

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: 1/8/2020

Well information:

30-045-22565 UTE INDIANS A #010

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.

In additions to the plugs approved by BLM, add the following:

- Add a Mancos plug 724'-558' (combining with the casing shoe plug). OCD Mancos pick @ 674'.
- Extend Plug #4 to 2525'-2350' to cover the Morrison top. OCD Morrison pick @ 2475'.
- Add a Chinle plug 4120'-4020'. OCD Chinle pick @ 4070'.
- Add a Hermosa plug 6620'-6520'. OCD Hermosa pick @ 6570'.


NMOCD Approved by Signature

1/15/20
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.
1420604626. If Indian, Allottee or Tribe Name
UTE MOUNTAIN UTE

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

SUBMIT IN TRIPLICATE - Other instructions on page 28. Well Name and No.
UTE INDIANS A 101. Type of Well
☐ Oil Well ☒ Gas Well ☐ Other2. Name of Operator
HILCORP ENERGY COMPANYContact: PRISCILLA SHORTY
E-Mail: pshorty@hilcorp.com9. API Well No.
30-045-22565-00-S13a. Address
1111 TRAVIS STREET
HOUSTON, TX 770023b. Phone No. (include area code)
Ph: 505-324-518810. Field and Pool or Exploratory Area
UTE DOME

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

Sec 36 T32N R14W NWSE 1760FSL 1820FEL

11. County or Parish, State

SAN JUAN 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 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 Company requests permission to plug and abandon the subject well. Please see the attached procedure, current and proposed schematics. A closed loop system will be used.

****This is a RUSH project****

NMOC**JAN 10 2020****DISTRICT III**

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

**Electronic Submission #498378 verified by the BLM Well Information System
For HILCORP ENERGY COMPANY, sent to the Durango
Committed to AFMSS for processing by BARBARA TELECKY on 01/08/2020 (20BDT0075SE)**

Name (Printed/Typed) PRISCILLA SHORTY

Title OPERATIONS REGULATORY TECH SR

Signature (Electronic Submission)

Date 01/08/2020

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By JOHN PECOR

Title MINERALS STAFF CHIEF

Date 01/09/2020

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 Durango

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 ENERGY COMPANY
UTE INDIANS A 10
NOTICE OF INTENT TO PERMANENTLY ABANDON

API #:

3004522565

JOB PROCEDURES

1. MIRU service rig and associated equipment
2. Load well, ND tree, NU BOPs and test
3. PU rental workstring and RIH.
4. Install plugs per the attached plugging procedure
5. ND BOPs, NU dry hole tree. RDMO.



HILCORP ENERGY COMPANY
UTE INDIANS A 10
NOTICE OF INTENT TO PERMANENTLY ABANDON

PLUGGING PROCEDURE



Family owned, founded in 1983 with Aztec Well Servicing Co.



Hilcorp Energy Company
Plug & Abandon Procedure
January 8, 2020

Well:	Ute Indians A #10	API:	30-045-22565
Location:	1760' FSL & 1820' FEL	Field:	Ute Dome Paradox
Sec, T, R:	Sec 16, 32N R14W	Elevation:	GL: 6198'
Cnty/State:	San Juan, New Mexico		
Lat/Long:	36.9420509, -108.2560654	By:	Aztec Well Servicing

Objective:

Permanently plug & abandon the well from 8046' to surface containing 7 cement plugs.

Note:

All cement volumes use 100% excess outside casing and 50' excess inside pipe.
Stabilizing wellbore fluid will be 8.3 ppg, sufficient to balance all exposed formation pressures.
All cement will be ASTM Class G neat yield or equivalent. If casing pressure tests tagging plugs will not be required.

Prior to Rig:

1. Notify state agencies 24 hours prior to starting work.
2. Note: verify all cement volumes based on actual slurry to be pumped.
3. See attached COA's from BLM & NMOCD.

Procedure:

