

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: 7/16/2019

Well information:

**30-039-22451 CANYON LARGO UNIT #301**  
**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 Chacra Plug 2990'-2890'. OCD Chacra top: 2940'

  
NMOCD Approved by Signature

9/13/19  
Date

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENTFORM 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.  
NMSF078874

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.  
891001059C8. Well Name and No.  
CANYON LARGO UNIT 3019. API Well No.  
30-039-22451-00-S110. Field and Pool or Exploratory Area  
DEVIL'S FORK11. County or Parish, State  
RIO ARriba COUNTY, NM**SUBMIT IN TRIPLICATE - Other instructions on page 2**

1. Type of Well

☒ Oil Well ☐ Gas Well ☐ Other2. Name of Operator  
HILCORP ENERGY COMPANYContact: ETTA TRUJILLO  
E-Mail: ettrujillo@hilcorp.com3a. Address  
1111 TRAVIS STREET  
HOUSTON, TX 770023b. Phone No. (include area code)  
Ph: 505-324-5161

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

Sec 4 T24N R6W SWSW 0790FSL 0990FWL  
36.336517 N Lat, 107.478745 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 P&A the subject well per the attached procedure, current and proposed wellbore schematics and reclamation plan - Preonsite inspection conducted 7/8/19.

NMOCD

SEP 09 2019

DISTRICT III

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

Electronic Submission #473617 verified by the BLM Well Information System  
For HILCORP ENERGY COMPANY, sent to the Farmington  
Committed to AFMSS for processing by ALBERTA WETHINGTON on 07/19/2019 (19AMW0488SE)

Name (Printed/Typed) ETTA TRUJILLO

Title OPERATIONS REGULATORY TECH SR

Signature (Electronic Submission)

Date 07/16/2019

**THIS SPACE FOR FEDERAL OR STATE OFFICE USE**

Approved By JOE KILLINS

Title ENGINEER

Date 09/06/201

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 \*\***

A





HILCORP ENERGY COMPANY  
CANYON LARGO UNIT 301  
P&A NOI

JOB PROCEDURES

1. Contact **NMOCD and BLM 24 hours prior** to starting P&A operations.
2. Hold pre-job safety meeting. Verify cathodic is off. Comply with all NMOCD, BLM, and HEC safety and environmental regulations.
3. Check casing, tubing, and bradenhead pressures and record them in WellView. If there is pressure on the BH, contact Operations Engineer.
4. MIRU service rig and associated equipment; NU and test BOP.
5. TOOH w/ tubing set @ **+/- 5,252'**.
6. RIH w/ W/L and run **CBL** from **CIBP set @ +/- 5,350' to surface**. Send CBL results to **NMOCD and BLM** to determine P&A operations going forward.
7. The following P&A procedure assumes continuous cement in the 4-1/2" x 8-5/8" annulus from PBTD to 357'. P&A operations are subject to change after examining CBL results.
8. TIH w/ workstring to +/- **5,350'**.
9. **Plug #1: GALLUP PERFORATIONS AND MANCOS TOP (4,619' - 5,350', 60 Sacks of Class G Cement Total):**  
Pump a **+/- 731'** balanced cement plug (60 sacks of Class G cement (**includes 50' excess cement**) with an estimated **TOC @ +/- 4,619'** and an estimated **BOC @ +/- 5,350'**).
10. TOOH w/ tubing/work string to **+/- 3,272'**.
11. **Plug #2: MESA VERDE LEGAL TOP (3,172' - 3,272', 12 Sacks of Class G Cement Total):**  
Pump a **+/- 100'** balanced cement plug (12 sacks of Class G cement (**includes 50' excess cement**) with an estimated **TOC @ +/- 3,172'** and an estimated **BOC @ +/- 3,272'**).
12. TOOH w/ tubing/work string to **+/- 2,180'**.
13. **Plug #3: NACIMIENTO, OJO ALAMO, KIRTLAND, FRUITLAND, AND PICTURED CLIFFS TOPS (776' - 2,180', 132 Sacks of Class G Cement Total):**  
Pump a **+/- 1,404'** balanced cement plug (132 sacks of Class G cement (**includes 275' excess cement**) with an estimated **TOC @ +/- 776'** and an estimated **BOC @ +/- 2,180'**).
14. TOOH w/ tubing/work string.
15. RIH w/ W/L and shoot squeeze holes @ **+/-260'**.
16. TIH w/ tubing/work string & set cement retainer @ **+/- 210'**.
17. **Plug #4: SURFACE PLUG (0' - 260', 75 Sacks of Class G Cement Total):**  
Sting into cement retainer and squeeze cement to surface (**ensure cement returns out BH valve**) (55 sacks of Class G cement (**includes 100% excess**) with an estimated **TOC @ +/- 0'** and an estimated **BOC @ +/- 260'**). Sting out and pump a **+/- 210'** balanced cement plug (**ensure cement returns to surface**) (21 sacks of Class G cement (**includes 50' excess cement**) with an estimated **TOC @ +/- 0'** and an estimated **BOC @ +/- 260'**).
18. TOOH w/ tubing/work string.
19. 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 ENERGY COMPANY**  
**CANYON LARGO UNIT 301**  
**P&A NOI**

