH.
5. **Plug #2 (Kirtland and Ojo Alamo tops, 2110' – 1870'):** Mix and pump 58 sxs Class G cement and spot a balanced plug inside casing to cover through the Kirtland/Ojo Alamo tops. TOH and LD tubing.
6. **Plug #3 (9-5/8" Surface casing shoe and Nacimiento top, 462' - Surface):** Perforate 4 squeeze holes at 462'. Establish circulation out bradenhead with water and circulate the BH annulus clean. Mix approximately 165 sxs cement and pump down the 7" casing to circulate good cement out bradenhead. Shut in well and WOC.
7. ND cementing valves and cut off wellhead. Fill annuli with cement as necessary. Install P&A marker to comply with regulations. Record GPS coordinate for P&A marker on tower report. Photograph P&A marker in place. RD, MOL and cut off anchors. Restore location per BLM stipulations.

Proposed P&A
Basin Fruitland Coal

TD 3115'

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: Howell Com J 301

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. The following modifications to your plugging program are to be made:

- a) Set Plug 2 (2107 – 1816) ft. to cover the Kirtland and Ojo Alamo tops. BLM picks top of Kirtland at 2057 ft. BLM picks top of Ojo Alamo at 1866 ft.
- b) Set Plug 3 (590 – 0) ft. to cover the Nacimiento top. BLM picks top of Nacimiento at 540 ft.

Operator must run a CBL to verify cement top. Submit electronic copy of the log for verification to the following addresses: jwsavage@blm.gov Brandon.Powell@state.nm.us

You are also required to place cement excesses per 4.2 and 4.4 of the attached General Requirements.

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