1. TIH open ended to 7520'.
2. Load hole and pressure test casing to 500 psi. If casing does not test, then spot or tag subsequent plugs as appropriate. WOC to be determined on pressure test.
3. **Plug 1: 7520' – 7368' (Perfs: 8008'-7567', Paradox Top:7522', Liner Top:7418')** Mix 18 sacks Class G cement and spot a balanced plug on top of existing permanent bridge plug to cover the Perfs, Paradox top and Liner top. PU and reverse circulate tubing clean.
4. LD tubing to 5134'
5. **Plug 2: 5134' – 5034' (Cutler Top: 5084')** Mix 18 sacks Class G cement and spot a balanced plug to cover the Cutler top. PU and reverse circulate tubing clean.
6. LD tubing to 3666'.
7. **Plug 3: 3666' – 3566' (Entrada Top: 3616')** Mix 18 sacks Class G cement and spot a balanced plug to cover the Entrada top. PU and reverse circulate tubing clean.
8. LD tubing to 2450'.
9. **Plug 4: 2450' – 2350' (Dakota Top: 2400')** Mix 18 sacks Class G cement and spot a balanced plug to cover the Dakota top. PU and reverse circulate tubing clean.
10. LD tubing to 1750'.
11. **Plug 5: 1750' – 1650' (Gallup Top: 1700')** Mix 18 sacks Class G cement and spot a balanced plug to cover the Gallup top. PU and reverse circulate tubing clean.
12. LD tubing to 658'.



HILCORP ENERGY COMPANY
UTE INDIANS A 10
NOTICE OF INTENT TO PERMANENTLY ABANDON

PLUGGING PROCEDURE CONT'D

THE AZTEC WELL FAMILY

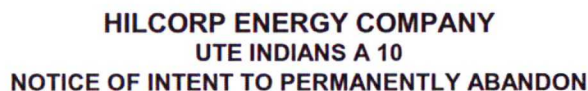
Family owned & operated. Works with Aztec Well Servicing Co.



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13. **Plug 5: 658' - 558' (Shoe @ 608')** Mix 18 sacks Class G cement and spot a balanced plug to cover the shoe. PU and reverse circulate tubing clean.
14. LD tubing to 100'.
15. **Plug 6: 100' - surface** Mix 20 sacks Class G cement and spot a plug to cover surface, circulate good cement to surface.
16. LD rest of tubing.
17. ND BOP and cut off wellhead below surface casing flange per regulation. Top off w/cement if needed. Install P&A marker with cement to comply with regulations. RD, MOL and cut off anchors. Restore location per BLM stipulations.



WELLBORE DIAGRAM - CURRENT

Schematic - Current

Well Name: UTE INDIANS A #10

API / UN# 3004522565	Surface Legal Location T32N-R14W-S36	Field Name Ute Dome Paradox	License No.	State/Province New Mexico	Well Configuration Type Vertical
Original KB/RT Elevation (ft) 6,211.00	KB-Ground Distance (ft) 13.00	Original Spud Date 8/23/1977 00:00	Rig Release Date 9/17/1977 00:00	PRD/AI (ft) (KB) Original Hole - 8,046.0	Total Depth AI (TVD) (ft) (KB)

Most Recent Job

Job Category	Primary Job Type	Secondary Job Type	Actual Start Date	End Date
Expense Workover	TEMPORARY ABANDON		1/2/2020	

TD: 8,555.0

Vertical, Original Hole, 1/7/2020 4:56:03 PM

MD (ftKB)	TVD (ftKB)	Vertical schematic (actual)
13.1		Surface Casing Cement, 13.00-608.00; 8/25/1977
607.9		Cement, 13.00-2,289.00; 9/17/1977
2,289.0		Cement Squeeze, 2,298.00-2,304.00; 12/16/1977
2,291.0		Production Casing Cement, 2,304.00-7,870.00; 9/17/1977; loc unknown
2,297.9		Hydraulic Fracture; 12/19/1977; **** XTO StimTreat data ****
2,304.1		Top Perf (ftKB): 7567 Bottom Perf (ftKB): 8008 Top Perf TVD (ftKB): 5 Min (psi): 10 Min (psi): 15 Min (psi): Frac Interval TVD (ftKB): Initial Frac Gradient: AIR (bbl/min): MIR (bbl/min): SICP (psi): Breakdown Pressure (psi): Ball Seat ?: Designed Water (bbl): Total Water Pumped (bbl): Proppant Type: Total Proppant (lb): Flush Volume (bbl): % Pad (%): Surfactant Type: Surfactant Volume (gal): Surfactant Average Concentration: Bactericide Type: Bactericide Volume (gal): Bactericide Average Concentration: Liner Casing Cement; 7,418.00-8,546.00; 12/2/1977
7,418.0		Hole in Csg: 2,298.00-2,304.00
7,520.0		4" CIBP: 7,520.00-7,523.00
7,523.0		
7,566.9		
7,702.1		Perforated; 7,567.00-8,008.00; 12/14/1977
7,801.8		
7,803.1		
7,804.1		Re-Perforated; 7,702.00-7,970.00; 9/10/1991
7,870.1		2; Production; 5 1/2 in; 5.01 in; 13.00 ftKB; 7,870.00 ftKB
7,970.1		
8,007.9		
8,045.9		PBTD: 8,046.00 4" CIBP: 8,046.00-8,049.00
8,048.9		
8,182.1		
8,331.0		Perforated; 8,182.00-8,480.00; 12/7/1977
8,412.1		
8,444.9		Fish: 8,331.00-8,517.00
8,480.0		Perforated; 8,445.00-8,480.00; 12/6/1977
8,517.1		
8,545.9		3; Liner; 4 in; 3.55 in; 7,418.00 ftKB; 8,546.00 ftKB
8,555.1		