**CANYON LARGO UNIT 301 - CURRENT WELLBORE SCHEMATIC**

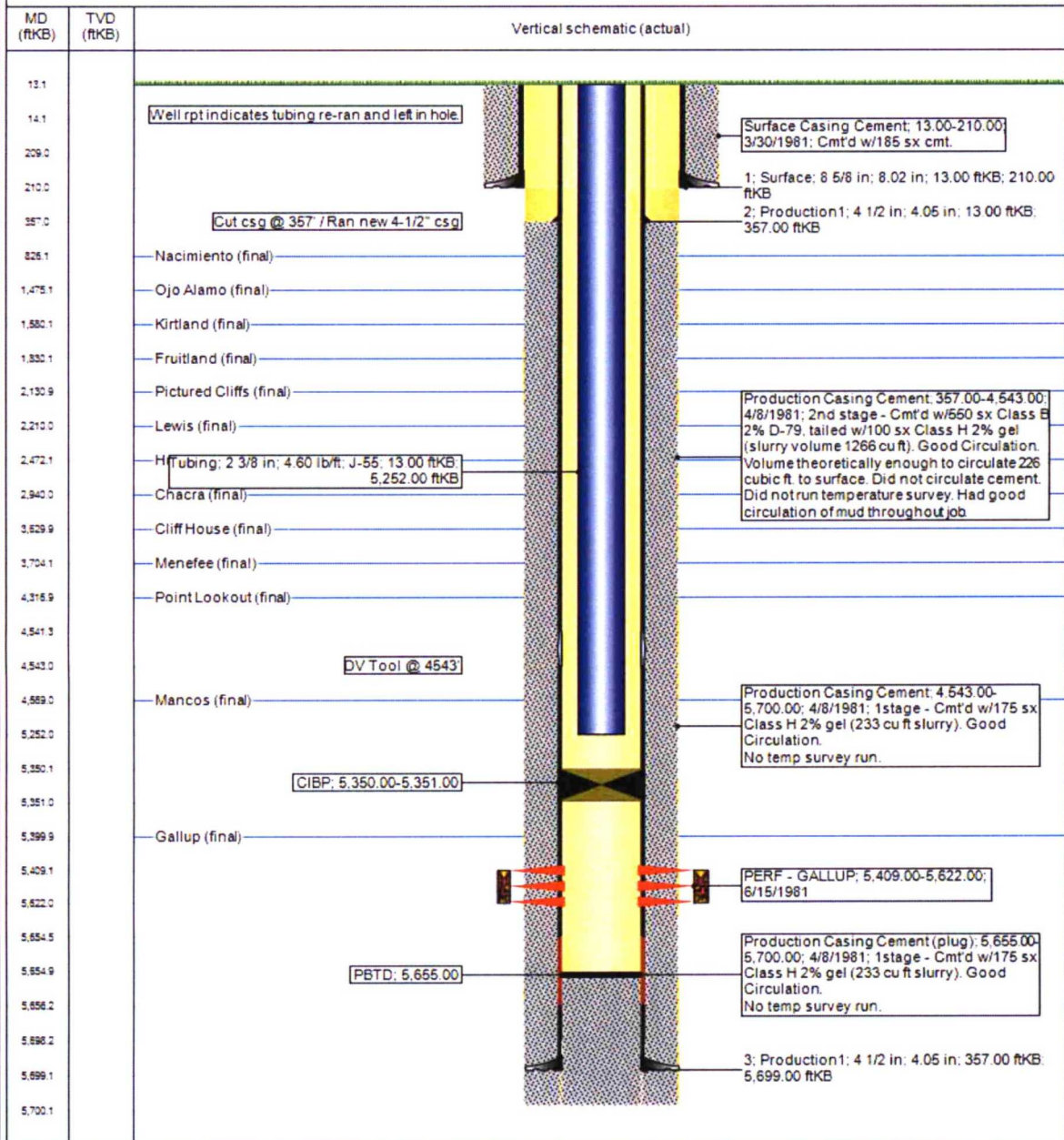


**Current Schematic - Version 3**

**Well Name: CANYON LARGO UNIT #301**

API / UWI	Surface Legal Location	Field Name	Route	State/Province	Well Configuration Type
3003922451	M-4-24N-6W		1409	NEW MEXICO	Vertical
Ground Elevation (ft)	Original KB/RT Elevation (ft)	KB-Ground Distance (ft)	KB-Casing Flange Distance (ft)	KB-Tubing Hanger Distance (ft)	
6,470.00	6,483.00	13.00			

Vertical, Original Hole, 7/12/2019 2:39:49 PM







**HILCORP ENERGY COMPANY**  
**CANYON LARGO UNIT 301**  
**P&A NOI**

**CANYON LARGO UNIT 301 - PROPOSED WELLBORE SCHEMATIC**



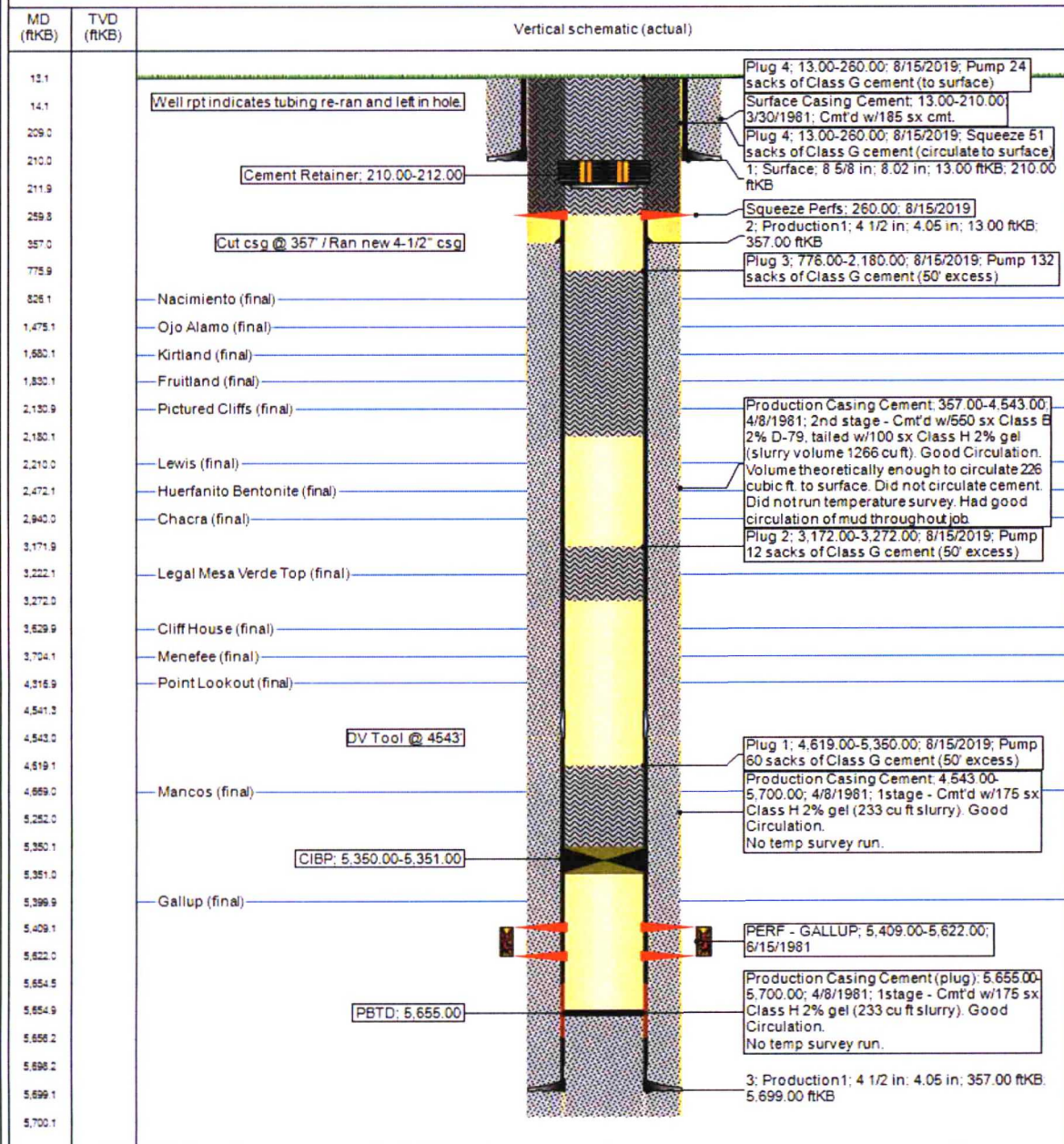
Hilcorp Energy Company

**Current Schematic - Version 3**

**Well Name: CANYON LARGO UNIT #301**

API / UWI 3003922451	Surface Legal Location M-4-24N-6W	Field Name	Route 1409	State/Province NEW MEXICO	Well Configuration Type Vertical
Ground Elevation (ft) 6,470.00	Original KB RT Elevation (ft) 6,483.00	KB-Ground Distance (ft) 13.00	KB-Casing Flange Distance (ft)	KB-Tubing Hanger Distance (ft)	

Vertical, Original Hole, 8/15/2019 1:00:00 AM



**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: Canyon Largo Unit 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. Submit electronic copy of the CBL for verification to the following addresses: [jkillins@blm.gov](mailto:jkillins@blm.gov) and [Brandon.Powell@state.nm.us](mailto: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 (3,580'-3,680') to cover Cliffhouse top at 3,630'.

**GENERAL REQUIREMENTS FOR  
PERMANENT ABANDONMENT OF WELLS ON FEDERAL AND INDIAN LEASES  
FARMINGTON FIELD OFFICE**

1.0 The approved plugging plans may contain variances from the following minimum general requirements.

1.1 Modification of the approved plugging procedure is allowed only with the prior approval of the Authorized Officer, Farmington Field Office.

1.2 Requirements may be added to address specific well conditions.

2.0 Materials used must be accurately measured. (densometer/scales)

3.0 A tank or lined pit must be used for containment of any fluids from the wellbore during plugging operations and all pits are to be fenced with woven wire. These pits will be fenced on three sides and once the rig leaves location, the fourth side will be fenced.

3.1 Pits are not to be used for disposal of any hydrocarbons. If hydrocarbons are present in the pit, the fluids must be removed prior to filling in.

4.0 All cement plugs are to be placed through a work string. Cement may be bull-headed down the casing with prior approval. Cement caps on top of bridge plugs or cement retainers may be placed by dump bailer.