HILCORP ENERGY COMPANY
UTE INDIANS A 10
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WELLBORE DIAGRAM - PROPOSED

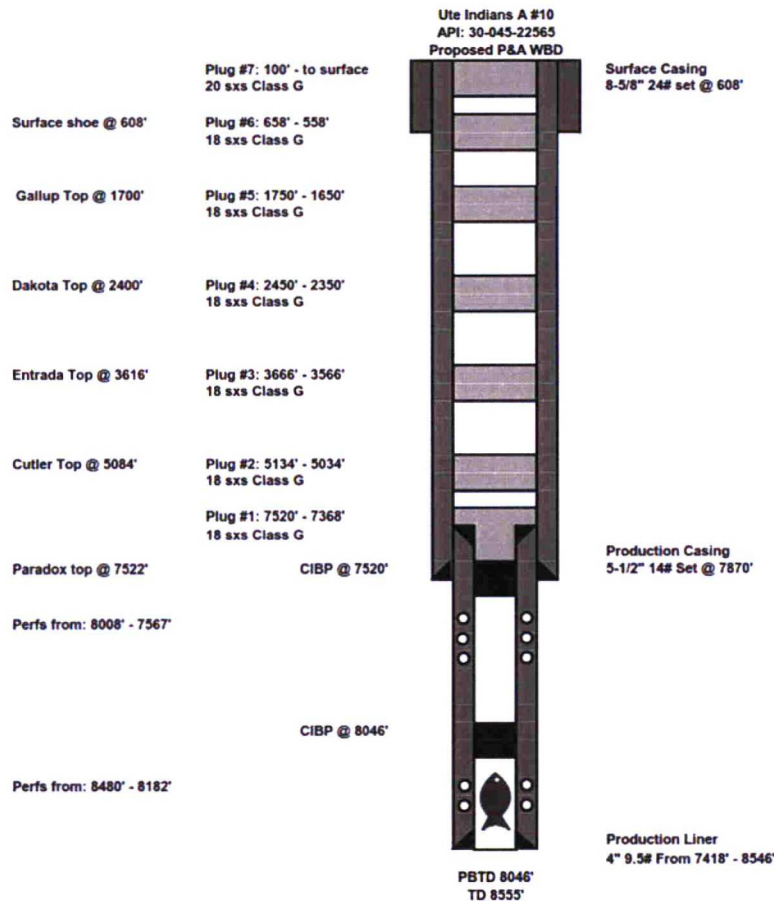


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By: Aztec Well Servicing



Hilcorp Energy Company
Ute Indian A-10
API: 30-045-22565
NWSE 36-T32N-R14W
San Juan County
New Mexico

CONDITIONS OF APPROVAL FOR NOIA SUNDRY DATED 010620

1. BLM to be notified 48 hrs prior to the start of plugging operations during normal business hours (8:00 am to 4:30 pm).
2. Fluid between plugs will be at least 8.3 lb/gal and **corrosion inhibited**.
3. **Plug #4 volume to be increased 2X (36 sx) to insure coverage of squeeze hole and DV tool at 2287'.**
4. **Plug #6: Perforate approximately 25'-50' below casing shoe at 608' and attempt to squeeze cement to surface. If circulation cannot be established place a balance plug from 50' below squeeze perforations to 558'. Plug #7 to be place as stated.**
5. **Operator may also opt to place a continuous balance plug from 50' below Plug #6 squeeze perforation to surface and eliminate Plug #7.**
6. Third party contractors are to be aware of these conditions of approval and adhere to them.
7. No changes are to be made to this approved Sundry without prior approval from the BLM.
8. A Subsequent Report Sundry Notice (Form 3160-5) must be submitted within 30 days after plugging operations are complete.

Reclamation Procedures:

This approval is for the completion of the downhole plugging portion of the well only. Surface reclamation must be completed, weed free vegetation established, and site accepted by the BIA prior to closure and bond release.

To help ensure reclamation expectations are understood between all parties, please contact Jennifer Jardine at (970)385-1242 to schedule a field meeting at the location to discuss reclamation procedures. This meeting should take place well in advance of any reclamation earthwork.