4.1 The cement shall be as specified in the approved plugging plan.

4.2 All cement plugs placed inside casing shall have sufficient volume to fill a minimum of 100' of the casing, or annular void(s) between casings, plus an excess volume sufficient to provide for 50 linear feet of fill above the plug.

4.3 Surface plugs may be no less than 50' in length.

4.4 All cement plugs placed to fill annular void(s) between casing and the formation shall be of sufficient volume to fill a minimum of 100' of the annular space plus 100% excess, calculated using the bit size, or 100' of annular capacity, determined from a caliper log, plus an excess volume sufficient to provide for 50 linear feet of fill above the plug.

4.5 All cement plugs placed to fill an open hole shall be of sufficient volume to fill a minimum of 100' of hole, as calculated from a caliper log, plus an excess volume sufficient to provide for 50 linear feet of fill above the plug. In the absence of a caliper log, an excess of 100% shall be required.

**4.6 A cement bond log or other accepted cement evaluation tool is required to be run if one had not been previously ran or cement did not circulate to surface during the original casing cementing job or subsequent cementing jobs.**



5.0 All cement plugs spotted across, or above, any exposed zone(s), when; the wellbore is not full of fluid or the fluid level will not remain static, and in the case of lost circulation or partial returns during cement placement, shall be tested by tagging with the work string.

- 5.1 The top of any cement plug verified by tagging must be at or above the depth specified in the approved plan, without regard to any excess.
- 5.2 Testing will not be required for any cement plug that is mechanically contained by use of a bridge plug and/or cement retainer, if casing integrity has been established.
- 5.3 Any cement plug which is the only isolating medium, for a fresh water interval or a zone containing a prospectively valuable deposit of minerals, shall be tested by tagging.
- 5.4 If perforations are required below the surface casing shoe, a 30 minute minimum wait time will be required to determine if gas and/or water flows are present. If flow is present, the well will be shut-in for a minimum of one hour and the pressure recorded. Short or long term venting may be necessary to evacuate trapped gas. **If only a water flow occurs with no associated gas, shut well in and record the pressures. Contact the Engineer as it may be necessary to change the cement weight and additives.**

6.0 Before setting any cement plugs the hole needs to be rolled. All wells are to be controlled by means of a fluid that is to be of a weight and consistency necessary to stabilize the wellbore. This fluid shall be left in place as filler between all plugs.

- 6.1 Drilling mud may be used as the wellbore fluid in open hole plugging operations.
- 6.2 The wellbore fluid used in cased holes shall be of sufficient weight to balance known pore pressures in all exposed formations.

7.0 A blowout preventer and related equipment (BOPE) shall be installed and tested prior to working in a wellbore with any exposed zone(s); (1) that are over pressured, (2) where the pressures are unknown, or (3) known to contain H<sub>2</sub>S.

8.0 Within 30 days after plugging work is completed, file a Sundry Notice, Subsequent Report of Abandonment (Form 3160-5), five copies, with the Field Manager, Bureau of Land Management, 6251 College Blvd., Suite A, Farmington, NM 87402. The report should show the manner in which the plugging work was carried out, the extent, by depth(s), of cement plugs placed, and the size and location, by depth(s), of casing left in the well. Show date well was plugged.

9.0 All permanently abandoned wells are to be marked with a permanent monument as specified in 43 CFR 3162.6(d). Unless otherwise approved.

10.0 If this well is located in a Specially Designated Area (SDA), compliance with the appropriate seasonal closure requirements will be necessary.

All of the above are minimum requirements. Failure to comply with the above conditions of approval may result in an assessment for noncompliance and/or a Shut-in Order being issued pursuant to 43 CFR 3163.1. You are further advised that any instructions, orders or decisions issued by the Bureau of Land Management are subject to administrative review pursuant to 43 CFR 3165.3 and appeal pursuant to 43 CFR 3165.4 and 43 CFR 4.700.